

**TOWN COUNCIL MEETING  
APRIL 10, 2023  
7:00 P.M.**

**Present**

Mayor:	Roy M. Gladding
Vice Mayor:	Anita J. Latane
Council Members:	Kay Carlton
	Carolyn Barrett
	Fleet Dillard
	Kenneth A. Gillis
	Troy L. Balderson
Town Manager:	Eric Pollitt
Town Clerk:	Patsy K. Scates
Chief of Police:	James G. Ashworth, Jr.

**Absent**

Town Attorney:	Diane M. Lank
----------------	---------------

**Visitors:**

Keith Hodges	Raymond Whitaker
R.T. Taylor Davenport	

Mayor Gladding called the meeting to order.

CALLED TO ORDER

On motion of Troy L. Balderson, seconded by Anita J. Latane, Council voted unanimously to approve the March 13, 2023 Town Council Work Session Meeting Minutes, March 13, 2023 Public Hearing Meeting Minutes and the March 13, 2023 Regular Council Meeting Minutes.

MINUTES  
APPROVED

**Votes were cast as follows:**

Kay Carlton:	Aye	Kenneth A. Gillis:	Aye
Carolyn Barrett:	Aye	Troy L. Balderson:	Aye
Fleet Dillard:	Aye	Anita J. Latane:	Aye

Mayor Gladding recognized Council Member Gillis and he asked if he had anything to add to the Water and Sewer Report.

Council Member Gillis did not have anything to add.

COMMITTEE REPORTS

The following is the Water and Sewer Report:

**Wastewater Treatment Plant 3-2023**

WATER/SEWER  
REPORT

-Average daily effluent flow at the plant was 0.335 MGD for a total of 10,393,000 gallons being treated in March.

-Nutrient testing results at time of writing are all within our permitted limits.

-Water usage reports were submitted to VDH on 4-3-2023 with a total of 7,880,000 gallons of water being in town in March. 2023 Q1 Groundwater Withdrawal Reports submitted to DEQ on 4-3-2023.

-Wastewater Treatment Plant had a DEQ inspection in March. The inspection report was free of any actions required or need for response.

-Treatment Plant yearly calibrations for flow meters, probes, and SCADA will all be performed in April.

**Public Works 3-2023**

-Leak at 713 Deshields Street

-Leak at Lot 58 Essex Mobile Home Park

-Sewer blockage between Hoskins Creek Drive and Ware Avenue

Mayor Gladding recognized Council Member Balderson and asked if he had anything to add to the Public Facilities report.

Council Member Balderson stated that we are happy to hear about the Boating Infrastructure (BIG) Grant. He has nothing else to report at this time.

The following is the Public Facilities Report:

**April Public Facilities Report**

PUBLIC FACILITIES REPORT

The Town of Tappahannock is pleased to announce that the Town is a recipient of a \$1.3 million grant award from the Boating Infrastructure (BIG) Grant. These funds will support the development of a new waterfront park, Hoskins Creek Park, located along Highway 17 in downtown Tappahannock. Hoskins Creek Park will appease the communities desire for direct water access.

Mayor Gladding asked if Council Member Carlton or Vice Mayor Latane would like to report on the Tappahannock Main Street.

Vice Mayor Latane reported that the first Farmers Market will be Saturday, April 15, 2023, from 9:00 a.m. to 1:00 p.m. She reported that the Tappahannock Main Street is always looking for volunteers.

Mayor Gladding recognized Vice Mayor Latane.

Vice Mayor Latane reported that she had met with Town Manager Pollitt and reviewed the financial report. She reported that the Town is in a good financial position.

Mayor Gladding asked for any comments or questions.

On motion of Carolyn Barrett, seconded by Kay Carlton, Council voted unanimously to approve the financial report for the month of March 2023. FIN

FINANCIAL REPORT APPROVED

**Votes were cast as follows:**

Kay Carlton:	Aye	Kenneth A. Gillis:	Aye
Carolyn Barrett:	Aye	Troy L. Balderson:	Aye
Fleet Dillard:	Aye	Anita J. Latane:	Aye

Mayor Gladding recognized Town Manager Pollitt and asked if he had anything to add to the Town Manager Report.

Town Manager Pollitt reported that the Town had been awarded the \$1.3 million dollar Boating Infrastructure Grant and a public announcement will be released. He thanked HB and the Middle Peninsula Planning District Commission for helping the Town get the grant. He reported that improvements are being made to the Tappahannock Main Street building and the Town has reached out to a company about scheduling converting the tennis courts into pickleball courts and hopefully that will be in early May.

The following is the Town Manager's Report.

**Town Manager Report 4/10/2023**

TOWN MANAGER REPORT

The Town heard back on its Boating Infrastructure Grant application for Hoskins Creek. Tappahannock will receive \$1,321,950 in U.S. Fish and Wildlife federal grant funds for the project. These funds will go towards the development of transient boating amenities such as concrete floating docks, fuel station, and restrooms. The Town will be required to match \$598,696 for the total project cost of \$1,814,229. The earliest construction is expected to start on this phase of the project is Spring of 2024.

The Tappahannock Main Street (TMS) building will start to have exterior improvements beginning this month. The building will receive replacement siding, windows, trim, shutters, and doors. Landscape work will be performed along with removal of unsightly trees and plants in the backyard.

We reached out to Tennis Courts Inc. out of Aylett to schedule converting the existing two rear courts into 3 pickleball courts. The front single tennis court will remain tennis with pickleball lines painted on it. Closer we get to the start date we will make an announcement.

The 'Wharf Lot' survey from Mike Wind was sent to Mat Terry to being finalizing the deed.

Staff is working on launching the customer portal for utility system. This is expected to take place later in April. Once the portal is live, we will make a big announcement to let customers know. Staff is discussing dates to host at least two informational training sessions at town hall for customers to attend and learn

more about the benefits of the portal. One training will take place during the day and one in the evening. Staff will present the portal features at the May Council meeting.

Mayor Gladding recognized Connie Dalton and asked if she had anything to add to the Community Development Report. COMMUNITY DEVELOPMENT REPORT

Connie Dalton reported that she has been included in attending the local Essex Chamber of Commerce and Tappahannock Main Street meetings and share on their collaborated efforts. She reported that Downtown Revitalization plan has been finalized and on May 8, 2023 the consultants will come and present to you and the Planning Commission members have also been invited. She asked the council members if they had any questions.

Council Member Dillard asked about the new business that she had listed in her report.

There was some discussion.

Council Member Dillard asked Connie Dalton if the council members could get a copy of the Downtown Realization Report to review before the meeting.

Connie Dalton stated that she could send it out this week if the council would like. She reported that the Downtown Revitalization report has been finalized but there is one appendix that the consultants are working on but most of the document is in a form that you can be reviewing.

There was some discussion.

Mayor Gladding recognized Delegate Keith Hodges.

Delegate Keith Hodges stated that there have been some committee changes and he discussed what committees he served on. He reported that his goal is to not let any unfunded mandates go through the committee. He reported that the session adjourned on February 25, 2023, but they typically deal with over 3,000 bills in a short session and a 45-day period. They also work on the budget and amendments to the budget that was passed in previous years because expenditures, priorities, governors and house and senate representatives change. He stated that they have until June 30<sup>th</sup> to get the budget passed and that is important for our localities and the schools. He discussed the budget and economic development. DELEGATE KEITH HODGES ADDRESSING COUNCIL

Delegate Keith Hodges reported that he is trying to navigate through trying to find a way to bring down the cost of coverage and our cost of premiums for localities and our school system.

Delegate Keith Hodges discussed how our greatest asset is water. He discussed a bill about living shorelines and how other structural materials can be used.

Delegate Keith Hodges discussed the blue catfish and how they are very invasive fish that eat everything but are very good to eat. He discussed the issues with processing the fish.

Delegate Keith Hodges discussed the redistricting in Virginia and that the 19<sup>th</sup> district will be known as the 68<sup>th</sup> district and some of the issues associated with that.

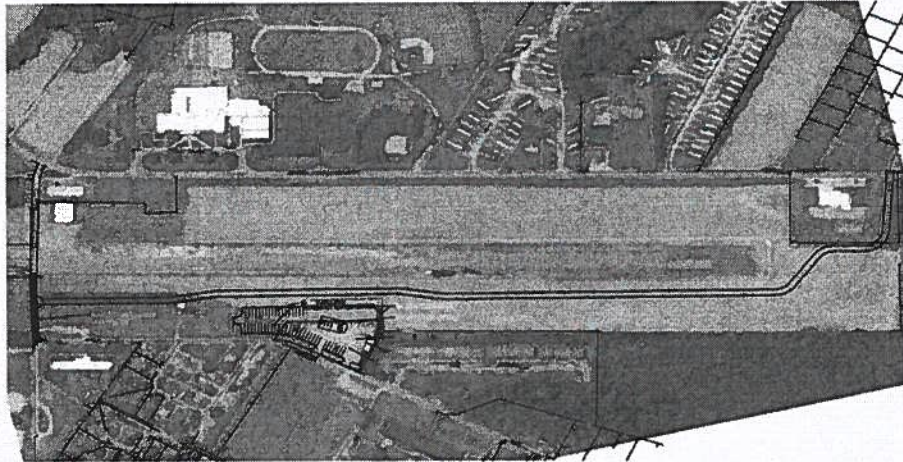
Delegate Keith Hodges asked for any comments or questions.

There were none.

Mayor Gladding recognized Town Manager Pollitt. MAINTENANCE FACILITY RECOMMENDATION

Town Manager Pollitt presented the members of the Town Council a map of the proposed site of the Town owned property next to the school's maintenance facility at Marsh Street. He reported that he is following up from a discussion that happened several months ago. He reported that the Essex County School System and Essex County were working together trying to build a new joint maintenance facility for them to share and they wanted us to join them and help them pay for the facility and we concluded that would not be the best option for us at that time, but we would take a look at maybe doing some sort of adjustment for them for their expansion.

Town Manager Pollitt discussed the boundary lines and he showed the proposed expansion in red on the map.



Town Manager Pollitt stated that according to the Town’s engineer’s and their engineers it was felt most appropriate to expand the property boundary lines in the red that will do two things, one give them the necessary room they need for future growth and second to keep the flexibility of the property to develop this into a future industrial park.

Town Manager Pollitt asked for any questions.

Council Member Carlton asked if the Town was giving Essex County the land.

Town Manager Pollitt stated that would be a decision that the Council Members would need to make.

Council Member Carlton asked if the proposal was to give Essex County the land.

Town Manager Pollitt stated that he is looking for approval for the plan as presented. He stated that whether the Council Members decide to give them the land or lease it that would be a separate issue.

There was some discussion.

On motion of Troy L. Balderson, seconded by Anita J. Latane, Council voted to approve the draft of the proposed map of the Town owned property next to the school’s maintenance facility at Marsh Street as presented and allow Town Manager Pollitt to continue to move forward with working with Essex County Schools and Essex County.

**Votes were cast as follows:**

Kay Carlton:	Aye	Kenneth A. Gillis:	Aye
Carolyn Barrett:	Aye	Troy L. Balderson:	Aye
Fleet Dillard:	Aye	Anita J. Latane:	Aye

Mayor Gladding stated that Council should consider the adoption of the resolution authorizing the sale of the general obligation bond series 2023 in an aggregate principal amount not to exceed \$2,250,000 and the execution and delivery of certain documents prepared in connection therewith.

On motion of Fleet Dillard, seconded by Troy L. Balderson, Council voted unanimously to adopt the following resolution.

**Votes were cast as follows:**

Kay Carlton:	Aye	Kenneth A. Gillis:	Aye
Carolyn Barrett:	Aye	Troy L. Balderson:	Aye
Fleet Dillard:	Aye	Anita J. Latane:	Aye

COUNCIL VOTED TO APPROVE PROPOSED MAP OF PROPOSED PROPERTY NEXT TO SCHOOL'S FACILITY ON MARSH STREET TO ALLOW MANAGER TO MOVE FORWARD

COUNCIL ADOPTS RESOLUTION OF TOWN COUNCIL AUTHORIZING THE ISSUANCE AND SALE OF ITS GENERAL OBLIGATION BOND SERIES 2023 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,250,000 AND THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS PREPARED IN CONNECTION THEREWITH

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF TAPPAHANNOCK, VIRGINIA, AUTHORIZING THE ISSUANCE AND SALE OF ITS GENERAL OBLIGATION BOND, SERIES 2023 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,250,000, AND THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS PREPARED IN CONNECTION THEREWITH**

**WHEREAS,** the Town of Tappahannock, Virginia (the “Town”), has determined that

it is advisable and in the interest of the Town to finance property acquisition for public purposes and certain parks and recreation facilities, including planning, designing, siting, landscaping, constructing and equipping a community parks and recreation area on approximately three acres of Town property, which will include playground equipment, multiple picnic pavilions, entertainment structures and covers, restroom facilities, and related administrative and financing costs ("the Project"); and

**WHEREAS**, the Town intends to finance the Project through the issuance of its general obligation bond under such terms, limitations and conditions as set forth in this Resolution; and

**WHEREAS**, the Council has previously retained the financial advisory services of Davenport & Company LLC, which thereafter solicited proposals from banks and other lending institutions to purchase the Town's bond and loan funds for the Project; and

**WHEREAS**, the Town received a proposal from Citizens And Farmers Bank (the "Lender") to purchase the Bond and loan funds for the Project; and

**WHEREAS**, after such solicitation, staff recommends the proposal from the Lender for the loan and the sale of the Town's general obligation bond to the Lender in accordance with the terms of a Bond Purchase and Loan Agreement between the Lender and the Town (the "Agreement"), the form of which has been presented to this meeting;

**BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF TAPPAHANNOCK, VIRGINIA:**

**1. Issuance of Bond and Use of Proceeds.** After duly holding a public hearing pursuant to the Constitution of the Commonwealth of Virginia and the Public Finance Act of 1991, as amended (the "Public Finance Act"), Title 15.2, Chapter 26 of the Code of Virginia of 1950, as amended (the "Virginia Code") and without regard to any requirements or restrictions contained in any charter or special act of the Town, the Council hereby authorizes the issuance and sale of a general obligation bond of the Town in an aggregate principal amount set forth below, together with other monies of the Town, to provide funds to finance the Project.

**2. Authorization of Bond Purchase Agreement.** The form of the Bond Purchase and Loan Agreement (the "Agreement") submitted to this meeting is hereby approved. The Mayor, Vice-Mayor and the Town Manager (each an "Authorized Signatory"), are authorized to

execute the Agreement in substantially such form, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by such official, whose approval shall be evidenced conclusively by the execution and delivery thereof. The issuance and sale of the bond to the Lender shall be upon the terms and conditions of the Agreement. The proceeds of such bond shall be applied in the manner set forth in the Agreement. All capitalized terms used but not otherwise defined herein shall have the same meaning as set forth in the Agreement.

**3. Bond Details.** The bond shall be issued as a single, fully registered bond, shall be designated "General Obligation Bond, Series 2023" (the "Bond"), shall be numbered R-1, and shall be in substantially the form of Exhibit A to this Resolution as hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing such Bond. The Council authorizes the issuance and sale of the Bond on such terms as shall be satisfactory to the Authorized Signatory; provided however, that the Bond (a) shall be in a principal amount not to exceed \$2,250,000; (b) shall mature no later than December 31, 2043; and (c) shall bear interest on the outstanding principal balance thereof at a rate of interest approved by the Authorized Signatory, with such rate to not exceed 3.99% (provided that default interest may be payable at a rate in excess thereof as provided in the Agreement and the rate may adjust as provided in the Bond and the Agreement), shall accrue certain other ongoing costs and expenses upon the terms and conditions described in the Agreement. As set forth in the Agreement, the Town agrees to pay any applicable late payment or similar costs and expenses described therein. Subject to the preceding terms, the Council further authorizes the Authorized Signatory to determine the final terms, purchase price, initial interest rate, interest rate adjustment provisions, maturity date, and amortization schedule of the Bond. No further action shall be necessary on the part of the Town so long as such provisions are within the limits prescribed in this Resolution.

**4. Payment and Redemption Provisions.** The principal of and premium, if any, and interest on the Bond shall be payable as set forth in the Bond and the Agreement. The Bond

shall be subject to redemption on the terms set forth in the related Agreement. The principal of and premium, if any, and interest on the Bond shall be payable via wire transfer in lawful money of the United States of America, without presentation or surrender.

**5. Execution and Form of Bond.** The Bond shall be signed by the Mayor or Vice- Mayor and the Town's seal shall be affixed thereon and attested by the Clerk or Deputy Clerk of the Town. The Bond shall be issued as a typewritten bond in substantially the form of Exhibit A, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the Authorized Signatory, whose approval shall be evidenced conclusively by the execution and delivery of the Bond.

**6. Pledge of Full Faith and Credit.** The full faith and credit of the Town are hereby irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bond. Unless other funds are lawfully available and appropriated for timely payment of the Bond, the Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the Town sufficient to pay when due the principal of and premium, if any, and interest on the Bond.

**7. Preparation of Printed Bond; Mutilated or Destroyed Bond.** The printed Bond may be executed by manual or facsimile signature of the Mayor or Vice-Mayor, the Town's seal affixed thereto and attested by the Clerk or Deputy Clerk of the Town; provided, however, that if both such signatures are facsimiles, the bond shall not be valid until it has been authenticated by the manual signature of the Registrar and the date of authentication noted thereon. If the Bond has been mutilated, lost or destroyed, the Town shall execute and deliver a new bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond; provided, however, that the Town shall so execute and deliver only if the registered owner has paid the reasonable expenses and charges of the Town in connection therewith and, in the case of a lost or destroyed Bond has filed with the Town an affidavit reasonably satisfactory to the Town that such Bond was lost or destroyed. The Bond surrendered in any such exchange shall be canceled.

**8. Registration and Transfer of the Bond.** The Town appoints the Town Treasurer as registrar (the "Registrar") for the Bond and shall maintain registration books for the registration and registration of any transfer of the Bond. Upon surrender of the Bond at the office of the Registrar, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be reasonably satisfactory to the Registrar, the Town shall execute, and the Registrar shall authenticate and deliver in exchange, a new Bond or bonds having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rates and registered in such name as requested by the then registered owner or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person or entity exclusively entitled to payment of principal, interest and premium, if any, and the exercise of all other rights and powers of the owner, except that regular installments shall be paid to the person or entity shown as owner on the registration books on the fifteenth day of the month preceding each payment date.

**9. Delivery of Bond.** The Mayor or Vice-Mayor and Clerk of the Town are authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with its terms and to deliver it to the Lender thereof as set forth in the Agreement.

**10. Tax Provisions.** The Town covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the "Code"), or otherwise cause interest on the Bond to be includable in the gross income of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the Town shall comply with any provision of law that may require the Town at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bond from being included in the gross income for federal income tax purposes of the registered owners thereof under existing law. The Town shall pay any such required rebate from legally

available funds. The Authorized Signatories, either of whom may act, are authorized to execute a Tax Compliance Agreement or any related document (the "Tax Documents") on behalf of the Town, setting forth the expected use and investment of the proceeds of the Bond and covenants of the Town regarding compliance with provisions of the Code governing obligations the interest on which is excluded from gross income for purposes of federal income taxation. Further, the Town covenants that it shall at all times conduct or cause to be conducted the use of, or the expenditure of, the proceeds from the issuance of the Bond so as not to permit more than the five percent (5%) for Nonexempt Uses, as that term is used in the Section 141 of the Code.

**11. Bank-Qualification Designation.** The Town designates the Bond as a "qualified tax-exempt obligation" for the purpose of Section 265(b)(3) of the Code. The Town represents and covenants as follows:

(a) The Town will in no event designate more than \$10,000,000 of obligations as qualified tax-exempt obligations in calendar year 2023, including the Bond, for the purpose of such Section 265(b)(3);

(b) The Town, all its "subordinate entities," within the meaning of such Section 265(b)(3), and all entities which issue tax-exempt obligations on behalf of the Town and its subordinate entities have not authorized, in the aggregate, more than \$10,000,000 of tax-exempt obligations to be issued in calendar year 2023 (not including "private activity bonds," within the meaning of Section 141 of the Code, other than "qualified 501(c)(3) bonds," within the meaning of Section 145 of the Code), including the Bond;

(c) Barring circumstances unforeseen as of the date of delivery of the Bond, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of such other entities if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued by the Town and such other entities in calendar year 2023, result in the Town and such other entities having issued a total of more than \$10,000,000 of tax-exempt obligations in calendar year 2023 (not including private activity bonds other than qualified 501(c)(3) bonds), including the Bond; and

(d) The Town has no reason to believe that the Town and such other entities will issue tax-exempt obligations in calendar year 2023 in an aggregate amount that will exceed such \$10,000,000 limit;

provided, however, that if the Town receives an opinion of nationally recognized bond counsel that compliance with any covenant set forth in (a) or (c) above is not required for the Bond to be a qualified tax-exempt obligation, the Town need not comply with such covenant.

**12. Tax and Other Documents.** Each of the Authorized Signatories are authorized and directed to execute and deliver an IRS Form 8038-G in a form approved by such officers and the Town's bond counsel.

**13. Election to Apply Public Finance Act.** Pursuant to Section 15.2-2601 of the Virginia Code, it is hereby elected to have the Public Finance Act apply to the Bond exclusively without regard to any charter or local act that might otherwise apply.

**14. Investment Authorization.** The Town authorizes the Treasurer to utilize a statewide investment pool, limiting arbitrage earnings on the investment proceeds of the Bond. The Treasurer is authorized specifically to utilize the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP"). The Town acknowledges receipt of, and has reviewed, the Information Statement (the "Information Statement") describing SNAP and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"). For purposes of authorization for use of SNAP, the Town acknowledges the Treasury Board of the Commonwealth is not, and shall not be, in any way liable to the Town in connection with SNAP, except as otherwise provided in the Contract.

**15. Limitation of Liability of Officials of Town.** No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of an officer, employee, member of Council, or agent of the Town in his or her individual capacity, and no officer of the Town or member of Council executing the Bond shall be liable personally on the Bond or be subject to any personal liability or accountability by reason of the issuance thereof. No officer, employee or agent of the Town shall incur any personal liability with respect to any other action taken by him or her pursuant to this resolution provided he or she acts in good faith.

**16. Other Actions.** All other actions of officials of the Town in conformity with

the purposes and intent of this Resolution and the Agreement and in furtherance of the issuance and sale of the Bond are ratified, approved and confirmed. The officials of the Town are authorized and directed to execute and deliver on behalf of the Town such agreements and other instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bond or the Agreement, and all of the foregoing, previously done or performed by such officers of the Town, are in all respects approved, ratified and confirmed.

17. **Headings.** Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

18. **Constitutional Authority and Severability.** The Bond shall be issued under the provisions of Article VII, Section 10(a) of the Constitution of Virginia. The principal of and interest on the Bond shall be payable from ad valorem taxes to be levied without limitation as to rate or amount on all property in the Town subject to taxation, to the extent other funds of the Town are not lawfully available and appropriated for such purpose. If any court of competent jurisdiction shall hold any provision of this Resolution to be invalid and unenforceable, such holding shall not invalidate any other provision hereof.

19. **Filing of Resolution.** The Authorized Signatory and Clerk to the Town are authorized and directed to see to the prompt filing of a certified copy of this Resolution in the Circuit Court having jurisdiction over the Town, in accordance with Sections 15.2-2607 and 15.2- 2627 of the Public Finance Act.

20. **Effective Date.** This Resolution shall take effect immediately.

Mayor Gladding recognized R.T. Taylor, Davenport.

R.T. Taylor, Davenport reported that the Council Members took action to authorize the financing at the March 13, 2023, Council Meeting. He reported that there was not enough time to get the bids back from the banks, do the analytical work and coordinate with Bond Council to prepare the form of bond documents that you have before you in your packet. He stated that the resolution is for your consideration to for approve of the documents.

R.T. Taylor, Davenport reported that the bond proceed will go into the Virginia State Non-Arbitrage Program and they are able to pull your bond proceeds with other governmental entities across the state and you can have daily liquidity and currently the rate is in the 4 ½ percent range so your bond proceeds as your drawing them down you will be earning a good market rate interest. He reported that after you draw all the funds down and the accounts are closed out for your project, a report will need to be done by the rebate consultants or arbitrage consultants to make sure everything's been spent down according to the program and to make sure that you don't have to rebate any additional earnings, your earning rate is taxable but your paying on the bond at the tax exempt rate so with the IRS is just saying is you can only earn up to so much and so if you actually do that you would potentially have a rebate but that's they track all that and they have gone through procurement have two firms set up to help you with that report at the appropriate time.

Council Member Dillard asked if the Town was on track to meeting the formality of the paperwork deadlines.

R.T. Taylor, Davenport stated that yes, the Town is on track the closing is scheduled for April 18, 2023.

Mayor Gladding recognized Town Manager Pollitt.

BUDGET  
PRESENTATION

Town Manager Pollitt presented the Council Members with a Budget powerpoint presentation.

Town Manager Pollitt stated that the budget is the single biggest policy decision of the year, setting the services you will deliver, how you will do so, and the resources you will allocated for it. He reported in his powerpoint presentation that the Town of Tappahannock has two funds for operations, the General Fund and the Water and Sewer Fund and each fund provides unique services to residents, business owners and visitors. He reported that a Capital Improvement Projects Fund has been created for each corresponding operational fund to increase project management efficiency and those funds together make the annual budget.



Town Manager Pollitt reported at our current status, we can maintain current debt levels for the time being without increasing structural financial risk. We can afford additional debt and projects but must be strategic in our investments and the lack of self-sustainability in the water-sewer funds is a long-term challenge.

Town Manager Pollitt reviewed the water and sewer fund debt chart and the overall debt chart in his powerpoint presentation. He reported in his presentation that the Town is investing in the community in new ways we haven't before we are providing new services. He reported in his presentation that with the growing community is the need for additional staff for services in ALL areas and we need to start thinking not only about our staff but our facilities capacity as well.

Town Manager Pollitt reported that the overall budget is more than seven and a half million dollars combined, that is our general operating budget plus our water and sewer operating budget which is separate from our capital improvement projects. He reviewed in his powerpoint presentation the budget numbers and a chart.

Town Manager Pollitt reported in his powerpoint presentation that the general fund generates revenue primarily based on taxing authority granted from its charter. He reported that Tappahannock's four largest sources of revenue are sales tax, meal tax, business license tax and bank stock taxes. He reviewed the general fund expenses chart. The water and sewer fund revenues chart, and the water and sewer fund expenses chart.

Town Manager Pollitt reviewed the Council's 2023 Retreat Goals. He reported that the ultimate strategy of each budget is to build up unassigned fund balance (free cash) at the end of each year by collecting more than we estimated and spending less than what was appropriated. He reviewed the unassigned fund balance history as of June 30, 2022, chart.

Town Manager Pollitt reported in his powerpoint presentation that a top policy objective was to implement the 2<sup>nd</sup> half of the staff pay implementation plan that was adopted by Council to take effect in the October 2022 meeting. He reported that the budget plans for the Community Development Director and Zoning Administrator to have an assistant, a new position for this department. According to the pay study, every other community our size or smaller has at least two people in these departments.

Town Manager Pollitt reported in his powerpoint presentation some major policy initiatives and projects. He reported in his power point that some General Fund FY 23 carry over projects. One being the Town was awarded a grant that will cover 100 % percent of the cost for a generator for the Police Department and Public Works Department. He reported construction is anticipated to start on the Tappahannock Central Park Project no later than Spring of 2024 and the Hoskins Creek Phase 1 Development will include the construction of a retaining/flood wall, regrading and paving of the entrance road, and installation of an ADA canoe and kayak launch.

Town Manager Pollitt reported in his powerpoint presentation some General Fund Capital Improvement (CIP) projects for FY 24-28 would be as follows: the facilities manager needs a new work truck and an enclosed trailer for moving landscape equipment, the public works superintendent has requested a mini excavator and trailer and the police department is going to acquire new body armor, a moveable speed sign for traffic calming purposes, and the police department is eligible for ARPA funds from the state for purchasing of new vehicles.

Town Manager Pollitt reported in his powerpoint presentation that the Town has worked with the Tappahannock Main Street on Streetscape Improvement Project application in hopes to acquire grant funds. Matching funds have been set aside for this in the CIP include new decorative street signs, cross walk improvements and construction of a sidewalk on Cross Street for pedestrians to Central Park. He reported that the recommended CIP for this budget includes exterior improvements at the old town office where Tappahannock Mian Street is now located.

Town Manager Pollitt reported in his powerpoint presentation that the largest Water and Sewer Fund FY 23 CIP project is using American Rescue Plan Act (ARPA) funds to conduct work on the Town's sewer collection system to address infiltration and inflow(I&I). He reported that physical replacement and rehab work is expected to start in the Fall of 2023. He reported that our water wells and tanks are required to be cleaned and inspected by the Virginia Department of Health every five years and this will be scheduled for the next fiscal year.

Town Manager Pollitt reported that goals and challenges for FY 2024 and beyond are Downtown revitalization efforts, Central Park Development, Hoskins Creek Development, Site development of old airport property and have the water and sewer fund to be self-sustaining. He reported that items subject to change are health insurance premium, VACORP General Liability and Worker's Comp Insurance Policies, loan term and rates in the Capital Improvement Plan are estimates and delivery of goods and services.

Town Manager Pollitt asked for any comments or questions.

Mayor Gladding stated that the Budget Public Hearing will be scheduled for the May 2023 Council Meeting and at the June Council Meeting we anticipate adopting the budget.

Mayor Gladding thanked everyone for attending the meeting and reported that there is a lot going on in the Town of Tappahannock.

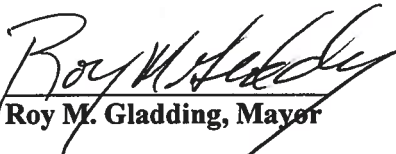
Town Manager Pollitt reported that the staff is working on launching the utility bill customer portal and over the next couple of months and staff is going to try and have at least two informational session opportunities for folks to learn more about the customer portal.

There was some discussion.

Mayor Gladding asked for any comments or questions.

There being none the meeting was adjourned at 8:15 p.m.

ADJOURNED

  
Roy M. Gladding, Mayor

  
Patsy K. Scates, Town Clerk