

SPECIAL COUNCIL MEETING
APRIL 27, 2026
6:00 P.M.

PRESENT

Mayor:	Roy M. Gladding
Vice Mayor:	Anita J. Latane
Council Members:	Katherine B. “Kay” Carlton
	Carolyn Barrett
	A. Fleet Dillard
	Kenneth A. Gillis
	Troy L. Balderson
Town Manager:	Steve Wright
Assistant Town Manager:	James Knighton
Town Clerk:	Patsy K. Scates
Town Treasurer:	Tina F. Brock

CALLED TO ORDER

Mayor Gladding called the meeting to order.

Town Manager Wright stated the purpose of the special council meeting was to address any questions the council members may have about the proposed FY 2027 budget.

Town Manager Wright presented updates and clarifications regarding the FY27 budget to the council members. He reported a key change includes a \$10,000 equipment request from Essex County Emergency Services, which had historically been included in the budget but, was previously removed and a specific account code will be assigned later.

Town Manager Wright reported another major adjustment involves shifting \$1.5 million in RAISE grant funding for planning expenses into FY27, as the project is still in the RFP stage. This change increases the total General Fund Capital Improvement Program (CIP) from \$9.9 million to just over \$11.1 million.

Town Manager Wright clarified the reported revenue reductions. He reported the cited \$1.219 million decrease reflects a comparison to the amended FY26 budget, while the previously mentioned \$1.6 million reduction reflects a comparison to the originally approved FY26 budget. The difference is largely due to a \$400,000 reduction made in December, primarily related to bank stock tax adjustments.

Town Manager Wright asked for any comments or questions.

TAPPAHANNOCK
YOUTH

Council Member Carlton asked for clarification on the funding request from Tappahannock Youth.

Town Manager Wright stated \$5,000 from Essex Youth Football and Cheer, \$1,000 for the Essex County Richmond County July Fourth celebration, and \$15,000 from Essex Little League baseball, all of which make up the total amount under consideration.

Council Member Carlton expresses concern about a funding request from Little League, noting that the group did not appear before the council or send a representative to speak, and failed to provide financial documentation like other applicants. She is uncomfortable approving a \$15,000 request without sufficient information or transparency.

Council Member Gillis expresses his concern that the town lacks activities for children and emphasizes the importance of providing opportunities to keep kids engaged and active. He acknowledged that they are requesting a significant amount of money, but it may be justified, if it supports youth programs. He supports funding efforts that benefit children and helps address community needs.

There was some discussion on the funding request, with \$15,000 proposed, \$10,000 for facility maintenance (including seeding, fertilizer, infield repairs, and upkeep of the concession stand and press box) and \$5,000 for equipment such as game balls and protective gear.

There was some discussion about some organizations providing more complete information and it was acknowledged that none submitted full annual budgets, but there is a need for better financial reporting requirements moving forward.

Assistant Town Manager Knighton clarified that in the current fiscal year the Town had nine thousand (\$9,000.00) budgeted for Essex Youth. He stated five thousand (\$5,000.00) for football, one thousand (\$1,000.00) for fireworks, and the remaining was three thousand (\$3,000.00) for Little League, which was consistent with what was funded in FY 2025.

Assistant Town Manager Knighton asked for clarification on how to proceed with the funding details of the local little league organization.

The council members discussed how to handle concerns about specific funding requests, clarifying that no immediate motions are required, but that staff can adjust if directed.

The council members indicated that they need more information about the league’s financial figures, particularly its overall budget, before making decisions. The council members also mentioned that Essex County provides some level of funding and that in the previous year, the little league did not apply for additional Essex County funds, unlike football, which did receive extra support.

DAW

Council Member Barrett raises concerns about the continued use of taxpayer funds for the DAW Theater noting that significant amounts (around \$50,000 at a time) have been contributed over the past few years with limited visible results. While the latest funding request is lower (about \$21,000), it is intended for a structural assessment, prompting questions about why such foundational work was not completed earlier.

There was some discussion regarding the formal structural assessment that is necessary to secure additional grant funding and move the project forward, including preparing for construction bids. It is also noted that some prior funding, including \$50,000 from the current year, may not have been spent yet, and that matching funds from Essex County could help reach the required funding threshold.

There was some discussion about some cleanup and minor improvements such as seating prototypes and exterior work that have been completed. There was also discussion regarding the little substantive interior progress that had been made.

Mayor Gladding asked for any other comments or questions.

Town Manager Wright explained that funding for the Hoskins Creek access road project in the Capital Improvement Plan (CIP) has been adjusted based on unexpectedly favorable bid results. He reported these lower bids are anticipated to significantly reduce the required local funding match. He reported the bids are still being reviewed by a consultant to ensure all subcontractors and details are appropriate before finalizing and announcing the results.

Town Manager Wright noted that although speed zone cameras are expected to be implemented with the new school year and could generate significant revenue (potentially up to \$250,000), no revenue from them was included in the budget due to unpredictability and legal restrictions on how the funds can be used.

Town Manager Wright explained certain expenditures, highlighted in yellow, reflect reductions compared to the previous fiscal year. A notable decrease in the marketing and tourism budget (from \$96,000 to \$65,000) is largely attributed to improved in-house capabilities, reducing the need for contracted services. He also notes that predictable cost increases, such as utilities and insurance, have been factored into the budget.

Town Manager Wright asked for any comments or questions.

Town Manager Wright reported the budget includes a proposed 5% cost-of-living adjustment (COLA) across the board, along with a small pool of funds (\$15,000 in the general fund and \$5,000 in water/sewer) for performance-based bonuses and certifications. He reported these bonuses are intended to reward exceptional work or innovative contributions, especially since merit increases are not currently in place.

Town Manager Wright reported the savings in the budget, particularly reductions in Virginia Retirement System (VRS) rates and health insurance costs, which helped offset salary increases.

There was some discussion about the 5% COLA being higher than national trends, prompting discussion among council members about whether adjustments should be considered. The council members reviewed areas of financial risk and the most significant concern identified was the wastewater treatment plant, where costs are highly variable and unpredictable, particularly for major equipment failures. It was

noted that other expenses were seen as more controllable through efficiency measures, but these types of unforeseen infrastructure costs remain a key budget uncertainty.

LIGHTING AT
TAPPAHANNOCK
CENTRAL PARK

Council Member Dillard discussed his concerns about the park’s LED lighting and the potential cost estimated at around \$19,000 to modify it to meet original expectations.

Assistant Town Manager Knighton clarified that the lighting was part of an earlier phase of the project, which is already closed out and there is limited clarity of the original specifications. He stated replacing or adjusting the lighting would involve both parts and labor and he suggested perhaps the Facilities Manager Marty Carneal could handle the work.

Mayor Gladding asked for any questions.

Council Member Dillard asked what was the status of the Bank Stock Tax?

Town Manager Wright stated the Town did receive one and it was four thousand dollars more than anticipated but the Town is still waiting for the other two.

There was some discussion on revenue assumptions, tax collections, and future financial planning within the budget.

Town Manager Wright noted that the bank stock tax revenue is being budgeted conservatively at roughly the same level as the prior year (about \$463,000), since it can fluctuate significantly. He reported that the approach to revenue is cautious, only projecting increases where there is clear certainty such as water and sewer with the goal of avoiding future budget shortfalls.

Town Manager Wright discussed upcoming Capital Improvement Plan (CIP) projects. He stated early equipment quotes are coming in lower than expected, which could reduce the projected debt service (around \$320,000), though further review is planned.

Council Member Dillard discussed the real estate tax revenue and noted that actual collections are currently below the amended budget.

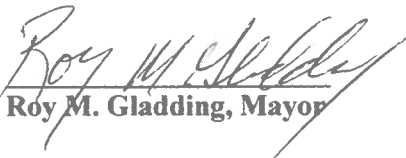
Town Treasurer Brock stated this gap is attributed largely to delinquent payments, as some taxpayers missed the December deadline, though payments are still gradually coming in.

Town Manager Wright explained the impact of a proposed tax rate increase of about four cents, and he clarified that each one-cent increase generates about \$37,600 in total revenue for the locality and for taxpayers the impact is relatively modest about \$10 per \$100,000 of property value annually (e.g., around \$20 per year on a \$200,000 home). He noted that Essex County is keeping its tax rate unchanged.

Town Manager Wright asked if there were any questions.

Mayor Gladding asked for any further comments or questions.

There being no further business, the meeting was adjourned.


Roy M. Gladding, Mayor


Patsy K. Scates, Town Clerk