



# STAFF REPORT

<b>Council Meeting Date:</b>	May 12, 2026
<b>Agenda Title:</b>	FY 2027 Proposed Budget
<b>Requested Action:</b>	Information Only
<b>Department / Agency Lead:</b>	Finance
<b>Staff Lead:</b>	Christopher E. Martino, Interim Town Manager

## **EXECUTIVE SUMMARY**

The Town Council is charged by the Code of Virginia with the preparation of an annual budget for the Town of Warrenton. Legal adoption of the budget by the Town Council must occur on or before June 30<sup>th</sup>. The adopted budget takes effect July 1, the beginning of the fiscal year.

## **BACKGROUND**

On April 1<sup>st</sup>, the FY 2027 proposed budget and FY 2027-2032 Capital Improvement Program (CIP) were delivered to the Town Council. At the April 14<sup>th</sup> Town Council meeting the Town Manager provided an overview of the proposed budget during the morning work session. No additional work sessions or special meetings were requested by the Town Council. Since the April 14<sup>th</sup> Town Council meeting, the Town Manager has met with the Mayor, Finance Committee, and most other council members to further review and discuss the budget.

Per Town Code, tax rates for the tax year beginning January 1, 2026 must be adopted by May 14<sup>th</sup>. As such, there is a public hearing on tonight's agenda to establish these rates. All proposed rates are consistent with the prior year apart from the real estate tax rate. The proposed real estate tax rate of \$0.075 per \$100 of assessed value represents an increase of \$0.02 over the current rate.

## **STAFF RECOMMENDATION**

Staff recommends that the Town Council adopt the FY 2027 budget as proposed, including the proposed tax rate of \$0.075 per \$100 of assessed value to fund the proposed FY 2027 General Fund Operating budget.

## **Policy Impact**

The proposed FY 2027 budget is a balanced budget as required by the Town's adopted comprehensive financial policies. The budget prioritizes funding debt service and expenses associated with maintaining existing services. The budget has been coordinated to identify major policy issues for the Town Council as part of the Town's overall strategic planning process for Plan Warrenton 2040.

## **Service Level/Collaborative Impact**

The budget quantifies and communicates the Town's annual fiscal plan for the programs, services, and investments it will provide for the community in the coming fiscal years. As the most significant annual policy documents, the intent of the budget and 6-year CIP is to move the Town toward its vision for 2040.

### **Fiscal Impact**

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The total all funds proposed budget for FY 2027 is \$58.2 million, excluding interfund transfers, to fund governmental, stormwater, and water and sewer operations, and investment in the town's capital infrastructure.

### **Legal Impact**

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- Town Code Section 15-1 provides that tax rates must be set by May 14th.
- Code of Virginia Section 15.2-2503 requires that the local governing body approve the budget no later than the date on which the fiscal year begins

### **ATTACHMENTS**

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- Proposed FY 2027 budget and 2027-2032 CIP are available at <https://www.warrentonva.gov/177/Budget>