



Office of the Town Manager
Frank Cassidy

Warrenton Town Council
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William Semple, Ward 2
Brett Hamby, Ward 3
James Hartman, Ward 4 Vice Mayor
Eric Gagnon, Ward 5
Paul Mooney, At Large
David McGuire, At Large

STAFF REPORT

Council Meeting Date:	April 9, 2024
Agenda Title:	Financial Advisor Presentation
Requested Action:	Receive the presentation from the Town’s financial advisors.
Department / Agency Lead:	Finance
Staff Lead:	Stephanie Miller, Finance Director

EXECUTIVE SUMMARY

Kyle Laux, Senior Vice President with Davenport & Company, LLC, will provide a presentation summarizing plans of finance for the Town’s 2025-2030 Capital Improvement Plan (CIP). To adequately fund these plans, it is recommended that the Town follow the recommendations of the Water & Sewer rate study finalized in 2023, which phased in user rate increases coupled with the strategic issuance of debt. An overview of the General Fund CIP will also be provided.

BACKGROUND

Davenport & Company, LLC, has served as the Town’s financial advisors since 2015. They have assisted the Town with debt issuances in support of the Water & Sewer Fund’s capital needs and the purchase and renovation of 21 Main Street. Other support that Davenport has provided includes:

- In 2019, they completed a General Fund Revenue Review to confirm the Town’s fund balance policy and provide recommendations for tax rate increases to support the debt service related to the purchase of 21 Main Street.
- In 2021, they assisted the Town with the refinancing of all outstanding debt to achieve net present value savings of \$1.7 million.
- In 2023, they partnered with NewGen Solutions to provide rate increase recommendations that would smooth the impact of rate increases while supporting the capital modernization needs of the Town’s water and sewer infrastructure.

Davenport has reviewed the Town’s draft 2025-2030 CIP and will provide a projection of future debt issuances necessary to properly fund the capital needs while maintaining compliance with the Town’s adopted policies related to fund balance in the General Fund and cash balance and debt service coverage in the Water & Sewer Fund.

STAFF RECOMMENDATION

Receive the presentation from Mr. Laux and ask any questions related to the Town’s long-term financial planning and funding of capital infrastructure needs.

Service Level/Collaborative Impact

No service level/collaborative impact.

Policy Direction/Warrenton Plan 2040

The draft 2025-2030 Capital Improvement Plan supports multiple aspects of Plan Warrenton 2040, including:

- CF-4: Ensure healthy, safe, adequate water and wastewater services.
- CF-5: To provide a fiscally responsible infrastructure that maintains a high quality of life for residents, supports current businesses, and attracts new employers with a stable tax structure.

Fiscal Impact

No fiscal impact.

Legal Impact

No legal impact.

ATTACHMENTS

n/a