



Office of the Town Manager
Frank Cassidy

STAFF REPORT

Warrenton Town Council

Carter Nevill, Mayor
Roy Francis, Ward 1
William Semple, Ward 2
Larry Kovalik, Ward 3
Michele O'Halloran, Ward 4
Eric Gagnon, Ward 5
Paul Mooney, At Large
David McGuire, At Large

Council Meeting Date:	January 13, 2026
Agenda Title:	Public Hearing on Issuance of Debt
Requested Action:	Conduct the Public Hearing and Approve the Resolution
Department / Agency Lead:	Finance and Procurement
Staff Lead:	Stephanie Miller, Director

EXECUTIVE SUMMARY

The Adopted Fiscal Year 2026 Budget includes debt funding in the amount of \$21.7 million for General Fund and Water and Sewer Fund capital projects. The Town will hold a public hearing in January 2026 to initiate the debt issuance process.

BACKGROUND

Davenport & Company, LLC serves as the Town's municipal financial advisor. Davenport has worked with the Town this past year on a plan of finance for the Town's FY26 capital program:

- June 2025 – Council adopted the Fiscal Year 2026 Budget, including projected debt funding for General Fund and Water and Sewer Fund capital projects.
- July 2025 – Kyle Laux, Senior Vice President with Davenport, presented a Plan of Finance to Council.
- September 2025 – Council adopted a Reimbursement Resolution, enabling the Town to reimburse capital expenditures incurred during FY26 prior to the date of the debt issuance.
- November 2025 – Davenport conducted two-by-two briefings with Council members to review the Town's finances, the plan of finance, and proposed next steps.
- December 9, 2025 - Mr. Laux reviewed the content of the briefings held with Council members in November and answered any further questions that the Council had regarding the process.

STAFF RECOMMENDATION

Conduct the Public Hearing and approve the resolution to authorize the issuance of debt as planned in the Town's Adopted Fiscal Year 2026 Budget.

Service Level/Collaborative Impact

The issuance of debt aligns with the Adopted Fiscal Year 2026 Budget to continue necessary modernizations of the Town's utility infrastructure, which is currently under a DEQ consent order. Additionally, the debt will support General Fund projects planned in the budget.

Policy Direction/Warrenton Plan 2040

The capital projects and asset replacements planned in the Town's 2026-2031 Capital Improvement Plan support the goals of Plan Warrenton 2040. Some of the specific goals supported by these projects include:

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.

P-1: Preserve, enhance, and protect the environmental, scenic, and natural quality of the Town.

Fiscal Impact

The Town's Adopted Fiscal Year 2026 Budget includes debt funding for \$21.7 million of capital projects and asset replacements. Absent the issuance of debt, the Council will need to consider substantial cuts to the current adopted budget and capital improvement plan or consider increasing taxes and rates significantly to cover the deficit.

Legal Impact

n/a

ATTACHMENTS

1. July 8, 2025, Plan of Finance Presentation
2. November 20/21, 2025, Town Council Briefings
3. A Resolution Authorizing the Issuance and Sale of up to \$22,500,000 General Obligation Bonds of the Town of Warrenton, Virginia