

Minutes
Warsaw Town Council
Budget Work Session Meeting
March 24, 2026

The Warsaw Town Council held its budget work session meeting on Tuesday, March 24, 2026, at 12:00 p.m. in Council Chambers at 78 Belle Ville Lane, Warsaw, VA. Council members Present: Mayor Randall L. Phelps, Daphne Palmore, Mary Beth Bryant, Patrick Stone and Ralph Self.

Council member absent: Bobby Walters, Jonathan English, and Paul Yackel

Town staff present: Town Manager Joseph Quesenberry, Assistant Town Manager Melissa Coates, Director of Public Works Jesse Schools, Treasurer/Clerk Julia Blackley-Rice, and Chief of Police Sean Peterson.

Budget Overview and Revenues: Mayor Phelps opened the work session. Mr. Quesenberry presented the proposed budget, beginning with an overview of general fund revenues line by line. Revenue projections were prepared conservatively, with modest adjustments to permits and fees, solid waste revenues, and business licenses. Real estate tax revenue was held steady with slight anticipated growth due to development. Personal property tax remained uncertain due to county delays. Meals tax revenues continued to perform well, while lodging tax showed slight decline. Adjustments were also made to correct prior sales tax allocation errors.

General Fund Expenditures: Mr. Quesenberry reviewed expenditures, including proposed salary increases of 3% for employees earning over \$50,000 and 5% for those earning less than \$50,000. Health insurance costs increased by 12%, following a similar increase in the prior year. Administrative costs included technology, building maintenance, and capital improvements such as facility upgrades and equipment replacement.

Police Department: The Police Department budget was reviewed, including personnel costs, equipment, and vehicle operations. The department continues to operate efficiently within budget constraints. A new police vehicle purchase was discussed with potential grant funding to offset costs.

Public Works and Public Service: Public service operations, including trash collection, street maintenance, and beautification, were discussed. Projects include continued

sidewalk improvements and downtown beautification efforts. Operational and equipment costs were reviewed in detail.

Contributions: Council reviewed contributions to outside agencies. Most remained level funded. The Warsaw Volunteer Fire Department requested an additional \$5,000. Council agreed to increase the contribution by \$2,500, with the remaining amount not approved at this time.

Debt Service and Reserves: Debt service obligations were reviewed, including equipment and vehicle financing. The Town continues to maintain manageable debt levels. The proposed budget includes increased funding to reserves, with approximately \$50,000 allocated to the general fund.

Enterprise Funds: The water and wastewater funds were reviewed. Rate adjustments were implemented to stabilize revenues. Expenses include infrastructure maintenance, equipment, and regulatory compliance. Wastewater costs increased due to chemicals, lab testing, and engineering services. Staff reported significant savings in maintenance during the current fiscal year.

Summary and Direction: Council expressed consensus with the proposed budget and agreed to proceed with the outlined adjustments. Staff will prepare the budget for public presentations in April, followed by a public hearing and adoption in June. The budget highlight included the 3/5% raise for employees and health insurance coverage.

Adjournment: There being no further business, the meeting was adjourned at approximately 1:12 p.m.


Submitted by: Julia Blackley-Rice, Clerk