



NEWS RELEASE

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Vienna Town Council Adopts FY2024 Budget

At its regular meeting tonight, the Vienna Town Council adopted the Town budget, real estate tax rate, and water and sewer rates for fiscal year 2024. The adopted \$50-million balanced budget:

- Reduces the property tax rate by one cent to 19.5 cents per \$100 of assessed value
- Funds compensation increases for eligible employees
- Addresses inflationary increases in operating costs, mainly through tax revenue increases related to assessed value of new construction
- Adds two personnel positions identified as priorities – a senior planning and zoning compliance officer and a public works civil and capital projects engineer.

Tonight's vote ends a months-long budget process involving several Council conference sessions and public hearings. For the second year in a row, the Town Council asked finance staff to determine the lowest possible property tax rate without compromising service to help mitigate the tax burden on property owners stemming from large increases in real estate assessments.

"A one-cent decrease in the property tax rate amounts to \$673,000 in revenue," said finance director Marion Serfass. "It is not quite enough to equalize the 2024 tax bill to last year, but the average annual increase in homeowner property tax is \$86. Some increases will be less, some will be more depending on the value of the home."

The adopted budget also includes a 9.3 percent increase in water and sewer bills due to increases in operational costs from the Town's service providers - Fairfax Water and the District of Columbia Water and Sewer Authority. The result is an average annual water service increase of \$81.

Serfass says conservative budgeting, robust real estate development and an increase in sales tax revenue and no increase in staff health insurance costs contributed to the Town's ability to reduce the tax rate and still develop a balanced budget and maintain a rainy-day fund in accordance with state law. This is the 11th consecutive year there was either no change or a reduction in Vienna's property tax rate.

The FY2024 Town Budget takes effect July 1, 2023. The adopted budget will be posted online at www.viennava.gov/budget.

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