

Town of Vienna

Fiscal Year 2023

POPULAR ANNUAL

Welcome

FINANCIAL REPORT



**FOR FISCAL YEAR
ENDED JUNE 30, 2023**

**Mercury Payton,
Town Manager**



FINANCIAL REPORT

The Town of Vienna is proud to present our Popular Annual Financial Report (PAFR) for Fiscal Year (FY) 2023. The PAFR provides residents, businesses, and readers with a high-level overview of the Town’s financial affairs and a snapshot of how the Town serves its residents, including successes and challenges.

This report is a simplified and condensed version of the Town’s Annual Comprehensive Financial Report (ACFR). The PAFR, unlike the ACFR, is unaudited and provides summary information on primary government funds, with references to other activities. Therefore, this report does not conform to generally accepted accounting principles (GAAP). The PAFR is meant to be more concise and in a user-friendly format.

The 2023 ACFR can be found here:

<https://www.viennava.gov/home/showpublisheddocument/4457/638058383468900000>

Established 1890

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VIENNA TOWN COUNCIL



Mayor
Linda Colbert



Chuck
Anderson



Ray
Brill



Dr. Nisha
Patel



Steve
Potter



Ed
Somers



Howard
Springsteen



Town Manager
Mercury Payton



TOWN OF VIENNA COUNCIL

Under the council-manager form of government, the elected governing body (i.e., Mayor and Town Council) is responsible for establishing policy, passing local ordinances, adopting the annual budget, and developing the overall vision for The Town. Vienna has a mayor and six council members elected at large (without districts or precincts). Beginning November 2023, elections will be held every two years for all elected officials. These elected officials then appoint a Town Manager to oversee the daily operations of the government and implement the policies established by the governing body. The Manager has sole authority for hiring, firing, and managing Town employees.

VIENNA QUICK FACTS

Vienna

FOUNDED 1890

★ Designed by TownMapsUSA.co

Geography

73

Miles of
Sidewalk

4.4

Square
Miles

Demographics

17,088

No. of
Residents

\$227,459

Mean Household
Income

Race & Ethnicity



White	Asian	Hispanic	Other
67.5%	13.7%	9.8%	9%

Household Information

5,424

No. of
Households

3.03

Avg. Household
Size

Sources:

<https://www.fairfaxcounty.gov/demographics/sites/demographics/files/assets/demographicreports/fullrpt.pdf>

<https://worldpopulationreview.com/us-cities/vienna-va-population>

<https://www.census.gov/quickfacts/fact/table/viennatownvirginia/PST040221#PST040221>

<https://data.census.gov/table?tid=ACSST5Y2020.S0101&g=1600000US5181072>

<https://worldpopulationreview.com/us-cities/vienna-va-population>

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VIENNA STATISTICS

Recognition



**Distinguished Budget
Presentation Award**
for Fiscal Year 2023
from GFOA



**Successfully recertified
as a BEE CITY USA** and
participated in the
Monarch Challenge.



Top Vienna Employers

Navy Federal Credit Union
Fairfax County Public Schools
Town of Vienna
Whole Foods Market Group
Westwood County Club
Vienna Woods Swim and Tennis Club
Hope Advanced Veterinary Clinic
Chick-Fil-A Vienna on Maple
Fresh Market, Inc.
U.S. Postal Service



Local Economy:

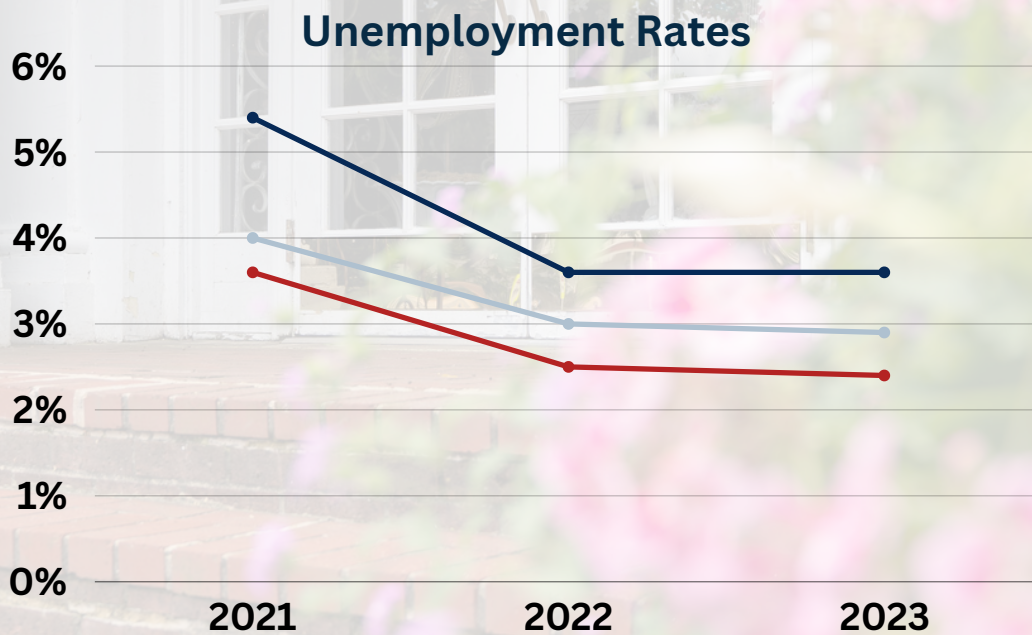


Vienna continues to have a relatively stable economic base, attracting new commercial and residential redevelopment.

During FY 2023 interest rates rose by 3 percent, to 5.25 percent by June. These increases have pushed mortgage rates to over 7 percent by the end of the Fiscal Year (June 30, 2023). Despite these increases, residential redevelopment continues in Vienna. However at least one major commercial development remains to be on hold citing high construction and borrowing costs.

Unemployment rates remained unchanged during the Fiscal Year compared with the previous year. In June 2023, the area's unemployment rate of 2.5 percent was slightly lower than the state's rate of 2.7 percent and favorable to the national rate of 3.6 percent.

The area's underlying economy continues in a positive direction. Software, telecommunications, internet, and other high-technology industries, along with Northern Virginia's proximity to the Federal Government and related businesses, remain major components of the area's economy.



Financial Review of Fiscal Year 2023

The Financial Review section is designed to provide details on the financial health and stability of the Town of Vienna. Included within this section are discussions of major revenue sources and major expenditure allocations, analysis of fund balances, analysis of net position, and financial trends.

The tables below depict the sources of revenues and expenditures for the Town on a fund-level basis of accounting, highlighting how the Town received its funding and where the funds were spent.

During FY 2023, the Town's governmental funds reported a combined ending fund balance of \$47.8 million which represents an increase of \$4.7 million over the prior year. The Town's proprietary (water and sewer) fund, labeled business-type activities, reported an ending fund balance of \$26.9 million which represents an increase of \$2.1 million over the prior year.



Net Position

Statement of Net Position:

Broadly, the Statement of Net Position presents what the Town of Vienna owns (assets, including deferred outflows of resources) and what the Town of Vienna owes (liabilities, including deferred inflows of resources). The difference between the two is termed "Net Position". Positive net position balances indicate a measure of financial stability.

Schedule of Assets, Deferred Inflows and Net Position

	Governmental Activities		Business-type Activities	
	2023	2022	2023	2022
Assets:				
Current and other assets	\$ 55,986,673	\$ 58,312,923	\$ 3,686,642	\$ 4,640,951
Capital assets	98,437,280	93,532,663	29,872,641	25,932,540
Total assets	\$ 154,423,953	\$ 151,845,586	\$ 33,559,283	\$ 30,573,491
Deferred Outflows of Resources	\$ 4,883,603	\$ 5,975,532	\$ 436,657	\$ 483,568
Liabilities:				
Long-term liabilities outstanding	\$ 79,193,876	\$ 79,343,921	\$ 4,355,175	\$ 2,888,095
Other liabilities	26,600,568	24,257,236	2,294,859	2,334,236
Total liabilities	\$ 105,794,444	\$ 103,601,157	\$ 6,650,034	\$ 5,222,331
Deferred Inflows of Resources	\$ 5,757,949	\$ 11,211,529	\$ 403,834	\$ 1,000,555
Net Position:				
Net investment in capital assets	\$ 58,701,481	\$ 52,904,137	\$ 26,951,290	\$ 23,978,227
Restricted	1,412,160	1,300,826	-	-
Unrestricted	(12,358,478)	(11,196,531)	(9,218)	855,946
Total net position	\$ 47,755,163	\$ 43,008,432	\$ 26,942,072	\$ 24,834,173

Changes in Net Position

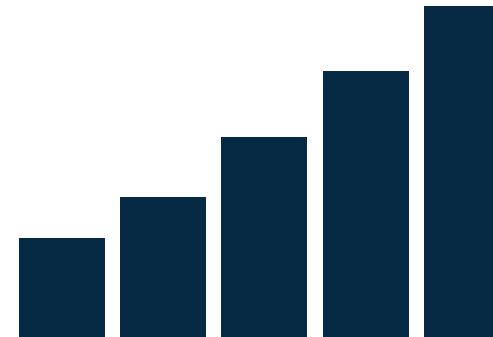


Changes in Net Position:

Governmental activities reflect an increase in net position of \$4.7M and business-type activities reflect an increase of \$2.1M. The following table provides an overview of revenues, expenses, and changes in net position for the Fiscal Year.

Change in Net Position

	Governmental Activities		Business-type Activities	
	2023	2022	2023	2022
Revenues:				
Program revenues:				
Charges for services	\$ 2,175,048	\$ 1,905,904	\$ 10,401,465	\$ 10,289,167
Operating grants and contributions	7,601,959	2,883,091	1,904	28,312
Capital grants and contributions	2,275,161	464,954	8,870	2,743,732
General revenues:				
Property taxes	12,844,193	12,790,006	-	-
Other local taxes	10,792,467	10,474,176	-	-
Grants & contributions - unrestricted	740,928	763,058	-	-
Unrestricted revenues from the use of money and property	1,843,277	(132,729)	33,829	3,138
Miscellaneous	2,133,783	2,175,286	359,222	332,739
Total revenues	\$ 40,406,816	\$ 31,323,746	\$ 10,805,290	\$ 13,397,088
Expenses:				
General government administration	\$ 6,791,896	\$ 6,395,116	\$ -	\$ -
Public safety	7,972,360	6,733,762	-	-
Public works	11,859,759	12,004,711	-	-
Health and welfare	268,882	235,124	-	-
Parks, recreation and cultural	5,956,903	4,773,948	-	-
Community development	1,576,547	1,440,039	-	-
Interest on long-term debt	1,304,421	1,380,741	-	-
Water and sewer	-	-	8,626,708	8,025,862
Total Expenses	\$ 35,730,768	\$ 32,963,441	\$ 8,626,708	\$ 8,025,862
Net Position:				
Income before capital contributions and transfers	\$ 4,676,048	\$ (1,639,695)	\$ 2,178,582	\$ 5,371,226
Transfers	70,683	(398,669)	(70,683)	398,669
Increase (Decrease) in net position	\$ 4,746,731	\$ (2,038,364)	\$ 2,107,899	\$ 5,769,895
Net position, beginning of year	43,008,432	45,046,796	24,834,173	19,064,278
Net position, end of year	\$ 47,755,163	\$ 43,008,432	\$ 26,942,072	\$ 24,834,173



Governmental Funds Revenues for FY 23

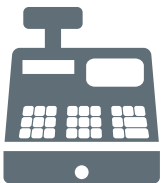
Percentage of Total FY23 Revenues



Property Taxes: 31.8% of Total



Taxes collected from property owners upon assessed valuation and tax rate. The dollar amount received is used to fund governmental services (captured in the general fund).



Meals Taxes: 8.4%



Taxes imposed on ready-to-serve food. The dollar amount received is used to fund capital projects approved by Vienna's Town Council.



Other Taxes: 18.3%



Represents various other taxes such as franchise fees, sales and tobacco tax.



Intergovernmental: 18.8%



Revenue from other governments, mainly the Commonwealth of Virginia, in the form of grants, contributions and shared revenue.



Other Sources: 17.3%



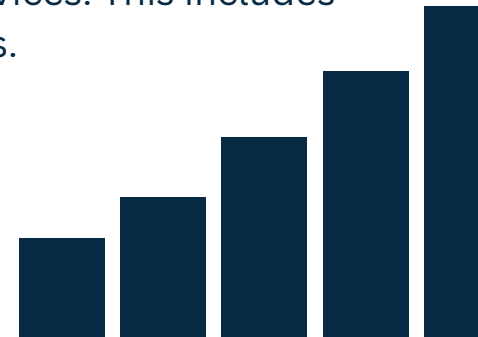
This category includes sources of licenses and permits, fines and forfeitures, contributions and donations, investment earnings.



Charges for Services: 5.4%



Fees collected for general government services. This includes recreation activity fees and inspection fees.



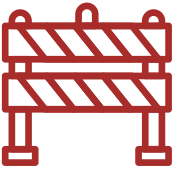
Governmental Funds Expenditures for FY 23

Percentage of Total FY23 Expenditures



Public Safety: 22.3% of Total

Expenditures incurred for public safety activities including police and fire services.



Public Works: 33.1%

Expenditures incurred in providing engineering, transportation, sanitation and public works services as well as capital investment.



Parks, Recreation & Culture: 16.6%

Expenditures incurred in providing cultural and recreational services, maintaining Town parks and landscaping as well as capital investment.



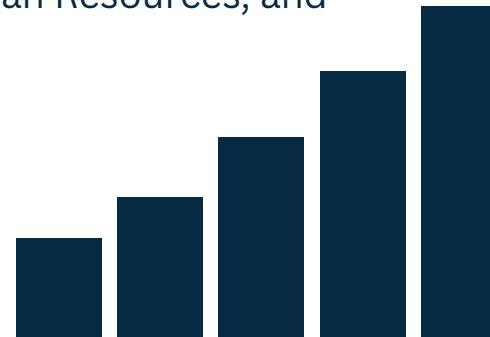
Community Development: 4%

Expenditures incurred in providing community and economic development, permitting, and inspection services.



Other Services: 24%

This category includes the functions of General Government, Intergovernmental, and Debt Service. The largest component, General Government, represents expenditures incurred for general administrative offices including the Mayor and Town Council, Town Administration, Finance, Human Resources, and Information Technology.

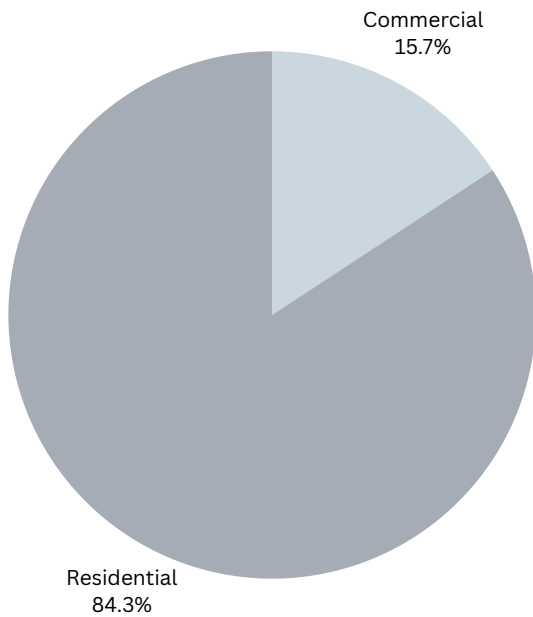


Governmental Funds for FY 23

The Governmental Fund accounts for monetary resources of the Town that are used in financing Town operations and expenditures. The Town's Real Estate Tax funds the Town's services provided in the General Fund.

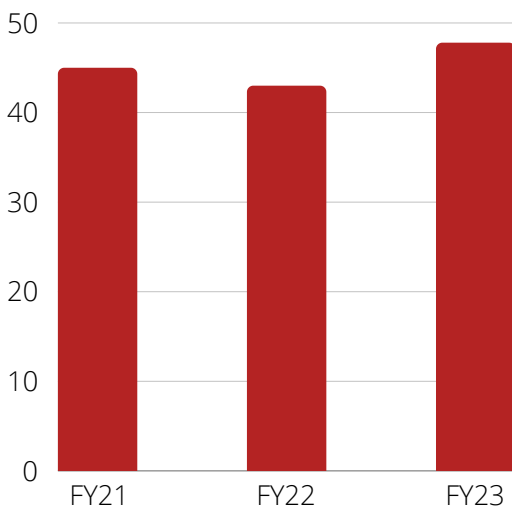
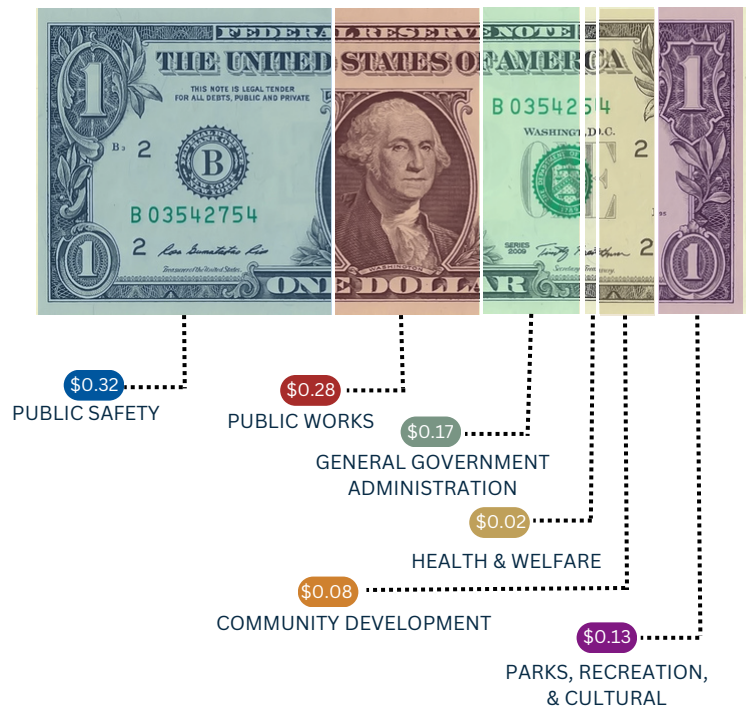
WHERE THE MONEY COMES FROM

(PERCENTAGE OF FUNDING FROM RESIDENTIAL VS COMMERCIAL FOR PROPERTY TAXES)



WHERE THE MONEY GOES

(WHAT YOUR PROPERTY TAX DOLLARS FUND)



GOVERNMENTAL FUNDS - FUND BALANCES (IN MILLIONS)



Proprietary Fund Revenues for FY 23

Percentage of Total FY23 Revenues



Water Charges: 37.9% of Total



Monies collected for water provided.



Sewer Charges: 38%



Monies collected for sanitary sewer services provided.



Account Service Charges: 15.1%



A quarterly fee collected for meter maintenance, replacement, and other fixed system charges.



Sale of Water Meters: 2.3%



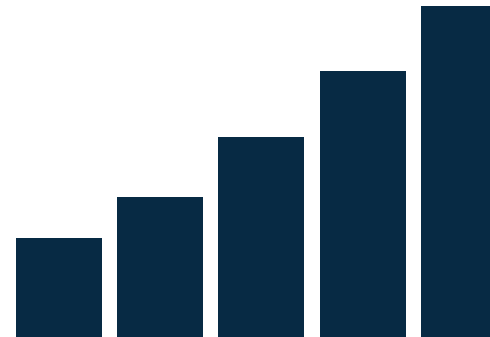
Revenue from customers, commercial or residential, that purchase a water meter for a new service.



Miscellaneous Revenues 6.7%



Monies collected for late fees, new build availability fees, tap inspections fees, along with other miscellaneous billings for water or sewer use.





Proprietary Fund Expenses for FY 23

Percentage of Total FY23 Expenses



Personnel: 26.6% of Total



Expense of salaries and benefits for water and sewer employees. These employees ensure proper function of the water and sewer infrastructure, assist residents, provide customer service, conduct billing, and perform meter reads, among other duties.



Wholesale Water Purchase: 21.6%



Expense incurred for cost of water provided by Fairfax County Water Authority.



Sewer Treatment Cost: 29.7%



Expense incurred for cost of sewer treatment provided by D.C. Water And Sewer Authority and Fairfax County's Public Works Wastewater Treatment.



Maintenance Supplies & Services: 10%



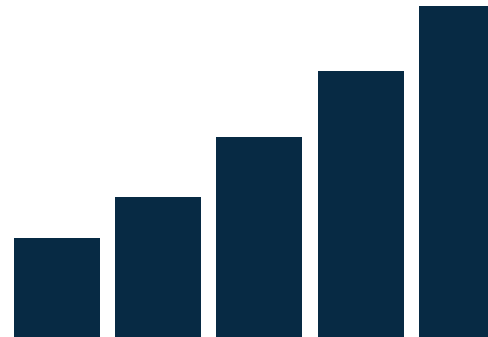
Expenses incurred for maintaining and repairing the Towns water and sewer lines.



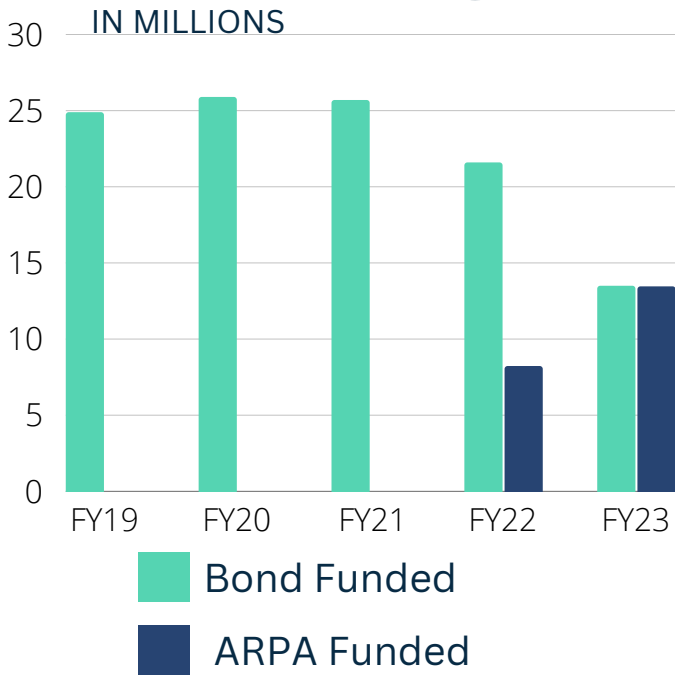
Capital Outlay & Interest Costs: 12.1%



Expenses incurred to purchase and repay bond costs associated with capital assets such as infrastructure to line or repair sewer lines, replace water lines, and to fund replacement vehicles for the water and sewer department.



Capital Improvement Projects Including ARPA Projects



Substantial investments in community and capital improvements are made each year. The chart on the left depicts a 5-year history of expenditures to purchase, construct, and renovate the capital assets and infrastructure of the Town. For Fiscal Year 2023, the Town of Vienna's investment in capital outlay (parks, roadways, buildings) totaled \$27 million, demonstrating our on-going commitment to provide a quality of life that ensures the success and vitality of the Town for the present and the future. With the American Rescue Plan Act (ARPA) funding, the Town was able to support the safety and economic goals, as well as having the ability to invest in water & sewer, and infrastructure more timely.

Capital Improvements Completed During FY23

Road Improvements:

- Asphalt & Mill Overlay (various locations)
- Tapawingo/Kingsley Traffic Calming and Bioretention

Building Improvements:

- Town Hall Elevator Replacement
- Freeman Store Bridge Replacement
- Town Hall Brick Planters
- Town Hall ADA Automatic Doors
- Community Center Door Locks
- New Police Station Construction

Sidewalk Improvements:

- Robinson Trust Sidewalk Program - Sidewalk Design and Installation (various locations)
- Sidewalk, Curb & Gutter Design and installation (various locations)

Miscellaneous Improvements:

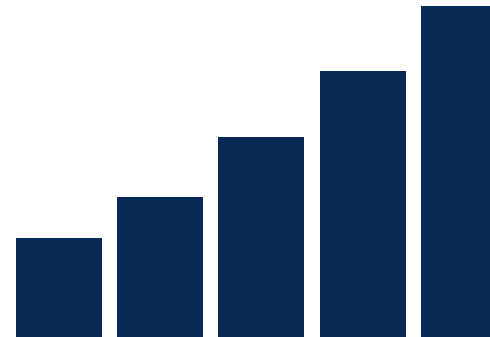
- Multi-Modal Recommendations
- Town wide Parking Demand / Feasibility Study
- Library Public Parking Garage Design
- Purchase Holiday Snowflake Light Decorations
- Phase 1 of Bear Branch Stream Restoration
- Piney Branch Stream Restoration
- Drainage Improvements (various locations)
- Water Main Improvements (various locations)
- Sanitary Sewer Pipe Rehabilitation (various locations)



VIENNA BY THE NUMBERS



		2021	2022	2023	
	Public Works	Linear Feet of Sidewalk Replace / Installed	2,498	3,154	8,775
		Tons of Asphalt Installed	11,998	12,546	16,136
		Tons of Recycled Materials Collected	1,649	1,468	1,750
	Parks & Recreation	Numbers of Parks	10	12	12
		Number of Trees Planted	150	250	350
		Number of Camps Held	127	140	150
	Police	Number of Dispatched Events	9,389	8,208	11,841
		Number of Patrol Units	19	23	23
		Number of Crime Prevention Presentations	7	28	30
	Planning & Zoning	Permit Applications	647	677	610
		New Single-Family Dwellings	117	106	77
		New Zoning Violation Cases Closed	128	149	118
	Water & Sewer	Repair Water Main Breaks	55	53	46
		Linear Feet of Sewer Lines Repaired	1,348	67	4,464
		Footage of Sewer Mains Cleaned	149.1K	153.7 K	159.0 K



VIENNA CAPITAL INITIATIVES

The current capital initiatives are:



1 Sidewalk, curb and gutter, street repaving and storm drainage projects, several of which were financed with grants from the Virginia Department of Transportation, Northern Virginia Transportation Authority, and State stormwater grants.

2

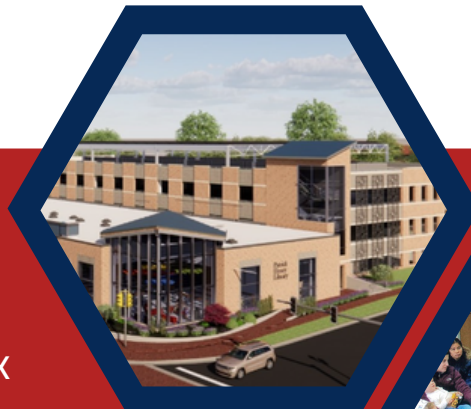
Planning and constructing sidewalk projects to utilize an \$8 million bequest and replacing water and sewer infrastructure on a planned schedule.



3 Long-term use study for the church property adjacent to the police station, Town-wide parks master plan to lay the groundwork for future park amenities.

4

Redevelopment of the Patrick Henry Library in downtown Vienna in coordination with Fairfax County.



GLOSSARY OF TERMS

ASSETS: What the Town owns that has current or future value.

EXPENSES: Money spent by the Town to continue operation and provide necessary services to it's residents.

GOVERNMENTAL FUND: Used to account for activities primarily supported by taxes, grants, and similar revenue sources.

PROPRIETARY FUND: Used to account for business type activities, the water and sewer fund.

LIABILITIES: What the Town owes.

NET POSITION: Difference between assets and liabilities.

REVENUES: How the Town intakes money.



2023



**TOWN OF
VIENNA
AT A GLANCE**

