

TOWN OF VIENNA

20
21



www.viennava.gov

VIENNA, VIRGINIA
POPULAR ANNUAL FINANCIAL
REPORT JUNE 2021

The **Popular Annual Financial Report (PAFR)** for the Town of Vienna, Virginia, outlines the Town's financial activities for Fiscal Year (FY) 2021, from July 1, 2020, through June 30, 2021. This inaugural PAFR is designed to provide a brief analysis of the Town's financial activities and is intended to be a companion to the FY 2021 Annual Comprehensive Financial Report (ACFR), not a replacement.

The PAFR is an unaudited report of the financial activities of the General Fund without excessive detail. It excludes funds, financial statements, schedules, disclosures and notes provided in the ACFR.

The PAFR highlights many of the Town's benchmarks, strategies, and development activities to provide a brief analysis in an easily understood format. The PAFR is based on the audited financial statements of the FY 2021 ACFR, which received an unmodified opinion by the certified public accounting firm of Robinson, Farmer, Cox Associates of Charlottesville, VA, and was prepared in accordance with generally accepted accounting principles (GAAP). We encourage you to read the ACFR, which is available at the Town of Vienna Finance Department and online at: <https://www.viennava.gov/acfr>

TABLE OF CONTENTS

| | |
|------------------------------------|-----------|
| Message From Mercury Payton | 1 |
| Town Officials | 2 |
| Form of Government | 3 |
| Who We Are | 4 |
| General Fund-Fund Balance | 5 |
| Tax Revenue By Source | 6 |
| General Fund Revenues | 7 |
| General Fund Expenditures | 8 |
| Resources For Debt Service | 9 |
| Planned Future Projects | 10 |
| Residential Growth | 11 |
| Development Activity | 12 |
| Strategic Plan | 13 |
| Contact and Directory | 14 |

MESSAGE FROM MERCURY PAYTON, TOWN MANAGER

I am pleased to present the Town of Vienna's first-ever Popular Annual Financial Report (PAFR).

Every year, the Town is required to conduct an audit of its financial statements and produce an Annual Comprehensive Financial Report (ACFR) in order to report statutory financial information to stakeholders. This new report – our Popular Annual Financial Report – provides residents and other stakeholders with an easy-to-understand explanation of the Town's finances during fiscal year 2021 (July 1, 2020 – June 30, 2021).



Fiscal year 2021 was marked by the economic effects of the novel coronavirus pandemic, which contributed to the economic slowdown in the first half of the fiscal year. Thanks to conservative budgeting and revenue from business licenses and from the Commonwealth of Virginia coming in higher than budgeted, plus strong residential redevelopment, the Town achieved a surplus of over \$1.2 million in the General Fund.

Council and staff are now moving their focus to post-pandemic activities, while striving to provide the highest quality services to Vienna residents.

The finance department staff and I welcome your comments to help make this report even more transparent and understandable to residents. Please reach out to Director of Finance Marion Serfass, via email at mserfass@viennava.gov or 703-255-6322 with specific questions or comments. It is an honor to serve as your Town Manager.

Please feel free to contact me at townmanager@viennava.gov or 703-255-6370.

A handwritten signature in black ink that reads "Mercury Payton". The signature is written in a cursive, flowing style.

Mercury Payton
Town Manager

THE OFFICIALS

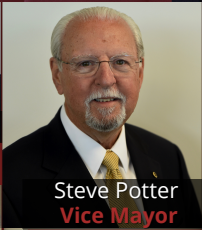
LOCAL LEADERSHIP



Linda Colbert
Mayor



Chuck Anderson



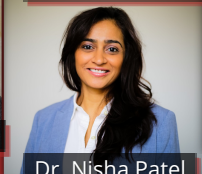
Steve Potter
Vice Mayor



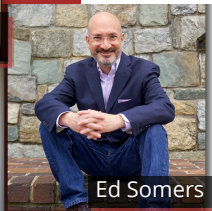
Ray Brill



Howard Springsteen



Dr. Nisha Patel



Ed Somers

FORM OF GOVERNMENT

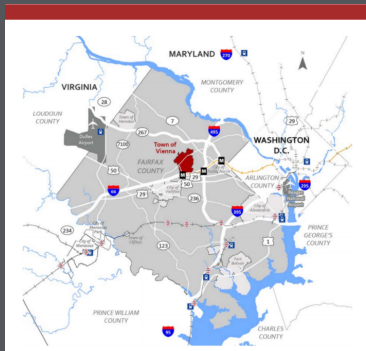
Under the council-manager form of government, the elected governing body (i.e., Mayor and Town Council) is responsible for establishing policy, passing local ordinances, adopting the annual budget and developing the overall vision for a city, town, or county. Vienna has a mayor and six council members who are elected at large (without districts or precincts). Elections were moved to the first Tuesday of November starting in 2023 with all 7 seats up for re-election. Council members will serve a four year term.

Town Council appoints a chief executive officer, the Town Manager, to oversee day-to day municipal operations, draft a budget, and implement and enforce the Council's policies and legislative initiatives. The Town Manager has sole authority for hiring, firing, and managing Town employees.



WHO WE ARE

Vienna is one of the best places to live in Virginia. Offering residents, a suburban feel and sense of community there are many reasons people love to live here. Highly-rated public schools, a low crime rate, lush parks, community events, shops, and a variety of restaurants are only some of the reasons people move to or visit Vienna. Situated 30 minutes away from the Nation's capital, there are seemingly endless opportunities, both in town and just a car ride away.



"THE LOCATION AND THE COMMUNITY ARE WHAT MAKE VIENNA GREAT. I LOVE BEING ABLE TO WALK EVERYWHERE—TO WHOLE FOODS, RESTAURANTS, THE LIBRARY, SCHOOLS, THE TRAIL, THE WOODS. I AM GRATEFUL THAT MY KIDS ARE ABLE TO ATTEND OUTSTANDING SCHOOLS AND BE INVOLVED IN FUN ACTIVITIES WITH THEIR FRIENDS. I LOVE THAT VIENNA IS FULL OF SMART, FRIENDLY PEOPLE WHO CARE ABOUT EACH OTHER AND THE TOWN AS A WHOLE."

- Christina Caplan

*Data provided by Town of Vienna, 2018 American Community Survey, and Fairfax County Demographic Reports 2019.

www.viennava.gov

DEMOGRAPHICS

LOCAL
POPULATION

16,473

MEDIAN AGE

41.3

HOME OWNERS

83.3%

MEDIAN INCOME
PER HOUSEHOLD

\$155,490

MEDIAN PROPERTY VALUE

\$743,500

Senior Citizens

13.8%

Median Gross Rent

\$2,081

**POPULAR ANNUAL FINANCIAL
REPORT JUNE 2021 - PAGE 4**

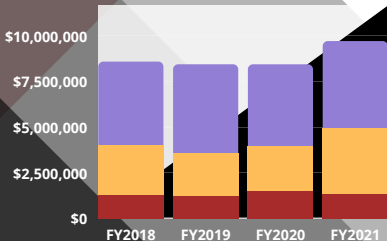
GENERAL FUND

| Restricted | | | Unrestricted | | | |
|---------------------------|--|---|---|---|--|--|
| Nonspendable | | Restricted | Committed | | Assigned | Unassigned |
| are not in spendable form | legally or contractually required to stay intact | externally imposed by creditors, grantors, or Town ordinances | must be used for specific purposes imposed by formal action of Town Council | may be redeployed for other purposes with appropriate due process | to be used for specific purposes, but do not meet criteria to be classified as restricted or committed | residual, spendable amounts not contained in other classifications, "Rainy Day Fund" |

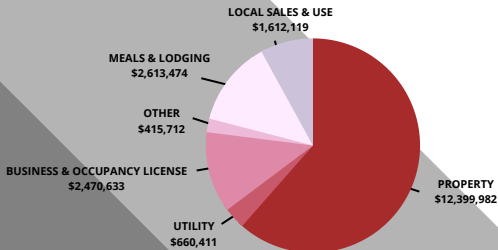
Total fund balance \$9,691,663
(INCREASE OF \$1,270,753)

Unassigned fund balance \$4,728,490
(INCREASE OF \$260,582)

GENERAL FUND - FUND BALANCE

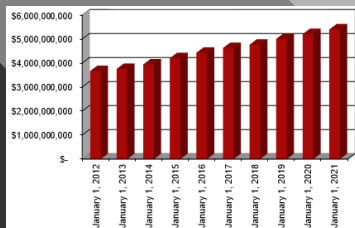


TAX REVENUE BY SOURCE



REAL ESTATE TAXES

10 YEAR HISTORY OF ASSESSED VALUE OF TAXABLE REAL PROPERTY



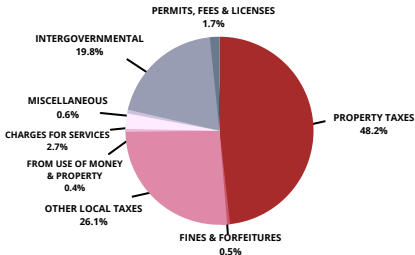
Total assessed taxable property for Tax Year 2020 (Fiscal Year 2021) totaled \$5.4 Billion an increase of 3.8% from the previous year.

Collected property taxes totaled 99.81% of the tax levy, making last year the 28th consecutive year in which current year tax collections exceeded 99%.

GENERAL FUND

WHERE THE MONEY COMES FROM

| Revenues | 2019 | 2020 | 2021 |
|---|----------------------|----------------------|----------------------|
| General property taxes | \$ 11,419,658 | \$ 11,883,932 | \$ 12,433,849 |
| Other local taxes | 6,738,401 | 6,615,545 | 6,736,612 |
| Permits, privilege fees and regulatory licenses | 261,427 | 332,230 | 426,740 |
| Fines and forfeitures | 314,291 | 265,581 | 131,466 |
| Revenue from use of money and property | 432,465 | 347,087 | 125,998 |
| Charges for services | 1,066,449 | 546,483 | 685,258 |
| Miscellaneous | 160,728 | 214,950 | 161,881 |
| Intergovernmental | 3,373,454 | 4,394,982 | 5,096,571 |
| Total revenues | \$ 23,766,873 | \$ 24,600,790 | \$ 25,798,375 |

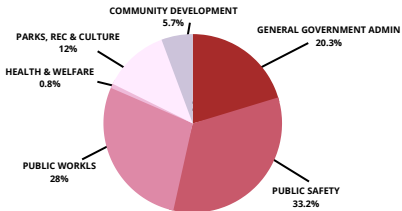


The General Fund is the Town's primary operating fund, and most of the Town's core services are recorded here. The revenue of the General Fund is used to support the police, public works, government administration, community development, parks and recreation. Business-type activities of the Town are water and sewer operations and are not highlighted in this report.

GENERAL FUND

WHERE THE MONEY GOES

| Expenditures | 2019 | 2020 | 2021 |
|-------------------------------------|----------------------|----------------------|----------------------|
| General governmental administration | \$ 5,009,749 | \$ 5,247,613 | \$ 5,216,985 |
| Public safety | 7,212,489 | 7,860,722 | 8,532,107 |
| Public works | 7,932,131 | 7,925,638 | 7,201,180 |
| Health and welfare | 223,435 | 228,923 | 203,489 |
| Parks, recreation, and cultural | 3,506,683 | 3,507,136 | 3,087,274 |
| Community development | 977,784 | 1,099,505 | 1,460,247 |
| Total expenditures | \$ 24,862,271 | \$ 25,869,537 | \$ 25,701,282 |



The Town adopts a budget that allocates money to the highest priorities as determined by Town Council on an annual basis. The budget provides the framework for the operations of basic services offered by the Town. These operations are commonly referred to as governmental activities and include community events, park upkeep and beautification, police patrol, sanitation, snow removal, and leaf collection.

RESOURCES FOR DEBT SERVICE

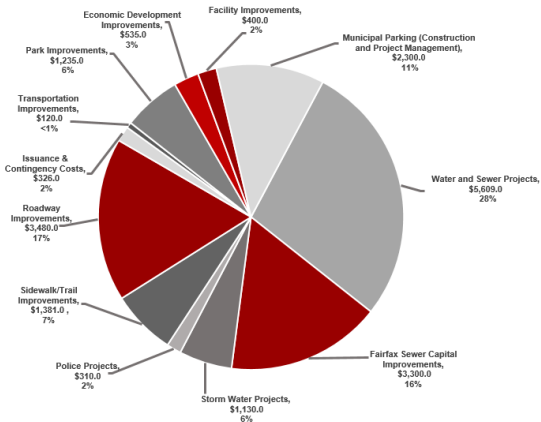
The Meals Tax has historically covered tax-supported debt service and has accumulated over \$5 million in reserves. Meals Tax is a tax placed on the purchase of prepared foods that are eaten in a restaurant or taken "to go". A majority of Capital Improvement Projects are financed through general obligation bonds paid for by the Debt Service Fund.



The Town has historically dedicated revenue from its Meals Tax as the primary funding source for its Debt Service Fund. The Utility Fund also makes an annual transfer to the Debt Service Fund to cover its portion of the Town's general obligation debt.

PLANNED FUTURE PROJECTS

Capital Financing Program Expenditures -
Proposed Series 2022 Bonds and Other Financing Sources (in \$000)



The Town of Vienna's current bond rating is AAA which has been maintained at that level since 2010. The AAA bond rating is the highest rating available. It reflects the government's creditworthiness and allows the Town to borrow at the lowest possible rates. The AAA rating was reaffirmed in 2020 by Moody's and Standard and Poor's.

RESIDENTIAL GROWTH

Vienna continually sees growth in the residential areas and the Town business corridor.

- Urban development allowing for positive interaction
- Walk score 88/100 (very walkable)
- Bike Score 78/100 (very bikeable)
- Average drive time/commute under 30 minutes
- Mixed use development: Live where you work and play

*Data provided by www.walkscore.com



Vienna is fixed in size with its boundaries set and no opportunity nor desire to grow into a large metropolitan area. As a result, its population should only see slight growth in the future.

Single-family detached residences comprise 82 percent of the residential housing market in Vienna, and existing residential properties values have increased every year since 2011. The other 18 percent of residential dwellings are multifamily and townhouses. During FY 2021, occupancy of 44 new townhouses and groundbreaking for an assisted living community began.

Most new home construction results from teardowns of existing houses to upscale homes, and residential renovations are still strong throughout the Town. Overall, assessed property values increased 4.0 percent in Vienna for the year reported.

Residents enjoy a hometown feel. In FY 2021, the new zoning code project started with resident engagement and proposals for improvements and simplifications to the code. This new zoning code should present a simplified format to encourage development and reinvestment in Vienna.

8.3%

Using Public Transportation

4.1%

Walking and Biking to Work

28.9 min

Average Commute Time

2,171

Local Businesses

5,414

Households

WHAT IS RESIDENTIAL GROWTH GOOD FOR:

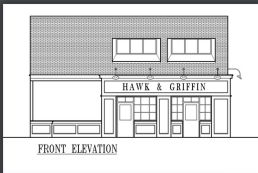
- Population Development
- Financial Stability
- Promotion of a Safe and Enjoyable Residence

DEVELOPMENT ACTIVITY

To contact the Planning and Zoning Department
by email at DPZ@viennava.gov
or by phone at 703-255-6341

To contact the Economic Development Department
by email at Natalie.Monkou@viennava.gov
or by phone at 703-255-6338

The Economic Development Department works to help cultivate and promote the Town of Vienna's long-term economic competitiveness and vibrancy. The department works to diversify the business community through attraction and retention strategies and strengthens the business community through a variety of services, programs, and community development initiatives. Services and information provided include site selection assistance, space availability reports, promotional assistance, access to mentoring and business counseling, webinars, and information about local and federal grant programs.

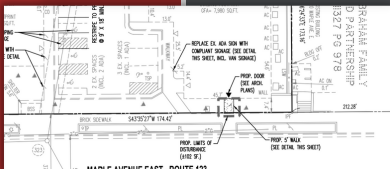


- *Town Council meets periodically with Town staff to discuss vision and long-term financial planning. Town staff is exploring ways to capitalize on expansion of the Washington-area Metro system and an increase in Fairfax County commercial development.*

- The Planning and Zoning Department awarded a contract to re-write and update the Town's zoning code that is slated for completion by the end of calendar year 2022. The Zoning Code had not been revised since the 1960's.



- The Economic Development Department is partnering with the Department of Public Works to execute a parking study initiative for the Town's commercial areas.



STRATEGIC PLAN

The Town of Vienna aspires to build on its strong hometown culture and treasured traditions while enhancing its reputation as a premier destination for connected and healthy living as well as notable economic development within a safe and inviting setting.

To ensure this vision is fulfilled the following community goals were established:



TOWN STAFF

Town Manager
Mercury Payton
703-255-6371

Town Attorney
Steven D. Briglia
703-255-6305

Town Clerk
Melanie J. Clark
703-255-6304

**Public Information
Officer**
Karen Thayer
703-255-6330

Finance Director
Marion Serfass
703-255-6322

Human Resources Director
Michelle Crabtree
703-255-6351

Parks & Recreation Director
Leslie Herman
703-255-6356

Planning & Zoning Director
Micheal D'Orazio, Acting
703-255-6340

Police Chief
Col. James Morris
703-255-6390

Public Works Director
Michael Gallagher
703-255-6380

Information Technology Director
Tony Mull
703-255-6364

**Economic Development
Manager**
Natalie Monkou
703-255-6338



TOWN OF
VIENNA
Virginia

VIENNA TOWN COUNCIL

Mayor Linda J. Colbert
linda.colbert@viennava.gov

Chuck Anderson
chuck.anderson@viennava.gov

Ray Brill
ray.brill@viennava.gov

Nisha Patel
nisha.patel@viennava.gov

Steve Potter
steve.potter@viennava.gov

Ed Somers
ed.somers@viennava.gov

Howard J. Springsteen
hspringsteen@viennava.gov

CONTACT

**TOWN HALL
MAIN PHONE**
703-255-6300

**PUBLIC
INFORMATION
OFFICE**
703-255-6330