



NEWS RELEASE

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Vienna adopts \$41.2 million budget for new fiscal year

Last night Vienna Town Council adopted a \$41.2 million budget for fiscal year 2019-20, which represents a 6.5% increase over last year's budget. The Town's new fiscal year will begin July 1, 2019 and conclude on June 30, 2020. Among new initiatives covered in the FY20 budget are an economic development manager position, classification and compensation study, comprehensive zoning update, economic development study, and additional tree maintenance funds.

The Town's real estate tax rate will remain the same for the fifth consecutive year at 0.225 cents per \$100 assessed value. While the tax rate is unchanged, most Vienna property owners will pay more in real estate taxes next year due to increases in assessed property values. Real estate assessments increased 4% overall (4.9% for residential properties and 0.14% for commercial properties). The average residential real estate tax increase will be \$64 annually, from \$1,518 to \$1,582.

The Town's water and sewer rates are increasing about 10%, or \$64 annually as well. The higher fees align with Fairfax County fees and were called for by a 2018 rate study in order to keep the water system wholly self-funding and increase availability of funds to invest in infrastructure improvements.

In addition to increases in real estate tax revenue, the Town anticipates increased revenues from parks and recreation fees due to new programming, zoning fees as several new developments get underway, higher investment interest rates, and cell phone tower rentals.

"This budget helps the Town maintain its high-quality services and meet new goals," says Mayor Laurie DiRocco. "In addition to starting on the important process of updating our zoning code, we're excited to bring on an economic development manager partway through the year. This new position will help Vienna provide enhanced business-friendly services for existing businesses while also helping to bring to Town additional independent, locally owned businesses that will, collectively, help make Vienna a vibrant destination. It's important that Vienna retain and recruit vital businesses to serve residents, enhance the Town's quality of life, and diversify our tax base. "

Other staff changes provided for in the budget include increasing two part-time positions, a public works administrative assistant and parks and recreation customer care representative, to full time and adding sustainability coordinator responsibilities to an existing stormwater engineer position. In addition, a part-time temporary auditor position will be added in the Finance Department.

The FY20 budget provides a 3% merit raise for the Town's 189 employees. In addition, employees who "exceed expectations" on their annual evaluations will be eligible for \$500 or \$1,000 one-time bonuses. Most employees will experience a decrease in health insurance expenses as Anthem Blue Cross/Blue Shield lowered its rates by 3%.

The Town's FY20 \$41,153,380 budget comprises four funds:

- general fund \$26,725,030
- water and sewer fund \$9,233,080
- debt service fund \$4,665,270
- stormwater fund \$530,000

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