



TOWN OF

VIENNA

Virginia

POPULAR ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2025



2025 POPULAR ANNUAL FINANCIAL REPORT

The Town of Vienna is proud to present our Popular Annual Financial Report (PAFR) for Fiscal Year (FY) 2025 (July 1, 2024 - June 30, 2025). The Government Finance Officers Association (GFOA) launched the PAFR program in 1991 to assist state and local governments in communicating complicated financial information.

This PAFR provides information about the Town's finances in a clear, accessible format. Readers will find statistics and information pulled from the Town's FY 2025 Annual Comprehensive Financial Report (ACFR) and other sources to give a clearer understanding of the Town's funding sources, expenditures, and obligations.

The Town's auditors, Robinson, Farmer, Cox Associates, PLLC, concluded that the Town's FY 2025 financial statements conform to generally accepted accounting principles and provide a true and fair view of the Town's finances. Additionally, the Town has received the GFOA Certificate of Excellence in Financial Reporting, the Distinguished Budget Presentation Award, and the Outstanding Achievement Award for last year's PAFR. These awards and clean audits demonstrate the Town's commitment to fiscal integrity and effective financial management.

The 2025 ACFR can be found here: www.viennava.gov/Town-Departments/Finance/Town-Budget



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VIENNA TOWN COUNCIL



Mayor
Linda Colbert



Sandra
Allen



Chuck
Anderson



Roy
Baldwin



Ray
Brill



Jessica
Ramakis



Howard
Springsteen

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). As of November 2023, elections are 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.



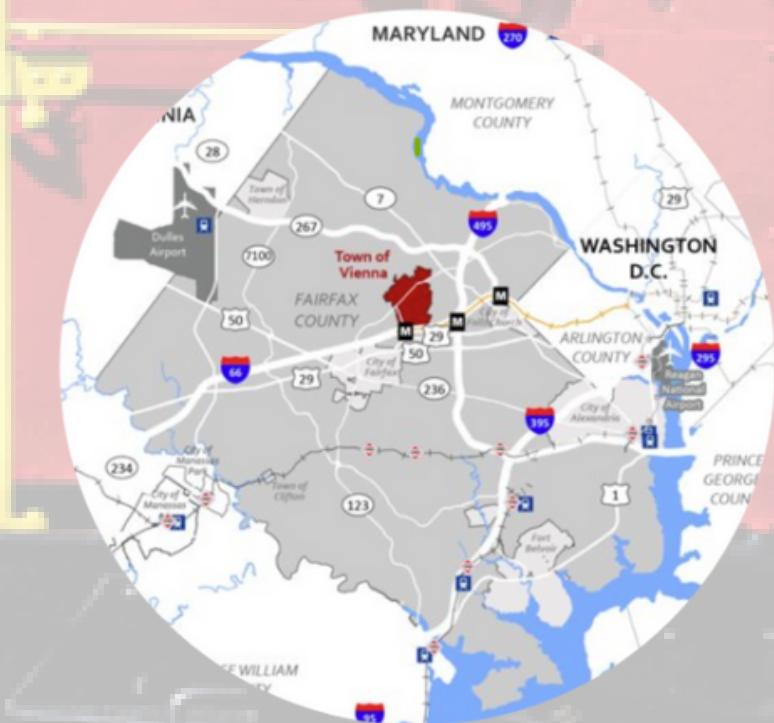
Town Manager
Mercury Payton

Local Economy:

The Town of Vienna benefits from a strong location in Northern Virginia near Washington, D.C., with access to major transportation corridors and regional transit. This advantage continues to support a stable and resilient local economy. Despite higher interest rates and elevated construction costs in 2025, residential and mixed-use redevelopment remained active, reflecting continued confidence in Vienna's long-term economic health. Major public investments, including the Vienna-Carter Library redevelopment and infrastructure improvements, also moved forward, reinforcing the Town's commitment to reinvestment and community quality of life.

Property taxes remain Vienna's largest and most stable revenue source, accounting for over 42 percent of General Fund revenues. In FY 2025, residential property assessments increased by 6.2 percent, extending more than a decade of steady growth, while commercial assessments declined slightly. Overall assessed values increased, resulting in higher property tax revenues without a change to the Town's real estate tax rate. Development activity remained healthy, with continued home construction and renovations across town, though at a more moderate pace than in prior years.

Vienna's economy is driven primarily by professional, technology, and other white-collar employment, supported by proximity to federal agencies and major employment centers. Business activity remained strong, with business license tax revenues rising 6.5 percent and sales tax revenues increasing 7.2 percent, continuing long-term growth trends. While the regional labor market began to soften late in 2025, unemployment in Fairfax County remained low by historical standards. Overall, Vienna enters the coming year with a well-diversified economic base and a positive outlook for continued stability.



FISCAL FEATURES

Triple-A Jurisdiction

The Town of Vienna is one of only ten municipalities in Virginia to earn the highest possible credit rating, AAA, from both Moody's and Standard and Poor's. This top rating reflects Vienna's strong financial management, stable revenues, and responsible long term planning. For the Town, it means lower borrowing costs, greater financial flexibility, and added confidence that public funds are being managed wisely to support essential services and future investments.

Geography

4.4 Square Miles
8.9 Miles of Sidewalk

Household Information

5,778 No. of Households
3.02 Avg. Household Size

Demographics

17,125 No. of Residents
\$223,571 Median Household Income

Top Vienna Employers

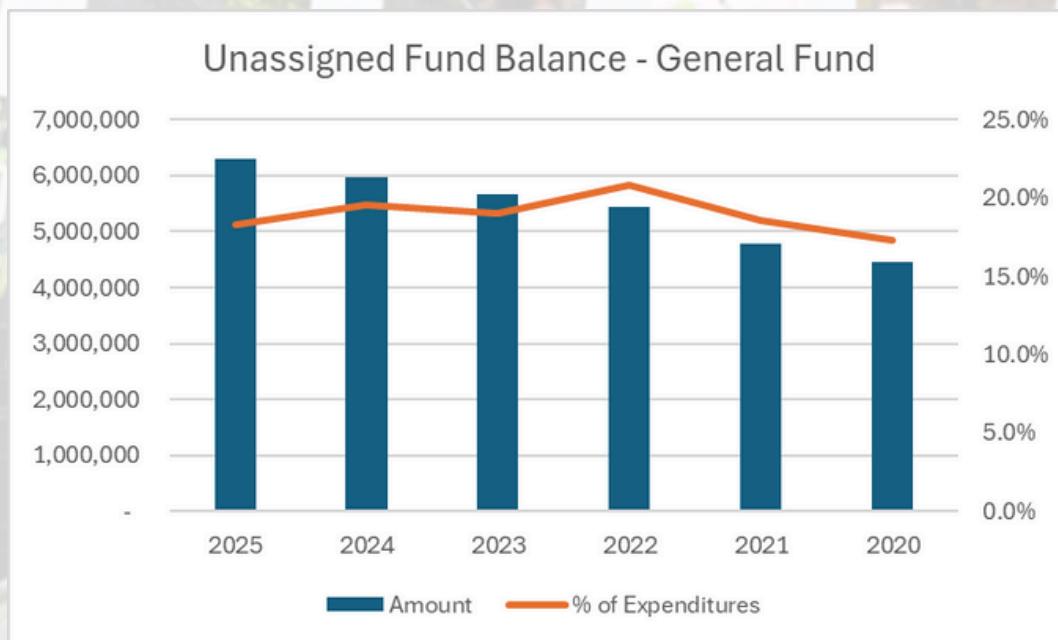
Navy Federal Credit Union
Fairfax County Public Schools
Giant Foods
Town of Vienna
Whole Foods Market Group
Westwood County Club
Wheat's Lawn and Custom Land, Inc.
Hope Advanced Veterinary Clinic
Chick-Fil-A Vienna on Maple
U.S. Postal Service



Financial Review of Fiscal Year 2025

Unassigned Fund Balance - General Fund

The unassigned fund balance is an important measure of the Town's financial health. It is money in the General Fund that is not set aside for a specific purpose and can be used when needed. This reserve helps maintain financial stability, supports strong credit ratings, allows for better budget planning, and provides funding for emergencies such as natural disasters, public health events, or other unexpected costs. At the end of FY 2025, Vienna continued to add to its unassigned fund balance, totaling over \$6,000,000 and 18% of general fund expenditures.



Financial Review of Fiscal Year 2025 (continued)

Net Position - Governmental Funds

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.

During FY 2025, the Town's governmental funds reported a combined ending net position balance of \$57.2 million which represents an increase of \$6.1 million over the prior year. The Town's proprietary (water and sewer) fund, labeled business-type activities, reported an ending net position of \$32.9 million which represents an increase of \$3.2 million over the prior year.

Schedule of Assets, Deferred Inflows and Net Position

	Governmental Activities		Business-type Activities	
	2025	2024	2025	2024
<u>Assets:</u>				
Current and other assets	\$ 42,396,473	\$ 62,386,387	\$ 10,263,623	\$ 10,215,779
Capital assets	109,132,736	89,403,271	38,190,439	34,764,992
Total assets	\$ 151,529,209	\$ 151,789,658	\$ 48,454,062	\$ 44,980,771
Deferred Outflows of Resources	\$ 6,215,867	\$ 4,459,148	\$ 504,914	\$ 315,491
<u>Liabilities:</u>				
Long-term liabilities outstanding	\$ 74,496,318	\$ 77,589,631	\$ 13,633,308	\$ 12,592,598
Other liabilities	21,508,711	22,886,791	2,008,263	2,699,210
Total liabilities	\$ 96,005,029	\$ 100,476,422	\$ 15,641,571	\$ 15,291,808
Deferred Inflows of Resources	\$ 4,575,168	\$ 4,486,660	\$ 403,655	\$ 329,846
<u>Net Position:</u>				
Net investment in capital assets	\$ 69,468,455	\$ 59,606,814	\$ 30,795,515	\$ 30,068,391
Restricted	1,678,592	1,325,587	-	-
Unrestricted	(13,982,168)	(9,646,677)	2,118,235	(393,783)
Total net position	\$ 57,164,879	\$ 51,285,724	\$ 32,913,750	\$ 29,674,608

Financial Review of Fiscal Year 2025 (continued)

Total net position on June 30, 2025 was \$90,078,629 compared to \$80,960,332 in 2024. Total net position increased by \$9.1 million or 11 percent, mainly due to the investment of bond proceeds into capital assets. Governmental activities reflect an increase in net position of \$5.9M due primarily to increases in purchases of capital assets. Business-type activities reflect an increase of \$3.2M due primarily to an increase in infrastructure improvements which are capital contributions to the fund. 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	
	2025	2024	2025	2024
Revenues:				
Program revenues:				
Charges for services	\$ 2,359,445	\$ 2,358,645	\$ 12,780,541	\$ 11,153,298
Operating grants and contributions	6,306,801	8,569,307	-	651
Capital grants and contributions	3,678,632	1,027,796	469,029	523,161
General revenues:				
Property taxes	14,104,861	13,395,515	-	-
Other local taxes	11,853,572	11,255,566	-	-
Grants & contributions - unrestricted	693,014	696,508	-	-
Unrestricted revenues from the use of money and property	1,556,932	2,261,994	408,570	294,376
Miscellaneous	4,422,246	3,486,597	413,381	323,061
Total revenues	\$ 44,975,503	\$ 43,051,928	\$ 14,071,521	\$ 12,294,547
Expenses:				
General government administration	\$ 8,094,367	\$ 7,691,017	\$ -	\$ -
Public safety	8,940,151	8,862,473	-	-
Public works	13,023,059	11,670,357	-	-
Health and welfare	340,626	285,175	-	-
Parks, recreation and cultural	6,611,812	7,423,989	-	-
Community development	1,909,148	1,771,388	-	-
Interest on long-term debt	1,655,177	1,862,839	-	-
Water and sewer	-	-	9,118,369	9,516,140
Total Expenses	\$ 40,574,340	\$ 39,567,238	\$ 9,118,369	\$ 9,516,140
Net Position:				
Income before capital contributions and transfers	\$ 4,401,163	\$ 3,484,690	\$ 4,953,152	\$ 2,778,407
Transfers	1,698,242	45,871	(1,698,242)	(45,871)
Increase (Decrease) in net position	\$ 6,099,405	\$ 3,530,561	\$ 3,254,910	\$ 2,732,536
Net position, beginning of year, as restated	51,065,474	47,755,163	29,658,840	26,942,072
Net position, end of year	\$ 57,164,879	\$ 51,285,724	\$ 32,913,750	\$ 29,674,608

Governmental Funds Revenues for FY 25

Percentage of Total FY25 Revenues



Property Taxes: 31.4% 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).



Intergovernmental: 23.7%

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



Other Local Taxes: 17.9%

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



Permits, Fines, and Miscellaneous: 11%

Revenue sources such as licenses and permits, fines and forfeitures, and contributions and donations.



Meals Taxes: 8.5%

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



Interest and Investment Earnings: 4%

Revenue earned from interest and investments.

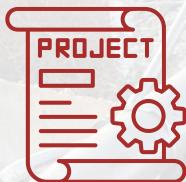


Charges for Services: 3.5%

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

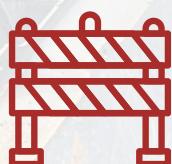
Governmental Funds Expenditures for FY 25

Percentage of Total FY25 Expenditures



Capital Projects: 37.1% of Total

Expenditures incurred in funding the long-term projects approved by Vienna's Town Council and the repayment of the bonds of such funded projects.



Public Works: 19.6%

Expenditures incurred in providing engineering, transportation, sanitation, and other public works services.



Public Safety: 15.9%

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



General Government Admin: 12.9%

Expenditures incurred for general administrative offices including the Mayor and Town Council, Town Administration, Finance, Human Resources, and Information Technology.



Parks, Recreation & Culture: 10%

Expenditures incurred in providing cultural and recreational services, maintaining Town parks and landscaping.



Community Development: 3.5%

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



Health and Welfare: 1%

Expenditures incurred in providing funding in support of for the Vienna Fire Department.

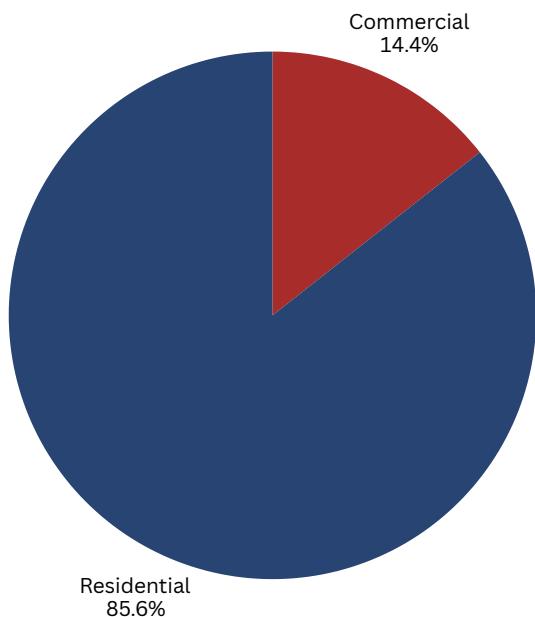
Governmental Funds Revenue and Expenditures

The Governmental Funds account for expendable financial resources, other than those accounted for in the Proprietary Funds. The individual Governmental Funds are the General Fund, Debt Service Fund, Capital Projects Fund, and the Special Revenue Funds.

The Town's Real Estate Tax funds a majority of the Town's services provided by the General Fund. Below is a breakout of where these tax dollars come from and how they are spent.

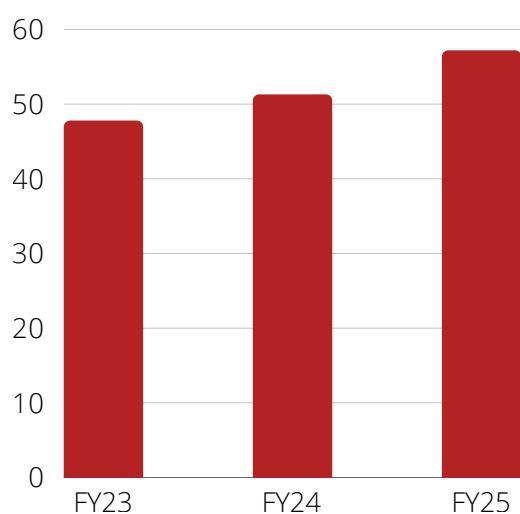
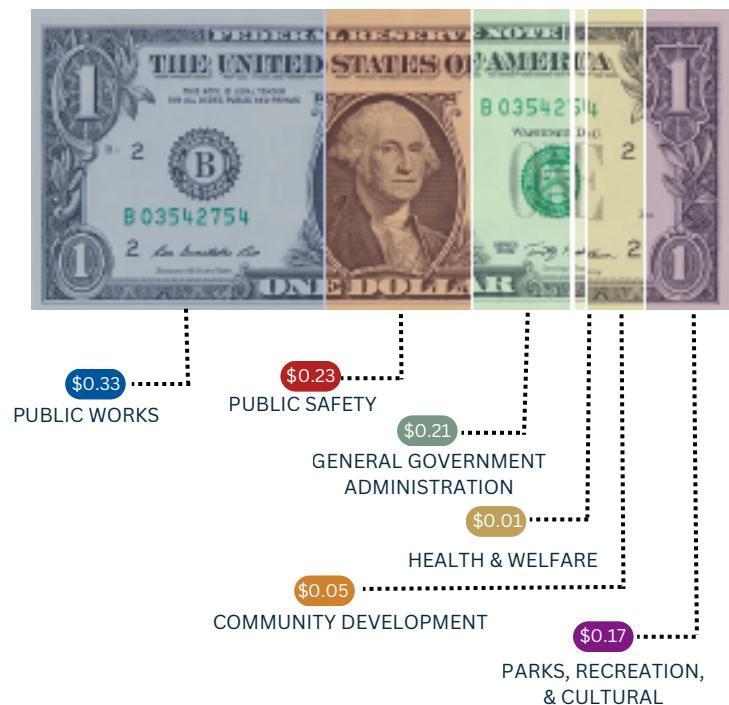
WHERE THE MONEY COMES FROM

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



WHERE THE MONEY GOES

(WHAT YOUR PROPERTY TAX DOLLARS FUND)



GOVERNMENTAL FUNDS - NET POSITION (IN MILLIONS)



Proprietary Fund Revenues for FY 25

Percentage of Total FY25 Revenues



Sewer Charges: 38.9% of Total

Monies collected for sanitary sewer services provided.



Water Charges: 38%

Monies collected for water provided.



Account Service Charges: 14.5%

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



Miscellaneous Revenues 6.6%

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



Sale of Water Meters: 2%

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

Proprietary Fund Expenses for FY 25

Percentage of Total FY25 Expenses



Sewer Treatment Cost: 25.2% of Total

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



Personnel: 25%

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: 21.8%

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



Maintenance Supplies & Services: 17.9%

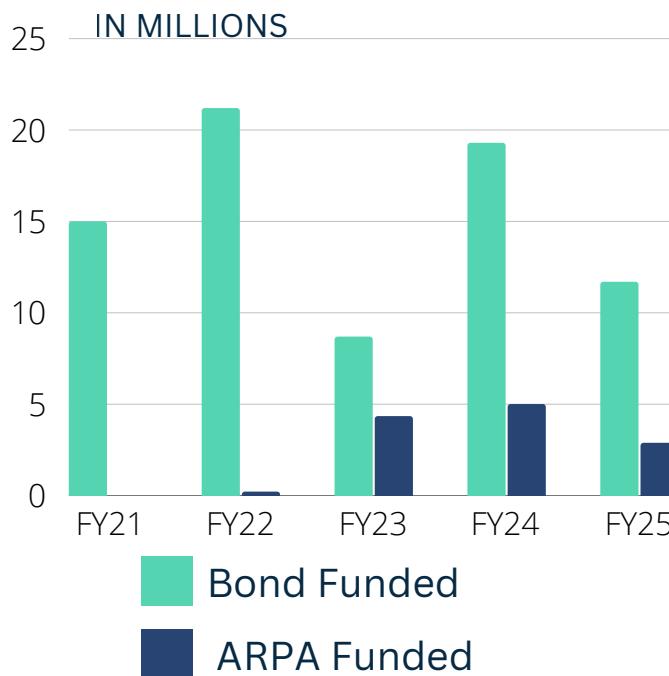
Expenses incurred for maintaining and repairing the Towns water and sewer lines.



Capital Outlay & Interest Costs: 10.1%

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 2025, the Town of Vienna's investment in capital outlay (parks, roadways, buildings) totaled \$14.6 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 FY25

Road Improvements:

- Asphalt & Mill Overlay (various locations)

Building Improvements:

- Demolition of Beulah Rd NE house
- Demolition of building at 301 Center St S (Annex)

Park Improvements:

- Meadow Lane Park Restrooms
- Merry-Go-Round Replacement at Meadow Lane Park
- Park System Master Plan

Sidewalk Improvements:

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

Miscellaneous Improvements:

- Add 2 Electrical Vehicle Charging Stations at Northside Property Yard
- Server Upgrades and Equipment Replacement
- Drainage Design on Manvell Rd, Moore Ave, Valley Dr & Glyndon St SE
- Water Main Improvements (various locations)
- Sanitary Sewer Pipe Rehabilitation (various locations)

VIENNA BY THE NUMBERS

			2023	2024	2025
	Public Works	Linear Feet of Sidewalk Replace / Installed	8,780	16,240	11,000
		Tons of Asphalt Installed	16,136	20,890	4,507
		Tons of Recycled Materials Collected	1,750	1,319	1,300
	Parks & Recreation	Numbers of Parks	12	12	12
		Number of Programs Held	1,035	771	707
		Daily Average Number of Teens using Teen Center	19	11	12
	Police	Number of Calls for Service	13,160	12,773	13,459
		Number of Patrol Units	23	23	23
		Number of Animal Complaints	372	329	283
	Planning & Zoning	Permit Applications	610	648	740
		New Single-Family Dwellings	77	76	72
		New Zoning Violation Cases Closed	118	170	227
	Water & Sewer	Repair Water Main Breaks	46	36	70
		Linear Feet of Sewer Lines Repaired	4,464	2,914	4,454
		Footage of Sewer Mains Cleaned	158K	202K	144K

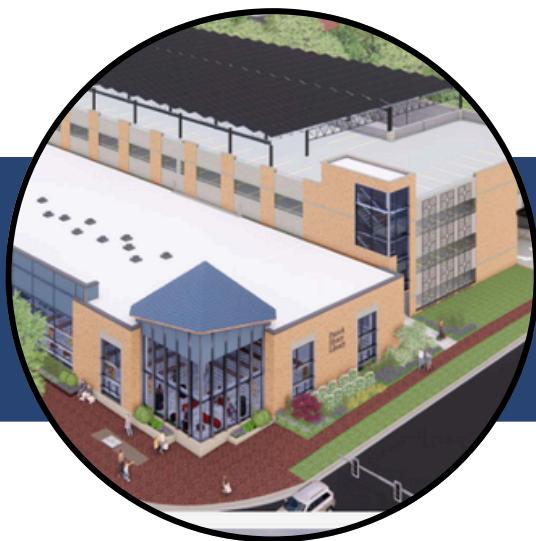
VIENNA CAPITAL INITIATIVES

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



3 Southside Park Ballfields and Caffi Field Refurbishment and Improvements.



4 Project Management and Design of Aquatics & Fitness Center.



2025



TOWN OF VIENNA PAFR

Sources:

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

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

<https://www.fairfaxcounty.gov/demographics/2024-demographics-report-highlights-growth-housing-trends-and-income-inequality-data>