

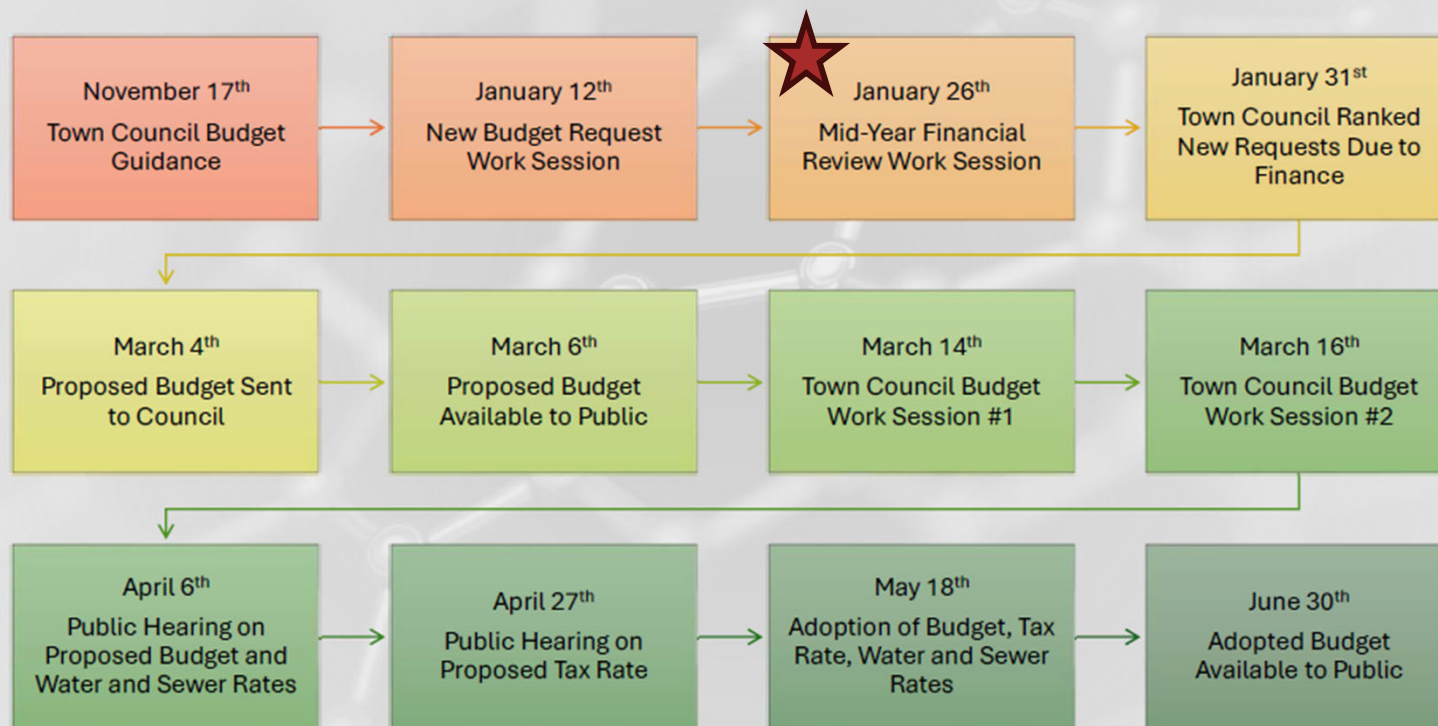


# TOWN OF VIENNA, VIRGINIA

Fiscal Year 2026 Mid-Year Financial Review  
General Fund, Debt Service Fund, and Water & Sewer Fund  
As of December 31, 2025 – Projected Through June 30, 2026

# Roadmap to Budget Adoption

## Operating Budget Timeline



# Purpose



Provide a mid-year snapshot of Town revenue and expenditures



Compare year-to-date performance to adopted budget



Highlight projected outcomes through fiscal year-end

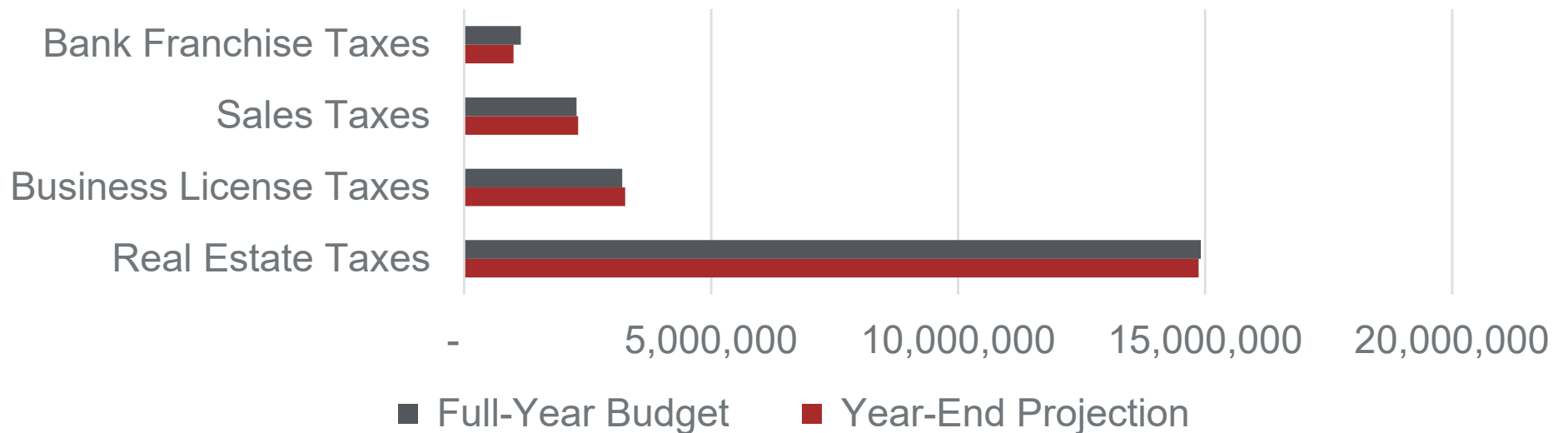
# Executive Summary

Fund	Mid-Year Status	Year-End Outlook
General Fund	Revenues On Track	~\$450k Projected Deficit
Debt Service Fund	On Track	Fully Funded (\$300k surplus)
Water & Sewer Fund	On Track	Stable (\$500k surplus)

- Revenues are performing as expected and are not driving the deficit
- Expenditure pressures are driven by retirements, leave payouts, and overtime
- The projected deficit reflects largely one-time personnel-related costs

# General Fund: Revenue Snapshot

## General Fund - Revenue



- Major revenue categories are tracking in line with projections
- No material revenue shortfalls identified
- Revenue performance remains stable entering the second half of the year

# General Fund: Key Expenditure Drivers

## Seven Long-Tenured High-Salaried Retirements

- *Under-budgeted leave payouts*

## Overtime & On-Call

- *Special Events & Emergencies*

## Personnel Cost Variance

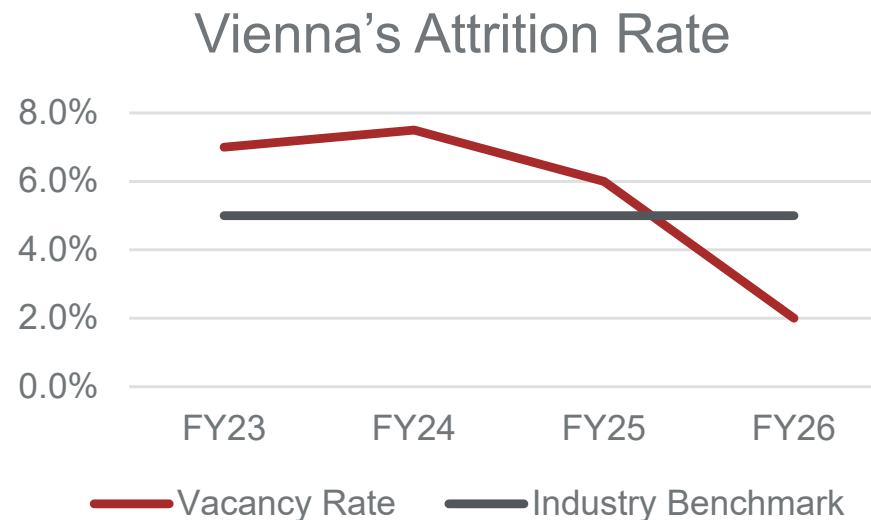
- *Next Slide*

These costs exceed normal mid-year spending patterns

# Workforce Conditions Impacting the Budget

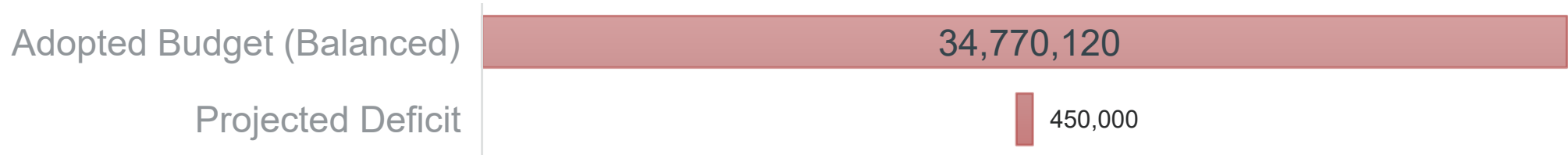
Normal Year	Current Year
Higher Turnover	Low Turnover
Salary Savings	Limited Savings
Lower Overtime	Higher Overtime Demand

- While low vacancies are positive operationally, they reduce budget flexibility

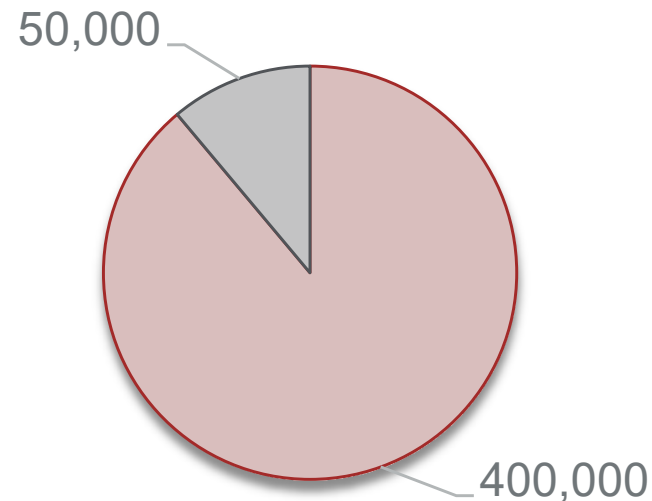


# General Fund: Year-End Projection

## Fiscal Year 2026 Projected Results



## Projected Deficit Components

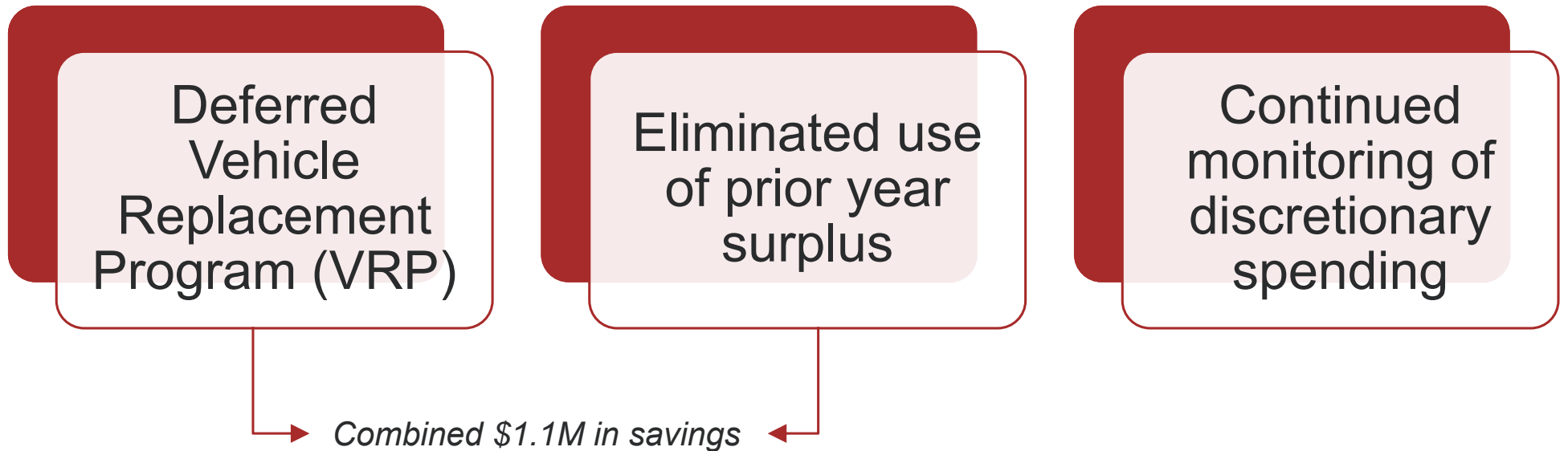


■ Retirement & Leave Payouts ■ Overtime & On-Call

- Current projection shows an approximate \$450,000 General Fund deficit
- Deficit is expenditure-driven
- Majority of cost pressures are one-time or non-recurring



# Actions Taken to Address Mid-Year Pressures



# Potential Additional Actions (If Needed)

## Personnel Controls

- Temporary hiring freeze for non-essential positions, through March 31st
- Overtime and on-call restrictions where operationally feasible

## Operating Controls

- Additional departmental reductions to non-salaried budgets

# Other Funds: Debt Service & Water/Sewer



## Debt Service Fund

- ✓ Fully Funded
- ✓ No Risk Identified



## Water & Sewer Fund

- ✓ Stable
- ✓ Operating as planned

# Closing & Next Steps



Revenues remain stable  
at mid-year



Expenditure pressures are  
being actively managed



Staff will continue  
monitoring and return with  
updates if conditions  
change