



Legislation Text

File #: 21-2749, **Version:** 1

Subject:

Presentation of 2021 Annual Comprehensive Financial Report (ACFR)

EXPLANATION AND SUMMARY :

The Town Code of the Town of Vienna, Chapter 6, section 1, requires that the Town Treasurer arrange for an annual audit of Town books and records. Robinson, Farmer, Cox Associates has completed the audit for the year ended June 30, 2021. The Town of Vienna continues to be fiscally sound.

On December 6 Robinson, Farmer, Cox Associates will present the Town's Comprehensive Annual Financial Report (CAFR) at the Council meeting, complying with the state code requirement in chapter 15.2-2511 to present the report to the governing body by December 31 of each year. The report for the fiscal year ending June 30, 2021 is "presented fairly, in all material respects ...and in conformity with accounting principles generally accepted in the United States," according to Robinson, Farmer, Cox Associates.

The Town ended the fiscal year in financially stable condition. The General Fund's unassigned fund balance increased by \$310,582 or 7.0 percent. This was due to holding 2021 expenditures to a conservative amount based on the very conservative budget prepared at the beginning of the pandemic, and 2021 revenues coming in at pre-covid levels, mainly in business licenses and state revenue sources.

The Water and Sewer Fund's net position increased by \$2,154,473, or 12.7 percent. Key contributors were savings due to vacant positions during the fiscal year and higher developer fees received due to several commercial projects currently under construction.

Pension funds showed a 2.1 percent increase over 2020 due to an increase in contributions and a decrease in police pension refunds partially offset by a decrease in investment income during 2021.

The Debt Service fund balance showed a decrease of \$1,397,860 mainly due to depressed meals tax revenues from the effects of the pandemic, plus the first payments on the 2020 debt during the year. A decrease in the fund balance was planned, but the pandemic restaurant closures for part of the year amplified the impact. However, actual meals taxes did exceed budgeted taxes by \$1,168,474 or 81 percent as Vienna restaurants recovered at a quicker rate than budgeted.