



## Legislation Text

---

**File #:** 21-2758, **Version:** 1

---

**Subject:**

Public Hearing for Budget Carryforward Supplemental Appropriation from FY 2021 To FY 2022

**EXPLANATION AND SUMMARY :**

Due to pandemic-related budget cutting in FY 2021 and the impact of FY 2021 revenues coming in well above budget, the Town of Vienna has a surplus of more than \$900,000 for fiscal year 2021. It has been the Town's practice to move half of any surplus into unassigned fund balance (rainy day fund) and use the remainder to address unfunded priorities. The Town's practice is also to ensure the rainy-day fund is at least 15% of the next year's budget (rainy day percent).

The Town's budget committee has proposed several scenarios for Council to consider, which were discussed at a conference session on Oct. 18, 2021. All scenarios generate at least a 21.5 percent rainy day fund return.

After discussion, the Council consensus was to reserve funds totaling \$550,000 to lower the real estate tax rate and address turnover and retention issues in the next fiscal year, and to use the remaining \$350,000 to fix current pay compression and budget issues and address unfunded priorities in tree maintenance, landscaping, paving and missing sidewalk links.

The surplus amount to be carried forward to the FY 2021-22 budget is in excess of one percent of the general fund budget, and therefore requires a public hearing in accordance with the Code of Virginia, 15.2-2507.

The Finance Department recommends a public hearing to allow for public comment.

**Strategic Plan Initiative:** *Vienna is a fiscally responsible community.*

**Board or Commission of Interest:** None

**Departmental Recommendation :** Recommend a public hearing.

**Finance Recommendation :** Recommend a public hearing.

**Purchasing Recommendation :** N/A

**Town Attorney Recommendation :** If the Town wishes to carry over the funds as outlined, the Town is required to conduct a public hearing on the proposed budget carry-over as it exceeds 1% of the adopted general fund budget. The Town Council may conduct a public hearing in its discretion.

**Town Manager's Recommendation** : The Town Manager recommends the Town Council conduct a public hearing.

Cost and Financing: \$900,000

Account Number: various

Decision Needed by This date: 12/6/21

**PROPOSED/SUGGESTED MOTION**

"I move to close the public hearing"

And

"I further move to approve the \$900,000 amendment to the FY 2021-22 general fund budget as presented above."

Or

Other action deemed necessary by Council.