



Town of Herndon Proposed FY 2025 Budget



Proposed Version





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PREFACE



Proposed FY 2025 Budget



Town Council

Sheila A. Olem, Mayor
Clark A. Hedrick, Vice Mayor
Naila Alam
Cesar del Aguila
Pradip Dhakal
Keven J. LeBlanc, Jr.
Donielle M. Scherff

Town Manager

Bill Ashton

Information about the proposed budget is online at
www.herndon-va.gov/budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Herndon
Virginia**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director





Proposed Budget

FY 2025

Sheila A. Olem
Mayor

Town Council

Clark A. Hedrick
Vice Mayor

Naila Alam

Cesar del Aguila

Pradip Dhakal

William H. Ashton II
Town Manager

Kevin J. LeBlanc, Jr.
Donielle M. Scherff

Lesa J. Yeatts
Town Attorney

- - -

Anne Papa Curtis - *Chief Communications Officer*

Maggie A. DeBoard - *Chief of Police*

Elizabeth M. Gilleran - *Director of Community Development*

Kirstyn Jovanovich - *Town Clerk*

Page Kalapasev - *Director of Information Technology*

Tanya Kendrick - *Director of Human Resources*

Michael Mueller - *General Manager of Golf*

Scott Robinson - *Director of Public Works*

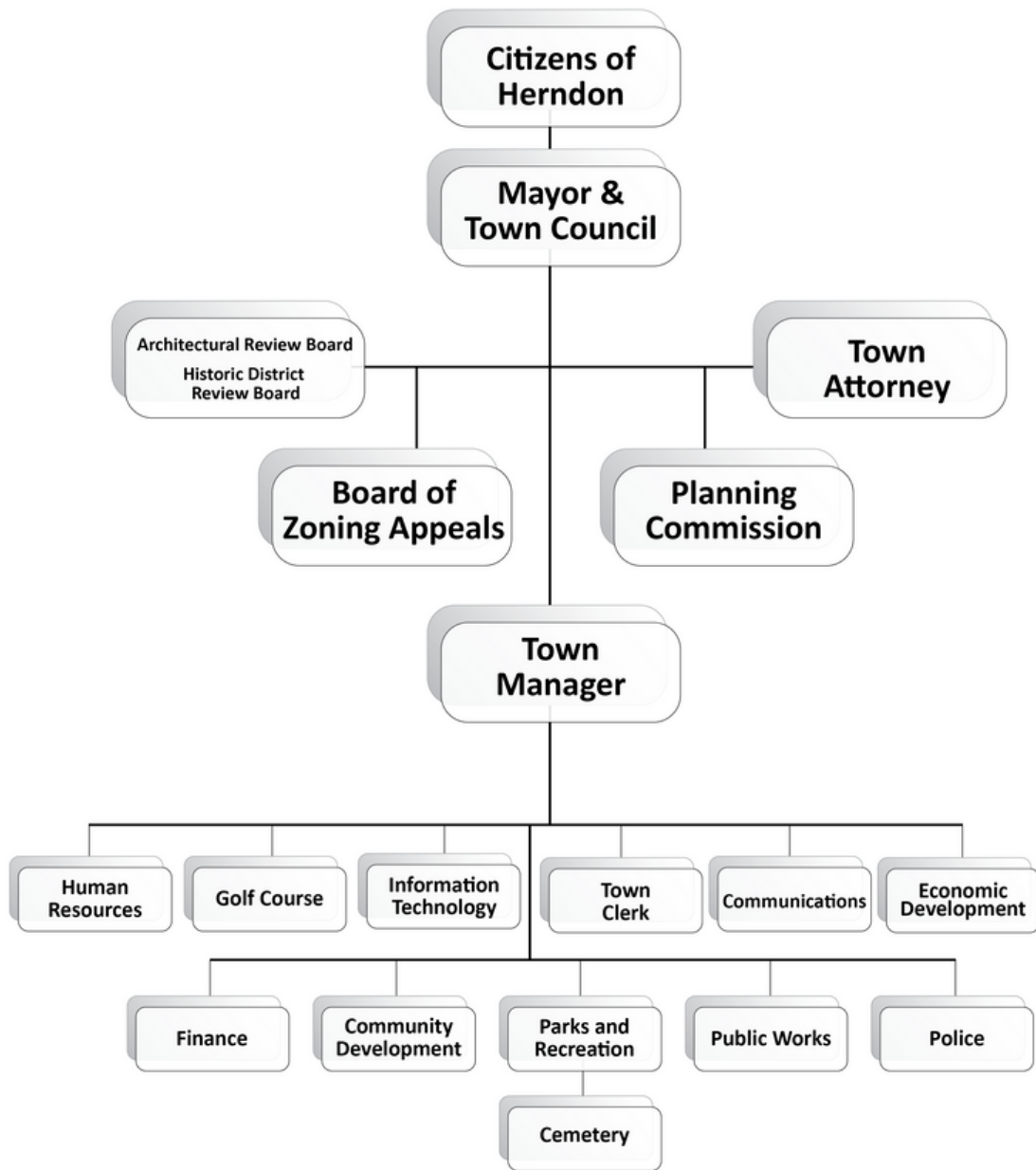
Bob Williams - *Director of Parks and Recreation*

Marjorie Sloan - *Director of Finance*

Budget Manager - Maria Lee



Town of Herndon Organizational Chart



Reader's Guide

Welcome to the Town of Herndon FY 2025 annual budget Reader's Guide. This section is intended to help guide you in understanding the structure and contents of the town's annual budget document. This document outlines the important projects, programs and services the town will be pursuing in the upcoming year. Should a reader desire to review materials in greater depth, various areas within the budget should provide the necessary information. The basic structure of the budget document is as follows:

- **Preface**

The budget Preface begins on the first page and contains information such as the appropriate budget year (known as a fiscal year) along with the names of the town's elected officials and executive management team. It also contains the town-wide organizational structure. The document's table of contents can be found before the preface. The *Table of Contents* is a good place to start whether there is something specific that you are looking for or you just want to obtain a quick overview of the document.

The Glossary, located at the end of the book, in the Appendix section, provides definitions for terms used throughout the budget.

- **Introduction**

The Introduction contains the *Town Manager's Transmittal Letter*, the *Town Council Vision 2035 Plan*, the *Community Profile*, *Town Demographics*, *Financial Fund Structure*, *Financial Policies*, and *Financial Structure*, and *Budget process and Timeline*.

The Transmittal Letter is the town manager's way of officially presenting the town's annual operating budget to the Town Council. The letter will contain a brief overview of projects, programs, and services that are planned for the upcoming budget cycle.

The *Town Council Vision 2035 Plan* was created by the Town Council and conveys to staff the overall values that exemplify what they and town residents feel are important. It serves as a guide to staff to ensure that their daily work is in keeping with the community's values.

The *Community Profile* is designed to provide a comprehensive cross-sectional overview of the town. It contains a variety of information including town history, geography, demographic and economic data, a brief description of town services by department, and a list of some of the larger employers located in the town.

The town's *Financial Policies*, *Financial Structure and Budget Process/Schedule* provide guidelines for key financial indicators to ensure that the town employs sound fiscal planning. There are often no absolutes when it comes to determining guidelines of this nature, although there are legal constraints in some cases, and there are often widely accepted parameters that can be used as a guide. From time to time, the town revisits these guidelines and updates them as needed. *Fund Structure and Basics of Budgeting* also contain information regarding the town's financial structure, method of accounting, and a timeline identifying key points for the budget process. As was the case with the financial policies, there are some legal requirements, such as the date by which a proposed budget must be submitted to the Town Council (on or before April 1st).

- **Budget Summary**

The *Budget Summary* is designed to be an overview of the total town budget. The purpose is to give the reader a high-level understanding of what the town plans to accomplish in the upcoming budget.

It begins with an overview regarding major components of the overall town budget that includes the following expenditure categories: personnel, operations and maintenance, capital, inter-fund transfers, nondepartmental, and debt service. These categories represent the major expenditure categories that the town uses to track how, and in what proportion, monies are to be expended. Also provided is a year-over-year comparison of these categories, as well as trend information to give the reader a longer-term overview of how the town's budgets have been changing over the past five years.

A comprehensive revenue and expenditure summary is provided next, regarding all funds the town uses to track its activities, organized by expenditure categories, and the supporting revenues. It is presented in this manner because local governments are required to use "fund accounting." A fund is a self-balancing set of accounts in which revenues equal expenditures. The law requires that local government budgets are balanced, which is very different, for example, from the federal budgeting process.



Next, a summary of the personnel budget is provided (with major focus on the General Fund) including any changes in FTE (Full Time Equivalent), for the FY 2025 Budget. The next three sections highlight Debt Service, Fund Balances, and Strategic Plan.

Lastly, the final Priorities & Issues section covers Long-Term Goals, Future Development, Economic Environment, and details about the General Fund Projections.

- **Fund Summaries**

This section provides the information presented in the *Budget Summary*, but in greater detail. It is organized by fund, with each fund beginning with an organizational chart, a revenue summary, and expenditure information. Depending on the fund, the level of expenditure detail can vary among the various major operating funds (General Fund, Stormwater Fund, Water & Sewer Fund, Cemetery Fund, and Golf Course Fund.)

The General Fund, which is usually the largest fund for any municipality, begins by providing comprehensive revenue for the entire fund.

- **Departments**

Fund Summaries then followed by detailed expenditure information organized by department. This section provides detailed information for Town Clerk, Town Administration (Town Manager, Communications, Economic Development, Human Resources, and Information Technology), Parks & Recreation, Finance, Community Development, Police, Public Works, and Town Attorney, as well as the Golf Course, Cemetery, and the Water and Sewer divisions.

Each of these departments organize their expenditure information by operations and maintenance, and capital. This information is provided by division with some departments, such as Town Attorney, having only one division, and others, such as Public Works, having several. Each division within a department is generally associated with a particular service.

- **Capital Improvements**

Last part of the book addresses the town's Capital Improvement Program (CIP). The CIP is a multi-year budget that is used to plan major capital projects over the next five years. Included in this section is a comprehensive list of projects by fund, specific project sheets that provide descriptions for each project, the expected timeline for project completion, and the project's identified funding sources.

- **Appendices**

The appendices section includes items that are considered reference materials or supporting the content of the budget document.

Glossary & Acronyms – The *Glossary* contains definitions of terms that are specific to governmental finance and budgeting (like fiscal year). Acronyms (abbreviations) are often used as a shorthand for things such as governmental organizations, various programs (such as grants) or items that are used often enough that a shorthand becomes the preferred format for conveying information.



INTRODUCTION



Transmittal Letter



Office of the Town Manager
T (703) 787-7368
town.manager@herndon-va.gov

March 29, 2024

The Honorable Mayor and Town Council
Town of Herndon
777 Lynn Street
Herndon, Virginia 20170-4602

Dear Mayor Olem and Members of the Town Council,

Pursuant to state law and the Town Charter, I am presenting for your review and consideration the Town of Herndon Town Manager's Proposed Budget for Fiscal Year (FY) 2025. This budget proposal is submitted by April 1, 2024, and is balanced in accordance with the Code of Virginia. This document is a result of months of staff preparation and contains the resources necessary to provide the town's residents with the core services that they count on us to provide. We have taken into account the current economic climate, volatile labor market, and inflationary pressures. This document also incorporates the fruits of the Town Council initiatives process, while continuing work on elements of the 2035 Vision Plan and laying the groundwork for the Strategic Plan that is under Council consideration at the time of this writing.

A challenge in crafting this budget was the uncertain economic future. With impacts of inflation, rising interest rates, and potential national economic recession, the extent to which these pressures will affect the town's revenue projections is unknown. While we experienced significant revenue declines during the pandemic, we saw many revenue categories start to recover last year. This budget assumes a mixed level of continued recovery through the end of FY 2024 and into FY 2025. These assumptions attempt to consider the tax implications of rising costs driven by inflation on the one hand, while moderating some forecasts to account for a potential recession on the other. Although some residential properties have seen increased real estate valuations, any increases to the town's real estate tax revenues have been mostly offset by decreases in the valuation of commercial properties. This budget maintains the real estate tax rate at the level established last year.

Despite anticipated modest improvement in most revenue categories, this budget reflects conservative fiscal planning, while fully embracing that staff must remain vigilant and flexible in the execution of this plan. Much like during the early days of the pandemic, staff must be prepared to freeze spending as a means to weather revenue conditions that may be less than we are anticipating. The town is also fortunate to have a strong capital position that will allow us additional flexibility, if needed.

Staff developed this budget to operationalize some of the cost reduction mechanisms used to weather the pandemic. In addition, it further leverages the Federal money granted to the town through the American Rescue Plan Act (ARPA) to address the backlog of capital and major maintenance items that were deferred during the pandemic and contains financial policy changes to better position the town to address major maintenance after the ARPA funds are exhausted.

Additionally, this budget proposal addresses the continuing economic challenges facing the town. Inflationary pressures on materials, supplies, and labor have driven up the baseline cost of maintaining the town's current service levels. Also, a highly volatile labor market for both skilled and unskilled workers is taking its toll on recruiting and retaining quality staff. This budget takes into consideration these economic impacts.



To meet these difficult challenges while maintaining high quality services, this proposed budget requests \$74,632,184 to meet the needs of the General Fund, Stormwater Management Fund (a new fund focused on maintaining the town's stormwater management facilities), all enterprise funds (Water and Sewer, Cemetery, Golf Course), and the FY 2025 portion of the Capital Improvement Program (CIP). This budget is a 19.9% increase from the adopted FY 2024 Budget. The table below illustrates the year-over-year changes to each budgetary fund.

FY 2025 Budget Summary - Expenditures - All Funds				
<i>In Thousands</i>				
All Funds	FY 2024 Adopted Budget	FY 2025 Proposed Budget	+/- Adopted FY24 to FY25	% Change Adopted FY24 to FY25
General Fund	40,774	44,669	3,895	9.6%
Water And Sewer Fund	14,449	21,680	7,231	50.0%
Cemetery Fund	2,200	1,050	(1,150)	-52.3%
Golf Course Fund	2,420	3,384	963	39.8%
Capital Projects Fund	1,900	2,500	600	31.6%
Stormwater Fund	-	1,349	1,349	0.0%
ARPA Fund	500	-	(500)	0.0%
Grand Total	62,244	74,632	12,388	19.9%

General Fund expenditures, which include personnel, operations and maintenance, minor capital, interfund transfers and debt service, is \$44,669,023, an increase of 9.6% from the adopted FY 2024 Budget. This increase was driven by an 8.2% increase in personnel costs and a 198.6% increase in Capital costs as the town transitions from ARPA funding to General funding of Capital projects.

FY 2025 Budget Summary - Expenditures - General Fund				
<i>In Thousands</i>				
General Fund	FY 2024 Adopted Budget	FY 2025 Proposed Budget	+/- Adopted FY24 to FY25	% Change Adopted FY24 to FY25
Personnel	28,065	30,380	2,315	8.2%
O & M	10,003	9,420	(583)	-5.8%
Capital	753	2,249	1,496	198.6%
Subtotal	38,821	42,049	3,228	8.3%
Non-Departmental	675	758	83	12.3%
Interfund Transfer	-	467	467	0.0%
Debt Service	1,277	1,395	118	9.2%
Grand Total	40,774	44,669	3,895	9.6%

Revenues are projected to grow during FY 2025. We anticipate a 1.8% increase in the combined assessed property tax values, which includes new construction and improvements. Although residential values (63% of the real property tax base) have risen, a decrease in commercial real estate (37%) offset most of the gains.

This budget includes an increase of 9.4% in the projection of Business and Professional and Occupational Licenses (BPOL) receipts. town financial policies support a conservative budgeting approach, with utilization of excess receipts over budgeted BPOL revenues of \$6,124,898 to fund CIP projects. Based on business receipts from recent years, we feel comfortable in recommending this increase. There are no recommended changes to any of the BPOL rates.

During FY 2025, we project Other Local Taxes to perform moderately well in most areas. Meals Tax receipts have been outperforming budget amounts and the proposed budget adjusts the Meals Tax projection closer to the actual receipts over the past two fiscal years. Sales Tax receipts are projected to remain strong with any



decreases due to a recession being offset by increases related to inflation. Transient Lodging Tax receipts continue to slowly recover in FY 2024, but we maintained a conservative estimate in this proposed budget. As we are seeing some return to pre-pandemic taxation levels, this budget maintains the rates for all taxes in the Other Local Tax category.

FY 2025 Budget Summary - Revenues - General Fund				
<i>In Thousands</i>				
General Fund	FY 2024 Adopted Budget	FY 2025 Proposed Budget	+/- Adopted FY24 to FY25	% Change Adopted FY24 to FY25
General Property Tax	14,121	14,206	85	0.6%
Other Local Taxes	15,395	17,181	1,786	11.6%
Permits & Privileges	653	663	10	1.5%
Fines & Forfeitures	291	360	70	23.9%
Use of Money & Property	1,347	1,437	90	6.7%
Charges for Services	3,275	2,748	(527)	-16.1%
Miscellaneous	14	54	40	285.7%
Intergovernmental	4,576	5,272	696	15.2%
Other Financing Sources	100	125	25	25.0%
Use of Unassign.Fund Bal.	1,002	2,624	1,622	161.9%
Grand Total	40,774	44,669	3,895	9.6%

In alignment with the Town Council's initiatives process, the 2035 Vision Plan and the proposed Strategic Plan, the Town Council developed budget guidance to provide direction to the Town Manager in the development of the FY 2025 Budget and the CIP. A Town Council budget guidance resolution was approved on January 23, 2024. Staff met with each Councilmember individually, and budget projections were presented collectively to the Town Council during work sessions in February. At each stage of the process, the Town Council placed its mark on this Proposed Budget. Staff has incorporated Council guidance and the correlating initiatives into the FY 2025 Budget, as summarized below:

- **Guidance:** Continue efforts to develop and maintain a strong fiscal position.

Proposed: This proposed budget is balanced pursuant to the state code. In it we have addressed rising costs associated with maintaining a competitive workforce, on-going funding for the town-wide service delivery and capital projects along with the additional revenue appropriations needed to meet them. The proposal also limits the use of the fund balance as a means to preserve our capital position.

- **Guidance:** Develop a revenue plan to meet the various challenges associated with maintaining current levels of service.

Proposed: In our budget discussions, we considered raising real estate and meals tax rates, strong performance in meals, transient occupancy, and business taxes allows us to raise projections for FY 2025 thereby negating the need for a rate increase to address rising costs.

This budget proposal also leverages the use of external funding sources. In fact, the budget proposal includes a new stormwater management division focused on addressing stormwater management issues in town. This division is mostly funded through a stormwater management tax pass-through from Fairfax County.

Although not directly incorporated into this budget proposal, the staff is working on updating fee structures consistent with other jurisdictions. This fee structure proposal will be available for Council consideration in May and, if adopted, will be amended into the adopted version of this budget.



This budget proposal continues to rely on the American Rescue Plan Act (ARPA) funding until the end of the second quarter of FY 2025, when the ability to encumber funds under this program sunsets. This proposal also takes steps to transition small capital purchases from ARPA funding back into the General Fund.

- **Guidance:** Continue to adequately invest in the town's capital assets.

Proposed: This proposal emphasizes the funding of life cycle maintenance of all its capital investments. Staff continues to perform comprehensive assessments of the town's overall exposure along with the revenue stream needed to properly maintain town assets. For the first two quarters of FY 2025, the town is planning to use American Rescue Plan Act (ARPA) funding toward capital needs while transitioning back to reliance on the General Fund in quarters three and four.

The FY 2025 Proposed Budget plans to create new and innovative ways to address traffic safety and will move the town closer to a plan to close shortfalls in the town's strategic transportation projects.

Downtown redevelopment funding is also preserved in the FY 2025 budget proposal.

- **Guidance:** Address problems with recruiting and retaining employees in a highly competitive labor market.

Proposed: During FY 2024, the town's strategies to attract and retain quality employees began to yield dividends. Turnover and vacancy in town positions has dropped considerably as FY 2024 progressed. In FY 2025, the town plans to continue its efforts in maintaining a competitive employment position in the local market, to include:

- Appropriate market-based changes to the salary structure.
- Continued emphasis on the pay-for-performance program.

The budget proposal continues to fund activities that demonstrate a commitment to, and investment in, the town's employees, to include mental health and personal counseling support, educational reimbursement, supporting certification opportunities, and training. Additionally, it continues to fund employee skills development and education, with an emphasis on leadership development and succession planning.

The FY 2025 budget proposal also absorbs a considerable increase in pension costs and a moderate increase in health insurance costs.

- **Guidance:** Continue focus on Strategic Planning.

Proposed: During FY 2024, staff worked with Council to take the Council's strategic concepts and develop an actionable, measurable Strategic Plan. During the plan's development, Council provided guidance and input into the final draft that is up for Council consideration at the time of this writing. This FY 2025 proposed budget incorporates funding to begin implementing this plan and incorporating Strategic Plan objectives into town operations.

The proposed budget for your consideration incorporates appropriations consistent with the Community Cultural Festivals Policy and the Council's desire to expand community cultural festivals.

- **Guidance:** Develop a plan for adverse changes to the economic climate.

Proposed: The FY 2025 proposed budget provides staff with levels of flexibility that will allow us to react to potential negative effects to the economic climate while maintaining service levels.

Further, this budget proposal provides funding for the beginning and eventual growth of an Economic Development department focused on creative ways to attract and retain town businesses.

- **Guidance:** Propose Balanced Enterprise Fund Budgets That Limit the Use of Retained Earnings.



Proposed: Water and Sewer. This budget proposes rate increases in both water and sewer. These increases are part of a well-developed plan to prepare the fund to absorb increases in commodity costs, added regulation, and an increased need to replace existing infrastructure. The FY 2025 Water and Sewer budget proactively addresses increasing problems with the existing water and sewer infrastructure.

Golf Course. The FY 2025 budget proposal projects that golf course revenues will continue to increase in FY 2025. The high level of demand and the price position in the marketplace suggest that the town needs to examine our rate structure. Staff anticipates bringing an updated rate plan to Council early in FY 2025.

The FY 2025 budget proposal also provides resource to support the Golf Course Master Plan project and begin a conceptual review of potential Clubhouse enhancements.

Chestnut Grove Cemetery. With inventory running low, the FY 2025 Proposed Budget supports the efforts to establish additional inventory on unused Cemetery acreage and use best practices to cover operational revenue shortfalls while the additional inventory is being brought online.

The Town Manager's Proposed FY 2025 Budget was developed to ensure the town's financial viability and to provide financial resources to meet core services at current service levels and capital funding requirements as the town continues to operate in an uncertain economic climate.

This budget holds all tax rates at their current levels, but significant increases in cost are driving increases in the water and sewer rates. Without changes to water and sewer rates, the town will be forced to use retained earnings to balance the Fund's budget, which is an imprudent long-term strategy. These factors serve as the primary drivers compelling the need to increase water and sewer rates for FY 2025 and in future years. The adopted rate increases are intended to ensure that the Water and Sewer Fund remains fiscally healthy and in position to provide water and sewer services to our community well into the future.

With an uncertain economic future, volatile labor market, and inflationary pressures, preparing the FY 2025 Proposed Budget was challenging. We met the Town Council's expectations as expressed in your January 23, 2024, adopted budget guidance resolution, during the February work session discussions and individual Councilmember meetings with the budget team. The Council's desired changes were incorporated as articulated during those meetings.

I look forward to additional public input and a robust discussion during the budget public hearings scheduled for April 9 and April 23, 2024. Thank you for your support during these interesting times and in developing a budget that will serve as a basis for our continued strong fiscal health, while we deliver the high quality services the town's residents have grown to expect. Please contact me if you have any questions or comments on the Town Manager's Proposed FY 2025 Budget.

Respectfully submitted,



William H. Ashton II
Town Manager

Enclosure



STRATEGIC PLAN

HERNDON TOWN COUNCIL TOWN OF HERNDON 2024-2029 STRATEGIC PLAN



The Town of Herndon's 2024-2029 Strategic Plan is a direct reflection of the Town Council's Vision for Herndon's future. The Town of Herndon's 2024-2029 Strategic Plan was adopted by the Herndon Town Council on March 26, 2024 by Resolution 24-G-15.

Vision Statement

Herndon is an integrated, sustainable, safe, and equitable town built on accessible development and an engaged community.

Town Council Core Values

Town Council has established a Vision for Herndon as a community that is:

- Innovative and Adaptive
- Ethically Accountable
- Sustainable
- Collaborative with Aligned Engagement
- Responsive
- Equitable, Equal, and Just.

Strategic Focus Areas

The Strategic Plan is divided into five focus areas directly correlated to the Town Council's Vision, and provide a framework for action by the town's governing body, administration, and community partners.

1. Strong Fiscal Stewardship

Herndon is a reliable and responsible steward of public funds, committed to ensuring financial sustainability through sound long term planning and budget practices, and maintaining a strong capital reserve. The Town maintains and promotes high standards as well as a strong, well-managed financial position.

Goals:

1. Maintain strong financial health to ensure advantageous borrowing opportunities as needed.
2. Conduct forward-looking and multi-year planning and analysis.
3. Utilize best practices as they relate to fiscal controls and risk management.

2. Secure and Interconnected Community

Residents, businesses, and visitors feel safe at all hours, and if they require help, the response from well-trained staff is timely, courteous, and professional. People feel included, welcomed, and safe. Herndon boasts a well-maintained, secure, and interconnected, multi-modal transportation network connecting the Town to the region through the use of innovative technology and initiatives. Town government takes a proactive and regional view of planning for safety, and emergency response and recovery.

Goals:

1. Provide safe and secure community interactions through professional, respectful, and equitable responsiveness.
2. Provide a convenient and safe interconnected multimodal network.
3. Actively collaborate with regional jurisdictions and state and federal agencies to leverage resources.

3. Environmental and Economic Sustainability

Herndon is a business destination that promotes a balanced, integrated, and sustainable environmental and economic ecosystem that embraces and encourages entrepreneurship, innovation, and growth with a commitment to climate management and responsiveness. Herndon's business community is diverse, inclusive, and robust. There is a sustainable



and vigorous mix of residential and commercial uses strategically located within the community. Small businesses are supported and flourish, and the distinctive character of the historic district and the historic downtown distinguish Herndon from surrounding communities and attract visitors that contribute to the tax base.

Goals:

1. Implement policies, practices, and regulations that encourage or incentivize energy efficiency and the use of renewable energy in public and private investments.
2. Implement policies and practices that encourage preservation of historic resources, while ensuring public spaces reflect the stories and culture of the current community.
3. Foster an environment in which businesses of all types grow and flourish, from entrepreneurially-owned to corporate high-tech to home-based and more, while establishing a commercial identity and reputation that is uniquely “Herndon.”
4. Improve and streamline town processes required of new and existing businesses.
5. Foster and expand policies and partnerships with Fairfax County to ensure diversification of housing stock.
6. Implement policies, practices, and regulations that protect and enhance the town’s natural resources and preserve the environment.

4. Good Governance

Herndon’s government provides effective and efficient community-centered services and programs that are focused on improving quality of life and are responsive to community and environmental evolution. Major policy decisions are considered by Town Council and are reflective of community engagement and informed by kinetically engaged information gathering. The community trusts that their government responsibly manages resources, is responsive to their needs, provides exceptional services, and equitably represents them.

Goals:

1. Maintain and enhance public facilities to effectively support municipal operations and services.
2. Actively engage community input that informs the Town’s policies, programs, and services.
3. Foster a positive town organizational culture that prioritizes employee development, professional growth, and wellness; and sets the standard in high performance leadership.

5. Thriving Community

Herndon is a Town that celebrates and promotes the diversity of our community and active engagement of all. Inclusivity is at the forefront, where Town services and programs are accessible by all, and thoughtful and meaningful engagement is welcomed across the community. The arts and cultural expression are promoted, and programs enriching the lives of our community are supported. Herndon is a resilient community that embraces its diverse fabric woven by many colors and textures of threads, each having the opportunity for its voice to be heard and embraced.

Goals:

1. Prioritize accessible government services, programs, and infrastructure.
2. Encourage an engaged and informed community.
3. Honor the diversity of the town.
4. Ensure a variety of green and open spaces with recreation options accessible to all.



Community Profile

The Town of Herndon is the third largest town in the Commonwealth of Virginia. Amidst a 21st century Northern Virginia landscape of high-rise buildings, industrial complexes and transportation hubs, Herndon maintains a small-town charm that is evident in its downtown, its neighborhoods and its commercial areas.

History

History

To fully appreciate Herndon's unique charm, it is helpful to look back to the origins of its European settlement. In 1688, King Charles II of England granted five million acres to Thomas Culpeper, second Baron Culpeper of Thoresway. Approximately four square miles of this land would eventually become the Town of Herndon. By the early 19th century, a few homes were built, followed by a mill located near today's intersection of Elden and Locust streets.

The arrival of the railroad and construction of the depot in the late 1850s spurred development of a small village. To establish a post office, a name was needed. According to legend, during a meeting of village residents, a survivor of the wreck of the *S.S. Central America* recounted the heroism of the ship's commander, William Lewis Herndon, who had gone down with the ship. The impressed assembly decided to name the village in honor of Commander Herndon. At the outbreak of the Civil War, the Union Army secured the railroad as far west as Vienna, and posted pickets in the village of Herndon. The only known Civil War hostilities in Herndon was a raid conducted on March 17, 1863, by Confederate Colonel John S. Mosby's Rangers. During the surprise raid, the pickets and several visiting Union officers were captured, including Major William Wells. Major Wells would be paroled in time to return to the First Vermont Calvary and see action at Gettysburg, where he would earn the Medal of Honor. Mosby would later become Ulysses S. Grant's campaign manager in Virginia, and serve as United States Consul to Hong Kong from 1878 until 1885.

At the time of its incorporation in 1879, the town encompassed 4.25 square miles. The railroad defined the town, with dairy farms located around Herndon shipping milk daily to Washington for processing and distribution. The railroad also transported city dwellers looking for respite in the countryside, with several spacious summer houses appearing in the town. A devastating fire on March 22, 1917, destroyed much of Herndon's downtown, including 16 businesses and two homes. The downtown was quickly rebuilt with structures made of brick instead of wood. With the advent of cars, trucks, and better roads, the railroad became less of a necessity for Herndon farmers and residents. The last major task for the railway was hauling sand to be used in the concrete mix for the construction of the runways at Washington Dulles International Airport. The final train left the Herndon Depot in August 1968. Over the past 50 years, Herndon has transformed into a modern community with a broad range of housing types and commercial development. Corporate citizens include several national corporations, such as Amazon Web Services, Peraton, and Boeing, providing a live/work lifestyle for many of the town's residents.

Profile

Situated in the northwest quadrant of Fairfax County, Herndon has a land area of 4.25 square miles and is located approximately 23 miles west of Washington, D.C. and two miles east of Washington Dulles International Airport. Late 2022 saw the completion of the Metro Silver Line and the opening of its Herndon Station, bringing convenient rail connections to Dulles Airport, Tysons Corner and downtown Washington D.C. The 2022 population estimate is 24,167. Since 2000, the town has experienced an 11.6 percent increase in population, a modest increase compared to the population growth experienced by the Commonwealth of Virginia (22.6 percent) and Fairfax County (17.3 percent). Today, commercial development comprises 37% of the town's real estate tax assessment.



Population



Jurisdiction	2000	2010	2020	2022	% Growth
Town of Herndon	21,655	23,292	24,655	24,167	11.6%
Commonwealth of Virginia	7,070,031	8,001,024	8,631,393	8,679,099	22.6%
Fairfax County	969,749	1,081,726	1,150,309	1,138,331	17.3%
City of Fairfax	21,498	22,565	24,146		15.50%
Town of Vienna	14,453	15,687	16,473	16,276	13%

Source: U.S. Census Bureau

Future Population Growth

The population of the town will continue to increase due to higher-density transit-oriented residential growth in the area adjacent to the Herndon Metro station and to obsolete office building conversions. While the timing of redevelopment remains unknown, the current Comprehensive Plan indicates that the population estimate will increase to approximately 32,000 by the year 2030.



Demographic and Economic Information

Demographic Information

Race & Ethnicity	Town of Herndon	Commonwealth of Virginia	Fairfax County	City of Fairfax	Town of Vienna
White	34.80%	59.80%	48.50%	53.30%	66.10%
Black or African American	7.40%	20.00%	10.90%	5.90%	5.10%
American Indian and Alaska Native	0.70%	0.60%	0.60%	0.10%	0.50%
Asian	16.00%	7.30%	20.90%	17.40%	13.30%
Native Hawaiian and Other Pacific Islander	0%	0.10%	0.10%	0.00%	0%
Two or More Races	11.10%	3.40%	4.20%	9.20%	8.90%
Hispanic	37.40%	10.50%	16.80%	18.10%	8.40%

Note: All categories include Non-Hispanics only, with the exception of the Hispanic category. Source: U.S. Census Bureau 2022

Economic Information

Year	Fairfax County Median Household Income	Fairfax County Median Family Income
2000	\$82,000	\$95,000
2010	\$103,010	\$122,189
2011	\$105,797	\$119,634
2012	\$107,096	\$124,831
2013	\$111,079	\$128,066
2014	\$110,674	\$130,071
2015	\$113,208	\$129,538
2016	\$115,717	\$135,595
2017	\$118,279	\$136,602
2018	\$122,227	\$142,961
2019	\$128,374	\$151,028
2022	\$145,164	\$174,085
2021*	\$134,115	\$159,645

U.S. Census Bureau 2000, 2010; American Community Survey (1-Year), 2011 - 2022

*The 2020 ACS 1-Year data is not available due to COVID-19 introduced nonresponse bias

Year	Fairfax County Unemployment Rate (%)	Year	Fairfax County Unemployment Rate (%)
2013	4.30%	2018	2.40%
2014	4.10%	2019	2.30%
2015	3.50%	2020	5.80%
2016	3.20%	2021	3.50%
2017	3.00%	2022	3.10%

Source: Virginia Employment Commission 2012 - 2021, American Community Survey 2022



Government



The town is organized under the Council/Manager form of government. The Town Council is the governing body, which formulates policies for the proper administration of the town. The Mayor and six members of the Town Council are elected simultaneously for two-year terms. The Town Manager, appointed by the Town Council, is the administrative head of the town and is charged with directing all business affairs of the town. The town employs 250 individuals on a regular full- or part-time basis. Additional seasonal personnel are hired as required.

The Town Attorney, also appointed by the Town Council, serves as the primary legal resource for both the Council and staff.

PRINCIPAL EXECUTIVE OFFICERS

Official	Name	Term and Manner of Selection	Length of Service	Expiration of Term
Mayor & Council Member	Shelia A. Olem	2 years (elected)	13 years	12/31/24
Vice Mayor & Council Member	Clark Hedrick	2 years (elected Council Appointed Vice Mayor)	2 years	12/31/24
Council Member	Naila Alam	2 years (elected)	3 years	12/31/24
Council Member	Cesar del Aguila	2 years (elected)	5 years	12/31/24
Council Member	Pradip Dhakal	2 years (elected)	5 years	12/31/24
Council Member	Keven LeBlanc	2 years (elected)	2 years	12/31/24
Council Member	Donielle M. Scherff	2 years (elected)	2 years	12/31/24
Town Manager	William H. Ashton II	Appointed by Town Council	27 years	Discretion of Town Council
Town Attorney	Lesa J. Yeatts	Appointed by Town Council	9 years	Discretion of Town Council
Chief Communications Officer	Anne Papa	Appointed by Town Manager	18 years	Discretion of Town Manager
Director of Community Development	Elizabeth M. Gilleran	Appointed by Town Manager	30 years	Discretion of Town Manager
Director of Finance	Marjorie Sloan	Appointed by Town Manager	1 year	Discretion of Town Manager
General Manager of Golf	Michael Mueller	Appointed by Town Manager	26 years	Discretion of Town Manager
Director of Human Resources	Tanya Kendrick	Appointed by Town Manager	9 years	Discretion of Town Manager
Director of Information Technology	Page Kalapasev	Appointed by Town Manager	7 years	Discretion of Town Manager
Director of Parks & Recreation	Bob Williams	Appointed by Town Manager	<1 year	Discretion of Town Manager
Chief of Police	Maggie DeBoard	Appointed by Town Manager	12 years	Discretion of Town Manager
Director of Public Works	Scott Robinson	Appointed by Town Manager	5 years	Discretion of Town Manager
Town Clerk	Kirstyn Jovanovich	Appointed by Town Manager	1 year	Discretion of Town Manager



Services Provided

SERVICES PROVIDED

The town provides general governmental services for its citizens including:



Photo by Michele Reyzer

Public Works and Utilities

The Department of Public Works is responsible for the review and processing of all administrative site plans and subdivision plans; and oversees construction, land development, building inspections, water and sewer maintenance, street and traffic signal maintenance, stormwater management, and facility inspection and maintenance. Public Works also provides trash and recycling collection, town-wide spring and fall clean-ups, fall leaf collection, snow removal and municipal building, grounds, and park maintenance.



Police

The Herndon Police Department is dedicated to providing professional law enforcement services through prompt police response and community involvement to preserve the peace, investigate crime, and enforce the law. Services are provided in accordance with professional and ethical standards that are guided by a community policing philosophy. The Herndon Police Department seeks to build and strengthen partnerships in order to promote a safe community in which to live, work, and visit. The department is nationally accredited through the Commission on Accreditation for Law Enforcement Agencies (CALEA). A variety of community services are provided through crime prevention programs and auxiliary support services.

Community Development

Community Development is responsible for the review and processing of rezoning, special exception, variance, architectural and heritage preservation proposals, and other land use applications. The department implements Herndon's Comprehensive Plan, Zoning Ordinance, Downtown Master Plan, Herndon Metro Area Plan, as well as preservation, architectural, and urban design guidelines. Community enhancement, protection, and education are provided in matters of zoning enforcement, community forestry, multi-modal transportation solutions, housing and neighborhood assistance, sustainable planning practices, commercial architecture and sign review and heritage preservation. The department provides staff support for the Planning Commission, Board of Zoning Appeals, Historic District Review Board, Architectural Review Board, and ad hoc committees such as the Pedestrian and Bicycle Advisory Committee, and the Herndon Diversity, Equity, and Inclusion Committee.





Parks and Recreation

The Department of Parks and Recreation is a four-time recipient of the Gold Medal Award for Excellence in Parks and Recreation Management. The Herndon Community Center offers a wide array of instructional classes and programs, including indoor swimming pool, weight room and fitness facility, gymnasium, racquetball courts, rental space for private functions, and more. The indoor tennis center, which includes three courts, operates September through April. Many popular special events are produced by the department, including the July 4th celebration, Kids' Triathlon, Homecoming Parade, and NatureFest. Herndon has 11 neighborhood parks, one within a half mile of every resident or a ten-minute walk and is home to two regional walking trails: Sugarland Run Trail and the historic Washington and Old Dominion Trail.

Herndon Centennial Golf Course

Operated by the town as an enterprise fund, the Herndon Centennial Golf Course provides an outstanding golf experience and a variety of golf support services tailored to all ages and skill levels. Designated as a Certified Audubon Cooperative Sanctuary, the course features 18 beautifully landscaped holes, practice facilities, and golf instruction by PGA professionals. Herndon Centennial's clubhouse amenities include a fully stocked pro shop, food and beverage service, and locker rooms.

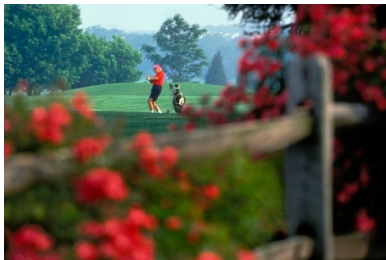


Photo by: Jim Kirby

Chestnut Grove Cemetery

The Chestnut Grove Cemetery is part of the town's Historic District. Although formally organized as a cemetery in 1872, burials date back to the 1830s. Facilities include an onsite administration office and a tranquil park area featuring a mausoleum, columbaria, cremation garden, and pathways. Chestnut Grove is an active and full-service cemetery offering a range of traditional and cremation burial options as well as memorial products.

Public Schools and Transportation

Public Schools

Public school education is provided by Fairfax County. The Fairfax County public school system is the largest education system in the Commonwealth of Virginia and one of the nation's largest school systems. The system is directed by a 12-person School Board whose members are elected to serve four-year terms. One member represents each of the county's nine magisterial (election) districts, and three members serve at large. A student representative, recommended by a student convention, is appointed by the School Board as a non-voting member to serve a one-year term. Fairfax County funded 68.9% of the Fairfax County Public Schools FY 2024 Budget of \$3.5 billion, while contributions from the Commonwealth of Virginia accounted for 26.6% and the remaining 4.5% from other sources.

The town is served by six elementary schools, one middle, and one high school. The residents of the town support the school system through taxes paid to Fairfax County.

Fairfax County Public Schools Student Enrollment

Year	Number of Students
2012	177,918
2013	181,259
2014	183,895
2015	185,914
2016	185,979
2017	187,484
2018	188,403
2019	187,474
2020	188,355
2021	179,748
2022	178,421
2023	177,570
2024 estimated	179,952
2025 projected	181,701

Source: Fairfax County Public Schools

Transportation

The town is serviced by Leesburg Pike (Route 7) to the north; Route 28 and the Greenway (western extension of Route 267) to the west; Fairfax County Parkway (Route 286) to the east; and the Dulles Airport Access Road (Route 267), Route 50, and Interstate 66 to the south. With close proximity to these major transportation routes, residents of the town enjoy convenient commuting access to locations throughout the Washington metropolitan area. Within the town, Herndon Parkway, a "mini-beltway," provides easy access to all parts of the town.

Washington Dulles International Airport provides daily world-wide service to the entire area. With the increased usage of the airport, the Herndon area has become a desirable location for corporate headquarters and regional offices. This desirability increased when the Metrorail Silver Line, opened the Herndon Station in 2022.



Community Facilities and Business

Community Facilities

The Herndon Fortnightly Library, a branch of the Fairfax County Library System, is located in Herndon downtown. The Reston Regional Library, also a branch of the Fairfax County Library System, is located approximately one mile outside of the town and is available to all citizens.

The Herndon Municipal Center, a 25,000 square-foot office building with Council Chambers and structured parking for 178 vehicles, is located downtown and adjoins the Herndon Fortnightly Library.

Town residents are served by the Reston Hospital Center, as well as Inova Emergency Care Center, a 24-hour emergency care facility, both of which are located just outside the town.

Wolf Trap Farm Park for the Performing Arts, an internationally renowned cultural facility noted for its ballet, symphony concerts, and operas, is operated by the National Park Service and is located approximately eight miles from the town.

With its proximity to the metropolitan Washington area, citizens of the town enjoy the various community facilities of the District of Columbia including the National Zoo, professional and collegiate sports, the Kennedy Center, various memorials and monuments, the Smithsonian Institution, and government office buildings. The Smithsonian National Air and Space Museum's popular Steven F. Udvar-Hazy Center is located nearby at Washington Dulles International Airport.

Business



The town boasts a unique synergy between its powerful sense of community and its stature as a 21st century business center at the hub of the region's high-tech corridor, resulting in a blending of the old and the new into a foundation that provides solid support for small, medium, and large businesses.

The town's 2030 Comprehensive Plan addresses the redevelopment of the areas surrounding the Herndon rail station at the southern edge of the town. The Metrorail Silver Line station opened in Herndon in 2022. The connection by rail of the town and its commercial districts to the entire metropolitan Washington region, creates a vastly enhanced marketplace that will likely have broad appeal to businesses. Over the next seven years, the Comprehensive Plan envisions a vibrant neighborhood developing in close proximity to the station with approximately 6.9 million square feet of mixed-use space including office, residential, retail, and hotel uses.



Principal Property Taxpayers and Employers

Principal Property Taxpayers (Unaudited) Assessment Year 2023, Fiscal Year 202

Taxpayer	Assessed Value	% of Total Assessed Value
USGBF 499 Grove Street LLC	\$87,902,210	1.68%
MREI V TOWNES LLC	\$84,543,930	1.55%
Westerly at Worldgate Owner LLC	\$74,032,360	1.36%
USGBF 399 Grove Street LLC	\$68,696,270	1.26%
MIVPO LLC	\$53,955,580	0.99%
Worldgate Centre Owner LLC	\$53,911,880	0.99%
38 WP2D1 Owner LLC	\$48,931,260	0.90%
Monument III Owner LLC	\$45,771,870	0.84%
661 Dulles Park Ct Owner	\$45,571,690	0.84%
Stuart Woods Project LLC	\$42,442,960	0.78%
TOTAL	\$605,760,010	11.10%

Source: Town of Herndon Assessment Records, FY 2023 Annual Comprehensive Financial Report [pg.104](#)

Principal Employers, 2023 (Financial Statements Unaudited)

Employer	Employment Range
Amazon Web Services	500-999
Northwest Federal Union	250-499
Serco	250-499
Karsun Solutions	250-499
Peraton	250-499
Boeing Corporation	100-249
Town of Herndon	100-249
Forcepoint	100-249
Tyler Solutions	100-249
Expel	100-249

Source: Town of Herndon FY 2023 Annual Comprehensive Financial Report [pg.111](#)

Community Profile photo credits: Staff



Population Overview



TOTAL POPULATION

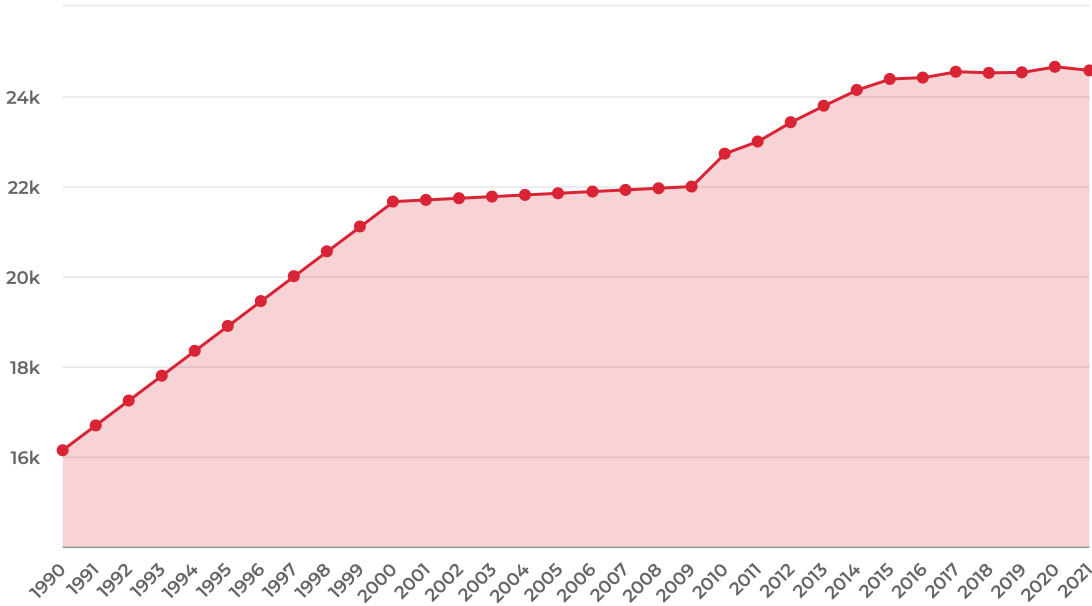
24,574

▼ **.3%**
vs. 2020

GROWTH RANK

138 out of **228**

Municipalities in Virginia



* Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses



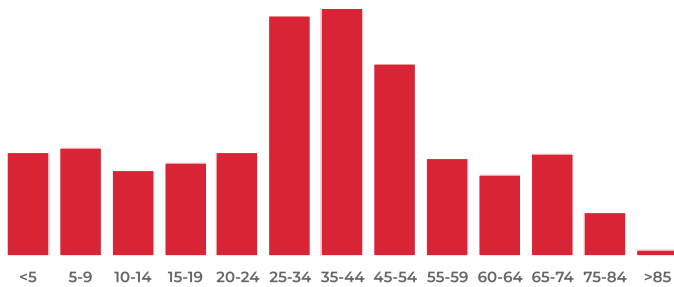
DAYTIME POPULATION

32,887

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

* Data Source: American Community Survey 5-year estimates

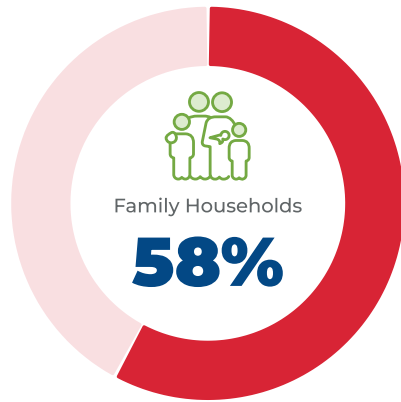


Household Analysis

TOTAL HOUSEHOLDS

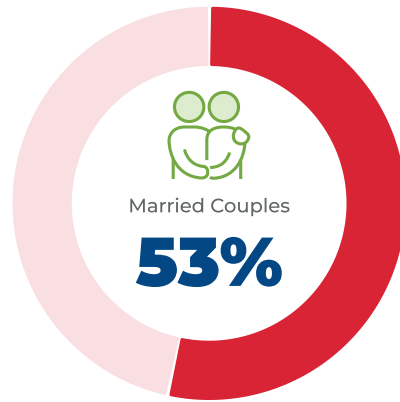
7,914

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



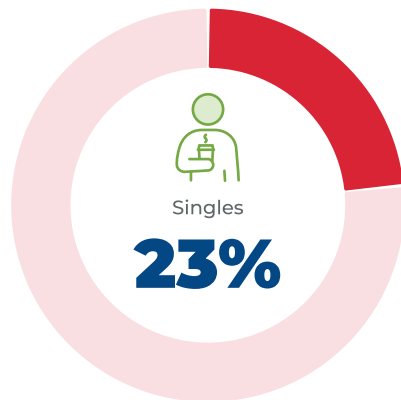
▲ 16%

higher than state average



▲ 6%

higher than state average



▼ 14%

lower than state average



▼ 43%

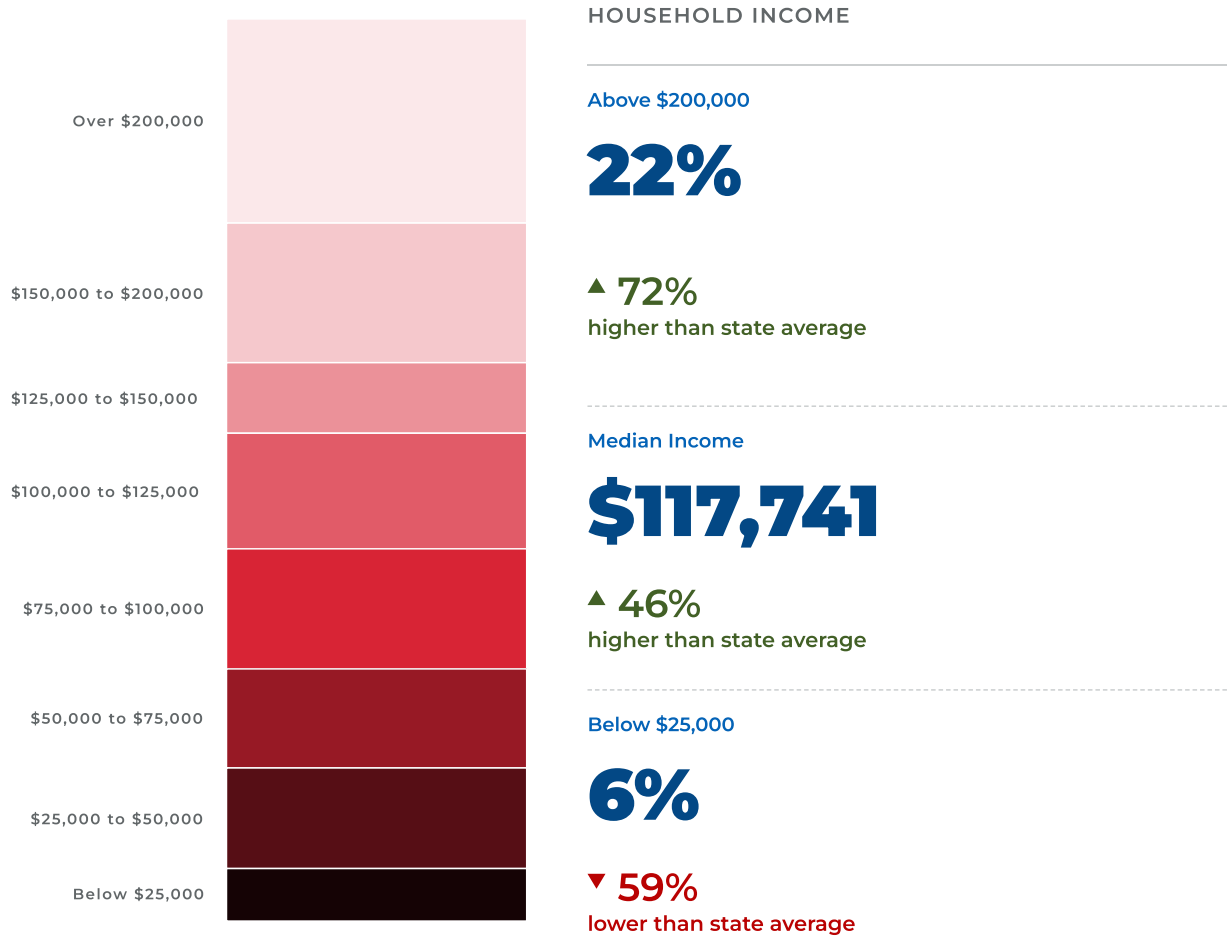
lower than state average

** Data Source: American Community Survey 5-year estimates*



Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



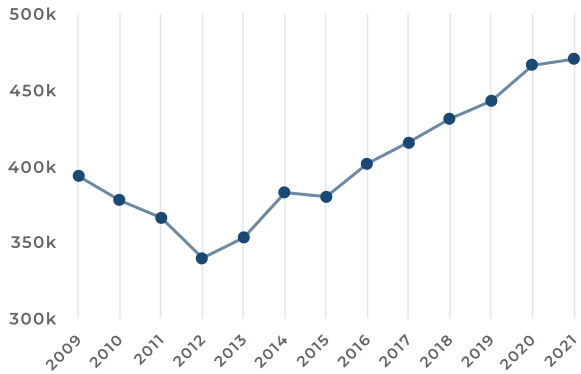
* Data Source: American Community Survey 5-year estimates



Housing Overview



2021 MEDIAN HOME VALUE
\$470,200



* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

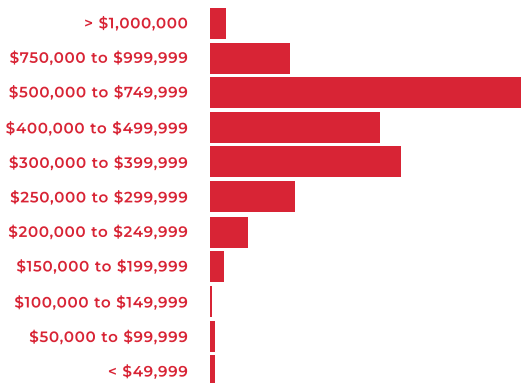
HOME OWNERS VS RENTERS

Herndon State Avg.



* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME VALUE DISTRIBUTION



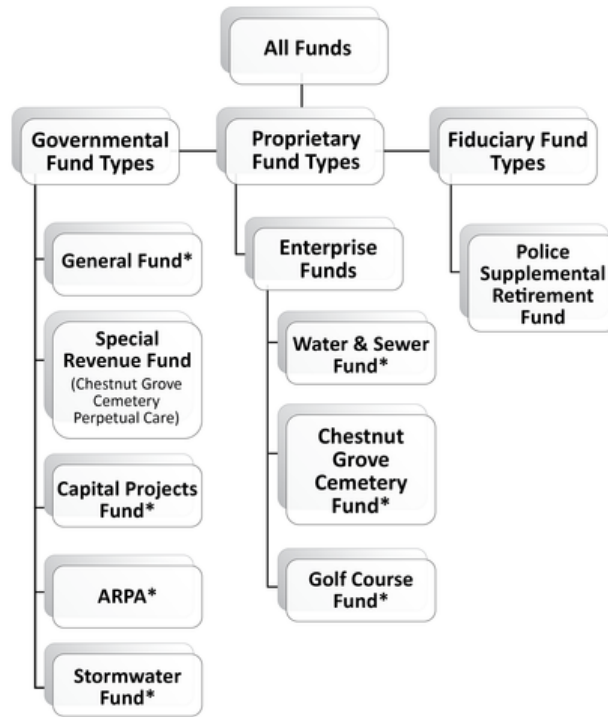
* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.



Fund Structure

Financial Structure

The Town of Herndon employs a financial structure which includes a General Fund for the day-to-day operations of the town. The town utilizes four other governmental funds, which include a Stormwater Fund, a special revenue fund to account for the perpetual care resources of Chestnut Grove Cemetery, and two capital project funds titled Capital Project Fund, and the American Rescue Plan Act Fund. The town's three proprietary funds include the Water & Sewer Fund, the Golf Course Fund, and the Chestnut Grove Cemetery Fund. Finally, the financial structure includes a fiduciary fund to account for the investments of the town's contribution to the Police Supplemental Retirement Fund.



*Funds with officially adopted budget

The details of the General Fund, Stormwater Fund, Water & Sewer Fund, Chestnut Grove Cemetery Fund, Golf Course Fund, Capital Projects Fund, and the American Rescue Plan Fund budgets are contained within this budget document. The cost to the town for funding the Police Supplemental Retirement Fund is contained within the Police Department's budgetary line items for employee benefits. This funding is based on the town contributing four percent of the annual salary of each sworn police officer toward police supplemental retirement programs. A detailed description of each fund type is provided below.

General Fund

The General Fund is the primary operating fund of the town and receives most of the revenue derived by the town from local sources, including real estate taxes, other local taxes, licenses, permits, privilege fees, and charges for services such as fees for parks and recreation classes and programs. Other sources of revenue to the General Fund include reimbursement of town expenses shared by Fairfax County and the Commonwealth of Virginia. In addition, this fund may receive revenue from the federal government to pay a portion of the cost of town programs and services.

Major General Fund expenditures include the costs of general town government (administration, town clerk, finance, police, community development, public works, parks and recreation, and the town attorney) and transfers to other funds. Debt service payments on town general obligation bonds (excluding general obligation bonds and other debt instruments payable from the enterprise funds) are expenditures of the General Fund.



Other Governmental-Type Funds

The Capital Projects Fund accounts for the acquisition or construction of major governmental-type capital projects and information systems improvements. Revenues of the Capital Projects Fund include federal, state and local grants, bond proceeds, and capital transfers-in from the General Fund. The American Rescue Plan Act (ARPA) accounts for project spending designated under the Federal Government's American Rescue Plan Act of 2021. This legislation provides municipalities federal grant revenue to respond to the COVID pandemic and its economic effects. Added for FY2025, the special revenue Stormwater Fund will capture the town's share of stormwater tax and grant revenues and account for related project spending, including the stream restoration projects.

The town has a special revenue fund, a subcomponent under the other governmental-type fund classification, which is the Chestnut Grove Cemetery Perpetual Care Trust Fund. This fund accounts for the accumulation of resources to be used for the perpetual maintenance and operation of Chestnut Grove Cemetery. Annual transfers are made from the Chestnut Grove Cemetery Fund, which are equal to ten percent of the cemetery site sales for the fiscal year.

For financial reporting purposes, the town's major funds are the General Fund, Stormwater Fund, Water & Sewer Fund, Chestnut Grove Cemetery Fund, Golf Course Fund, Capital Projects Fund, and the American Rescue Plan Act Fund. The town's other funds, which include the Chestnut Grove Cemetery Perpetual Care Trust Fund and the Police Supplemental Retirement Fund, are classified as non-major funds.

Proprietary Funds

The proprietary funds consist of three enterprise funds: 1. The Water & Sewer Fund, accounts for the operation, maintenance, and construction of the town's water and sanitary sewer systems; 2. The Golf Course Fund, accounts for the operation, maintenance and construction of the town's golf course; 3. The Chestnut Grove Cemetery Fund, accounts for the operations, maintenance, and development of the Chestnut Grove Cemetery. These funds are referred to as business-type funds with revenues consisting primarily of user fees charged for sales and services.

In addition to a prorated share of debt service on town general obligation bonds, other major expenditures for these funds include personnel and operating costs, and payments to outside authorities for wholesale water purchases and sewer conveyance services. Also included as proprietary funds expenditures are equipment and major capital outlay, services provided by other funds, and the day-to-day materials and supplies required to maintain and operate the physical plants of each fund.

Fiduciary Fund Type

The town's only fiduciary fund is the Police Supplemental Retirement Fund. This fund accounts for the accumulation of resources to be used for the payment of selected retirement pay out options for the town's sworn police officers. Resources are contributed by the town at a fixed percentage rate, as determined by the Town Council, of the annual salary of each sworn police officer. Administrative costs, as well as the contribution per officer, are recorded in the General Fund.

Transfer/Reallocation/Redistribution of Funds

The Town Council of the Town of Herndon, by adoption of the annual budget, approves the following procedures for the transfer, reallocation, or redistribution of approved expenditures.

Department Heads and Directors

Department heads and directors are authorized to transfer/reallocate/redistribute any amount, up to \$100,000 of the approved operations, maintenance, and capital funding between approved expenditure accounts within their respective departments in the General Fund and Enterprise Funds only, except for salary and benefit accounts. Requested transfers from salary or benefits accounts of any amount must be submitted to the town manager for review and approval. Requirements in excess of \$100,000 must be submitted to the town manager for review, and to the Town Council for approval.

Town Manager

The town manager is authorized to approve the transfer/reallocation/redistribution of General Fund, Water & Sewer Fund, Golf Course Fund, Chestnut Grove Cemetery Fund, Downtown Parking Enterprise Fund, and the Capital Projects Funds monies within a department or between departments in the same fund. Actions may be within or between the



personnel, operations and maintenance and capital outlays/projects accounts. The total amount of each approval shall not exceed \$100,000 and multiple transfers to the same account cannot exceed a total of \$100,000. Requirements in excess of \$100,000 must be submitted by resolution to the Town Council for approval.

Town Council

The Town Council retains the responsibility and authority to approve by council action all transfers/reallocations/redistributions in excess of \$100,000, and all budget amendments, including transfers between funds. In addition, only Town Council can authorize the reallocation of available reserve account funding when the reallocation is for a purpose other than the originally intended purpose of the reserve account.

Other Financial Structure Information

Internal Controls

Management of the town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1. The cost of a control should not exceed the benefits likely to be derived; and 2. The valuation of costs and benefits requires estimates and judgment by management.

Budgetary Controls

Budgetary control is maintained at the fund and department level with all departments having online, real-time access to line item account information. Additionally, department directors are provided monthly reports of comprehensive financial data for each activity center in the department. These reports display approved budget amounts, detailed item-by-item expenditure and encumbrance transactions, transfers, and remaining budget balances by line item. Prior to the release of a purchase order to a vendor, funds are properly encumbered. If the dollar amount of a purchase order request exceeds the allotment balance, the purchase order is not released until a proper transfer of funds has been approved and executed.

Accounting System

The town has an automated accounting system that maintains the accounting records for general governmental operations on a modified accrual basis. Accounting records for the town's proprietary funds (Water & Sewer Fund, Golf Course Fund, and Chestnut Grove Cemetery Fund) are maintained on a full accrual basis.

Fund Balance Information

There are various definitions of the term "fund balance." Generally, the term can be defined as "the cumulative difference of all revenues and expenditures from the government's creation." Fund balance is divided into five components: non-spendable, restricted, committed, assigned, and unassigned. The non-spendable component includes balances not in spendable form, such as inventories, and balances legally required to remain intact. Restricted funds are amounts that can be spent only for the specific purposes stipulated by external resource providers. Unrestricted fund balances may be subdivided into committed, assigned, and unassigned fund balances. If the Town Council anticipates that future actions will require financial resources, then a portion of the fund balance may be committed for those purposes through a formal action. Assigned fund balance reflects the intended use of resources established by the highest level of decision-making authority without formal action.

The unassigned portion of the fund balance is the financial resource that may be made available to meet unplanned or unforeseen contingencies and other working capital requirements. Additionally, the unassigned portion of the fund balance provides the town with the ability to maintain a stable tax rate and revenue structure, while providing consistent service delivery to all citizens, especially in times of economic uncertainty.



Basis of Budgeting

Basis of Accounting and Budgeting

The budget must comply with the Code of Virginia and other regulatory agencies, as appropriate. According to the Code of Virginia, the town is required to have a balanced budget and undergo an annual financial audit by an independent certified public accountant. A balanced budget is one in which all expenditures and other financial uses are fully funded by projected revenues and other financing sources. Thus, the budget outlines the required information to serve legal and financial reporting purposes.

The Commonwealth of Virginia requires that the town budget be based on fund accounting, which is a system of accounting that matches the sources of revenue (such as taxes or service fees) with the uses (program costs) of that revenue. Therefore, the town budgets and accounts for its revenues and expenditures in various funds. The financial structure discussion following this section provides further detail on this topic.

Accounting Basis

Each fund is considered a separate accounting entity, with operations accounted for in a separate set of self-balancing accounts, which comprise assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

Governmental funds, which include the general fund, capital projects funds, special revenue funds, and permanent funds, are accounted for on the modified accrual basis of accounting. Revenue is considered available and recorded if it is collectible within the current period or within 45 days thereafter to be used to pay liabilities of the current period. Expenditures are generally recorded when the related fund liability is incurred or expended.

Proprietary and fiduciary funds use the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred.

As promulgated by the Government Accounting Standards Board in Statement No. 34, the town's basic financial statements include separate fund-based presentations and two basic government-wide financial statements. These two government-wide statements are the Statement of Net Position and the Statement of Activities.

Budgetary Basis

Annual budgets spanning the fiscal year (July 1 – June 30) are prepared on a basis consistent with generally accepted accounting principles. Appropriations lapse on June 30 unless specifically encumbered or reserved.

Capital Costs: The Budget treats capital costs as outflows (Capital Outlay) that reduce Net Fund Balance or Net Position. Actual results will reflect capitalization of capital costs as long term assets on the balance sheet that are subsequently depreciated over a useful life. For governmental funds, depreciation expense is not budgeted. However, for proprietary funds, the budget includes depreciation expense.

Debt: Governmental funds budget both principal and interest payments as outflows, while proprietary funds include interest payments only. Per accrual accounting, debt principal payments reduce total liabilities on the balance sheet and are not recorded as expenses.



Financial Policies

INTRODUCTION

To establish and document a policy framework for fiscal decision-making and to strengthen the financial management of the Town of Herndon, Virginia (the “town”), the Town Council confirms the following Financial Policy Guidelines as part of the FY 2025 Budget.

Financial Policy Guidelines that are adopted, adhered to, and regularly reviewed are recognized as a cornerstone of sound financial management and:

- Contribute significantly to the town's ability to insulate itself from fiscal crisis;
- Enhance short term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible;
- Promote long-term financial stability by establishing clear and consistent guidelines;
- Direct attention to the total financial picture of the town rather than single issue areas;
- Promote the view of linking long-term financial planning with day to day operations; and
- Provide town staff, Town Council, and the town's citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

The town will review these Financial Policy Guidelines at least once every four years and either reaffirm them or adjust them to reflect evolving town priorities, developments in industry best practices, and/or changes to rating agency criteria.

SECTION I. Accounting, Auditing, and Financial Reporting

- a. The town will establish and maintain the highest standards of accounting practices in conformance with uniform financial reporting in Virginia and generally accepted accounting principles for governmental entities as set forth by the Governmental Accounting Standards Board.
- b. The town will engage an independent firm of certified public accountants to perform an annual financial and compliance audit according to generally accepted government auditing standards and will have these accountants publicly issue an opinion, which will be incorporated in an annual comprehensive financial report.
- c. The town will annually seek the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

SECTION II. Asset Management

- a. The town will capitalize all fixed assets with a value greater than \$5,000 and an expected life of two years or more.
- b. The operating budget will provide for minor and preventive maintenance.
- c. The capital budget will provide for the acquisition of fixed assets and the construction, or total replacement of physical facilities to include additions to existing facilities, which increase the square footage or asset value of that facility or other asset. The town will protect its assets by maintaining adequate insurance coverage through either commercial insurance or risk pooling arrangements with other governmental entities.

SECTION III. Revenue Management

- a. The town will maintain a diversified and stable revenue structure to protect it from short-run fluctuations in any one revenue source.
- b. The town will estimate its annual revenues by an objective, analytical process.
- c. The town maintains budgetary control at the fund and department level. At minimum, quarterly reports of comprehensive financial data for each of the town's activity centers will be generated; displaying such line item information as approved budget, expenditure and encumbrance amounts, any budget transfers, and remaining budget balance.
- d. In addition, a condensed report is prepared for the Town Council at least semi-annually which compares actual to budgeted/projected revenues and expenditures for all funds of the town. The report notes any significant variances from expected results and recommends actions to bring the budget into balance, if necessary.
- e. The town has three enterprise funds: The Water & Sewer Fund, Chestnut Grove Cemetery Fund, and Golf Course Fund. The town, where practicable, will institute user fees and charges for specialized programs and services. Rates will be established to recover operational as well as overhead or indirect costs and capital or debt service costs, and the town will periodically review user fee charges and related expenditures to determine if pre-established recovery goals are being met.
- f. The town will follow an aggressive policy of collecting revenue.



SECTION IV. Budget Management

Operating Budget

- a. The town must adopt a structurally balanced annual budget by July 1 of each fiscal year. A structurally balanced budget is defined as one in which total recurring revenues and other financing sources are equal to total anticipated recurring expenditures.
- b. The budget is a plan for raising and allocating resources. The objective is to enable service delivery within available resources. Services must be delivered to residents and taxpayers at a level that will meet real needs as efficiently and effectively as possible.
- c. The town will fund current expenditures with current revenues and use nonrecurring revenues for nonrecurring expenditures. Recurring revenues may be used for one-time expenditures if deemed appropriate by the town manager.
- d. Revenues must be increased, or expenditures decreased, in the same fiscal year, if deficits appear.
- e. The budget must be structured so that the Town Council and the general public can readily establish the relationship between revenues, expenditures, and the achievement of service objectives.

Capital Budget

- f. The town will make all capital improvements in accordance with an adopted Capital Improvements Program (CIP).
- g. The town will coordinate development of the capital budget with development of the operating budget. Future operating costs associated with new capital projects will be projected and included in operating budget forecasts.
- h. The town will annually update a multi-year financial forecast in concert with preparation of the operating and capital budget. The multi-year financial forecast will take into account projected operating revenues and expenditures as well as projected capital needs, both debt and non-debt funded. The multi-year financial forecast will also track projected compliance with the town's Financial Policy Guidelines.
- i. The town will make use of non-debt capital financing through alternate sources, including proffers and pay-as-you-go cash funding from the Capital Reserve Fund. The Capital Reserve Fund will be described further herein.
- j. The goal of the town is to finance 25 percent of the current portion of construction and acquisition costs of capital assets, improvements, and infrastructure (in excess of proffers) through the use of non-debt sources over the course of a five-year CIP program. The amount provided in current resources may be applied equally to all projects or only to specific projects.

SECTION V. Reserve Funds Management

- a. The General Fund Unassigned Fund Balance should be maintained at a minimum of 20 percent of total General Fund Operating Expenditures as measured in the town's annual audited financial statements. Operating Expenditures do not include capital expenditures of a one-time, non-recurring nature.
- b. General Fund Unassigned Fund Balance should be drawn upon only as absolutely necessary and, where applicable, after use of the Revenue Stabilization Balance and Contingency Balance. Any use of General Fund Unassigned Fund Balance should be limited to:
 1. One-time capital needs;
 2. Offsetting difficult economic times;
 3. Non-recurring expenditures; and
 4. Providing liquidity in emergency situations.
- c. Should the town utilize Unassigned Fund Balance for one of the purposes noted above in such a way that will reduce the funds below the policy minimum level, the town will put in place a plan to restore the Unassigned Fund Balance to the policy minimum level. In such circumstances, the town will adopt a plan as part of the following year's budget process to restore the Unassigned Fund Balance to the policy minimum level within two years from the date of the budget's adoption.
- d. The town will establish a Revenue Stabilization Balance within the assigned portion of the General Fund Balance. At the close of each audited fiscal year, after certifying that the Unassigned Fund Balance is in compliance with these policies, the Revenue Stabilization Balance shall receive a minimum of 25 percent of the prior year's surplus, if any, as calculated in the prior fiscal year audit. Balances in the Revenue Stabilization Balance will be allowed to accumulate until they reach an amount equal to 5.0 percent of General Fund Operating Revenues. Transfers for Revenue Stabilization may also be made as part of the adopted operating budget.
 1. Withdrawals from the Revenue Stabilization Balance can only be considered if there is an unexpected General Fund recurring revenue decline of at least three percent below the original budget projections for the current fiscal year.
 2. No more than half of the Revenue Stabilization Balance can be withdrawn in any one fiscal year except in the event that using no more than half of the balance would result in Unassigned Fund Balance falling below the 20 percent threshold noted herein. In such an instance, the withdrawal shall be the lesser of the amount



needed to maintain the 20 percent Unassigned Fund Balance policy level or the remaining balance for Revenue Stabilization.

- e. The town will establish a Contingency Balance within the Assigned portion of the General Fund Balance. At the close of each audited fiscal year, after certifying that the Unassigned Fund Balance and Revenue Stabilization Balance are each in compliance with these financial policies, the Contingency Balance shall receive a minimum of 25 percent of the prior year's surplus, if any, as calculated in the prior fiscal year audit. Balances in the Contingency Balance will be allowed to accumulate until they reach an amount equal to 2.5 percent of General Fund Operating Expenditures. Transfers to the Contingency Balance may also be made as part of the adopted operating budget. Contingency Balance is available for:
1. Reserves against shortfalls in any given revenue source(s);
 2. Reserves against unexpected increases in any given expenditure(s);
 3. Providing liquidity in emergency situations;
 4. A financial opportunity(s) to enhance the well-being of the town; and
 5. Other such global purpose as to protect the long-term fiscal security of the town.
- f. The town will establish a Capital Reserve Balance within the assigned portion of the General Fund Balance. At the close of each audited fiscal year, the Capital Reserve Balance shall receive a minimum of 25 percent of the prior year's surplus, if any, as calculated in the prior fiscal year audit. There will be no cap or limitation on the total allowed to accumulate in the Capital Reserve Balance. The Capital Reserve Balance is available for pay-as-you-go funding of capital projects and other non-recurring capital related expenditures including debt payoff/paydown.

SECTION VI. Debt and Cash Management

Debt Management

- a. The town will not fund current operations from the proceeds of borrowed funds and will confine long-term borrowing and capital leases to capital improvements, projects, or equipment that cannot be financed from current financial resources.
- b. The town will, when financing capital improvements or other projects or equipment by issuing bonds or entering into capital leases, repay the debt within a period not to exceed the expected useful life of the project or equipment. Debt related to equipment ancillary to a construction project may be amortized over a period less than that of the primary project.
- c. The town will annually calculate target debt ratios for direct, non-revenue-based debt that is dependent on the General Fund for the payment of debt service (i.e. "Tax Supported Debt"). The town's Debt Capacity shall be maintained within the following primary goals:
 1. Tax Supported Debt Service expenditures as a percentage of annual General Fund expenditures should not exceed 12 percent.
 2. The outstanding amount of Tax Supported Debt of the town shall not exceed 1.5 percent of the total assessed value of the taxable property in the town.
 3. The 10-Year Payout Ratio of Tax Supported Debt (i.e. the amount of Tax Supported debt retired in 10 years as a proportion of total outstanding Tax Supported Debt) shall not be less than 55 percent.
- d. The town may exclude Water & Sewer Enterprise Fund debt, and other self-supporting Enterprise Fund Debt (if any), from the calculation of Tax Supported debt ratios if the Water & Sewer Enterprise Fund, or other Enterprise Fund, is fully self-supporting from current revenue and not reliant on support from general tax revenues.
- e. Before undertaking a new financing, the town will work with its Financial Advisor to determine the impact of the new financing on the town's Debt Capacity (i.e. impact to policy ratios) and Debt Affordability (i.e. impact to annual cash-flows).
- f. The town will follow a policy of full disclosure in every annual financial report and financing official statement/offering document. As such, the Director of Finance will maintain a record of all of the lenders of outstanding town issued debt. This record will include any post issuance disclosure obligations of the town. So long as the town has debt outstanding in the public markets this record will also include the continuing disclosure requirements found in the Continuing Disclosure Agreement ("CDA") that is executed at the closing of publicly issued bonds.
- g. It is the goal of the town to obtain a credit rating from at least two of the three major municipal bond credit rating services, namely Moody's Investors Service, Standard & Poor's, and Fitch Ratings. The town will strive to maintain and enhance its credit ratings once they have been obtained. The town understands that there is a correlation between a higher bond rating(s) and lower borrowing costs (all else being equal) whether the town is borrowing for a new project or to refinance existing debt for savings. As such, working with its Financial Advisor, the town will maintain good communications about its financial condition with bond and credit rating institutions.
- h. The town understands that it has the unique ability to borrow on a tax-exempt basis for many of its General Government and Utility Enterprise projects. The town further understands that the provisions of the Internal Revenue Code of 1986, as amended (the "IRC"), together with the regulations promulgated thereunder (the "Treasury Regulations" and collectively with the IRC, the "Tax Laws"), impose requirements that must be met in



order for interest on the Bonds to continue to be exempt from federal income taxation or the Bonds be entitled to certain other tax benefits while the Bonds are outstanding. It shall be the policy of the town to work with a nationally recognized Bond Counsel and Financial Advisor, as necessary, (a) to comply with the Tax Laws and (b) to implement and carry out the procedures to ensure compliance with the Tax Laws and to preserve appropriate records to evidence such compliance.

Cash Management

- i. The town will maintain an investment policy based on Government Finance Officers Association (GFOA) best practices and the Virginia Investment of Public Funds Act. The investment policies and procedures of the director of finance shall become a part of this policy.
- j. The town will, where permitted by law, pool cash from its various funds for investment purposes and will invest revenue to maximize the rate of return while maintaining a low level of risk.

SECTION VII. Water & Sewer Enterprise Fund Policies

- a. The town shall complete a cost of service rate study for the Water & Sewer Enterprise Fund and report the results to the Town Council as part of the development of the annual budget. The cost of service study shall include projected operational and capital costs over at least a five-year time period.
- b. It is the intent of the Water & Sewer Enterprise Fund to have adequate cash reserves to provide for at least 250 days of operating expenses and debt service as measured at the end of a fiscal year. If the unrestricted cash and long-term investments balance fall below the target level as measured at the completion of the annual audit, the town will develop a plan to bring reserves back in line with the policy target within two budget cycles.
- c. Net Revenues should be at least 1.70 times the annual debt service requirement of long-term Water & Sewer Enterprise Fund debt service with a goal of maintaining 2.0 times annual debt service requirements. Net Revenues shall be defined as operating revenues plus availability charges plus interest income less operating expenses net of depreciation. Excess revenues after debt service will be available to first build and maintain the Utility enterprise Cash and Cash Equivalents plus Long-Term Investments for policy compliance – if necessary – and secondly, to provide equity funding for future capital projects.
- d. The town will annually update a five-year Capital Improvements Program for the Water & Sewer Enterprise Fund. The town will maintain a balance between debt funding and equity/cash funding, with at least 25 percent of capital projects funded from non-debt sources over a five-year horizon.
- e. The Water & Sewer Enterprise Fund will amortize bond issues so that the cost of long-term assets is spread over the users that will benefit from them but not longer than the expected useful life of the asset.

Internal Policy

Interfund Borrowing:

1. Before lending between funds can be initiated, the amount of unrestricted, available cash to be retained at all times by the lending fund should be equivalent to at least six months (or one-half) of the lending fund's current annual operating and debt service budgets.
2. All borrowings will be repaid in their entirety to the lending fund by the borrowing fund unless specific action is taken by the Town Council to forgive the outstanding balance of the debt. In this case, the outstanding balance of the borrowing would be reclassified from an "interfund loan" to an "operating transfer."
3. The borrowing will be restricted to financing a specific capital outlay/project of the borrowing fund and be adequately described in and supported by the town's adopted CIP, budget or budget amendment.
4. The maximum lending period will generally be the lesser of 10 years or until the lending fund's need for its available cash becomes evident. However, if financially feasible by the lending fund, longer loan periods related to the acquisition and construction of longer-lived assets (e.g., buildings, roads, other infrastructure, etc.) can be considered.
5. The interest rate to be charged will be the prevailing interest rate the town could have secured at the time of the borrowing had the funds been invested in specific investment instruments as allowed under the town's adopted Investment and Portfolio Policy.
6. Should it become financially feasible and of general benefit to the town as a whole, the outstanding balance of the loan could be returned by the borrowing fund to the lending fund on an expedited basis. This can be accomplished by issuing general obligation bonds, undertaking some other financial arrangement, or by Town Council action.



Budget Process

The Budget Process and Timeline

A budget is a formal document that assists the Town of Herndon in planning for the future; measures the performance of town services; and aids town citizens and other interested persons in understanding where revenues come from and how they are spent. The town manager is required by the Code of Virginia to prepare and present to the Town Council a proposed budget no later than the first day of April of each year. The Town Council is also required to adopt a budget prior to July 1 and to fix a tax rate for the budget year at that time.

<u>October/November 2023</u>	<u>February 2024 (continued)</u>
Budget Kick-Off discussion with town's management team	Budget team meets with departments to review revenues/fees
Capital Improvement Program (CIP) kick-off with departments	Budget team develops proposed budget
Budget kick-off discussion with departmental budget liaisons	Town manager's proposed GF budget submitted to Town Council
Departments begin a review of all fees with comparative analysis and recommendations	<u>March 2024</u>
<u>January 2024</u>	The Planning Commission recommended CIP submitted to the town manager
Town Council work session to determine goals, objectives and priorities	Town manager's proposed Enterprise Funds budget submitted to Town Council
Staff CIP review meetings	<u>April 2024</u>
First Planning Commission public hearing on CIP	Budget summary/highlights distributed to all town residents
Department budget line item requests are submitted to the town manager	Town Council work sessions (2) and public hearings (2) on the budget and FY 2025 portion of CIP
A budget team meets with departments to review budget submissions	The Town Council sets rates and adopts the budget and FY 2025 portion of CIP
<u>February 2024</u>	<u>May 2024</u>
Planning Commission public hearing for CIP presentation and recommendation	Town Council work session, public hearing and adoption of FY 2026-2030 portion of CIP

A brief synopsis of the budget, as proposed by the town manager, is mailed to all town residences and businesses. Additionally, notice is given of one or more public hearings at least ten days prior to the public hearing. The public hearing provides citizens of the town with an opportunity to attend and comment on the recommended budget. The expenditure portion of the Town of Herndon's budget is presented by the department and details the estimated funds necessary to accomplish the objectives and goals of the department. Most departments are subdivided into activity centers. Each activity center is detailed by line item of expenditure, with explanatory notes highlighting significant changes from the prior fiscal year's budget. The revenue portion of the budget is presented by categories of anticipated sources and includes explanatory notes. Additionally, the budget numbers are presented in a format that allows comparisons with the budget of the current fiscal year and to the audited actual results of the prior fiscal year. Other information provided by the budget document includes departmental purpose statements, objectives, programs and activities for each activity center, as well as organization, descriptions, personnel allocations, graphic statistical presentations, and performance indicators.



BUDGET SUMMARY



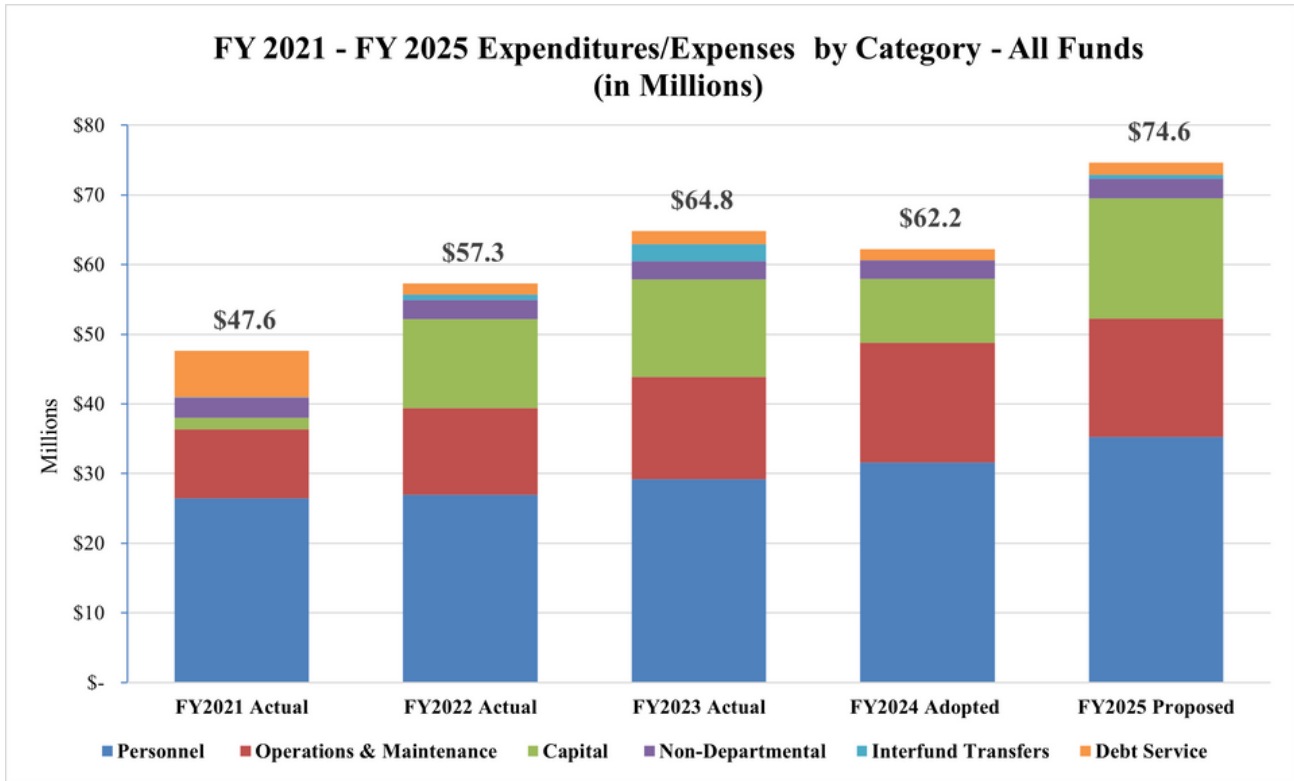
Executive Overview

The FY 2025 Total Budget includes the following funds: General Fund, Stormwater Fund, Water and Sewer Fund, Chestnut Grove Cemetery Fund, Herndon Centennial Golf Course Fund, the Capital Projects Fund, and the ARPA Fund. The total budget of \$74,632,184 for FY 2025 represents an increase of 19.9% or \$12,388,380 as compared to the FY 2024 adopted budget. The following tables provide comparisons of major categories of expenditures and revenues by year.

FY 2025 Budget Summary - Expenditures - By Category

<i>In Thousands</i>					
All Funds	FY2023 Adopted Budget	FY2024 Adopted Budget	FY2025 Proposed Budget	% Change FY24 Adopted to FY23 Adopted	% Change FY25 Proposed to FY24 Adopted
41 - Personnel Services	30,297	31,566	35,287	4.2%	11.8%
44 - Operations and Maint	14,938	17,246	16,969	15.5%	-1.6%
48 - Capital Outlay	10,633	9,195	17,272	-13.5%	87.8%
61 - Non-Departmental	-260	2,632	2,833	-1112.3%	7.6%
95 - Interfund Transfers	71	20	536	-71.8%	2579.0%
98 - Debt Service	1,651	1,584	1,735	-4.1%	9.6%
Grand Total	57,331	62,244	74,632	8.6%	19.9%

**FY 2021 - FY 2025 Expenditures/Expenses by Category - All Funds
(in Millions)**



All Funds – Expenditure Budget Summary

In Thousands

Fund	Expenditure Category	2021 Actual	2022 Actual	2023 Actual	2024 Adopted	2025 Proposed
General Fund	Personnel Services	23,918	24,488	26,245	28,065	30,380
	Operations & Maintenance	5,352	6,945	8,814	10,003	9,420
	Capital Outlay	167	412	1,262	753	2,249
	Non-Departmental	359	346	479	675	758
	Interfund Transfers	-	743	2,396	-	467
	Debt Service	6,275	1,235	1,484	1,277	1,395
General Fund Total		36,070	34,168	40,680	40,774	44,669
Water & Sewer Fund	Personnel Services	1,102	1,197	1,590	1,843	2,630
	Operations & Maintenance	3,950	4,747	4,413	6,177	6,291
	Capital Outlay	15	218	45	4,475	10,731
	Non-Departmental	2,149	1,817	1,751	1,615	1,705
	Debt Service	245	239	352	339	323
Water & Sewer Fund Total		7,461	8,218	8,151	14,449	21,680
Cemetery Fund	Personnel Services	381	390	400	459	480
	Operations & Maintenance	156	199	200	234	208
	Capital Outlay	12	2	(2)	1,392	205
	Non-Departmental	149	160	83	88	82
	Interfund Transfers	68	76	65	20	68
	Debt Service	88	8	8	8	7
Cemetery Fund Total		854	835	754	2,200	1,050
Golf Course Fund	Personnel Services	1,055	890	932	1,198	1,384
	Operations & Maintenance	408	522	681	789	854
	Capital Outlay	-	(61)	11	175	848
	Non-Departmental	215	279	262	255	288
	Debt Service	16	4	12	4	10
Golf Course Fund Total		1,694	1,634	1,899	2,420	3,384
Capital Projects Fund	Capital Outlay	1,520	10,116	9,150	1,900	2,500
Capital Projects Fund Total		1,520	10,116	9,150	1,900	2,500
Stormwater Fund	Personnel Services	-	-	-	-	413
	Operations & Maintenance	-	-	-	-	195
	Capital Outlay	-	-	-	-	740
Stormwater Fund Total		-	-	-	-	1,349
ARPA Fund	Operations & Maintenance	-	36	622	-	-
	Capital Outlay	-	2,049	3,550	500	-
	Non-Departmental	-	169	-	-	-
ARPA Fund Total		-	2,253	4,172	500	-
Grand Total		47,599	57,225	57,331	62,244	74,632



All Funds – Revenue Budget Summary

In Thousands

Fund	Revenue Category	2021 Actual	2022 Actual	2023 Actual	2024 Adopted	2025 Proposed
General Fund	General Property Tax	12,822	12,914	13,806	14,121	14,206
	Other Local Taxes	14,562	15,129	17,468	15,395	17,181
	Permits, Priv Fees	458	614	572	653	663
	Fines & Forfeitures	282	359	342	291	360
	Use of Money&Property	515	88	1,283	1,347	1,437
	Charges for Services	1,525	2,586	2,779	3,275	2,748
	Miscellaneous Revenue	10	20	49	14	54
	Intergov. Revenue	7,124	4,390	4,681	4,576	5,272
	Other Finance Source	5,267	141	883	100	125
	Use of Fund Balance	-	-	-	1,002	2,624
General Fund Total		42,565	36,242	41,864	40,774	44,669
Water & Sewer Fund	Use of Money&Property	16	51	457	479	472
	Charges for Services	6,699	7,310	8,306	8,734	10,473
	Miscellaneous Revenue	12	20	18	18	19
	Intergov. Revenue	14	-	-	-	-
	Availability Fees	49	130	84	3,625	1,672
	Other Finance Source	5	34	12	10	3,476
	Use of Fund Balance	-	-	-	1,584	5,568
Water & Sewer Fund Total		6,795	7,545	8,876	14,449	21,680
Cemetery Fund	Use of Money&Property	3	5	85	-	85
	Charges for Services	1,145	1,298	1,147	939	870
	Miscellaneous Revenue	66	79	70	22	23
	Other Finance Source	19	25	72	55	72
	Use of Fund Balance	-	-	-	1,185	-
Cemetery Fund Total		1,232	1,407	1,375	2,200	1,050
Golf Course Fund	Use of Money&Property	51	10	101	120	101
	Charges for Services	2,238	2,393	2,692	2,300	2,873
	Miscellaneous Revenue	0.2	0.2	0.2	0.2	0.2
	Intergov. Revenue	-	1.4	-	-	-
	Other Finance Source	-	8	34	-	34
	Use of Fund Balance	-	-	-	-	377
Golf Course Fund Total		2,289	2,413	2,826	2,420	3,384
Capital Projects Fund	Use of Money&Property	22	116	682	-	-
	Miscellaneous Revenue	-	388	417	-	-
	Intergov. Revenue	(544)	7,765	5,469	1,650	-
	Other Finance Source	14	14	1,869	250	2,500
Capital Projects Fund Total		(509)	8,283	8,437	1,900	2,500
Stormwater Fund	Motorous Revenue	-	-	-	-	425
	Intergov. Revenue	-	-	-	-	620
	Other Finance Source	-	-	-	-	92
	Use of Fund Balance	-	-	-	-	211
Stormwater Fund Total		-	-	-	-	1,349
ARPA Fund	Use of Money&Property	-	348	847	-	-
	Miscellaneous Revenue	-	10	32	-	-
	Intergov. Revenue	-	1,206	2,986	500	-
	Use of Fund Balance	-	721	1,128	-	-
ARPA Fund Total		-	2,285	4,993	500	-
Grand Total		52,372	58,176	68,371	62,244	74,632



Personnel Changes

Town Personnel

In FY 2025, 280 regular status positions are budgeted, an increase of eleven positions from FY 2024, with one in the General fund, one in the Golf Course Fund, three in the new Stormwater fund, and six in the Water-Sewer Fund.

General Fund personnel expenditures are \$30,379,725, an increase of 8.2 percent over the FY 2024 Budget of \$28,064,960. With a consistently competitive employment market, unemployment numbers are very low, making recruiting and compensation competition important and challenging. It is critical for the town to recruit, retain, and develop employees to remain competitive in the marketplace. FY 2024 saw inflation rates begin to come down from the last couple of years. Pay increases for non-sworn town staff averaged 5.5%, while sworn officers saw 11.5% pay increases. The FY 2025 budget provides compensation for regular status employees that includes a pay-for-performance component averaging 2%, and two market rate increases of 1% and 1.5% for all regular status employees at two points throughout the fiscal year; a 4.5% average total.

Additionally, all pay scales are adjusted 5.25% for next year to allow the town to be marketable to prospective employees.

Total Personnel by Fund	FY 2022		FY 2023		FY 2024		FY 2025	
	# of positions	FTE	# of positions	FTE	# of positions	FTE	# of positions	FTE
General Fund								
Town Clerk	4	3.63	4	3.63	4	4	4	4
Town Administration	15	14.6	16	15.6	16	15.6	16	15.6
Parks & Recreation	27	25.51	26	24.88	26	25.13	26	25.38
Finance	12	11.75	13	12.75	13	12.75	13	12.75
Community Development	17	17	17	17	17	17	17	17
Police	73	72.63	73	72.63	73	72.63	74	73.26
Public Works	82	81.73	82	82	82	82	79	79
Town Attorney	5	4.63	5	4.63	5	4.63	5	4.63
Total General Fund	235	231.48	236	233.12	236	233.74	234	231.62
Total Water & Sewer Fund	15	15	17	17	18	18	26	26
Stormwater Fund	n/a	n/a	n/a	n/a	n/a	n/a	4	4
Chestnut Grove Cemetery	5	5	5	5	5	5	5	5
Golf Course	10	10	10	10	10	10	11	11
Total All Funds	265	261.48	268	265.12	269	266.74	280	277.62

After health insurance costs increased by 4.9 percent in FY 2024, health insurance costs will increase by 4.2% in FY 2025. Retirement premiums through the Virginia Retirement System (VRS) were reevaluated for FY 2025. VRS is going through a process called Hybrid Rate Separation effective in FY 2025, which breaks out the employer paid rates of the defined benefit and defined contribution components of their pension plans. The defined benefit portion valuation decreased from 8.9% to 8.45%, while the defined contribution component of the valuation increased to 10.95%, an incremental impact of approximately \$430,000 to the FY2025 Budget. This valuation is valid through FY 2026.

The town continues to manage personnel costs by evaluating positions when they become vacant, reviewing employee workloads, and adjusting personnel levels as appropriate. The town evaluates positions throughout the year for changes in duties, which may warrant position realignments to enable efficient working and career progression. The FY 2025 position and classification plans are included in this document. Vacancy savings of approximately 3% is assumed in the FY2025 Budget.

The town has worked very hard to keep the number of employees relatively constant, amidst quickly increasing demands and changing state laws, while maintaining the levels of service that our residents have come to expect. Two main approaches have been utilized in achieving this goal; use of technology in service delivery and the realignment of existing positions to accommodate and adapt to changing workloads and job duties.



FY 2025 Position Classification Plan

Annualized Range

Hourly Rate

FLSA

Position	Grade	Annualized Range			Hourly Rate			FLSA
		Lower	Midpoint	Upper	Lower	Midpoint	Upper	Overtime Status
Accounting Supervisor	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Accounting Technician	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Administrative Assistant	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Aquatics Services Manager	14	\$ 73,490.30	\$ 104,986.18	\$ 136,482.06	35.3319	50.4741	65.6164	E
Arborist/Landscape Architect	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Asset Manager	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Assistant Communications Supervisor	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Assistant Crew Supervisor	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Assistant Facilities Maintenance Supervisor	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Assistant Golf Course Superintendent	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Assistant Golf Professional	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Assistant Program Manager	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Budget Manager	18	\$ 89,328.20	\$ 127,611.64	\$ 165,895.08	42.9462	61.3517	79.7572	E
Building Official	18	\$ 89,328.20	\$ 127,611.64	\$ 165,895.08	42.9462	61.3517	79.7572	E
Capital Projects Planner/Engineer	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Capital Projects Program Manager	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Cemetery Manager	17	\$ 85,074.34	\$ 121,534.92	\$ 157,995.24	40.9011	58.4302	75.9592	E
Chief Communications Officer	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Chief Deputy Town Clerk	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	E
Chief, Program & Project Manager	18	\$ 89,328.20	\$ 127,611.64	\$ 165,895.08	42.9462	61.3517	79.7572	E
Civil Engineer I	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Civil Engineer II	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Clerk of Boards and Commissions	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	E
Combination Inspector - Commercial	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Combination Inspector - Residential	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Communications Assistant	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Communications Technician I	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Communications Technician II	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Community Center Manager	14	\$ 73,490.30	\$ 104,986.18	\$ 136,482.06	35.3319	50.4741	65.6164	E
Community Center Supervisor	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Community Inspector	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Community Planner	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Crime Analyst	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Deputy Director of Community Development	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Deputy Director of Finance	21	\$ 103,408.50	\$ 147,726.28	\$ 192,044.06	49.7156	71.0223	92.3289	E
Deputy Director of Parks and Recreation	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Deputy Director of Public Works	21	\$ 103,408.50	\$ 147,726.28	\$ 192,044.06	49.7156	71.0223	92.3289	E
Deputy Town Attorney	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Deputy Town Clerk	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	E
Development Program Planner	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Director of Community Development	24	\$ 119,708.42	\$ 171,011.62	\$ 222,315.08	57.5521	82.2171	106.8823	E
Director of Economic Development	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Director of Finance	25	\$ 125,693.36	\$ 179,561.98	\$ 233,430.60	60.4295	86.3279	112.2263	E
Director of Human Resources	23	\$ 114,007.66	\$ 162,868.16	\$ 211,728.66	54.8114	78.3020	101.7926	E
Director of Information Technology	23	\$ 114,007.66	\$ 162,868.16	\$ 211,728.66	54.8114	78.3020	101.7926	E
Director of Parks & Recreation	24	\$ 119,708.42	\$ 171,011.62	\$ 222,315.08	57.5521	82.2171	106.8823	E
Director of Public Works	25	\$ 125,693.36	\$ 179,561.98	\$ 233,430.60	60.4295	86.3279	112.2263	E
Engineering Inspector	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Equipment Operator	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Equipment Operator/Greensworker	4	\$ 45,116.76	\$ 64,452.44	\$ 83,788.12	21.6908	30.9868	40.2828	N
Executive Assistant to the Town Manager	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Facility Maintenance Supervisor	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N



FY 2025 Position Classification Plan

Annualized Range

Hourly Rate

FLSA

Position	Grade	Annualized Range			Hourly Rate			FLSA
		Lower	Midpoint	Upper	Lower	Midpoint	Upper	Overtime Status
Facility Maintenance Technician I	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Facility Maintenance Technician II	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Facility Maintenance Technician III	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Field Operations Manager	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Financial Management Analyst	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Fiscal Services Administrator	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Fitness Supervisor	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Fleet Manager	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
FOIA Records Specialist	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
General Manager	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Golf Course Superintendent	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Golf Professional	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Head Fitness Trainer	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Head Lifeguard	4	\$ 45,116.76	\$ 64,452.44	\$ 83,788.12	21.6908	30.9868	40.2828	N
Housing/Neighborhood Improvement Coordinator	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Human Resources Assistant	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Human Resources Generalist	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Human Resources Manager	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Human Resources Specialist	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Information Technology Engineer	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Irrigation Technician	4	\$ 45,116.76	\$ 64,452.44	\$ 83,788.12	21.6908	30.9868	40.2828	N
Lead Planner/Design and Development	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Lead Planner/Long Range	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Legal Assistant	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Legal Assistant to the Town Attorney	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	E
Manager, Information Technology	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Marketing and Communications Specialist	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Mechanic I	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Mechanic II	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Mechanic/Equipment Operator	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Network Administrator	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Office Assistant III	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Office Assistant III/Administrative Clerk	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Operations Integration Manager	14	\$ 73,490.30	\$ 104,986.18	\$ 136,482.06	35.3319	50.4741	65.6164	E
Operations Specialist	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Parking Enforcement Official	5	\$ 47,372.52	\$ 67,675.14	\$ 87,977.50	22.7753	32.5361	42.2969	N
Payroll Administrator	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Permit Technician	8	\$ 54,839.72	\$ 78,342.42	\$ 101,845.12	26.3652	37.6646	48.9640	N
Personal Trainer	5	\$ 47,372.52	\$ 67,675.14	\$ 87,977.50	22.7753	32.5361	42.2969	N
Plan Review Coordinator	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Planning Operations Manager	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Pool Operations Manager	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Program Manager	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Project Engineer I	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Project Engineer II	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Property Maintenance Inspector	10	\$ 60,460.66	\$ 86,372.52	\$ 112,284.12	29.0676	41.5252	53.9828	N
Public Information Specialist	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Purchasing Agent	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Records Technician	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Records Technician Supervisor	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Recreation Assistant I	5	\$ 47,372.52	\$ 67,675.14	\$ 87,977.50	22.7753	32.5361	42.2969	N
Recreation Assistant II	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Recreation Program Assistant	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Recreation Program Coordinator	14	\$ 73,490.30	\$ 104,986.18	\$ 136,482.06	35.3319	50.4741	65.6164	E



FY 2025 Position Classification Plan

Annualized Range

Hourly Rate

FLSA

Position	Grade	Annualized Range			Hourly Rate			FLSA
		Lower	Midpoint	Upper	Lower	Midpoint	Upper	Overtime Status
Recreation Services Manager	14	\$ 73,490.30	\$ 104,986.18	\$ 136,482.06	35.3319	50.4741	65.6164	E
Recreation Services Supervisor I	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Recreation Services Supervisor II	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Revenue Operations Supervisor	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Right-of-Way Inspection Supervisor	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Right-of-Way Inspector/Utility Marker	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Risk Manager	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Safety and Compliance Specialist	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Senior Accountant	13	\$ 69,990.70	\$ 99,986.90	\$ 129,983.10	33.6494	48.0706	62.4919	E
Senior Civil Engineer	18	\$ 89,328.20	\$ 127,611.64	\$ 165,895.08	42.9462	61.3517	79.7572	E
Sign and Signal Technician	5	\$ 47,372.52	\$ 67,675.14	\$ 87,977.50	22.7753	32.5361	42.2969	N
System Technician	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Systems Administrator	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Systems Analyst	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Systems Manager	14	\$ 73,490.30	\$ 104,986.18	\$ 136,482.06	35.3319	50.4741	65.6164	E
Tax Administration Associate	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Tax Administration Supervisor	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Technical Support Specialist	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Tennis Center Manager	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Town Clerk	19	\$ 93,794.48	\$ 133,992.04	\$ 174,189.60	45.0935	64.4193	83.7450	E
Traffic Control Supervisor/Coordinator	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Traffic Signal Technician	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Transportation Engineer	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Transportation Program Manager	17	\$ 85,074.34	\$ 121,534.92	\$ 157,995.24	40.9011	58.4302	75.9592	E
Unassigned	20	\$ 98,484.10	\$ 140,691.72	\$ 182,899.08	47.3481	67.6403	87.9323	E
Unassigned	22	\$ 108,578.86	\$ 155,112.36	\$ 201,646.38	52.2014	74.5733	96.9454	E
Utility Equipment Operator I	5	\$ 47,372.52	\$ 67,675.14	\$ 87,977.50	22.7753	32.5361	42.2969	N
Utility Equipment Operator II	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Utility Equipment Operator II/Truck Driver	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Utility Equipment Operator III	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Utility Maintenance Worker I	4	\$ 45,116.76	\$ 64,452.44	\$ 83,788.12	21.6908	30.9868	40.2828	N
Utility Maintenance Worker II	6	\$ 49,741.12	\$ 71,059.04	\$ 92,376.44	23.9140	34.1630	44.4118	N
Utility Manager	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Utility Technician I	7	\$ 52,228.28	\$ 74,611.94	\$ 96,995.08	25.1098	35.8711	46.6323	N
Utility Technician II	9	\$ 57,581.68	\$ 82,259.32	\$ 106,937.48	27.6835	39.5478	51.4122	N
Utility Work Crew Supervisor	12	\$ 66,658.28	\$ 95,225.52	\$ 123,793.28	32.0472	45.7815	59.5160	N
Water and Sewer Engineer	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Water Bill and Customer Service Supervisor	11	\$ 63,483.68	\$ 90,691.12	\$ 117,898.56	30.5210	43.6015	56.6820	N
Water Meter Reader	5	\$ 47,372.52	\$ 67,675.14	\$ 87,977.50	22.7753	32.5361	42.2969	N
Water Resources Engineer I	15	\$ 77,164.88	\$ 110,235.58	\$ 143,306.28	37.0985	52.9979	68.8972	E
Water Resources Engineer II	16	\$ 81,022.76	\$ 115,747.32	\$ 150,471.62	38.9533	55.6478	72.3421	E
Zoning Administrator	18	\$ 89,328.20	\$ 127,611.64	\$ 165,895.08	42.9462	61.3517	79.7572	E

Protective Services

Chief of Police	P09	\$ 129,464.14	\$ 185,290.56	\$ 240,433.44	62.2424	89.0820	115.5930	E
Police Captain	P08	\$ 112,632.52	\$ 154,618.62	\$ 196,604.20	54.1503	74.3359	94.5213	E
Police Corporal	P04	\$ 83,998.20	\$ 115,312.60	\$ 146,627.00	40.3838	55.4388	70.4937	N
Police Lieutenant	P07	\$ 102,832.86	\$ 141,167.52	\$ 179,501.92	49.4389	67.8690	86.2990	N
Police Officer First Class	P02	\$ 76,355.50	\$ 104,820.56	\$ 133,285.36	36.7094	50.3945	64.0795	N
Police Officer I	P01	\$ 73,018.66	\$ 100,238.58	\$ 127,458.24	35.1051	48.1916	61.2780	N
Police Sergeant	P05	\$ 88,196.16	\$ 121,074.20	\$ 153,952.50	42.4020	58.2087	74.0156	N
Senior Police Officer	P03	\$ 79,997.84	\$ 109,821.40	\$ 139,644.96	38.4605	52.7987	67.1370	N
Senior Police Sergeant	P06	\$ 92,606.28	\$ 127,128.30	\$ 161,650.06	44.5223	61.1194	77.7164	N



Non-Classified Positions

(salaries determined by Town Council)

Town Attorney	226,956.60
Town Manager	246,813.58

Non-Regular Status Positions

Council, Boards & Commissions

Mayor	\$16,000/year
Town Council	\$15,000/year

Part time flexible and temporary status employment

All part time flexible and temporary positions are non-exempt under the Fair Labor Standards Act and do not receive town sponsored benefits.

Temporary employment means status of persons hired to perform a seasonal or temporary job.

Part time flexible means status of persons hired to perform part-time work on a limited and variable schedule.

Hourly rates for positions with a non-regular status are determined by comparable market rates as well as individual qualifications and certifications.

<u>Position</u>	<u>Status</u>
Camp Staff	Temporary
Community Center Supervisor	Part time flexible
Custodian	Part time flexible
Event Staff	Part time flexible
Fitness Instructor	Part time flexible
Golf Cart Attendant	Part time flexible
Golf Recreation Clerk	Part time flexible
Golf Shop Assistant	Part time flexible
Gymnastics Instructor	Part time flexible
Hac Administrator	Part time flexible
Hac Assistant Coach	Part time flexible
Head Lifeguard	Part time flexible
Intern	Part time flexible
Kid Care Attendant	Part time flexible
Laborer	Part time flexible
Life Interest Instructor	Part time flexible
Lifeguard	Part time flexible
Marketing Staff	Part time flexible
Martial Arts Instructor	Part time flexible
Nature Programs	Part time flexible
Park Attendant	Part time flexible
Performing Arts Instructor	Part time flexible
Personal Trainer	Part time flexible
Pool Operator/Lifeguard	Part time flexible
Preschool	Part time flexible
Recreation Assistant	Part time flexible
Recreation Services Supervisor	Part time flexible
Special Projects	Part time flexible
Sports Instructor	Part time flexible
Swim Instructor	Part time flexible
Teen Camp Staff	Temporary
Tennis Center Attendant	Part time flexible
Tennis Instructor Indoor	Part time flexible
Tennis Instructor Outdoor	Part time flexible
Water Aerobics	Part time flexible
Wellness Instructor	Part time flexible



Personnel - All Funds	FY 2022 Adopted		FY 2023 Adopted		FY 2024 Adopted		FY 2025 Proposed	
	# of positions	FTE	# of positions	FTE	# of positions	FTE	# of positions	FTE
<u>General Fund</u>								
<u>Office of the Town Clerk</u>								
Chief Deputy Town Clerk	1	1	1	1	1	1	1	1
Deputy Town Clerk	1	1	1	1	2	2	2	2
Legislative Assistant	1	0.63	0	0	0	0	0	0
Town Clerk	1	1	1	1	1	1	1	1
<u>Town Clerk Total</u>	4	3.63	3	3.00	4	4.00	4	4.00
<u>Town Administration</u>								
Town Manager	1	1	1	1	1	1	1	1
Chief Communications Officer	1	1	1	1	1	1	1	1
Communications Assistant	1	0.8	1	0.8	1	0.8	1	0.8
Director of Human Resources	1	1	1	1	1	1	1	1
Director of Information Technology	1	1	1	1	1	1	1	1
Economic Development Manager	1	1	1	1	1	1	0	0
Director of Economic Development	0	0	0	0	0	0	1	1
Executive Assistant to the Town Manager	1	1	1	1	1	1	1	1
Human Resources Assistant	1	0.8	1	0.8	1	0.8	1	0.8
Human Resources Generalist	0	0	1	1	1	1	1	1
Human Resources Manager	1	1	1	1	1	1	1	1
Human Resources Specialist	0	0	1	1	1	1	1	1
Human Resources Technician	1	1	0	0	0	0	0	0
Information Technology Engineer	0	0	1	1	1	1	1	1
Manager, Information Technology	1	1	1	1	1	1	1	1
Network Administrator	2	2	1	1	1	1	1	1
Network Security Engineer	1	1	0	0	0	0	0	0
System Analyst	0	0	1	1	1	1	1	1
Systems Manager	1	1	1	1	1	1	1	1
<u>Town Administration Total</u>	15	14.60	16	15.60	16	15.60	16	15.60
<u>Parks & Recreation</u>								
Director of Parks & Recreation	1	1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1
Aquatics Services Manager	1	1	1	1	1	1	1	1
Community Center Manager	1	1	1	1	1	1	1	1
Community Center Supervisor	0	0	1	1	1	1	1	1
Community Center Supervisor II	1	1	0	0	0	0	0	0
Custodian II	2	2	1	1	1	1	0	0
Deputy Director of Parks & Recreation	1	1	1	1	1	1	1	1
Fitness Supervisor	1	1	1	1	1	1	1	1
Head Fitness Trainer	1	0.75	1	0.75	1	1	1	1
Head Lifeguard	1	1	1	1	1	1	1	1
Marketing and Communications Specialist	0	0	1	1	1	1	1	1
Marketing Specialist	1	1	0	0	0	0	0	0
Office Assistant III/Administrative Clerk	1	1	1	1	1	1	1	1
Personal Trainer	1	0.75	1	0.75	1	0.75	1	0.75
Pool Operations Manager	1	1	1	1	1	1	1	1
Recreation Assistant I	2	2	2	2	2	2	2	2



Personnel - All Funds	FY 2022 Adopted		FY 2023 Adopted		FY 2024 Adopted		FY 2025 Adopted	
	# of positions	FTE	# of positions	FTE	# of positions	FTE	# of positions	FTE
Recreation Assistant II	1	1	1	1	1	1	1	1
Recreation Program Assistant	1	0.63	1	1	1	1	1	1
Recreation Program Coordinator	1	0.75	1	0.75	1	1	1	1
Recreation Services Manager	0	0	0	0	0	0	1	1
Recreation Services Supervisor I	1	1	1	1	1	1	1	1
Recreation Services Supervisor II	4	4	4	4	4	4	4	4
System Technician	1	1	1	1	1	1	1	1
Tennis Center Manager	1	0.63	1	0.63	1	0.63	1	0.63
Parks & Recreation Total	27	25.51	26	24.88	26	25.38	26	25.38
Finance								
Director of Finance	1	1	1	1	1	1	1	1
Accounting Supervisor	0	0	1	1	1	1	1	1
Accounting Tech	2	1.75	2	1.75	1	0.75	1	0.75
Budget Manager	1	1	1	1	1	1	1	1
Deputy Director of Finance	1	1	1	1	1	1	1	1
Financial Management Analyst	1	1	1	1	1	1	1	1
Fiscal Services Administrator	0	0	1	1	1	1	1	1
Head Cashier	1	1	1	1	0	0	0	0
Payroll Administrator	0	0	0	0	1	1	1	1
Purchasing Agent	1	1	1	1	1	1	1	1
Revenue Operations Supervisor	0	0	0	0	1	1	1	1
Revenue Supervisor	1	1	1	1	0	0	0	0
Senior Accountant	0	0	0	0	1	1	1	1
Senior Accounting Technician	2	2	1	1	0	0	0	0
Senior General Ledger Accountant	1	1	1	1	0	0	0	0
Tax Administration Associate	0	0	0	0	1	1	1	1
Tax Administration Supervisor	0	0	0	0	1	1	1	1
Finance Total	12	11.75	13	12.75	13	12.75	13	12.75
Community Development								
Director of Community Development	1	1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1
Arborist/Landscape Architect	0	0	0	0	1	1	1	1
Assistant Town Clerk	0	0	1	1	0	0	0	0
Capital Projects Planner/Engineer	1	1	1	1	1	1	1	1
Clerk of Boards and Commissions	1	1	1	1	1	1	1	1
Community Forester	1	1	1	1	0	0	0	0
Community Inspector	2	2	2	2	2	2	2	2
Community Planner	0	0	1	1	1	1	1	1
Deputy Director of Community Development	1	1	1	1	1	1	1	1
Development Planner/Community Design	1	1	0	0	0	0	0	0
Development Program Planner	1	1	1	1	1	1	1	1
Housing/Neighborhood Improvement Coordinator	1	1	1	1	1	1	1	1
Lead Planner/Design and Development	0	0	1	1	1	1	1	1
Lead Planner/Long Range	0	0	1	1	1	1	1	1
Office Assistant III	1	1	1	1	1	1	1	1
Planner I	1	1	0	0	0	0	0	0
Planning Operations Manager	1	1	1	1	1	1	1	1



Personnel - All Funds	FY 2022 Adopted		FY 2023 Adopted		FY 2024 Adopted		FY 2025 Proposed	
	# of positions	FTE	# of positions	FTE	# of positions	FTE	# of positions	FTE
Senior Planner	1	1	0	0	0	0	0	0
Transportation Program Manager	1	1	1	1	1	1	1	1
Zoning Administrator	1	1	1	1	1	1	1	1
Community Development Total	17	17.00	18	18.00	17	17.00	17	17.00
Police								
Chief of Police	1	1	1	1	1	1	1	1
Assistant Communications Supervisor	2	2	2	2	2	2	2	2
Assistant Program Manager	0	0	0	0	0	0	1	1
Assistant Records Supervisor	0	0	1	1	1	1	0	0
Communications Technician	7	7	6	6	6	6	7	7
Crime Analyst	0	0	0	0	1	1	1	1
FOIA Records Specialist	0	0	1	1	1	1	1	1
Parking Enforcement Official	1	0.63	1	0.63	1	0.63	2	1.26
Police Administrative Specialist	0	0	1	1	1	1	0	0
Police Captain	2	2	2	2	2	2	2	2
Police Corporal	9	9	9	9	9	9	9	9
Police Lieutenant	4	4	4	4	4	4	5	5
Police Officer	31	31	30	30	29	29	28	28
Police Sergeant	9	9	9	9	9	9	9	9
Police Systems Engineer	1	1	1	1	0	0	0	0
Program Manager	1	1	1	1	1	1	1	1
Public Information Specialist	1	1	1	1	1	1	1	1
Public Safety Operations Manager	1	1	1	1	1	1	0	0
Records Technician	2	2	1	1	1	1	1	1
Records Technician Supervisor	0	0	0	0	0	0	1	1
Systems Administrator	0	0	0	0	0	0	1	1
Technical Support Specialist	1	1	1	1	2	2	1	1
Police Total	73	72.63	73	72.63	73	72.63	74	73.26
Public Works								
Administrative Assistant	1	1	1	1	1	1	1	1
Asset Manager	0	0	0	0	0	0	1	1
Assistant Crew Supervisor	4	4	4	4	3	3	3	3
Assistant Facilities Maintenance Supervisor	0	0	0	0	1	1	1	1
Building Official	1	1	1	1	1	1	1	1
Capital Projects Program Manager	1	1	1	1	1	1	1	1
Chief, Program & Project Manager	1	1	1	1	1	1	1	1
Civil Engineer I	1	1	1	1	1	1	1	1
Combination Inspector - Commercial	1	1	1	1	1	1	1	1
Combination Inspector - Residential	1	1	1	1	1	1	1	1
Deputy Director of Public Works	2	2	2	2	2	2	2	2
Director of Public Works	1	1	1	1	1	1	1	1
Engineering Inspector	1	1	1	1	1	1	1	1
Facility Maintenance Mechanic I	1	1	0	0	0	0	0	0
Facility Maintenance Mechanic II	3	3	0	0	0	0	0	0
Facility Maintenance Supervisor	1	1	1	1	1	1	1	1
Facility Maintenance Technician I	0	0	1	1	1	1	1	1
Facility Maintenance Technician II	0	0	3	3	3	3	1	1
Facility Maintenance Technician III	0	0	0	0	0	0	2	2



Personnel - All Funds	FY 2022 Adopted		FY 2023 Adopted		FY 2023 Adopted		FY 2025 Proposed	
	# of positions	FTE	# of positions	FTE	# of positions	FTE	# of positions	FTE
Field Operations Manager	0	0	0	0	0	0	1	1
Fleet Manager	1	1	1	1	1	1	1	1
General Services Administrator	1	1	1	1	1	1	0	0
Mechanic I	2	2	1	1	1	1	1	1
Mechanic II	2	2	3	3	3	3	3	3
Office Assistant III	2	2	2	2	2	2	1	1
Office Assistant III/Administrative Clerk	1	1	1	1	1	1	1	1
Operations Coordinator	1	1	0	0	0	0	0	0
Operations Manager	0	0	1	1	1	1	0	0
Operations Integration Manager	0	0	1	1	0	0	1	1
Operations Specialist	1	1	1	1	1	1	1	1
Permit Technician	0	0	0	0	0	0	1	1
Plan Review Coordinator	1	1	1	1	1	1	1	1
Project Engineer I	4	4	3	3	3	3	3	3
Property Maintenance Inspector	1	1	1	1	1	1	1	1
Right-of-Way Inspection Supervisor	1	1	1	1	1	1	1	1
Right-of-Way Inspector/Utility Marker	2	2	2	2	2	2	2	2
Safety and Compliance Specialist	0	0	0	0	0	0	1	1
Senior Civil Engineer	1	1	1	1	1	1	1	1
Sign and Signal Technician	1	1	1	1	1	1	1	1
Streets and Right-of-Way Manager	1	1	1	1	1	1	0	0
Traffic Control Supervisor/Coordinator	1	1	1	1	1	1	1	1
Transportation Engineer	0	0	0	0	1	1	1	1
Traffic Signal Tech	1	1	1	1	1	1	1	1
Utility Equipment Operator I	3	3	3	3	3	3	3	3
Utility Equipment Operator II	5	5	5	5	4	4	4	4
Utility Equipment Operator II/Truck Driver	6	6	6	6	6	6	6	6
Utility Equipment Operator III	0	0	0	0	1	1	1	1
Utility Maintenance Worker I	18	17.73	18	18	17	17	15	15
Utility Maintenance Worker II	1	1	1	1	1	1	1	1
Utility Manager	1	1	1	1	1	1	0	0
Utility Work Crew Supervisor	3	3	3	3	3	3	3	3
Water Resources Engineer I	0	0	1	1	1	1	0	0
Public Works Total	82	81.73	83	83.00	82	82.00	79	79.00
Town Attorney								
Deputy Town Attorney	1	1	1	1	1	1	1	1
Legal Assistant	2	1.63	2	1.63	1	0.63	1	0.63
Legal Assistant to the Town Attorney	0	0	0	0	1	1	1	1
Risk Manager	1	1	1	1	1	1	1	1
Town Attorney	1	1	1	1	1	1	1	1
Town Attorney Total	5	4.63	5	4.63	5	4.63	5	4.63
General Fund Total	235	231.48	237	234.49	236	233.99	234	231.62



Personnel - All Funds	FY 2022 Adopted		FY 2023 Adopted		FY 2023 Adopted		FY 2025 Proposed	
	# of positions	FTE	# of positions	FTE	# of positions	FTE	# of positions	FTE
<u>Water & Sewer</u>								
Accounting Tech II	1	1	1	1	1	1	1	1
Assistant Crew Supervisor	2	2	2	2	2	2	2	2
Operations Engineer	1	1	1	1	0	0	0	0
Project Engineer I	0	0	0	0	1	1	1	1
Senior Accounting Technician	1	1	0	0	0	0	0	0
Utilities Service Supervisor	0	0	1	1	0	0	0	0
Utility Equipment Operator I	1	1	1	1	1	1	2	2
Utility Equipment Operator II	2	2	2	2	2	2	2	2
Utility Equipment Operator III	0	0	1	1	1	1	2	2
Utility Maintenance Worker I	1	1	2	2	2	2	2	2
Utility Maintenance Worker II	3	3	2	2	2	2	3	3
Utility Manager	0	0	0	0	0	0	1	1
Utility Technician	0	0	1	1	1	1	0	0
Utility Technician I	0	0	0	0	0	0	2	2
Utility Technician II	0	0	0	0	0	0	2	2
Utility Work Crew Supervisor	2	2	2	2	2	2	2	2
Water Bill and Customer Service Supervisor	0	0	0	0	1	1	1	1
Water Meter Reader	1	1	1	1	1	1	1	1
Water and Sewer Engineer	0	0	0	0	1	1	1	1
Water Resources Engineer I	0	0	0	0	0	0	1	1
<u>Water & Sewer Total</u>	15	15.00	17	17.00	18	18.00	26	26.00
<u>Stormwater</u>								
Utility Equipment Operator II	0	0	0	0	0	0	2	2
Utility Technician I	0	0	0	0	0	0	1	1
Utility Work Crew Supervisor	0	0	0	0	0	0	1	1
<u>Stormwater Total</u>	0	0	0	0	0	0	4	4.00
<u>Chestnut Grove Cemetery</u>								
Administrative Assistant	1	1	1	1	1	1	1	1
Cemetery Manager	1	1	1	1	1	1	1	1
Equipment Operator	1	1	1	1	1	1	1	1
Equipment Operator/Greensworker	2	2	2	2	2	2	2	2
<u>Cemetery Total</u>	5	5.00	5	5.00	5	5.00	5	5.00
<u>Golf Course</u>								
Director of Golf	1	1	0	0	0	0	0	0
Assistant Golf Course Superintendent	1	1	1	1	1	1	1	1
Assistant Golf Professional	0	0	0	0	1	1	2	2
Equipment Operator/Greensworker	3	3	3	3	3	3	3	3
General Manager	0	0	1	1	1	1	1	1
Golf Course Superintendent	1	1	1	1	1	1	1	1
Golf Operations Assistant II	1	1	1	1	0	0	0	0
Golf Professional	1	1	1	1	1	1	1	1
Irrigation Technician	1	1	1	1	1	1	1	1
Mechanic/Equipment Operator	1	1	1	1	1	1	1	1
<u>Golf Course Total</u>	10	10.00	10	10.00	10	10.00	11	11.00
<u>Total All Funds</u>	265	261.48	269	266.49	269	266.99	280	277.62



Debt Service

Debt

Debt Service Overview

The town has authorized and issued general obligation bonds for many decades and has a current issuer rating of Aaa from Moody's Investor Services and AAA from both Standard & Poors and Fitch. Funds for major capital construction are typically generated by the sale of general obligation bonds that pledge the full faith and credit of the town for their repayment. These bonds are usually repaid over a 20 to 30-year period. Other sources of funding include revenue funds generated by enterprise activities or revenue bonds that pledge the revenue generating potential of a facility or utility. In addition to bond financing, the town has made use of capital lease/purchase borrowing to procure selected vehicles and specialized equipment having a unit purchase price more than \$50,000 and an expected useful life of seven years or more. The town's financial policies concerning debt issuance and debt service are in the "Introduction" section of this document under "Financial Policies". A description of the town's current outstanding bond issues, legal debt limit, and debt repayment schedule is provided below.

2022 Golf HVAC Lease Finance Purchase Agreement

In August 2022, the Herndon Centennial Golf Fund entered into a tax-exempt lease purchase agreement for a new HVAC system with HomeTrust Bank for \$0.3 million with a 3.13 percent fixed interest rate payable over five years. This agreement is accounted for as a financed purchase with ownership of the HVAC system transferring to the town. This debt will be fully retired on August 1, 2027.

2020A Refunding Bond Issue

In 2020, due to historic low municipal bond interest rates, the tax-exempt portion of the town's 2014 refunding bonds and 2010 GO bonds, with outstanding balances of \$3.34 million and \$1.7 million, respectively, were prime candidates for refunding. In July 2020, the town refunded these bonds by issuing \$5.229 million in refunding bonds with a 1.038 percent coupon rate over 10 years. The refunding bonds will be fully retired on February 15, 2030. The town may prepay, in whole or in part, without penalty, at any time on or after February 15, 2025.

The 2014 refunding bonds consisted of the callable portions of the town's 2005 and 2006 general obligation bonds and the 2009 general obligation note. The 2005 bonds were originally issued to finance the construction of the Herndon Community Center Phase IV addition. The 2006 bonds were originally issued to finance land acquisition for the Elden-Center streets intersection, construct the Town Shop improvements and undertake the second phase of Worldgate Drive repaving. Also, Chestnut Grove Cemetery financed the construction of a new maintenance facility, a small administrative office building and other improvements. The 2009 note was originally issued for land acquisition associated with the Station Street improvement project, design of the Park/Monroe intersection improvement project, constructing storm drainage improvements, installing new sidewalks, and constructing certain Town Shop improvements.

The 2010 general obligation bonds issued under the VML/VACo Finance Program financed three General Fund street infrastructure capital projects. They were the Park-Monroe intersection improvement project, the Station Street improvement project, and the sidewalks, driveway entrances, drainage system and other improvements for the Pearl, Nash, Oak, and Wood Streets neighborhood. Also, the Herndon Centennial Golf Course financed fairway bunker renovations and cart paths.

2020B Refunding Bond Issue

The town's taxable bonds consisting of the 2010 refunding bonds and 2018A General Obligation bonds, with outstanding balances of \$0.35 million and \$0.706 million, respectively, were also prime candidates for refunding. In July 2020, the town refunded these bonds by issuing \$1.111 million in refunding bonds with a 1.159 percent coupon rate over 5 years. The refunding bonds will be fully retired on February 15, 2025. These bonds are not prepayable.



The 2010 refunding bonds were originally issued in May 2001 to provide financing for several large town street and utility improvement projects, construction of new maintenance facilities at the Herndon Centennial Golf Course, and design and engineering of administrative and maintenance buildings at Chestnut Grove Cemetery.

The 2018A taxable general obligation bonds were originally issued in June 2018 to provide financing for six fleet vehicles for general fund use.

2018B General Obligation Bond Issue

In September 2018, the town issued tax-exempt general obligation public improvement bonds in the amount of \$11,135,000 at variable interest rates between 2.0 and 5.0 percent secured by the full faith and credit of the town. Bond proceeds of \$3,820,483 will be used to finance four General Fund infrastructure capital projects and bond issuance costs. The capital projects to be financed with these bond proceeds include the relocation of utilities into the underground duct banks installed over the past several years in the downtown area and three streets, sidewalks, and minor trails projects in the downtown area.

In addition, \$1,046,657 of bond proceeds will be used for the first payment due to Comstock for the town's portion of the downtown parking garage and bond issuance costs. Debt service for this portion of the bond issue is financed through the Downtown Parking Fund.

Finally, \$6,779,837 of bond proceeds were used to finance the purchase of water capacity (1 million gallons per day or MGD) from Fairfax Water and bond issuance costs. Debt service for this portion of the bond issue is financed through the Water and Sewer Fund. This general obligation issue will be fully retired on February 15, 2050.

2012 Refunding Bond Issue

In 2012, due to the low municipal interest rates available, the tax-exempt portion of the town's 2003 bond issue, with an outstanding balance of \$4.7 million and callable on August 1, 2013, was a prime candidate for an advanced refunding. In June 2012, the town redeemed these general obligation bonds by issuing \$4.999 million in refunding bonds with an 11-year life and a true interest cost of 2.15 percent. The net cumulative savings to the town from the refunding was \$492,610 over the life of the replaced (2003) bonds. The refunding bond issue were fully retired on August 1, 2023.

1994 Fairfax Water Agreement

In July 1994 the town's Water and Sewer Fund entered into an agreement with Fairfax Water to purchase and additional one million gallons daily of water capacity for \$5.3 million payable over 35 years. This obligation will be fully retired on June 30th, 2029.

1999 Fairfax Water Agreement

In October 1999 the town's Water and Sewer Fund entered into the Griffith Water Treatment Plant agreement for existing water capacity with Fairfax Water for \$4.5 million payable over 40 years. This obligation will be fully retired on December 31, 2039.

Legal Debt Limit

The Code of Virginia limits the town's tax-supported debt to 10 percent of the taxable assessed value of real property in the town. The town's financial policies, adopted in FY 2019, further limit the town's tax-supported debt to one and one-half percent of the total taxable assessed value of real property in the town. Debt funded by the revenues of self-supporting enterprise funds is excluded from these limits.

As shown in the table below, the town's percentage of tax-supported debt to assessed value has been well below these two thresholds. See table 12 in the town's Annual Comprehensive Financial Report for further details regarding the legal debt limit. The table below also shows other debt ratios such as debt per capita and debt service as a percentage of general fund operating expenditures.



Legal Debt Limit and Other Ratios							
Fiscal Year	Net Bonded Debt (1)	Direct Debt Service	Debt Service as % Gen. Fund Expen. (2)	Debt Per Capita	Assessment Year	Taxable Assessed Value	% of Debt to Assessed Value (3)
2014	14,045,713	2,021,793	6.59%	595	2013	3,843,514,734	0.37%
2015	12,466,973	2,254,916	7.20%	528	2014	3,945,950,643	0.32%
2016	11,436,441	1,416,331	4.36%	483	2015	4,145,503,378	0.28%
2017	10,332,068	1,374,362	4.19%	435	2016	4,194,696,204	0.25%
2018	10,031,639	2,209,165	6.61%	421	2017	4,321,456,532	0.23%
2019	12,354,914	1,660,595	4.85%	516	2018	4,440,313,264	0.28%
2020	10,947,964	1,791,616	5.16%	455	2019	4,639,863,944	0.24%
2021	11,106,523	1,324,436	3.84%	462	2020	4,853,983,889	0.23%
2022	10,125,611	1,234,555	3.38%	421	2021	4,911,560,646	0.21%
2023	9,125,112	1,230,449	3.21%	374	2022	5,295,202,341	0.17%
2024	8,097,533	1,233,834	3.04%	331	2023	5,455,485,957	0.15%

(1) Excludes self-supporting debt from the Water & Sewer, Cemetery, and Golf Course Funds. Includes notes payable and deferred bond premiums.

(2) Per the town's debt policy, General Fund debt service should not exceed 12% of General Fund operating and debt service expenditures. FY 2023's percentage is based on estimates.

(3) The state's legal debt limit is 10% of the taxable assessed values of real property within the town. The town's debt policy limit is much lower, at 1.5% of taxable assessed values.



Debt Repayment Schedule

Annual debt service requirements (principal and interest) of the town's existing long-term debt by fund are as follows:

Fiscal Year	General Fund	Self-Supporting			Total (Principal & Interest)
		Water & Sewer Fund	Cemetery Fund	Golf Fund	
2025	1,394,782	624,957	101,295	135,525	2,256,559
2026	1,096,246	622,957	140,753	121,186	1,981,141
2027	1,034,423	620,707	130,065	115,019	1,900,213
2028	995,237	623,207	122,771	110,213	1,851,428
2029	992,745	625,207	123,485	49,561	1,790,997
2030	996,998	470,315	122,679	49,237	1,639,229
2031	348,006	471,565	-	-	819,571
2032	345,006	472,315	-	-	817,321
2033	346,906	471,465	-	-	818,371
2034	343,506	470,465	-	-	813,971
2035	344,956	469,315	-	-	814,271
2036	340,738	472,752	-	-	813,490
2037	341,363	470,877	-	-	812,240
2038	341,288	473,565	-	-	814,852
2039	345,888	415,339	-	-	761,226
2040	-	361,950	-	-	361,950
2041	-	358,825	-	-	358,825
2042	-	360,219	-	-	360,219
2043	-	361,275	-	-	361,275
2044	-	361,994	-	-	361,994
2045	-	362,375	-	-	362,375
2046	-	362,050	-	-	362,050
2047	-	361,375	-	-	361,375
2048	-	360,350	-	-	360,350
2049	-	358,975	-	-	358,975
2050	-	362,250	-	-	362,250
Total	9,608,088	11,746,646	741,048	580,741	22,676,523

General Fund Debt Service Budget

Account Description	FY 2021 Audited	FY 2022 Audited	FY 2023 Audited	FY 2024 Adopted	FY 2025 Proposed
Interest Expense GASB 87	-	639	483	600	605
Lease Fin Principal GASB 87	-	42,430	40,600	43,000	44,900
Interest Expense GASB 96	-	-	9,152	-	3,250
Subscription Fin Principal	-	-	202,644	-	223,680
Bond Issue Expense	104,130	-	-	-	-
Account Maint Charge	(188)	-	605	-	-
2010 GO Refunding Interest Exp	7,027	-	-	-	-
2010 GO Refund Principal Exp	205,051	-	-	-	-
2010 GO Bonds Interest	30,173	-	-	-	-
2010 GO Bonds Principal	1,399,750	-	-	-	-
2012 GO Refunding Bonds Intere	44,715	32,320	19,296	6,590	-
2012 GO Refunding Bonds Principal	567,500	585,500	597,500	613,000	-
2014 GO Refunding Bonds Intere	26,482	-	-	-	-
2014 GO Refunding Bonds Principal	2,579,369	-	-	-	-
2018A GO Bond Interest	12,840	-	-	-	-
2018A GO Bond Principal	706,000	-	-	-	-
2018B Bond Int Exp	141,881	179,506	171,256	162,756	153,756
2018B Bond Principal	20,000	165,000	170,000	180,000	185,000
2020A Bond Interest Exp	23,582	41,646	40,416	39,186	37,939
2020A Bond Principal	118,491	118,491	118,491	120,071	383,910
2020B Bond Interest Exp	6,102	7,830	6,621	5,383	4,145
2020B Bond Principal	281,769	104,263	106,848	106,848	357,597
Total Debt Service	6,274,674	1,277,624	1,483,933	1,277,434	1,394,782



Bond Issues

The town's General Fund budget does not currently contemplate new debt service expenditures in FY 2025. The Capital Reserve Fund in the General Fund's assigned fund balance may be used to fund future debt service in addition to other capital expenditures. The balance in the Capital Reserve is \$3.9M as of June 30, 2023.

Interfund Transfers

Interfund transfers fund, partially or wholly, one-time projects or capital improvement projects through the use of surplus, capital reserves (assigned fund balance), or unassigned fund balance. Detailed project sheets are in the Capital Improvement Program section of this document. In addition, it is expected that the General Fund will provide support to the Stormwater Fund in the form of an interfund transfer.

Account Description	FY 2022 Audited	FY 2024 Audited	FY 2024 Adopted	FY 2025 Proposed
Capital Projects Fund	743,012	51,000	250,000	375,000
Stormwater Fund	-	-	-	92,400
Total - Interfund Transfers	743,012	51,000	250,000	467,400

The FY 2025 budget includes interfund transfers of \$375,000 from the General Fund to the Capital Projects fund for network infrastructure end of life equipment replacement.



Fund Balance

Fund Balance Information

There are various definitions of the term “fund balance.” Generally, the term can be defined as “the cumulative difference of all revenues and expenditures from the government's creation.” Fund balance is divided into five components; non-spendable, restricted, committed, assigned, and unassigned. The non-spendable component includes balances not in spendable form, such as inventories and balances legally required to remain intact. Restricted funds are amounts that can be spent only for the specific purposes stipulated by external resource providers. Unrestricted fund balance may be subdivided into committed, assigned, and unassigned fund balance. If the Town Council anticipates that future actions will require financial resources, then a portion of the fund balance may be committed for those purposes through a formal action. Assigned fund balance reflects the intended use of resources established by the highest level of decision-making authority without a formal action.

The unassigned portion of the fund balance is the financial resource that may be made available to meet unplanned or unforeseen contingencies and other working capital requirements. Additionally, the unassigned portion of fund balance provides the town the ability to maintain a stable tax rate and revenue structure, while providing consistent service delivery to all citizens, especially in times of economic uncertainty.

Below are the General Fund balance amounts by category for the past ten fiscal years:

Fund Balance - General Fund Ten Year History					
Year Ended June 30	Nonspendable & Restricted	Assigned – Revenue Stabilization	Assigned - Other	Unassigned	Total
2023	\$1,342,443	\$1,900,000	\$8,831,956	\$17,357,274	\$30,241,673
2022	1,452,735	1,900,000	8,706,684	16,999,208	29,058,627
2021	1,353,295	1,800,000	4,314,606	19,560,379	27,028,280
2020	168,883	1,800,000	3,538,176	13,293,488	18,800,547
2019	211,510	1,800,000	3,781,134	10,537,672	16,330,316
2018	562,186	1,400,000	2,869,397	10,196,779	15,028,362
2017	341,321	1,200,000	2,859,002	9,345,836	13,746,159
2016	294,366	1,000,000	2,898,995	9,084,025	13,277,386
2015	274,029	800,000	2,108,853	8,458,124	11,641,006
2014	319,403	600,000	1,494,744	8,164,509	10,578,656

Changes in the town's General Fund balance over the past ten fiscal years reflect the economic conditions within the Washington Metropolitan Region and reflect the town's conservative budgeting practices. Building unassigned fund balance in excess of the minimum required by policy gives the town more flexibility for capital project funding and to weather major catastrophes.

The town's fiscal policies require a minimum balance equal to 20% of General Fund operating expenditures, including debt service, as presented in the town's annual audited financial statements. Based on this policy, the minimum unassigned fund balance required for FY 2025 based on an adopted budget of \$44,669,023 is \$8,933,805. The assigned fund balance for revenue stabilization was established in FY 2012. The FY 2023 balance of \$1.9 million is the maximum permitted under the town's financial policies. The other assigned fund balance includes the capital reserve balance of \$3.9 million, which is to be used to fund capital or future debt service, and the contingency balance of \$0.9 million to cover major, unforeseen expenditures. The capital reserve balance is not limited by policy, and the contingency balance is at its maximum.

The following table presents comparisons of the General Fund's fund balance from FY 2021 through FY 2025.



**General Fund
Fund Balance Summary
FY 2021 - FY 2025**

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Adopted	FY2025 Proposed
Revenues					
Real Property Taxes	\$ 12,822,398	\$ 12,914,408	\$ 13,805,589	\$ 14,120,900	\$ 14,205,626
Other Local Taxes	14,562,162	15,128,514	17,468,036	15,395,000	17,181,012
Permits & Fees	457,719	613,968	572,280	653,300	663,300
Fines & Forfeitures	281,512	359,468	342,056	290,500	360,000
Use of Money & Property	514,807	516,756	1,706,286	1,346,890	1,436,790
Charges for Services	1,525,312	2,157,122	2,356,037	3,275,034	2,747,530
Miscellaneous	9,985	19,749	311,308	14,000	54,000
Intergovernmental	7,121,523	4,390,442	4,681,197	4,575,820	5,271,863
Total Recurring Revenues	\$ 37,295,418	\$ 36,100,427	\$ 41,242,789	\$ 39,671,444	\$ 41,920,121
Expenditures					
Town Clerk	\$ 507,091	\$ 508,117	\$ 613,312	\$ 1,014,024	\$ 804,815
Town Administration	2,775,022	3,111,415	3,357,954	3,803,118	4,472,532
Town Attorney	726,639	776,886	833,754	862,569	997,549
Parks & Recreation	2,665,348	3,569,187	3,961,843	4,702,928	4,795,838
Finance	1,477,878	1,517,999	1,646,904	1,831,169	1,984,081
Community Development	1,912,361	2,019,189	2,671,606	2,715,978	2,914,891
Police	9,849,301	9,730,969	10,601,772	10,915,793	12,200,580
Public Works	9,225,472	11,022,505	13,122,731	13,376,341	14,470,086
Grants	278,570	43,525	8,363	19,738	8,781
Commerical Leases	-	-	-	149,500	120,817
Non-departmental	377,676	(108,876)	68,781	(32,483)	36,872
Debt Service	4,669,873	1,277,623	1,483,932	1,277,434	1,394,782
Total Operating Expenditures	\$ 34,465,231	\$ 33,468,539	\$ 38,370,952	\$ 40,636,111	\$ 44,201,623
Revenue Over (Under)					
Expenditures	\$ 2,830,187	\$ 2,631,888	\$ 2,871,837	\$ (852,167)	\$ (2,281,502)
Other Financing Sources (Uses), Net	5,397,546	(601,541)	(1,688,791)	852,167	2,281,502
Net Change in Fund Balance	\$ 8,227,733	\$ 2,030,347	\$ 1,183,046	\$ -	\$ -
Fund Balance, July 1	18,800,547	27,028,280	29,058,627	30,241,673	30,241,673
Fund Balance, June 30	\$ 27,028,280	\$ 29,058,627	\$ 30,241,673	\$ 30,241,673	\$ 30,241,673



Capital Projects Fund					
Fund Balance Summary					
FY 2021 - FY 2025					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Adopted	Proposed
Revenues					
Use of Money & Property	\$ 21,564	\$ (4,808)	\$ 66,702	\$ -	\$ -
Miscellaneous	-	39,166	89,457	-	-
Intergovernmental	933,018	7,506,048	5,884,687	1,900,000	2,500,000
Total Revenues	954,582	7,540,406	6,040,846	1,900,000	2,500,000
Expenditures					
Capital Outlay	1,522,495	10,115,904	9,150,003	1,900,000	2,500,000
Revenue Over (Under) Expenditures					
	(567,913)	(2,575,498)	(3,109,157)	-	-
Other Financing Sources (Uses), Net					
	(109,000)	743,012	2,396,407	-	-
Net Change in Fund Balance	(676,913)	(1,832,486)	(712,750)	-	-
Fund Balance, July 1	9,822,689	9,145,776	7,313,290	6,600,540	6,600,540
Fund Balance, June 30	\$ 9,145,776	\$ 7,313,290	\$ 6,600,540	\$ 6,600,540	\$ 6,600,540

American Rescue Plan Act (ARPA) Fund					
Fund Balance Summary					
FY 2021 - FY 2025					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Adopted	Proposed
Revenues					
Use of Money & Property	\$ -	\$ 31,713	\$ 820,729	\$ -	\$ -
Miscellaneous	-	-	-	-	-
Intergovernmental	-	2,253,349	4,172,375	500,000	-
Total Revenues	-	2,285,062	4,993,104	500,000	-
Expenditures					
Non-Departmental	-	169,060	-	-	-
Capital Outlay	-	2,084,289	4,172,375	500,000	-
Total Expenditures	-	2,253,349	4,172,375	500,000	-
Revenue Over (Under) Expenditures					
	-	31,713	820,729	-	-
Other Financing Sources (Uses), Net					
	-	-	-	-	-
Net Change in Fund Balance	-	31,713	820,729	-	-
Fund Balance, July 1	-	-	31,713	852,442	852,442
Fund Balance, June 30	\$ -	\$ 31,713	\$ 852,442	\$ 852,442	\$ 852,442
(A) As of July, 2022, the Federal Government distributed to the town \$25.5M for qualifying projects. Additional projects qualifying for ARPA funding were selected and appropriated at estimated total cost via budget amendments during FY 2023; As of April 2 all funds have been appropriated.					

The Capital Projects Fund is a governmental fund which is used to account for transactions related to major asset acquisition, maintenance or construction projects. Typical revenue sources for the Capital Projects Funds include transfers from the General Fund, federal, state and local grants, use of developer contributions or proffers, and proceeds from debt issuance. See the Capital Improvements Program (CIP) section of this book for more details about capital projects.



The American Rescue Plan Act (ARPA) Fund accounts for project spending designated under the Federal Government's American Rescue Plan Act of 2021. This legislation provides municipalities federal grant revenue to respond to the COVID-19 pandemic and its economic effects and to replace revenue lost due to the public health emergency, preventing cuts to government services. Projects qualify under the following four categories: 1) Public Health and Negative Economic Impacts, 2) Premium Pay, 3) Revenue Loss, and 4) Investments in Water, Sewer, and Broadband Infrastructure. The Town of Herndon received a distribution from the Federal Government totaling \$25.5 million. The legislation stipulates that all funds must be obligated by December 31, 2024, and spending completed by December 31, 2026. Through FY 2022, FY 2023, and FY 2024 Budget amendments, funds for the majority of the qualifying projects have been appropriated, enabling the town to complete previously deferred maintenance projects, vehicle purchases, and critical water-sewer infrastructure.

Proprietary Funds

The town has three enterprise funds which are a subcategory of the proprietary fund type. An enterprise fund is defined as a fund established to account for operations financed and operated in a manner similar to private business enterprises. In this case, the town intends that all costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

In the following tables, capital costs are presented on a budgetary basis for the budget columns, and on an accrual basis of accounting in the "actuals" columns. The budgetary basis treats capital costs as outflows that reduce net position. The accrual basis of accounting requires capitalization of capital costs as long-term assets on the balance sheet, with expense recognized annually through depreciation. This difference in basis explains why the actual amounts may differ significantly from the budgeted amounts.

The tables on the remaining pages of this section display the net position comparisons for the Water & Sewer Fund, Chestnut Grove Cemetery Fund, and Golf Course Fund.

Water & Sewer Fund					
Net Position Summary					
FY 2021 - FY 2025					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Adopted	Proposed
Operating Revenues	\$ 6,710,552	\$ 7,329,578	\$ 8,323,110	\$ 8,751,543	\$ 10,491,623
Operating Expenses	7,216,607	7,985,139	7,799,485	9,635,189	10,625,855
Operating Income (Loss)	(506,055)	(655,561)	523,625	(883,646)	(134,232)
Non-Operating					
Revenue (Expense) (1)	(160,673)	(23,710)	201,124	(700,507)	(8,890,188)
Change in Net Position	(666,728)	(679,271)	724,749	(1,584,153)	(9,024,420)
Net Position, July 1	23,408,284	22,741,556	22,062,285	22,787,034	21,202,881
Net Position, June 30	\$ 22,741,556	\$ 22,062,285	\$ 22,787,034	\$ 21,202,881	\$ 12,178,461
(1) Includes interest, availability fee revenue and other expenses; For Adopted/Proposed Budget, also includes budgeted Capital Outlay					

Due to escalating wholesale water and sewer conveyance costs without matching usage rate increases, the Water & Sewer Fund has realized a net operating loss since FY 2006, excluding FY 2020. Regular, systematic rate increases were not instituted until FY 2018, based on models developed by external consultants. Rate increases scheduled for FY 2021 were deferred due to the COVID-19 pandemic. The FY 2022 rate structure included volume rate increases and the introduction of a flat sewer service charge. The FY 2024 and 2025 budgeted revenues were based on annually updated multi-year water and sewer rates studies from external consultants. The analysis included future capital projects in the CIP to complete the rate model refresh.



Chesnut Grove Cemetery Fund					
Net Position Summary					
FY 2021 - FY 2025					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Adopted	Proposed
Operating Revenues	\$ 1,210,487	\$ 1,377,399	\$ 1,216,827	\$ 960,720	\$ 891,821
Operating Expenses	697,658	750,292	680,564	2,200,478	771,550
Operating Income (Loss)	512,829	627,107	536,263	(1,239,758)	120,271
Non-Operating Revenue (Expense) (1)	(134,412)	(55,050)	84,843	1,239,758	(120,271)
Change in Net Position	378,417	572,057	621,106	-	-
Net Position, July 1	2,144,063	2,522,480	3,094,537	3,715,643	3,715,643
Net Position, June 30	\$ 2,522,480	\$ 3,094,537	\$ 3,715,643	\$ 3,715,643	\$ 3,715,643
(1) Includes interest, availability fee revenue and other expenses; For Adopted/Proposed Budget, also includes budgeted Capital Outlay					

The Cemetery Fund's main source of revenue remains the sale of cemetery sites. In a typical fiscal year, the fund sells about 135 cemetery sites and performs about 140 interments. FY 2024 includes funds for further development of current cemetery property. The development will provide approximately 3,000 additional burial sites on 3.5 acres.

Golf Course Fund					
Net Position Summary					
FY 2021 - FY 2025					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Adopted	Proposed
Operating Revenues	\$ 2,278,438	\$ 2,398,785	\$ 2,704,120	\$ 2,300,622	\$ 2,873,039
Operating Expenses	1,678,543	1,630,103	1,887,282	2,241,711	2,525,963
Operating Income (Loss)	599,895	768,682	816,838	58,911	347,076
Non-Operating Revenue (Expense) (1)	(5,291)	10,498	110,208	(58,910)	(723,674)
Change in Net Position	594,604	779,180	927,046	-	(376,598)
Net Position, July 1	2,546,946	3,141,550	3,920,730	4,847,776	4,847,776
Net Position, June 30	\$ 3,141,550	\$ 3,920,730	\$ 4,847,776	\$ 4,847,776	\$ 4,471,178
(1) Includes interest, availability fee revenue and other expenses; For Adopted/Proposed Budget, also includes budgeted Capital Outlay					

Golf course revenues are highly dependent on weather conditions and, as such, can vary significantly from year to year. Financial performance has been strong since the COVID-19 pandemic due in part to increased demand for outdoor activities. The course also benefited from the implementation of online booking through GolfNow. FY 2023 and FY 2024 included subsequent budget amendments for expenditures related to land development and course irrigation system replacement. FY 2024 also included the establishment of a teaching program. For FY 2025, the budget includes additional clubhouse renovations. The course continues to be recognized as a leading area course and is a Certified Audubon Cooperative Sanctuary.



FUND SUMMARIES



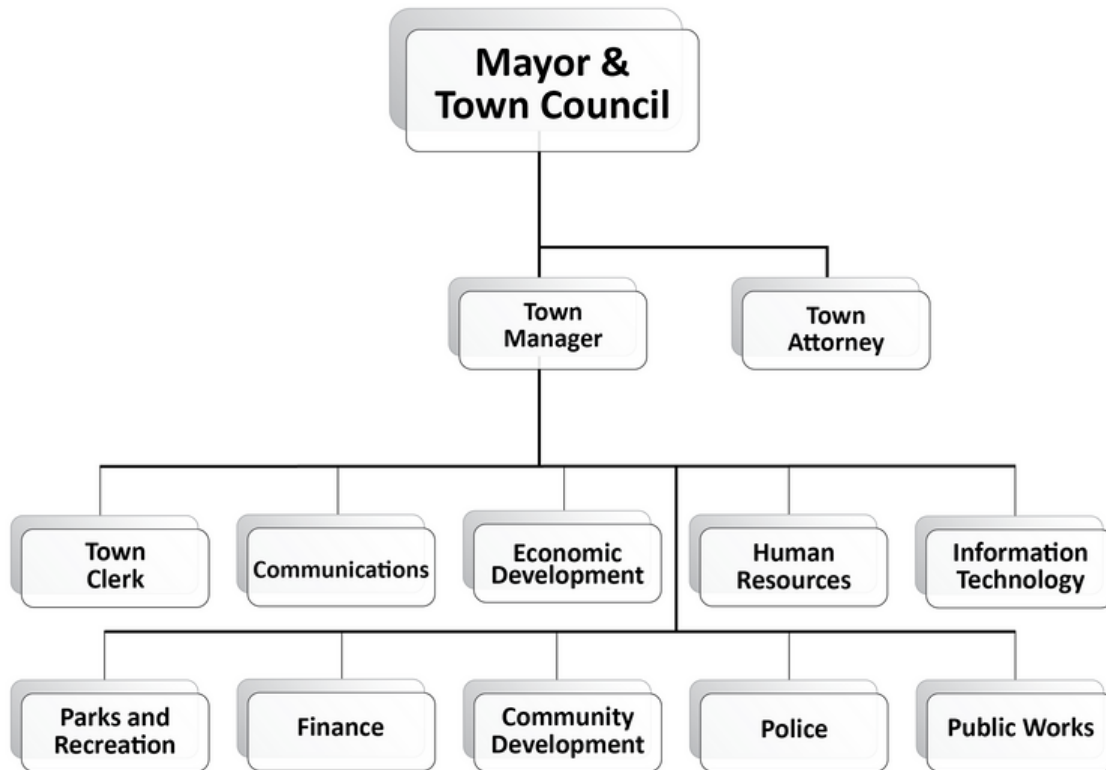


General Fund

The General Fund is the primary operating fund of the town and covers the cost of many town's services, including Police, Public Works, Parks and Recreation, Human Services, Community Development, and many other departments.



Organizational Chart

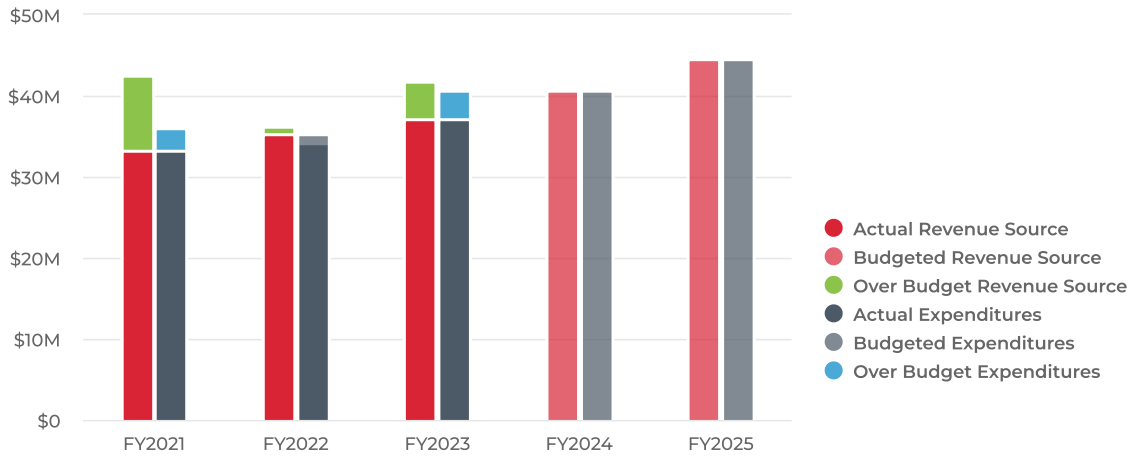


The General Fund receives most of the revenue derived by the town from local sources, reimbursement of town expenses shared by Fairfax County and the Commonwealth of Virginia. In addition, this fund may receive revenue from the federal government to pay a portion of the cost of town programs and services. General fund revenues are not specifically required in statute or in the constitution to support particular programs or departments.

General Fund expenditures include the costs of the general operations of town government and services, transfers to other funds, and debt service payments on town general obligation bonds (excluding general obligation bonds and other debt instruments payable from the enterprise funds).

Summary

The Town of Herndon is budgeted \$44.7M of revenue in FY 2025, which represents a 9.6% increase over the prior year. Budgeted expenditures are expected to increase by 9.6% or \$3.9M to \$44.7M in FY2025.



General Fund Revenues

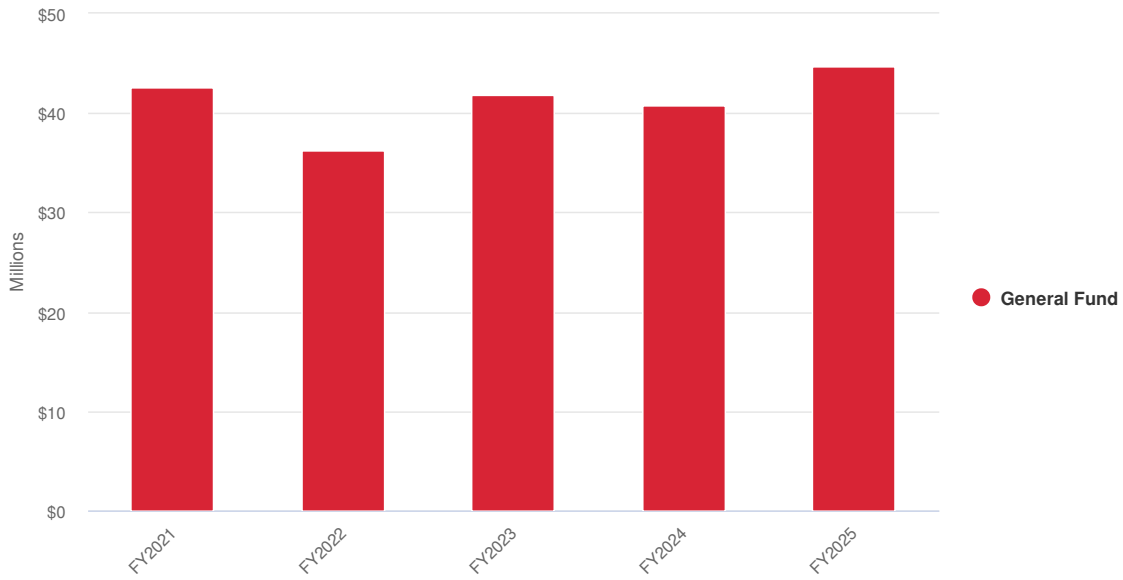
Overview

The Town of Herndon has relatively diverse revenue streams that fund general government operations. In addition to real property taxes, other major revenue categories include excise taxes and fees such as meals tax, transient occupancy tax, local sales tax, cigarette tax, and business, professional, and occupational license fees (BPOL). Charges for services from the Herndon Community Center, classes, and other Parks & Recreation offerings partially offset the cost of providing these amenities. Recurring state and local revenues also play a major role in funding General Fund operations, including funds from Fairfax County for economic development initiatives, State HB 599 funds for police services, highway maintenance allocations from the Virginia Department of Transportation (VDOT), the town's share of the state communications sales and use tax collections, and various other specialized grants.

FY 2025 budgeted General Fund Revenues, which include recurring revenues and other one-time financing sources, total \$44,669,0023. This total represents an increase of \$3,895,412 compared to the Adopted FY 2024 budget.



Budgeted and Historical 2024 Revenue General Fund

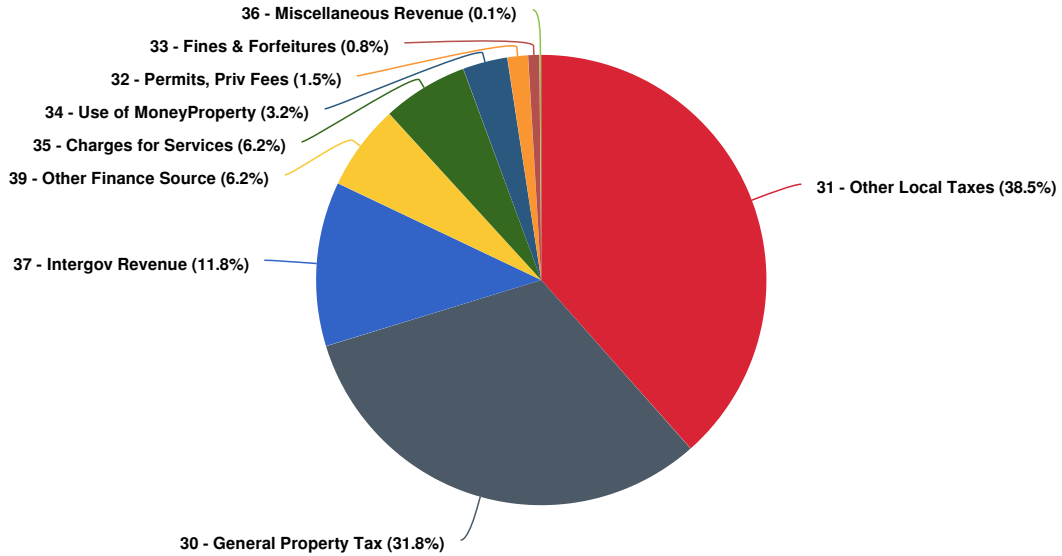


Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
General Fund						
30 - General Property Tax	\$12,822,398	\$12,914,409	\$13,805,589	\$14,120,900	\$14,205,626	0.6%
31 - Other Local Taxes	\$14,562,162	\$15,128,514	\$17,468,036	\$15,395,000	\$17,181,012	11.6%
32 - Permits, Priv Fees	\$457,719	\$613,968	\$572,280	\$653,300	\$663,300	1.5%
33 - Fines & Forfeitures	\$281,512	\$359,468	\$342,056	\$290,500	\$360,000	23.9%
34 - Use of MoneyProperty	\$514,807	\$88,021	\$1,283,026	\$1,346,890	\$1,436,790	6.7%
35 - Charges for Services	\$1,525,312	\$2,585,857	\$2,779,297	\$3,275,034	\$2,747,530	-16.1%
36 - Miscellaneous Revenue	\$9,985	\$19,749	\$48,790	\$14,000	\$54,000	285.7%
37 - Intergov Revenue	\$7,123,523	\$4,390,442	\$4,681,197	\$4,575,820	\$5,271,863	15.2%
39 - Other Finance Source	\$5,267,349	\$141,470	\$883,246	\$1,102,167	\$2,748,902	149.4%
Total General Fund:	\$42,564,767	\$36,241,898	\$41,863,517	\$40,773,611	\$44,669,023	9.6%

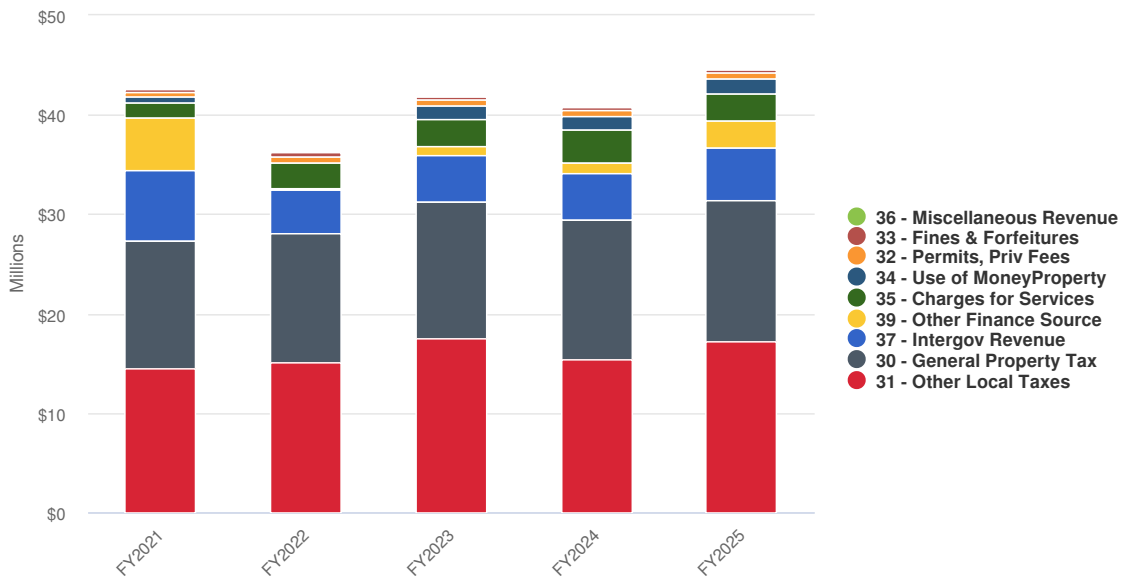


Revenues by Source

Adopted Revenues by Source



Budgeted and Historical Revenues by Source



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source						
30 - General Property Tax						
Real Property Tax	\$12,544,384	\$12,658,400	\$13,619,732	\$13,869,500	\$14,000,850	0.9%
Public Service Corp Tax	\$327,553	\$311,188	\$341,462	\$320,000	\$350,000	9.4%
Elderly Tax Relief	-\$152,664	-\$123,327	-\$191,145	-\$125,000	-\$190,224	52.2%
RE Taxes Pen & Int	\$103,125	\$68,147	\$35,540	\$56,400	\$45,000	-20.2%
Total 30 - General Property Tax:	\$12,822,398	\$12,914,409	\$13,805,589	\$14,120,900	\$14,205,626	0.6%
31 - Other Local Taxes						
Consumer Utility Tax	\$781,368	\$786,539	\$808,218	\$775,000	\$775,000	0%
Rights of Way Use Fee	\$107,901	\$107,210	\$77,363	\$120,000	\$120,000	0%
Cigarette Tax	\$178,772	\$175,432	\$167,255	\$165,000	\$148,500	-10%
Transient Occupancy Tax	\$888,999	\$1,267,569	\$1,920,100	\$1,642,000	\$2,030,967	23.7%
Meals Tax	\$2,805,350	\$3,447,384	\$4,347,841	\$3,500,000	\$4,300,000	22.9%
Bank Stock Tax	\$406,526	\$483,622	\$606,024	\$425,000	\$525,000	23.5%
Cable TV PEG Fees	\$161,515	\$155,884	\$136,711	\$145,000	\$145,000	0%
Business Licenses - BPOL	\$6,680,365	\$5,863,537	\$6,460,183	\$5,600,000	\$6,124,898	9.4%
Utility Consumption Tax	\$85,742	\$83,547	\$86,705	\$83,000	\$108,000	30.1%
Vehicle License Fee	\$432,593	\$430,872	\$466,540	\$420,000	\$450,000	7.1%
Local Sales Tax	\$2,033,030	\$2,326,918	\$2,391,096	\$2,520,000	\$2,453,647	-2.6%
Total 31 - Other Local Taxes:	\$14,562,162	\$15,128,514	\$17,468,036	\$15,395,000	\$17,181,012	11.6%
32 - Permits, Priv Fees						
Residential Parking Permits	\$300	\$440	\$650	\$300	\$650	116.7%
Planning Fees	\$112,066	\$157,233	\$170,367	\$130,000	\$140,000	7.7%
VA Storm Water Mgmt Permit Fee	\$4,181	\$842	\$2,895	\$4,000	\$3,000	-25%
Bldg Inspect Fees/Permits	\$331,139	\$441,150	\$384,630	\$504,000	\$504,650	0.1%
Right of Way Permit Fee	\$10,033	\$14,303	\$13,739	\$15,000	\$15,000	0%
Total 32 - Permits, Priv Fees:	\$457,719	\$613,968	\$572,280	\$653,300	\$663,300	1.5%
33 - Fines & Forfeitures						
Fines/Local (Parking)	\$21,046	\$37,772	\$47,855	\$29,000	\$61,500	112.1%
Fines/Fairfax County Court	\$234,100	\$293,804	\$266,145	\$235,000	\$270,000	14.9%
Fines/Court Maintenance Fees	\$4,226	\$4,132	\$5,680	\$5,000	\$6,000	20%
Fines/E-Summons Fees	\$16,091	\$21,561	\$19,875	\$20,000	\$20,000	0%
Fines/Zoning Fines	\$6,049	\$2,200	\$2,500	\$1,500	\$2,500	66.7%
Total 33 - Fines & Forfeitures:	\$281,512	\$359,468	\$342,056	\$290,500	\$360,000	23.9%
34 - Use of MoneyProperty						
Interest on Investments	\$110,097	\$113,294	\$1,235,925	\$1,298,000	\$1,421,890	9.5%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Interest on SNAP Investments	\$0	\$2,955	\$45,451	\$39,740	\$0	-100%
Interest on Notes Rec	\$0	\$1,458	-\$1,732	\$0	\$0	0%
Interest Drug Asset Forfeiture	-\$148	-\$167	-\$2,383	\$0	\$0	0%
Escrow Bank Interest	\$85	\$0	\$0	\$0	\$0	0%
Adjustment for FMV	-\$44,892	-\$48,840	-\$8,876	-\$7,900	\$0	-100%
Rental Income	\$449,665	\$6,073	-\$254	\$8,408	\$0	-100%
Interest on Lease		\$13,248	\$14,894	\$8,642	\$14,900	72.4%
Total 34 - Use of MoneyProperty:	\$514,807	\$88,021	\$1,283,026	\$1,346,890	\$1,436,790	6.7%
35 - Charges for Services						
Franchise Lease	\$73,470	\$70,798	\$72,926	\$75,110	\$75,000	-0.1%
Special Refuse Collection	\$19,360	\$24,530	\$19,988	\$25,000	\$20,000	-20%
Recycle Collection Fee	\$367,221	\$406,514	\$442,758	\$395,000	\$442,758	12.1%
Recreation Programs	\$291,834	\$886,369	\$957,909	\$1,475,475	\$1,163,800	-21.1%
Admission Fees	\$64,751	\$172,872	\$223,874	\$174,300	\$259,000	48.6%
Park Operation	\$16,124	\$27,969	\$27,676	\$31,000	\$25,000	-19.4%
Herndon Festival	\$112	\$260,394	\$248,698	\$305,000	\$0	-100%
Concession	\$2,139	\$5,639	\$7,765	\$5,500	\$8,500	54.5%
P&R Rental Income	\$21,956	\$87,753	\$137,199	\$138,000	\$149,100	8%
Tennis/Multi-Use Facility	\$75,966	\$162,107	\$196,971	\$195,000	\$200,000	2.6%
UB Penalties & Late Payments	\$0	\$0	\$0	\$0	\$0	0%
Annual Parking Space Maint Fee	\$0	\$13,650	\$13,650	\$15,522	\$13,650	-12.1%
Newspaper Sales	\$8,485	\$38,526	\$6,621	\$10,000	\$6,621	-33.8%
Quasi Revenue from Water&Sewer	\$530,094	\$0	\$0	\$0	\$0	0%
Quasi Revenue From Cemetery	\$17,400	\$0	\$0	\$0	\$0	0%
Quasi Revenue From Golf Fund	\$36,400	\$0	\$0	\$0	\$0	0%
Lease Revenue GASB 87		\$428,735	\$423,261	\$430,127	\$384,100	-10.7%
Total 35 - Charges for Services:	\$1,525,312	\$2,585,857	\$2,779,297	\$3,275,034	\$2,747,530	-16.1%
36 - Miscellaneous Revenue						
VRSA Safety Grant	\$0	\$7,911	\$4,000	\$4,000	\$4,000	0%
Not Otherwise Classified	\$9,985	\$14,839	\$44,290	\$10,000	\$50,000	400%
Sponsorships & Donations		-\$3,000	\$500	\$0	\$0	0%
Total 36 - Miscellaneous Revenue:	\$9,985	\$19,749	\$48,790	\$14,000	\$54,000	285.7%
37 - Intergov Revenue						
Reimb Grants/State	\$0			\$0	\$30,000	N/A



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
FFX County Grants	\$140,000	\$40,000	\$78,940	\$140,000	\$40,000	-71.4%
State-Vehicle Rental Tax	\$35,502	\$49,839	\$52,496	\$50,000	\$50,000	0%
State-5% Communications Tax	\$1,268,599	\$1,231,312	\$1,195,575	\$1,240,000	\$1,240,000	0%
State-ICAC Grant	\$45,000	\$45,693	\$45,000	\$40,000	\$40,000	0%
State-Police 599 Funds	\$647,785	\$610,290	\$676,168	\$640,000	\$705,668	10.3%
State-LOLE Block Grant		\$2,854	\$0	\$5,000	\$5,000	0%
State-Seized Assets	\$79,931	\$34,408	\$4,406	\$0	\$0	0%
State-Fire Programs Funds	\$88,766	\$94,274	\$98,919	\$90,000	\$100,000	11.1%
State-VDOT Street Const/Maint	\$2,065,594	\$2,100,908	\$2,425,285	\$2,100,000	\$2,600,000	23.8%
State-Litter Control Grant	\$5,540	\$7,896	\$9,468	\$7,800	\$10,000	28.2%
State-Forestry Grant	\$1,463	\$0	\$20,925	\$0	\$170,925	N/A
State-Dept of Emergency Mgmt	\$2,000			\$0	\$0	0%
State-VDOT Revenue Sharing	\$182,218			\$0	\$0	0%
State-Commission for Arts Grnt	\$0	\$4,500	\$0	\$4,500	\$4,500	0%
Fed Grnt-Bullet Proof Vests	\$4,995	\$5,567	\$1,075	\$4,995	\$5,000	0.1%
Federal Grnt-Byrne Jag	\$0	\$2,537	\$2,945	\$0	\$0	0%
Federal Grnt-DMV Speed	\$10,928	\$20,525	\$9,317	\$50,755	\$50,000	-1.5%
Federal Grnt-DMV Alcohol	\$15,339	\$15,971	\$3,241	\$15,770	\$15,770	0%
Federal Grant-HIDTA	\$210	\$1,538	\$2,490	\$20,000	\$20,000	0%
Federal Grnt-FEMA	\$60,244	\$20,081	\$0	\$0	\$0	0%
Federal Grant-CARES Act	\$2,402,516			\$0	\$0	0%
Federal Grant-CD Bloc Grant	\$66,894	\$102,249	\$126,080	\$167,000	\$185,000	10.8%
GRANT-VRA_DEQ SITE REMEDIATION		\$0	-\$71,500		\$0	N/A
FFX County-Forfeited Proceeds		\$0	\$366		\$0	N/A
Total 37 - Intergov Revenue:	\$7,123,523	\$4,390,442	\$4,681,197	\$4,575,820	\$5,271,863	15.2%
39 - Other Finance Source						
Surplus/Obsolete Property	\$84,502	\$78,731	\$306,273	\$50,000	\$50,000	0%
Other Sources of Proceeds	\$5,087,915	\$0	\$262,517	\$0	\$0	0%
Insurance Recoveries	\$94,932	\$61,202	\$314,456	\$50,000	\$75,000	50%
Use of Fund Balance	\$0	\$0	\$0	\$1,002,167	\$2,623,902	161.8%
Other Sources Lease Financing		\$1,538	\$0	\$0	\$0	0%
Total 39 - Other Finance Source:	\$5,267,349	\$141,470	\$883,246	\$1,102,167	\$2,748,902	149.4%
Total Revenue Source:	\$42,564,767	\$36,241,898	\$41,863,517	\$40,773,611	\$44,669,023	9.6%



General Fund Taxes and Fees

Assessed Real Property Value

The town's real property tax is imposed on the taxable assessed value of real property, appraised at 100% of fair market value. Fairfax County conducts the assessments annually, as of January 1, for the upcoming fiscal year. The town real estate tax rate remains at \$0.260 per \$100 assessed value. We anticipate a 0.97% increase (Residential: 4.65% offset by Commercial: -4.64%) in the combined assessed property tax values, which includes new construction and improvements.

When calculating changes in real property assessed values, the calculations must differentiate between changes in the value of existing property and changes that result from the value of new construction or reassessments due to rezoning. The first component is referred to as *equalization*, while the second is simply referred to as *new construction/rezoning*. Differentiating between these two types of value allows for greater transparency about the actual source of the revenue – assessment changes versus rate changes. Theoretically, the town's revenue (levy) could increase without a corresponding change in the real property tax rate due solely to new construction or rezoning, and not necessarily an increase in the value of existing property. For FY 2025, the total "equalization" decrease was (0.79%) reflecting a proposed tax rate of \$0.260 compared to the equalization or "lowered" tax rate of \$0.2621 Individual property taxes may, however, increase or decrease at a percentage greater than or less than the above percentage.

The commercial/residential split is 37 percent/ 63 percent.

The value of one penny on the real estate tax rate is approximately \$532,958.

Real Property Tax Levy

For FY 2025, real property tax revenue is budgeted at \$14,205,626 or 31.8% of total adopted General Fund revenue, the fund's single largest tax. This total includes penalties, taxes on public service corporations, and a credit (reduction in revenue to the town) of \$190,224 in tax relief offsets for qualifying elderly and disabled property owners. The town's collection rate is typically above 98% of taxes levied every year. Starting in FY 2023, the town entered into an agreement with the County of Fairfax for billing and collection of real estate property taxes. Although this budget reduces the real estate tax rate, an increase in real estate tax receipts is anticipated as assessments on residential and commercial real estate have risen.

The first half of real estate taxes is due by July 28th of every year. The second half remains due by December 5th. Semi-annual real estate taxes that have not been paid by due dates are considered delinquent. Penalties for delinquent taxes are either a \$10.00 minimum or 10% of the taxes due, whichever is greater, but not to exceed the amount of the tax.

Other Local Taxes

In addition to real estate taxes, the town assesses other local taxes that are primarily consumer-driven. These taxes are consumer utility taxes, rights of way use fees, cigarette taxes, transient occupancy taxes, meals taxes, motor vehicle licenses, and the town's share of the local sales tax. Other taxes and fees included in the "Other Local Taxes" category include bank stock taxes, cable TV franchise fees, and BPOL. "Other Local Taxes" is *typically* the largest category of revenue for the General Fund. In the FY2025 budget, it was budgeted at \$17.2 million, which represents 38.5% of General Fund revenues. The COVID-19 pandemic had an immediate and drastic effect on this category of revenue, particularly meals taxes and transient occupancy taxes. For FY 2025, the expectation for meal taxes is \$4.3 million or 25% of the total of the "Other Local Taxes" category. And for the transient occupancy taxes is \$2.0 million, or 11.8% of the total "Other Local Taxes". FY 2025 projections have shown slight increases in these revenue sources.

Consumer Utility Tax

This tax is based on the purchase of electric and natural gas utility services within the corporate limits of the town. Residential and commercial rates vary and are comprised of a base charge and a usage charge for electric and natural gas. The FY2025 budget for consumer utility taxes is \$775,000 (4.5% of "Others".) Receipts have been flat in recent years.

Cigarette Tax

Cigarettes are taxed at \$0.75 per pack of 20 cigarettes and must be paid by the seller for all cigarette inventories. Payment of the tax is documented by the display of a stamp or meter imprint. Revenues for this tax for FY 2025 are budgeted at \$148,500 and have decreased dramatically in the past few years. FY 2025 Cigarette Tax revenue was budgeted 10% less than the FY 2024 Adopted Budget.



Transient Lodging

A tax of 6% is imposed on hotel and motel room rates, as well as bed and breakfast operations, inns, tourist homes, and other transient lodging facilities. Currently, there are nine hotels in town, with a combined total of 1,200 available rooms. The FY2025 budget for transient lodging taxes is \$2,030,967 or an increase of 23.7% over the FY 2024 Adopted Budget. The budgeted revenue was increased due to the country's economic recovery and the repeal of COVID-19 related travel restrictions.

Meals Tax

The meals tax is an excise tax assessed as a percentage of the price of a meal or prepared food, with some exceptions. The consumer pays the tax which is collected and then remitted monthly to the town by the seller. Sellers who file and pay on time may keep 6% of the collections to offset the cost of collecting and reporting the taxes. The FY 2025 meals tax rate remains at 3.75%. The FY 2025 budgeted amount for meals taxes is \$4,300,000.

Bank Stock Franchise Tax

This tax is an \$0.80 charge for every \$100 of the net capital as of January 1st held by banks located within the town's corporate limits. Bank Stock returns are filed by March 15th and are due by May 31st each year. The FY 2025 budgeted amount for Bank Stock Franchise Tax is \$525,000.

Cable TV Franchise Fees

This fee is imposed on subscriber receipts and other cable revenues of cable television providers, earned within the town's corporate limits. The total fee was composed of a 5% franchise fee and a 3% PEG (Public, Educational and Government) access fee designated for capital acquisition and infrastructure improvements. Effective January 1, 2007, the 5% franchise fee was replaced by the state's 5% communications sales and use tax, which the town receives monthly from the state. The 3% PEG fee continues to be assessed and collected by the town in February of every year. The majority of this fee is donated to the Herndon Community Television Corporation (HCTV) since they in turn broadcast official town meetings on local channels. The FY 2025 budgeted amount for Cable TV Franchise Fees is \$145,000 and has been slowly decreasing in the past years.



Business Professional and Occupational License (BPOL)

Business license taxes are generally based on gross receipts, after accounting for the following thresholds:

1. Businesses with annual gross receipts of \$0.00 up to and including \$50,000 per year pay a flat license tax of \$30.
2. Businesses with annual gross receipts in excess of \$50,000 up to and including \$100,000 per year pay a license tax that is either the lesser of \$50 per year or the license tax calculated under the business license classification tax rate.
3. Business license taxes for businesses with annual gross receipts greater than \$100,000 are based on the applicable business license classification tax rate.

The following table displays the various business license classifications and rates:

Business Classification	Rate Per \$100 of Gross Receipts Above the \$100,000 Threshold
Federal Research and Development	\$0.03
Wholesale Merchants	\$0.05
Builders and Developers	\$0.05
Real Estate Brokers	\$0.40
Contractors	\$0.13
Retail Merchants	\$0.13
Commissioned Merchants	\$0.27
Retail/Wholesale Merchants	\$0.13
Restaurants	\$0.13
Other Business and Personal Services	\$0.21
Repair Services	\$0.13
Money Lenders	\$0.20
Utilities	\$0.50
Telephone Companies	\$0.50
Amusements	\$0.36
Hotels/Motels	\$0.26
Professional and Specialized	\$0.40

The FY 2025 budget for BPOL is \$ \$6,124,898. Town businesses are required to file and pay their BPOL taxes concurrently on March 1 each year, based on gross receipts earned during the previous calendar year. Actual BPOL revenues typically exceed budget because the town budgets this volatile revenue source very conservatively. BPOL, in excess of budget, is often treated as a one-time revenue source and used for capital expenditures.

The FY 2025 BPOL estimate is still conservative, although it is notably scaling up to the pre-Covid era.

Motor Vehicle Licenses

This is an annual fee for each motor vehicle, trailer, or semi-trailer owned, kept or used by residents or businesses in the town. The fee rates are \$25 for private passenger and other vehicles weighing less than 4,000 pounds, \$32 for vehicles weighing more than 4,000 pounds and \$12 for motorcycles. Fairfax County collects this fee for the town and remits the revenue to the town. Decals are no longer required by the town. The FY 2025 budget for Motor Vehicle Licenses is \$450,000.

Local Sales and Use Tax

One percent of the sales tax collected in Fairfax County is returned to the county by the Commonwealth of Virginia. The county retains 50% of this allocation with the remaining 50% distributed, using the population of school-aged children, to incorporated towns and unincorporated areas in Fairfax County. The FY 2025 budget is \$2,453,647; a modest 2.6% increase compared to the FY 2023 Actual revenue.

Permits and Fees

FY 2025 revenue generated from permits and fees, which include planning fees, Virginia stormwater management permit fees, building permits, building inspection fees, and rights-of-way permit fees, is budgeted at \$663,300. This revenue source represents about 1.5% of budgeted FY 2025 total General Fund revenues.



Fines and Forfeitures

Revenue from fines and forfeitures accounts is \$360,000 or about 0.8% of total budgeted FY 2025 General Fund revenues. A majority of the revenues in this category are generated from court fines collected on behalf of the town by the Fairfax County court system. Other fines included here are parking and zoning fines.

Use of Money and Property

The use of money and property revenue category is comprised of several revenue types, the most significant of which is interest earnings and rental income. The total budgeted income generated from the Use of Money and Property category during FY 2025 is budgeted to be \$1,436,790. This category represents 6.7% of the budgeted FY 2025 total General Fund revenues. The year over year increase in revenues is primarily due to the impact of higher interest rates combined with higher cash balances.

Charges for Services

Charges for services are comprised mainly of parks and recreation fees that partially offset the cost of offering these programs and amenities. This category also includes franchise leases, recycling collection fees, and annual parking maintenance fees. The FY 2025 charges for services are \$2,747,530 or a 16.1% decrease compared to the FY 2024 budgeted amount of \$3,275,034. Previous years, actual numbers were significantly low due to the mandatory shut down of the Herndon Community Center and cancelation of programs and events, to protect public health. In FY 2023-24, the parks and recreation programs and Herndon Community Center were hoping to operate at full capacity. However, they met more challenges than expected. Therefore, the FY 2025 revenue was budgeted very conservatively.

The town provides weekly recycling collection services for all single-family, duplex, and townhouse residential dwellings. In FY 2021, the fee for this service increased from \$8.00 per calendar quarter (\$32.00 per year) to \$16.00 per calendar quarter (\$64.00 per year). This is included in the quarterly utility bills and generated approximately \$180,000 more in revenue to help offset expenses. While this fee is billed to customers quarterly, it is collected monthly by the town because the town's customers are billed on different quarterly cycles.

Intergovernmental revenues account for 11.8% of total budgeted FY 2025 General Fund revenues, include VDOT street maintenance reimbursements, a 4% vehicle rental tax, and grants from local, state and federal sources. Revenues for this category are budgeted at \$5,271,863, the third-largest General Fund category.

Annually, the town receives funding from VDOT for maintenance of the public roads and streets in the town. The budgeted FY 2025, street maintenance allocation is \$2,600,000, 23.8% increase compared to the FY 2024 adopted budget.

The state's communication sales and use tax replaced three previously locally assessed town taxes. These were the consumer utility taxes on telecommunication services, the mobile telecommunications fee (cellular telephone tax) and the 5% portion of the town's cable TV franchise fee. The communication sales and use tax is collected and remitted by the different telecommunications and cable TV companies to the state for distribution to localities based on the locality's share of the total statewide collections of these taxes. The town's share of this tax is 0.41 percent. The revenues from this tax have been declining in recent years mainly due to changes in technology that have resulted in diminished use of taxable services.

The town receives a variety of grant money every year from federal, state, and county sources. FY 2025 budgeted revenues include \$1,031,593 in state grants, the majority of which is in HB 599 funding for the police department and makes up 19.6% of the Intergovernmental revenue for the town. There are also a variety of smaller grants that can vary annually. The Town of Herndon was allocated a total amount of \$25.5 million in two (2) installments. The town received the first installment on June 30, 2021, and the second installment on July 22, 2022.

Other Revenue Sources

Revenues in the "Other Finance Source" and "Miscellaneous Revenue" categories include sale of land/buildings and surplus or obsolete materials, proceeds from capital lease purchases, insurance recoveries, use of capital maintenance reserves, and use of fund balance. Recommended use of FY 2025 "Other Finance Source" revenues total \$2,748,902. This includes \$125,000 from miscellaneous sources and use of \$2,623,902 of unassigned fund balance to assist in funding the portion of capital and other one-time expenditures.



General Fund – Budget Revenue Summary

Object	Description	2023 Actual	2024 Adopted	2025 Proposed	Notes based on FY 2025 Proposed Budget
311100	Real Property Tax	13,619,732	13,869,500	14,000,850	In FY24 The town's reduced real estate tax rate to \$0.260 per \$100 of assessed value. Revenue includes reductions for abatements and uncollectible accounts.
311300	Public Service Corp Tax	341,462	320,000	350,000	Estimated assessments, as provided by Virginia State Corporation Commission and taxed at town's FY 2025 real estate tax rate of \$0.260 per \$100 of assessed value.
311400	Elderly Tax Relief	(191,145)	(125,000)	(190,224)	This is the estimated amount of tax relief for senior citizens, veterans, and other qualifying residents.
319100	RE Taxes Pen & Int	35,540	56,400	45,000	Reduced as part of assumptions
	30 - General Property Tax Total	13,805,589	14,120,900	14,205,626	
313100	Consumer Utility Tax	808,218	775,000	775,000	Tax applies to electric and natural gas services only.
313200	Rights of Way Use Fee	77,363	120,000	120,000	Public right-of-way use fees levied upon Certified Local Exchange Carriers customers, as allowed by State Code. Calculation based on average growth.
314100	Cigarette Tax	167,255	165,000	148,500	FY 2025 revenue is based on cigarette tax rate of 75 cents per pack. Cigarette sales have been declining in recent years.
314200	Transient Occupancy Tax	1,920,100	1,642,000	2,030,967	FY 2025 budgeted based on current trend.
314400	Meals Tax	4,347,841	3,500,000	4,300,000	FY 2025 budgeted with no rate changes.
318100	Bank Stock Tax	606,024	425,000	525,000	Total deposits increased in FY2023 for larger banks, the total amount increased due to bank balance sheet items that increase the total taxable base.
318200	Cable TV PEG Fees	136,711	145,000	145,000	Amount is town's three percent PEG fee which is received directly from Cox Communications and Verizon.
321100	Business Licenses - BPOL	6,460,183	5,600,000	6,124,898	BPOL is a volatile revenue stream and is budgeted conservatively every year.
321300	Utility Consumption Tax	86,705	83,000	108,000	Gross receipts tax levied on consumers of electricity and natural gas, as allowed by State Code.
322100	Vehicle License Fee	466,540	420,000	450,000	The amount is based on current fee of \$25 for vehicles weighing 4,000 lbs. or less.
335200	Local Sales Tax	2,391,096	2,520,000	2,453,647	FY 2024 budgeted at pre-lock down assumptions.
	31 - Other Local Taxes Total	17,468,036	15,395,000	17,181,012	
322150	Residential Parking Permits	650	300	650	\$5.00 per Zone B parking permit to offset costs.
322200	Planning Fees	170,367	130,000	140,000	FY 2024 estimated slight increase
322250	VA Storm Water Mgmt Permit Fee	2,895	4,000	3,000	Town's share of VA storm water management fees assessed on new construction.
322300	Bldg Inspect Fees/Permits	384,630	504,000	504,650	Volatile revenue stream that can vary widely from year to year.
322400	Right of Way Permit Fee	13,739	15,000	15,000	FY 2025 based on recent trends. Numbers could fluctuate pending an increase in permitting based on proposed projects.
	32 - Permits, Priv Fees Total	572,280	653,300	663,300	
351100	Fines/Local (Parking)	47,855	29,000	61,500	Parking enforcement fees remained flat based on prior years.
351200	Fines/Fairfax County Court	266,145	235,000	270,000	Town's share of court costs. Project is based on recent years' actuals.
351300	Fines/Court Maintenance Fees	5,680	5,000	6,000	These fees are paid by Fairfax County specifically for court- related costs since the County uses the Council Chambers weekly.
351400	Fines/E-Summons Fees	19,875	20,000	20,000	Fee enacted on 07-01-2016 that supports town's use of E- summons technology for issuing traffic tickets. Based on actuals.
351500	Fines/Zoning Fines	2,500	1,500	2,500	Tracks with average assessments over the past fiscal years.
	33 - Fines & Forfeitures Total	342,056	290,500	360,000	
361000	Interest on Investments	1,235,925	1,298,000	1,421,890	Interest projection based on higher interest rates.
361001	Interest on SNAP Investments	45,451	39,740	-	Interest on bond proceeds.
361010	Interest on Notes Rec	(1,732)	-	-	Not applicable for FY 2025 and forward.
361020	Interest on Lease	14,894	8,642	14,900	TOH as lessor GASB 87 interest on leases.



General Fund – Budget Revenue Summary

Object	Description	2023 Actual	2024 Adopted	2025 Proposed	Notes based on FY 2025 Proposed Budget
361050	Interest Drug Asset Forfeiture	(2,383)	-	-	Reduction in interest income, which is credited to the seized asset deferred revenue accounts.
361080	Escrow Bank Interest	-	-	-	Interest on bond escrow accounts.
361090	Adjustment for FMV	(8,876)	(7,900)	-	Fair market value adjustment on TOH investments.
363000	Rental Income	(254)	8,408	-	Reduction due to vacancies and lower rent per square foot.
	34 - Use of MoneyProperty Total	1,283,026	1,346,890	1,436,790	
318300	Franchise Lease	72,926	75,110	75,000	Previously, these Franchise fees were the town's standard \$2 per linear foot fee (plus annual escalators based on CPI) for public right-of-way use applicable to non-CLEC franchises. This has been changed to "Access Fees" and are based on \$1.09/ft.
344300	Special Refuse Collection	19,988	25,000	20,000	FY 2025 revenue is for special refuse pick-ups only.
344400	Recycle Collection Fee	442,758	395,000	442,758	Annual recycling fee was increased from \$32 to \$64 for FY 2021 to partially offset the increased costs associated with recycling and tipping fees.
347100	Recreation Programs	957,909	1,475,475	1,163,800	FY2025 figure reflects the post-pandemic recovery forecast.
347200	Admission Fees	223,874	174,300	259,000	FY2025 figure reflects assumptions of current and projected programming.
347300	Park Operation	27,676	31,000	25,000	FY2025 figure reflects assumptions of current and projected programming.
347400	Herndon Festival	248,698	305,000	-	
347500	Concession	7,765	5,500	8,500	FY2025 figure reflects assumptions of current and projected programming.
347510	P&R Rental Income	137,199	138,000	149,100	FY2025 figure reflects assumptions of current and projected programming.
347550	Tennis/Multi-Use Facility	196,971	195,000	200,000	FY2025 figure reflects assumptions of current and projected programming.
363200	Lease Revenue	423,261	430,127	384,100	GASB 87 lease revenue TOH as lessor.
365010	Annual Parking Space Maint Fee	13,650	15,522	13,650	Downtown parking annual maintenance fee to participants.
369100	Newspaper Sales	6,621	10,000	6,621	Assumes lack of market demand.
391020	Quasi Revenue from Water&Sewer	-	-	-	Inactive account since 2021
391030	Quasi Revenue From Cemetery	-	-	-	Inactive account since 2021
391070	Quasi Revenue From Golf Fund	-	-	-	Inactive account since 2021
	35 - Charges for Services Total	2,779,298	3,275,034	2,747,530	
318403	VRSA Safety Grant	4,000	4,000	4,000	The town typically receives a safety grant from its insurer every year for training or other related items.
364000	Sponsorships & Donations	500	-	-	
369990	Not Otherwise Classified	44,290	10,000	50,000	Miscellaneous
	36 - Miscellaneous Revenue Total	48,790	14,000	54,000	
310020	Reimb Grants/State	-	-	30,000	The town receives a reimbursement grant from the state
322110	State-Vehicle Rental Tax	52,496	50,000	50,000	Town's portion of taxes on vehicle rentals originated in the town.
322130	State-5% Communications Tax	1,195,575	1,240,000	1,240,000	Town's portion of state sales taxes levied on telecommunications.
324101	State-ICAC Grant	45,000	40,000	40,000	State grant that funds training and equipment for the detective assigned to investigating internet crimes against children.
324103	State-Police 599 Funds	676,168	640,000	705,668	State funding for the police department.
324105	State-LOLE Block Grant	-	5,000	5,000	Local law enforcement block grant.
324112	State-Seized Assets	4,406	-	-	State funding to promote law enforcement as part of the forfeited asset sharing program
324201	State-Fire Programs Funds	98,919	90,000	100,000	Pass-through grant from the state through the town to Fairfax County. The town must receive this grant directly from the state because the fire station is located within the town's limits. The town immediately disburses these funds to Fairfax County when received.
324301	State-VDOT Street Const/Maint	2,425,285	2,100,000	2,600,000	Annual payment from VDOT for street and highway maintenance based on the town's actuals from the last completed fiscal year, which are submitted to the state via a survey managed by the Weldon Cooper Center.
324302	State-Litter Control Grant	9,468	7,800	10,000	Annual litter control grant from the state.



General Fund – Budget Revenue Summary					
Object	Description	2023 Actual	2024 Adopted	2025 Proposed	Notes based on FY 2025 Proposed Budget
324303	State-Forestry Grant	20,925	-	170,925	One time grant.
324304	State-Dept of Emergency Mgmt	-	-	-	One time grant, not applicable in FY2025
324305	State-VDOT Revenue Sharing	-	-	-	One time grant, not applicable in FY2025
324703	State-Commission for Arts Grnt	-	4,500	4,500	Arts grant passed through the town to various non-profit arts organizations within the town's limits.
333101	Fed Grnt-Bullet Proof Vests	1,075	4,995	5,000	Federal grant to fund the purchase of bullet-proof vests for police.
333102	Federal Grnt-Byrne Jag	2,945	-	-	One time grant, not applicable in FY2025
333103	Federal Grnt-DMV Speed	9,317	50,755	50,000	Federal grant passed through the Department of Motor Vehicles, which funds overtime for selective enforcement.
333104	Federal Grnt-DMV Alcohol	3,241	15,770	15,770	Federal grant passed through the Department of Motor Vehicles, which funds overtime for selective enforcement.
333105	Federal Grant-HIDTA	2,490	20,000	20,000	"High Intensity Drug Trafficking Areas" DEA grant that covers some overtime for detective working drug cases.
333110	Federal Grnt-FEMA	-	-	-	One time grant, not applicable in FY2025
333111	Federal Grant-CARES Act	-	-	-	One time Covid-19 related grant, not applicable in FY2025
333112	Federal Grnt-Seized Assets	-	-	-	Represents use of federal seized assets. These funds may only be used for specific police purposes and must be approved by the Town Manager first. Funds received but not expended are booked to a deferred revenue account on the balance sheet.
333205	Federal Grant-CD Bloc Grant	126,080	167,000	185,000	Federal Community Development BLOC grant passed through Fairfax County to fund a housing rehabilitation position.
318401	FFX County Grants	78,940	140,000	40,000	\$40k annual economic development grant.
339112	FFX County-Forfeited Proceeds	366	-	-	FFX County-Forfeited Proceeds
391375	Grant-VRA_DEQ Site Remediation	(71,500)	-	-	Grant-VRA_DEQ Site Remediation
	37 - Intergov Revenue Total	4,681,197	4,575,820	5,271,863	
391925	Other Sources Lease Fin GASB87	-	-	-	GASB 87 other lease revenue sources.
392100	Surplus/Obsolete Property	306,273	50,000	50,000	The town uses Govdeals.com to auction its surplus property online.
393200	Other Sources of Proceeds	262,517	-	-	Proceeds from bond issuances, typically the portion required to pay for the cost of issuance.
393201	Insurance Recoveries	314,456	50,000	75,000	Periodic insurance payments received when town property is damaged or destroyed.
399000	Use of Fund Balance	-	1,002,167	2,623,902	Because the town budgets BPOL so conservatively, the annual budget typically includes use of unassigned fund balance or capital reserves for one-time or life-cycle replacement costs. The town does not typically need to use fund balance since actual BPOL receipts often exceed budget.
	39 - Other Finance Source Total	883,246	1,102,167	2,748,902	
	Grand Total	41,863,518	40,773,611	44,669,023	



General Fund Expenditures

The General Fund is the primary operating fund of the town and includes the Town Clerk, Town Administration (which includes: Communications, Economic Development, Town Manager, Human Resources, and Information Technology), Parks & Recreation, Finance, Community Development, Police, Public Works, and the Town Attorney. The FY 2025 General Fund budget of \$44,669,023 represents an increase of \$3,895,412, or 9.6% over the FY 2024 Adopted budget of \$40,773,611. The following tables and charts provide a multi-year comparative overview.

Personnel Expenditures

Personnel is the single largest expenditure category in the General Fund. At \$30,379,725, personnel costs comprise 68.0% of the FY 2025 budget, an 8.2% increase compared to the FY 2024 Adopted Budget and an 8.8% increase compared to the FY 2023 Actuals. The increase in the FY 2025 budget is primarily due to a 4.2% increase in health insurance premiums, an increase of 5.5% in Market Rate Adjustments, and pay-for-performance increases averaging 2.0%. Retirement premiums through the Virginia Retirement System (VRS) were reevaluated for FY 2025. VRS is going through a process called Hybrid Rate Separation effective in FY 2025, which breaks out the employer paid rates of the defined benefit and defined contribution components of their pension plans. The defined benefit portion valuation decreased from 8.9% to 8.45%, while the defined contribution component of the valuation increased to 10.95%, resulting in \$430,000 impact to the FY 25 Budget.

Operations and Maintenance Expenditures

The FY 2024 Budget includes Operations & Maintenance (O&M) expenditures of \$9,419,936, comprising 21.1% of the total General Fund budget, a decrease of 5.8% over the FY 2024 Adopted budget. The FY 2025 Budget includes priority spending on major projects and reduction in other areas based on previous year's actual results. This strategy helped create a more balanced budget with a focus on the areas that were at high priority.

Capital Expenditures

Capital expenditures of \$2,248,902 comprise 5.0% of the FY 2025 budget, or an increase of 198.6% over the Adopted FY 2024 budget. Additional capital spending for major projects is budgeted in the Capital Projects Fund. Enterprise Funds contain fund-specific capital spending.

Non-Departmental Expenditures

Non-Departmental expenditures are not directly tied to specific departments and include the following categories: community donations (cash and in-kind), general liability insurance, the annual financial statement audit, contingency reserve, retiree health benefits, and interfund reimbursements.

Beginning with FY 2023, interfund reimbursements are recorded as a reduction in General Fund expenditures. The reduction is a reimbursement of the estimated cost of General Fund services provided to the town's Enterprise Funds. These services include, but are not limited to, human resource administration, payroll, accounts payable, accounts receivable, purchasing, information technology services, public works services, and project management. In FY 2025, interfund reimbursements are budgeted at \$741,406.

Interfund Transfers

The FY 2025 budget includes two interfund transfers: \$375,000 to the Capital Projects Fund and \$92,400 to a new governmental Stormwater Fund.

Debt Service

Debt service expenditures of \$1,394,782 represent 3.1% of the FY 2025 budget or an increase of 0.1% from the FY 2024 Adopted budget.

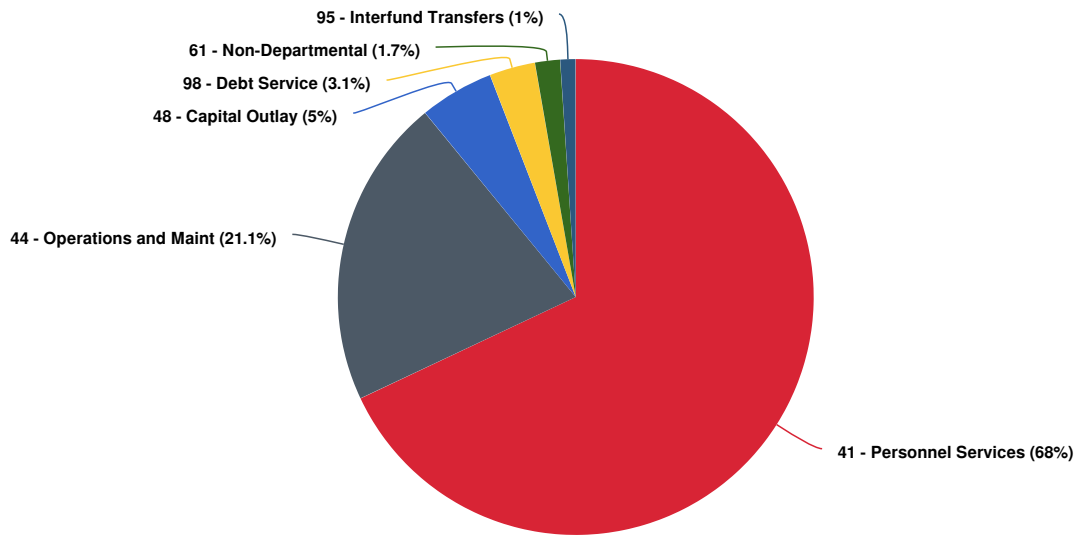


Expenditures by Category

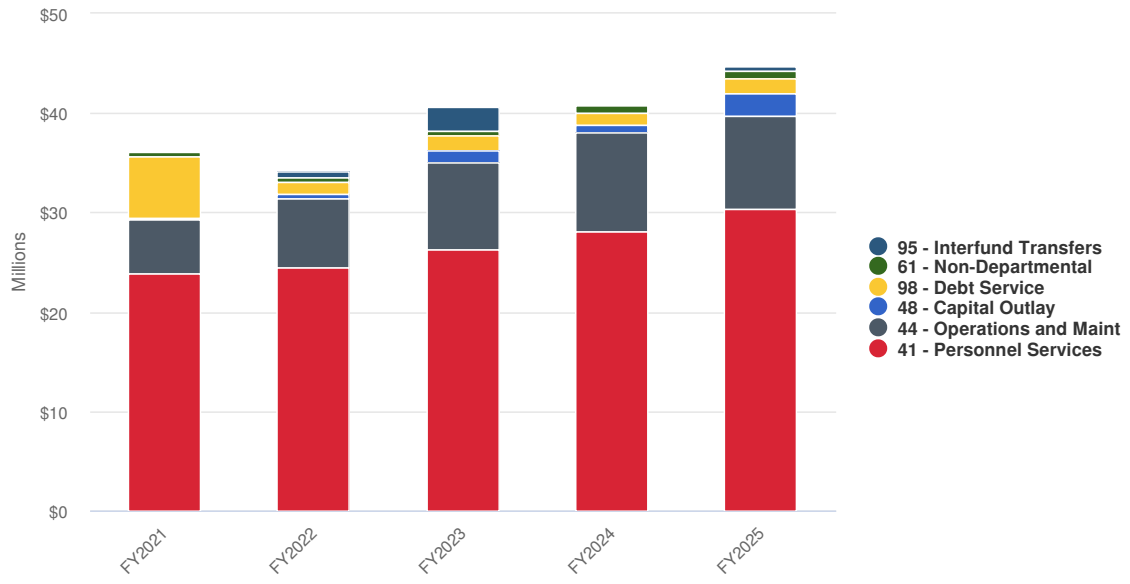
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
General Fund						
41 - Personnel Services	\$23,918,240	\$24,487,695	\$26,245,219	\$28,064,960	\$30,379,725	8.2%
44 - Operations and Maint	\$5,351,843	\$6,945,239	\$8,813,642	\$10,003,173	\$9,419,936	-5.8%
48 - Capital Outlay	\$166,562	\$411,520	\$1,262,011	\$753,167	\$2,248,902	198.6%
61 - Non-Departmental	\$358,714	\$346,463	\$479,261	\$674,877	\$758,278	12.4%
95 - Interfund Transfers		\$743,012	\$2,396,407	\$0	\$467,400	N/A
98 - Debt Service	\$6,274,674	\$1,277,624	\$1,483,933	\$1,277,434	\$1,394,782	9.2%
Total General Fund:	\$36,070,031	\$34,211,553	\$40,680,473	\$40,773,611	\$44,669,023	9.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



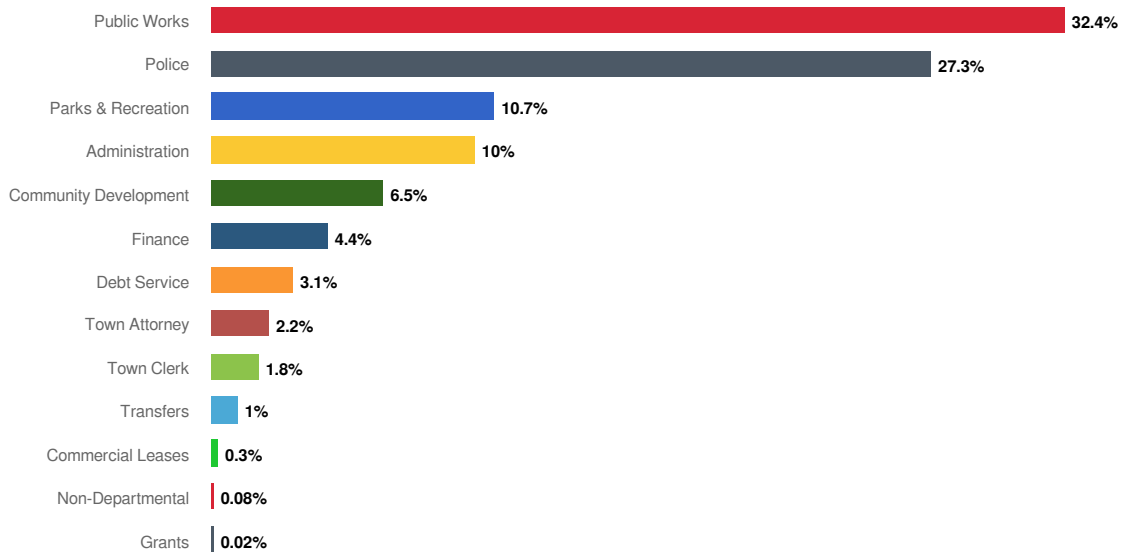
Budgeted and Historical Expenditures by Expense Type



Expenditures by Department

The General Fund fund's expenditures by departments have seen some changes over the past few years. In 2023, Public Works expenditures remained steady at \$13,122,731. However, in 2024, there was a 2% increase to \$13,376,341, and this will continue to rise by 8% to \$14,470,086 in the upcoming 2025 budget year. Similarly, Police expenditures also saw a 3% increase in 2024 to \$10,915,794. This will see a further increase of 12% to \$12,200,580 in the 2025 budget. Parks & Recreation expenditures see a significant 19% increase in 2024 to \$4,702,930, and this will see a slight 2% increase to \$4,795,838 in the 2025 budget. Overall, these changes reflect the town's commitment to maintaining and improving its infrastructure, public safety, and recreational facilities for its residents. These budget changes also demonstrate the town's responsible financial management and dedication to providing quality services to its community.

Budgeted Expenditures by Function



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Town Clerk	\$507,091	\$508,117	\$613,312	\$901,524	\$804,815	-10.7%
Administration	\$2,775,022	\$3,111,415	\$3,284,348	\$3,803,117	\$4,472,532	17.6%
Parks & Recreation	\$2,665,348	\$3,569,187	\$3,948,562	\$4,702,930	\$4,795,838	2%
Finance	\$1,477,878	\$1,517,999	\$1,646,904	\$1,831,170	\$1,984,081	8.4%
Community Development	\$1,912,361	\$2,019,189	\$2,671,606	\$2,715,978	\$2,914,891	7.3%
Police	\$9,849,301	\$9,730,969	\$10,601,772	\$10,915,794	\$12,200,580	11.8%
Public Works	\$9,225,472	\$11,022,505	\$13,122,731	\$13,376,341	\$14,470,086	8.2%
Town Attorney	\$726,639	\$778,424	\$833,754	\$862,569	\$997,549	15.6%
Grants	\$82,291	\$43,525	\$8,363	\$19,738	\$8,781	-55.5%
Commercial Leases	\$0	\$117,501	\$115,064	\$149,500	\$120,817	-19.2%
CARES ACT	\$196,279	\$0	\$0	\$0	\$0	0%
Transfers	\$0	\$743,012	\$2,396,407	\$250,000	\$467,400	87%
Non-Departmental	\$377,676	-\$227,915	-\$46,283	-\$32,483	\$36,872	-213.5%
Debt Service	\$6,274,674	\$1,277,624	\$1,483,933	\$1,277,434	\$1,394,782	9.2%
Total Expenditures:	\$36,070,031	\$34,211,553	\$40,680,473	\$40,773,611	\$44,669,023	9.6%





Water & Sewer Fund

The Water & Sewer Fund accounts for the operation, maintenance, and construction of the town's water and sanitary sewer systems. The Water & Sewer fund runs as a standalone business with their resources, revenues and expenditures accounted for in a type of self-balancing proprietary fund called an enterprise fund.

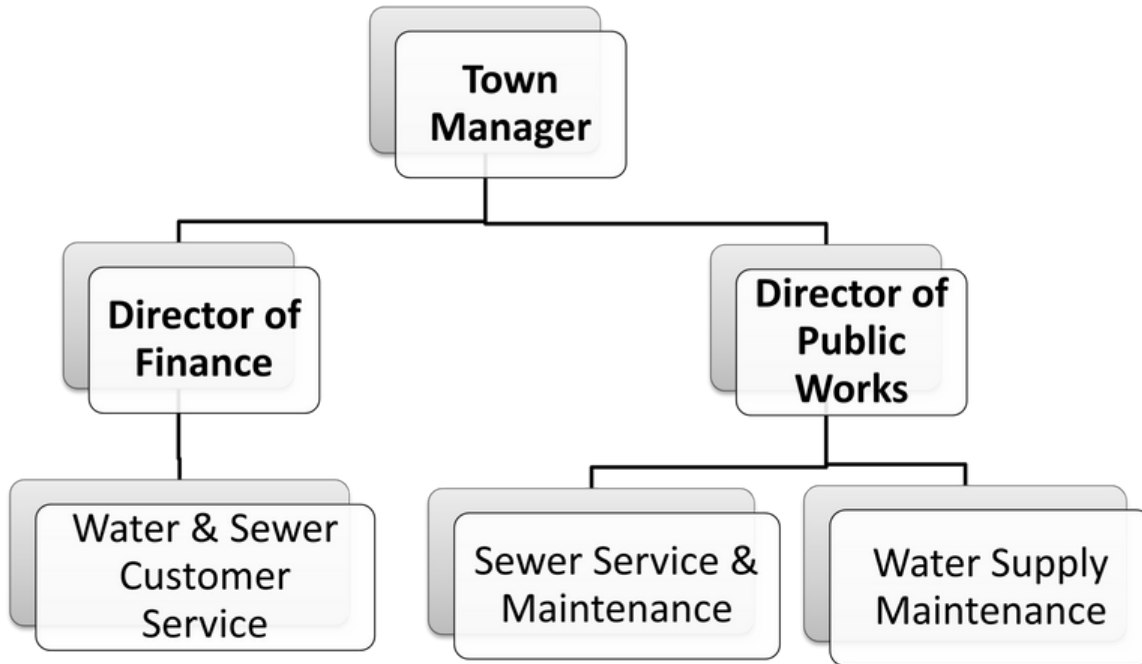


The Water & Sewer Fund provides safe, efficient and affordable water and sewer services for Town of Herndon utility customers. Operations are funded by user fees charged for services provided.

Sewer Service & Maintenance maintains the town's sanitary sewer conveyance system and provides technical and operational support for the town's development, as well as maintains unrestricted flow of the sanitary sewer system. Water Supply & Maintenance provides high quality water supply to Town of Herndon customers and provides technical and operational support for the town's development activities. This includes ensuring system pressure is sustained beyond the requirement for fire protection.

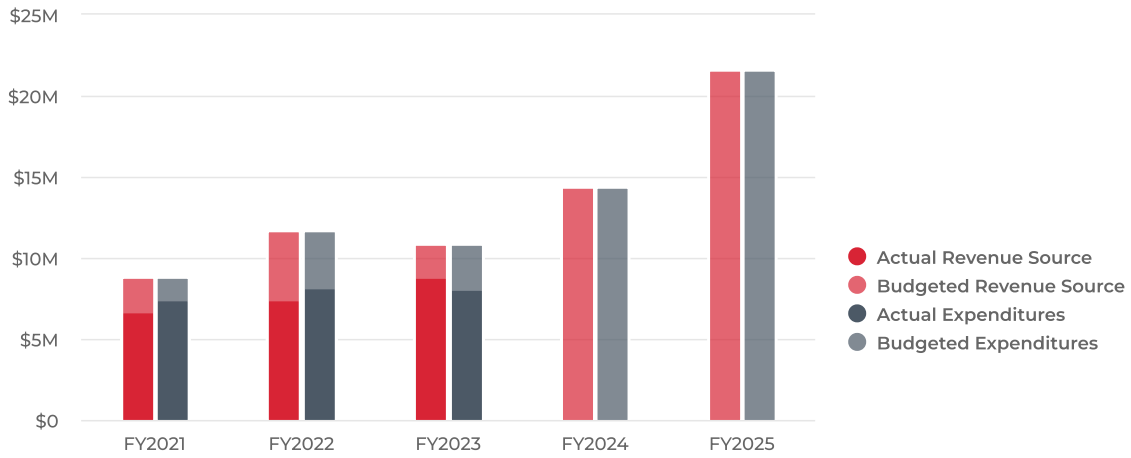
The water utility maintains approximately 84.7 miles of water main and three water towers. Public health and safety are primary goals for these town services.

Organizational Chart



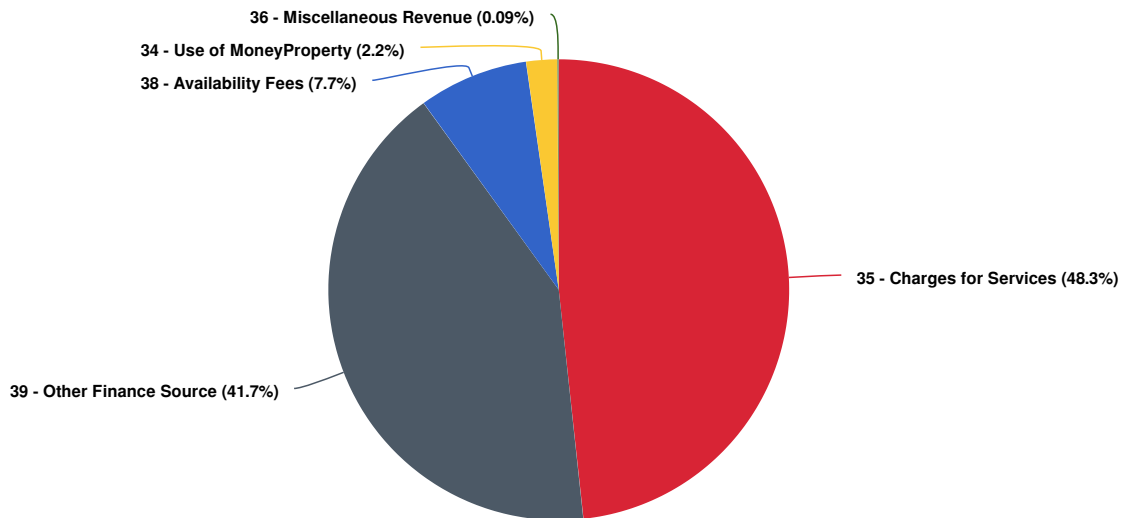
Summary

The Town of Herndon has adopted \$21.7M of revenue in FY2025 which represents a 77.3% increase over the prior year. Budgeted expenditures are expected to increase by \$7.2M to \$21.7M in FY2024.

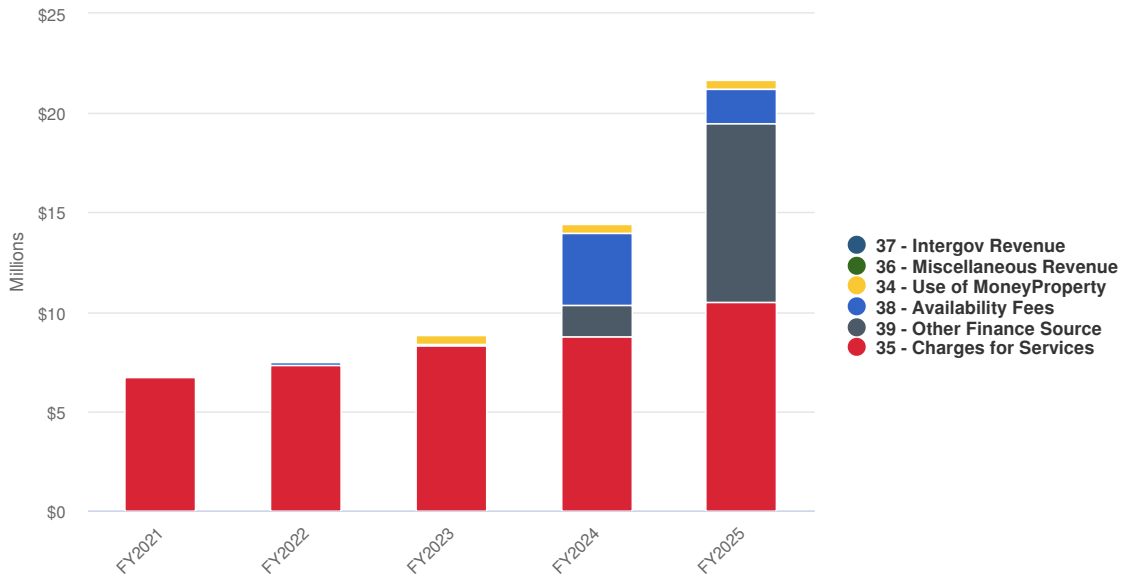


Revenues by Source

Adopted Revenues by Source



Budgeted and Historical Revenues by Source

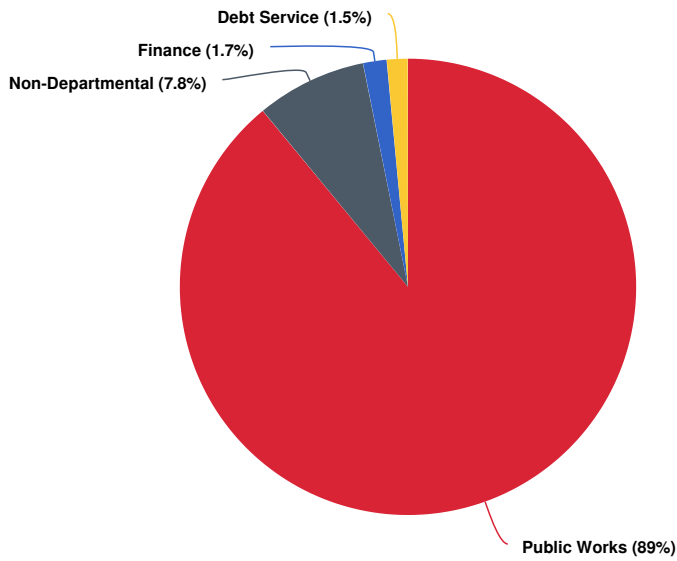


Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source						
34 - Use of MoneyProperty	\$15,583	\$51,098	\$456,920	\$478,610	\$472,000	-1.4%
35 - Charges for Services	\$6,698,713	\$7,310,045	\$8,305,504	\$8,733,843	\$10,472,923	19.9%
36 - Miscellaneous Revenue	\$11,838	\$19,532	\$17,606	\$17,700	\$18,700	5.6%
37 - Intergov Revenue	\$14,220	\$0	\$0	\$0	\$0	0%
38 - Availability Fees	\$49,080	\$130,228	\$84,070	\$3,624,999	\$1,672,140	-53.9%
39 - Other Finance Source	\$5,175	\$34,051	\$11,744	\$1,594,153	\$9,044,420	467.3%
Total Revenue Source:	\$6,794,609	\$7,544,954	\$8,875,845	\$14,449,305	\$21,680,183	50%

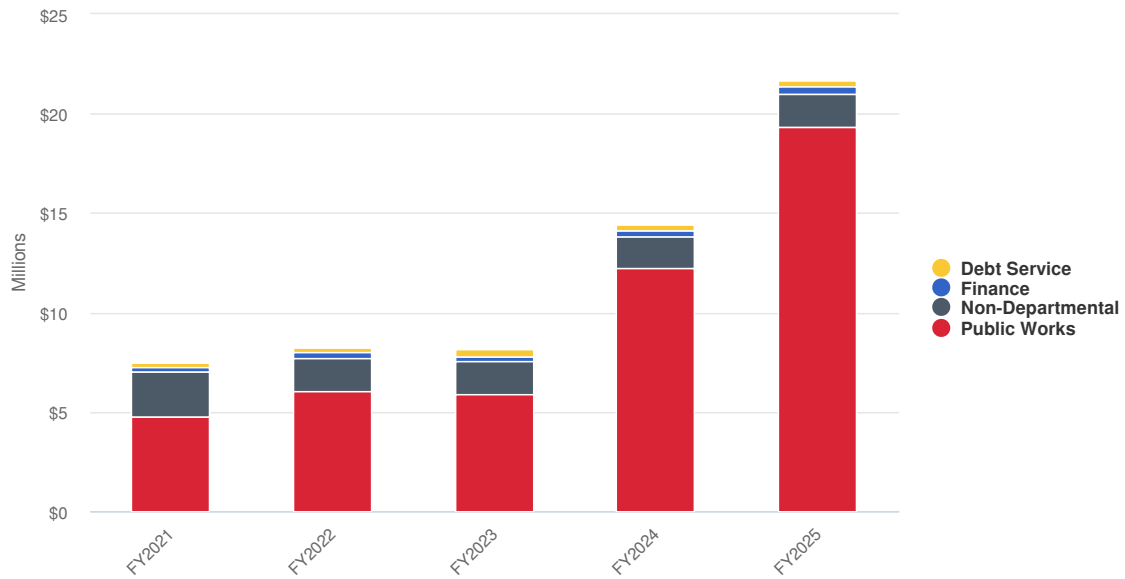


Expenditures by Function

Budgeted Expenditures by Function



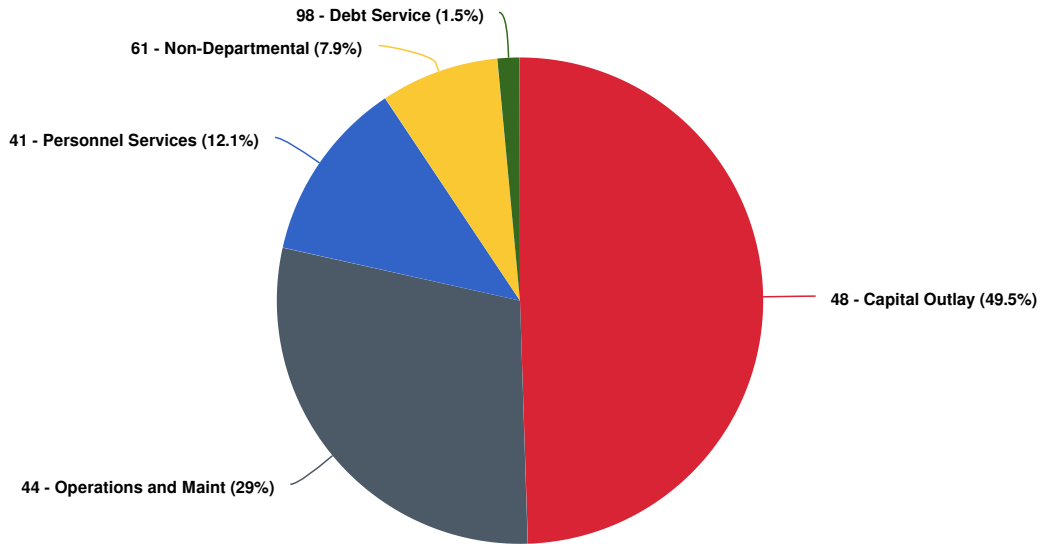
Budgeted and Historical Expenditures by Function



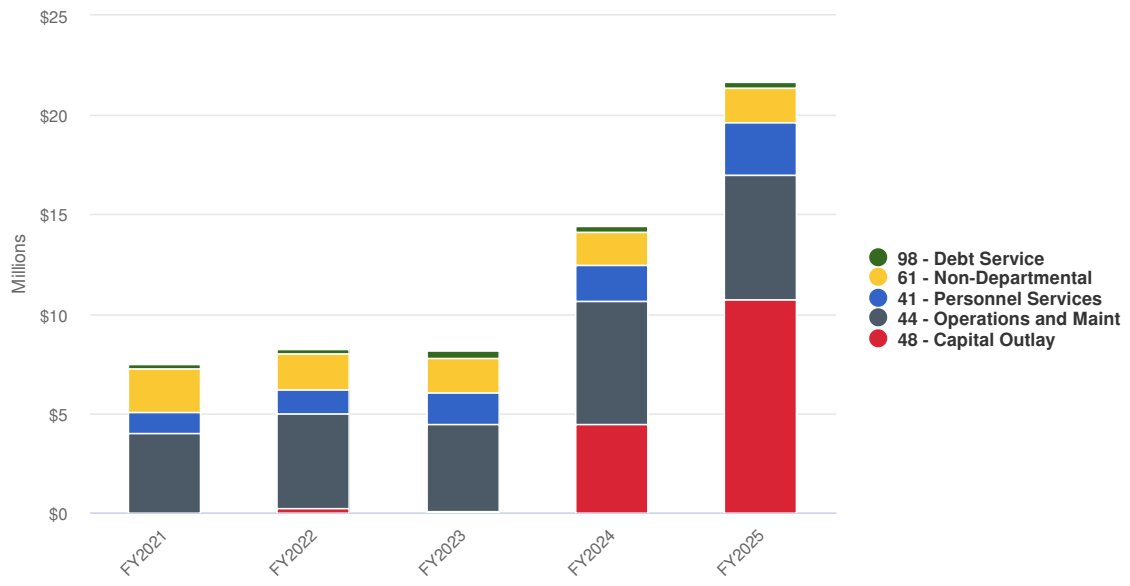
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Finance	\$212,830	\$248,423	\$228,162	\$266,623	\$359,933	35%
Public Works	\$4,794,453	\$6,011,608	\$5,854,869	\$12,228,428	\$19,302,691	57.9%
Non-Departmental	\$2,209,325	\$1,725,107	\$1,716,454	\$1,615,138	\$1,694,232	4.9%
Debt Service	\$244,731	\$239,082	\$351,611	\$339,116	\$323,328	-4.7%
Total Expenditures:	\$7,461,339	\$8,224,220	\$8,151,095	\$14,449,305	\$21,680,183	50%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$1,102,076	\$1,197,288	\$1,590,011	\$1,843,446	\$2,629,623	42.6%
44 - Operations and Maint	\$3,950,317	\$4,752,671	\$4,413,061	\$6,176,605	\$6,291,254	1.9%
48 - Capital Outlay	\$15,010	\$218,301	\$45,099	\$4,475,000	\$10,731,000	139.8%
61 - Non-Departmental	\$2,149,205	\$1,816,878	\$1,751,314	\$1,615,138	\$1,704,978	5.6%
98 - Debt Service	\$244,731	\$239,082	\$351,611	\$339,116	\$323,328	-4.7%
Total Expense Objects:	\$7,461,339	\$8,224,220	\$8,151,095	\$14,449,305	\$21,680,183	50%





Golf Course Fund

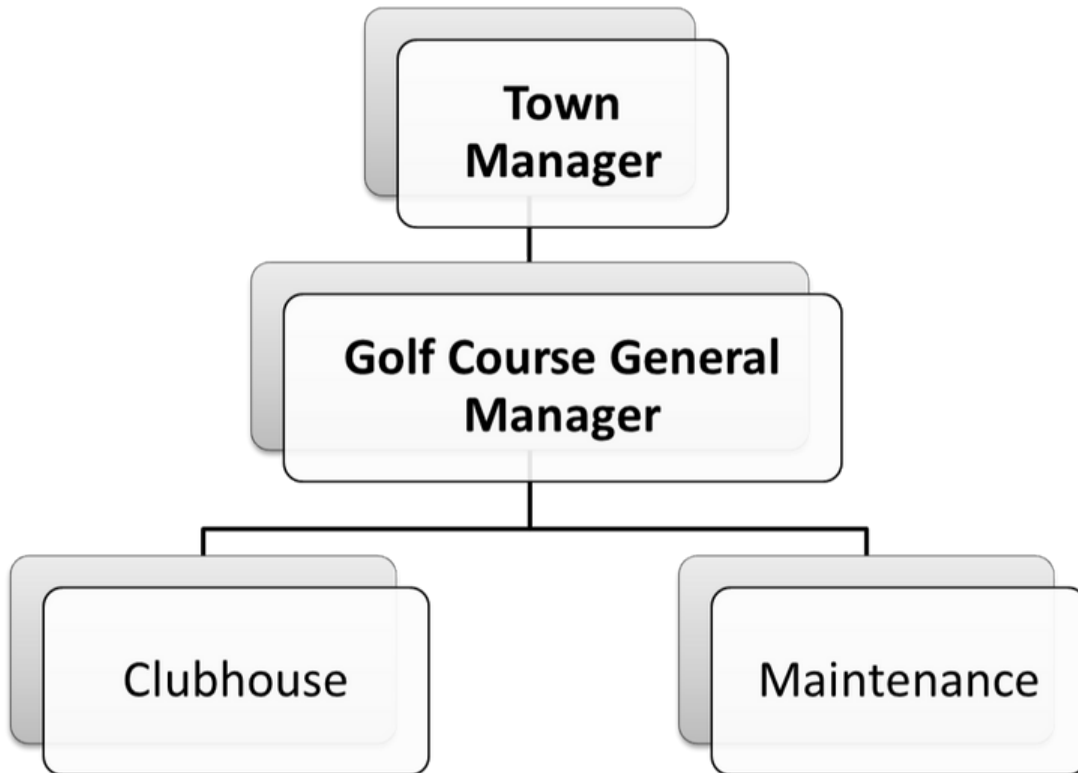
The Golf Course Fund is considered a proprietary or enterprise fund and operates much like a commercial business, where revenues are comprised of user fees support operational and maintenance expenses.



The Herndon Centennial Golf Course: with its 18 hole, par 71 layout features well-bunkered undulating greens, gently rolling fairways, free-flowing tees, tree-lined areas along portions of the course, meandering creeks, and several water hazards. It is the closest golf course to the Dulles International Airport and an easy drive from downtown Washington D.C. Herndon Centennial has received numerous recognitions to include:

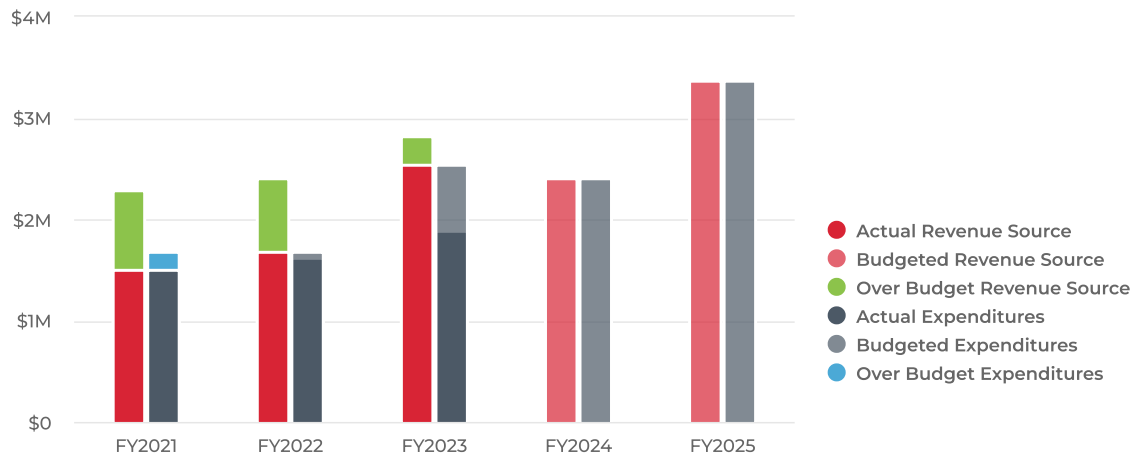
- Four-time host of USGA Public Links Sectional Qualifiers
- Golf Digest's "Places to Play" for 18 consecutive years
- "Best Area Courses for Women" by Pros n Hackers Magazine
- Certified Audubon Cooperative Sanctuary

Organizational Chart



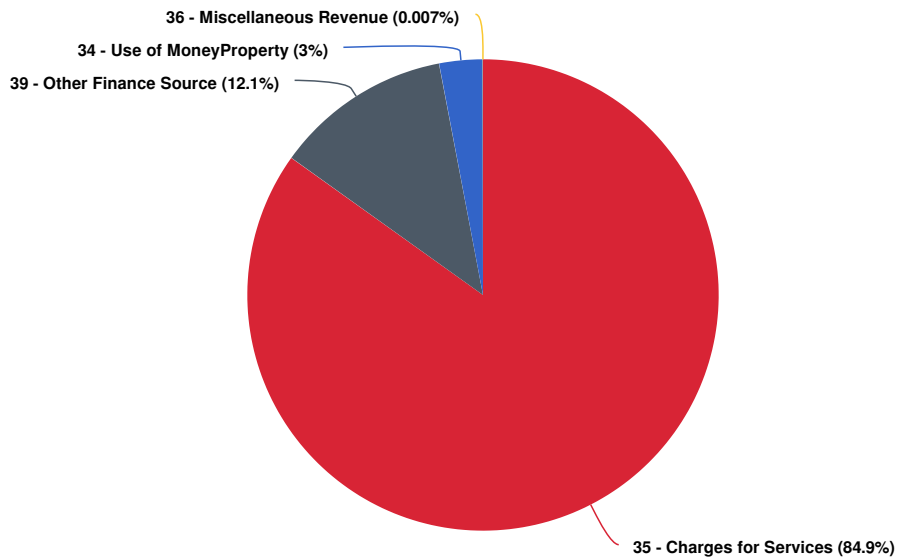
Summary

The Golf Course Fund has budgeted revenues of \$3.38M for FY2025, which represents a \$963K (39.8%) increase over FY24 Adopted Budget. Budgeted expenditures include capital outlay to begin Clubhouse renovation work.

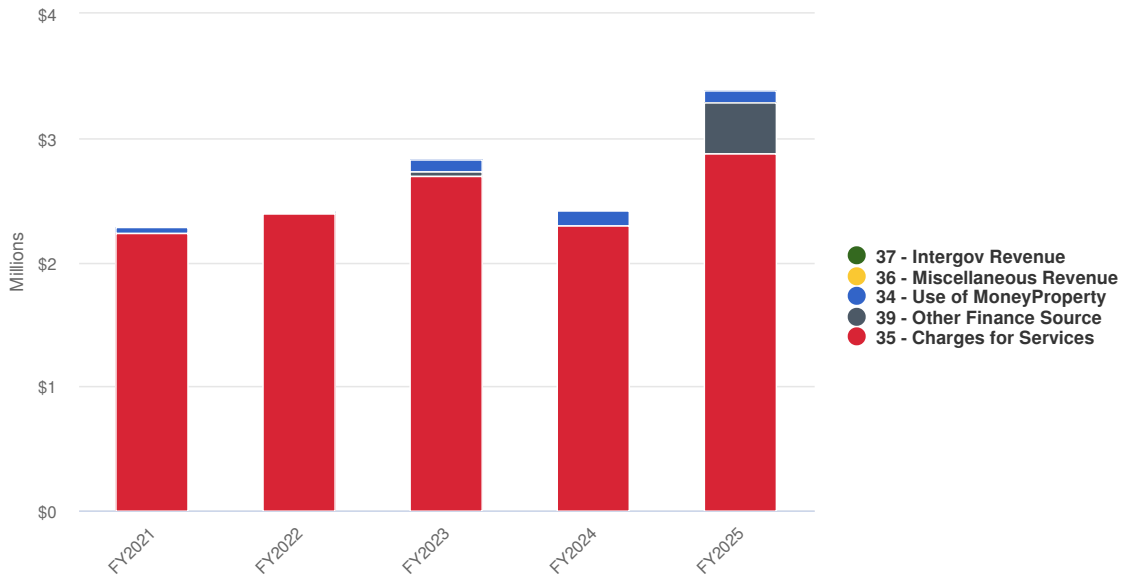


Revenues by Source

Budgeted Revenues by Source



Budgeted and Historical Revenues by Source



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source						
34 - Use of MoneyProperty	\$51,117	\$9,882	\$100,540	\$119,789	\$100,540	-16.1%
35 - Charges for Services	\$2,237,678	\$2,393,198	\$2,691,885	\$2,300,406	\$2,872,790	24.9%
36 - Miscellaneous Revenue	\$183	\$238	\$249	\$216	\$249	14.9%
37 - Intergov Revenue	\$0	\$1,373	\$0	\$0	\$0	0%
39 - Other Finance Source	\$0	\$8,480	\$33,671	\$0	\$410,269	N/A
Total Revenue Source:	\$2,288,977	\$2,413,171	\$2,826,344	\$2,420,411	\$3,383,848	39.8%

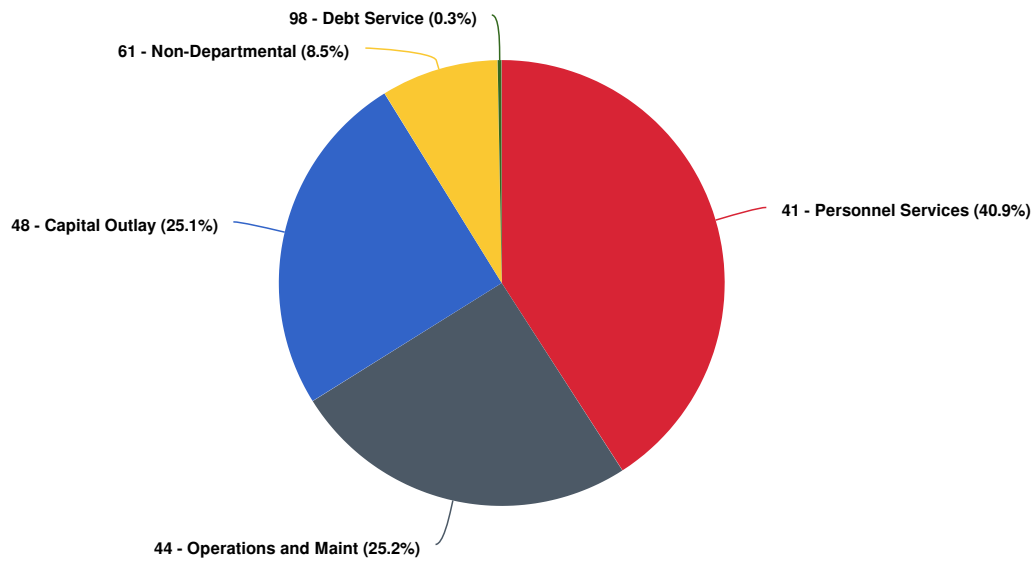


Expenditures by Function

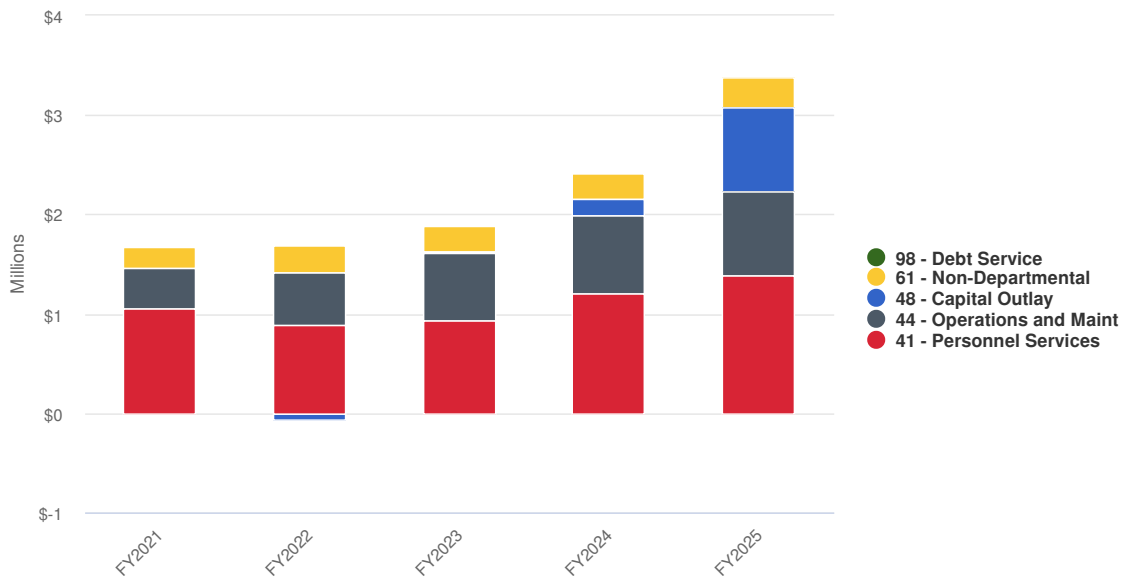
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Golf Course	\$1,378,888	\$1,363,371	\$1,686,889	\$2,162,018	\$3,101,920	43.5%
CARES ACT	\$1,738	\$0	\$0	\$0	\$0	0%
Non-Departmental	\$297,917	\$266,733	\$200,393	\$254,861	\$272,043	6.7%
Debt Service	\$15,830	\$3,888	\$12,016	\$3,532	\$9,884	179.9%
Total Expenditures:	\$1,694,373	\$1,633,992	\$1,899,299	\$2,420,411	\$3,383,848	39.8%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$1,055,210	\$890,150	\$932,481	\$1,198,206	\$1,384,020	15.5%
44 - Operations and Maint	\$408,209	\$521,819	\$681,458	\$788,644	\$853,778	8.3%
48 - Capital Outlay	\$0	-\$60,864	\$11,475	\$175,168	\$848,000	384.1%
61 - Non-Departmental	\$215,124	\$279,000	\$261,868	\$254,861	\$288,165	13.1%
98 - Debt Service	\$15,830	\$3,888	\$12,016	\$3,532	\$9,884	179.9%
Total Expense Objects:	\$1,694,373	\$1,633,992	\$1,899,299	\$2,420,411	\$3,383,848	39.8%





Chestnut Grove Cemetery Fund

Chestnut Grove Cemetery is a community heritage resource, providing twenty-five acres as an active historic cemetery. The earliest burials in the cemetery date to the 1830s, and the site was formally organized as a cemetery in 1872. The cemetery was deeded to the Town in 1997 from the Chestnut Grove Cemetery Association, which had operated the cemetery from the early 1950s. Chestnut Grove Cemetery runs as a standalone business, with its resources, revenues, and expenditures accounted for in a type of self-balancing proprietary fund called an enterprise fund.

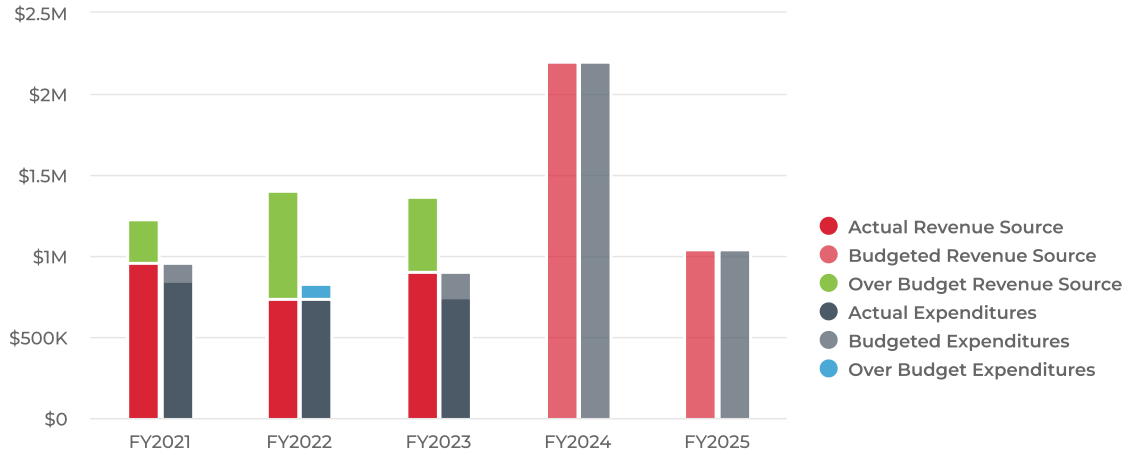


Organizational Chart



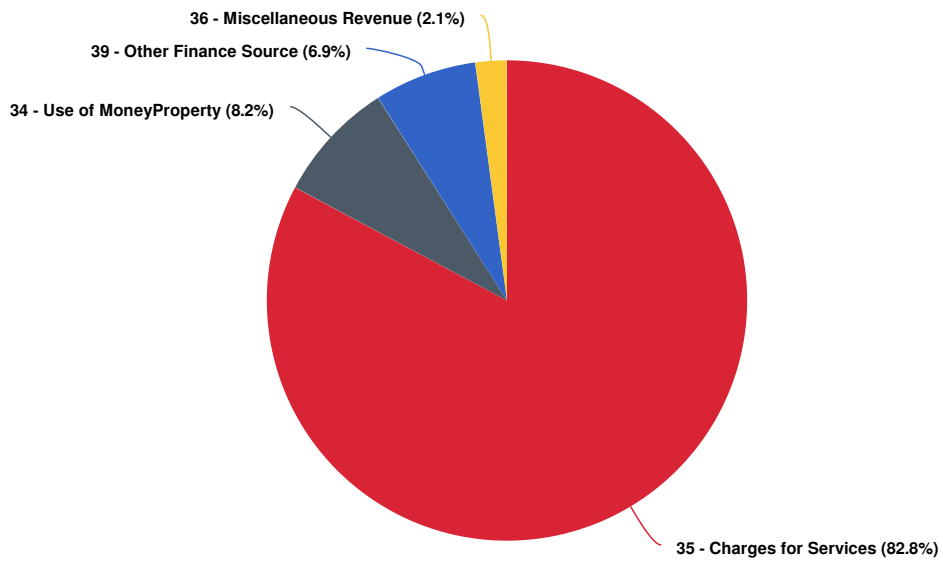
Summary

The Town of Herndon proposed a \$1,050,306 budget in FY2025 which represents a 52.3% decrease over the prior year's adopted budget. Revenue decrease is caused by limited availability of burial sites attributable to land development to establish new burial sites, crypts and cremation placements.

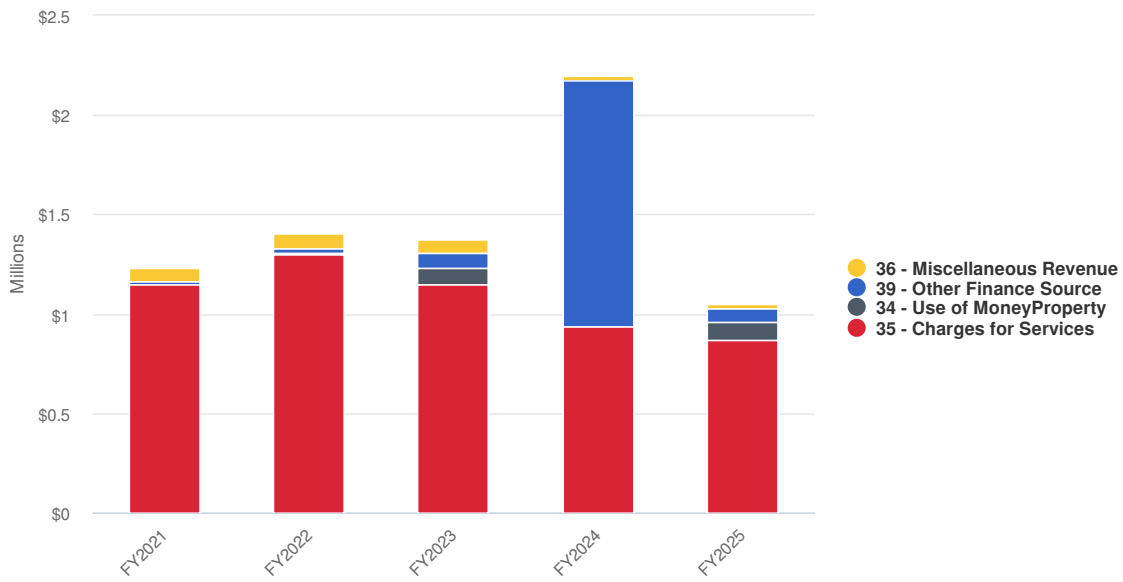


Revenues by Source

Budgeted Revenues by Source



Budgeted and Historical Revenues by Source

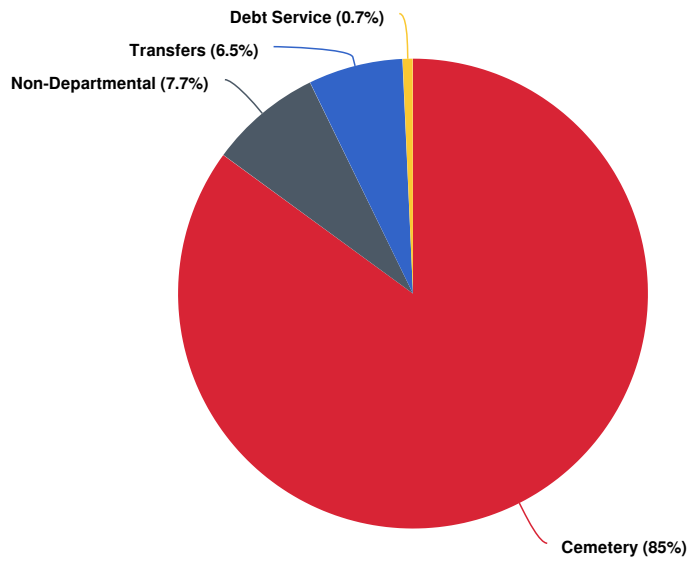


Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source						
34 - Use of MoneyProperty	\$2,752	\$4,991	\$85,441	\$0	\$86,000	N/A
35 - Charges for Services	\$1,144,677	\$1,298,235	\$1,146,629	\$939,070	\$869,630	-7.4%
36 - Miscellaneous Revenue	\$65,810	\$79,164	\$70,198	\$21,650	\$22,191	2.5%
39 - Other Finance Source	\$18,816	\$24,658	\$72,486	\$1,239,758	\$72,485	-94.2%
Total Revenue Source:	\$1,232,054	\$1,407,048	\$1,374,753	\$2,200,478	\$1,050,306	-52.3%



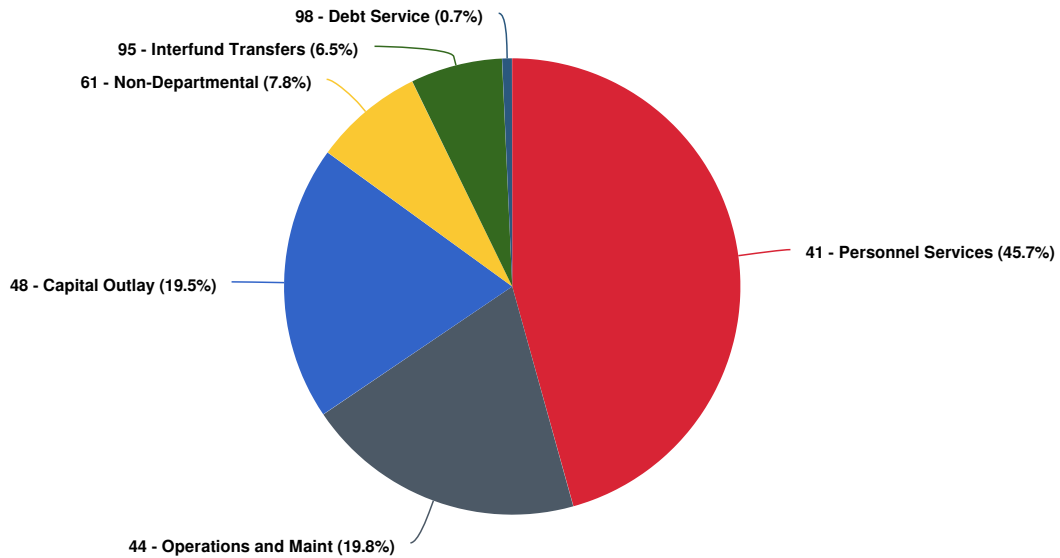
Expenditures by Function

Budgeted Expenditures by Function

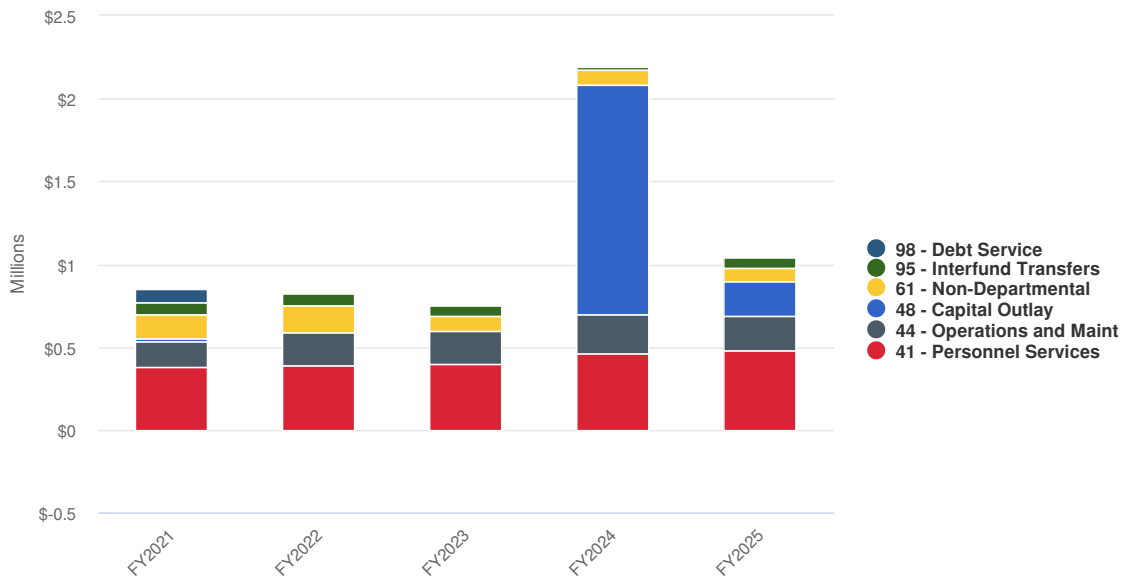


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$381,065	\$389,583	\$399,575	\$459,468	\$479,920	4.5%
44 - Operations and Maint	\$155,639	\$198,936	\$200,009	\$233,718	\$208,345	-10.9%
48 - Capital Outlay	\$11,953	\$1,625	-\$2,461	\$1,392,000	\$204,571	-85.3%
61 - Non-Departmental	\$149,000	\$160,146	\$83,441	\$87,540	\$81,628	-6.8%
95 - Interfund Transfers	\$67,858	\$76,451	\$65,141	\$20,000	\$68,398	242%
98 - Debt Service	\$88,122	\$8,248	\$7,943	\$7,752	\$7,443	-4%
Total Expense Objects:	\$853,638	\$834,989	\$753,648	\$2,200,478	\$1,050,306	-52.3%





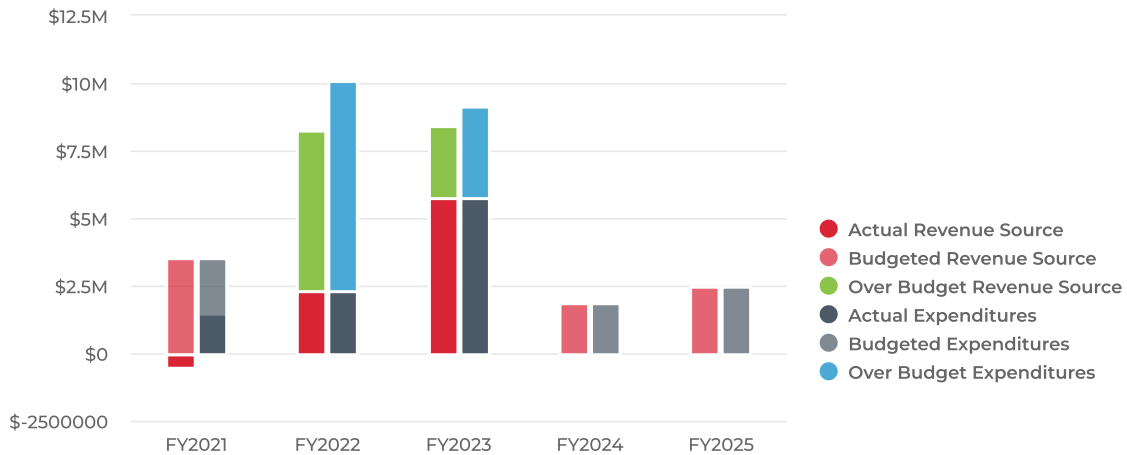
Capital Projects Fund

The Capital Projects Fund is used to account for transactions related to major asset acquisitions, maintenance, or construction projects. Typical revenue sources for the Capital Projects Funds include interest earnings on available project balances; federal, state, and local grants for select capital construction projects; use of developer contributions, proffers, and watershed pro-rata shares; proceeds from bond issues or capital lease/purchase arrangements; and inter-fund transfers.



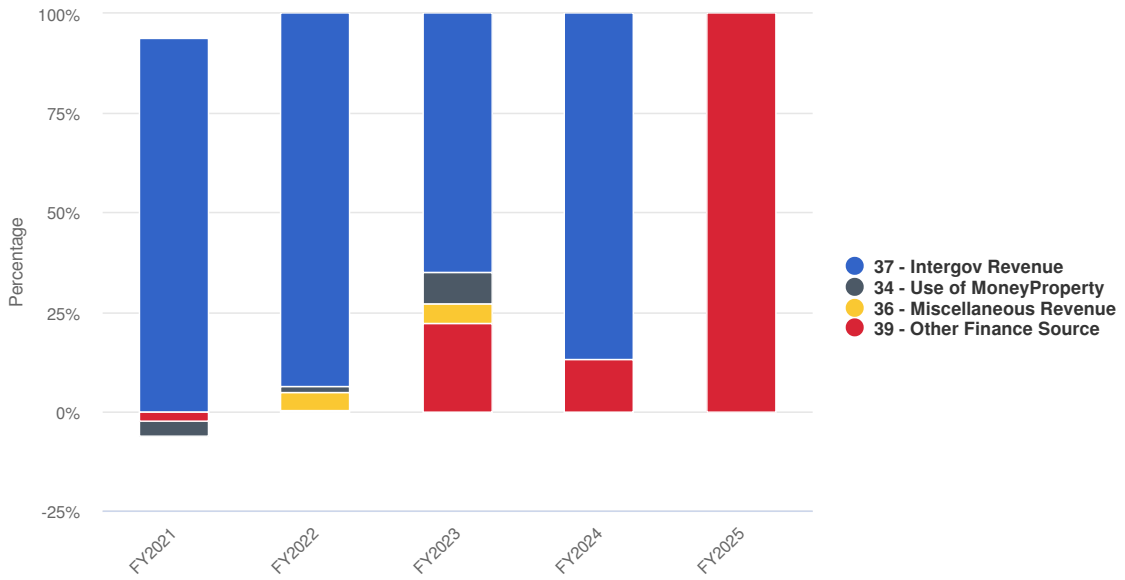
Summary

The Town of Herndon proposed a \$2,500,000 budget in FY2025 which represents a 31.6% increase over the prior year's adopted budget. The expenditure increase is attributable to an increase in the Capital Outlay for several Street Maintenance and Construction projects.



Revenues by Source

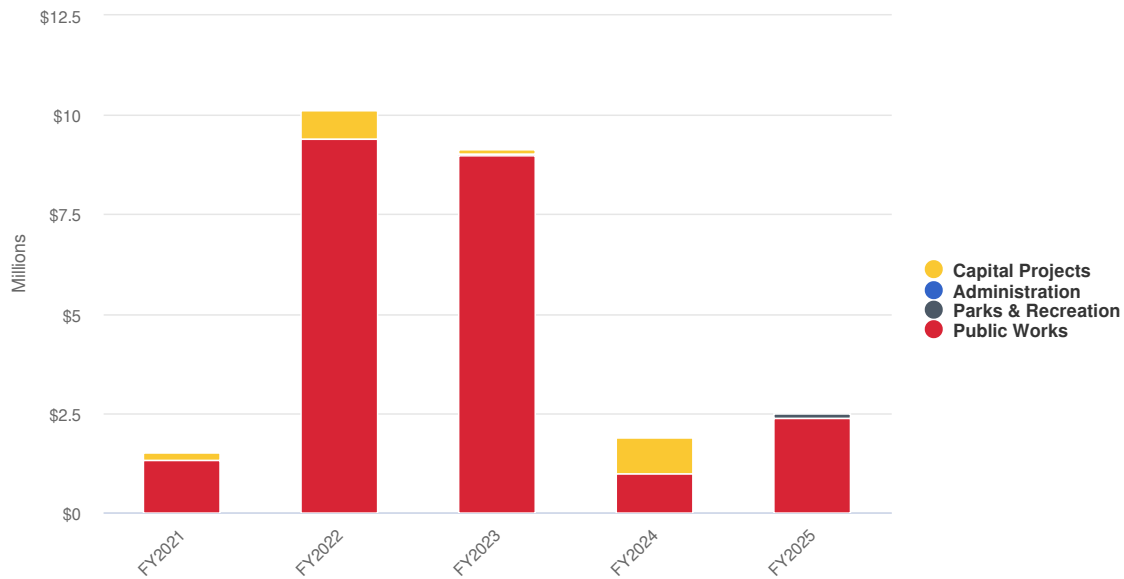
Budgeted and Historical Revenues by Source



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source						
34 - Use of Money/Property	\$21,564	\$116,117	\$682,127	\$0	\$0	0%
36 - Miscellaneous Revenue	\$0	\$387,560	\$416,996	\$0	\$0	0%
37 - Intergov Revenue	-\$543,827	\$7,765,347	\$5,468,638	\$1,650,000	\$0	-100%
39 - Other Finance Source	\$13,600	\$14,397	\$1,869,492	\$250,000	\$2,500,000	900%
Total Revenue Source:	-\$508,664	\$8,283,421	\$8,437,253	\$1,900,000	\$2,500,000	31.6%

Expenditures by Function

Budgeted and Historical Expenditures by Function



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Administration	\$0	\$14,397	\$16,992	\$0	\$25,000	N/A
Parks & Recreation	\$0	\$0	\$0	\$0	\$100,000	N/A
Public Works	\$1,314,772	\$9,397,317	\$8,998,932	\$1,000,000	\$2,375,000	137.5%
Capital Projects	\$205,002	\$704,190	\$134,079	\$900,000	\$0	-100%
Total Expenditures:	\$1,519,773	\$10,115,904	\$9,150,003	\$1,900,000	\$2,500,000	31.6%



Expenditures by Expense Type

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
48 - Capital Outlay	\$1,519,773	\$10,115,904	\$9,150,003	\$1,900,000	\$2,500,000	31.6%	31.6%
Total Expense Objects:	\$1,519,773	\$10,115,904	\$9,150,003	\$1,900,000	\$2,500,000	31.6%	31.6%





On March 10, 2021, Congress passed, and the President signed the American Rescue Plan Act of 2021. This Act provides funding for several different programs to address the COVID-19 pandemic.



The Town of Herndon established the American Rescue Plan Act (ARPA) Fund in FY 2022 to account for project spending designated under the Federal Government's American Rescue Plan Act of 2021. This legislation provides municipalities federal grant revenue to respond to the COVID-19 pandemic and its economic effects and to replace revenue lost due to the public health emergency, preventing cuts to government services.

A primary component of the ARPA was \$350 billion in assistance for eligible state, local, territorial, and Tribal governments for the direct impact of the COVID-19 pandemic through the establishment of the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). Virginia received \$634M for Non-entitlement Units (NEUs) from the CSLFRF. Non-entitlement Units are local governments typically serving a population under 50,000. The Town of Herndon was allocated a total amount of \$25.5M in two (2) installments. The Town of Herndon received the first installment on June 30, 2021, and the second installment on July 22, 2022.

Projects qualify under the following four categories: 1) Public Health and Negative Economic Impacts, 2) Premium Pay, 3) Revenue Loss, and 4) Investments in Water, Sewer, and Broadband Infrastructure.

The legislation stipulates that all funds must be obligated by December 31, 2024, and spending completed by December 31, 2026. Through FY 202, FY 2023, and FY 2024 Budget amendments, funds for the majority of the qualifying projects have been appropriated, enabling the town to complete previously deferred maintenance projects, vehicle purchases, and critical water-sewer infrastructure.

Actual spending for FY 2022 totaled \$2.3M. There are currently 30 identified projects included in the fund. FY 2024 includes an additional \$0.5M for Information Technology and infrastructure, bringing the total appropriated funds up to the \$25.5M distribution received plus earned interest. No additional expenditures were budget for FY 2025. Detail project information is available in the Capital Improvement Program.

Expenditures by Expense Type

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
44 - Operations and Maint	\$0	\$35,559	\$622,338	\$0	\$0	0%
48 - Capital Outlay	\$0	\$2,048,730	\$3,550,037	\$500,000	\$0	-100%
61 - Non-Departmental	\$0	\$169,060	\$0	\$0	\$0	0%
Total Expense Objects:	\$0	\$2,253,349	\$4,172,375	\$500,000	\$0	-100%





Stormwater Fund

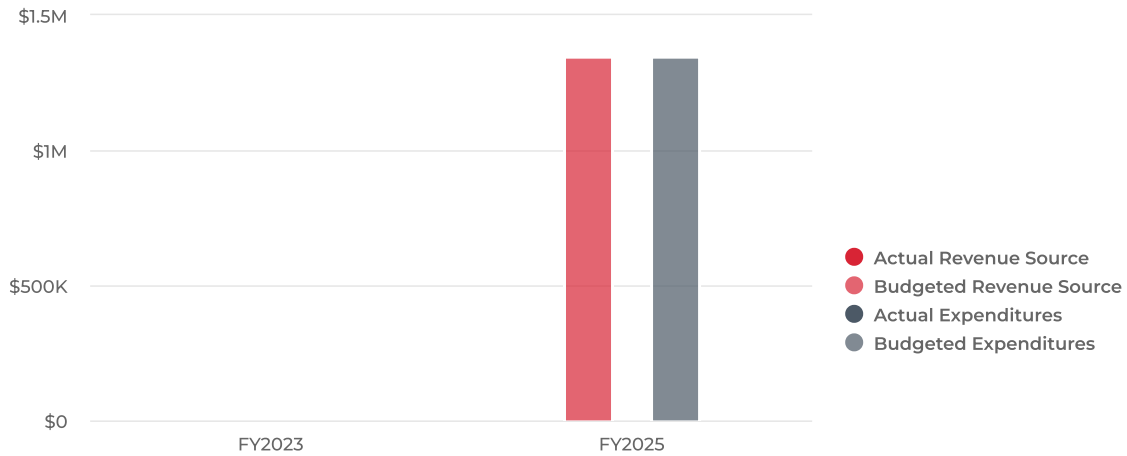
The Stormwater Fund, a governmental special revenue fund has been established for FY 2025. Revenues for the fund consist of shared stormwater tax and grant revenues. These revenues will support the stormwater personnel, operating and project costs, including the stream restoration projects.

Stormwater management is the effort to reduce runoff of rainwater or melted snow into streets, lawns and other sites and the improvement of water quality. Goals of stormwater management include protecting our environment, reducing flooding to protect people and property, reducing demand on public stormwater drainage systems, supporting healthy streams and rivers, and creating healthier, more sustainable communities.



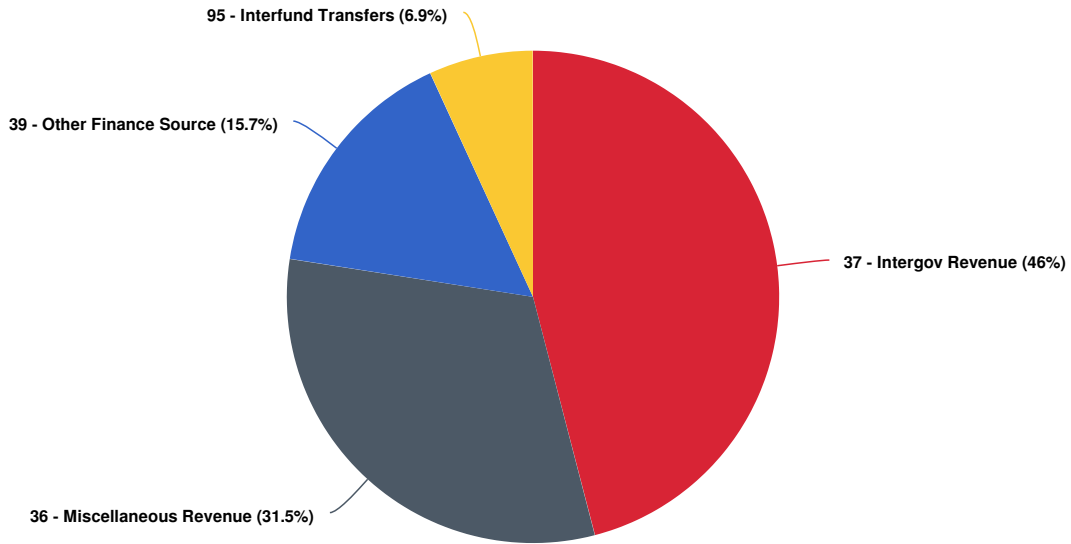
Summary

The Town of Herndon is projecting \$1.35M of revenue and expenditures in FY2025 in the Stormwater Fund. Projects include the Sugarland-North stream restoration project (\$620K).



Revenues by Source

Projected 2025 Revenues by Source

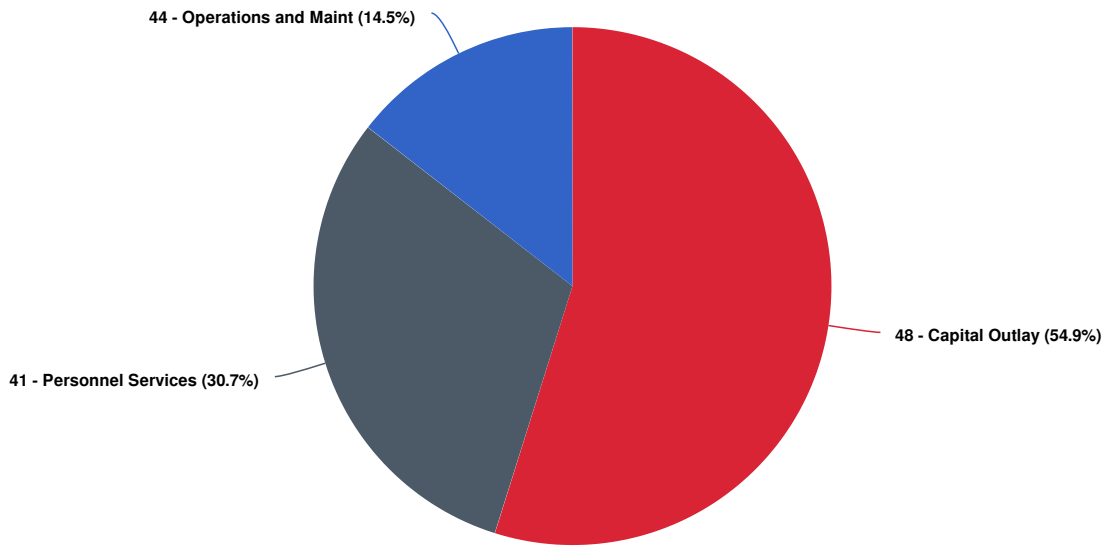


Name	FY2025 Budgeted
Revenue Source	
36 - Miscellaneous Revenue	\$425,000
37 - Intergov Revenue	\$620,000
39 - Other Finance Source	\$211,424
95 - Interfund Transfers	\$92,400
Total Revenue Source:	\$1,348,824



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Budgeted
Expense Objects	
41 - Personnel Services	\$413,424
44 - Operations and Maint	\$195,400
48 - Capital Outlay	\$740,000
Total Expense Objects:	\$1,348,824



DEPARTMENTS



Town Clerk

Kirstyn Barr Jovanovich

Town Clerk

The Town Clerk's Office is responsible for keeping the official record of town governmental actions, including recording the meeting minutes of all Town Council meetings, all ordinances and resolutions adopted by the Town Council; and all other official documents of the town which establish the public, official, and historical record. The Town Clerk's Office is responsible for ensuring meetings are legally convened and advertised, as well as providing overall Town Council meeting support. The Town Clerk's Office provides recruitment and administrative support for the Town's volunteer Boards, Commissions, and Committees, and transmits and records public comments to the governing body.

This department is comprised of two divisions: Clerk Services and Legislative Services.

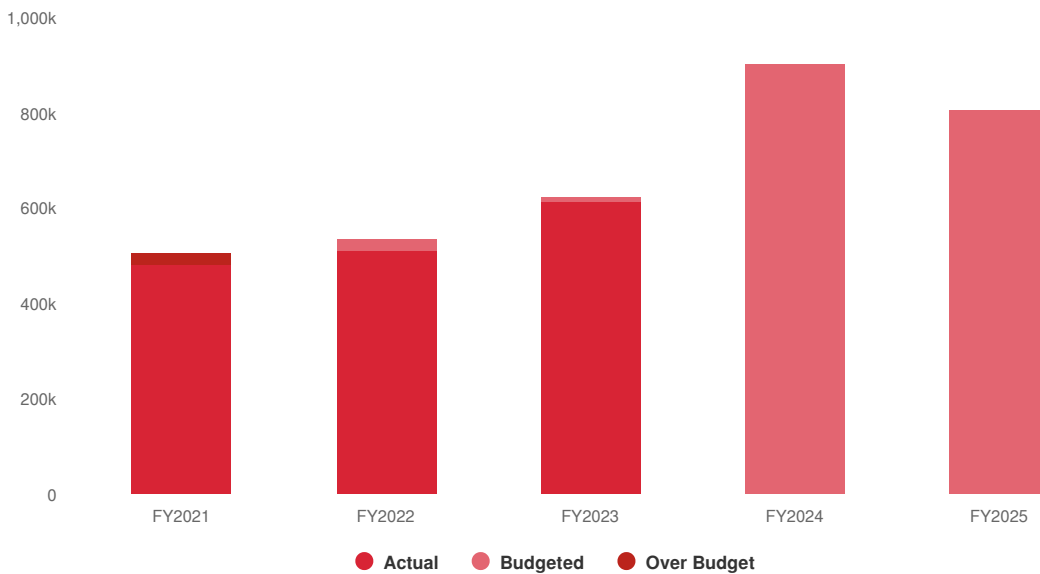
Expenditures Summary

The below chart illustrates the proposed and historical budget for the Town Clerk Department, including both the Clerk Services and Legislative Services Divisions.

The expenditure increases in Fiscal Years (FY) 2024 and 2025 is partially attributable to the inclusion of Council Initiative funding: \$137,500 and \$100,000 in the adopted FY 2024 budget and proposed FY 2025 budget, respectively.

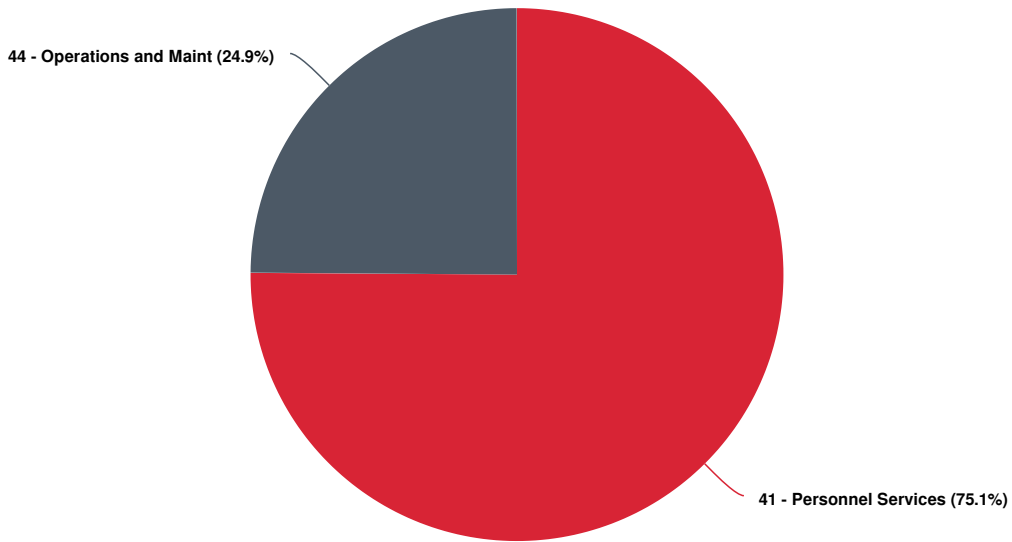
\$804,815 **-\$96,710**
(-10.73% vs. prior year)

Town Clerk Proposed and Historical Budget vs. Actual



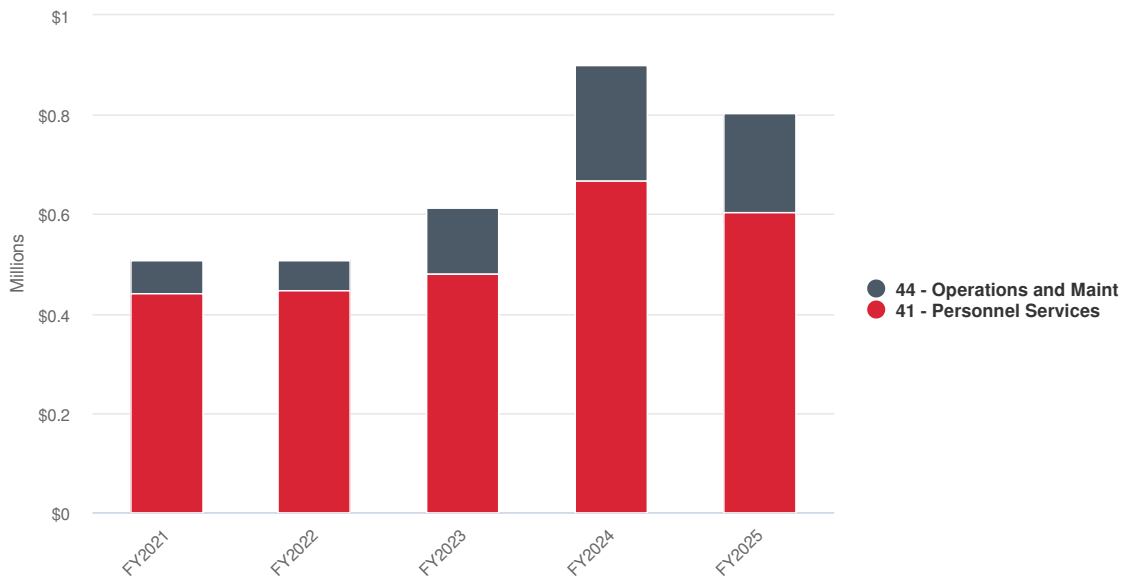
Expenditures by Expense Type

Budgeted Expenditures by Expense Type

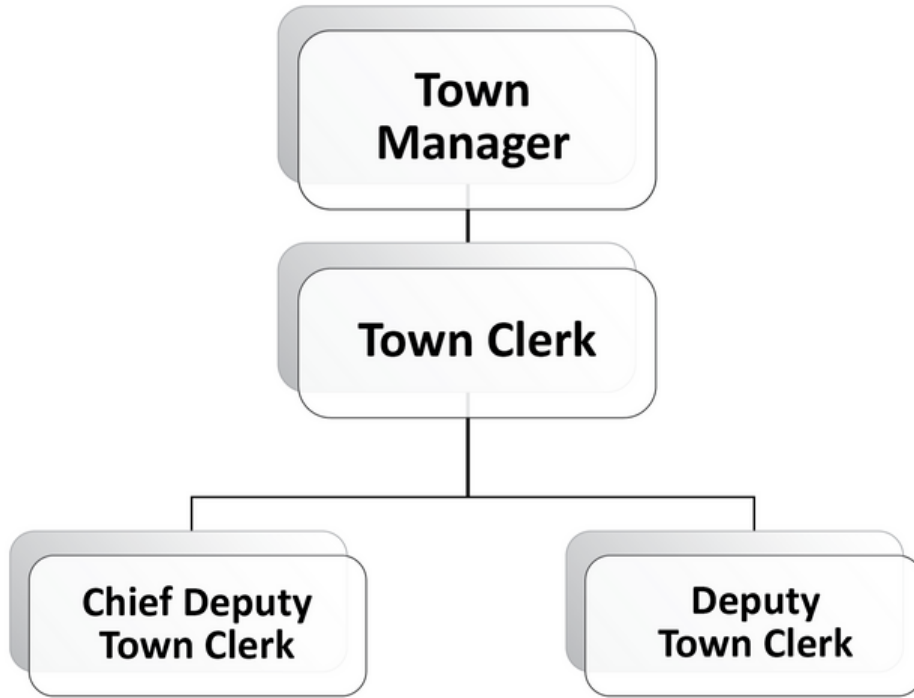


Increases in personnel costs within the Department are primarily related to increases in Town Council salaries and Boards and Commissions compensation over the last two fiscal years. The increase in Town Council salaries went into effect January 1, 2023, having a partial year impact in FY 2023. FY 2024 included increases to Boards and Commissions compensation. In FY 2025, a vacant Deputy Town Clerk position is not funded.

Budgeted and Historical Expenditures by Expense Type



Organizational Chart



Performance Measures

Vision

The Office of the Town Clerk provides complete support to the town organization and citizens of the Town of Herndon and maintains, preserves, and attests the official and historical records of the Town.

FY 2024 Highlights

- Developed, implemented, and launched new agenda and meeting management software, CivicPlus, streamlining the agenda development and meeting management processes.
- Implemented management software through CivicPlus to streamline the boards and commissions appointment tracking processes.
- Began live-streaming the Town Council work sessions.
- Implemented electronic official records storage for Town Council agendas, minutes, resolutions, and ordinances.
- In partnership with the staff and moderators, supported the development of the Town's 2029 Strategic Plan, including coordinating elected officials, staff, and community input, and the overall development, preparation, presentation, and implementation of the plan.
- Continued conversion to electronic storage and processes including maintaining permanent records electronically and improving electronic public access to meeting documents.
- Provided support to Town Council in developing the Community Cultural Festivals Policy Statement and reestablishing the Herndon Youth Advisory Committee.
- Deputy Town Clerk received CMC (Certified Municipal Clerk) designation from the International Institute of Municipal Clerks (IIMC); applicable staff continued working toward CMC and MMC (Master Municipal Clerk) designations.
- Implemented departmental Standard Operating Procedures, including providing a process for managing Town Council ad hoc committees.

FY 2025 Initiatives

- Continue focusing on electronic records retention and public access, and following Library of Virginia regulations governing the retention and disposition of public records; update and expand electronic records archives for public access.
- Continue developing and implementing departmental Standard Operating Procedures.
- Continue collaboration with the Clerk Services Group to streamline and implement consistent boards, commission, and committee practices across the organization.
- Implement live-streaming and recording of town standing boards and commission work sessions.
- Continued focus on staff training and development; Town Clerk to receive CMC (Certified Municipal Clerk) designation from the International Institute of Municipal Clerks (IIMC) and continue working toward MMC designations for applicable staff.

Key Performance Indicators

Town Council Minutes					
	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Proposed
Public Hearings	18	18	19	19	19
Work Sessions	19	18	18	19	19
Additional Meetings	6	4	6	5	6
Sets of Minutes Submitted for Approval	43	40	43	43	44
Meeting Notices					
Meeting Notices Posted and Distributed	93	104	76	55	65
Advertisements					
Legal Advertisements Published	98	102	111	92	100
Resolutions, Ordinances, Proclamations, and Certificates					
Total Processed	147	125	106	120	120
Prepared by Town Clerk's Office	27	33	24	35	35



Objectives, Strategies, and Measures

Objectives	Strategies	Measures
<p>Ensure elected body and appointed bodies' meeting agendas, minutes, and other records are produced consistently, accurately, and in a timely manner</p>	<p>Implement agenda management software (CivicPlus) to streamline agenda development process and agenda distribution</p> <p>Implement minutes development program (CivicPlus) to streamline and expedite minutes process</p> <p>Ensure communication between Town Council and Boards and Commissions support staff to ensure continuity and efficiency across records and meeting management</p>	<p>Number of agendas and meeting minutes produced on-time and error-free</p> <p>Meeting agendas and minutes across all elected and appointed bodies are consistent</p> <p>Number of ordinances, resolutions, proclamations, and other correspondence produced and recorded in a timely manner and error-free</p>
<p>Produce and maintain accurate records and ensure public access in accordance with State records retention regulations</p>	<p>Ensure public access to permanent public records through online portal</p> <p>Develop internal records process that ensures records storage and destruction comply with state requirements and implement annual internal training</p> <p>Ensure the Town Code is updated in a timely and accurate manner</p>	<p>Number of record categories made available through online portal</p> <p>Number of RM-3s processed annually</p> <p>Number of staff trained on record retention policies</p> <p>Number of ordinances produced and submitted in a timely manner for codification</p>
<p>Provide professional customer-focused service and communication</p>	<p>Ensure the department provides exceptional customer service to the public, elected and appointed officials, town staff, and others that seek support from the Town Clerk's Office</p>	<p>Receiving exceptional customer service feedback</p> <p>Ensuring department-related webpages are consistently up-to-date and accurate</p>
<p>Manage the Town's Boards, Commissions, and Committees appointment process</p>	<p>Implement a Boards and Commissions management software tool (CivicPlus) to track and manage vacancies</p> <p>Advise and schedule interviews with Town Council as needed for vacancies on the various Boards and Commissions with qualified volunteers</p> <p>Maintain and manage the Boards and Commissions candidate pool</p>	<p>Number of vacancies filled prior to the end of the seat's term</p> <p>Number of applications to serve received annually</p>
<p>Ensure advertising requirements are met to convene public meetings</p>	<p>Properly advertise all public meetings as required by State Code or Town Code</p> <p>In partnership with the Town Attorney's Office, provide guidance to internal departments regarding ad development and open meeting law requirements</p>	<p>All public meetings properly advertised</p> <p>Number of legal advertisements produced on-time and error-free</p>



Clerk Services Division

In FY 2025, the Town Clerk Department was divided into two divisions: Clerk Services and Legislative Services, in order to more accurately represent expenses associated with the Town Clerk's Office operations and legislative operations.

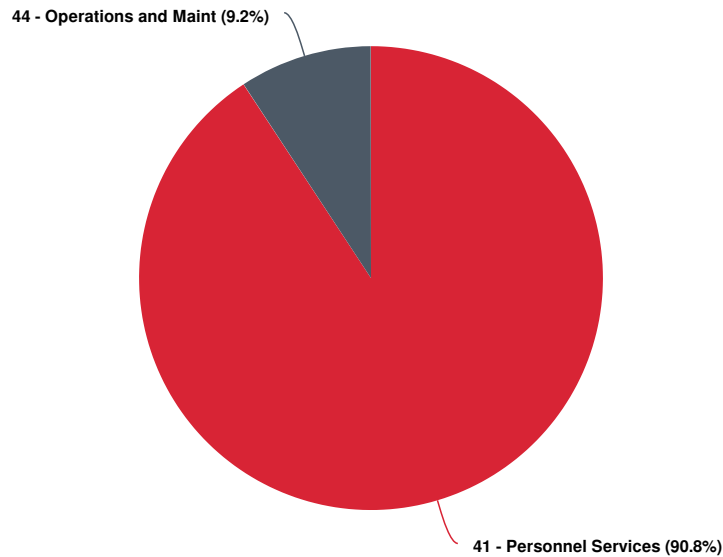
Expenditures Summary

There are no significant changes proposed to the Clerk Services Division in FY 2025.

\$480,063 **-\$421,462**
 (-46.75% vs. prior year)

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Budgeted
Expense Objects	
41 - Personnel Services	\$435,661
44 - Operations and Maint	\$44,402
Total Expense Objects:	\$480,063



Legislative Services Division

The Town of Herndon operates under the council-manager form of government. The Town Council is the legislative body responsible for establishing policy, passing ordinances, adopting the annual budget, and establishing the overall vision for the Town. Herndon's Mayor and six Councilmembers are elected at large during even-numbered years for two-year terms.

In FY 2025, the Town Clerk Department was divided into two divisions: Clerk Services and Legislative Services, in order to more accurately represent expenses associated with the Town Clerk's Office operations and legislative operations.

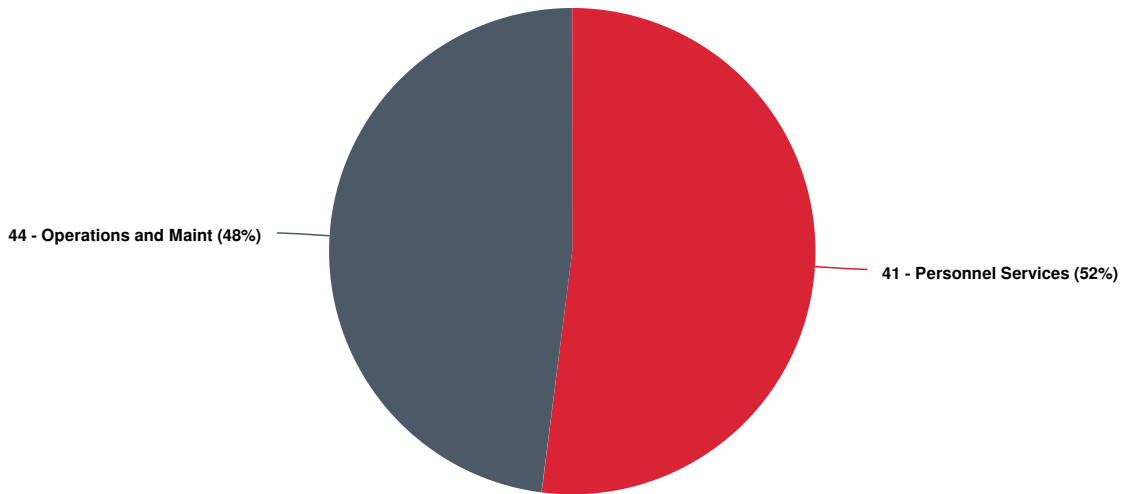
Expenditures Summary

There are no significant changes to the Legislative Services Division in FY 2025.

\$324,752 **\$324,752**
 (100.00% vs. prior year)

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Budgeted
Expense Objects	
41 - Personnel Services	\$168,933



Name	FY2025 Budgeted
44 - Operations and Maint	\$155,819
Total Expense Objects:	\$324,752



Town Administration

Vision

Town Administration, consisting of the Town Manager’s office, Communications, Economic Development, Human Resources, and Information Technology supports the efforts of the Town Council, boards and commissions, other town operations, and the community. The organization will focus efforts on completing goals adopted for FY 2025 to facilitate the completion of Town Council priorities.

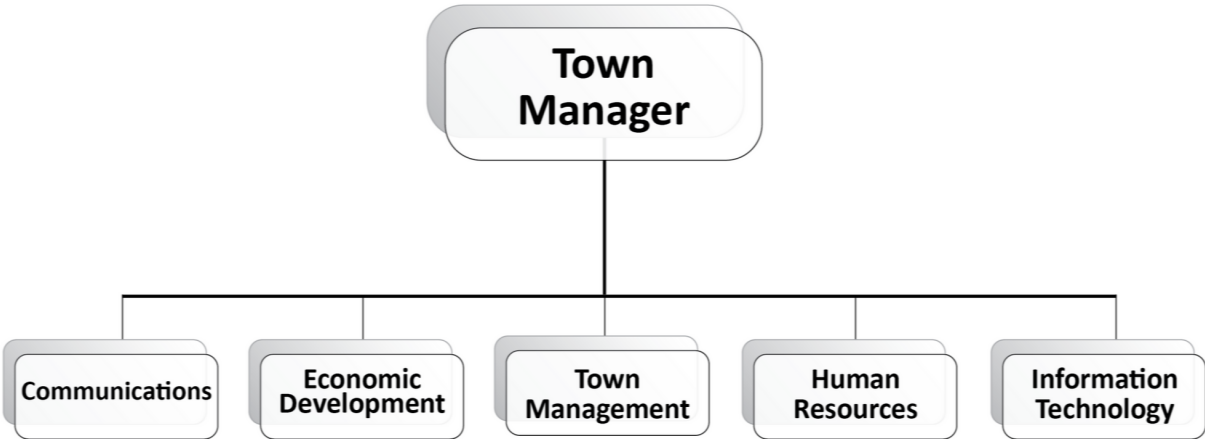
FY 2024 Highlights

- Continued to advance the Town Council initiatives process and the Town Council 2035 vision.
- Established close coordination with Comstock Herndon, LLC on redevelopment of the downtown.
- Promoted Herndon’s downtown development and coordinated developer meetings and follow-up.
- Continued to evolve and adapt the town’s finances and annual budget to meet the emerging economic challenges.
- Expanded community involvement in an advisory role to the Town Council.
- Managed and executed all town operations while maintaining tight fiscal controls.
- Encouraged the Town of Herndon workforce to provide superior service to all constituents, residents, visitors, and businesses.
- Established a leadership development program to enhance the organizational culture as a means to attract and retain quality employees.

FY 2025 Initiatives

- Continue to implement the American Rescue Plan Act (ARPA) funding to address capital maintenance and lifecycle replacement purchases that were deferred during the pandemic.
- Continue to focus on the Town Council initiatives, process, quarterly strategic meeting, and implementation and reporting programs related to the newly adopted Strategic Plan.
- Encourage the Town of Herndon workforce to provide superior service to all constituents, residents, visitors, and businesses.
- Manage and execute all town operations while maintaining tight fiscal controls.
- Continue to address challenges with recruiting and retaining qualified personnel through strong leadership development and organizational culture enhancement.

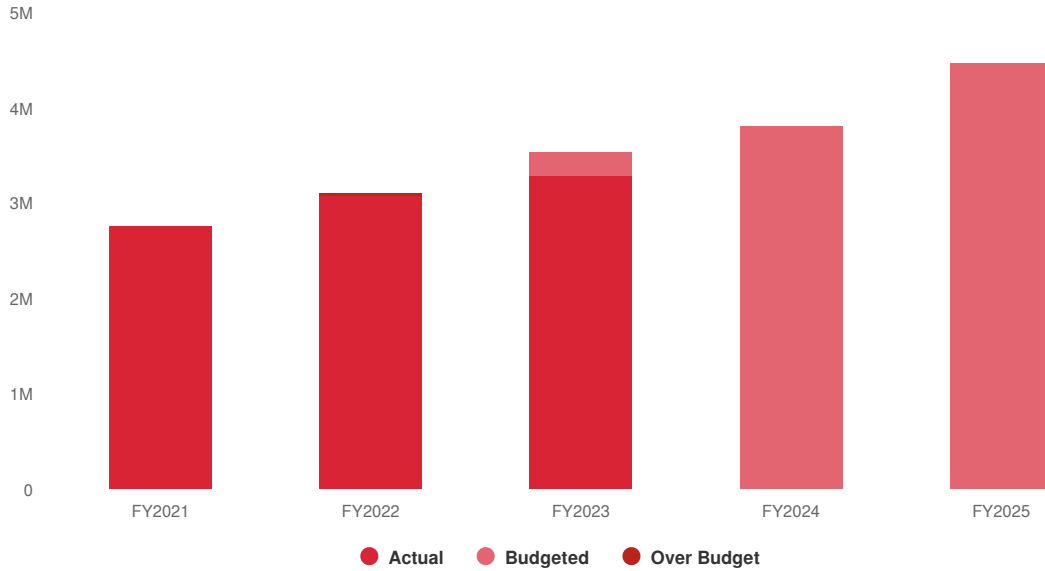
Organizational Chart



Expenditures Summary

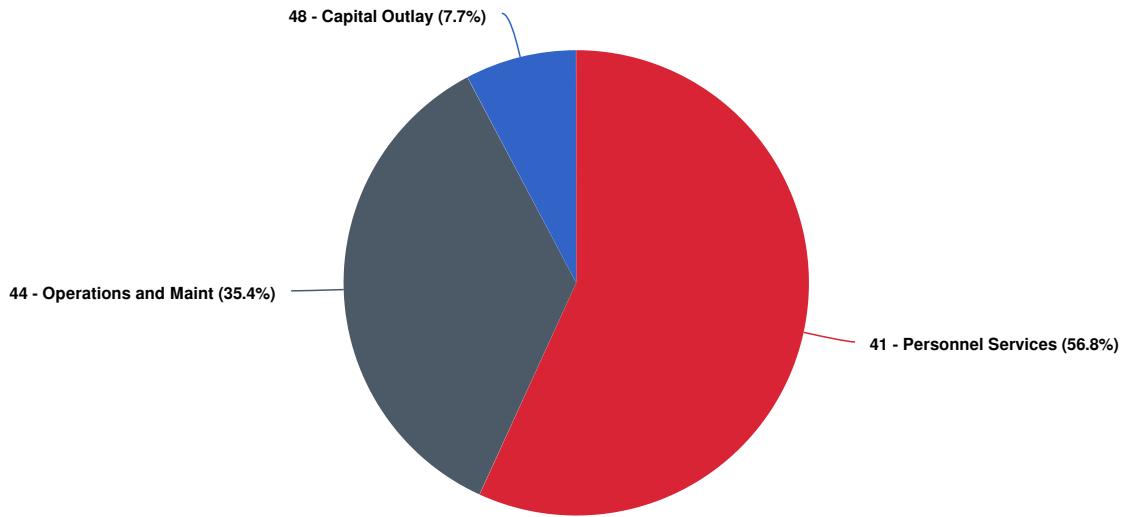
\$4,472,532 **\$669,415**
(17.60% vs. prior year)

Town Administration Adopted and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$1,826,357	\$1,998,560	\$2,262,185	\$2,328,278	\$2,541,495	9.2%
44 - Operations and Maint	\$907,540	\$1,058,014	\$972,962	\$1,403,089	\$1,584,687	12.9%
48 - Capital Outlay	\$41,125	\$54,841	\$49,201	\$71,750	\$346,350	382.7%
Total Expense Objects:	\$2,775,022	\$3,111,415	\$3,284,348	\$3,803,117	\$4,472,532	17.6%



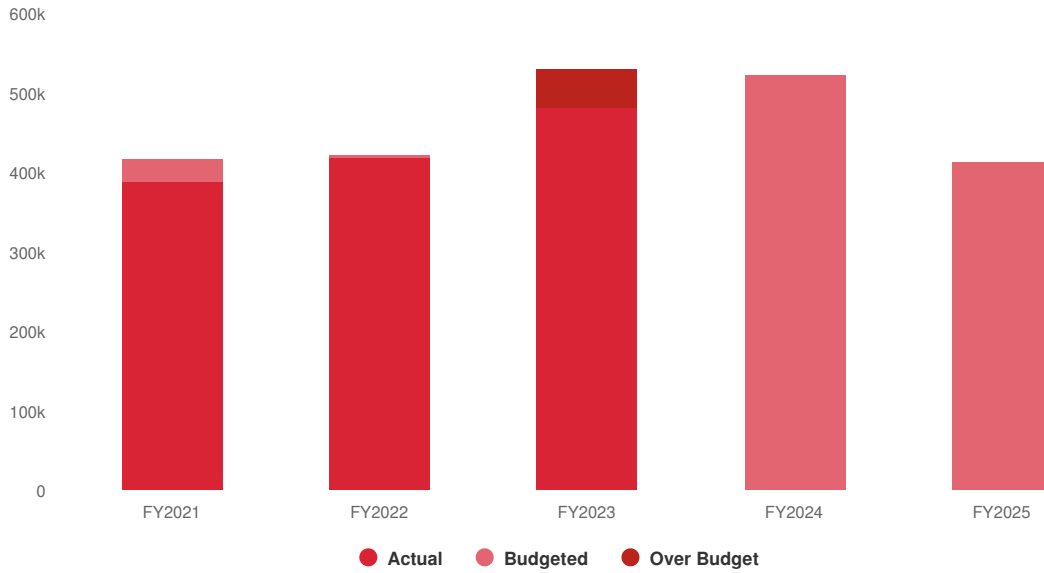
Town Administration – Communications

Anne E. Papa
Chief Communications Officer

Expenditures Summary

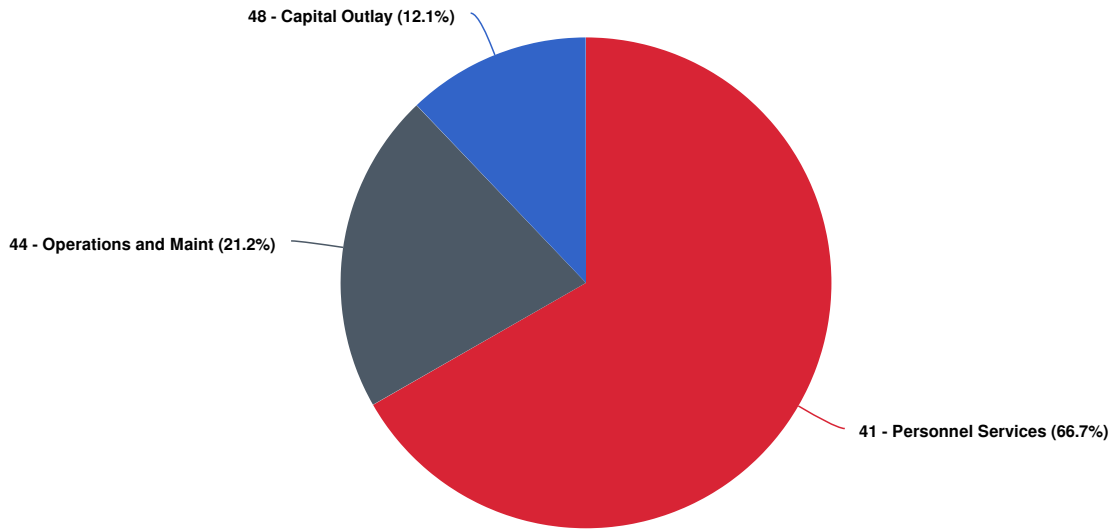
\$412,867 **-\$109,853**
(-21.02% vs. prior year)

Town Administration – Communications & Economic Development Adopted and Historical Budget vs. Actual

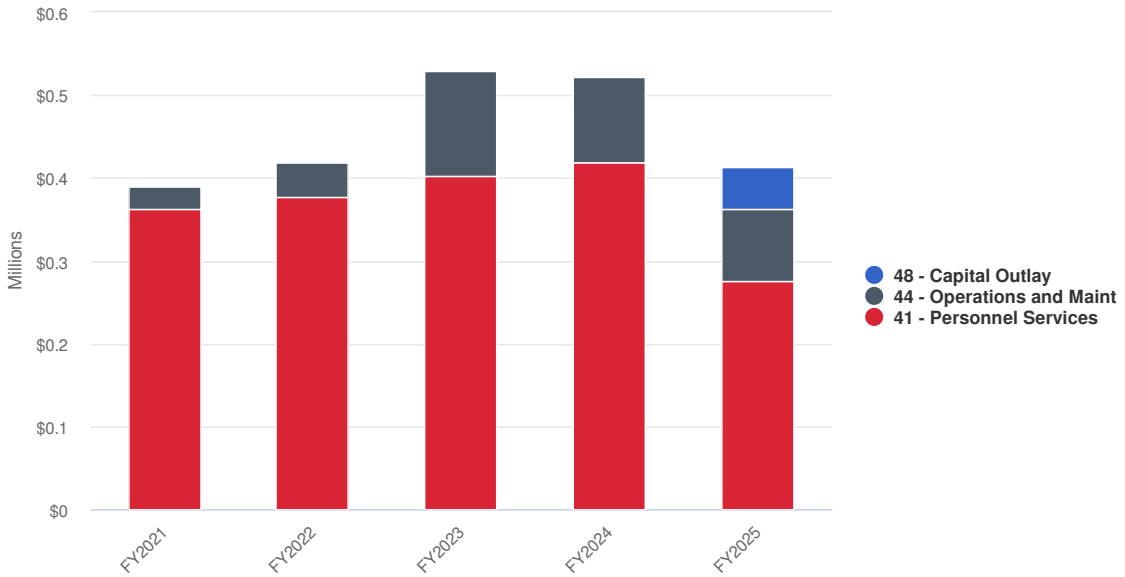


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2023 Budgeted (% Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
41 - Personnel Services	\$363,388	\$377,349	\$403,188	\$419,283	\$275,478	-4.2%	-34.3%
44 - Operations and Maint	\$25,801	\$42,087	\$126,340	\$103,437	\$87,389	-22.9%	-15.5%
48 - Capital Outlay	\$0			\$0	\$50,000	0%	N/A
Total Expense Objects:	\$389,189	\$419,436	\$529,528	\$522,720	\$412,867	-7.9%	-21%

Organizational Chart



Objectives, Strategies & Measures

The Communications activity center is responsible for a wide range of materials and outreach programs that inform the public of town policies, activities, services, and accomplishments. Staff works in collaboration with all town departments and activity centers in the development and implementation of communications strategies designed to promote better understanding of town resources and initiatives, and to foster engagement and dialogue. This activity center is responsible for tactical execution against all communications strategies, to include media relations, promotional programs, collateral development and web strategy.

Objectives	Strategies	Measures
<p>Enhance information flow to town citizens and other relevant constituencies about programs, policies, services, and accomplishments by expanding use of traditional and new communications conduits. Continue, expand on newly-established initiatives that foster communications to diverse groups, through translation/interpretation/new distribution channels.</p> <p>Finalize rebranding project and develop marketing and communications plans that capitalize on new brand and its messaging.</p>	<ul style="list-style-type: none"> ◦ Execute a proactive, comprehensive, traditional and new media program: <ul style="list-style-type: none"> ◦ News releases. ◦ Media relations consultation, execution to Mayor, Town Council and all departments. ◦ Proactive and expanded uses of social media. ◦ Work with departments to develop communications plans for major town initiatives. ◦ Identify potential tools for expanded outreach to targeted citizen groups, as per 2035 Vision objectives. ◦ Evaluate and further initiatives to provide translation, interpretation services as well as targeted distribution to diverse groups. ◦ Enhance utilization of website as interactive communications tool: <ul style="list-style-type: none"> ◦ Oversee content development of new website. ◦ Continued development of targeted e-newsletters, to include "News You Can Use", "ON Board" and "Count ON Us". ◦ Work with departments for optimal management, timeliness of web content. ◦ Finalize rebranding project; develop and execute communications and marketing plans that align with new brand, with identification of target audiences and objectives/strategies/tactics for each. 	<ul style="list-style-type: none"> ◦ Continue to work with all town departments on maintenance and enhancement of website, newly launched in FY2024; use site metrics to ensure information is aligned with user preferences. ◦ Increase distribution and frequency (as warranted) of town e-newsletters, ON Board and News You Can Use. ◦ Increase social media presence through earned and paid distribution of town news, events and initiatives. ◦ Execute and present community-wide survey to measure impact of town communications initiatives. Conduct survey in multi-languages to ensure representation of diverse viewpoints ◦ Incorporate metrics into new brand comms/mktg plans (POS, hits, calls-to-action, etc).



Performance Measures

Communications is responsible for a wide range of materials and programs designed to keep citizens informed and engaged in their government. Materials produced by the department include the town calendar, annual report and summary brochure, budget citizens' guide, and e-newsletters targeting residents, businesses and employees, among other materials. The town's website, which is the primary way residents look for information from the town, was redesigned and newly launched in FY 2024. Communications is also responsible for the town's social media presence; works with all departments as an in-house agency on outreach and initiatives for specific projects; project manages surveys that provide statistically valid metrics for all departments; manages development of multi-lingual services (translation, interpretation); provides graphic assistance to all departments; serves as town liaison to the Mason Enterprise Center- Herndon; and generally provides communications counsel and services to all departments.

Key Performance Indicators					
	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
Town news releases issued	34	32	31	32	32
E-Communications					
	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
"News You Can Use" subscribers	2,100	2,150	2,200	2,300	2,450
"News You Can Use" bulletins	37	25	28	28	30
Facebook subscribers	4,200	4,500	4,900	5,500	6,500
"ON Board" subscribers	1,000	1,100	1,150	1,175	1,250
"ON Board" bulletins	4	4	13	8	8



Town Administration - Town Manager

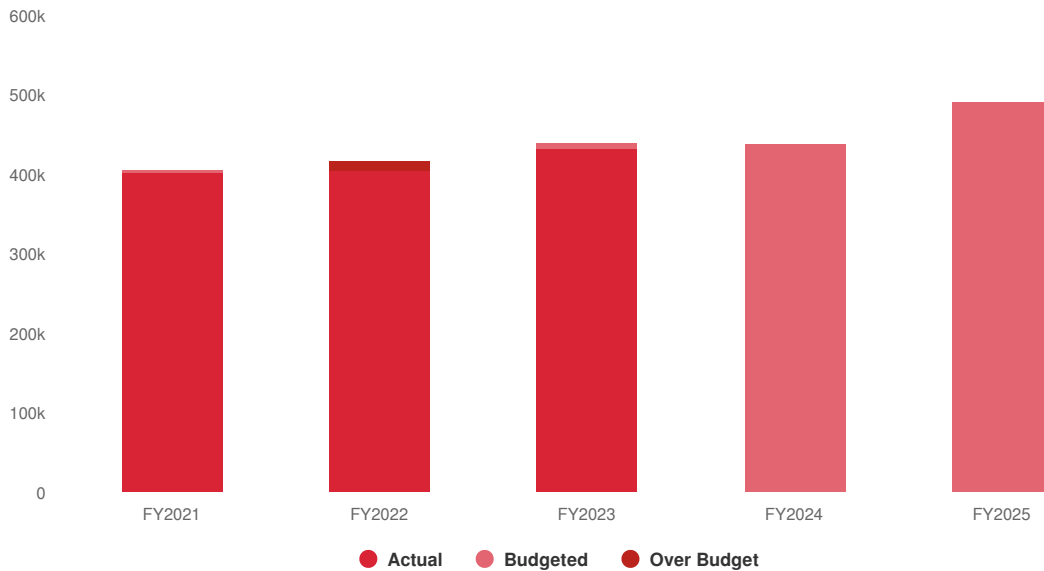
Bill Ashton
Town Manager

The Town Management activity center leads all town operations with the purpose of fulfilling the Town Council's work program and directives. This activity center also manages the execution of the town operating budget, guides the performance of all town employees, and serves the Mayor and Town Council. A priority for FY 2025 will be to advance the goals and objectives necessary to execute the Town's Strategic Plan.

Expenditures Summary

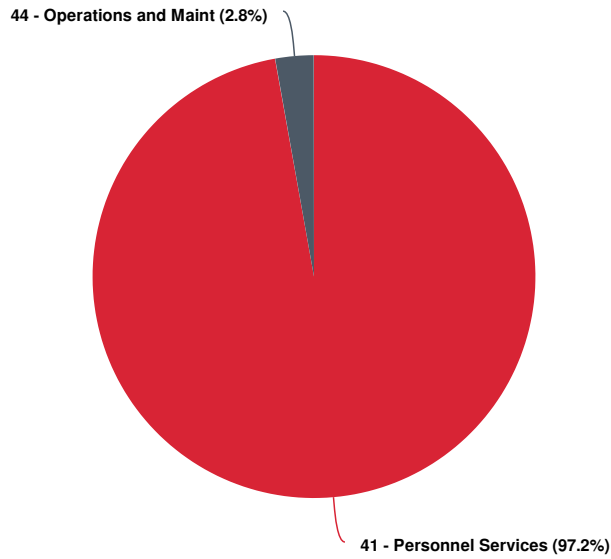
\$489,906 **\$52,273**
(11.94% vs. prior year)

Town Administration - Town Management Adopted and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$387,720	\$393,869	\$421,293	\$422,168	\$476,172	12.8%
44 - Operations and Maint	\$13,512	\$22,516	\$11,318	\$15,465	\$13,734	-11.2%
Total Expense Objects:	\$401,232	\$416,385	\$432,611	\$437,633	\$489,906	11.9%



Objectives, Strategies & Measures

Town Administration - Town Manager

The Town Manager and the administrative staff provide professional leadership in the application and execution of policies and objectives formulated by the Town Council.

The Town Manager is the town's chief administrative officer and is responsible for the creation and execution of the town's operating and enterprise fund budgets, development of programs, policies, and initiatives for Town Council consideration, while meeting the future needs of the town through short, medium, and long-term strategic and fiscal planning.

The Town Manager guides the performance of all town employees and is responsible in delivering superior levels of service to the residents of Herndon.

Objectives	Strategies	Measures
Promote an informed governing board that works collaboratively for the benefit of the community they serve.	<ul style="list-style-type: none"> ▪ Leadership and Governance 	<ul style="list-style-type: none"> ▪ Frequently evaluate the strategic vision of the town's mission and the plan of action, providing leadership and decisive action ▪ Using the strategic vision as new lens through which ideas and proposals are evaluated
Ensure fiscal responsibility.	<ul style="list-style-type: none"> ▪ Rigorous discipline in budget management and program productivity 	<ul style="list-style-type: none"> ▪ Sustain the Town's financial resources through managing the levels and allocation of taxes and government expenditures ▪ Developing and observing strict adherence to best practice based financial policies and principles
Gain insight into the perceived public identity of the Town of Herndon and the services it provides to its residents while soliciting resident feedback.	<ul style="list-style-type: none"> ▪ Market and communicate Town programs, resources, and services 	<ul style="list-style-type: none"> ▪ Conduct online resident surveys of preferences, track changing community demographics to evaluate the quality of life and community services provided by the Town ▪ Optimize the Town's identity to attract residents, businesses, and investors
Increase opportunities for residents to access and utilize technology related services to advance safety, education, economic development, and social connectedness.	<ul style="list-style-type: none"> ▪ Recognize a connected community is part of a linked community of residents 	<ul style="list-style-type: none"> ▪ Utilize the benefits of emerging opportunities brought by technological change
Continue to develop and ensure employees provide great customer service, exceeding expectations.	<ul style="list-style-type: none"> ▪ Recruit and retain top employees ▪ Engage in training programs and ongoing educational opportunities which commit to the further development of a professional and skilled workforce 	<ul style="list-style-type: none"> ▪ Maintain an employed work force to meet the needs of the Town's residents ▪ Develop leaders at all levels of the organization as a means to streamline decision-making and operational execution



Town Administration - Human Resources

Tanya Kendrick

HR Director

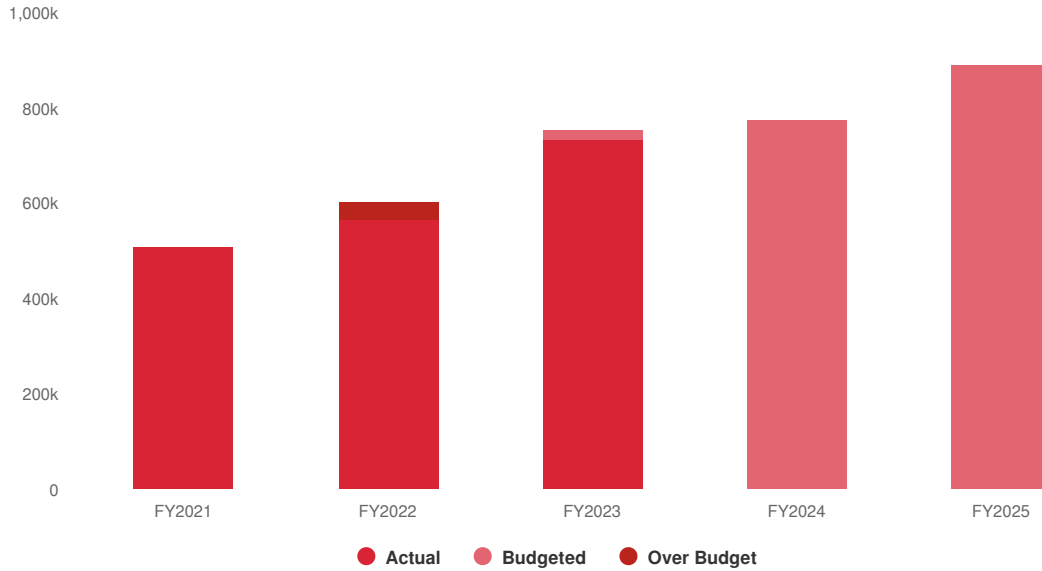
The Department of Human Resources (HR) attracts and maintains a highly motivated work force equipped with skills required to deliver high quality services, in support of the citizens of the Town of Herndon. HR provides comprehensive personnel management services consistent with legal standards and policy requirements. Staff provides internal employment related services to employees, allowing them to develop professionally and personally, which in turn, results in a higher level of customer service and efficiency to town residents.



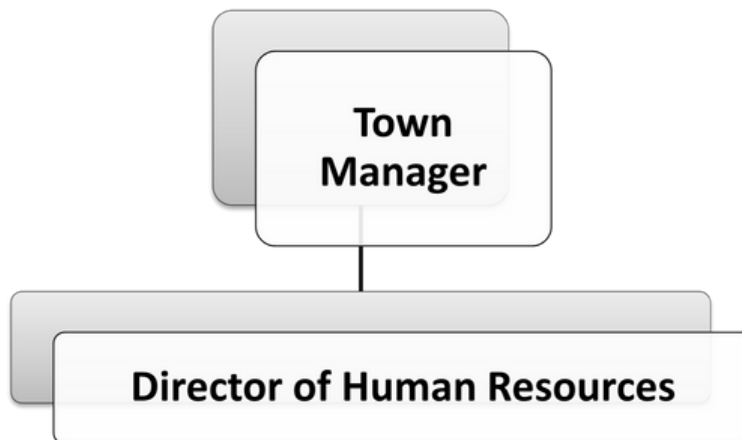
Expenditures Summary

\$889,065 **\$116,210**
(15.04% vs. prior year)

Town Administration - Human Resources Adopted and Historical Budget vs. Actual

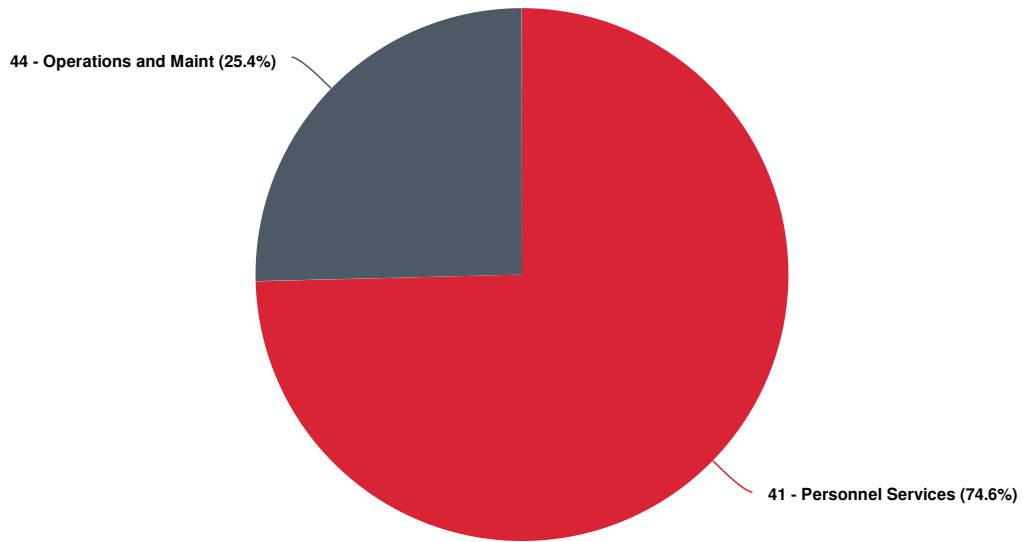


Organizational Chart

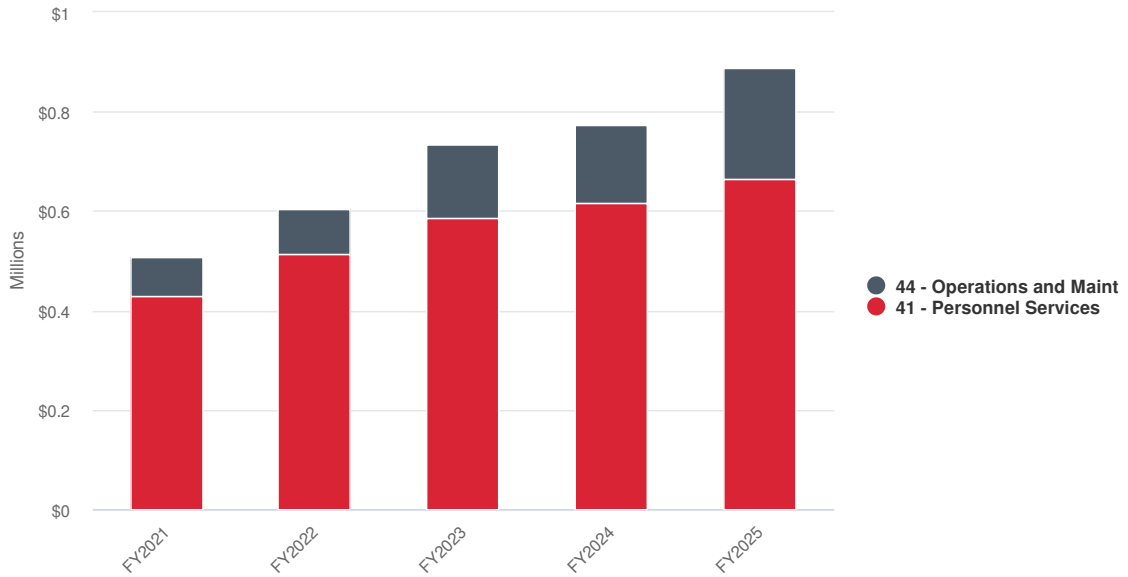


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$428,587	\$512,749	\$586,375	\$617,620	\$663,274	7.4%
44 - Operations and Maint	\$79,982	\$92,211	\$146,628	\$155,235	\$225,791	45.5%
Total Expense Objects:	\$508,568	\$604,960	\$733,002	\$772,855	\$889,065	15%

Objectives, Strategies & Measures

The Department of Human Resources (HR) attracts and maintains a highly motivated workforce equipped with the skills required to deliver high quality services, in support of the citizens of the Town of Herndon. HR provides comprehensive personnel management services consistent with legal standards and policy requirements. Staff provides internal employment-related services to employees, allowing them to develop professionally and personally, which in turn, results in a higher level of customer service and efficiency to town residents.

Objectives	Strategies	Measures
Attract, retain and develop highly qualified and motivated employees.	<ul style="list-style-type: none"> o Actively recruit and select top quality applicants to fill staff vacancies in a timely manner. o Evaluate needed training for employees to support town goals and objectives. o Formulate career development opportunities to retain employees. o Create 'critical job' recruitment bonus programs. 	<ul style="list-style-type: none"> o Training is conducted for supervisors and employees. o Employees are engaged and completing work/projects timely. o Created multiple hiring recruitment bonus programs for critical positions, resulting in targeted recruiting based on skillset.
Ensure compliance with all employment related federal and state legislation and provide timely investigation and resolution of employee issues and grievances.	<ul style="list-style-type: none"> o Administer and communicate human resources policies and procedures that are fair and in compliance with employment laws. o Meet timely federal and state legislative requirements of the Department of Labor, Internal Revenue Service, United States Immigration and Citizenship Service, EEOC, etc. 	<ul style="list-style-type: none"> o HR staff remains current on employment legislation and ensures town policies are updated as appropriate to remain in compliance with current employment laws, while gaining compliance with upcoming laws. o Timely filing of federal government requirements with IRS, OSHA/VOSH, DOL, EEOC, USCIS, etc.
Continuously improve and communicate a comprehensive employee benefits and compensation program to assist in attracting and retaining the most qualified employees.	<ul style="list-style-type: none"> o Actively work with neighboring jurisdictions to understand the programs offered and structure/improve programs as applicable to the town environment. 	<ul style="list-style-type: none"> o More effective communication and engagement from town staff and management regarding total compensation package including benefits. o HR staff stays current with trends pertaining to benefits and compensation and adapts as appropriate with town Vision.
Embrace new technology that will assist in making HR functions more efficient and user friendly, in turn providing exceptional service.	<ul style="list-style-type: none"> o Continue to implement HR MUNIS modules (finance/human resources) Enterprise Resource Systems (ERP), to efficiently manage employee lifecycle. o Encourage employee participation in making electronic retirement plan changes, benefit, tax changes, etc. 	<ul style="list-style-type: none"> o HR staff and town employees continuously trained in newly launched aspects of Munis ERP system.



Performance Indicators

Human Resources (HR) supports Town Council priorities and the goals to achieve the 2035 Vision by attracting, developing and retaining high quality employees. In addition, the department is responsible for policies relating to HR benefit programs, compensation administration, processing employee actions, employee relations, legal compliance, employee performance management, and promoting and promoting a safe and desirable work environment.

Key Performance Indicators					
	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Projected
Number of regular new hires	40	33	48	45	40
Number of temporary/flexible part time no benefits new hires	62	46	94	86	86
Number of applications processed	2000	1700	1530	1300	1300
Percent of regular status new hires successfully completing initial probationary period	65%	75%	67%	69%	69%
Attrition Rate - Regular employees (including retirements).	15%	15%	17%	18%	15%
Number of employees participating in HR initiated training	310	443	450	350	450
Number of employees hired as a result of employee referral program	33	9	34	18	20



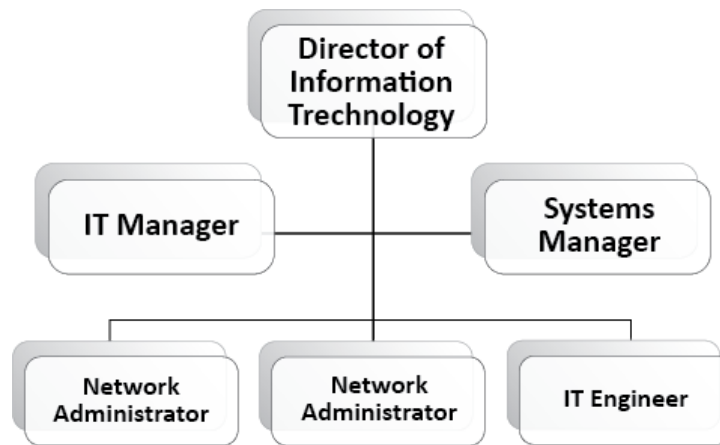
Town Administration - Information Technology

Page Kalapasev
Director of Information Technology

The Town of Herndon's Information Technology Department oversees the centralized management of IT services, support, and infrastructure within budget constraints. Our department is structured to ensure flexibility, efficiency, and effectiveness in managing IT operations and investments aligning with the town's strategic objectives, business processes, and overall information requirements.

We strive to enhance cross-departmental communication and public access to information while prioritizing cost-effectiveness. Our efforts translate into improved citizen services, emphasizing guidance, technical support, security measures, and staff training necessary for optimal utilization of computer and telecommunications systems.

Organizational Chart



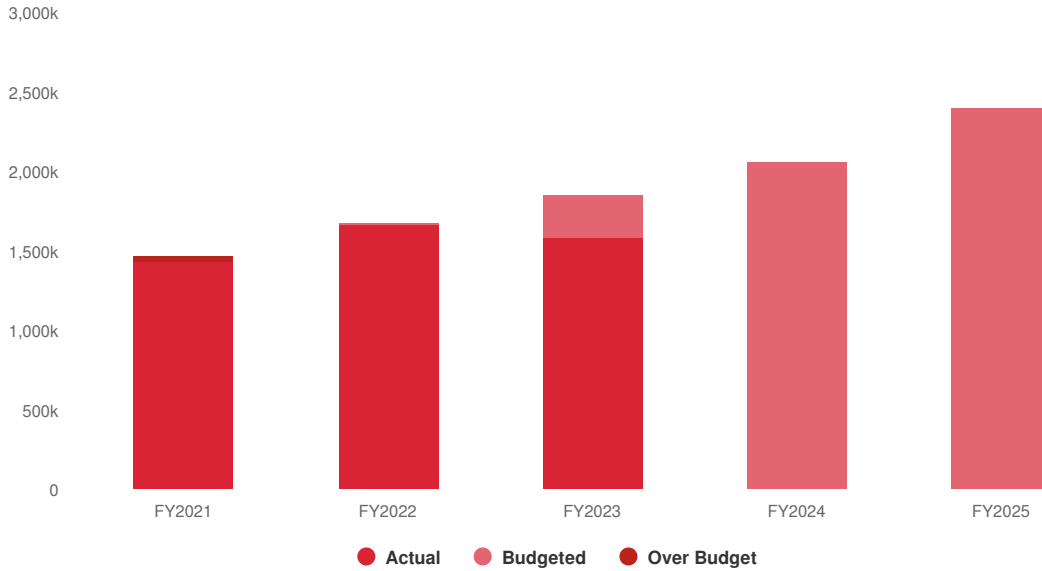
Expenditures Summary

The Information Technology Department continually seeks to improve cross-departmental communication and citizen access to public information. Some of the accomplishments during FY 2024 include the continued migration of the town's core financial, human resources, and utility billing systems; Next-gen cybersecurity managed security operations center with remote remediation capability; firewall upgrade; Cityworks asset management system overhaul; Telephone and telecommunications back-end server upgrade; and GIS overhaul in support of new Cityworks asset management system.

\$2,405,371 **\$335,462**
(16.21% vs. prior year)



Town Administration - Information Technology Adopted and Historical Budget vs. Actual



In FY 2025, the IT department will continue its strategic focus on modernization, digital transformation, and strengthening information security measures. Anticipated accomplishments for the upcoming fiscal year include:

- Advancing security measures with ongoing enhancements to the town's firewall infrastructure.
- Expanding a state-of-the-art 24x7 monitored security operations center to proactively safeguard against cyber threats.
- Increasing system modernization initiatives to optimize permitting, land management, and code enforcement processes for greater efficiency and effectiveness.
- Completing the migration of LaserFiche to the cloud platform, further improving accessibility and bolstering data protection protocols.
- Integrating Cityworks for streamlined internal operations, leading to faster issue resolution and improved service delivery.
- Continuously refining onboarding/offboarding procedures to maintain operational agility and efficiency.
- Enhancing physical security infrastructure with the installation of additional surveillance cameras across town-owned facilities to ensure comprehensive monitoring and protection.

Expenditures by Expense Type

In the FY 2025 budget request for Information Technology, an increase in operations and maintenance funding is necessitated primarily by the one-time replacement of end-of-life local storage area network (SAN) equipment. This critical upgrade is essential to ensure the continued reliability, security, and efficiency of our data storage infrastructure. The aging SAN equipment poses a significant risk to our operations, and its replacement is imperative to mitigate potential disruptions and safeguard data integrity.

Additionally, capital outlay allocation is proposed to increase by 313% to address deferred maintenance on networking equipment. Over time, neglecting maintenance on networking infrastructure can lead to performance degradation, increased vulnerability to cyber threats, and higher long-term costs. By investing in the replacement of outdated networking equipment now, we not only address immediate maintenance needs but also contribute to the overall resilience and effectiveness of our IT infrastructure for years to come.

Both of these proposed budget allocations are strategic investments aimed at ensuring the reliability, security, and efficiency of our IT operations while minimizing the risk of costly disruptions and vulnerabilities. These investments align with our commitment to responsible stewardship of resources and the delivery of high-quality services to support the town's strategic goals and business processes.



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$646,662	\$714,594	\$851,330	\$869,208	\$951,248	9.4%
44 - Operations and Maint	\$788,246	\$901,200	\$688,677	\$1,128,952	\$1,157,773	2.6%
48 - Capital Outlay	\$41,125	\$54,841	\$49,201	\$71,750	\$296,350	313%
Total Expense Objects:	\$1,476,033	\$1,670,634	\$1,589,207	\$2,069,909	\$2,405,371	16.2%



Performance Measures

The Information Technology (IT) department is tasked with managing cybersecurity, telecommunications, electronic communication, system testing, implementation, and support for the town's information systems, all within budgetary considerations. Our focus is on enhancing cross-departmental collaboration and public access to information while optimizing budget performance.

In Fiscal Year 2024, the Department of Information Technology achieved significant milestones, including the deployment of next-generation Fortinet firewall, migration to Laserfiche private cloud, integration of three new CityWorks modules, adoption of electronic plan review software, implementation of mandatory cybersecurity training, bolstering physical security measures, installation of CrowdStrike monitoring sensors, and improvement of Wi-Fi connectivity across the Herndon Municipal Center (HMC).

Objectives	Strategies	Measures
Implement technologies that assist departments in providing exceptional service to town citizens.	<ul style="list-style-type: none"> ◦ Modernize IT for efficiency, resilience, and agility by embracing the right technology. ◦ Demonstrated Leadership in Management of Information Technology. ◦ Enhance the town's citizen engagement by mobile application to enhance bilateral communication. ◦ Leverage data where it sits. 	<ul style="list-style-type: none"> ◦ Minimize downtime during operational hours. ◦ Increase customer satisfaction with voice and data networks. ◦ Improve communications between staff and citizens/customers. ◦ Introduce new Cisco unified communications backend infrastructure.
Protect town's technological assets and electronic information.	<ul style="list-style-type: none"> ◦ Enforce Town's cybersecurity policy. ◦ Amend all annual software as a service (SaaS) and hardware related maintenance contracts. ◦ Replace the main firewall to maintain cybersecurity posture and enable superior VPN connectivity. ◦ Reinforce hardware/software refresh cycles. ◦ Limit access and educate employees on cybersecurity matters. 	<ul style="list-style-type: none"> ◦ Minimize the number of cybersecurity related incidents. ◦ Minimize unplanned data loss. ◦ Achieve 99.5% voice and data network uptime. ◦ Increase customer satisfaction with enterprise software solutions. ◦ Create and update comprehensive operational manuals, documentation, and user guides for all IT initiatives.
Improve internal customer satisfaction with IT services.	<ul style="list-style-type: none"> ◦ Encourage proactive interdepartmental communications. ◦ Understanding customer service experience through data. ◦ Treat town staff as customers. ◦ Conduct routine follow-ups and make sure each ticket is satisfactory. 	<ul style="list-style-type: none"> ◦ Develop channel strategies to reduce cost, specifically through digital services. ◦ Engage and escalate until the incident has been resolved with the customer's full satisfaction. ◦ Establish a grading scale for customer satisfaction regarding IT cases.
Anticipate technology needs of town's departments via collaboration and open communication and knowledge sharing.	<ul style="list-style-type: none"> ◦ Use departmental feedback and open collaboration to empower more efficient programs utilizing teleworking, mobility and cloud offerings. ◦ Enable paperless documentation delivery and shared cloud collaboration and communication tools, reducing the number of printed documents. 	<ul style="list-style-type: none"> ◦ Increases team productivity and help onboard new hires faster. ◦ Help prevent institutional knowledge loss by continually and organically capturing internal knowledge. ◦ Increase customer engagement with mobile software solutions. ◦ Reduction in printed documents.



Goal 1: Implement technologies that assist departments in providing exceptional service to town citizens.

- Enhance service delivery to town citizens through technological advancements.
- Continue transitioning applications to the cloud to reduce reliance on legacy systems and onsite infrastructure.
- Improve the town’s citizen engagement mobile application for better two-way communication.
- Successfully migrate financial and human resource systems to the cloud.
- Manage IT support costs effectively.
- Ensure network and telephone availability reaches nearly 100%.
- Enhance customer engagement through mobile software solutions.
- Decrease reliance on printed documents.
- Foster proactive interdepartmental communication.
- Prioritize town staff satisfaction by treating them as valued customers.
- Conduct regular follow-ups to ensure 100% resolution of incidents.

Goal 2: Protect the town’s technological assets and electronic information.

- Safeguard the town’s technological assets and electronic data.
- Develop a robust cybersecurity policy.
- Review all annual software and hardware maintenance contracts.
- Establish hardware and software refresh cycles.
- Strengthen the town’s IT security posture both in the cloud and on-premise.
- Ensure business and operational continuity.
- Minimize occurrences of cybersecurity incidents.
- Prevent unplanned data loss.
- Attain 99.5% uptime for voice, data, and network services.
- Enhance customer satisfaction with enterprise software solutions.
- Create and maintain comprehensive operational manuals, documentation, and user guides for all IT initiatives.

Key Performance Indicators

Key Performance Indicators					
	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Proposed
Input					
Number of FTEs	5	5	6	6	6
Number of operations FTEs	4	4	5	5	5
Output					
Local area networks	2	2	3	2	2
Servers administered	48	48	48	48	48
Infrastructure components administered	28	28	28	30	28
Networked PCs	230	230	230	265	265
Networked printers	38	38	38	24	24
Mobile devices	170	170	175	177	188
Total number of devices managed	516	516	518	534	549
Work orders completed per month	105	105	105	106	105
Efficiency					
Devices managed per operations FTE	129	129	103	107	110
Average number of work orders completed per month per operations FTE	26	26	26	45	51



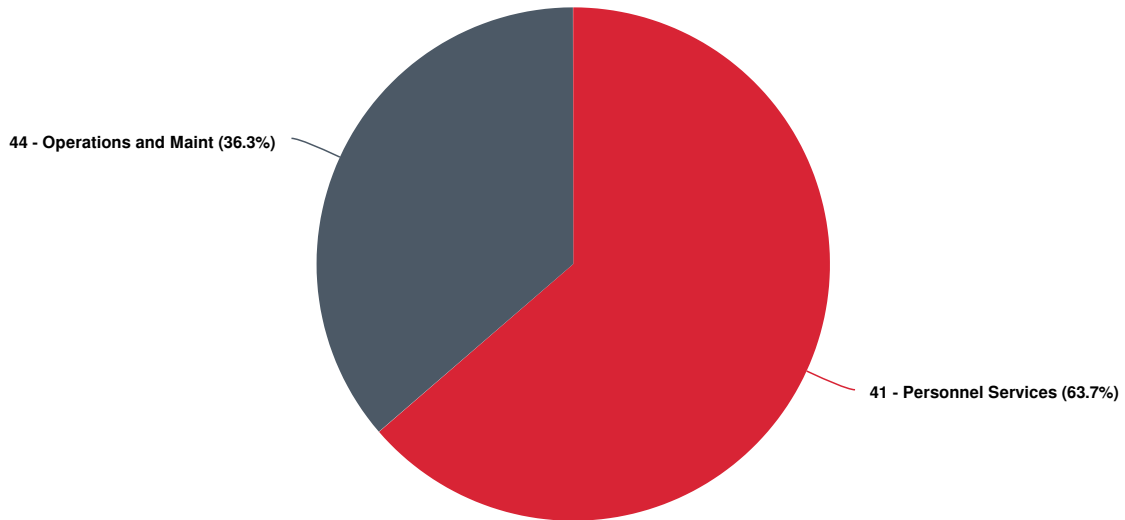
Economic Development

Expenditures Summary

\$275,323 **\$275,323**
(100.00% vs. prior year)

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Budgeted
Expense Objects	
41 - Personnel Services	\$175,323
44 - Operations and Maint	\$100,000
Total Expense Objects:	\$275,323



Department of Parks & Recreation

Bob Williams

Director Parks & Recreation

Vision

The Herndon Parks & Recreation Department provides an exceptional level of service by offering enriching recreation programs, parks and facilities that provide opportunities for all town residents to benefit.

FY 2024 Highlights

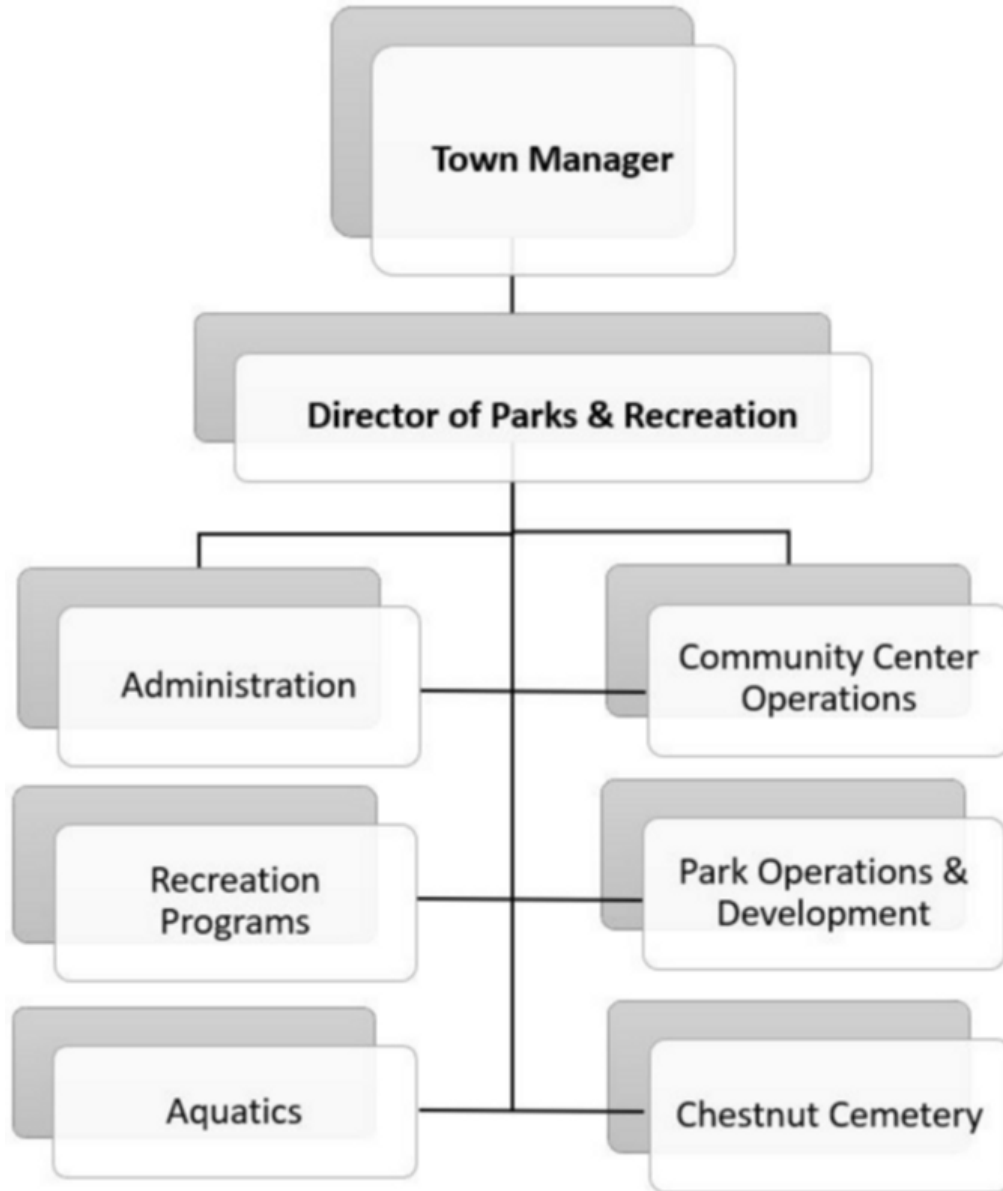
- Summer Camps were recognized as the *Best Summer Camps* by the readers of Northern Virginia Family Magazine for the second summer in a row.
- Program offerings and enrollment are slowly increasing with continued challenges centered around recruiting instructional staff and lifeguards.
- The July 4th celebration, Homecoming Parade, Turkey Trot 5K, Holiday Arts and Crafts Show, and WinterMarket events were successfully held, plus the new events of H2O Hoopla basketball tournament and Pumpkin Plunge. Teen Discovery Camp and Aqua Egg Hunt returned for the first time since the pandemic.
- Cindy Roeder retired after serving over 15 years as director, and Bob Williams was hired as Director, starting in January. The Manager of Recreation Services position was established, and Mark Mermelstein was hired into this position. This year also welcomed a new Head Lifeguard, Steven Orr.
- The pool white coat resurfacing was completed.
- The Bready Park tennis court project included resurfacing with the Pro-Bounce surfacing, new fencing and creating 4 pickleball courts from one court, in response to community need.
- The Town Council adopted Neighbors in Action pricing in conjunction with Herndon Opportunities Neighborhood to increase access and affordability for historically disadvantaged census tracts.
- HCC celebrated its 45th anniversary in March 2024.
- ARPA projects underway and slated for FY 2024 completion include Pool Pak, door replacement project and front vestibule door reconfiguration.
- Initiate the department's FY 24-26 Strategic Plan.

FY 2025 Initiatives

- Maintain the department's parks and facilities; provide quality service to all patrons.
- Provide financial management and oversight of department revenues and expenditures.
- Coordinate and support the customer registration process.
- Plan and coordinate a diverse array of recreation, aquatics, and fitness programs and activities for ages preschool through senior adult as staffing limitations allow.
- Operate the community center and the natatorium in a safe and clean manner.
- Operate the Bready Park Indoor Tennis Facility as a sustaining enterprise.
- Foster partnerships through Herndon Opportunities Neighborhoods, and other organizations in town to increase awareness and participation of Neighbors in Action pricing and programs and increase engagement with underserved populations.



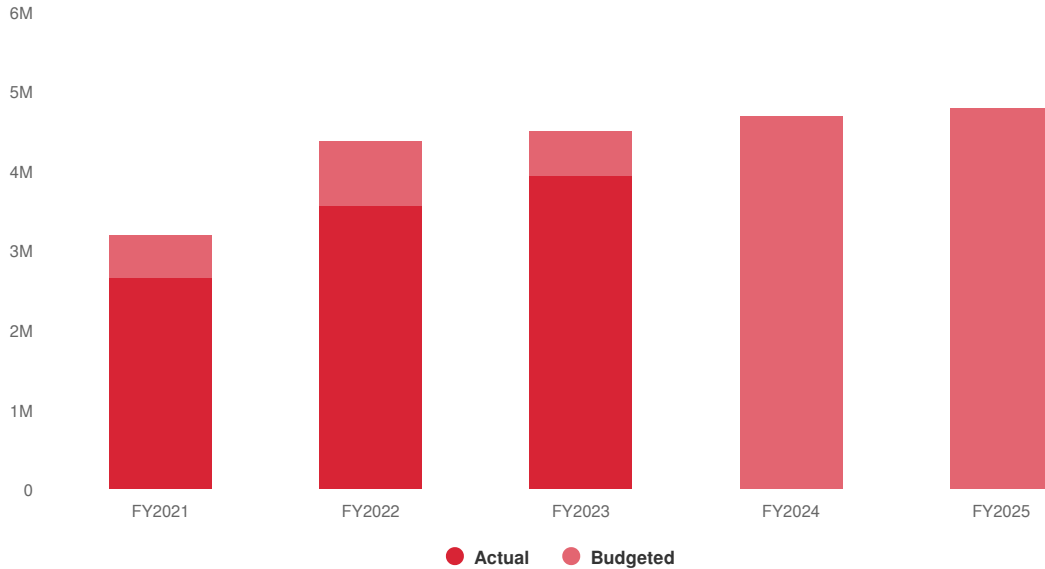
Parks and Recreation Organizational Chart



Expenditures Summary

\$4,795,838 **\$92,908**
 (1.98% vs. prior year)

Department of Parks & Recreation Adopted and Historical Budget vs. Actual



For Recreation Programs, the discontinuation of the Herndon Festival results in a decrease of \$305,000 in budgeted expenditures for FY2025.

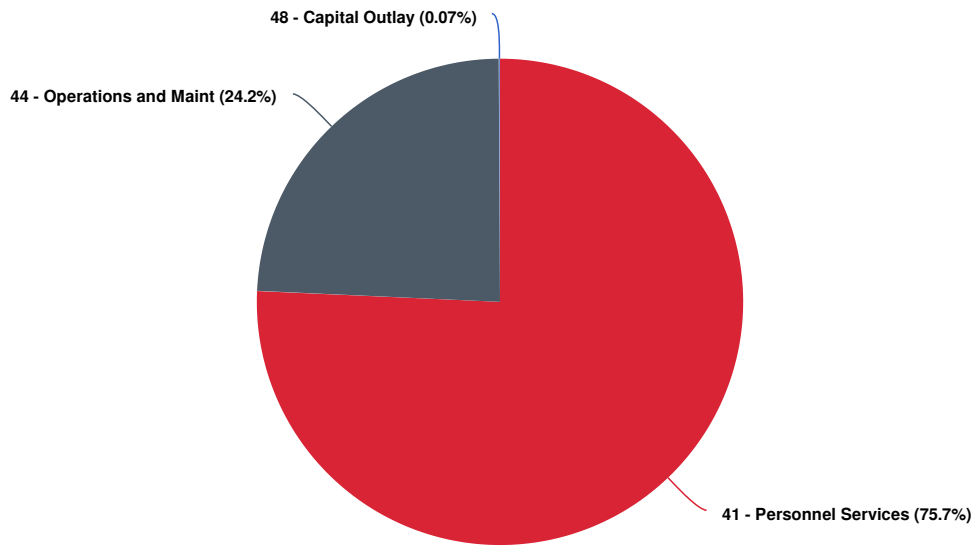
Expenditures by Function

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Parks & Recreation						
Administration	\$705,270	\$758,890	\$704,168	\$752,181	\$826,339	9.9%
Recreation Programs	\$498,555	\$870,279	\$1,028,912	\$1,614,713	\$1,336,110	-17.3%
Community Center Operations	\$884,723	\$1,061,989	\$1,142,759	\$1,266,501	\$1,382,805	9.2%
Aquatics Programs & Operations	\$459,896	\$708,685	\$863,100	\$869,187	\$1,018,318	17.2%
Park Ops & Development	\$116,904	\$169,344	\$209,624	\$200,348	\$232,266	15.9%
Total Parks & Recreation:	\$2,665,348	\$3,569,187	\$3,948,562	\$4,702,930	\$4,795,838	2%
Total Expenditures:	\$2,665,348	\$3,569,187	\$3,948,562	\$4,702,930	\$4,795,838	2%

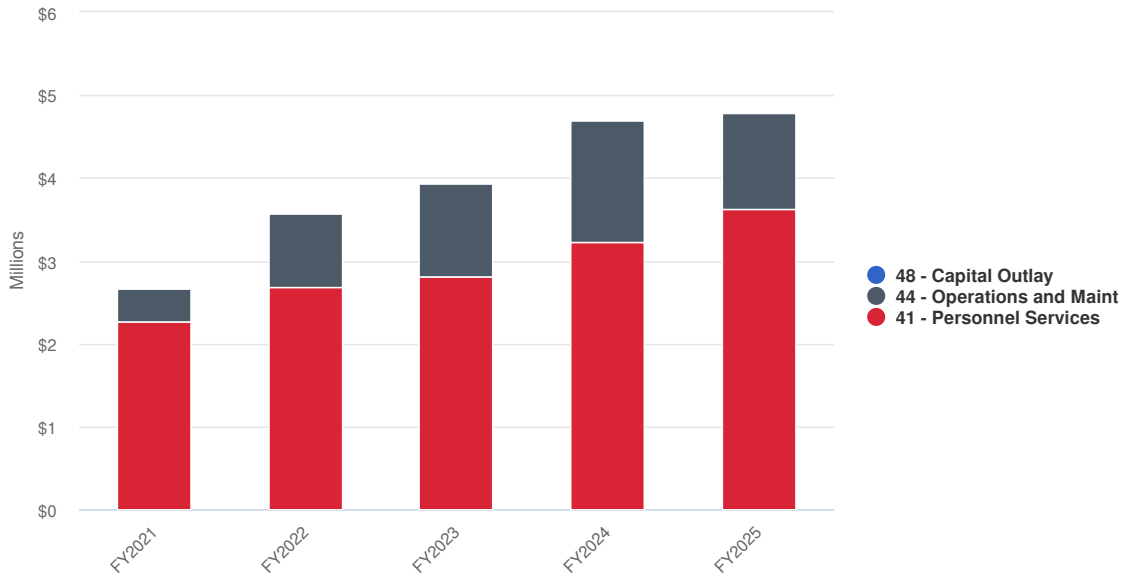


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



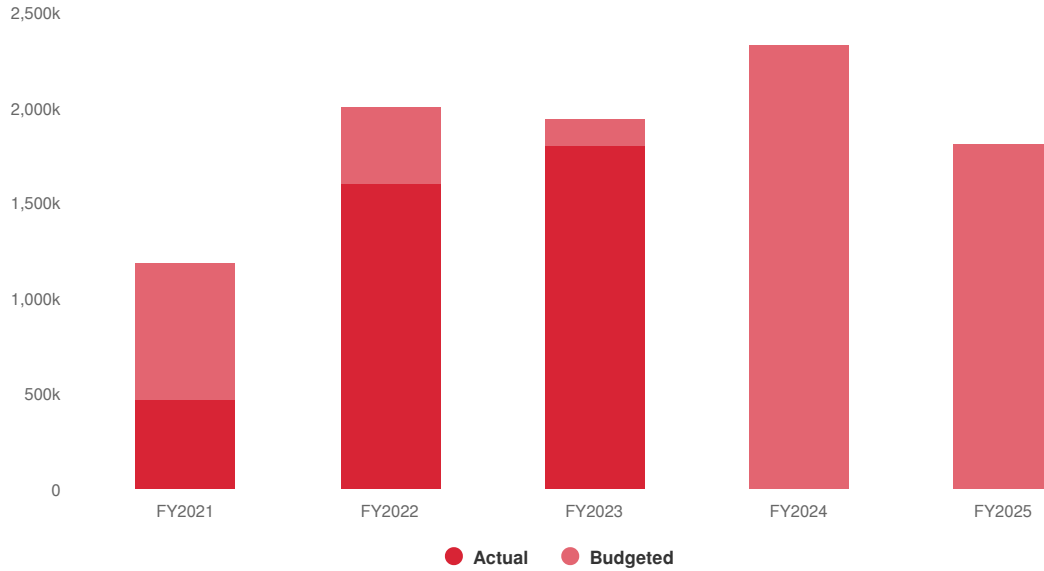
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$2,258,253	\$2,689,999	\$2,808,599	\$3,219,630	\$3,631,538	12.8%
44 - Operations and Maint	\$407,095	\$879,188	\$1,129,924	\$1,483,300	\$1,160,800	-21.7%
48 - Capital Outlay	\$0	\$0	\$10,039	\$0	\$3,500	N/A
Total Expense Objects:	\$2,665,348	\$3,569,187	\$3,948,562	\$4,702,930	\$4,795,838	2%



Revenues Summary

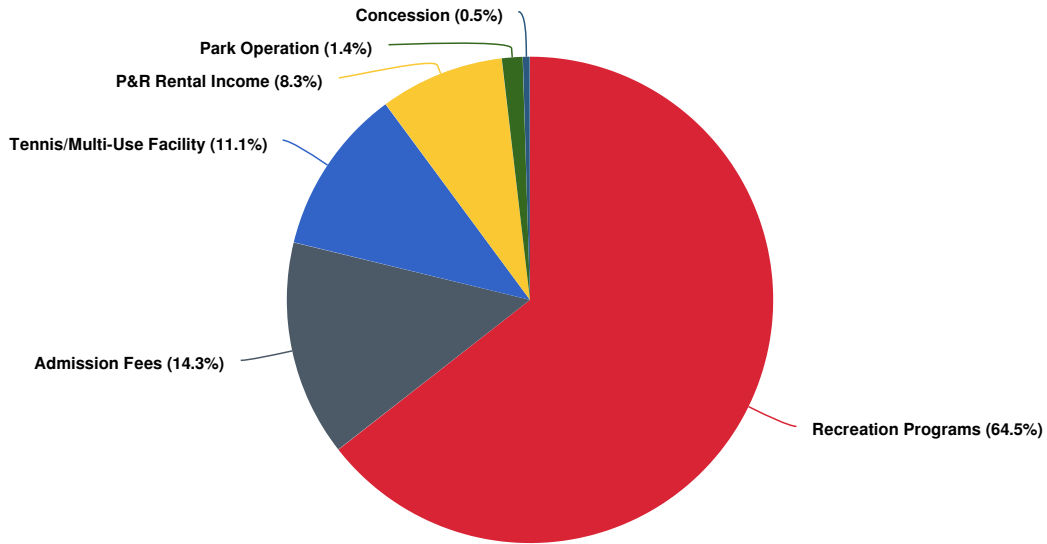
\$1,805,400 **-\$518,875**
(-22.32% vs. prior year)

Department of Parks & Recreation Adopted and Historical Budget vs. Actual

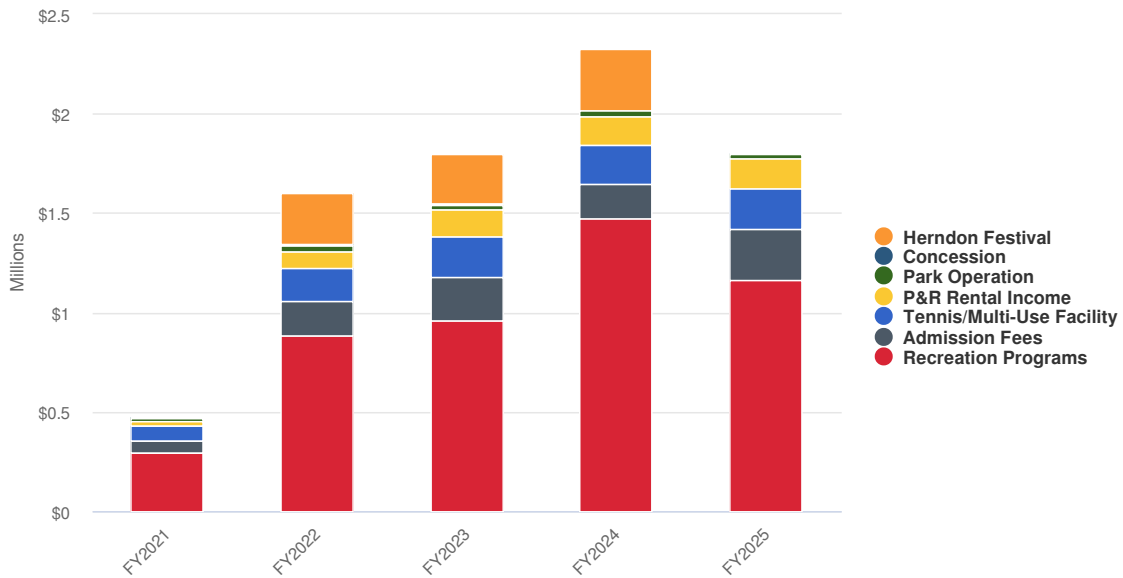


Revenues by Source

Budgeted Revenues by Source



Budgeted and Historical Revenues by Source



Herndon Festival has been discontinued in FY2024 and removed from the FY2025 budget resulting in a \$305,000 reduction in revenue for that line for the Parks and Recreation Department.



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source						
35 - Charges for Services						
Recreation Programs	\$291,834	\$886,369	\$957,909	\$1,475,475	\$1,163,800	-21.1%
Admission Fees	\$64,751	\$172,872	\$223,874	\$174,300	\$259,000	48.6%
Park Operation	\$16,124	\$27,969	\$27,676	\$31,000	\$25,000	-19.4%
Herndon Festival	\$112	\$260,394	\$248,698	\$305,000	\$0	-100%
Concession	\$2,139	\$5,639	\$7,765	\$5,500	\$8,500	54.5%
P&R Rental Income	\$21,956	\$87,753	\$137,199	\$138,000	\$149,100	8%
Tennis/Multi-Use Facility	\$75,966	\$162,107	\$196,971	\$195,000	\$200,000	2.6%
Total 35 - Charges for Services:	\$472,882	\$1,603,103	\$1,800,093	\$2,324,275	\$1,805,400	-22.3%
Total Revenue Source:	\$472,882	\$1,603,103	\$1,800,093	\$2,324,275	\$1,805,400	-22.3%

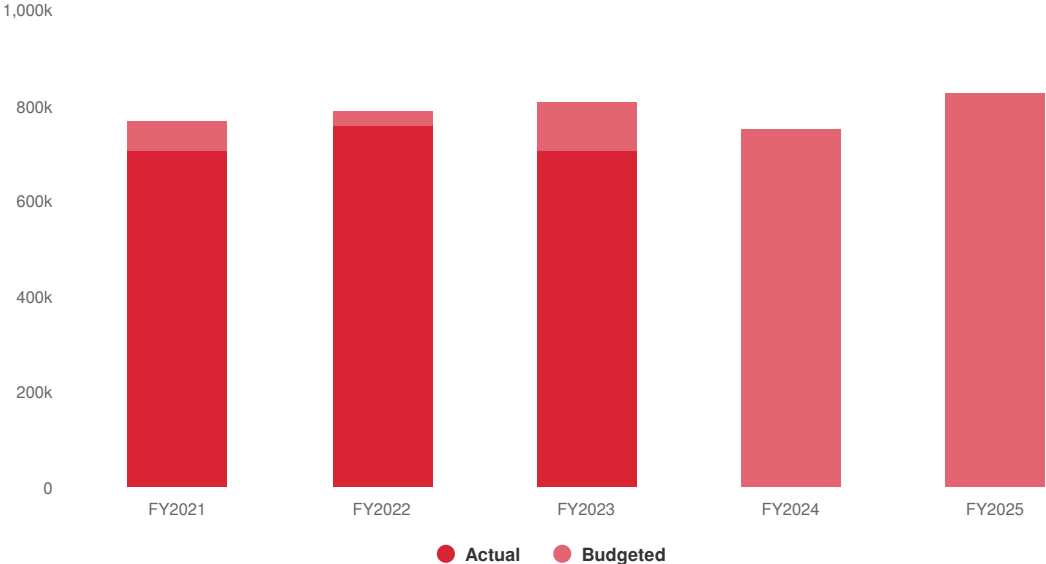


Parks & Recreation - Administration

Expenditures Summary

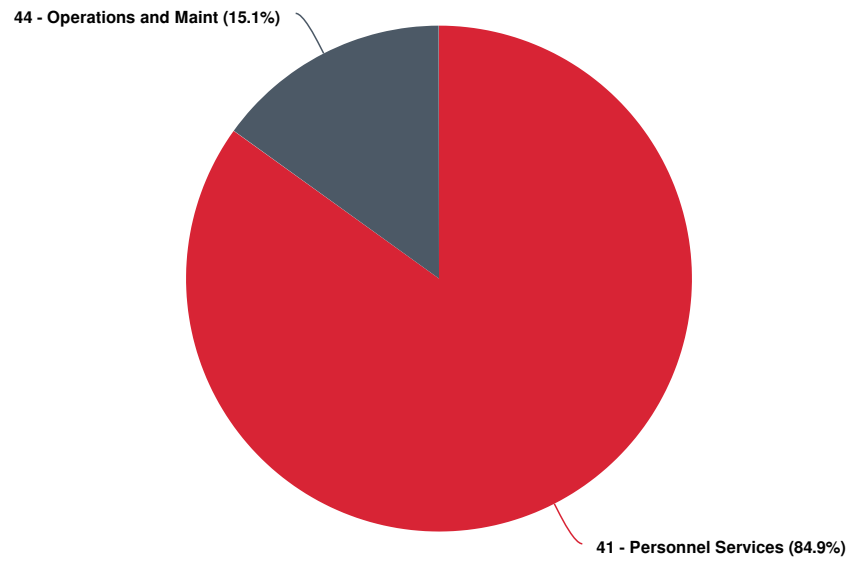
\$826,339 **\$74,158**
(9.86% vs. prior year)

Parks & Recreation - Administration Adopted and Historical Budget vs. Actual

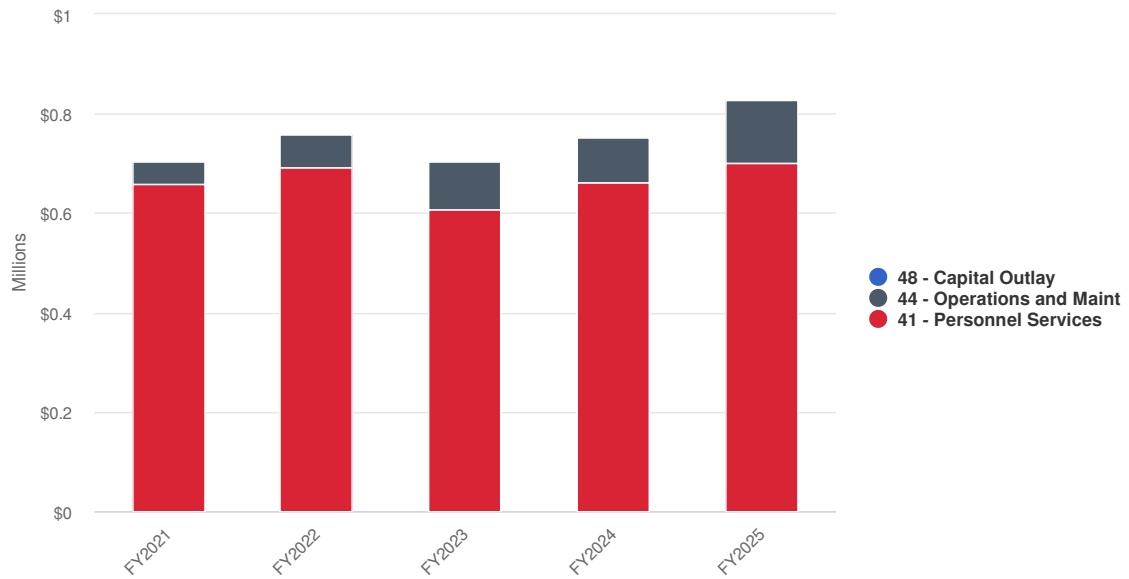


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$658,321	\$692,873	\$608,012	\$660,781	\$701,839	6.2%
44 - Operations and Maint	\$46,950	\$66,017	\$95,549	\$91,400	\$124,500	36.2%
48 - Capital Outlay	\$0	\$0	\$607	\$0	\$0	0%
Total Expense Objects:	\$705,270	\$758,890	\$704,168	\$752,181	\$826,339	9.9%

Parks & Recreation - Administration

The Administration activity center provides leadership, vision, and management support for the department in providing comprehensive park and recreation program services; park planning and development; and facilities operation, maintenance, and management. Staff provides accounting and procurement support, program registration, marketing support, and general administrative support to the department to facilitate the provision of effective and efficient park and recreation services.

Objectives	Strategies	Measures
Lead and manage the department for continuous improvement.	<ul style="list-style-type: none"> o Maintain the department's parks and facilities. o Execute the department's Strategic Plan. 	<ul style="list-style-type: none"> o Conduct internal training in areas such as Mandatory Reporting, Accident/Injury Reporting, Police Training, External Communications or Customer Service. o Review and revise procedures as necessary to match TOH policies and procedures as changes occur. o Continue update of department's Strategic Plan.
Provide financial management and oversight of department revenues and expenditures.	<ul style="list-style-type: none"> o Handle financial accounting, including daily cash reconciliation, monthly and annual revenue summaries. o Provide purchasing processing support. 	<ul style="list-style-type: none"> o Ensure staff are adhering to appropriate cash and inventory control procedures.
Provide administrative support for the department.	<ul style="list-style-type: none"> o Coordinate and support registration process with software and online registration. o Manage departmental personnel records. o Provide administrative support, equipment and technology to promote insourcing of services and standardization of processes. 	<ul style="list-style-type: none"> o Registrations are processed in a timely manner with 50 percent of registrations completed online. o Applicant packets are submitted to Human Resources with 99% accuracy. o Volunteer background screenings are completed as needed for volunteers throughout the town.
Increase staff proficiency with computer hardware and software.	<ul style="list-style-type: none"> o Provide opportunities for employee development. o New employees receive applicable training in website content management, procurement, employee self-service, pay processing, work request, and registration software programs. 	<ul style="list-style-type: none"> o Every regular employee is offered at least one internal or external training to upgrade their professional skills. o New staff are trained, demonstrate progress, and increase proficiency within 30 days of hire. o Staff receive assistance in developing proficiency in MUNIS financial, performance management, and timesheet management system. o Hardware lifecycle replacement schedule is developed in collaboration with Information Technology Department.

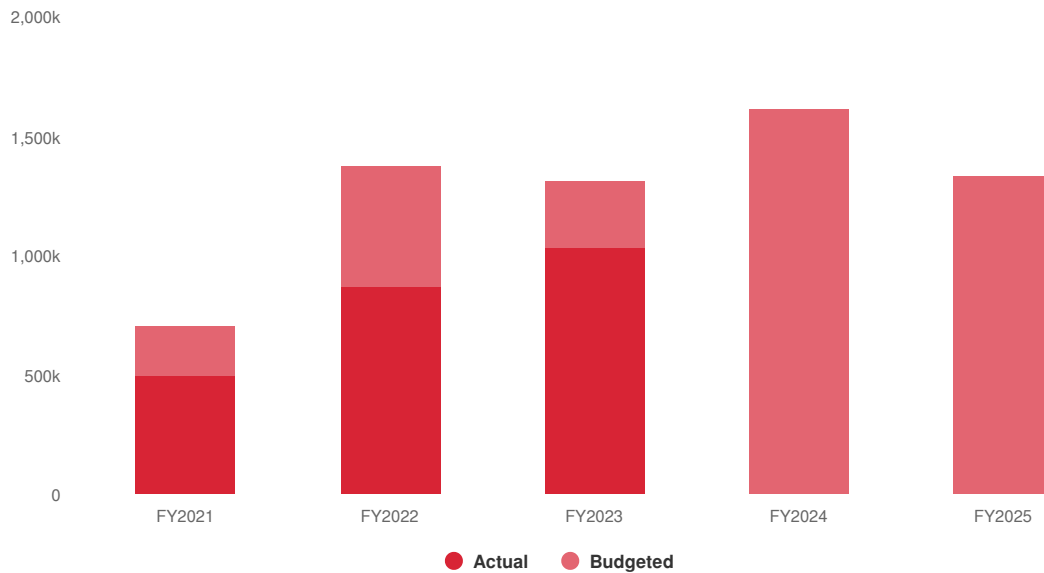


Parks & Recreation - Recreation Programs

Expenditures Summary

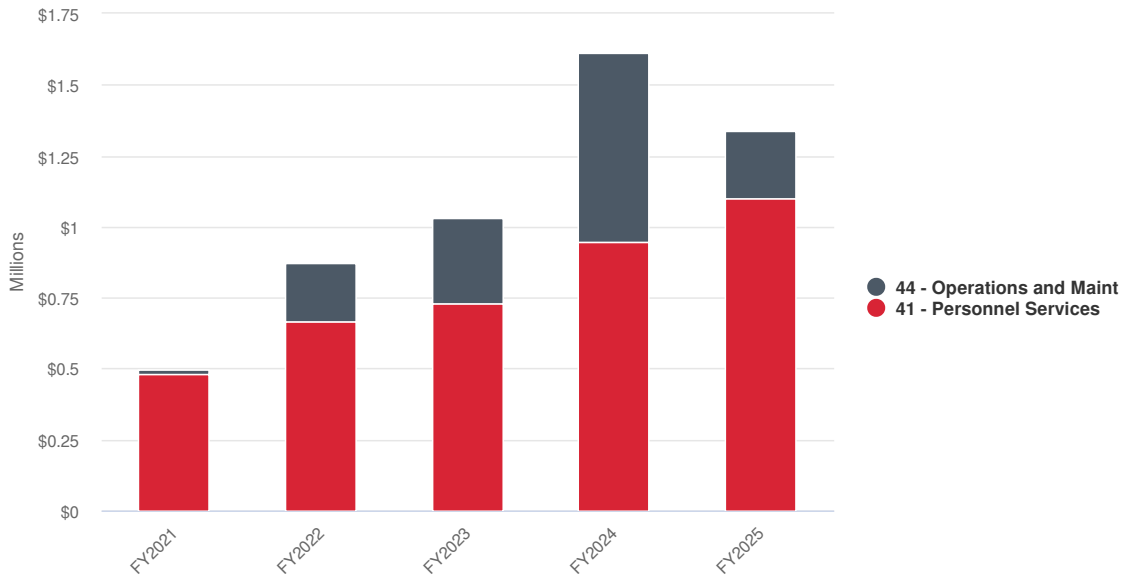
\$1,336,110 **-\$278,603**
(-17.25% vs. prior year)

Parks & Recreation - Recreation Programs Adopted and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



A portion of the Operations and Maintenance expenditures reduction for the Recreation Division is due to the discontinuation of the Herndon Festival resulting in the elimination of \$305,000 of expenditures for FY2025 that were budgeted in FY2024.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$483,576	\$667,117	\$731,295	\$948,213	\$1,100,810	16.1%
44 - Operations and Maint	\$14,979	\$203,162	\$297,617	\$666,500	\$235,300	-64.7%
Total Expense Objects:	\$498,555	\$870,279	\$1,028,912	\$1,614,713	\$1,336,110	-17.3%



Parks & Recreation - Recreation Programs

Performance Measures

The Recreation Program activity center plans, coordinates, implements, and evaluates a diverse array of recreation programs and activities for participants from ages preschool through senior adult. Over 80 percent of offered recreation classes historically met minimum enrollment and operate as scheduled, which is slightly below the national benchmark of an 85 percent overall operation rate. The goal of 82 percent strives to balance creative and new programming opportunities with the continued building of program offerings following the economic and staffing impacts of the pandemic and the addition in FY 2025 of contracted programs to scale and diversify program offerings.

Key Performance Indicator

	Percentage of programs operating (enrolled, meet or exceed minimum)*
FY2019	83.3%
FY2020***	80.7%
FY2021^	73.2%
FY2022^^	74.2%
FY2023	81.1%
FY2024 est	82%
FY2025 proj	82%

*Department-wide, including fitness and aquatics

** National benchmark for class operation rate is 85%. Source: Learning Resources Network (LERN).

*** Spring season was cancelled due to COVID-19.

^ Impact of the pandemic and reducing marketing opportunities impacted percent of programs operating in these conditions.

^^ Impact of hiring constraints, staffing issues, and market conditions, along with COVID variants impacted class offerings and cancellations.



Objectives	Strategies	Measures
Enrich the lives of residents through recreation programs, activities and events that meet the social, physical, intellectual and cultural interests of the town's citizens.	<ul style="list-style-type: none"> ◦ Plan, coordinate, implement and evaluate a diverse array of recreation programs and activities for participants from preschool through senior adult. ◦ Aggressively seek avenues to attract and obtain instructors and contractors to rebuild program offerings. ◦ Offer adult instructional programs quarterly in performing arts, environmental education, sports, and arts and crafts that complement offerings by the county parks and recreation agencies. ◦ Use marketing tools to educate and inform the community of available opportunities and services. 	<ul style="list-style-type: none"> ◦ Over 80 percent of offered recreation classes meet minimum enrollment and operate as scheduled. ◦ Citizens obtain information on department programs via direct mail, town website, e-mail marketing, posters, flyers, signs, program brochure or through social media outlets.
Introduce youth ages two to 17 to lifetime leisure skills and activities.	<ul style="list-style-type: none"> ◦ Offer youth instructional programs in performing arts, environmental education, sports, arts and crafts and special interests, and provide the opportunity to learn or develop a new skill. 	<ul style="list-style-type: none"> ◦ Over 800 youth participate in summer camp experiences. ◦ Adapt program offerings considering community interest and instructional staff available. ◦ Class evaluations document the majority enjoyed the program.
Foster healthy lifestyles.	<ul style="list-style-type: none"> ◦ Offer wellness programs quarterly, combined with promotion of active and healthy lifestyles via social media, events and community outreach. 	<ul style="list-style-type: none"> ◦ Recreation staff participate in two community outreach opportunities, events or campaigns.
Anticipate the needs of the changing community and structure programs accordingly.	<ul style="list-style-type: none"> ◦ Partner with Herndon ON and increase recreational offerings through Opportunities Neighborhood connections. ◦ Use participant and community feedback to keep programs and activities fresh and appealing. ◦ Evaluate and retool programs not achieving minimum enrollment requirements. 	<ul style="list-style-type: none"> ◦ Apply data from program evaluation and feedback to inform program offerings. ◦ Monitor customer satisfaction and implement improvements to programs based on expressed desires of participants. ◦ Recognize and eliminate/reduce barriers to participation in programs and services.
Foster a sense of community through celebrations with our citizens, businesses and community organizations.	<ul style="list-style-type: none"> ◦ Offer cultural, entertaining, social, sporting and recreational activities. ◦ Seek new community partners to add quality programs and services for our citizens. 	<ul style="list-style-type: none"> ◦ Community events, including the July 4th celebration, NatureFest, Turkey Trot, and Farmers' Market Fun Days are held. ◦ At least one new corporate partnership acquired for program delivery.

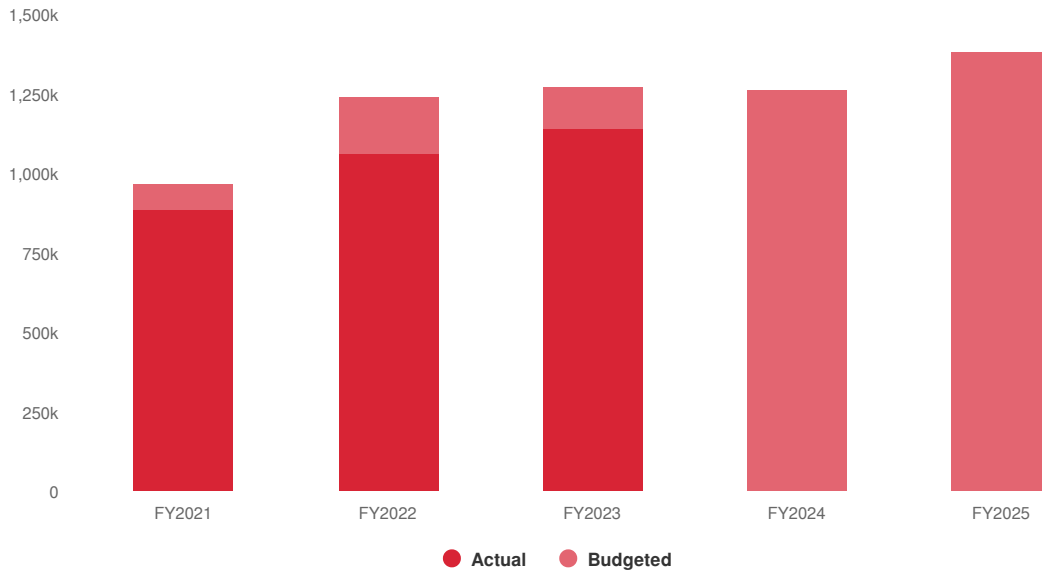


Parks & Recreation - Community Center Operations

Expenditures Summary

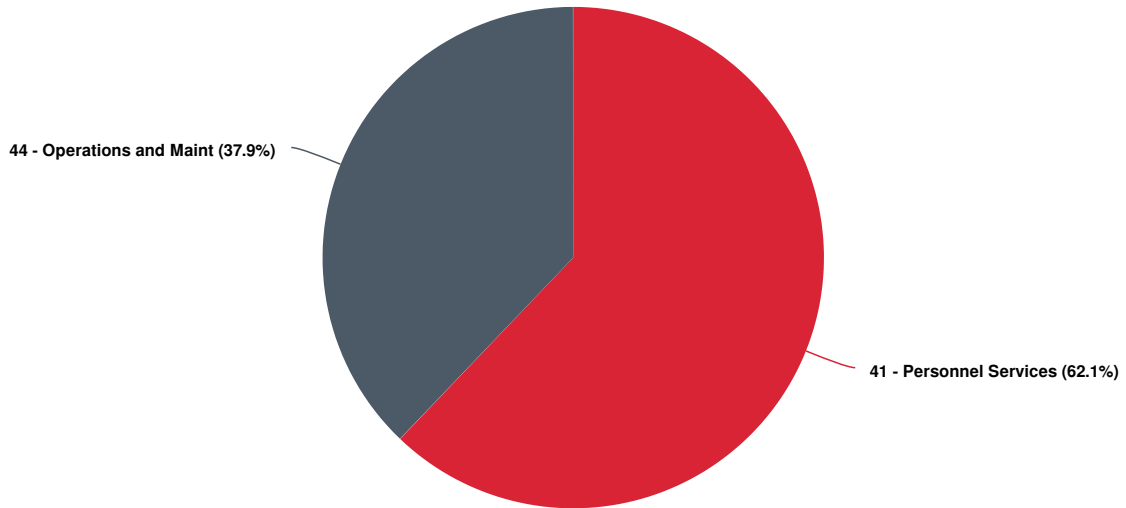
\$1,382,805 **\$116,304**
(9.18% vs. prior year)

Parks & Recreation - Community Center Operations Adopted and Historical Budget vs. Actual

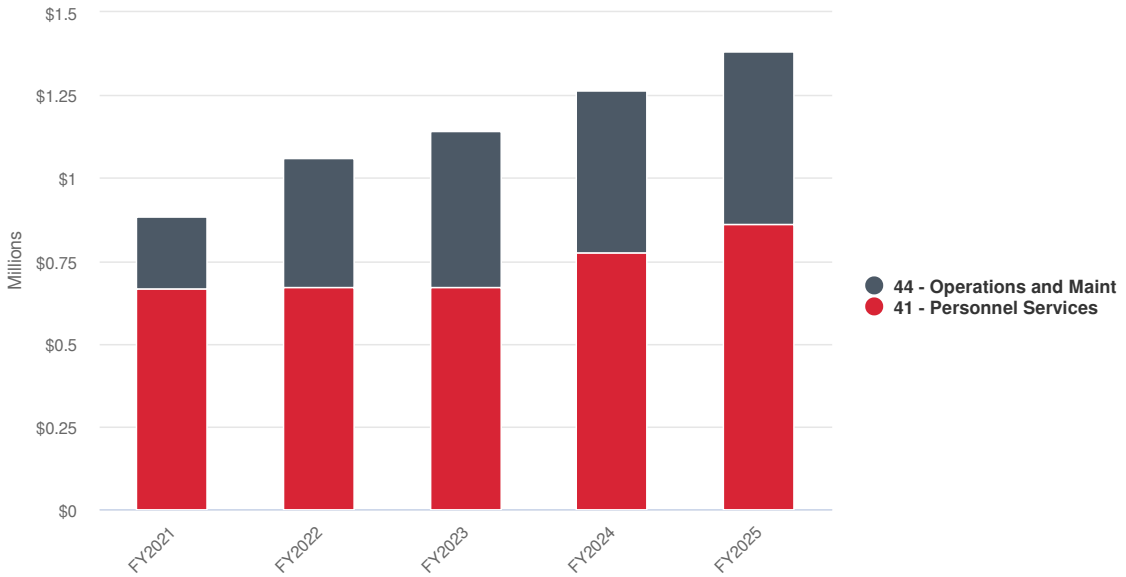


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$664,248	\$668,458	\$671,149	\$775,801	\$859,305	10.8%
44 - Operations and Maint	\$220,475	\$393,532	\$471,611	\$490,700	\$523,500	6.7%
Total Expense Objects:	\$884,723	\$1,061,989	\$1,142,759	\$1,266,501	\$1,382,805	9.2%

Parks & Recreation - Community Center Operations		
The Community Center Operations activity center/division operates a well-maintained recreation and aquatics facility, provides a comprehensive array of fitness opportunities, and delivers exceptional customer service.		
Goals	Strategies	Measures
Provide quality service to all patrons of the community center.	<ul style="list-style-type: none"> Provide friendly service and accurate information to patrons in person, on the telephone and on the website. Process daily admissions and multi-visit pass sales. Process program registrations and inquiries. Hold staff accountable to meet all customer service standards. 	<ul style="list-style-type: none"> Center appropriately staffed for all open hours each week. Parks and Recreation staff will process 100 percent of daily admissions and pass sales. Parks and Recreation staff will process approximately 50 percent of all class and program registrations. 90 percent of department surveys returned with an excellent or good rating for customer service.
Maintain a safe and clean facility.	<ul style="list-style-type: none"> Work with contractor to make sure the routine maintenance and cleaning as outlined by The Facilities Operations Maintenance and Preventive Maintenance Standards and Plan is being performed. Work with contractor to provide daily set-ups for all programs and events, as well as evening rentals, and supervision for all center activities. 	<ul style="list-style-type: none"> 90 percent of department surveys returned with an excellent or good rating for cleanliness. Parks and Recreation staff along with the cleaning contractor will setup and supervise the building for all classes and rentals.
Increase daily use of the Herndon Community Center.	<ul style="list-style-type: none"> Provide the opportunity for patrons to visit the center daily. Provide a variety of pass options for patrons to visit the center including standard and punch pass options. Provide time and space for facility rentals and birthday parties. 	<ul style="list-style-type: none"> Daily admissions to increase 10 percent over FY 2024 totals. Pass sale totals to increase 10 percent over FY 2024 totals. Facility rentals to remain consistent with FY 2024 totals and birthday parties to increase 10 percent of over FY 2024 totals.
Provide a quality comprehensive fitness program.	<ul style="list-style-type: none"> Offer quality personal training and small group fitness classes led by certified personal trainers. Offer a variety of quality drop-in exercise classes at different times throughout the week. 	<ul style="list-style-type: none"> Personal training and small group fitness to increase 5 percent over FY 2024 totals. Maintain the same number of drop-in exercise class offerings.

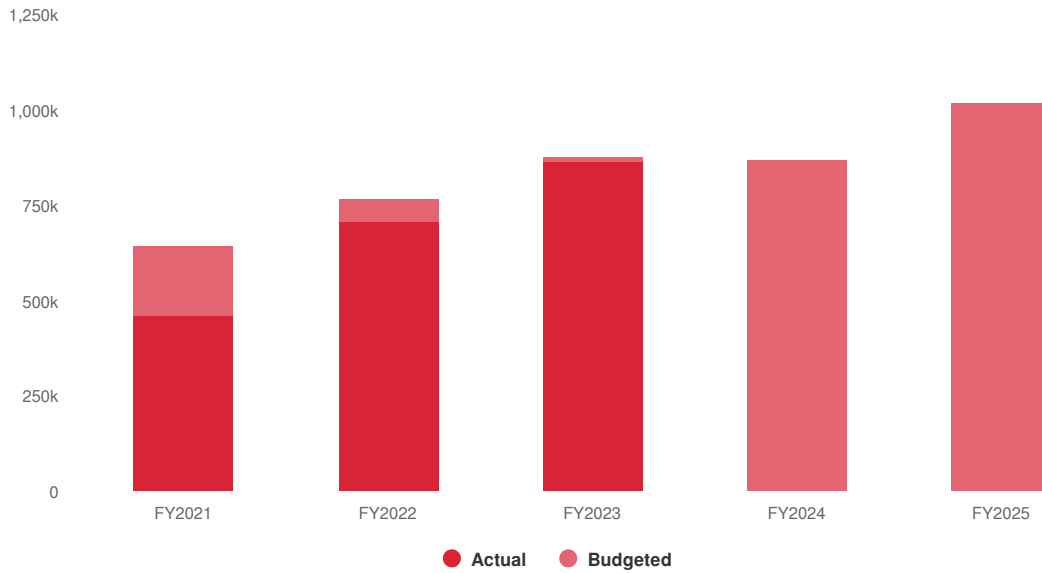


Parks & Recreation - Aquatics Programs & Operations

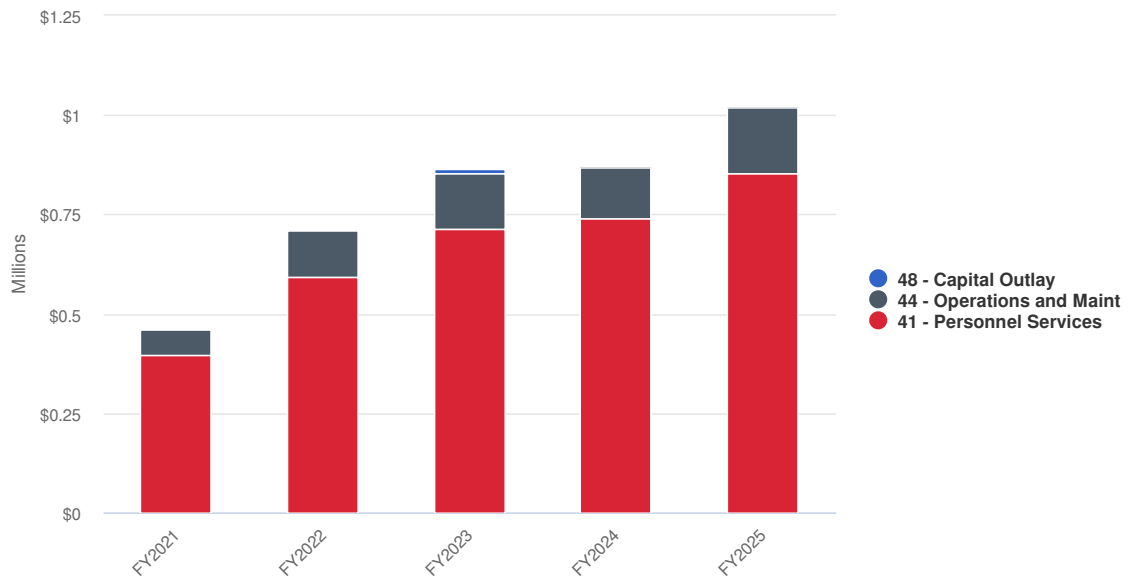
Expenditures Summary

\$1,018,318 **\$149,131**
(17.16% vs. prior year)

Parks & Recreation - Aquatics Programs & Operations Adopted and Historical Budget vs. Actual



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$398,014	\$592,189	\$712,246	\$740,787	\$855,118	15.4%
44 - Operations and Maint	\$61,882	\$116,496	\$141,421	\$128,400	\$163,200	27.1%
48 - Capital Outlay	\$0	\$0	\$9,432	\$0	\$0	0%
Total Expense Objects:	\$459,896	\$708,685	\$863,100	\$869,187	\$1,018,318	17.2%



Parks & Recreation - Aquatics Programs & Operations

The Aquatics activity center enriches the quality of life by providing recreational, fitness, competitive, and educational programs, implemented by knowledgeable and caring staff, and exceeds industry standards for cleanliness and safety in the operation of the natatorium.

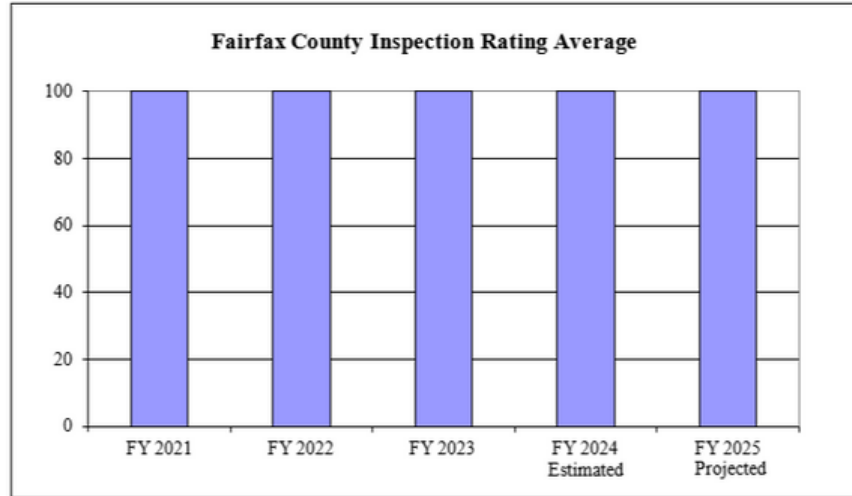
Goals	Strategies	Measures
Teach instructional classes to accommodate all ages and abilities.	<ul style="list-style-type: none"> o Offer 80 classes for ages six months to senior adults in fall, winter and spring. o Aggressively seek avenues to attract and obtain instructors and contractors to rebuild program offerings. o 95 percent of the classes offered taught by Virginia SWIMS trained instructors. o Instructors apply the Kids at Hope tenet, "all children are capable of success, no exceptions," in the delivery of their classes. 	<ul style="list-style-type: none"> o 92 percent of learn-to-swim and developmental class participants (or parents) responding to end-of-session class evaluations rate an improvement in swimming skills. o All instructors complete the Level 1 Kids at Hope training.
Foster youth physical development, physical conditioning and competitive swimming progression.	<ul style="list-style-type: none"> o Provide developmental swim programs for youth to enhance stroke development and encourage competitive swimming. o Offer year-round coaching for up to 200 children ages six to 18 years through the Herndon Commanders, a United States Swimming sanctioned swim team which incorporates correct stroke techniques, positive training, and a healthy attitude towards competitive swimming. 	<ul style="list-style-type: none"> o 85 percent of the swimmers completing the instructional developmental lessons can swim 25 yards of freestyle and 25 yards of backstroke. o 95 percent of the Commanders swimmers can swim four legal strokes. o 100 percent of coaches have completed the Fundamentals of Coaching program.
Encourage families, youth and adults to incorporate aquatics into a healthier lifestyle.	<ul style="list-style-type: none"> o Offer 12 or more water exercise classes including water walking, water aerobics, deep water exercise. o Offer three alternative water activities during the year. o Offer two events focusing on active family recreation and leisure activities. 	<ul style="list-style-type: none"> o The variety of offerings is rated as satisfactory or very satisfactory by 92 percent of patrons on the program evaluations. o 92 percent of the water fitness class participants report an improvement in their fitness level.
Operate the natatorium in a safe and hygienic manner as mandated by the Fairfax County Health Code.	<ul style="list-style-type: none"> o Follow all Fairfax County Health Department codes. o Aquatics operational staff are American Red Cross certified. Head guards and managers are certified Fairfax County Pool Operators. Managers are certified Aquatics Facility Operators. o Offer quarterly lifeguard training and testing. o Swim Team (Commander) coaches have current USA swimming credentials. 	<ul style="list-style-type: none"> o Achieve a minimum score of 97 on all Fairfax County Health Department inspections. o 90 percent of the lifeguards successfully complete the Herndon Community Center skills checklist during simulated rescues. o 100 percent of head lifeguards and aquatic management staff hold certification from Fairfax County Pool Operators and/or Aquatic Facility Operators. o 100 percent of Commanders coaches have current CPR/First-Aid, and Coaches Safety certifications. o Complete a life cycle replacement schedule for all equipment and systems for the natatorium in collaboration with DPW.



Parks & Recreation - Aquatics Programs & Operations

Performance Measures

The Aquatics activity center maintains a safe, clean aquatics facility through its water and air quality systems, well-trained staff, and proper maintenance. One indicator of this is the periodic inspection rating performed by Fairfax County Health Department. The goal each year is to achieve a minimum score of 97. A perfect score is 100.



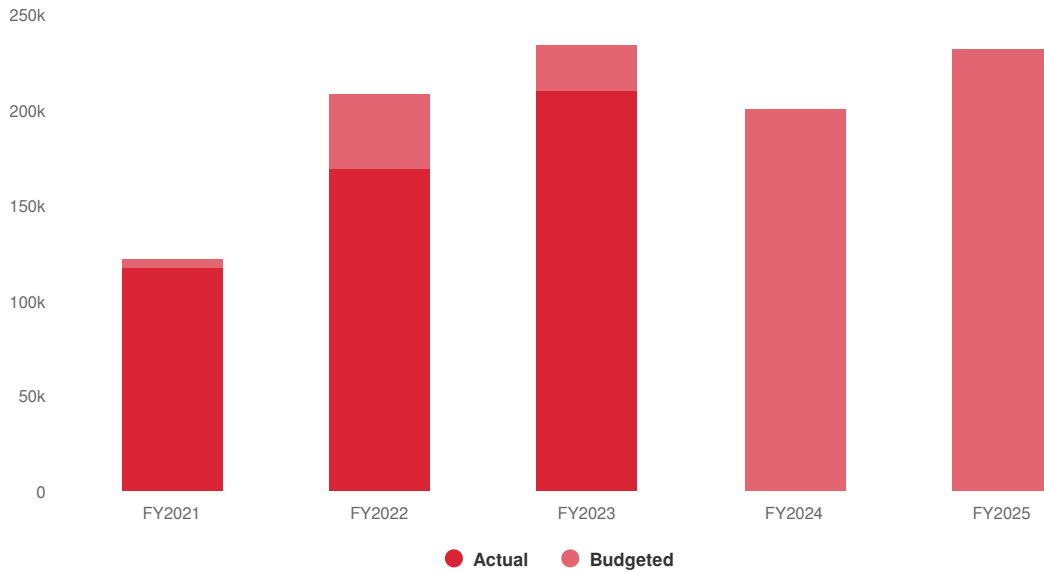
	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024 Estimated</u>	<u>FY 2025 Projected</u>
Fairfax County Inspection Rating Average	100	100	100	100	100

Parks & Recreation - Park Operations & Development

Expenditures Summary

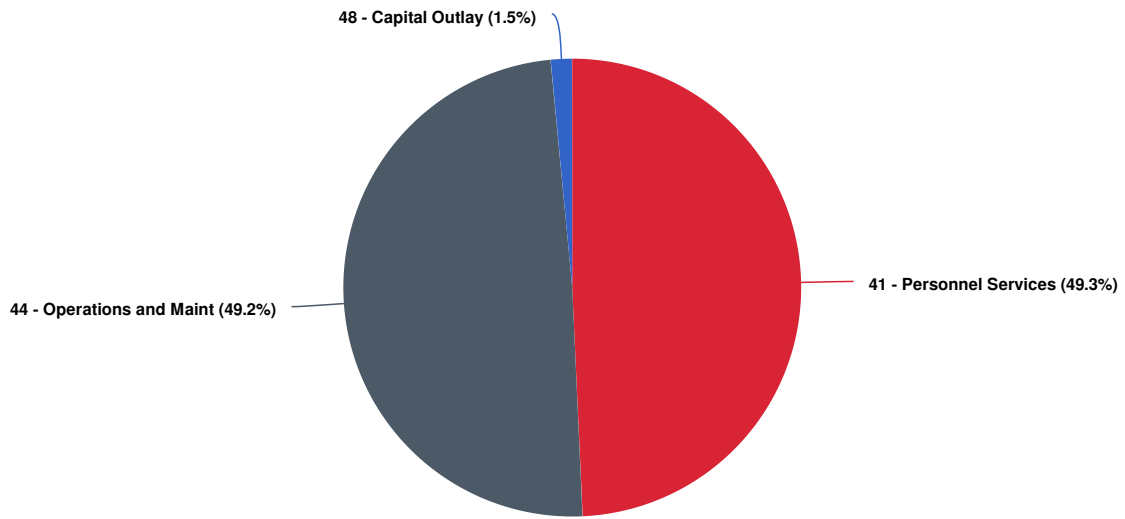
\$232,266 **\$31,918**
(15.93% vs. prior year)

Parks & Recreation - Park Operations & Development Adopted and Historical Budget vs. Actual

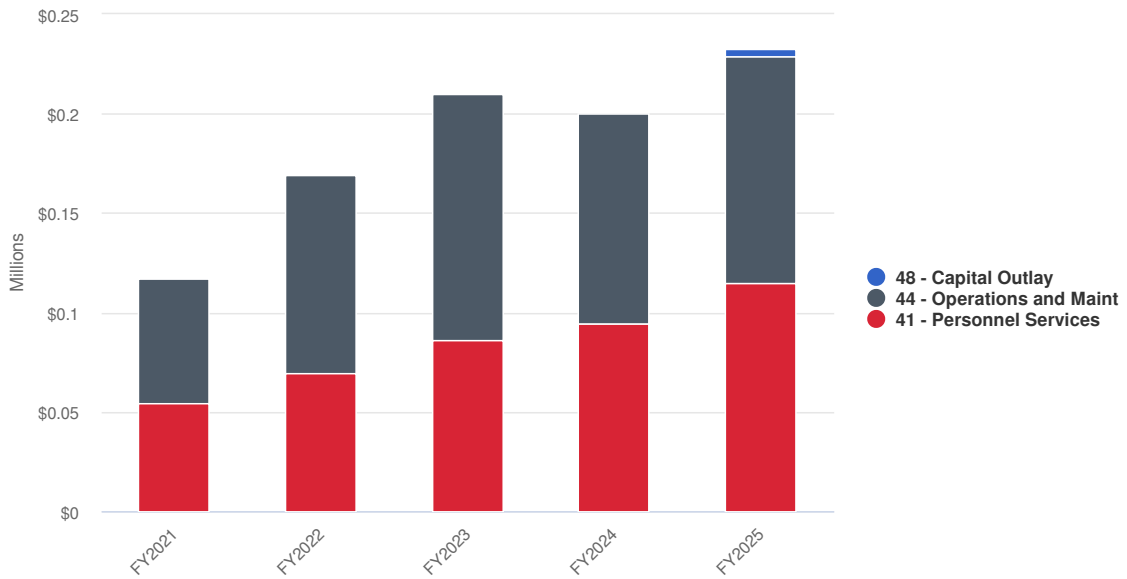


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$54,094	\$69,362	\$85,897	\$94,048	\$114,466	21.7%
44 - Operations and Maint	\$62,809	\$99,981	\$123,727	\$106,300	\$114,300	7.5%
48 - Capital Outlay	\$0	\$0	\$0	\$0	\$3,500	N/A
Total Expense Objects:	\$116,904	\$169,344	\$209,624	\$200,348	\$232,266	15.9%

Parks & Recreation - Park Operations & Development		
The Parks Division stewards the town's parks and trails by overseeing the maintenance and development of park land, protection of the natural environment, and access for use.		
Goals	Strategies	Measures
Operate the Bready Park Indoor Tennis Facility as a sustaining enterprise operation.	<ul style="list-style-type: none"> Market the indoor tennis facility through the town's website, program brochure and other print and online material. Provide diverse opportunities for use of the tennis facility to all ages and levels of players. Offset all operating costs of the facility with revenue. 	<ul style="list-style-type: none"> Offer a variety of instructional classes, and programs such as men's, women's and senior mixed doubles. Book \$125,000 of contract court rentals. The replacement of the tennis air structure, lights and mechanical units are completed for the FY25 (2024-25) season.
Coordinate the scheduling of sports fields and picnic shelters.	<ul style="list-style-type: none"> Schedule town park facilities at Bready, Trailside, Runnymede and Haley Smith Parks for community use. 	<ul style="list-style-type: none"> Baseball, softball, and turf soccer fields are reserved for use from March through October for youth and adult league play, tournaments and camps at both athletic parks. Synthetic turf soccer field is scheduled for use year-round. Coordinate approximately 125 picnic reservations combined at Bready, Trailside and Runnymede shelters.
Provide enhanced and diversified recreational opportunities for town residents.	<ul style="list-style-type: none"> Investigate opportunities to enhance and update parks and trail facilities. 	<ul style="list-style-type: none"> Pathways and trails in town parks are assessed for maintenance needs and prioritized for funding accordingly. Execute ARPA projects in conjunction with DPW staff. Pursue conversion of parking lot lights to a more energy efficient LED system.
Maintain and preserve town parks.	<ul style="list-style-type: none"> Partner with Friends of Runnymede Park for annual stream cleanup, seasonal care of native plant garden, and NatureFest. Coordinate with local groups to implement Community service projects. 	<ul style="list-style-type: none"> Community service projects result in the beautification of parks and open space through invasive plant removal, trash pickup, minor maintenance, and mulching and plantings of trees and shrubs. Opportunities for scout projects are provided.

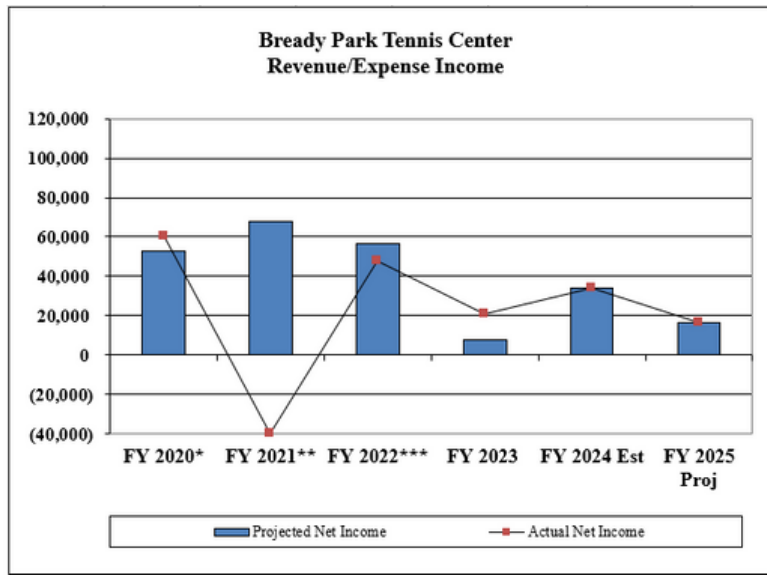


Parks & Recreation - Park Operations & Development

Performance Measures

The Bready Park Indoor Tennis Center features a seasonal bubble that allows three tennis courts to be covered and used three seasons of the year. The Tennis Center operates as a self-sustaining enterprise with revenue offsetting all operating costs of the facility.

	FY 2020*	FY 2021**	FY 2022***	FY 2023	FY 2024 Est	FY 2025 Proj
Projected Net Income	\$ 52,550	\$ 67,554	\$ 56,230	\$ 7,360	\$ 33,652	\$ 16,400
Actual Net Income	\$ 60,340	\$ (39,972)	\$ 47,612	\$ 20,470	\$ 34,000	\$ 16,400



*FY 2020 included partial refunds to contract holders and winter class enrollees due to pandemic closure in March; no spring classes were held.

**FY 2021 reflects a 60-day delayed opening, random court reservations only, no contracts, no fall or winter classes, due to pandemic and financial restrictions.

***FY 2022 reflects no instructional programming and impact of added holiday skip dates in contracts. Season was exclusively court contracts and random time, and leagues.

FY 2023 operation included opening a month later, fewer classes particularly in the fall season, and increased repair costs for lights.

FY 2024 required operation of an additional year with the existing structure, mechanical and lighting with new ProBounce court surfacing.

FY 2025 will include the first cycle of operation with a new tennis bubble, mechanical equipment and lights. These capital costs are included with the ARPA funding for replacement bubble structure and court resurfacing.



Finance

Marjorie Sloan
Director of Finance

The Department of Finance's primary purpose is to manage the town's financial resources in a professional, responsible, and accountable manner. In order to accomplish its objectives, the department facilitates its financial accounting procedures in accordance with generally accepted government accounting standards. The department also provides the Town Council, Town Manager and other town departments with accurate financial analyses, interim financial reports, and general guidance concerning the financial affairs of the town.

FY 2024 Highlights

- Successfully delivered the FY 2024 Adopted Budget using ClearGov, a budget software tool that consolidates the budget across funds. The interactive tool is posted on the town website providing through narratives, charts and graphs, a comprehensive accounting of how the town is proposing to allocate tax dollars.
- Successful quarterly reporting to Treasury Department on spending per the American Rescue Plan Act (ARPA).
- Leveraged technology to drive efficiency and accuracy. Completed MUNIS upgrades and implementation of the Tyler payments module.
- Implemented OpenGov, a procurement tool providing efficient and accurate tracking of competitive bids.
- Successfully reduced aged Accounts Receivable, and enhanced tracking of intergovernmental receivables and reimbursements.
- Implemented required financial accounting and reporting updates including compensated absence liabilities and restructured employer costs for the Virginia Retirement System.
- On track to receive the prestigious Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting award for the FY 2023 Annual Comprehensive Financial Report.

FY 2025 Initiatives

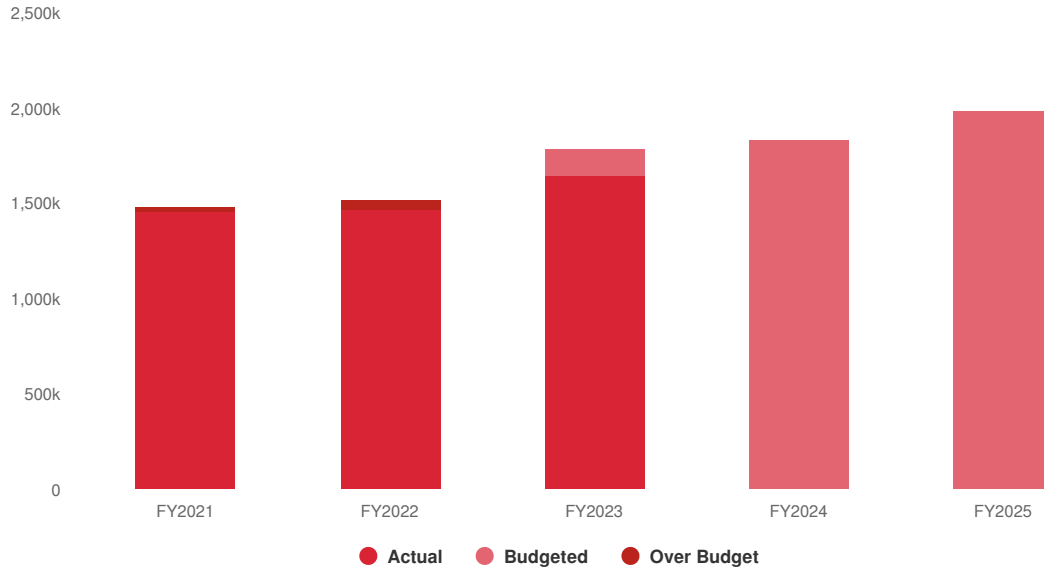
- Continued focus on leveraging technology including planning and implementation of new timeclocks, expanded online reporting options for business licenses, and updated Tyler Forms used for utility billing.
- Complete additional training on ledger reporting capabilities and managerial skill sets.
- Design and deliver additional budget training to town staff.
- Continued analysis and reporting on projects funded by American Rescue Plan Act (ARPA).

Expenditures Summary

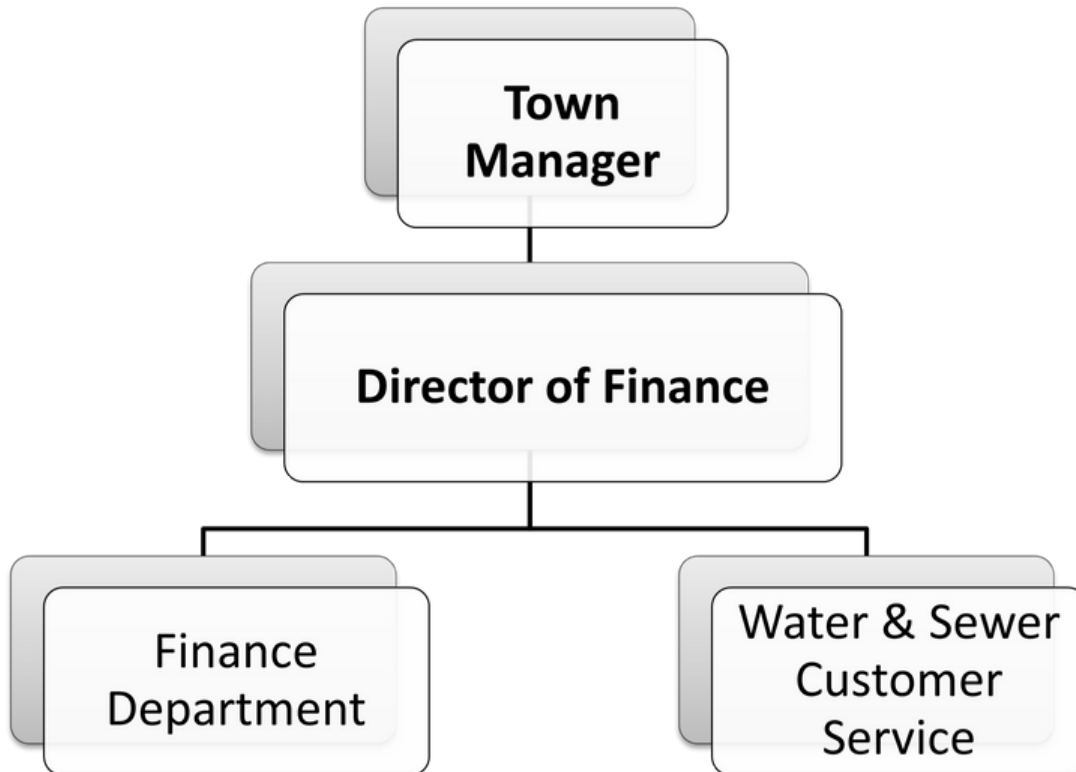
\$1,984,081 **\$152,911**
(8.35% vs. prior year)



Finance Adopted and Historical Budget vs. Actual



Organizational Chart



Performance Measures

Objectives	Strategies	Measures
<p>Administration:</p> <ul style="list-style-type: none"> ◦ Enhance the town's financial management and its credit rating. 	<ul style="list-style-type: none"> ◦ Monitor, on a consistent town-wide basis, revenue and expenditures so possible, corrective action can be promptly taken. 	<ul style="list-style-type: none"> ◦ Operate to maintain AAA credit rating with all three rating agencies. ◦ Manage town's debt programs, including tracking and payment of debt service requirements for all bond and note issues. ◦ Review annually and update policies and procedures related to debt, investments and financial reporting
<p>Budget:</p> <ul style="list-style-type: none"> ◦ Enhance the town's financial management 	<ul style="list-style-type: none"> ◦ Provide material support to Town Manager to present a balanced budget annually by the statutory deadlines. 	<ul style="list-style-type: none"> ◦ Proposed budget issued before April 1. ◦ Budget is adopted by end of April or early May. ◦ Budget is implemented and monitored throughout the year
<p>Accounting:</p> <ul style="list-style-type: none"> ◦ Provide accurate and timely financial performance information to town departments and satisfy local, state, and federal financial reporting requirements. ◦ Promote efficiency in processing town financial transactions to maintain the highest level of accountability 	<ul style="list-style-type: none"> ◦ Maintain accounting records in conformity with generally accepted accounting principles (GAAP) ◦ Issue Annual Comprehensive Financial Report and achieve unmodified opinion from the town's independent certified public accounting firm ◦ Process accurate, on-time bi-weekly payroll in accordance with town's policies and applicable state and federal regulations ◦ Promptly update town's financial software 	<ul style="list-style-type: none"> ◦ Timely implementation of Government Accounting Standards Board updates ◦ Issue interim monthly financial reports to management team ◦ GFOA Certificate of Achievement for Excellence in Financial Reporting attained. ◦ Vendor invoices paid within 45 days. ◦ Accurate and timely payroll Automated Clearing House (ACH) file and payroll checks ◦ Accurate payroll tax payments ◦ Bank Reconciliations completed within three weeks following month end. ◦ Timely billing and follow-up on grant reimbursements
<p>Revenue:</p> <ul style="list-style-type: none"> ◦ Assess and collect taxes, fees and other miscellaneous invoiced amounts. ◦ Promote efficiency in processing. ◦ Actively collect delinquent town accounts 	<ul style="list-style-type: none"> ◦ Prepare and disseminate accurate bills, notices and invoices for town taxes, fees, services, and utility charges. ◦ Initiate effective collection activities on delinquent accounts. ◦ Facilitate customer credit/debit card payments at the revenue counter 	<ul style="list-style-type: none"> ◦ Timely update to town application programs of property assessment information ◦ Coordinate real estate tax mailings. ◦ Taxpayer and citizen inquiries are resolved in a timely, efficient manner. ◦ Update the town's automated cash receipts application programs and make bank deposits daily. ◦ Collection activities coordinated with Town Attorney ◦ Accurate processing of online and revenue counter debit/credit payments



<p>Procurement:</p> <ul style="list-style-type: none"> ◦ Provide an effective and user-friendly procurement system and process for town staff based on purchasing practices consistent with local, state, and federal law 	<ul style="list-style-type: none"> ◦ Consult and guide town staff on correct interpretation of the Town Code and adopted purchasing procedures and policies. ◦ Manage procurement card program for small dollar purchases 	<ul style="list-style-type: none"> ◦ Annually review and update procurement and P-card policies ◦ Oversee operation of town's P-card program, including monitoring of activities and auditing selective transactions with follow-up investigations, if warranted ◦ Provide/maintain training materials for town staff
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Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$1,358,334	\$1,410,806	\$1,524,290	\$1,658,514	\$1,858,056	12%
44 - Operations and Maint	\$119,544	\$107,193	\$98,526	\$172,656	\$126,025	-27%
48 - Capital Outlay	\$0	\$0	\$24,088	\$0	\$0	0%
Total Expense Objects:	\$1,477,878	\$1,517,999	\$1,646,904	\$1,831,170	\$1,984,081	8.4%



Community Development

Elizabeth M. Gilleran, AICP

Director, Community Development

Overview

The Department of Community Development, through application of best practices in the fields of current and long-range planning, transportation planning and funding, arboriculture and landscape architecture, zoning administration, enforcement and neighborhood improvement, works to ensure the creation of a vibrant, attractive, and environmentally, economically and socially sustainable and equitable community in which Town of Herndon residents and businesses can prosper.

The department consists of two "activity centers," Community Planning and Community Inspections. Community Planning provides current planning, long-range planning, historic preservation, architectural review, arboriculture, landscape architecture, housing improvement for qualified owners, transportation planning and programming, and zoning administration. Community Inspections focuses on investigation and resolution of zoning violations and issuance of zoning permits.

FY 2024 Department Highlights

- Commenced the 2050 Comprehensive Plan project, the development of a new comprehensive plan to guide town policy for the next 25 years, leveraging monetary resources through Federal RAISE grant funding awarded in late FY 2023.
- Completed the Transit-Related Growth Small Area Plan Comprehensive Plan amendment, establishing town policies to guide future private development on 94 acres within walking distance of the Herndon Metro Station.
- Applied for and awarded over \$15,000,000 (projected) in transportation grant funding.
- Awarded Tree City designation for the 36th consecutive year.
- Applied for and awarded \$115,000 in tree planting funds from the Virginia Department of Forestry.
- Completed the Town Tree Survey of right-of-way trees to ensure future tracking of tree health and care.
- Coordinated and processed the review and approval of a zoning map amendment plan and proffers to replace two vacant office buildings with 460 dwelling units with a mix of housing types.
- Commenced drafting of Zoning Ordinance language for the Transit-Related Growth Area to implement the newly adopted small area plan.
- Finalized site plan, Architectural Review Board, and building permit review of the 555 Herndon Parkway plan.
- Expended over \$129,000 in Federal funds, provided through Fairfax County, for home maintenance and improvement projects for qualifying residents.
- Processed the special exception application and Architectural Review Board preliminary review for the expansion and update of the Herndon Elementary School.
- Processed and resolved over 100 zoning violations.
- Operated the Thursday Farmers Market in cooperation with Fairfax County Parks and Recreation.
- Provided staff support for the Planning Commission, Historic District Review Board, Architectural Review Board and Board of Zoning Appeals, including review and preparation of over 30 public hearing items and several special work sessions

FY 2025 Initiatives

- Perform extensive community outreach and listening sessions and public input opportunities in the development of the 2050 Herndon Comprehensive Plan.
- Utilize Tree Equity scores and the Town Tree Survey, to develop a program ensuring additional tree canopy, particularly in historically disadvantaged neighborhoods.
- Further develop Historic District awareness, and propose that a tax rebate program for appropriate facade improvements be made available to property owners of contributing structures.
- Develop zoning code language to implement the Transit-Related Growth Small and adoption of the corresponding Zoning Ordinance Text Amendment.
- Develop strategies to influence ground floor designs that are attractive to various sizes and types of retail.
- Develop and implement a program to combat invasive species on public property and encourage reuse of sawn tree.
- Continue grant funding efforts to off-set general fund costs.
- Continue to support the Planning Commission, Board of Zoning Appeals, Architectural Review Board, Historic District Review Board, Pedestrian and Bicycle Advisory Committee, and Herndon Diversity, Equity, and Inclusion Committee.
- Continue to assist lower income residents with necessary housing repairs and improvements with Federal funding through cooperation with Fairfax County.
- Seek a partner to establish a weekend farmers market to augment the Thursday market.



- Assist in the effort to encourage Fairfax County interest and involvement in providing affordable housing options within the town.
- Engage with state and regional entities to promote town-wide transportation improvements and address regional transportation concerns impacting the town.

Organizational Chart



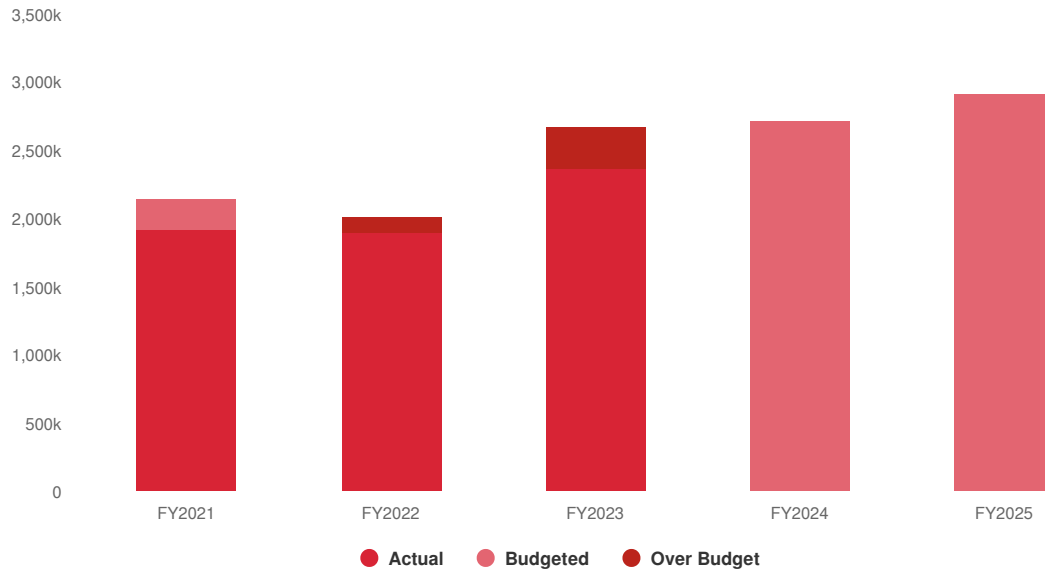
Expenditures Summary

The increase in the Community Development FY 2025 budget is primarily driven by reimbursable grant funding and personnel costs. Two programs, housing rehabilitation and tree canopy expansion and replacement, benefit from grant funding that is received on a reimbursable basis. Initial funds are included in the department's budget to pay for costs prior to reimbursement. Personnel costs account for 83.8 percent of the department's budget. This year several factors have increased personnel cost across all town departments.

\$2,914,891 **\$198,914**
 (7.32% vs. prior year)



Community Development Adopted and Historical Budget vs. Actual

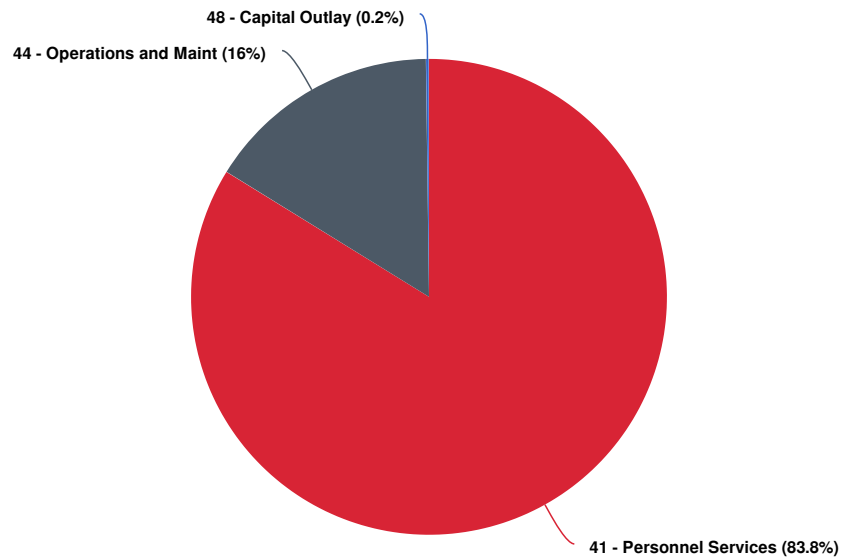


Expenditures by Expense Type

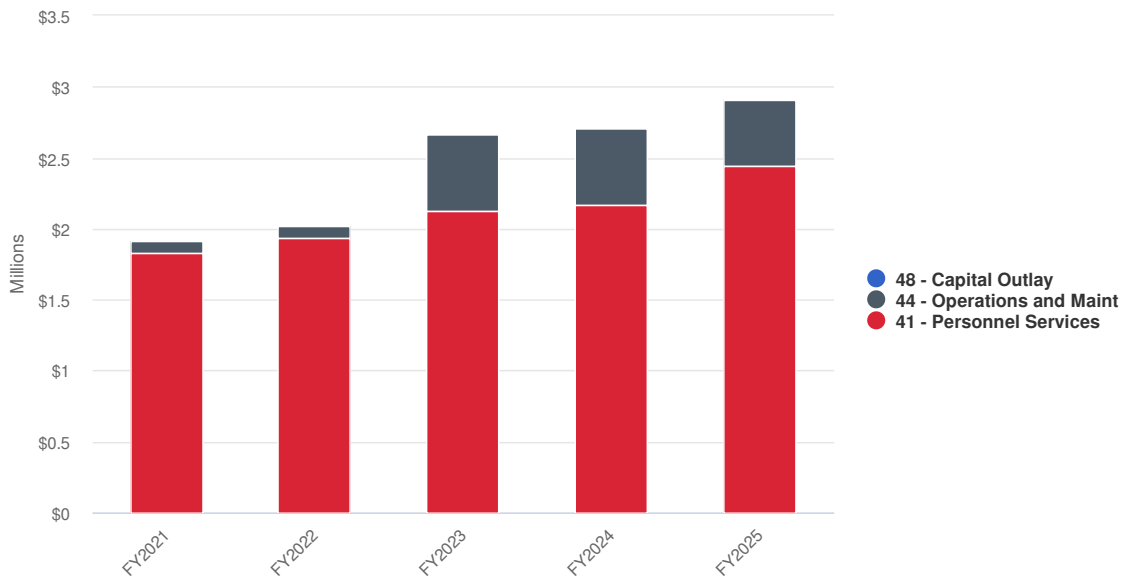
Personnel Services constitutes the majority of the departmental budget. The department has 17 positions, nine of which are professional planner positions. Other positions include Town Arborist, Planning Operations Manager, Clerk of Boards and Commission, Housing and Neighborhood Improvement Coordinator, community inspectors and administrative support staff.

Operations and Maintenance constitutes 16% of the department's budget and covers a variety of costs, such as training for staff, commissioners, and board members, professional consultant services, office supplies, and other routine office needs. In addition, two grant programs, purchase and planting of additional town trees and housing rehabilitation, appear in the department's budget as General Fund expenditures, but are reimbursed to the town through the grant upon completion of the project.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$1,826,347	\$1,938,900	\$2,127,868	\$2,170,017	\$2,442,771	12.6%
44 - Operations and Maint	\$86,015	\$80,289	\$535,401	\$539,647	\$466,168	-13.6%
48 - Capital Outlay	\$0	\$0	\$8,337	\$6,314	\$5,952	-5.7%
Total Expense Objects:	\$1,912,361	\$2,019,189	\$2,671,606	\$2,715,978	\$2,914,891	7.3%



Community Development – Community Planning

The Community Planning activity center provides current planning, long-range planning, historic preservation, architectural review, arboriculture, transportation planning and programming, and zoning administration. All land use and land development applications are reviewed for adherence to the Herndon Zoning Ordinance, Herndon Comprehensive Plan, adopted policies and best practices. Community Planning provides staff support for the Planning Commission, Board of Zoning Appeals (BZA), Historic District Review Board (HDRB) and Architectural Review Board (ARB) for work sessions and regular public sessions, as well as planning and zoning items heard by the Town Council. Two ad hoc committees, the Pedestrian and Bicycle Committee and the Herndon Diversity, Equity and Inclusion Committee, are also staffed by Community Planning. In addition, the activity center coordinates with state, regional and county entities on matters of importance such as Dulles Airport expansion, transportation improvements, potential future transportation impacts, and regional growth projections. Grants are sought from federal, state and regional sources. Other activities include home improvements for qualifying residents through grant dollars, departmental operations management, general administrative support, clerking duties for the boards and commission, and the farmers market.

Below are shown the number of items reviewed and prepared by staff for the Commission, BZA, ARB, and HDRB in FY 2022, FY 2023, and FY 2024 (Projected). The decrease in the number of ARB items between FY 2023 and FY 2024 can be credited to the adoption of Uniform Sign Standards. The Uniform Sign Standards increases the number of sign applications that can be approved at the staff level and negates the need for ARB review. In addition to the eleven projected applications for Certificates of Appropriateness (COA) in the historic districts, staff anticipates an additional 18 COA applications will be reviewed by staff and acted upon at the staff level.

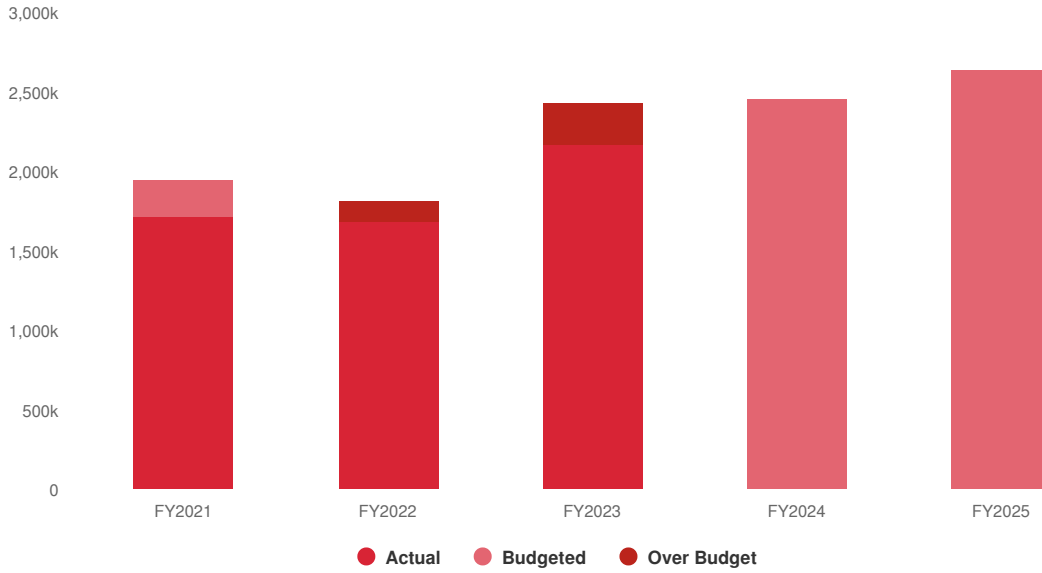
	FY 2022	FY 2023	FY 2024 (Projected)
Planning Commission Reviews			
Special Exception	4	2	4
Zoning Text Amendment	1	3	2
Comprehensive Plan Amendment	1	0	1
Zoning Map Amendments/Dev. Plans	2	3	3
Other (CIP)	1	1	1
Special Work Session Topics	4	3	3
BZA			
Public Hearing Items	1	4	4
ARB			
Public Hearing Items	24	26	6
HDRB			
Public Hearing Items	11	13	11
Staff Reviewed Approved COA	23	32	18

Expenditures Summary

\$2,645,132
\$181,024
(7.35% vs. prior year)

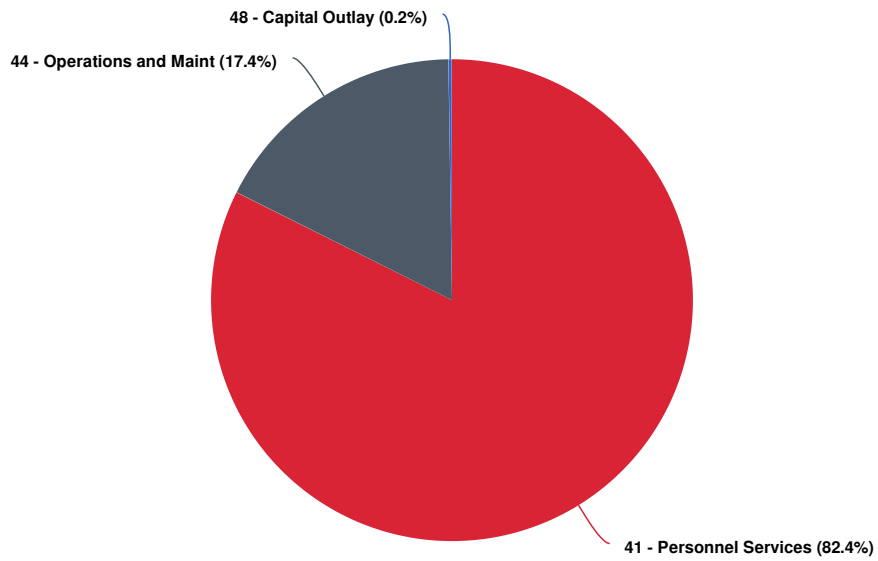


Community Development – Community Planning Adopted and Historical Budget vs. Actual

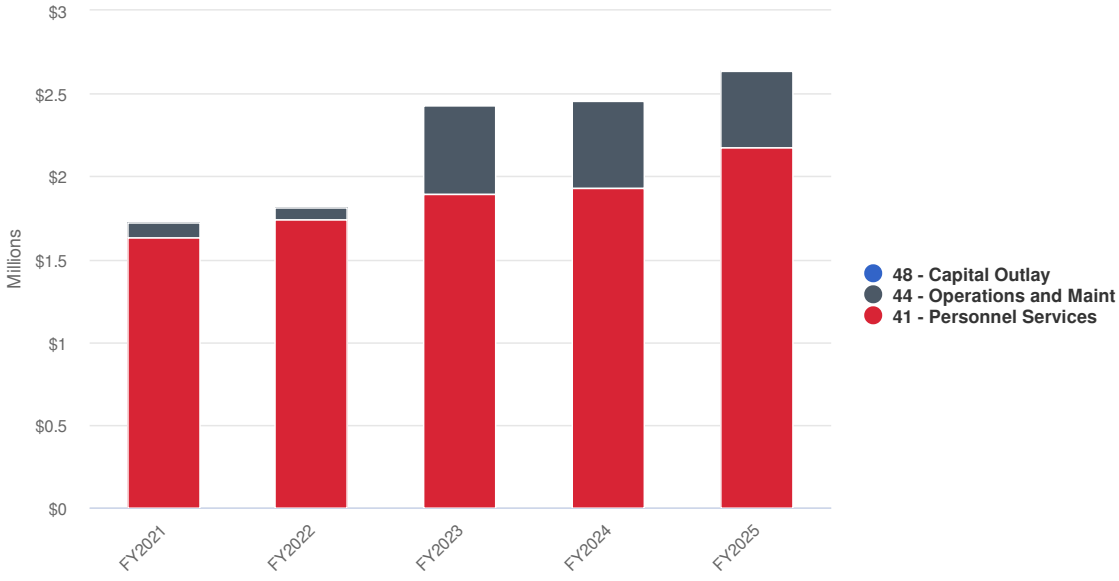


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$1,634,646	\$1,737,373	\$1,894,079	\$1,926,743	\$2,179,502	13.1%
44 - Operations and Maint	\$84,372	\$78,881	\$534,406	\$531,052	\$459,678	-13.4%
48 - Capital Outlay	\$0	\$0	\$8,337	\$6,314	\$5,952	-5.7%
Total Expense Objects:	\$1,719,018	\$1,816,254	\$2,436,822	\$2,464,108	\$2,645,132	7.3%



Objectives, Strategies, and Measures

Community Planning		
Among the regular duties and special projects performed by the Community Planning staff in FY 2025, the following objective, strategies, and measures will be prominent.		
Objective	Strategies	FY 2025 Measures
<p>Creation of a vibrant, attractive, and environmentally, economically, and socially sustainable and equitable community, comprised of attractive, safe, and distinctive residential, mixed-use, and commercial neighborhoods, providing a mix of housing options and commercial opportunities.</p>	<ul style="list-style-type: none"> ◦ Develop policies, practices, and regulations that protect and enhance the Town's natural resources and preserve the environment. ◦ Ensure code language reflects best practices and current procedures, while encouraging a mix of uses. ◦ Ensure that the foundation of the 2050 Herndon Comprehensive Plan is public input from all segments of the community. ◦ Preserve and encourage the town's unique sense of place and quality of design. ◦ Ensure available funds are utilized to improve the safety, longevity, and appearance of existing housing. ◦ Ensure grant funding strategies offset town cost in CIP transportation projects. ◦ Increase affordable housing options in the town. ◦ Ensure all plans, plats, and land development permits meet or exceed town zoning regulations, adopted policies, best practices, and adhere to the Herndon Comprehensive Plan. 	<ul style="list-style-type: none"> ◦ Apply data from "Tree Equity" to guide planting of additional tree canopy. ◦ Provide information on the reuse of sawn trees at all preconstruction meetings. ◦ Complete the town-wide tree survey and initiate an Urban Forestry Management Plan. ◦ Develop a public outreach plan and establish policies for expanding outreach in conjunction with the Herndon 2050 project. ◦ Encourage an increase in EV charging stations through zoning ordinance incentives. ◦ Provide owners of contributing structures with useful and informative information regarding the district and processes on a scheduled basis. ◦ Install visual cues to identify the historic districts. ◦ Identify and apply for grants from all applicable funding sources towards maintaining grant funding of CIP transportation project costs. ◦ Attend all applicable regional meetings, and support Council participation at same, to leverage regional resources and address regional concerns. ◦ Utilize all available funds on housing rehabilitation projects and seek additional funding from Fairfax County. ◦ Identify strategies to influence ground floor designs that are attractive to various size and types of retail. ◦ Encourage Fairfax County interest and involvement in providing affordable housing options in the town.



Community Development - Community Inspections

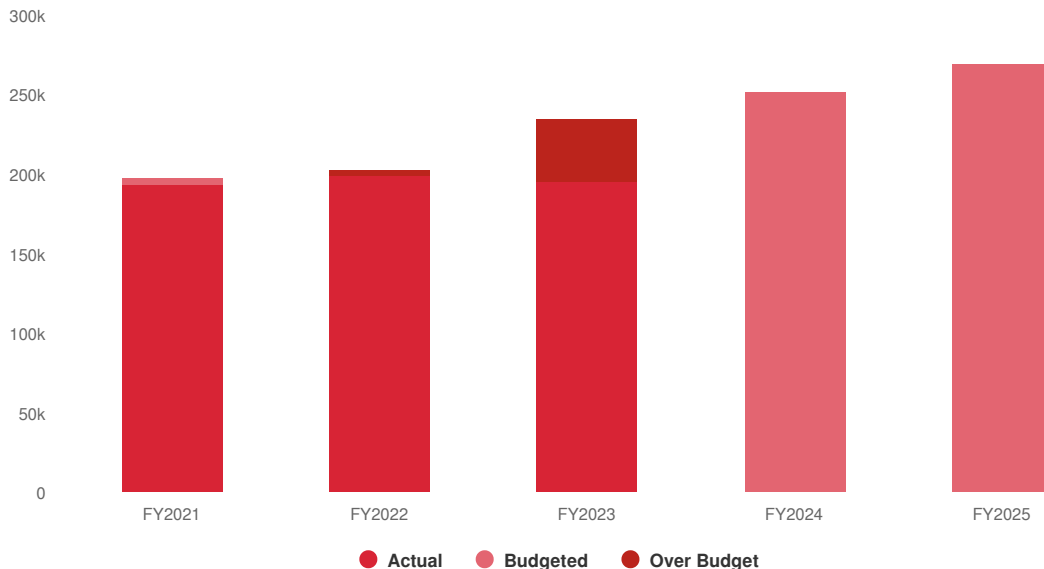
Consisting of two inspectors, the Community Inspections Activity Center concentrates on enforcing zoning regulations in a fair, consistent and expedient manner. In addition, they assist in the processing and issuing of zoning permits for new businesses and temporary uses. Personnel services accounts for 97.6 percent of the budget, with operations and maintenance comprising only 2.4 percent. The low operations and maintenance budget is due to several routine operational line items, such as office supplies, being combined with the Community Planning budget. Both inspectors maintain certification through the Virginia Association of Zoning Officials, as does the Zoning Administrator.

Community Inspections Caseload – Five Year Comparison					
Complaints/Actual Violations					
Type of Violation	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 (projected)
Commercial Vehicle	49 / 40	61 / 30	24 / 10	37 / 7	52 / 10
Parked on Unpaved Surface	68 / 63	84 / 63	19 / 12	34 / 22	24 / 18
Inoperable Vehicle	147 / 146	86 / 61	72 / 26	49 / 17	60 / 12
Overcrowding	40 / 37	30 / 28	17 / 13	21 / 11	40 / 24
Other	111 / 78	124 / 79	117 / 57	67 / 30	116 / 60
Total	415 / 364	385 / 261	246 / 118	208 / 87	292 / 124

Expenditures Summary

\$269,759 **\$17,890**
 (7.10% vs. prior year)

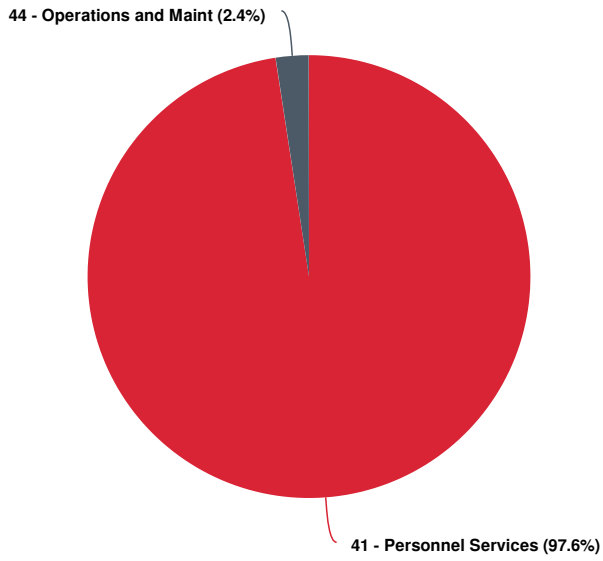
Community Development - Community Inspections Adopted and Historical Budget vs. Actual



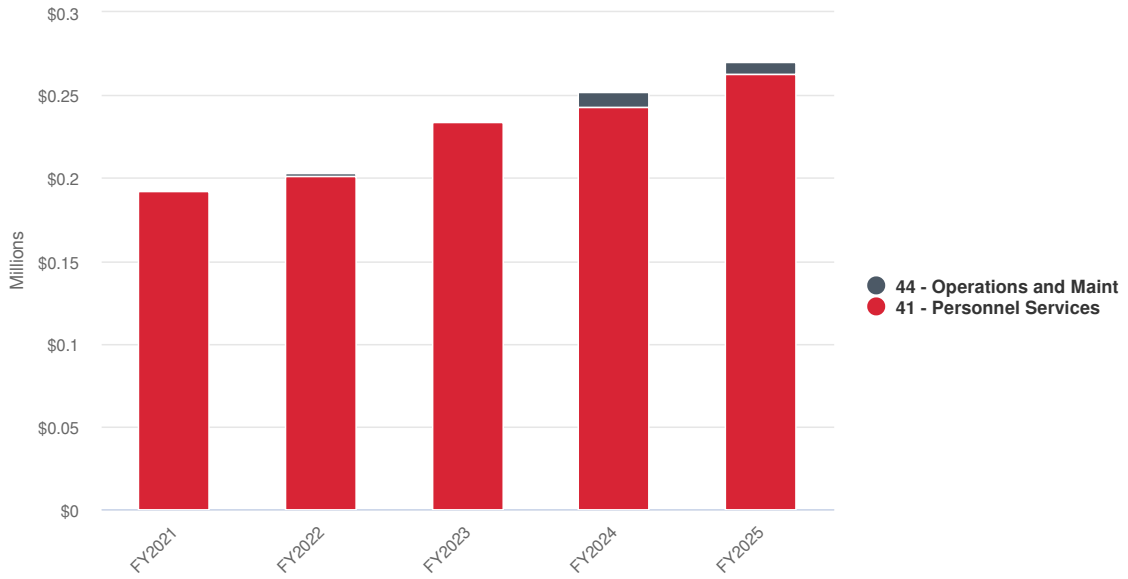


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$191,701	\$201,527	\$233,788	\$243,274	\$263,269	8.2%
44 - Operations and Maint	\$1,642	\$1,408	\$996	\$8,595	\$6,490	-24.5%
Total Expense Objects:	\$193,343	\$202,935	\$234,784	\$251,869	\$269,759	7.1%

Objectives, Strategies and Measures

Community Development - Community Inspections		
Objectives	Strategies	FY 2025 Measures
<p>Protect and enhance the community's quality of life, safety and tax base through enforcement of the town's adopted Zoning Ordinance in a professional, fair and expedient manner.</p>	<ul style="list-style-type: none"> ◦ Ensure residential neighborhoods are protected from the adverse impacts of overcrowding, illegal residential conversions, illegal home-based business activity and illegal vehicle storage on private property. ◦ Ensure the appearance of the community exhibits a successful level of municipal and private custodianship for residents and visitors. ◦ Ensure that complainants are updated, to the extent legally allowable, through preferred communication and in a timely manner. ◦ Assist residents and homeowners associations understand their rights and their neighbors rights with respect to zoning law. 	<ul style="list-style-type: none"> ◦ 100% of all complaints are followed up upon within three business days of receipt of the complaint. ◦ All inspectors obtain or retain VAZO Certified Zoning Official status. ◦ All complainants who ask to be contacted are contacted within two business days of receipt of their complaint and following the closure of the case. ◦ Collection of illegal signs performed per standard seasonal schedule.



Police Department



Chief Maggie A. DeBoard
Herndon Police Department

Chief Maggie A. DeBoard was appointed Chief of Police for the Herndon Police Department in March 2012. She began her career in law enforcement in 1986 with the Fairfax County Police Department, where she served for more than 25 years before retiring as a deputy chief.

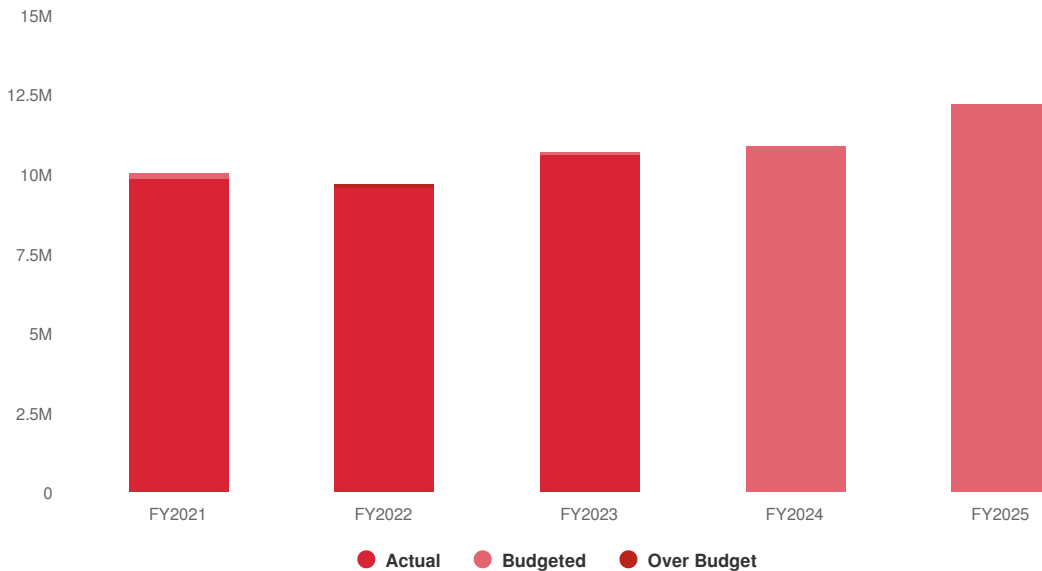
Chief DeBoard holds a Bachelor of Science degree in Criminal Justice from George Mason University and a Master of Arts in Security Studies (Homeland Security and Defense), from the Naval Postgraduate School. She is also a graduate of the FBI National Academy.

Chief DeBoard has extensive experience in community policing, patrol and special operations, training, leadership development, and officer safety and wellness. During her more than 10 years as Chief, she has brought progressive programs, policies, and practices to the Herndon Police Department, some of which have been recognized nationally and across the state. Chief DeBoard is a past President of the Virginia Association of Chiefs of Police (VACP), having served in that capacity during the police reform movement. She was recognized by the VACP for her Outstanding Contributions to Law Enforcement as a result of her efforts to advocate for and advance effective and safe policing throughout the state. In 2021, she was appointed by the governor to serve on the Criminal Justice Services Executive Board, where she will serve a four-year term. She is serving a second four-year term on the Virginia Forensic Science Board as the current chair.

Expenditures Summary

\$12,200,580 **\$1,284,786**
(11.77% vs. prior year)

Police Department Adopted and Historical Budget vs. Actual



CORE PURPOSE

Preserve public peace and protect the safety and rights of individuals.

MISSION STATEMENT

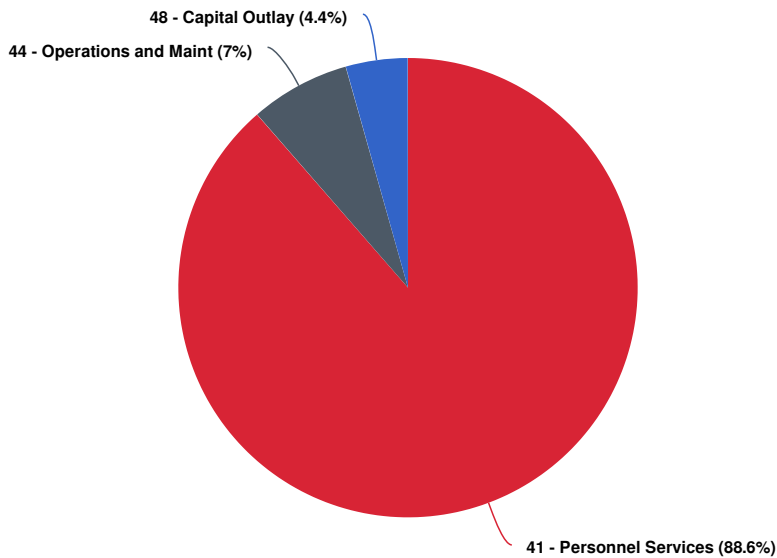
To enrich the quality of life and promote a sense of community by providing law enforcement and related services in partnership with the law-abiding public.

VISION

Understanding the challenges of enriching the quality of life and promoting a sense of community in a diverse society, the Herndon Police Department provides all citizens within the Town of Herndon with the highest level of quality law enforcement service without regard to race, culture, religion, national origin, age, gender, or disability.

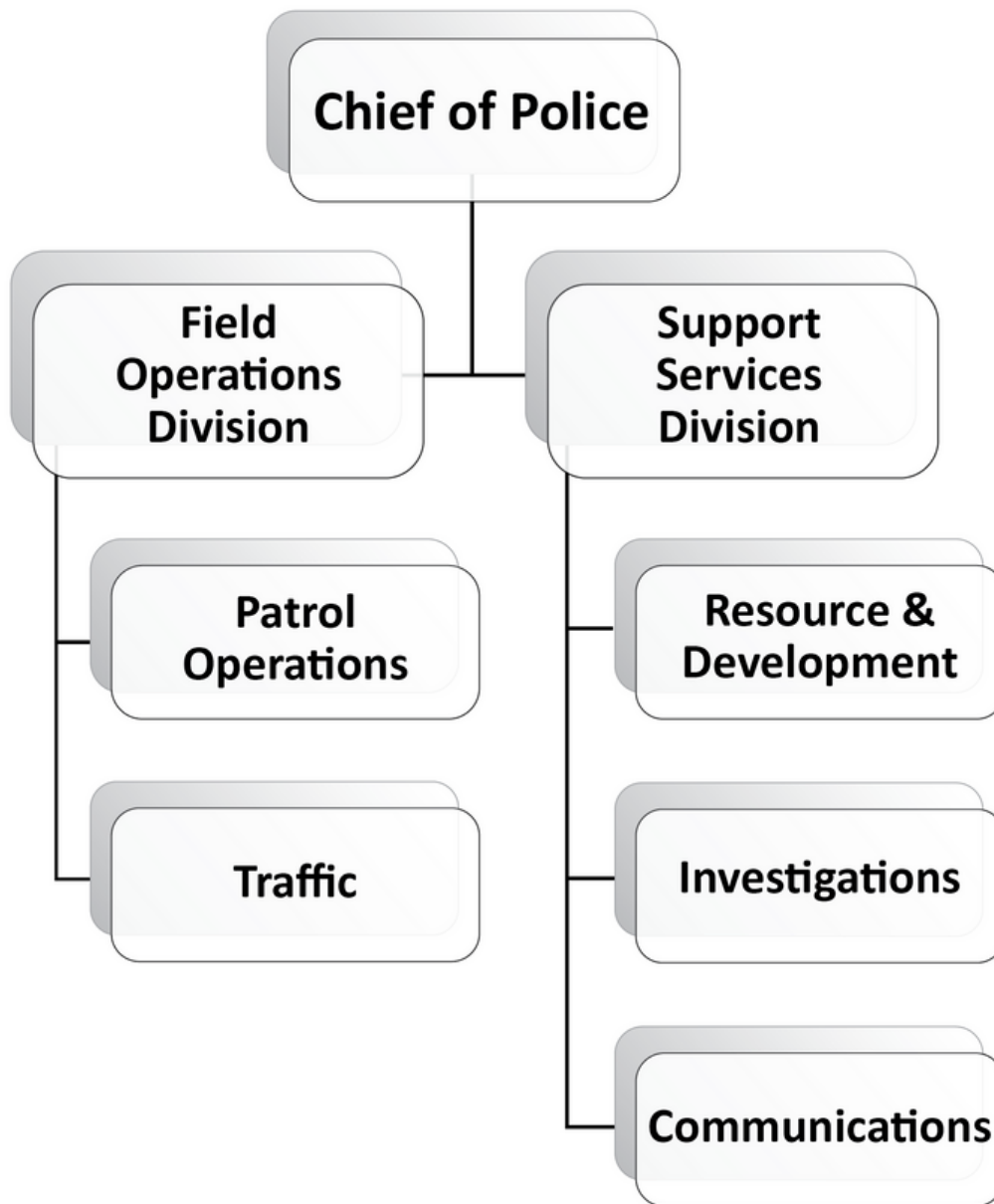
Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$9,007,079	\$8,837,382	\$9,421,647	\$9,769,694	\$10,809,300	10.6%
44 - Operations and Maint	\$753,764	\$747,883	\$771,751	\$904,700	\$858,180	-5.1%
48 - Capital Outlay	\$88,459	\$145,705	\$408,374	\$241,400	\$533,100	120.8%
Total Expense Objects:	\$9,849,301	\$9,730,969	\$10,601,772	\$10,915,794	\$12,200,580	11.8%

Organizational Chart



Vision

The Herndon Police Department (HPD) is a full-service law enforcement agency that enforces laws, responds to calls for service, and investigates crime and complaints. The department advocates partnerships with the community to promote crime prevention and strengthen community engagement.

Recent Highlights

- Presented with WRAP (Washington Region Alcohol Program) and MADD awards for efforts to continue to combat impaired driving.
- Awarded grants of more than \$168,000 to provide funding for much-needed law enforcement equipment and training.
- Fully upgraded and integrated body-worn, in-car, and interview room camera systems to one platform to promote efficiency and increase operational effectiveness.
- Participated with the Internet Crimes Against Children Task Force, the FBI/HSI Violent Crimes Task Force, the Secret Service Cybercrime Task Force, and the Northern Virginia Critical Incident Response Team.
- Provided leadership and advanced training opportunities to include a captain's participation and graduation from the FBI National Academy, the certification of a detective's cyber-forensic specialist designation, and two graduates of the VACP's Police Executive Leadership School.
- Strengthened community partnerships with elementary schools in the town and promoted engagement opportunities and activities through National Night Out and the Annual Herndon High School Homecoming Parade events, as well as various community-specific outreach activities.
- Maintained social media presence and outreach to over 18,294 followers through Twitter, Facebook, and Instagram, an increase of over 18% from the previous year.
- Continued to prioritize health and wellness for police personnel through enhanced wellness initiatives that included a mandatory physical fitness program and scheduled squad workouts, mental wellness checks, facility support dog, certified Peer Support Team, and a nap/meditation room. The department was again named a national finalist in four separate award categories for officer safety and wellness by the National Law Enforcement Officers Memorial.
- Department reorganization to include the creation of a fifth lieutenant's position to oversee the communications center, and the creation of an assistant program manager to assist with accreditation and special projects.

Upcoming Initiatives

- Launch the CAD/RMS system (Computer Aided Dispatch and Records Management) replacement to upgrade technical capability and vendor support, facilitate effective call dispatching, police communication and service response, and records management requirements.
- Launch an interactive recruitment website to highlight the department and increase interest from new and lateral officers and professional staff.
- Transition to new handguns equipped with micro-red dot optics, making it easier for officers to acquire a target safely and more rapidly in low-light conditions and at a distance to enhance officer safety.
- Promote and continue to enhance police-community relationships through interactive social media presence and outreach events.
- Re-establish a dedicated Traffic Section with motor officers to enhance roadway safety through education and enforcement. Hire a second part-time parking enforcement official to assist in addressing parking violations throughout the town.
- Expand the physical fitness program through the construction of a new fitness facility within 397 Herndon Parkway.



Performance Measures

Police - Field Operations		
The Field Operations Division secures the community, delivers proactive and responsive law enforcement services, and promotes active community partnerships through engagement and outreach.		
Objectives	Strategies	Measures
Deter and detect crime to maintain public safety.	<ul style="list-style-type: none"> ◦ Promptly respond to calls for service. ◦ Conduct proactive patrols. ◦ Apprehend offenders and resolve active cases through preliminary and follow-up investigations. 	<ul style="list-style-type: none"> ◦ Respond to calls for service according to the priority of the emergency or call. ◦ Proactively respond to observed criminal activity. ◦ Conduct effective investigations and monitor case resolutions. ◦ Promptly reassign designated criminal cases to the Criminal Investigations Section for follow-up investigation.
Preserve and strengthen community partnerships to promote police/citizen involvement.	<ul style="list-style-type: none"> ◦ Promote community engagement and outreach opportunities. 	<ul style="list-style-type: none"> ◦ Participate in the National Night Out campaign. ◦ Host Coffee with a Cop outreach. ◦ Maintain school partnerships through events and mentoring opportunities. ◦ Attend neighborhood meetings in at-risk communities to build trust and provide more assistance where needed.
Enforce traffic laws and promote roadway safety.	<ul style="list-style-type: none"> ◦ Promote roadway safety through traffic law enforcement. ◦ Promote roadway safety through proactive patrols and safety campaigns. ◦ Enforce parking violations. 	<ul style="list-style-type: none"> ◦ Conduct traffic enforcement to identify impaired and distracted driving, speeding, and other safety violations. ◦ Identify locations for enforcement efforts based on traffic complaints and accidents. ◦ Participate in the town's Traffic Engineering Improvement Committee to resolve traffic and roadway issues through engineering solutions. ◦ Conduct holiday and other concentrated patrols to detect impaired driving. ◦ Participate in traffic safety campaigns for distracted and impaired driving. ◦ Conduct parking enforcement on public streets and community neighborhoods.



Police – Support Services

The Support Services Division ensures operational support of policing services through investigations, training and recruitment of personnel, records and communications, and other activities.

Objectives	Strategies	Measures
Investigate criminal activity and apprehend suspected criminals.	<ul style="list-style-type: none"> ◦ Ensure effective criminal investigations. ◦ Maintain liaison with specialized law enforcement resources and external partnerships. 	<ul style="list-style-type: none"> ◦ Conduct follow-up investigations on assigned cases and monitor the status of resolutions. ◦ Elevate priority of criminal investigations that involve violence. ◦ Review cold cases annually for solvability. ◦ Maintain participation with state and federal investigative task forces. ◦ Conduct massage parlor inspections annually.
Maintain readiness through emergency management.	<ul style="list-style-type: none"> ◦ Provide training in national emergency management protocols. ◦ Participate in regional workgroups and planning sessions to identify security threats to the community. 	<ul style="list-style-type: none"> ◦ Ensure National Incident Management System (NIMS) and annual Incident Command System (ICS) training for police personnel. ◦ Exercise ICS protocol for all special events and critical incidents.
Promote social media presence.	<ul style="list-style-type: none"> ◦ Promote interaction and exchange of information through social media platforms. 	<ul style="list-style-type: none"> ◦ Provide timely alerts, awareness of crime trends, and other emerging issues and advisories with followers to keep the public informed. ◦ Disseminate weekly press releases and other notifications.
Provide advanced training opportunities.	<ul style="list-style-type: none"> ◦ Provide advanced leadership training for supervisors. ◦ Provide specialized training opportunities. ◦ Promote wellness training and initiatives. 	<ul style="list-style-type: none"> ◦ Ensure newly promoted supervisors receive job related and leadership training. ◦ Ensure initial and ongoing development training for specialty positions. ◦ Ensure advanced leadership training for supervisors. ◦ Maintain instructors' certifications. ◦ Provide wellness checks for police personnel and promote fitness initiatives.
Expand technology to increase and enhance efficiency and effectiveness.	<ul style="list-style-type: none"> ◦ Identify, implement, or upgrade technological alternatives to enhance operational support and physical security. 	<ul style="list-style-type: none"> ◦ Utilize audio/video technology to capture police/citizen interactions and calls for service. ◦ Utilize forensic examinations to aid investigations. ◦ Expand license plate reader (LPR) cameras in key locations in town



Police - Field Operations

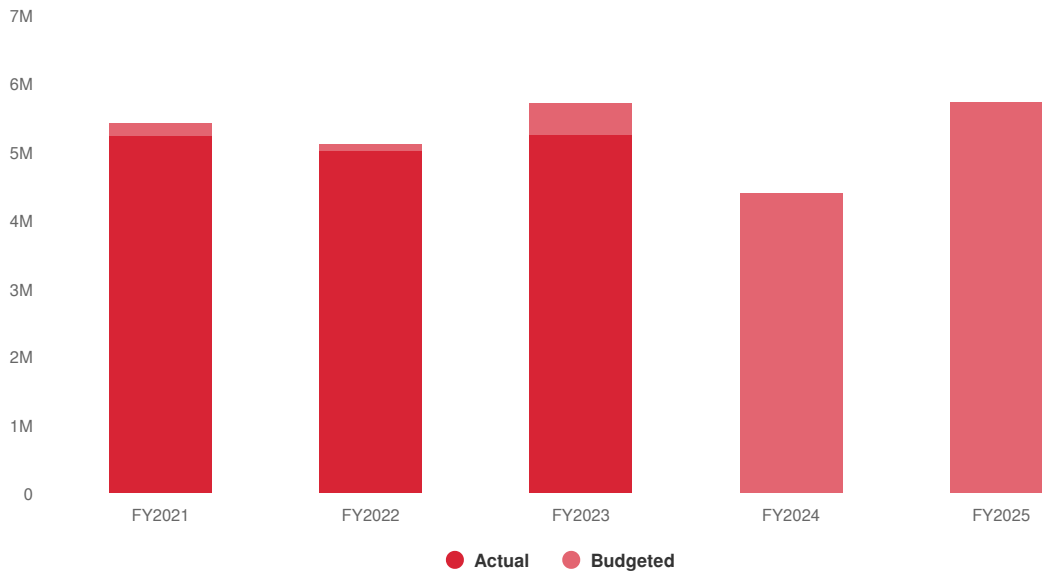
Captain Steven Pihonak
Field Operations Commander

The Field Operations Division secures the community, delivers proactive and responsive law enforcement services, and promotes active community partnerships through engagement and outreach.

Expenditures Summary

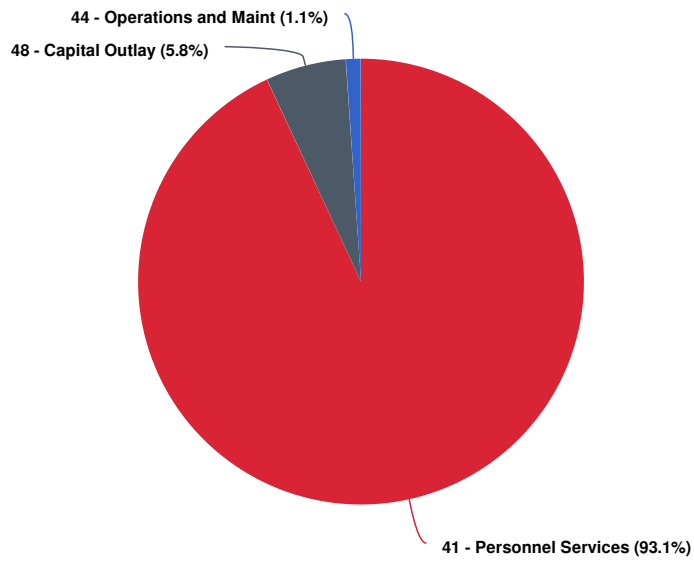
\$5,742,891 **\$1,342,661**
(30.51% vs. prior year)

Police - Field Operations Adopted and Historical Budget vs. Actual

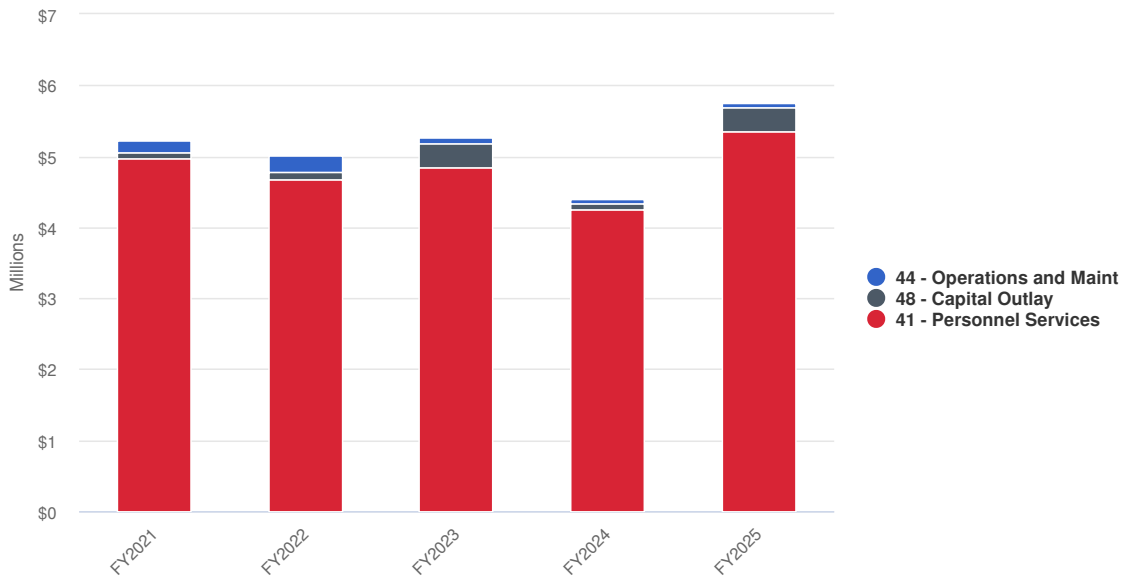


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$4,959,731	\$4,676,730	\$4,853,171	\$4,245,930	\$5,345,091	25.9%
44 - Operations and Maint	\$182,064	\$224,483	\$73,779	\$62,900	\$62,400	-0.8%
48 - Capital Outlay	\$87,243	\$112,625	\$334,979	\$91,400	\$335,400	267%
Total Expense Objects:	\$5,229,037	\$5,013,837	\$5,261,928	\$4,400,230	\$5,742,891	30.5%

The Field Operations Division consists of two areas of operations: 1. Patrol operations and 2. Traffic.

The PATROL OPERATIONS SECTION provides supervision, operational direction, and delivery of police services to respond to calls for service, initiate investigations, apprehend offenders, and prevent crime.

The TRAFFIC Section coordinates all specialized traffic enforcement, traffic safety initiatives, and parking enforcement operations.



Police - Support Services

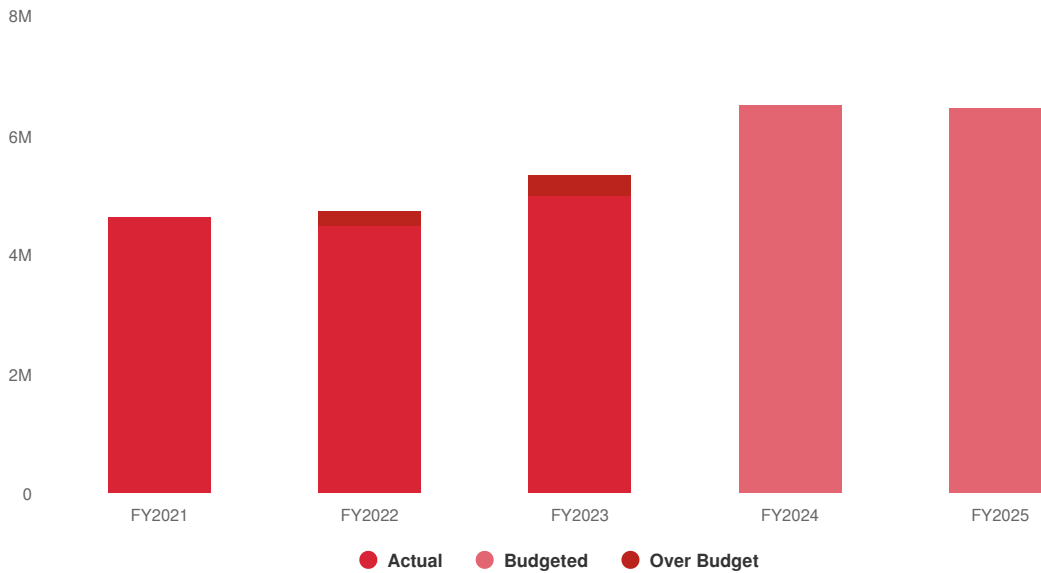
Captain Justin Dyer
Support Services Commander

The Support Services Division ensures operational support of policing services through investigations, training and recruitment of personnel, records and communications, and other activities.

Expenditures Summary

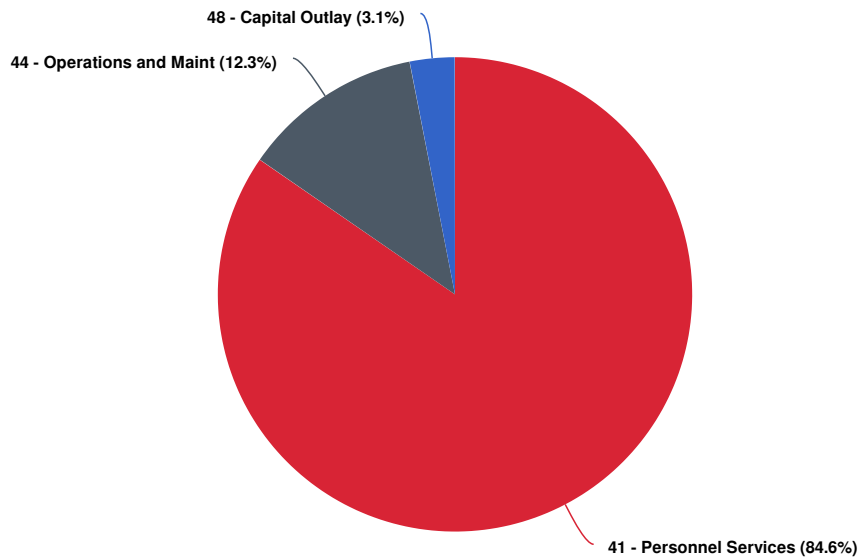
\$6,457,689 **-\$57,875**
(-0.89% vs. prior year)

Police - Support Services Adopted and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$4,047,348	\$4,160,652	\$4,568,477	\$5,523,764	\$5,464,209	-1.1%
44 - Operations and Maint	\$571,700	\$523,400	\$697,972	\$841,800	\$795,780	-5.5%
48 - Capital Outlay	\$1,216	\$33,080	\$73,395	\$150,000	\$197,700	31.8%
Total Expense Objects:	\$4,620,264	\$4,717,132	\$5,339,844	\$6,515,564	\$6,457,689	-0.9%

The Support Services Division consists of three areas of operations: 1. Resource & Development, 2. Investigations, 3. Communications.

The RESOURCE & DEVELOPMENT SECTION coordinates training, recruitment, procurement and maintenance of equipment and supplies, property and evidence management, and official police records management.

The INVESTIGATIONS SECTION conducts criminal investigations and coordinates specialized investigations with agency partners and task forces.

The COMMUNICATIONS SECTION receives, records, and processes emergency and non-emergency calls for service and ensures adequate resources are dispatched.



Public Works

Scott Robinson

Director, Public Works

The Department of Public Works (DPW) oversees all construction and land development, building inspections, street maintenance, and water and sewer maintenance. DPW also provides trash and recycling collection, town wide spring and fall clean-ups, fall leaf collection, snow removal, and municipal building and park maintenance. DPW is responsible for administering and managing Capital Improvement Program projects. DPW strives to provide the highest quality public works services in a safe, cost effective and customer-oriented manner.

The Public Works Department was re-organized in 2024 and is organized into fifteen activity centers for FY 2025. The activity centers under the general fund in the department are: Administration, Engineering, Program & Project Management, Building Inspections, Building Maintenance, Grounds Maintenance, Street Maintenance & Construction, Refuse/Recycling, Fleet Management & Operations, Traffic Engineering, Right-of-Way Inspection, Operations Integration and Stormwater Maintenance. The General Services activity center was eliminated in the reorganization of Public Works Operations. In FY 2025 the functions will be accomplished by Operations Integration, Asset Management and Fleet Management. The department operates two activities within the Water & Sewer fund. These are Sewer Service & Maintenance and Water Supply & Maintenance.

FY 2024 Highlights

- Replaced the Community Center Aquatic Center environmental control system
- Constructed four new pickleball courts as part of the Bready Park tennis complex renovation
- Completed the restoration of Sugarland Run south
- Began design of the restoration of Sugarland Run north
- Completed rehabilitation of two little league ball fields
- Completed sanitary sewer rehabilitation CIPP (Cured in Place Pipe), of 3,618 feet of large diameter pipe and 5,505 feet of small diameter pipe.
- Completed security upgrades of the town's 3 water storage facilities.
- Completed a condition assessment of all town public streets.
- Completed condition assessments for the Herndon Community Center and the Herndon Municipal Center
- Completed the construction of following projects:
 - Construct Haley Smith Park pavilion
 - Construct office space for Finance and IT departments
 - Replace Centennial golf course clubhouse roof

FY25 Initiatives

- Complete the East Spring St Road widening improvements
- Replace Municipal Center fire alarm system
- Refurbish Centennial Golf Course tee boxes and improve drainage
- Begin an assessment of the town storm sewer system
- Begin construction of energy efficiency improvements in town facilities
- Complete the water system lead and copper inventory, required to meet new National Primary Drinking Water Regulations.
- Upgrade controllers for 34 traffic signals.

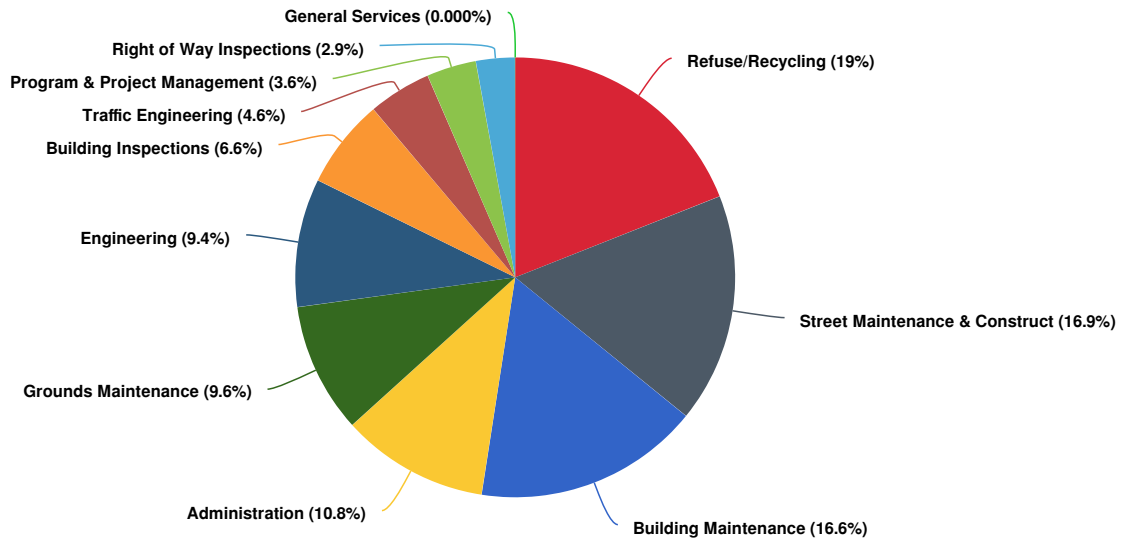
Expenditures Summary

\$11,642,252 **-\$1,734,089**
(-12.96% vs. prior year)

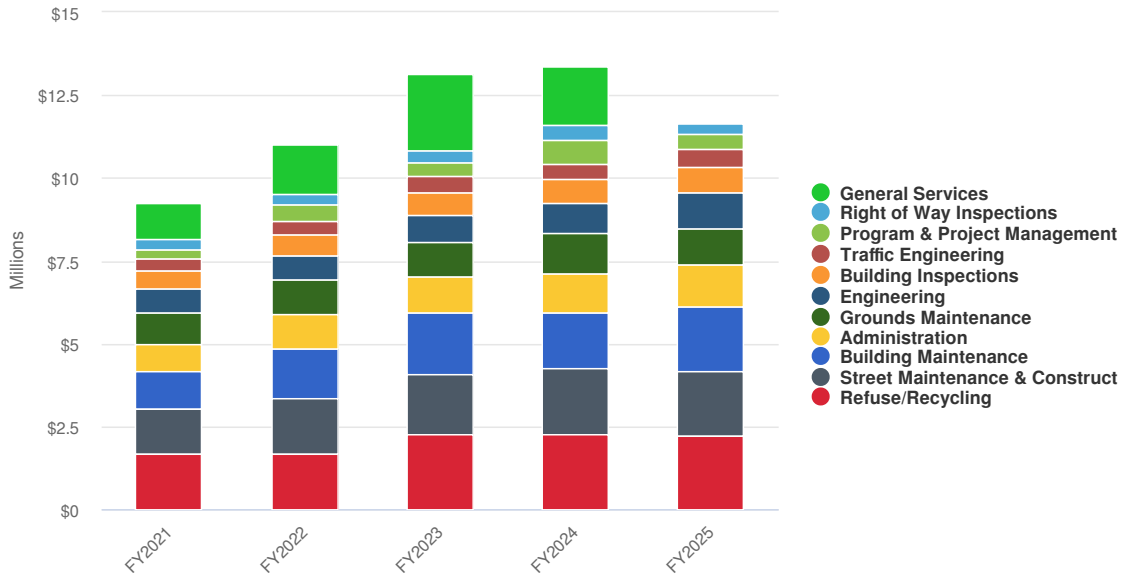


Expenditures by Function

Budgeted Expenditures by Function

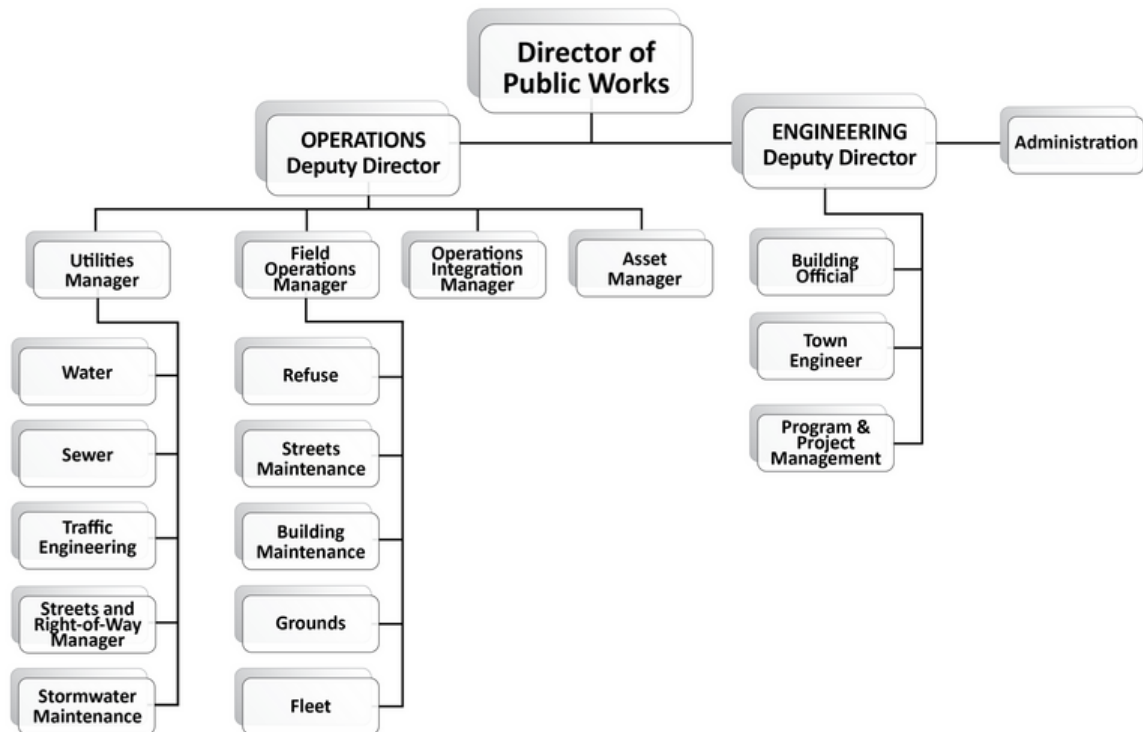


Budgeted and Historical Expenditures by Function



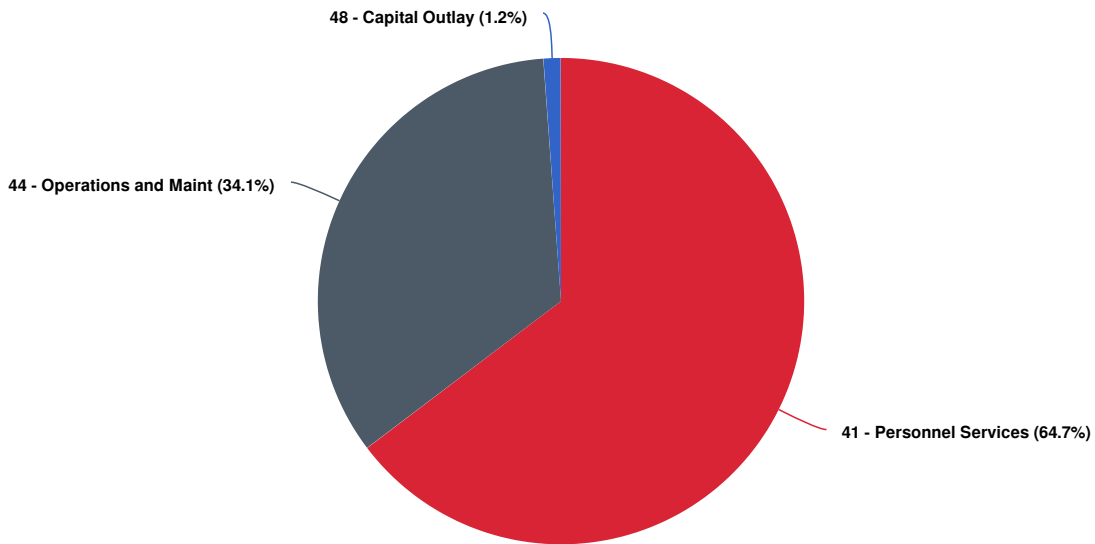
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Public Works						
Administration	\$817,815	\$1,013,053	\$1,113,186	\$1,175,720	\$1,262,006	7.3%
Engineering	\$718,185	\$729,986	\$846,130	\$933,766	\$1,098,878	17.7%
Program & Project Management	\$253,291	\$463,979	\$409,971	\$725,012	\$424,426	-41.5%
Building Inspections	\$546,551	\$647,077	\$672,118	\$715,031	\$764,129	6.9%
Building Maintenance	\$1,145,696	\$1,523,530	\$1,850,765	\$1,695,042	\$1,932,209	14%
Grounds Maintenance	\$967,071	\$1,031,887	\$1,014,687	\$1,206,341	\$1,112,226	-7.8%
Street Maintenance & Construct	\$1,347,996	\$1,682,365	\$1,818,706	\$2,001,253	\$1,961,815	-2%
Refuse/Recycling	\$1,670,446	\$1,663,570	\$2,253,637	\$2,254,308	\$2,212,425	-1.9%
General Services	\$1,071,432	\$1,484,735	\$2,303,553	\$1,796,421	\$11	-100%
Traffic Engineering	\$359,390	\$431,639	\$508,493	\$440,445	\$540,304	22.7%
Right of Way Inspections	\$327,600	\$350,684	\$331,485	\$433,000	\$333,823	-22.9%
Total Public Works:	\$9,225,472	\$11,022,505	\$13,122,731	\$13,376,341	\$11,642,252	-13%
Total Expenditures:	\$9,225,472	\$11,022,505	\$13,122,731	\$13,376,341	\$11,642,252	-13%

Public Works Organization Chart

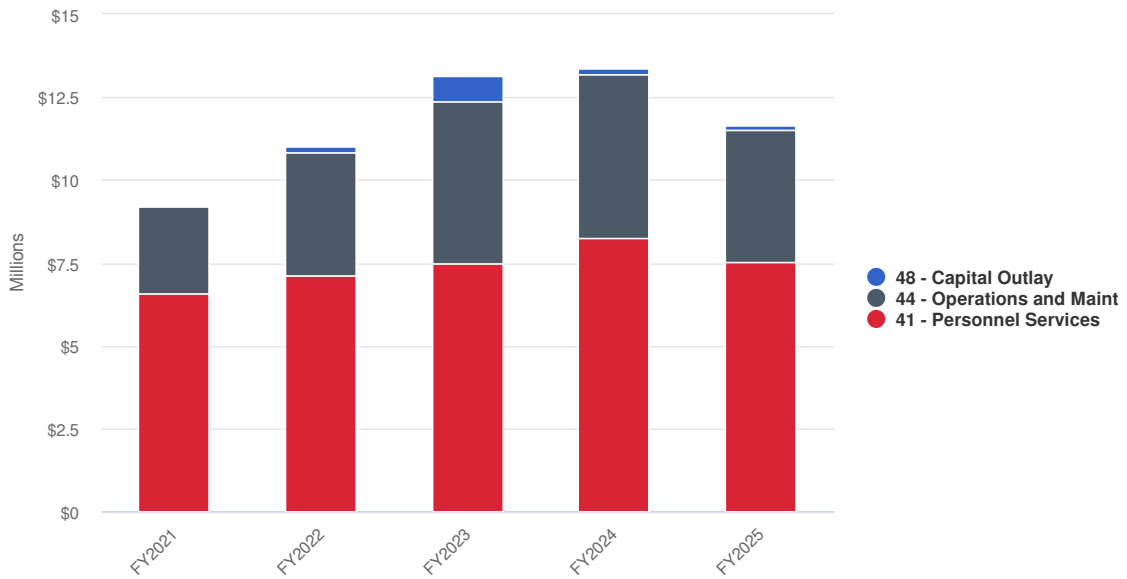


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$6,582,034	\$7,097,539	\$7,496,807	\$8,225,077	\$7,532,595	-8.4%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
44 - Operations and Maint	\$2,606,460	\$3,715,530	\$4,873,425	\$4,967,562	\$3,974,657	-20%
48 - Capital Outlay	\$36,978	\$209,436	\$752,499	\$183,703	\$135,000	-26.5%
Total Expense Objects:	\$9,225,472	\$11,022,505	\$13,122,731	\$13,376,341	\$11,642,252	-13%

Crane Lift of Aquatic Center Rooftop Environmental Control Unit



Asset Management

Goal: Develop, maintain and analyze maintenance plans for facilities, equipment, and infrastructure. Coordinate Capital Improvement Projects for major repair and replacement projects. Manage the vehicle replacement program. Develop and maintain physical asset inventories to include facilities, equipment, vehicles, and infrastructure.

Objective: Begin assessment of current assets and plans. Utilize the asphalt condition index to develop a comprehensive five-year milling/paving plan for town roadways and parking lots. Update the vehicle replacement program with a goal to maintain a cyclical program of replacement every eight to ten years

Stormwater System Maintenance

Goal: Maintain the town's storm water system and provide technical and operational support for the town's development. Maintain unrestricted flow of the storm sewer system. Provide routine maintenance for town owned stormwater control/quality facilities.

Objective: Start a systematic in-depth inspection program of the storm sewer system with a goal of completing 20% of the system. Develop a SOP for O&M (Operations & Maintenance) which will include routine cleaning. Begin developing a stormwater system replacement/rehabilitation CIP plan.

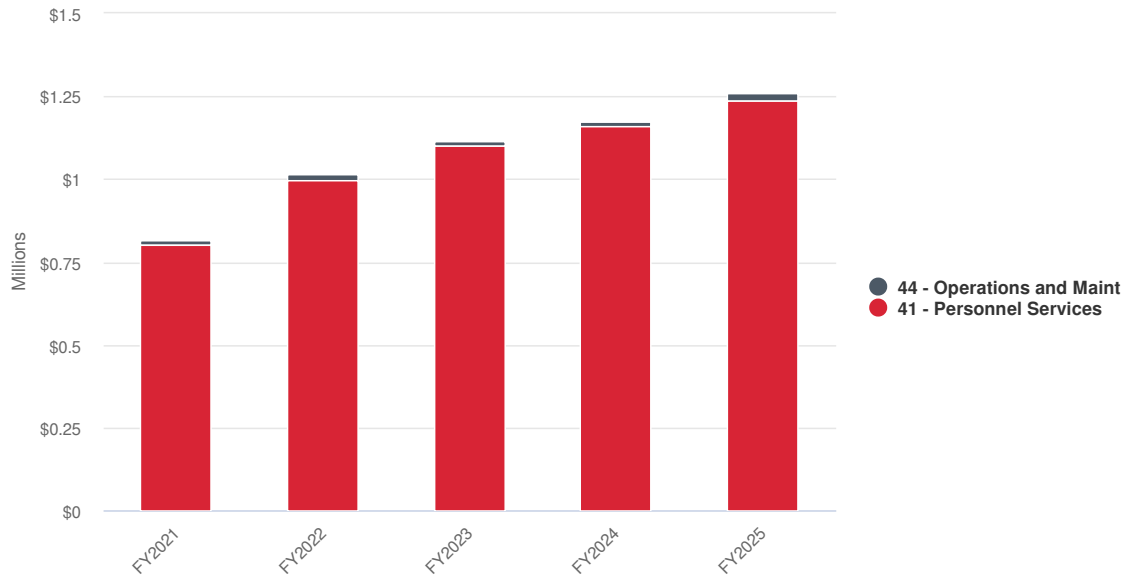


Public Works - Administration

The Administration activity center provides management and technical guidance to all department activity centers.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$801,958	\$997,919	\$1,100,283	\$1,158,520	\$1,235,556	6.6%
44 - Operations and Maint	\$15,857	\$15,134	\$12,903	\$17,200	\$26,450	53.8%
Total Expense Objects:	\$817,815	\$1,013,053	\$1,113,186	\$1,175,720	\$1,262,006	7.3%

Goals and Objectives

Goal: Provide guidance to all department activities as well as professional customer and administrative assistance to citizens, Town Council, staff, and community groups.

Objective: Implement a standardized process using Cityworks as the main platform for managing complaints and service requests, with a focus on tracking the number of requests submitted by Admin staff and measuring the time it takes for each request to be acknowledged to improve efficiency and customer satisfaction.

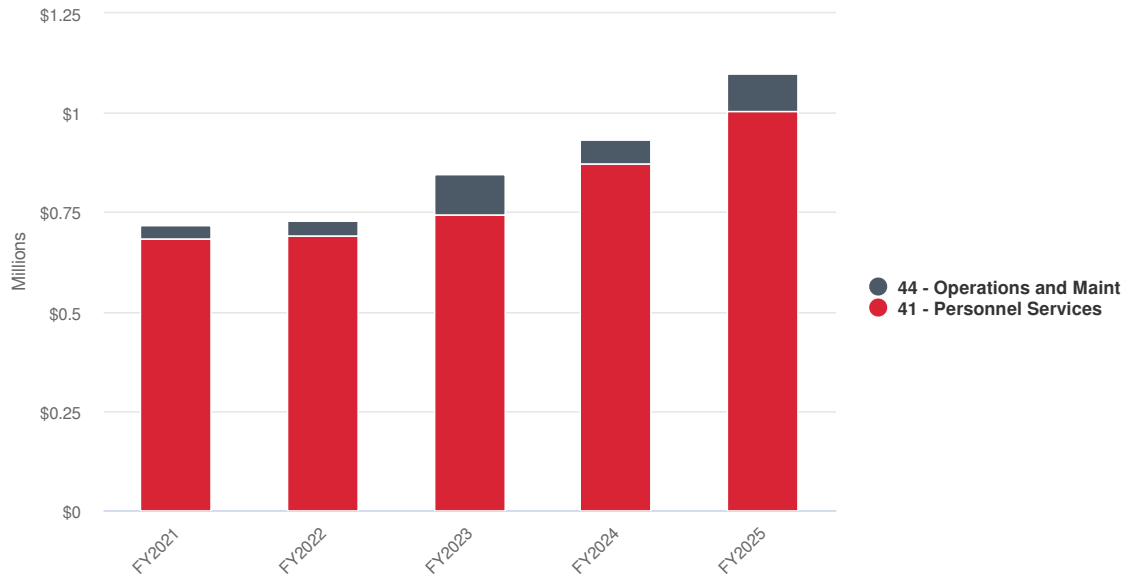


Public Works - Engineering

The Engineering activity center manages engineering and environmental programs to provide quality services to town residents. Implements town's CIP for infrastructure projects.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$685,339	\$692,085	\$742,135	\$871,871	\$1,002,988	15%
44 - Operations and Maint	\$32,847	\$37,901	\$103,996	\$61,895	\$95,890	54.9%
Total Expense Objects:	\$718,185	\$729,986	\$846,130	\$933,766	\$1,098,878	17.7%



Goals and Objectives

Goal: Oversee town site plan review process, environmental programs, bridge inspections program, and manage implementation of town infrastructure projects. Provide liaison for VDOT managed Spring Street and Elden Street improvement projects.

Objective: Complete the design for the Sugarland Run North Stream restoration. Complete the design for the Spring Downs sewer main upsizing. Complete the construction of the water line replacement project, Dranesville Road. Complete the construction of East Spring St Road widening improvements. Complete rehabilitation of Holly Creek stormwater facility, Eldenwood Farms stormwater facility, and town shop pond. Revise the town stormwater regulations to meet new state regulations for stormwater and flooding.

Sugarland Run Stream South Restoration



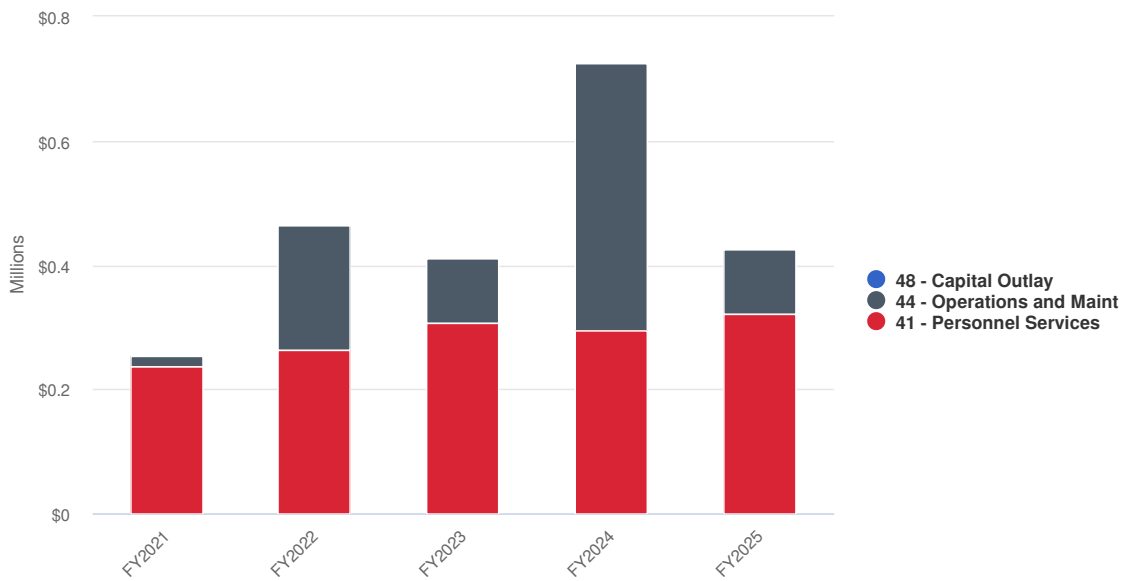
Public Works - Program & Project Management

The Program & Project Management activity center manages assigned projects in the CIP and other projects to provide town residents with quality, well-planned public facilities and infrastructure.

Expenditures by Expense Type

The reduction in operations and maintenance is the result of reducing the Building Major Maintenance program in FY 2025. Project and Program Management will be focused on managing ARPA funded projects in FY 2025 in lieu of Buildign Major Maintenance projects.

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$236,852	\$264,236	\$307,966	\$295,212	\$321,626	8.9%
44 - Operations and Maint	\$16,438	\$198,743	\$102,005	\$428,800	\$102,800	-76%
48 - Capital Outlay	\$0	\$1,000	\$0	\$1,000	\$0	-100%
Total Expense Objects:	\$253,291	\$463,979	\$409,971	\$725,012	\$424,426	-41.5%



Goals and Objectives

Goal: Manage design and construction of CIP and other assigned projects for facilities and parks and recreation.

Objective: Complete construction of the HMC Fire Alarm Replacement. Install new tennis bubble to complete refurbishment of the Bready Park tennis complex. Complete design and construction for replacement of Town Shop fuel tanks. Complete design and start construction of the Chestnut Grove Cemetery expansion project. Begin the design and construction of energy savings projects in town buildings. Complete design and start construction of ARPA funded projects.

New Pickleball Courts at Bready Park

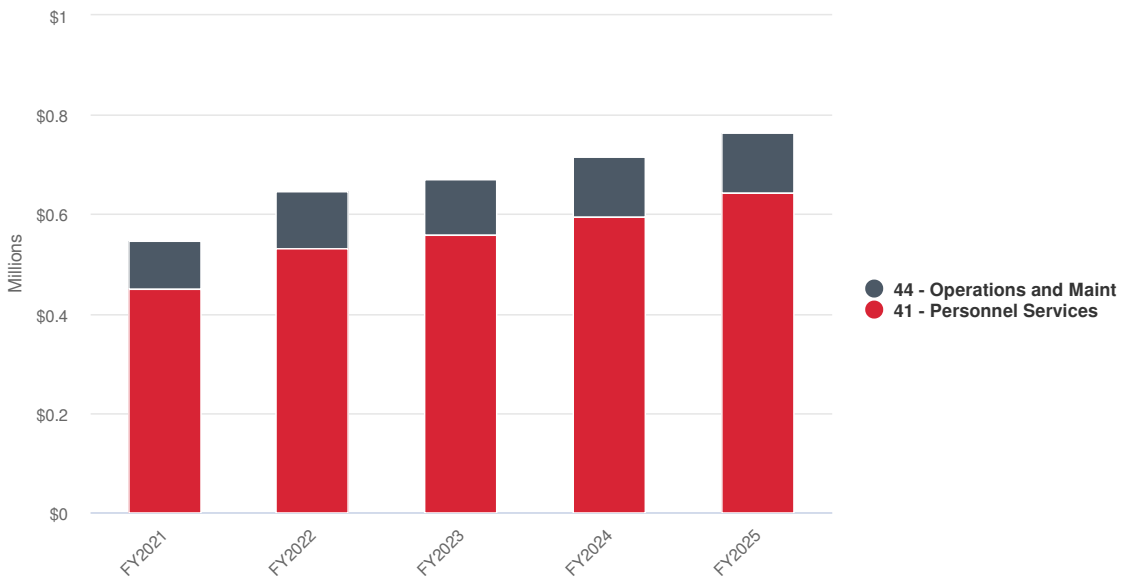


Public Works - Building Inspections

The Building Inspections activity center enforces the Virginia Uniform Statewide Building Code, which is applicable to new construction, existing structures and amusement devices. Enforces code provisions pertaining to dwelling unit overcrowding and blight. Programs managed are cross-connection, pretreatment and underground storage tank compliance program.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$450,619	\$532,609	\$557,640	\$594,293	\$642,769	8.2%
44 - Operations and Maint	\$95,932	\$114,468	\$114,477	\$120,738	\$121,360	0.5%
Total Expense Objects:	\$546,551	\$647,077	\$672,118	\$715,031	\$764,129	6.9%

Goals and Objectives

Goal: To enforce the Virginia Uniform Statewide Building Code for new construction to promote and maintain a safe residential haven, encourage economic development, and preserve existing housing.

Objective: Complete the successful implementation of the Cityworks PLL module for building permits, inspections, and code enforcement.



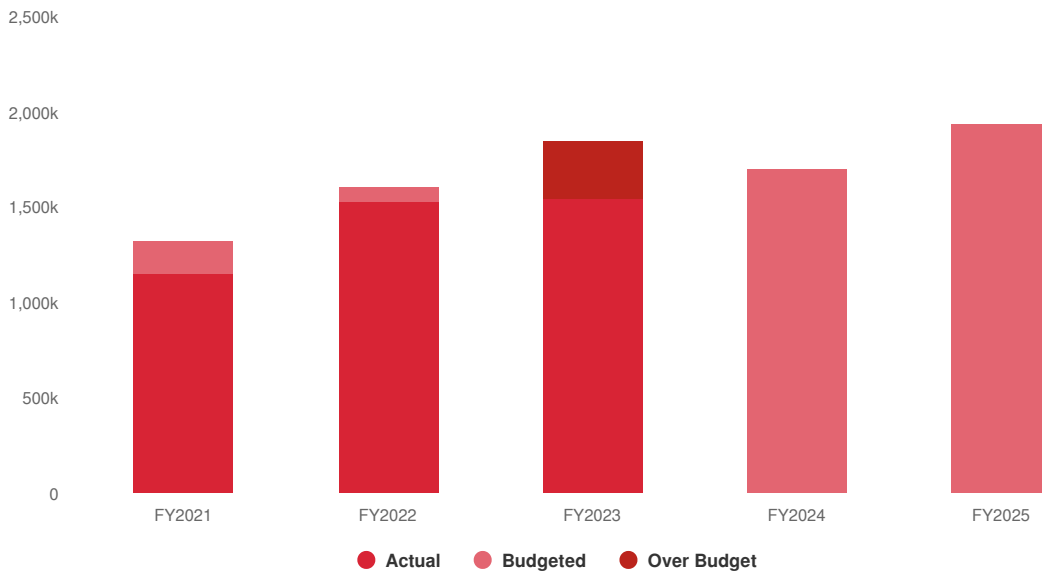
Public Works - Building Maintenance

The Building Maintenance activity center provides facility management services to all town-owned and town owned leased facilities. Services include maintenance repairs, custodial services, installation of new equipment, preventive maintenance of existing equipment, energy conservation and monitors; responds to emergencies at all town facilities; and supports several community events. Building maintenance also ensures that all town facilities conform to specified federal, state, and local regulations and codes.

Expenditures Summary

\$1,932,209 **\$237,167**
(13.99% vs. prior year)

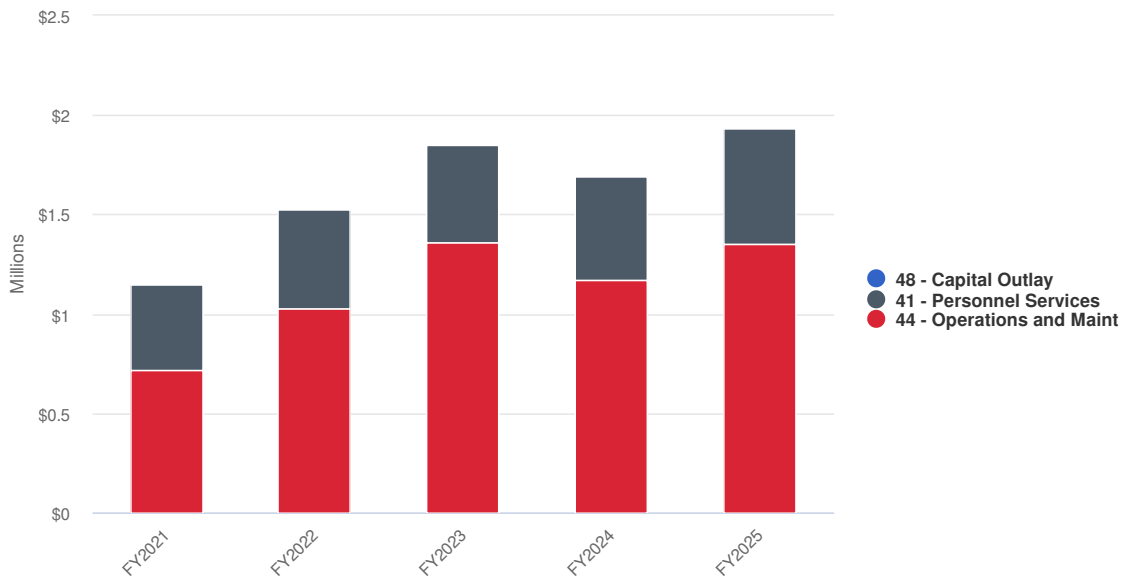
Public Works - Building Maintenance Adopted and Historical Budget vs. Actual



Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$431,049	\$495,379	\$488,362	\$523,242	\$578,675	10.6%
44 - Operations and Maint	\$714,647	\$1,028,151	\$1,362,402	\$1,168,800	\$1,353,534	15.8%
48 - Capital Outlay	\$0	\$0	\$0	\$3,000	\$0	-100%
Total Expense Objects:	\$1,145,696	\$1,523,530	\$1,850,765	\$1,695,042	\$1,932,209	14%

Objectives and Goals

Goal: Provide facility management services to all town-owned and town-owned leased facilities. Services include maintenance repairs, custodial services, installation of new equipment, preventive maintenance of existing equipment, energy conservation and monitors. Respond to emergencies at all town facilities; and support several community events. Building maintenance also ensures that all town facilities conform to specified federal, state, and local regulations and codes.

Objective: Enhance the preventive maintenance program of facilities systems and sub systems with a focus on mechanical systems that will include installing and maintaining plumbing valves. This provides the ability to shut down specific parts of the system without the need to close a facility.

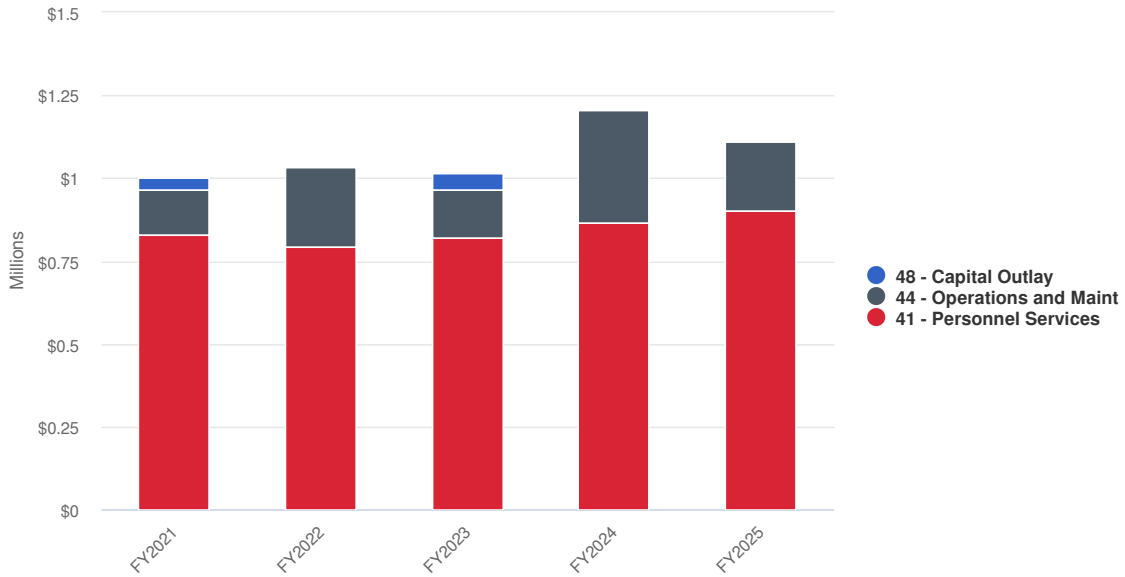


Public Works - Grounds Maintenance

The Grounds Maintenance activity center is responsible for the maintenance of grounds surrounding all town owned facilities, rights-of-way, town parks, and Fairfax County owned school athletic fields in the corporate limits of the town. Approximately 191 acres are maintained on a regular basis by town forces and service contractors.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$830,044	\$793,146	\$822,299	\$863,805	\$899,799	4.2%
44 - Operations and Maint	\$137,027	\$238,741	\$145,214	\$341,035	\$212,427	-37.7%
48 - Capital Outlay	\$33,193	\$0	\$47,174	\$1,500	\$0	-100%
Total Expense Objects:	\$1,000,264	\$1,031,887	\$1,014,687	\$1,206,341	\$1,112,226	-7.8%



Goals and Objectives

Goal: Maintenance of grounds surrounding all town owned facilities, rights-of-way, and seven town parks. Approximately 191 acres are maintained on a regular basis by town forces and service contractors. This section consistently strives to meet the public's needs to include supporting the many special town events and projects, snow removal, leaf collection, and other operations. This section improves the town's physical appearance by providing a safe, pleasing and healthful environment, as well as high quality recreational fields. The Grounds Maintenance Division is responsible for all of the irrigation system, and landscaping for the Metro area.

Objective: Trim and mulch trees on Dranesville Road. Mow and weed grass on all town rights-of-ways and town areas of responsibility. Maintain all town owned flower beds. Improve playground surfaces in town by increasing the depth of surface material. Rehabilitate a little league ballfield at Bready park.



Public Works - Street Maintenance & Construction

The Street Maintenance & Construction activity center is responsible for the maintenance and repair of approximately 129.79 lane miles of the road system within the town. A large portion of the work consists of required maintenance for which the town is reimbursed by the Commonwealth of Virginia. A variety of tasks from routine, recurring maintenance to major construction projects are completed. Town special programs and projects are frequently supported.

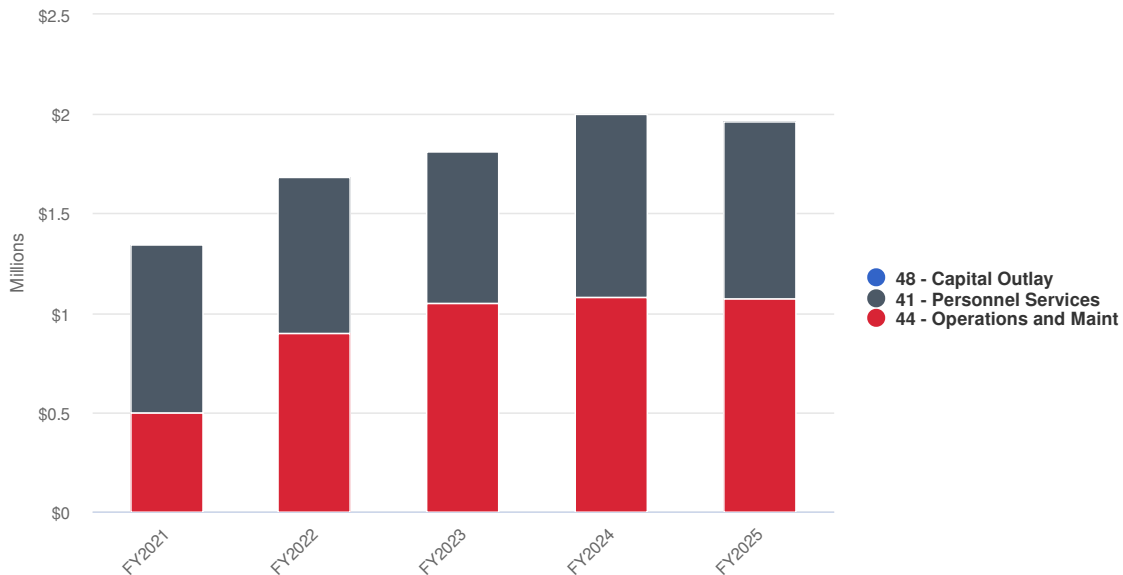
Goals and Objectives

Goal: Maintain and repair 129 lane miles of the road system within the town. Ensure work meets Virginia Department of Transportation (VDOT) and town standards. Complete various tasks from routine, recurring maintenance to major construction projects. Support Town special programs and projects. Maintain stormwater drainage systems within the town.

Objective: Provide 4 curbside leaf vacuum services to residents during an 8 week fall season. Meet or exceed VDOT snow removal standards during ice and snow events. Complete milling and paving utilizing the completed street assessment to identify FY 25 needs.

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$847,162	\$779,913	\$762,163	\$919,162	\$886,885	-3.5%
44 - Operations and Maint	\$500,834	\$902,453	\$1,052,398	\$1,082,091	\$1,074,930	-0.7%
48 - Capital Outlay	\$0	\$0	\$4,145	\$0	\$0	0%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Total Expense Objects:	\$1,347,996	\$1,682,365	\$1,818,706	\$2,001,253	\$1,961,815	-2%

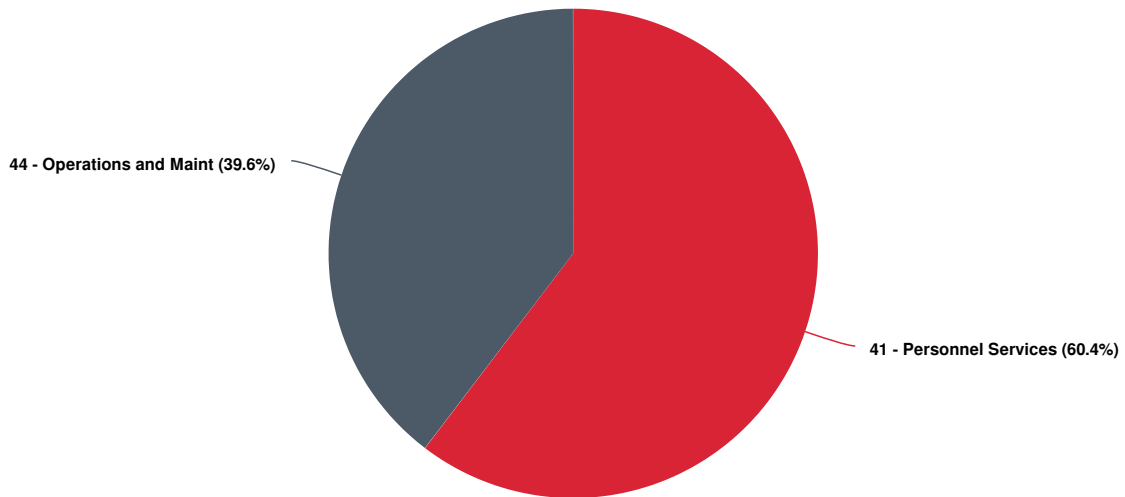


Public Works - Refuse/Recycling

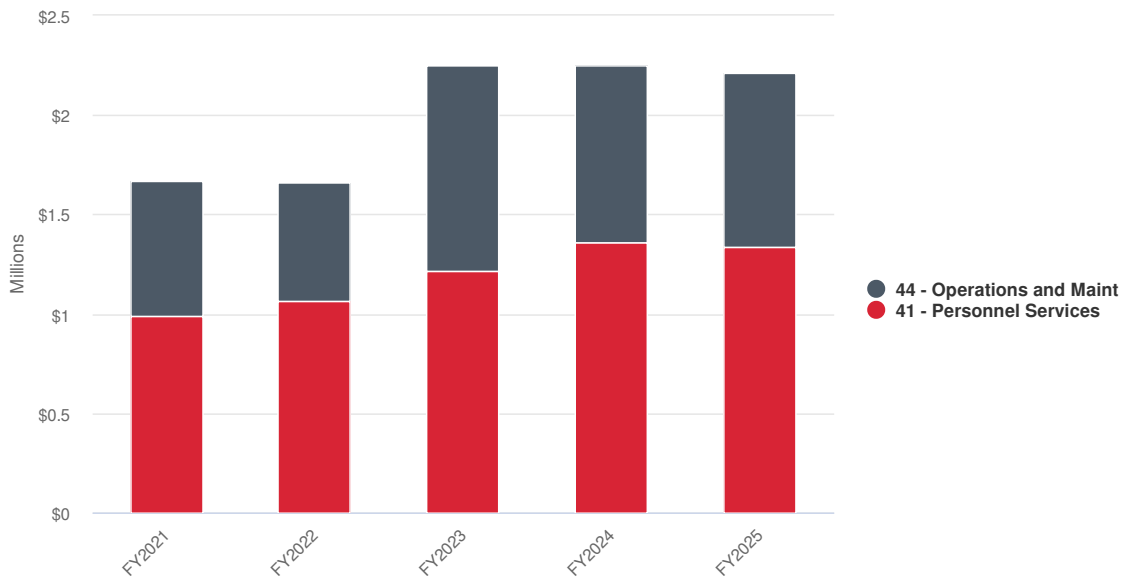
The Refuse/Recycling activity center collects refuse & recycling from residential customers including businesses who request service and are small generators as defined in the Town code. Staff collects yard waste and brush weekly from residential customers. Upon request, special collection is provided for a fee to residential customers. Notices are distributed to residents concerning special pick-ups, recycling yard waste and proper handling and storage of trash. Staff performs regular clean up of parks, maintains trash cans in public outdoor spaces, maintains dog waste stations throughout the town and collects roadside trash and litter.

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$990,347	\$1,061,367	\$1,216,374	\$1,357,508	\$1,335,379	-1.6%
44 - Operations and Maint	\$680,099	\$602,203	\$1,037,263	\$896,800	\$877,046	-2.2%
Total Expense Objects:	\$1,670,446	\$1,663,570	\$2,253,637	\$2,254,308	\$2,212,425	-1.9%

Goals and Objectives

Goal: Collect refuse & recycling from residential customers including businesses who request service and are small generators as defined in the Town code. Collect yard waste and brush weekly from residential customers. Provide special collection to residential customers on request for a fee. Distribute notices to residents concerning special pick-ups, recycling, yard waste and proper handling and storage of trash. Maintain trash cans in public outdoor spaces, maintain dog waste stations throughout the town and collect roadside trash and litter.

Objective: Complete collections with undisrupted service. Increase outreach to reduce loose trash, decrease recycling stream contamination and increase the overall recycling rate. Provide fall and spring clean-up.



Public Works - Traffic Engineering

The Traffic Engineering activity center works to provide a safe and high-quality transportation system for town citizens and visitors through maintenance and improvement of traffic control devices. In addition, continued efforts to update town signage and pavement markings will be provided to improve driver and pedestrian safety and assist traffic flow. The Street Maintenance & Construction activity center supports the Traffic Engineering operation.

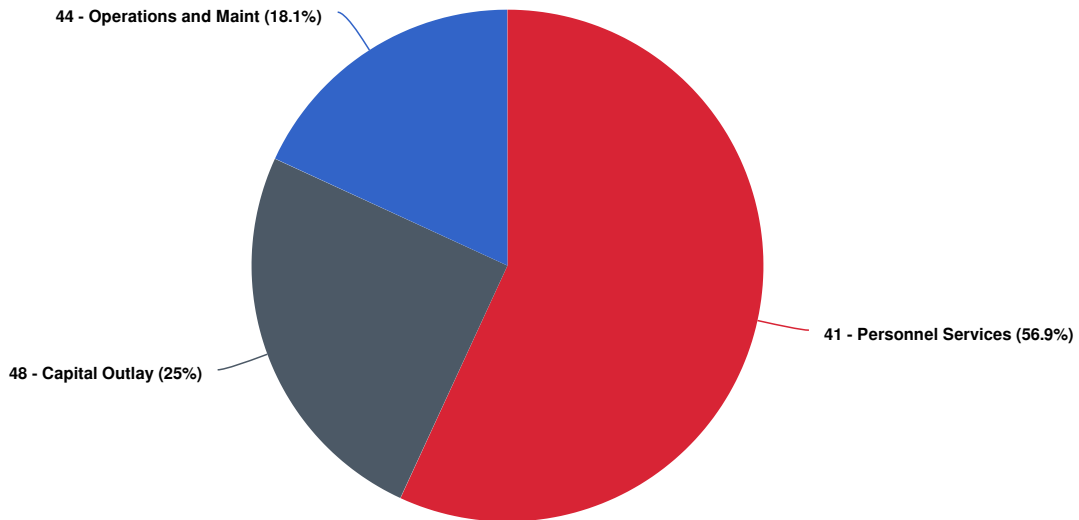
Expenditures Summary

\$540,304 **\$99,859**
(22.67% vs. prior year)

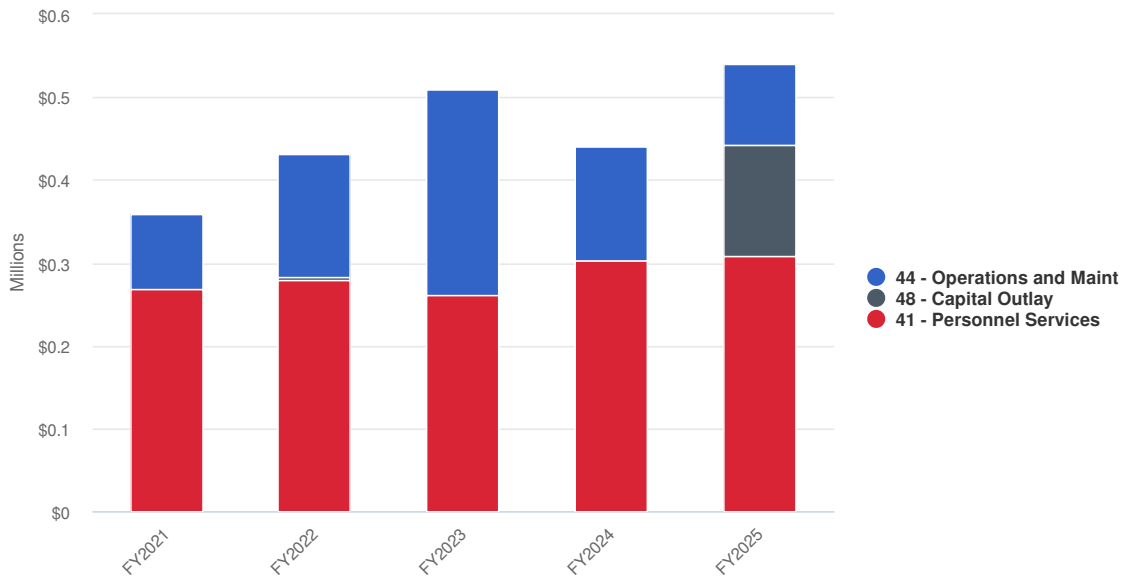


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$268,620	\$279,091	\$260,767	\$302,694	\$307,328	1.5%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
44 - Operations and Maint	\$90,770	\$149,425	\$247,726	\$137,751	\$97,976	-28.9%
48 - Capital Outlay	\$0	\$3,123	\$0	\$0	\$135,000	N/A
Total Expense Objects:	\$359,390	\$431,639	\$508,493	\$440,445	\$540,304	22.7%

Goals and Objectives

Goal: Provide a safe and high-quality transportation system for town citizens and visitors through maintenance and improvement of traffic control devices. In addition, continue efforts to update town signage and pavement markings to improve driver and pedestrian safety and assist traffic flow. Support VDOT work on Spring Street and Elden Street by coordinating and advising on traffic controls.

Objective: Maintain town traffic control systems to include traffic lights. Complete annual traffic light pole inspections and conflict monitor testing at 41 traffic cabinets and signalized intersections. Install and program 34 new signal controllers to replace end of life and obsolete controllers.



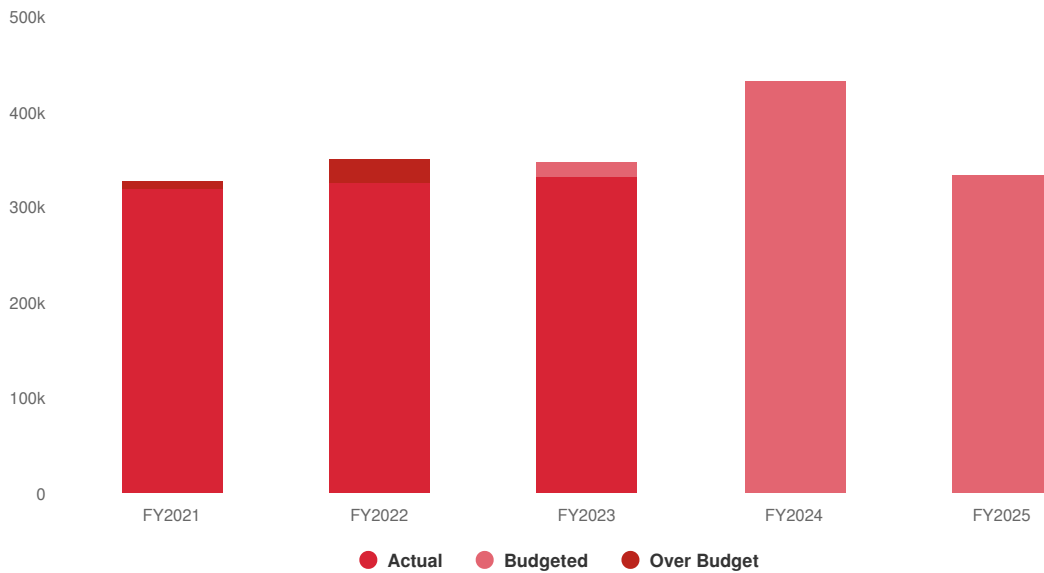
Public Works - Right-of-Way Inspections

The Right-of-Way Inspections activity center reviews permits submitted for all work to be performed in town rights-of-way and ensures quality restorations in accordance with local, state and federal guidelines.

Expenditures Summary

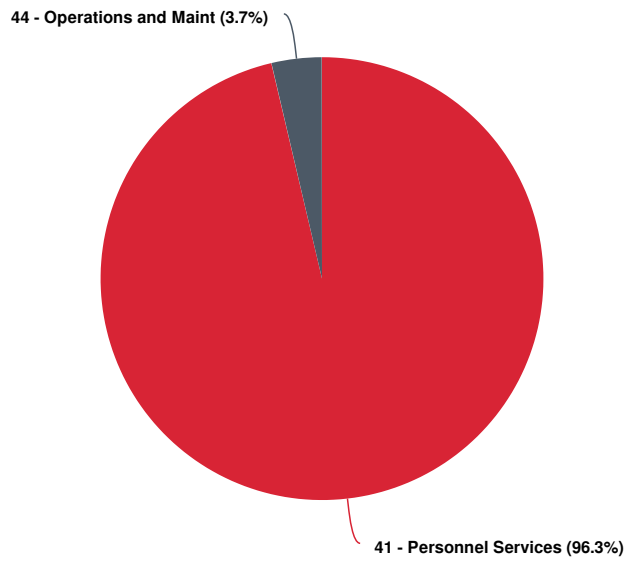
\$333,823 **-\$99,177**
(-22.90% vs. prior year)

Public Works - Right-of-Way Inspections Adopted and Historical Budget vs. Actual

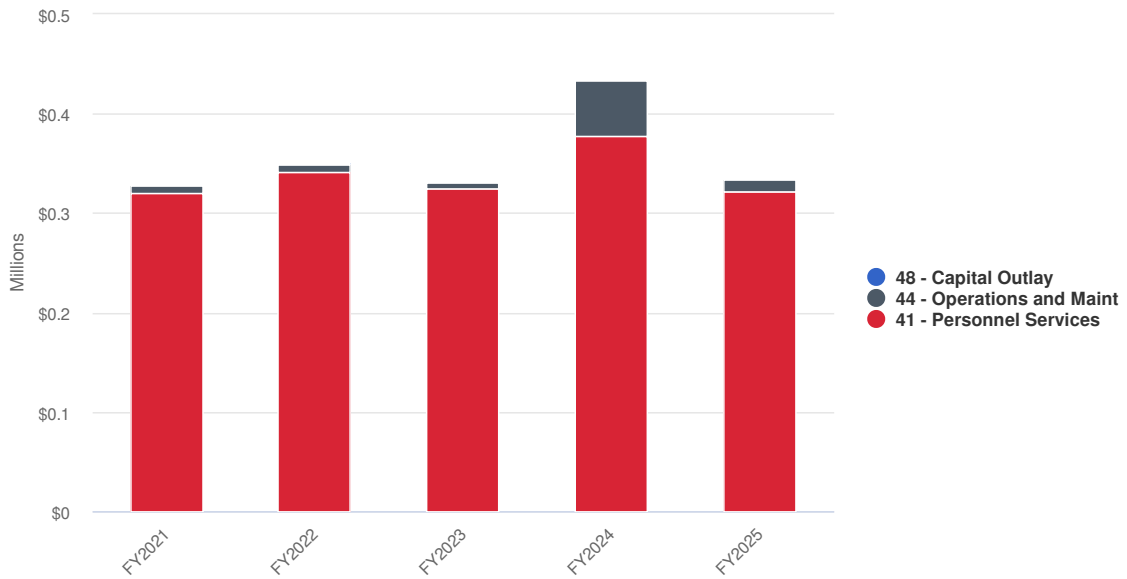


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$320,727	\$341,847	\$324,685	\$377,649	\$321,579	-14.8%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
44 - Operations and Maint	\$6,872	\$7,140	\$6,800	\$55,351	\$12,244	-77.9%
48 - Capital Outlay	\$0	\$1,697	\$0	\$0	\$0	0%
Total Expense Objects:	\$327,600	\$350,684	\$331,485	\$433,000	\$333,823	-22.9%

Goals and Objectives

Goal: Review permits submitted for all work to be performed in town rights-of-way and ensure quality restorations in accordance with local, state and federal standards. Provide Miss Utility (811) services for town owned utilities (water, sewer, stormwater, electrical for traffic signals and town owned streetlights) as required. Oversee contractors in the Right of Way.

Objective: Respond to emergency Miss Utility (811) locate tickets within three hours and within three days for non-emergency Miss Utility locate tickets. Review permits to include sketch plans for compliance, traffic control plans, and conflicts.



Public Works - Fleet

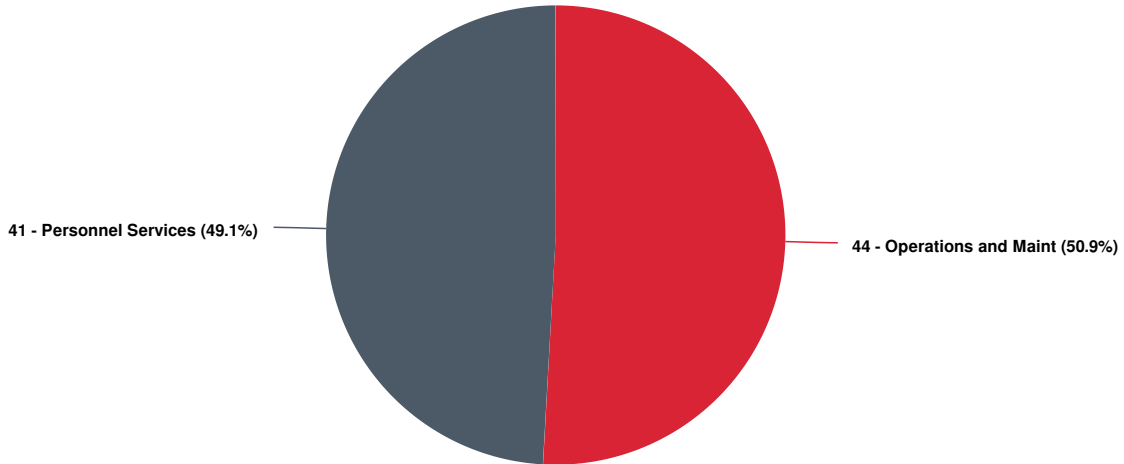
The Fleet section is responsible for management and maintenance of the town's vehicles and equipment.

Expenditures Summary

\$1,203,472 **\$1,203,472**
 (100.00% vs. prior year)

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Budgeted
Expense Objects	
41 - Personnel Services	
Salaries (Full Time)	\$434,423
Employee Benefits	\$156,471
Total 41 - Personnel Services:	\$590,894
44 - Operations and Maint	



Name	FY2025 Budgeted
Travel & Training	\$1,000
Gas & Oil	\$313,947
Uniforms	\$4,200
Automobile Maint & Repair	\$248,195
Small Tools & Equipment	\$4,000
Contract Services	\$29,236
Computer Hard/Soft Maintenance	\$12,000
Total 44 - Operations and Maint:	\$612,578
Total Expense Objects:	\$1,203,472

Goals and Objectives

Goal: Provide fleet management and preventative maintenance and repair to all town vehicles and equipment.

Objective: Complete safety and emission inspections to meet state requirements. Receive final 15 vehicles from ARPA vehicle and equipment purchase. Prepare vehicles being replaced for auction in a timely manner and in keeping with town policy. With FY 2025 funding, begin replacing passenger/administration vehicles to keep pace with vehicle replacement program. Fully integrate fleet management program into CityWorks and ensure access to existing maintenance records, while creating more integrated program for Public Works operations and maintenance.



Public Works - Operations Integration

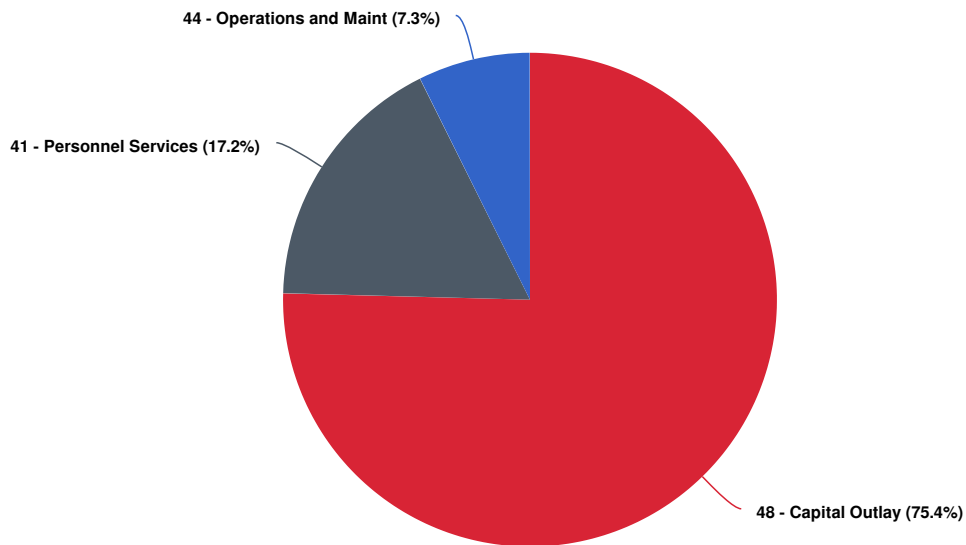
Operations Integration provides administrative and logistical support for Town Shop activity centers. The section manages the shops safety, compliance, and certification programs, provides Cityworks support and procurement support to operations. Operations Integration coordinates joint activities in support of citizen inquiries, special events, snow removal and other emergency events.

Expenditures Summary

\$1,624,362 **\$1,624,362**
 (100.00% vs. prior year)

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Budgeted
Expense Objects	
41 - Personnel Services	
Salaries (Full Time)	\$204,123



Name	FY2025 Budgeted
Overtime	\$2,207
Employee Benefits	\$73,732
Total 41 - Personnel Services:	\$280,062
44 - Operations and Maint	
Office Supplies	\$11,000
Telephone & Communication	\$44,000
Travel & Training	\$3,000
PC Software	\$9,000
Uniforms	\$1,500
Safety Program	\$28,400
Special Events	\$22,400
Total 44 - Operations and Maint:	\$119,300
48 - Capital Outlay	
Capital Projects	\$25,000
Vehicle/Equipment	\$1,200,000
Total 48 - Capital Outlay:	\$1,225,000
Total Expense Objects:	\$1,624,362

Goals and Objectives

Goal: Provide administrative and logistical support for all Town Shop activity centers. Oversee the implementation and analysis of the department's computerized maintenance system. Manage the department safety program and ensure regulatory compliance. Coordinate joint activities in support of citizen inquiries, special events, snow removal and other emergency events.

Objective: Finalize all job descriptions for new positions. Assess the Public Works operation and maintenance safety program and formalize the annual safety program. This will provide necessary and timely training allowing for OSHA compliance and will be pertinent to tasks performed by various divisions.



Town Attorney

Lesa J. Yeatts

Town Attorney

The Town Attorney provides legal advice to the Mayor and Town Council, Town Manager, departments, boards, commissions and agencies of the town. All traffic and criminal misdemeanor offenses committed within the Town, including violations of town ordinances, are prosecuted by E. Kate Fitzgerald through a contract with the town.

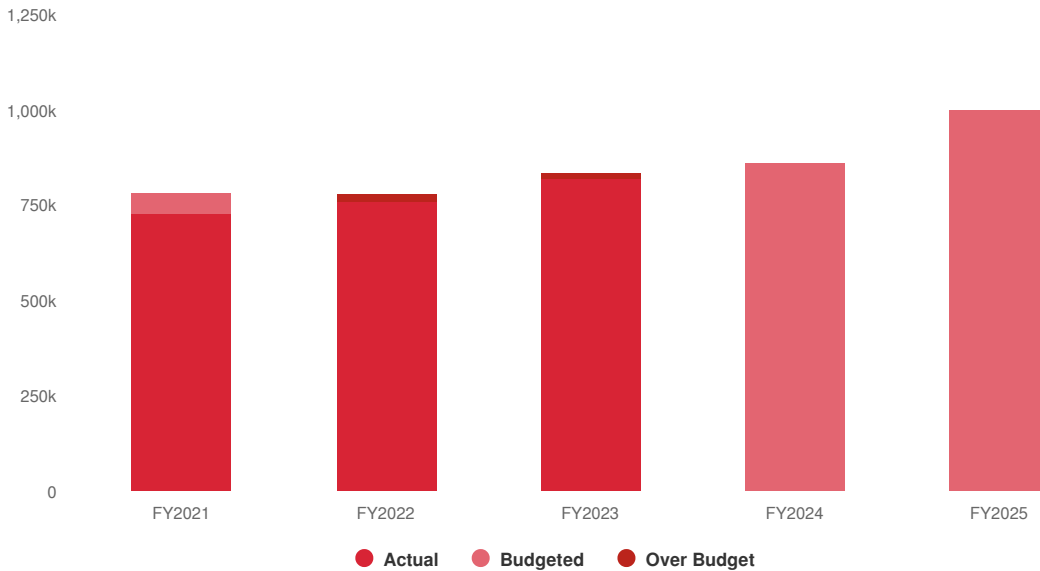
Services Provided for the Town:

- prepares and reviews resolutions, ordinances, and other legal instruments
- provides legal opinions
- represents the town in litigation and administrative proceedings
- supports the Mayor and Town Council in preparation and effectuation of the town's legislative program
- recommends changes in the Town Code to maintain its currency

Expenditures Summary

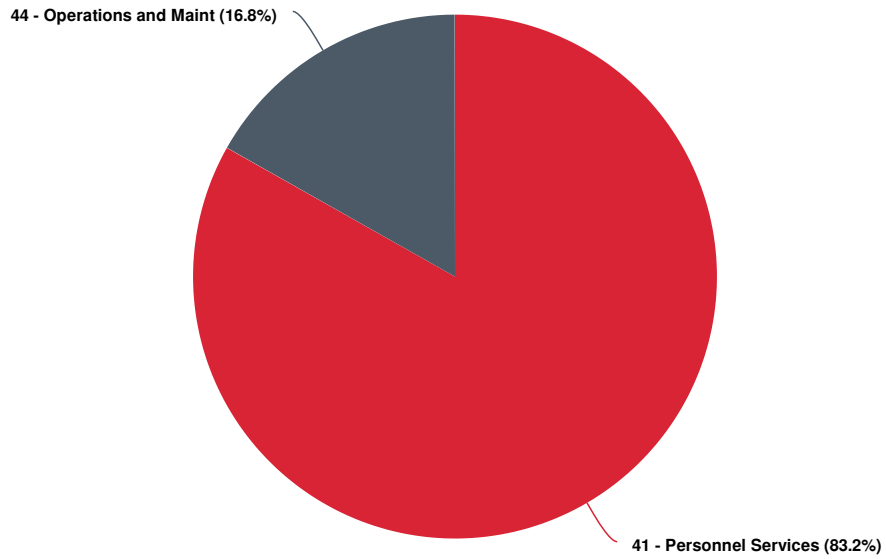
\$997,549 **\$134,980**
(15.65% vs. prior year)

Town Attorney Adopted and Historical Budget vs. Actual

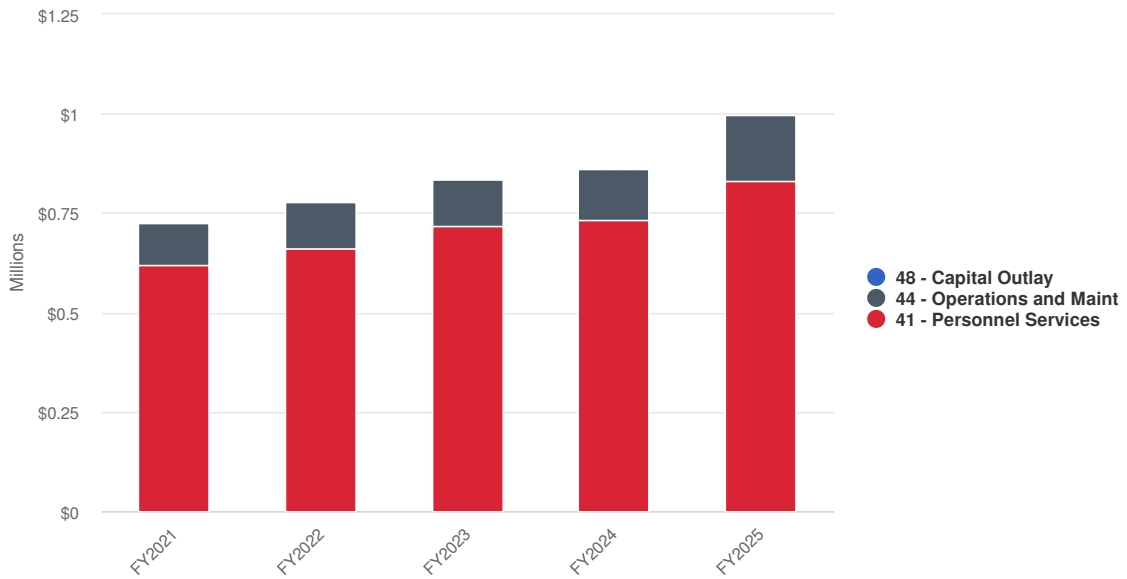


Expenditures by Expense Type

Budgeted Expenditures by Expense Type

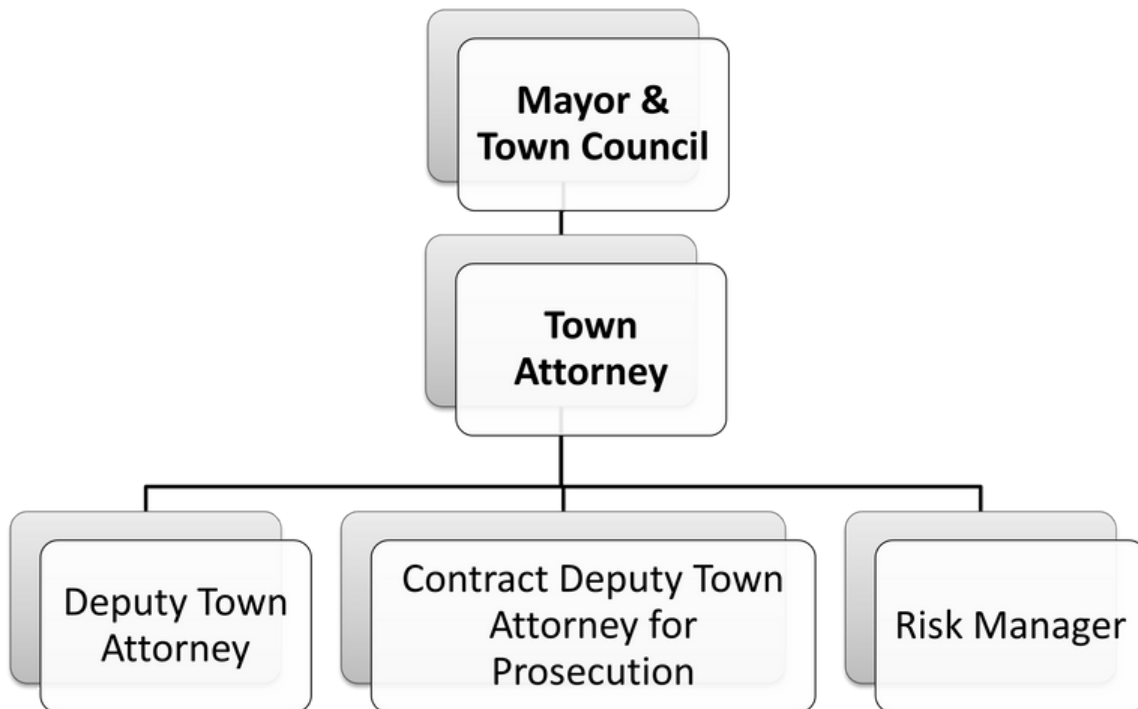


Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$619,976	\$660,546	\$716,637	\$733,174	\$829,826	13.2%
44 - Operations and Maint	\$106,663	\$116,341	\$117,117	\$129,395	\$167,723	29.6%
48 - Capital Outlay	\$0	\$1,538	\$0	\$0	\$0	0%
Total Expense Objects:	\$726,639	\$778,424	\$833,754	\$862,569	\$997,549	15.6%

Organizational Chart



Vision

The Town Attorney is appointed by the Mayor and Town Council and serves as legal advisor to the Mayor and Town Council, the Town Manager and all departments, boards and commissions, and agencies of the town. The Town Attorney's office consists of a full-time Deputy Town Attorney, a Risk Manager, a full-time Legal Assistant, and a part-time Legal Assistant. The Town Attorney's office is responsible for preparing or reviewing resolutions, ordinances and legal instruments, providing legal opinions, and representing the town in litigation and administrative proceedings. In preparation and effectuation of the legislative program, the Town Attorney supports the Mayor and Town Council and recommends changes to the Town Code to maintain its currency. The Town Attorney's office responds to citizen inquiries and advises various boards and commissions. The contract Deputy Town Attorney under the supervision of the Town Attorney prosecutes all traffic and criminal misdemeanor offenses committed within the town.

HIGHLIGHTS

Land Use

- Performed continuing legal services to support the downtown redevelopment project required by the PPEA with Comstock.
- Drafted amendment to TRG Funding Agreement for planning consultant services related to the preparation of TRG Small Area Plan and support Community Development staff through the plan development process.
- Drafted the Workforce Dwelling Unit Agreement for the owners of 315 Elden Street (Blue Ocean) to ensure that 50% of the total rental units are lease or held for lease as workforce dwelling units.
- Worked with Community Development staff regarding the zoning map amendment application for 500, 555 and 585 Grove Street for Fairfax University.

Risk Management

- Processed 26 Property Damage/Personal Injury claims either against the town or on behalf of the town.
- Secured \$101,738.32 in insurance recoveries revenue.
- For the 19th year in a row, VRSA certified the town is executing risk management best practices, and has a 100% commitment to risk management, thus resulting in a discount on the premium.

Misdemeanor Prosecution

- Prosecuted 1,578 traffic/criminal matters and 738 cases committed within the Town.
- Processed payments totaling \$8,268 in court appointed attorney fees for representation of indigent individuals charged in the Town of Herndon.

American Rescue Plan Act (ARPA)

- Provide support and assistance to town departments to ensure the timely completion of projects funded by ARPA, including the review of legal and procurement documents.

INITIATIVES

- Cultural Events Policy and process.
- Special Events process update and website.
- Comprehensive revision of Procurement forms and processes.
- 2024 General Assembly Bill for Historic District Tax Rebate
- Prepared Memorandum of Agreement with George Mason University to launch the creation of the Mason Enterprise Center-Herndon MEC-H). The MEC-H will be an economic development accelerator program with the primary purpose of targeting and serving small, entrepreneurial, and emerging businesses in the Town of Herndon.
- Coordination with Department of Public Works staff to ensure compliance with the Federal Lead and Copper Rules Revisions that requires an inventory of water service lines; educational outreach and notification to households whose service lines are in need of replacement; preparation of right of entry agreements to allow for a Town contractor to perform replacement; and coordination for the possible implementation of a grant and/or loan program to assist property owners with line replacement cost.
- Agreement with Fairfax Water for new water pump station design and construction



Objectives, Strategies, and Measures

Objectives	Strategies	Measures
The goal of the Town Attorney's office is to assist the Mayor, Town Council, and town staff by advancing the town's interests more efficiently and practicing preventive law.	<ul style="list-style-type: none"> ◦ Provide ongoing legal counsel to town departments regarding State and Federal laws regarding connectivity. ◦ Implement legislative changes to further enhance communications between the town, and citizens and businesses. 	<ul style="list-style-type: none"> ◦ Update the Mayor and Town Council regularly and provide an annual report regarding matters of a legal nature.

Performance Measures

The Town Attorney's Office prepares and reviews legal instruments, contracts, agreements, and deeds to support the town's work. The town attorney and deputy town attorney render legal opinions on subjects of interest to the town to ensure that the town's actions are consistent with the law. The town attorney's office generally represents the town in legal proceedings and provides legal advice and counsel to the town council and staff. The contract deputy town attorney prosecuted misdemeanors charged by Herndon Police.

	Performance Indicators				
	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
Ordinances reviewed or prepared	28	15	13	22	22
Resolutions reviewed or prepared	38	31	131	51	50
Legal Instruments reviewed or prepared	1,029	988	1320	1318	1320
Legal Opinions rendered	41	18	20	20	20
FOIA/Subpoena responses drafted or reviewed*	120	125	21	70	30
Funds Recovered (Judgments/Insurance proceeds)**	\$175,725	\$64,936	\$36,929***	\$101,738	\$100,000

* HPD FOIA Specialist handles most FOIAs.

** Effective 7/1/22 Fairfax County collects taxes for the town

*** Collected by contracted Tax Attorney



GOLF COURSE FUND DIVISIONS

Herndon Centennial Golf Course



Vision

The vision of the Herndon Centennial Golf Course is to be known as the first course to consider in the Washington D.C. Metropolitan area, because of its quality, conditions, value, and service, while striving to operate in a manner that protects and enhances the environment. The course offers 18 holes, a driving range and practice facilities. There is also a full-service pro shop, club rental, PGA golf instruction, and a snack bar. The course maintains a rate structure that is competitive with other golf courses in the surrounding area. In addition to competitive rates, continued emphasis on excellent customer service and stocking high quality merchandise within an attractive pro shop setting have proven to be key elements of the course's long-standing success.

FY 2024 Highlights

- Operated as a sustainable enterprise operation.
- Planned and coordinated a variety of golf programs and activities for all ages and skill levels.
- Hosted and promoted events that establish the town as a destination.
- Implemented environmental management practices and programs based on Nutrient Management Plan soil test recommendations.
- Replaced twenty four Club Car Precedent golf carts.
- Purchased two new John Deere 7500A E-Cut hybrid fairway mowers.
- Implemented phase three of the Golf Course Master Plan.
- Implement golf instruction program.
- Installed new Rainbird Irrigation central control system.
- Purchased new TORO 3500-D sidewinder rough mower.

FY 2025 Initiatives

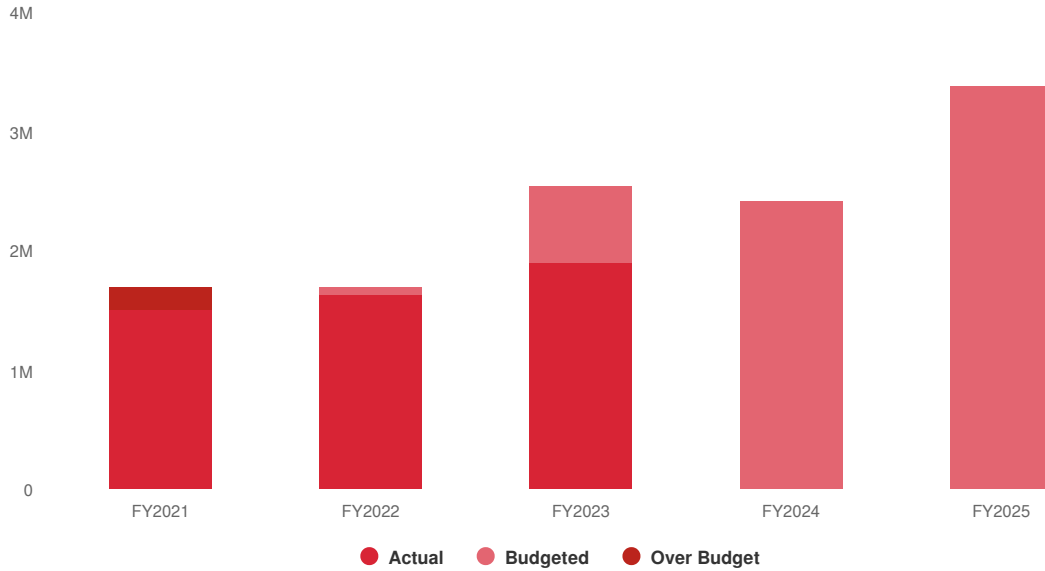
- Operate enterprise operations to improve services and amenities.
- Plan and coordinate a variety of golf events and activities for all skill levels.
- Provide excellent playing conditions and aesthetically pleasing grounds.
- Implement environmental management practices and programs.
- Continue equipment replacement program.
- Complete phase three of the Golf Course Master Plan.
- Complete recertification of Nutrient Management Plan.



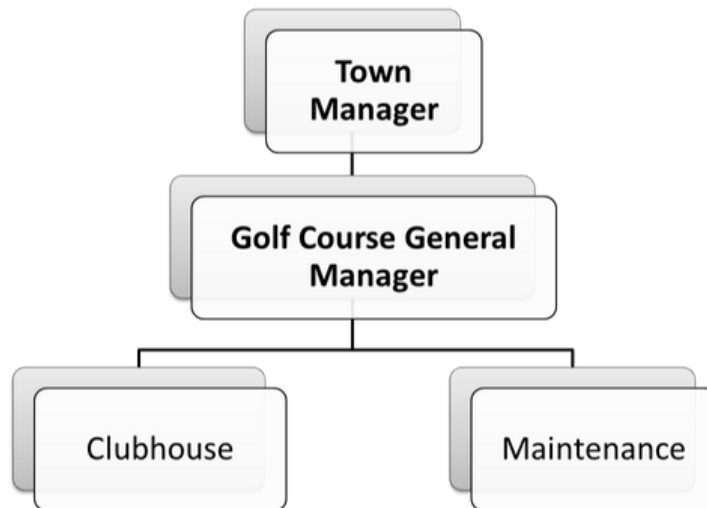
Expenditures Summary

\$3,383,848 **\$963,437**
(39.80% vs. prior year)

Golf Course Fund Adopted and Historical Budget vs. Actual

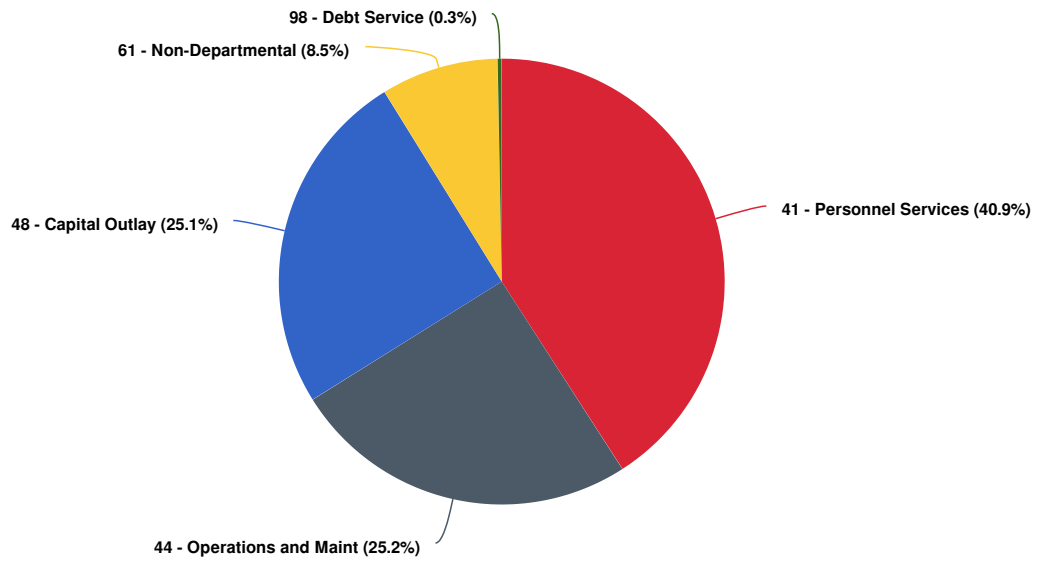


Organizational Chart

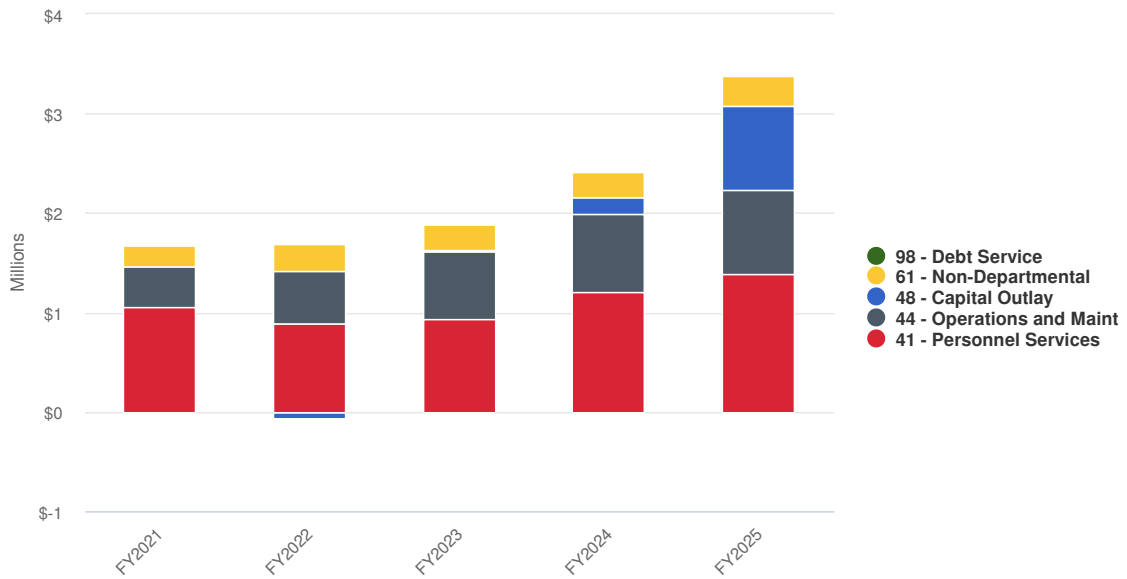


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



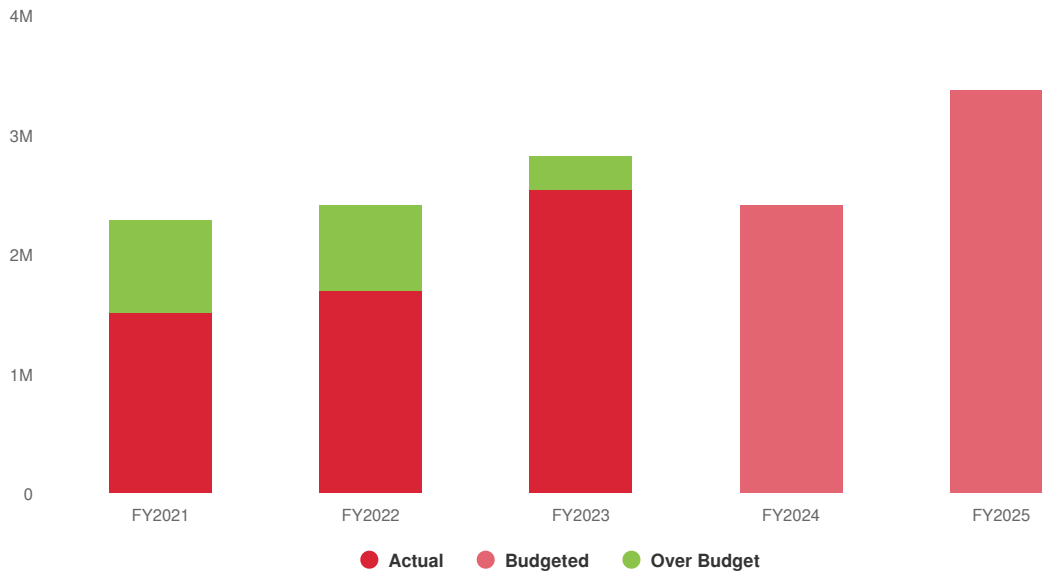
Budgeted and Historical Expenditures by Expense Type



Revenues Summary

\$3,383,848 **\$963,436**
 (39.80% vs. prior year)

Golf Course Fund Adopted and Historical Budget vs. Actual



The Herndon Centennial Golf Course continues to be one of the most popular, professionally managed, and well-maintained courses in Northern Virginia.

Total budgeted FY 2025 Golf Course Fund revenue is \$3,449,489. The greens fees for FY 2025 include discounts for: town residents, senior citizens and juniors, “twilight” time periods, annual passes, and off-season play.

Greens fees and golf cart rentals and all other Golf Course Fund revenue sources, such as driving range fees, pro shop merchandise sales, income from rental leases, interest earnings, and other miscellaneous items are projected to remain close to the prior fiscal year.

Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Adopted Budget	FY 2025 Proposed Budget
Greens Fees	1,630,800	1,689,418	1,325,579	1,690,000	2,100,000
Golf Cart Revenue	388,300	433,439	346,500	350,000	450,000
Pro Shop Merchandise	73,900	89,757	79,875	93,453	96,000
Driving Range Fees	123,900	123,119	89,600	95,000	150,000
Rental Income	40,600	5,349	44,200	28,380	33,290
Other	31,600	72,089	657,630	163,578	554,558
Total Revenue	\$2,289,100	\$2,413,171	\$2,543,384	\$2,420,411	\$3,383,848

The FY 2025 reflects the previous three-year average in rounds. New players are entering the market and lapsed golfers are returning to the game. Facilities that have adapted by modifying operational business practices and protocols have thrived. Times are still uncertain; facilities will need the ability to adapt pricing to take advantage of the increase in play and adjust if market conditions become tougher. Facilities, equipment, and services need to be maintained and improved to meet or exceed golfer expectations while keeping up with competition.



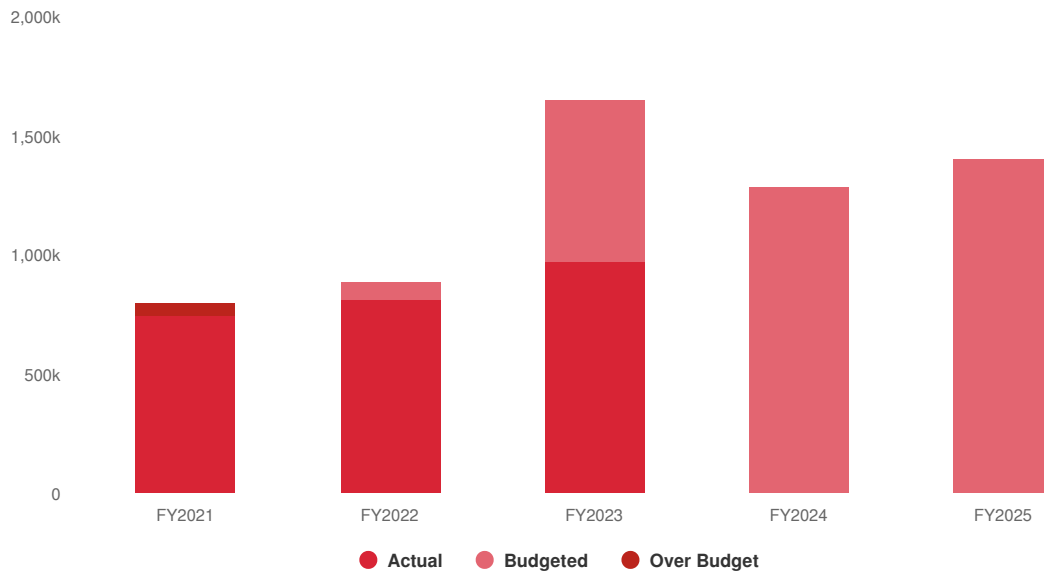
Golf Course - Maintenance

The Maintenance activity center implements agronomic practices and programs that provide the highest quality and most aesthetically pleasing grounds, to meet or exceed the expectations of all patrons, while operating in a manner that protects and enhances the environment.

Expenditures Summary

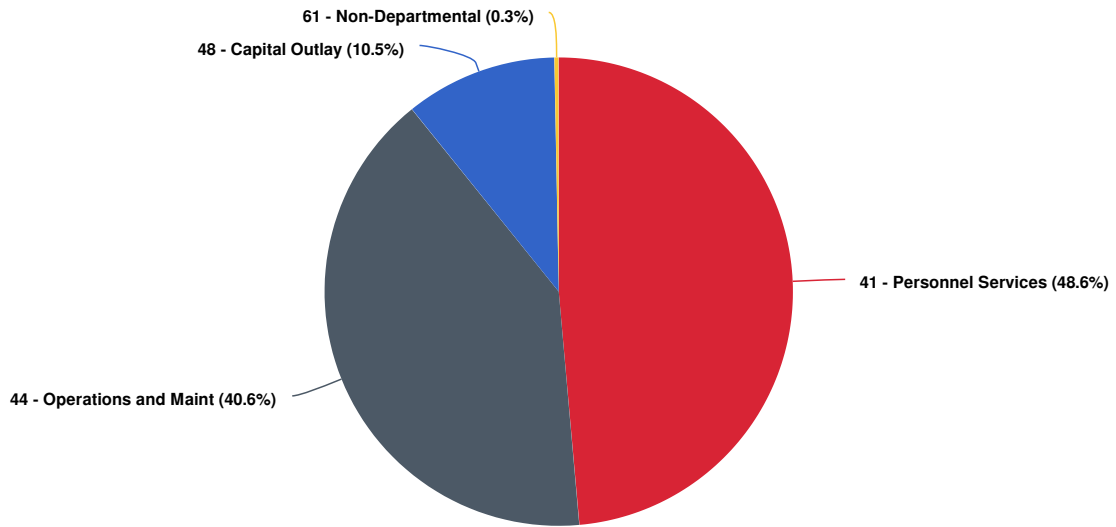
\$1,401,162 **\$119,547**
(9.33% vs. prior year)

Golf Course - Maintenance Adopted and Historical Budget vs. Actual

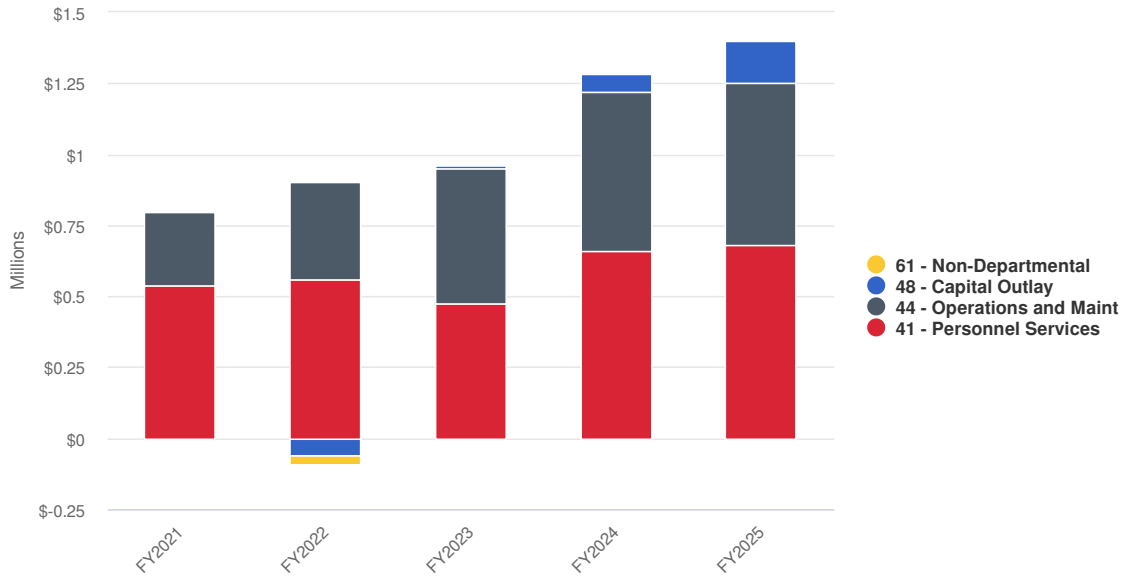


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



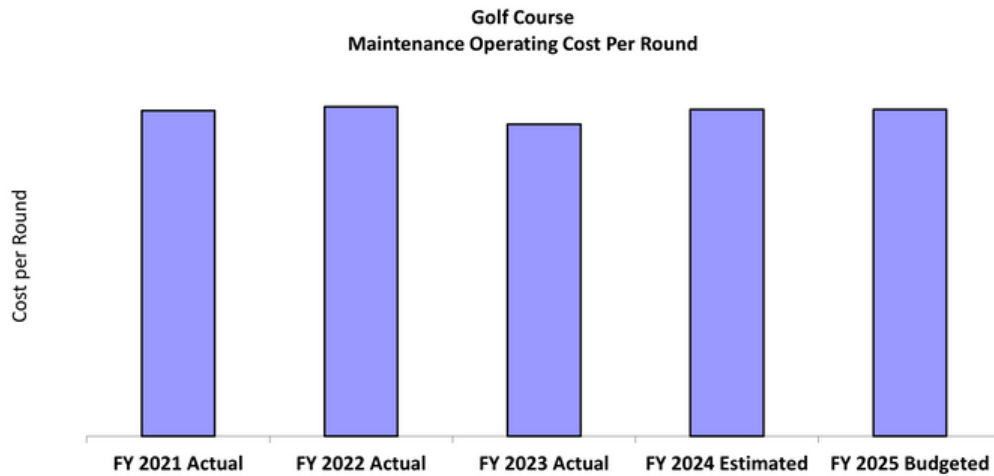
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$539,696	\$560,024	\$471,956	\$661,375	\$680,949	3%
44 - Operations and Maint	\$257,391	\$342,157	\$479,108	\$559,240	\$569,178	1.8%
48 - Capital Outlay	\$0	-\$60,864	\$11,475	\$61,000	\$147,000	141%
61 - Non-Departmental	\$1,249	-\$30,476	\$3,843	\$0	\$4,035	N/A
Total Expense Objects:	\$798,336	\$810,841	\$966,382	\$1,281,615	\$1,401,162	9.3%

Performance Measures

Key Performance Indicators

KPI	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Estimated	FY 2025 Budgeted
Rounds Played	47,315	47,864	45,325	47,500	47,000
Operating Expenses	\$ 798,336	\$ 810,842	\$ 975,419	\$ 1,281,614	\$ 1,410,074
Cost per Round	\$ 16.9	\$ 16.9	\$ 21.5	\$ 27.0	\$ 30.0

Decrease in rounds is due to master plan tee project to start in FY-24 and finish in FY-25.



Golf Course - Maintenance

The Maintenance activity center implements agronomic practices and programs that provide the highest quality and most aesthetically pleasing grounds, to meet or exceed the expectations of all patrons, while operating in a manner that protects and enhances the environment.

Objectives	Strategies	Measures
Provide well maintained playing conditions in an attractive setting. Vision Tenet: Cultivating a Sustainable Environment	<ul style="list-style-type: none"> o Maintain course conditions within desired standards. o Use modern technology to monitor turf grass health. o Implement aeration and cultural programs. o Implement equipment preventive maintenance program. 	<ul style="list-style-type: none"> o Replace twelve irrigation heads. o Conduct 20 root zone moisture audits during the summer months. o Conduct three aerations of greens and one aeration of tees and fairways. o Conduct five light topdressing applications on greens. o Mow or roll greens 6 days a week during growing season.
Implement environmental management practices to responsibly care for the land, water, wildlife and natural resources on which the course is sustained. Vision Tenet: Cultivating a Sustainable Environment	<ul style="list-style-type: none"> o Implement an integrated pest management program. o Implement a nutrient management program. o Utilize organic fertility sources. o Implement Stormwater Pollution Prevention Plan (SWPPP). o Partner with community organizations for Wildlife & Habitat management. 	<ul style="list-style-type: none"> o Conduct 10 Annual Bluegrass Weevil (ABW) scouting reports to identify thresholds. o Conduct 24 soil tests (six each of greens, tees, fairways and roughs). o Use a minimum of five Organic Material Review Institute (OMRI) approved products. o Conduct SWPPP site inspections on a quarterly basis. o Conduct six Bluebird audits with the Virginia Bluebird Society.



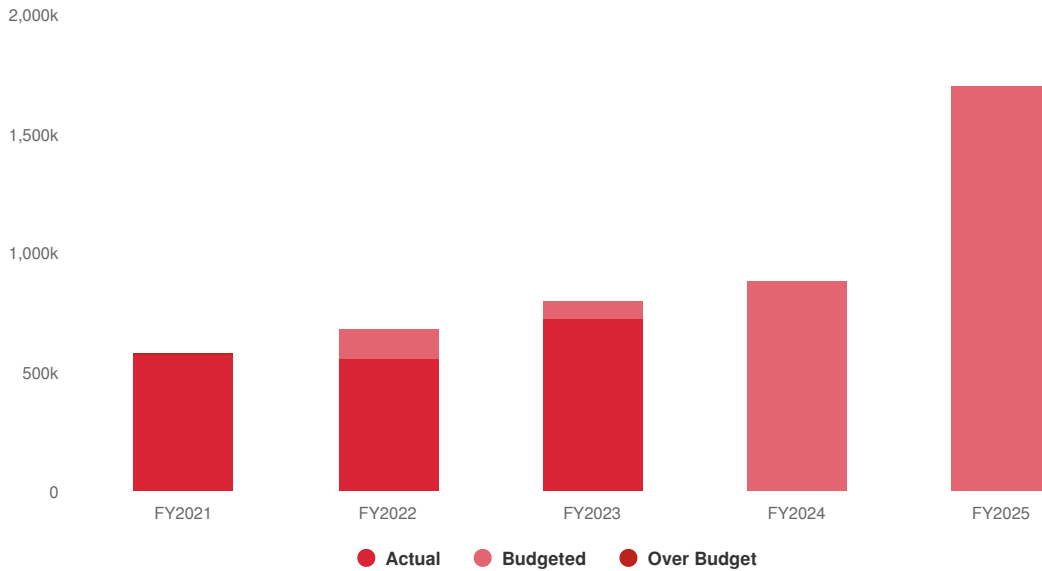
Golf Course - Clubhouse

The mission of the Clubhouse activity center is to oversee the operation, scheduling and publicity of daily play and administer programs and services that support the golf activities of the public, while embracing a culture that emphasizes customer-centric operations in order to operate as a successful enterprise fund.

Expenditures Summary

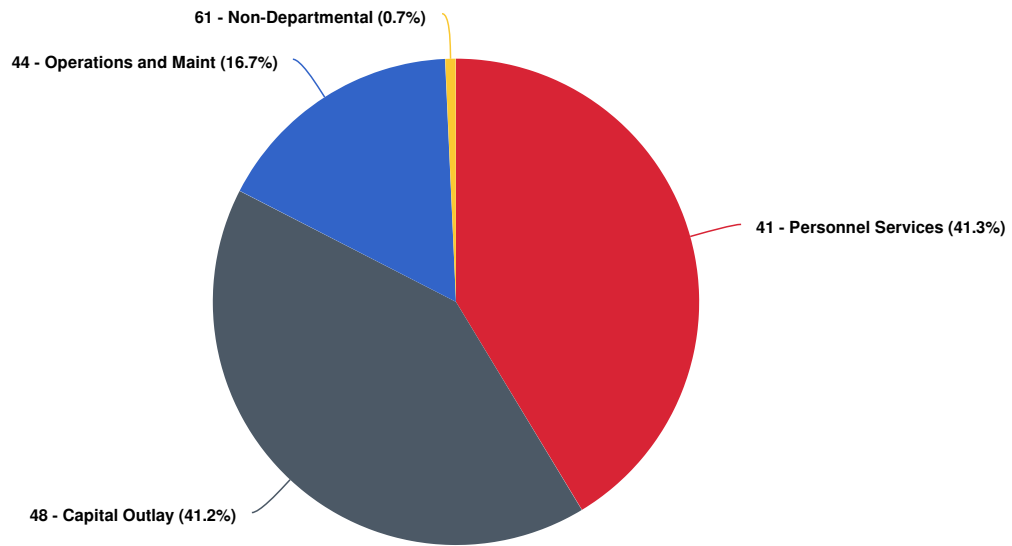
\$1,700,758 **\$820,355**
(93.18% vs. prior year)

Golf Course - Clubhouse Adopted and Historical Budget vs. Actual

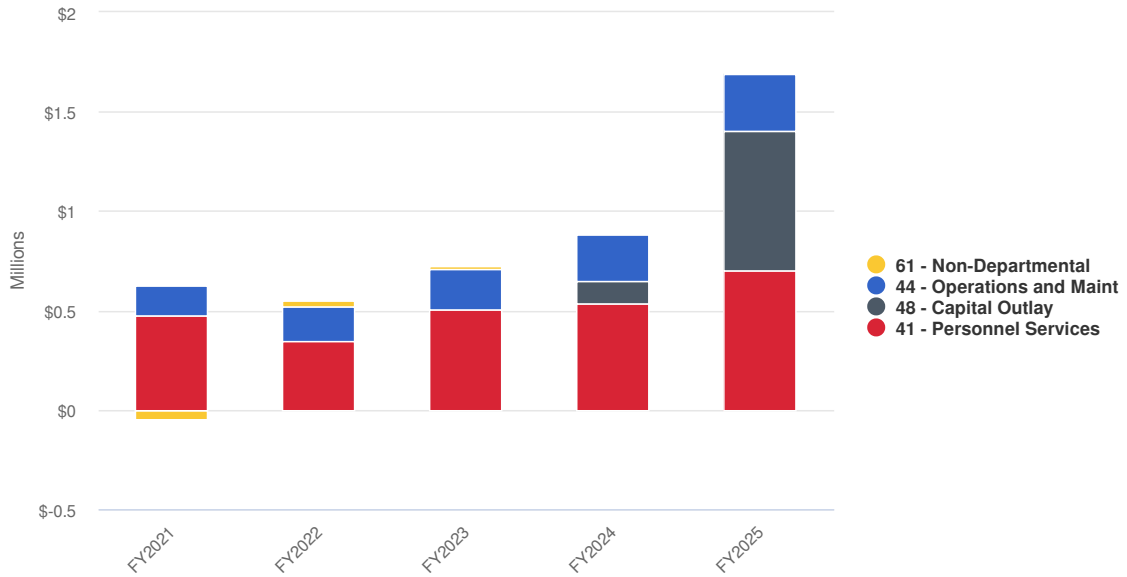


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$475,377	\$342,230	\$506,647	\$536,831	\$703,071	31%
44 - Operations and Maint	\$149,080	\$179,662	\$202,349	\$229,404	\$284,600	24.1%
48 - Capital Outlay	\$0	\$0	\$0	\$114,168	\$701,000	514%
61 - Non-Departmental	-\$43,905	\$30,637	\$11,511	\$0	\$12,087	N/A
Total Expense Objects:	\$580,551	\$552,529	\$720,507	\$880,403	\$1,700,758	93.2%

Performance Measures

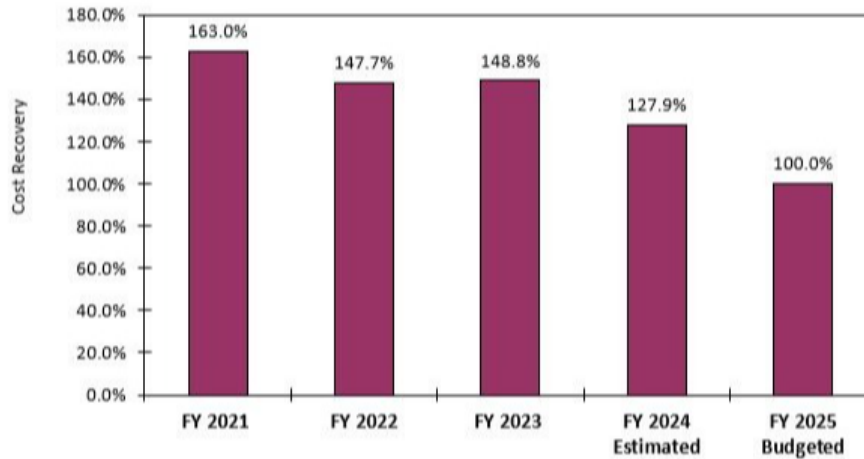
The Herndon Centennial Golf Course is managed as an enterprise fund and accounts for operations in a manner similar to private business enterprises, where the intent is that the costs of providing goods and services be financed or recovered through user charges. Operating revenues are obtained from greens fees, merchandise sales, use of the driving range, provision of handicapping services, and rental income from golf carts, pull carts, golf clubs and concession operations.

Percentage of Expenditures Offset by Revenues

	Revenues	Expenditures*	Cost Recovery Percentage
FY 2021	\$2,288,977	1,404,583	163%
FY 2022	\$2,413,170	1,633,991	148%
FY 2023	\$2,826,344	1,899,298	149%
FY 2024 Estimated	\$2,623,259	2,050,500	128%
FY 2025 Budgeted	\$3,383,848	3,383,848	100%

*Excludes depreciation and amortization expenses

Golf Course Cost Recovery



Golf Course - Clubhouse

The mission of the Clubhouse activity center is to oversee the operation, scheduling and publicity of daily play and administer programs and services that support the golf activities of the public, while embracing a culture that emphasizes customer-centric operations in order to operate as a successful enterprise.

Objectives	Strategies	Measures
Maintain and enhance economic sustainability.	<ul style="list-style-type: none"> ◦ Use third party resellers to expand reach and drive business. ◦ Use patron feedback to keep programs and services fresh. ◦ Pursue opportunities to operate more cost effectively and efficiently. ◦ Implement fee structure based on quality of product offered and outstanding reputation with the golfing public, while considering operational needs and competitor pricing. 	<ul style="list-style-type: none"> ◦ Meet FY - 2025 operating revenue projections. ◦ Compile customer feedback through surveys and staff interaction. ◦ Outsource a minimum of three services. ◦ Golf shop cost of goods sold should not exceed sixty percent.
Promote Herndon Centennial to help establish the town as a destination.	<ul style="list-style-type: none"> ◦ Generate communication and targeted marketing campaigns. ◦ Market opportunities for group events (outings). ◦ Publicize the availability of association and league play. ◦ Support Virginia High School League (VHSL) events. ◦ Regularly post to social media event announcements, specials and topical facility or golf items. 	<ul style="list-style-type: none"> ◦ Issue a minimum of 10 "On the Tee" e-newsletters. ◦ Utilize four different marketing channels to promote services. ◦ Host four weekly leagues provide support to two partner tournament associations. ◦ Host a VHSL tournament. ◦ Average one social media post per week.
Provide programs and services of exceptional quality.	<ul style="list-style-type: none"> ◦ Continue training that assures internal control and provides back-up capabilities for critical functions. ◦ Offer and administer the World Handicap System (WHS). ◦ Coordinate and implement a year-round schedule of events offering both traditional and unique formats. 	<ul style="list-style-type: none"> ◦ Staff develops proficiency in financial, payroll, performance management system and point of sale system through in-house and professional training. ◦ Process 240 WHS registrants. ◦ Register 300 participants for course sponsored events.



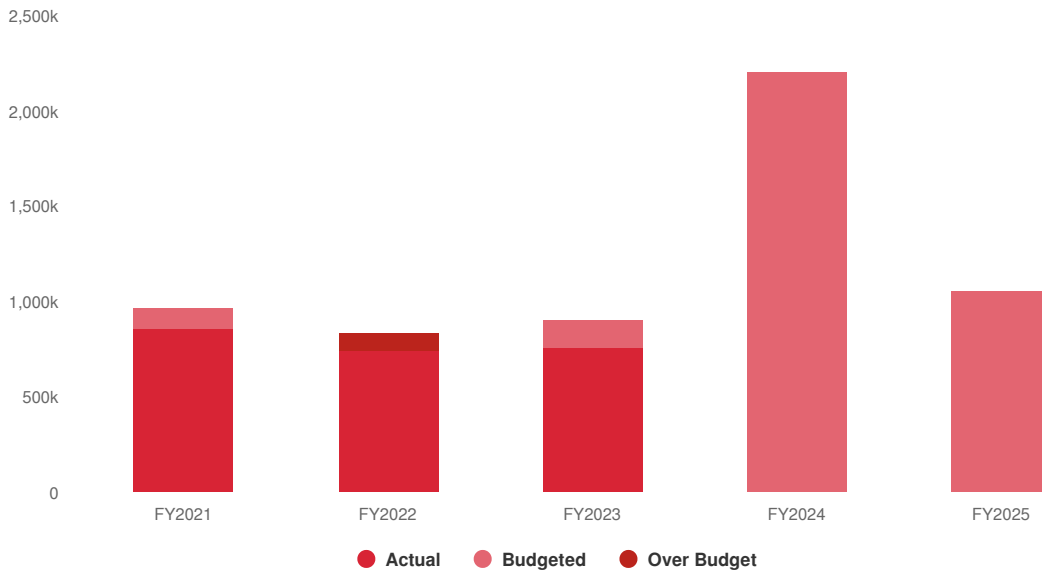
CHESTNUT GROVE CEMETERY FUND DIVISIONS



Expenditures Summary

\$1,050,306 **-\$1,150,172**
 (-52.27% vs. prior year)

Chestnut Grove Cemetery Adopted and Historical Budget vs. Actual



Vision

Chestnut Grove Cemetery provides residents of the Town of Herndon and the surrounding community with interment services consisting of traditional and cremation ground burial, mausoleum crypts and cremation niches. Families are offered support and guidance while navigating burial and memorial options.

FY 2024 Highlights

- Develop initial site layout and draft of future structural assets for the cemetery master plan revision.
- Placement and dedication of a memorial marker honoring Lt. George Kilgour (American Revolution).
- Replacement of two garage doors in the maintenance facility with energy efficient doors.
- Restoration of eight foundations for both historic and contemporary monuments that were in disrepair due to faulty materials and/or deterioration from age.

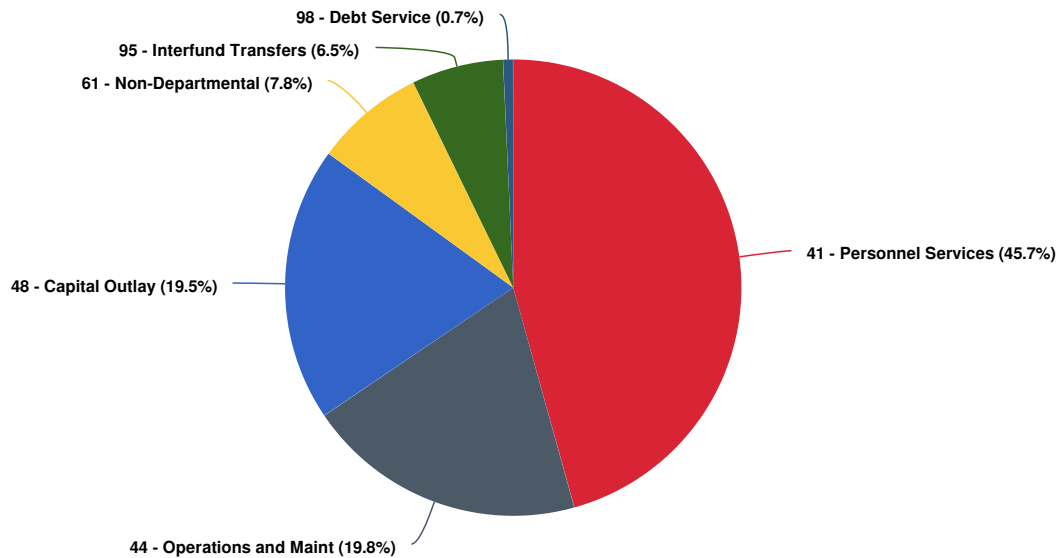


FY 2025 Initiatives

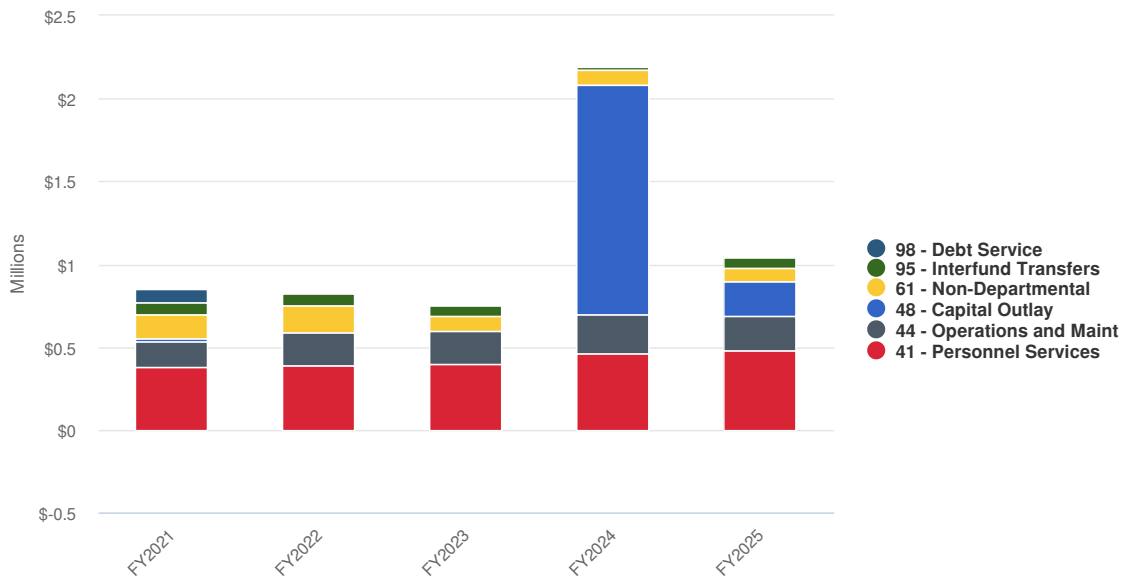
- Purchase of a new John Deer Gator and Ford utility pickup truck to replace aging facility vehicles.
- Complete trellis replacement and gutter system for facility office.
- Addition of energy efficient insulation to the maintenance building.
- Develop additional ground burial cremation sites with monument privileges.
- Continue health assessment and strategic pruning of the old growth trees located on the north side of the property.
- Initiate phase one of the development plan for the northwest section of the cemetery property.

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



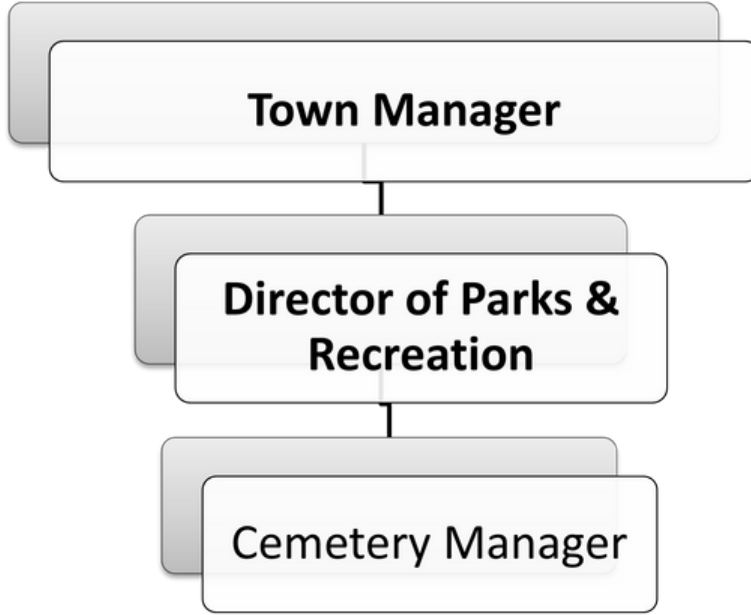
Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$381,065	\$389,583	\$399,575	\$459,468	\$479,920	4.5%
44 - Operations and Maint	\$155,620	\$198,936	\$200,009	\$233,718	\$208,345	-10.9%
48 - Capital Outlay	\$11,953	\$1,625	-\$2,461	\$1,392,000	\$204,571	-85.3%
61 - Non-Departmental	\$149,000	\$160,146	\$83,441	\$87,540	\$81,628	-6.8%
95 - Interfund Transfers	\$67,858	\$76,451	\$65,141	\$20,000	\$68,398	242%
98 - Debt Service	\$88,122	\$8,248	\$7,943	\$7,752	\$7,443	-4%
Total Expense Objects:	\$853,619	\$834,989	\$753,648	\$2,200,478	\$1,050,306	-52.3%



Organizational Chart



Chestnut Grove Cemetery – Cemetery Operations

The Chestnut Grove Cemetery activity center operates as a stand-alone, self-sustaining enterprise fund. The mission of Chestnut Grove Cemetery is to provide cemetery services for the town and area residents through an aesthetically-pleasing, well-maintained cemetery, which offers contemporary options for interment services. Through customer service, citizens of the community can expect to be served with respect and dignity.

Goals	Strategies	Measures
<p>Promote Chestnut Grove Cemetery as the cemetery of choice for Northern Virginia residents in western Fairfax and eastern Loudoun counties.</p>	<ul style="list-style-type: none"> ◦ Increase awareness of Chestnut Grove Cemetery and product offerings to town residents, local communities, funeral homes and independent consumers using the website and marketing materials. 	<ul style="list-style-type: none"> ◦ Hold community meetings to inform residences about newly established development design. ◦ Distribute a cemetery ad brochure in the 2025 town calendar. ◦ Provide municipal locations, funeral homes and relevant cremation societies with marketing material.
<p>Provide cemetery services and products that support operations of the cemetery.</p>	<ul style="list-style-type: none"> ◦ Land development to establish new burial sites, crypts and cremation placements. ◦ Provide pre-need and at-need sale of cemetery products. ◦ Accommodate arrangements for 174 interments. ◦ The sale of cemetery and cremation products including memorials, vaults, memorial inscriptions, crypt/niche vases, memorial repair services. ◦ Strategic follow-up with families after interment regarding memorial options. 	<ul style="list-style-type: none"> ◦ The beginning phases of development for 3.5 acres of land in the northwest corner of the property. ◦ Attain pre-need and at-need sales of 114 cemetery interment sites and columbarium sites. ◦ Increase retention rate of memorial sales from families we provide interment services to. ◦ Increase the purchase of interment rights on existing sites as a cremation option for the families we serve.
<p>Improve customer service and overall operation of the cemetery.</p> <p>Improve the overall appearance of the cemetery.</p>	<ul style="list-style-type: none"> ◦ Respond to community needs with on-site administration and sales. ◦ Continue employee training and mentoring programs. ◦ Continue turf management with consistent soil preparation, seeding, fertilization and weed control program for developed areas of cemetery in line with budgeted resources. ◦ Finalize development of the cremation “Ossuary Garden” providing an interment option previously unavailable at Chestnut Grove. 	<ul style="list-style-type: none"> ◦ Provide cemetery informational materials on request including: price sheets, maps, cemetery brochure, memorial brochure, and owner property information. ◦ Provide exceptional graveside and burial service which demonstrates the overall operational standards of the facility. ◦ Establish Ossuary Garden as an additional cremation option for a previously untapped economic demographic. ◦ Fund a professional fertilization and weed control program for the developed areas of the cemetery.
<p>Take measures to provide families with continuous means to honor and pay tribute to loved ones throughout the year.</p>	<ul style="list-style-type: none"> ◦ On-site assistance and pre-planning for annual events: Memorial Day, Veteran’s Day, and Wreaths Across America to honor Veterans. ◦ Enhance the Memory Tree program for families and friends of loved ones interred during the year. 	<ul style="list-style-type: none"> ◦ Provide information, logistics and assistance to local civic organizations for memorial events. ◦ Conduct seasonal observance for families and friends who have loved ones interred during the year.



WATER & SEWER FUND DIVISIONS

Scott Robinson
Director, Public Works Department

The Water & Sewer Fund provides safe, efficient and affordable water and sewer services to Town of Herndon utility customers. Operations are funded by user fees charged for services provided.

Sewer Service & Maintenance maintains the town's sanitary sewer conveyance system and provides technical and operational support for the town's development, as well as maintaining unrestricted flow, of the sanitary sewer system.

Water Supply & Maintenance provides high quality water supply to Town of Herndon customers and provides technical and operational support for the town's development activities. This includes ensuring system pressure is sustained above the requirement for fire protection.

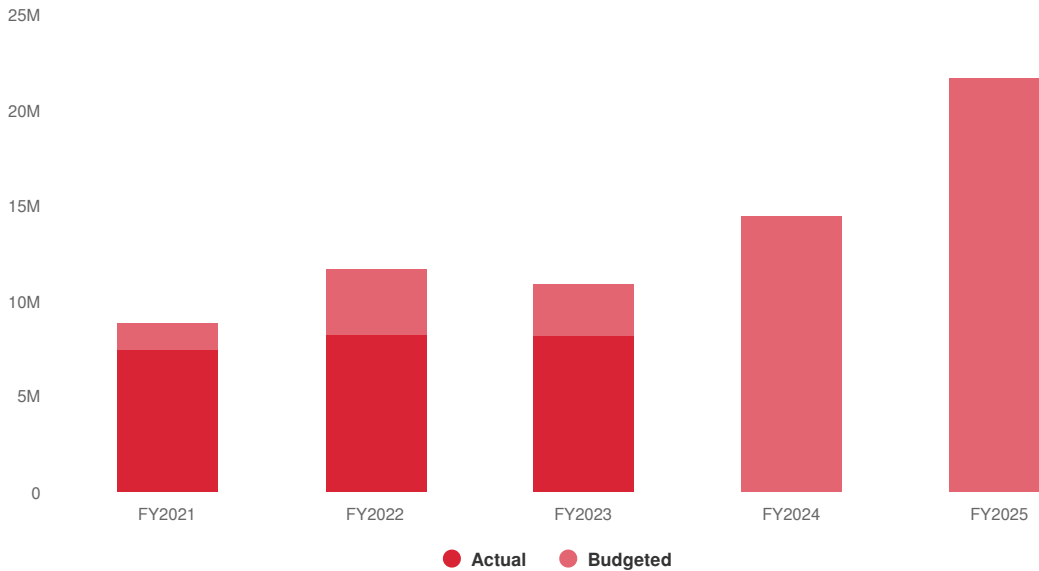
The water utility maintains approximately 84.7 miles of water main and three water towers.

Public health and safety are primary goals for these town services.

Expenditures Summary

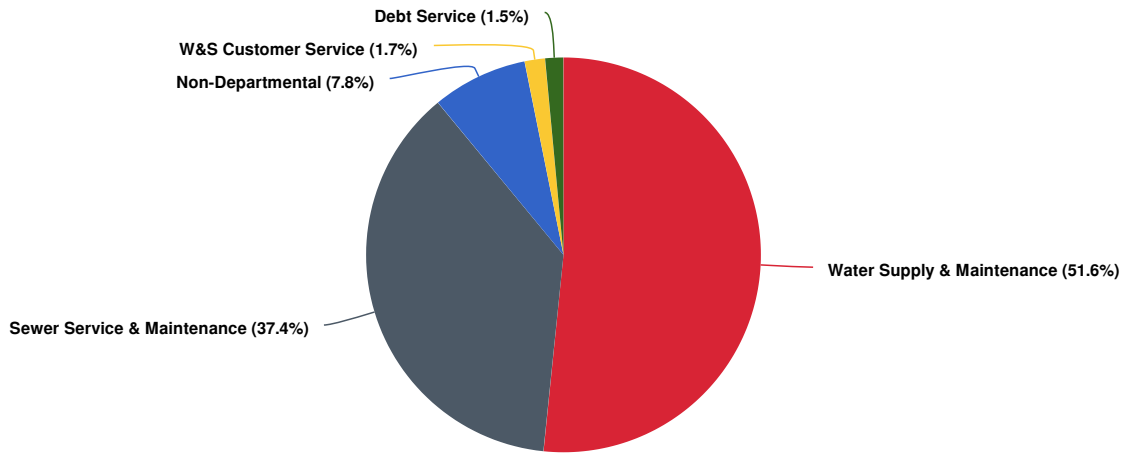
\$21,680,183 **\$7,230,878**
(50.04% vs. prior year)

Water & Sewer Fund Adopted and Historical Budget vs. Actual

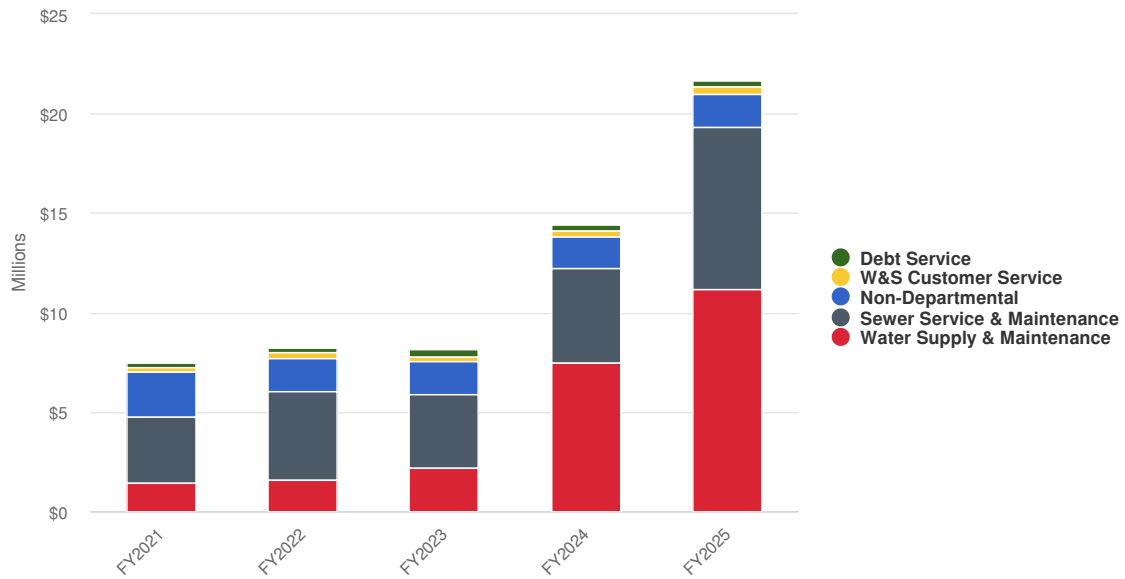


Expenditures by Function

Budgeted Expenditures by Function



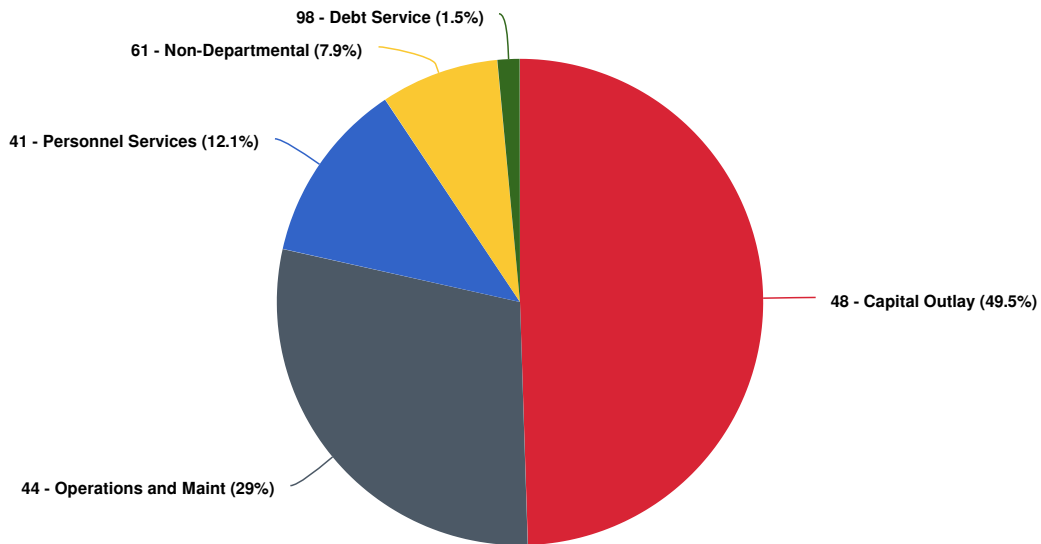
Budgeted and Historical Expenditures by Function



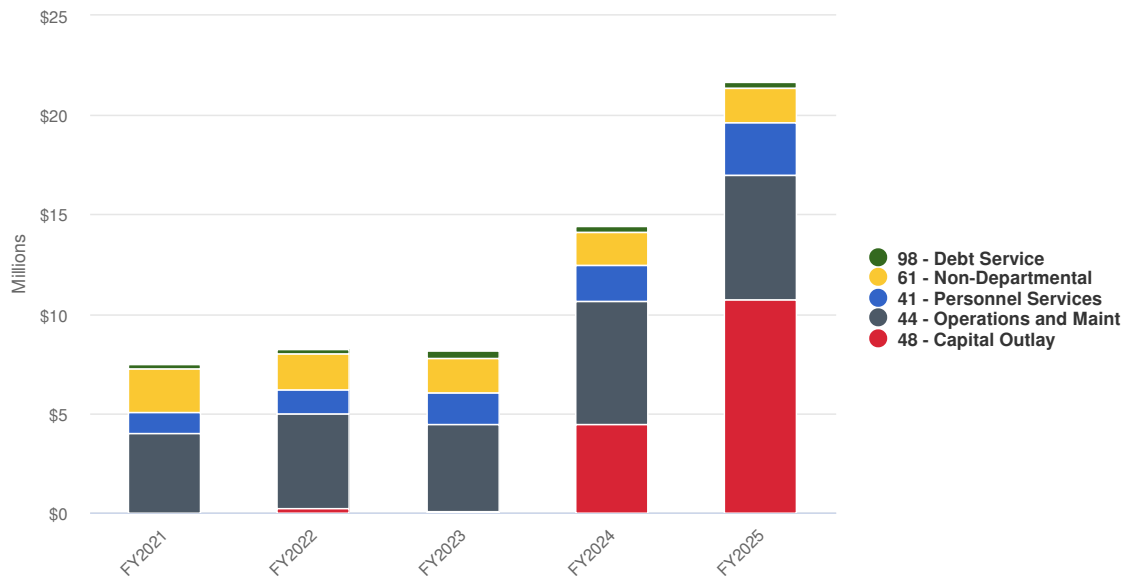
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures						
Finance						
W&S Customer Service	\$212,830	\$248,423	\$228,162	\$266,623	\$359,933	35%
Total Finance:	\$212,830	\$248,423	\$228,162	\$266,623	\$359,933	35%
Public Works						
Sewer Service & Maintenance	\$3,332,426	\$4,419,318	\$3,688,703	\$4,737,787	\$8,111,278	71.2%
Water Supply & Maintenance	\$1,462,027	\$1,592,290	\$2,166,166	\$7,490,641	\$11,191,413	49.4%
Total Public Works:	\$4,794,453	\$6,011,608	\$5,854,869	\$12,228,428	\$19,302,691	57.9%
Non-Departmental						
Non-Departmental	\$2,209,325	\$1,725,107	\$1,716,454	\$1,615,138	\$1,694,232	4.9%
Total Non-Departmental:	\$2,209,325	\$1,725,107	\$1,716,454	\$1,615,138	\$1,694,232	4.9%
Debt Service						
Debt Service	\$244,731	\$239,082	\$351,611	\$339,116	\$323,328	-4.7%
Total Debt Service:	\$244,731	\$239,082	\$351,611	\$339,116	\$323,328	-4.7%
Total Expenditures:	\$7,461,339	\$8,224,220	\$8,151,095	\$14,449,305	\$21,680,183	50%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Water and Sewer Rates

Water & Sewer Rates

The FY 2025 budget includes the following proposed billing changes.

Water

Quarterly Service Charge (5/8" meter)	\$16.34
Base Rate	\$4.08/ 1000 gal.
Peak Rate	\$6.94/ 1000 gal.

Sewer

Quarterly Service Charge (5/8" meter)	\$12.76
Base Rate	\$8.93/ 1000 gal.

These new rates are part of a six-year plan to adjust rates to meet increases in sewer treatment costs, wholesale water costs, and a need for a significant capital repair and improvement program to replace aging water and sewer pipes, and support expanded capacity. During the pandemic and through 2022, the town held rates steady, recognizing the economic burden on residents created by the pandemic and the high inflation rates that followed the pandemic. While the town held rates steady, cost for water and treatment of wastewater continued to rise. In 2023 alone, the wholesale cost to the town for water increased 36% and the cost for wastewater treatment increased 15.4%. Rates for both wholesale water and wastewater treatment by Fairfax County are projected to continue to rise.

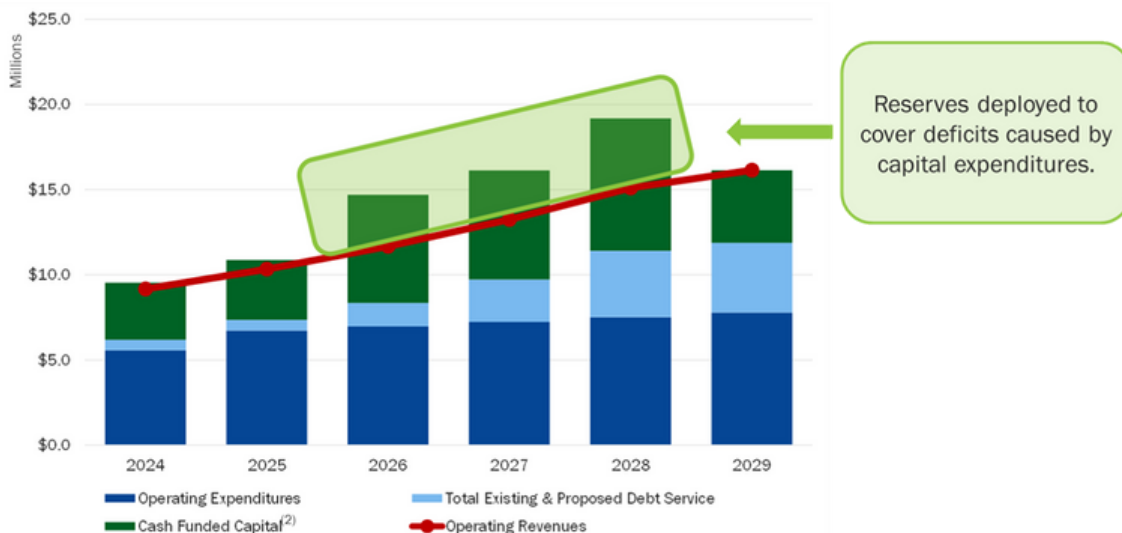
The age of much of our system, along with the need for additional capacity to support future demand, are driving the need for a major capital project plan over the next few years. The cost of major capital projects for the town's water and sewer systems is estimated at \$114,000,000 over the next six years. This includes major projects such as:

- Replacing a water main along Dranesville Road
- Replacing a water main along Crestview Drive
- Constructing a new water pump station
- Replacing the sewer line at Folly Lick
- Replacing a sewer main along a portion of Herndon Parkway

These projects are necessary to continue to provide safe, reliable water for town residents.

Although the town has been able to fund some of the early work using federal ARPA funding, work that will start in 2025 – 2029 will be funded from the water and sewer funds. The town has maintained a healthy reserve in the water and sewer fund, which will be used to fund some of the construction work. The town intends to bond approximately 70% of the funding required for the upcoming major projects to spread the costs of these projects over many years and mitigate the short-term burden to water and sewer customers. The following graph shows the year-by-year result of annual revenue vs annual expenditures and how reserves and bonds will be used to smooth rate increases over the next few years.

Projected Operating Results

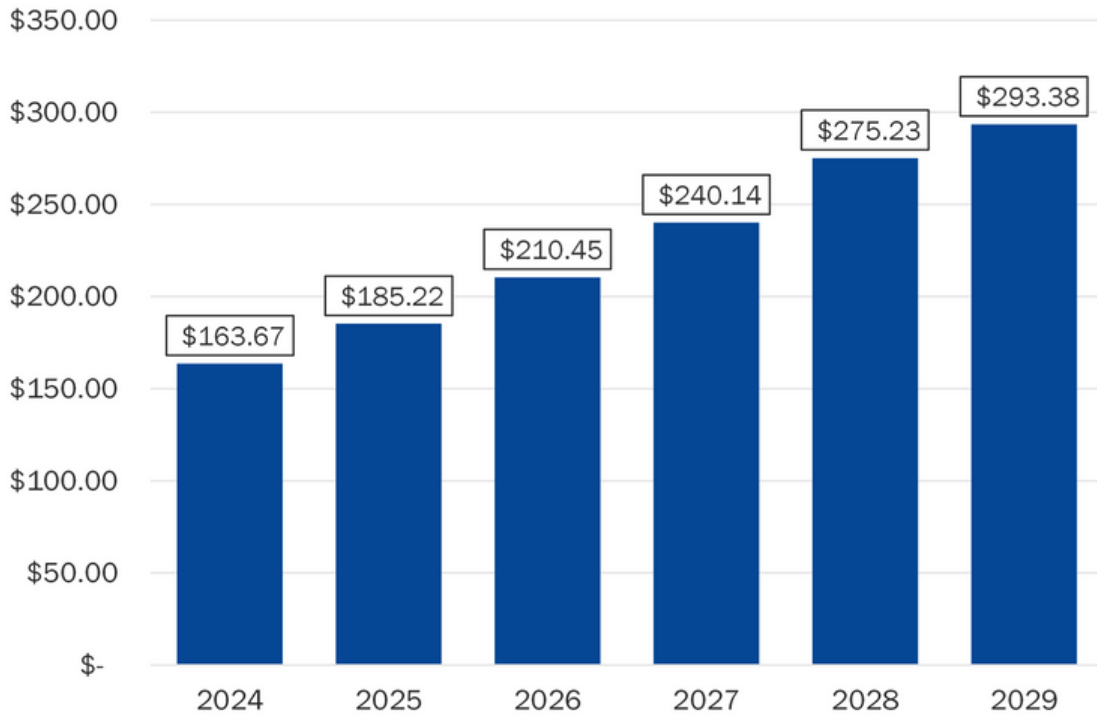


Typical Customer Bill

The new rates for FY 2025 will increase the average customer quarterly bill by about \$20. This change will be higher for customers that are heavy users and less for customers that use less than 12,000 gallons/ quarter.

Projected Typical Quarterly Customer Bill 2024 - 2029

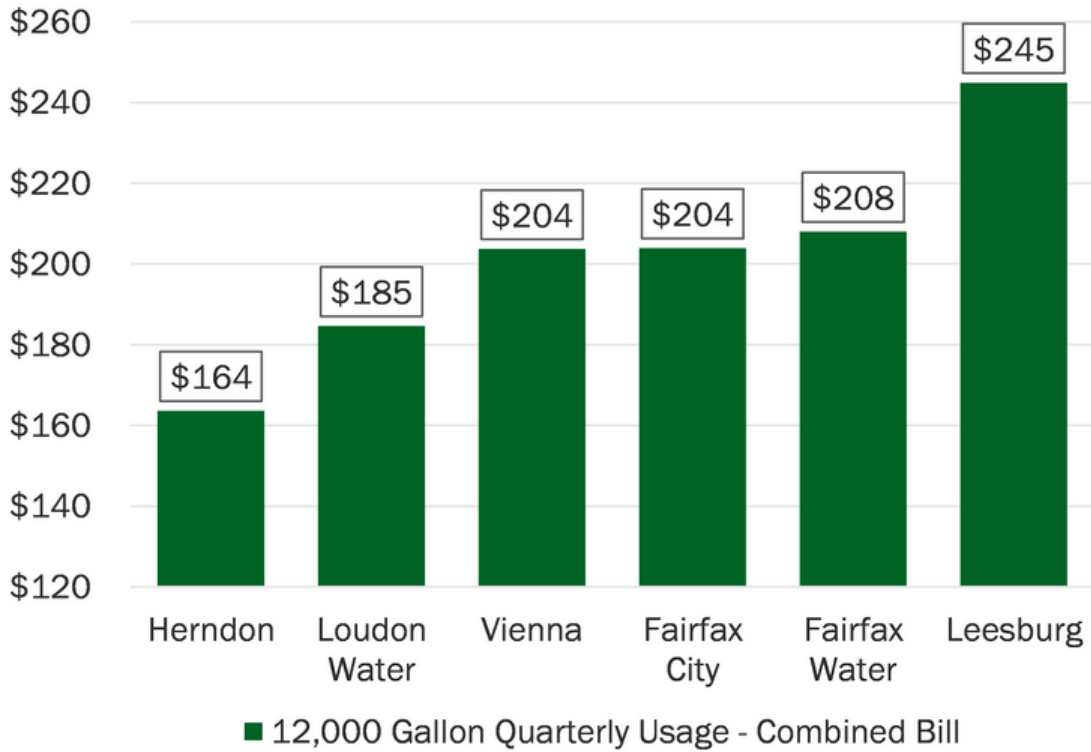
(12,000 gallons)



Water and Sewer Bill Comparison

The town recognizes that these rate increases will have an impact on Herndon resident budgets. Unfortunately, increasing operating costs, along with the need for renewal of large portions of the system make the increases necessary. Even with these increases, Herndon will remain among the lowest cost providers in the region. The town will continue to strive to provide Herndon residents with safe and high-quality water and sewer services while maintaining an affordable position as one of the lowest priced providers in Northern Virginia.

FY 2024 Water and Sewer Bill Comparison



WATER & SEWER FUND - Customer Service Division

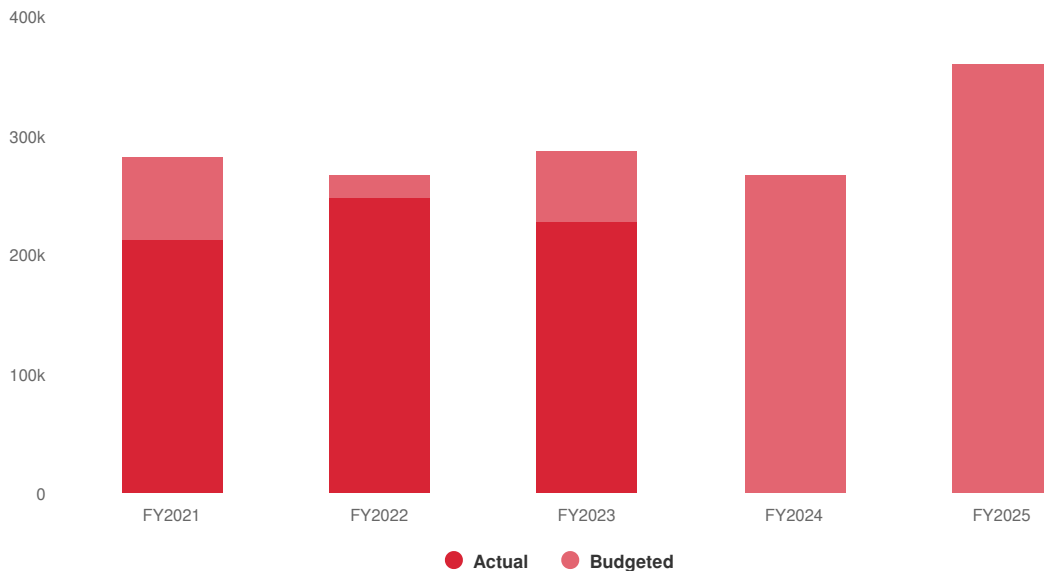
The Water & Sewer Customer Service activity center establishes new customer accounts, provides quarterly reading of all town water meters, generates quarterly customer billings, and assists customers with inquiries and concerns about their accounts. Costs per customer have remained relatively stable. A portion of each water and sewer customer billing is used to support the activity center. The town utilizes Automated Meter Reading (AMR) to record quarterly water.

The Water & Sewer Customer Service activity center is responsible for reading all residential and commercial water meters in an accurate and timely manner. Utility bills are prepared, generated and distributed using the town's computerized utility billing system. Unusual water consumption is investigated and when applicable, utility bill adjustments are calculated.

Expenditures Summary

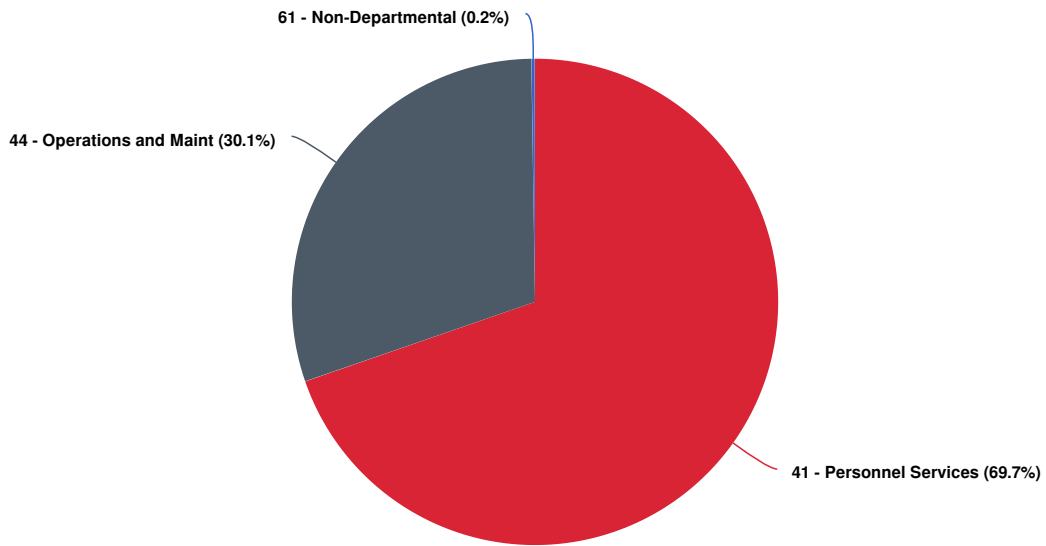
\$359,933 **\$93,310**
(35.00% vs. prior year)

W&S Customer Service Adopted and Historical Budget vs. Actual

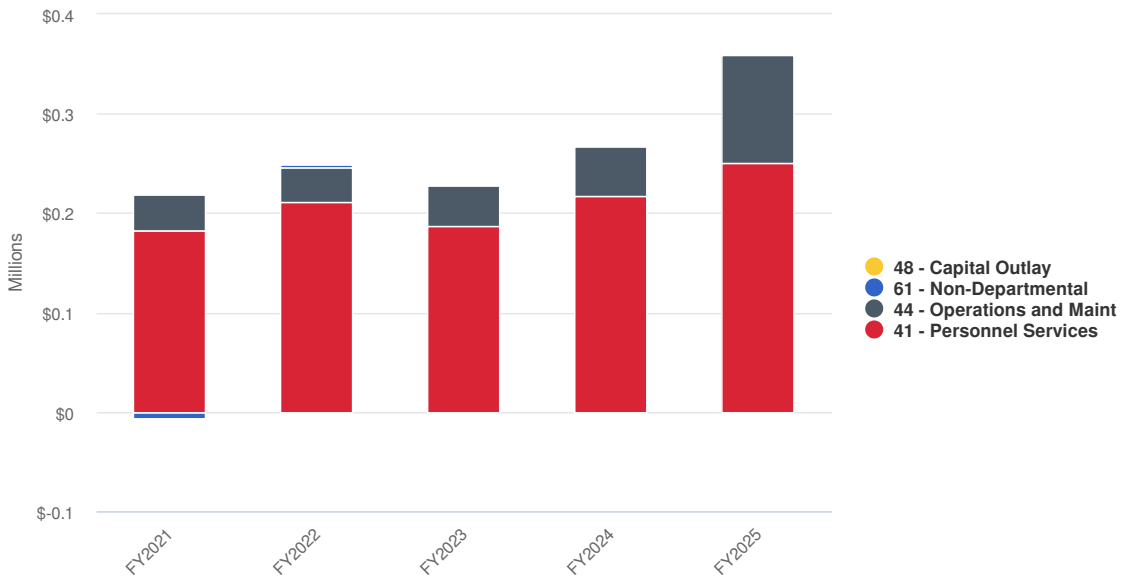


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$182,007	\$211,139	\$186,354	\$217,823	\$250,878	15.2%
44 - Operations and Maint	\$36,697	\$35,197	\$41,019	\$48,800	\$108,250	121.8%
48 - Capital Outlay	\$0	\$0	\$22	\$0	\$0	0%
61 - Non-Departmental	-\$5,874	\$2,087	\$766	\$0	\$805	N/A
Total Expense Objects:	\$212,830	\$248,423	\$228,162	\$266,623	\$359,933	35%

Performance Measures

Finance - Water & Sewer Customer Service		
<p>The Water & Sewer Customer Service activity center is responsible for reading all residential and commercial water meters in an accurate and timely manner. Utility bills are prepared, generated and distributed using the town's computerized utility billing system. Unusual water consumption is investigated and when applicable, utility bill adjustments are calculated.</p>		
Objectives	Strategies	Measures
Meter reading	<ul style="list-style-type: none"> o Accurately read all residential and commercial water meters quarterly. 	<ul style="list-style-type: none"> o Using Automatic Meter Reading (AMR) laptop and hand-held computerized meter reading devices, record consumptions for water meters on a consistent, quarterly basis. Rereading of meters due to any type of errors are less than one percent of all readings recorded. o Automated readings are promptly uploaded to the computerized utility billing system within 48 hours after completing reading route 100% of time.
Utility billing and customer service	<ul style="list-style-type: none"> o Generate and distribute quarterly and final billings for utility customer accounts. o Manage delinquent accounts. 	<ul style="list-style-type: none"> o Utility billings for customer accounts are prepared, posted and disseminated on a consistent, quarterly basis. Bills are mailed no later than the last day of the month a meter is read 100 percent of time. o During regular town business hours, customer service desk is fully staffed 100 percent of the time and telephone and e-mail customer inquiries are responded to within one day of receipt 95 percent of time. o Optimize use of Munis Enterprise Resource Planning (ERP) financial software package. o Delinquent accounts are fully collected 95% of time.
Information reporting	<ul style="list-style-type: none"> o Maintain proper documentation for auditing purposes and prepare various reports, reconciliation spreadsheets and schedules in connection with the town's annual financial audit and generally accepted governmental accounting standards. 	<ul style="list-style-type: none"> o All applicable documentation is available and provided in timely manner for the town's annual financial audit 100% of time. o Review and update (if applicable) on an annual basis, utility customer service receivable policies and procedures section of department's financial policies and procedures manual.



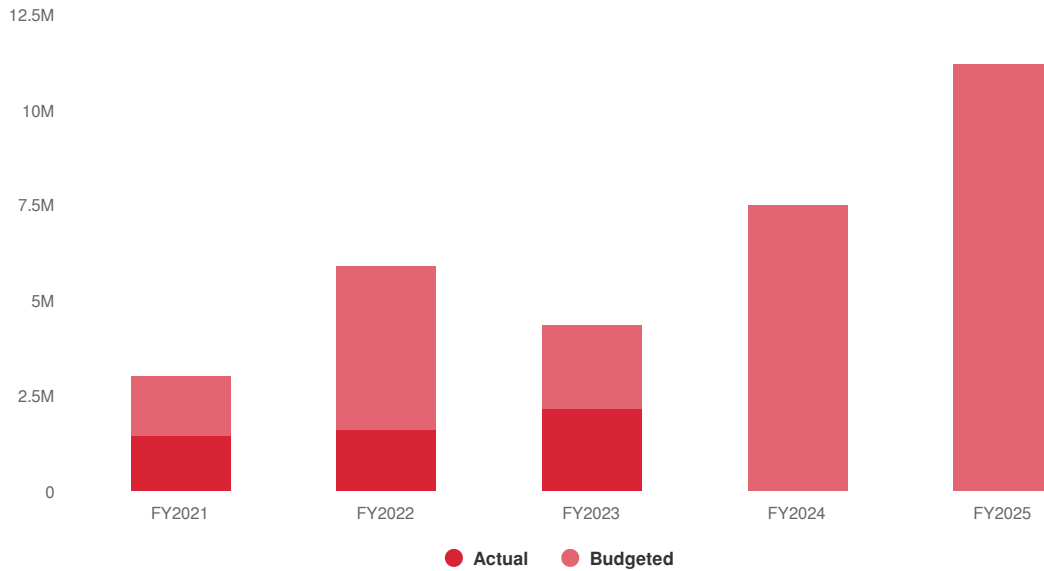
Water & Sewer Fund - Water Supply & Maintenance

The water utility maintains water distribution system within the town's borders. This includes 84.7 miles of water main and three water towers. Work includes monitoring water quality and meeting mandated water standards. It also includes routine maintenance and emergency repairs of water systems. Public health and safety are primary goals for these town services.

Expenditures Summary

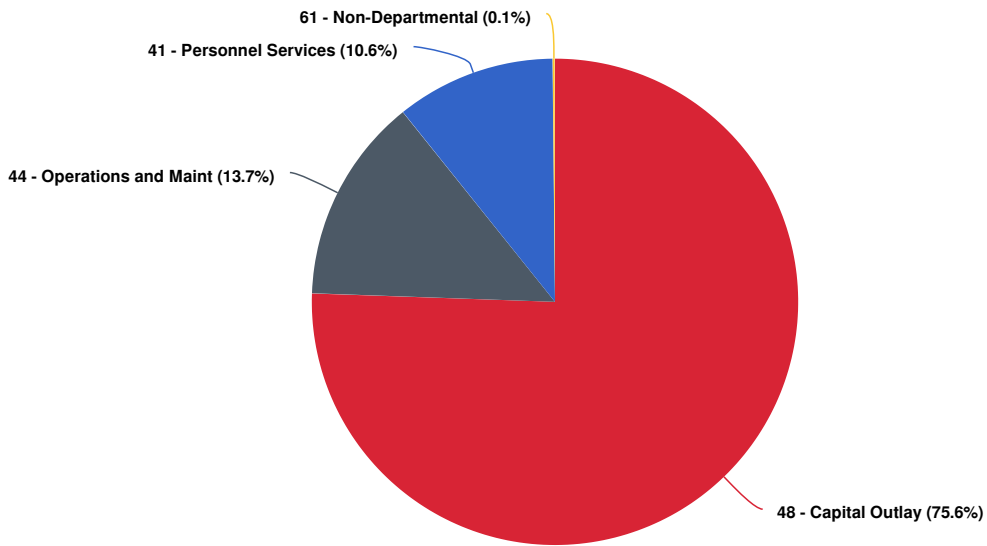
\$11,191,413 **\$3,700,772**
(49.41% vs. prior year)

Water Supply & Maintenance Adopted and Historical Budget vs. Actual

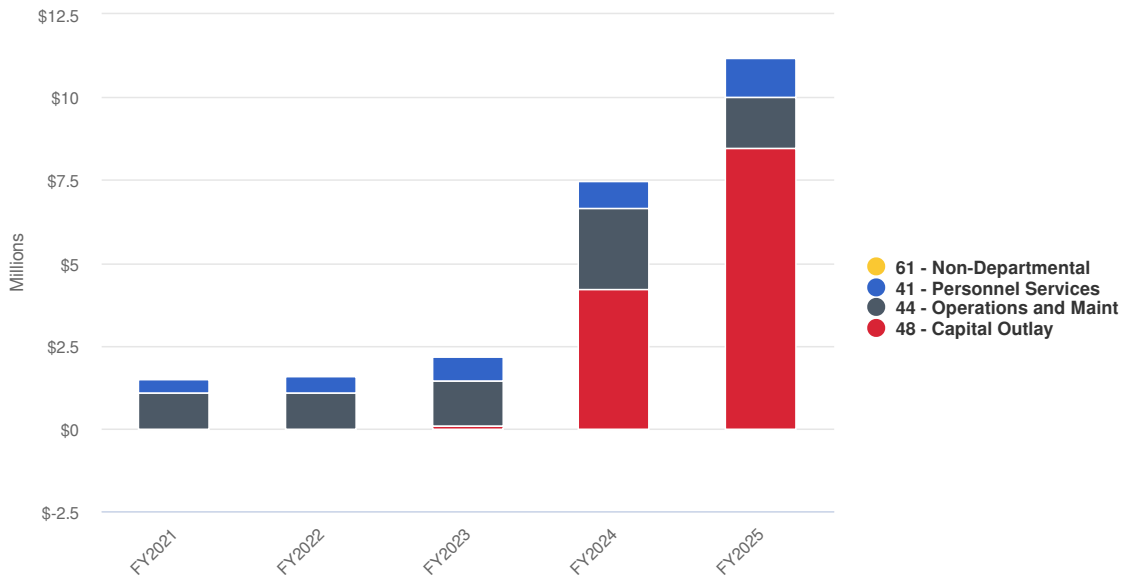


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$409,706	\$501,538	\$699,362	\$848,511	\$1,187,438	39.9%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
44 - Operations and Maint	\$1,050,119	\$1,067,579	\$1,391,102	\$2,417,130	\$1,532,120	-36.6%
48 - Capital Outlay	\$11,308	\$14,411	\$60,601	\$4,225,000	\$8,456,000	100.1%
61 - Non-Departmental	-\$9,105	\$8,762	\$15,100	\$0	\$15,855	N/A
Total Expense Objects:	\$1,462,027	\$1,592,290	\$2,166,166	\$7,490,641	\$11,191,413	49.4%

Goals and Objectives

Goal: Provide high quality water supply to Town of Herndon customers and provides technical and operational support for the town's development and sustainability of the highest quality product. This includes ensuring system pressure is sustained above the requirement for fire protection. Public health and safety is the main goal for the town.

Objective: Begin construction of the new water pump station adjacent to the HPD station and W&OD trail to meet projected demands of Herndon Transit Oriented Core, Downtown, and Transit Related Growth Area development.

Perform regulated water quality testing. Complete maintenance of valves and fire hydrants. Complete a system wide leak detection survey. Identify and complete system repairs within 24 hours. Meet LCRR (Lead and Copper Rule Revision) newly imposed regulations to include developing a service line inventory, public outreach and additional water quality testing.



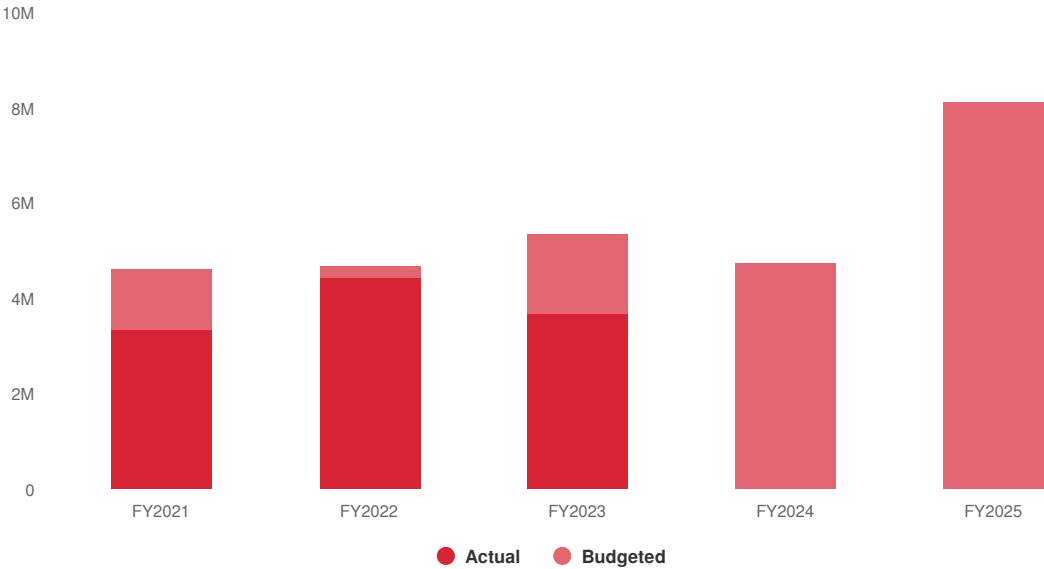
Water & Sewer Fund - Sewer Service & Maintenance

The sewer utility maintains the sanitary sewer system within the town's borders. This includes 80 miles of sewer main and two sanitary lift stations. Work includes monitoring the system, routine maintenance and emergency repairs of sanitary sewer systems. Public health and safety are primary goals for these town services.

Expenditures Summary

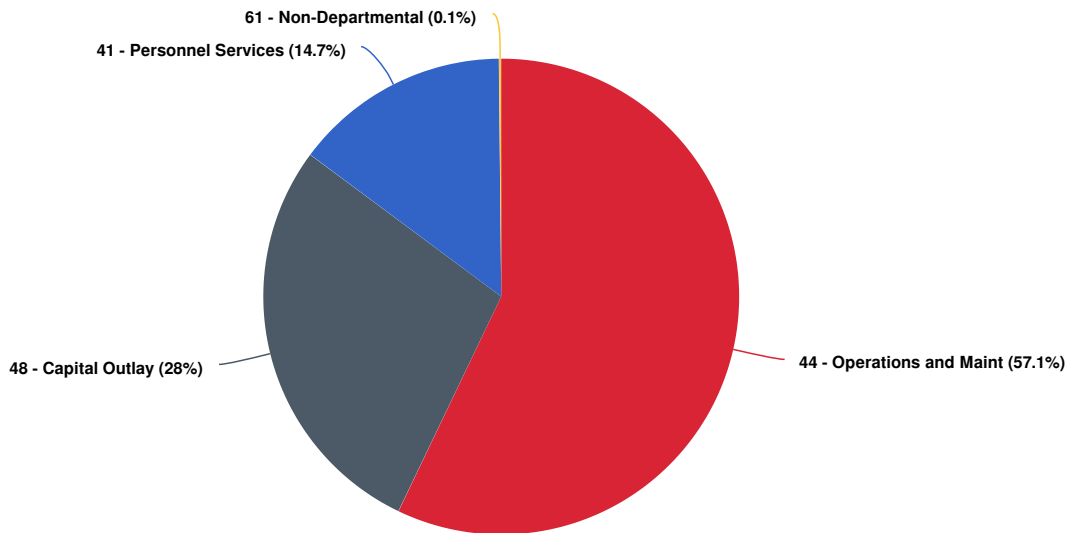
\$8,111,278 **\$3,373,491**
(71.20% vs. prior year)

Sewer Service & Maintenance Adopted and Historical Budget vs. Actual

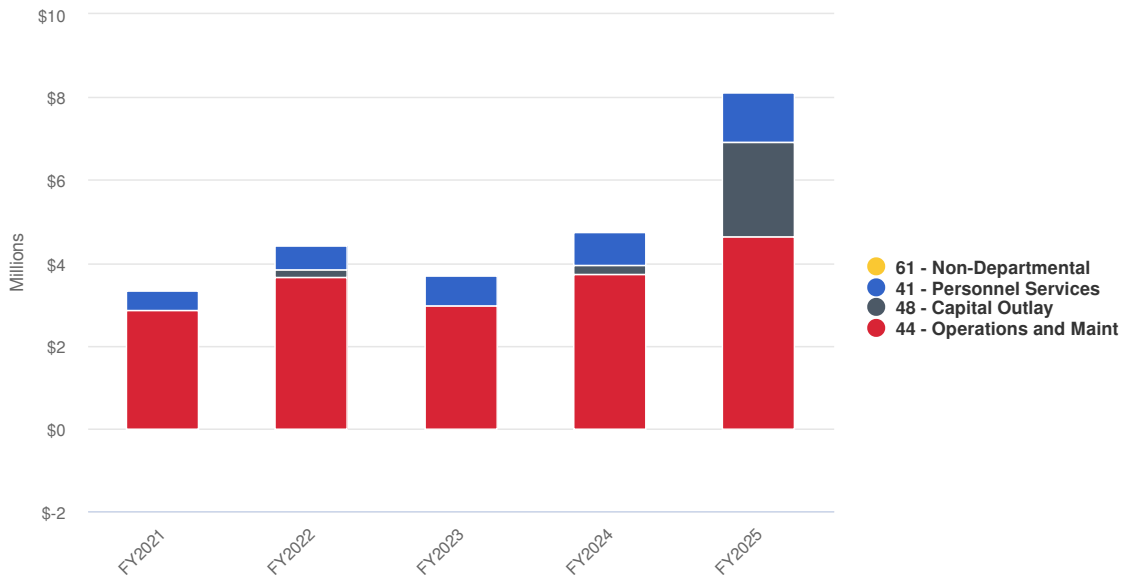


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects						
41 - Personnel Services	\$472,774	\$572,838	\$728,919	\$777,112	\$1,191,307	53.3%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
44 - Operations and Maint	\$2,863,501	\$3,643,874	\$2,964,318	\$3,710,675	\$4,633,432	24.9%
48 - Capital Outlay	\$3,702	\$203,890	-\$15,524	\$250,000	\$2,275,000	810%
61 - Non-Departmental	-\$7,551	-\$1,285	\$10,990	\$0	\$11,539	N/A
Total Expense Objects:	\$3,332,426	\$4,419,318	\$3,688,703	\$4,737,787	\$8,111,278	71.2%

Goals and Objectives

Goal: Maintain the town's sanitary sewer conveyance system and provide technical and operational support for the town's development. Maintain unrestricted flow of the sanitary sewer system. Maintain two wastewater pump stations.

Objective: Continue the sewer main relining and manhole rehabilitation project as recommended in the CIP (Capital Improvement Plan). Complete scheduled sewer line flushing and inspections. Begin construction of the Folly Lick sewer shed project.



APPENDIX



Glossary

Acronyms and Glossary

Acronyms

ADA - Americans with Disabilities Act.

AMR - Automated Meter Reading – Water & Sewer Department.

APA - American Polygraph Association.

ARPA - American Rescue Plan Act of 2021.

ASP - Applications Service Provider - used to refer to an outsourcing of previously provided in-house computer hardware and software maintenance and support.

BMP - Best Management Practices.

BZA - Board of Zoning Appeals.

BPOL - Business, Professional and Occupational License Tax - refers to the license tax that is levied upon the privilege of doing business or engaging in a profession, trade, or occupation in the town.

CAD - Computer Aided Dispatch.

ACFR - Annual Comprehensive Financial Report - the official annual financial report of the town.

CCTV - Closed circuit television.

CD - Department of Community Development.

CDBG - refers to the Community Development Block Grant program funded by the United States Department of Housing and Urban Development (HUD) to improve the housing, neighborhood, and economic conditions

CDPD - Cellular Digital Packet Data - the communication system and protocol for the mobile computers.

CFA - Computerized Fleet Analysis.

CIP - Capital Improvement Program.

CMAQ - Congestion Mitigation and Air Quality Improvement Program – the CMAQ program provides federal funding for surface transportation and other related projects that contribute to air quality improvements and reduce congestion.

CRM - Customer Relationship Management software.

CY - Calendar Year, twelve-month period beginning January 1 and ending December 31.

DPW - Department of Public Works.

ERP - Enterprise Resource Planning software for the town's financial, human resources and utility billing systems.

FBINA - Federal Bureau of Investigation – National Academy.

FY - Fiscal Year, the twelve months beginning July 1 and ending the following June 30.

GAAP - Generally Accepted Accounting Principals



GASB - This refers to the Governmental Accounting Standards Board which is currently the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States.

GED - General Educational Developmental Diploma.

GIS - Geographic Information System - a computer system used to assemble, store, manipulate and display information about land in the Town.

GLINK - required communications software used to access VCIN/NCIC/DMV.

GFOA - Government Finance Officers Association.

HCAC - Herndon Community Association Coalition - an umbrella group of homeowner and condominium associations in the Town of Herndon.

HMC - Herndon Municipal Center - Completed in 1995, the HMC was constructed to bring town government back to the heart of Herndon. The HMC houses the administrative offices of town government.

HPD - Herndon Police Department.

HPRB - Heritage Preservation Review Board.

HOA - Homeowners Association.

HTOC - Herndon Transit-Oriented Core.

ICS - Incident Command System.

MCT - Mobile Computer Terminal.

MGD - Million gallons per day.

MRA - Market Rate Adjustment.

MS4 - Municipal Separate Storm Sewer System.

NIMS - National Incident Management System.

NRC - Neighborhood Resource Center.

NRO - Neighborhood Resource Office.

O&M - Operation and Maintenance.

OSSI - Open Software Solutions Inc.

P-CARD - Purchasing Card.

RFP - Request for Proposal.

RMS - Records Management System.

ROCIC - Regional Organized Crime Information Center.

SCADA - Supervisory Control and Data Acquisition, a type of software application program used to process control and gather real time data from remote locations to monitor equipment and conditions.

SLRRP - Sewer Lateral Repair and Replacement Program.

SRTS - Safe Route to School.

SSO - Sanitary Sewer Overflow.



TEIC – Traffic Engineering Improvement Committee.

USGA – United States Golf Association.

VCIN – Virginia Criminal Information network.

VDACS – Virginia Department of Agricultural and Consumer Services.

VDOT - Virginia Department of Transportation.

VPA – Virginia Polygraph Association.

VRS - Virginia Retirement System - The Virginia Retirement System administers a defined benefit retirement plan, a group life insurance plan, a deferred compensation plan and a cash match plan for Virginia's public sector employees.

VSMP - Virginia Stormwater Management Program.

W&OD – Washington and Old Dominion Trail – The 100-foot-wide Washington and Old Dominion Railroad Regional Park is one of the skinniest parks in the commonwealth of Virginia, but also one of the longest – 45 miles in length. The W&OD takes its name from the railroad whose trains ran along the right- of-way from 1859 until 1968.

ZOTA – Zoning Ordinance Text Amendment.



Glossary

Accrual - the accrual basis of accounting recognizes revenues in the accounting period in which they are earned while expenses are recognized when the related liability is incurred.

Activity Center - the basic operational organization for which costs are defined and measurable activities or functions are performed.

Adopted Budget Plan - a plan of financial operations approved by the Town Council, highlighting major changes made to the town's annual advertised budget plan by the Town Council. The Adopted Budget Plan reflects approved tax rates and estimates of revenues, expenditures, transfers and department goals, objectives, and workload data. Sections are included to show major budgetary/financial policies and guidelines used in the town's fiscal management.

Advertised Budget Plan - a plan of financial operations submitted by the Town Manager to the Town Council. This document reflects estimated revenues, expenditures, transfers and department goals, objectives, and workload data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the town's fiscal management. Also called the annual budget.

Amortization - The reduction of debt through regular payments of principal and interest sufficient to retire the debt instrument at a predetermined date known as its maturity.

Annual Budget - a budget applicable to a single fiscal year.

Appropriation - an authorization granted by the Town Council to a specified unit of the town government to make expenditures and to incur obligations for specific purposes. It is limited in amount and as to the time when it may be spent, usually expiring at the end of the fiscal year.

Assessed Valuation - a valuation set upon real estate or other property by a government as a basis for levying taxes.

Assessment - the official valuation of property for purposes of taxation.

Assigned Fund Balance - that portion of total fund balance which a government intends to use for a specific purpose.

Audit - a systematic collection of sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has effectively carried out its responsibilities.

Balanced Budget - budget in which all proposed expenditures and other financial uses are fully funded by projected revenues and other financing resources. The town is required to have a balanced budget according to the *Code of Virginia*.

Basis of Accounting - the timing of recognition when the effects of financial transactions or events should be recognized for financial reporting purposes.

Bond - a written promise to pay a specified sum of money (called the principal) at a specified date in the future, plus periodic interest at a specified rate. In the budget document these payments are identified as debt service. Bonds may be used as an alternative to tax receipts to secure revenue for long-term capital improvements. General obligation bonds are debt instruments backed by the full faith and credit of the town. The State Constitution mandates taxes on real property sufficient to pay the principal and interest of such bonds. The majority of bonds issued for town construction projects are general obligation. Revenue bonds are payable solely from revenues generated from the project for which the bonds were issued.

Budget - a plan for the acquisition and allocation of resources to accomplish specified purposes. The term may be used to describe special purpose fiscal plans or parts of a fiscal plan, such as "the budget of the Police Department," "the Capital Budget" or it may relate to a fiscal plan for an entire jurisdiction, such as "the budget of the Town of Herndon."

Budgetary Basis of Accounting - the method used to determine when revenues and expenditures are recognized for budgetary purposes, as opposed to financial reporting purposes.

Calendar Year - twelve months beginning January 1 and ending December 31.

Capital - a category of account codes which identifies major expenditures of public funds, beyond maintenance and operating costs, for procurement of items such as vehicles, computer equipment, office furniture and the acquisition or construction of a needed physical facility.



Capital - Minor Furniture/Equipment - fixed assets such as automobiles, typewriters, furniture, technical instruments, etc., which have a life expectancy of more than one year and a unit value of at least five thousand dollars.

Capital Improvement Program - a prioritization and orderly implementation of short and long-range plans for land acquisition and construction of capital projects. It further provides for the scheduling of the associated expenditures over a period of several years in order to maximize the use of public funds. The first year of the program represents the proposed capital budget for that fiscal year. The schedule is based on a series of priorities, which take into consideration the respective projects' function and urgency as defined by the CIP Priority Matrix. In addition, special consideration is given to the projects' relation to other improvements and plans and the town's current and anticipated financial capacity. The Capital Improvement Program is updated annually, at which time the schedule and the projects are reevaluated, new, or deferred projects are added, and the time frame is extended by one additional fiscal year.

Capital Projects Fund - an adjunct fund of the General Fund with a self-balancing set of accounts, consisting of funds for the acquisition and/or construction of major capital facilities or capital improvements.

Capital - Vehicles - fixed assets such as large vehicles and equipment that have a life expectancy of more than one year and a unit value of at least \$50,000.

Carry-over Funds - carry-over funds are the result of unspent appropriations in the prior year, new growth, the expansion of the tax base beyond what was projected and increased revenues over estimated amounts. They are brought forward from the preceding fiscal year reserves. Appropriable carry-over is known as uncommitted/unreserved fund balance.

Cash Management - a conscious effort to manage cash flows in such a way that interest and penalties paid are minimized and interest earned is maximized. Checks received are deposited the same day, bills are paid no sooner than the due date unless discounts can be obtained by paying earlier. Future needs for cash are determined with exactness and cash on hand not needed immediately is invested in short-term interest-bearing securities

Chestnut Grove Cemetery Fund - see Enterprise Fund.

CityWorks - software utilized by the town and citizens which supports tracking of work orders/projects etc.

Committed Fund Balance - that portion of total fund balance which has internally imposed restrictions authorized by the government's highest level of decision-making authority

Cost - the amount of money or value exchanged for property or services.

Debt - an obligation resulting from the borrowing of money.

Debt Capacity - the amount of long-term debt the town could comfortably sustain without raising taxes by a large amount or reducing services to citizens to meet the annual debt service requirements.

Debt Ratios - comparative statistics showing the relationship between the town's outstanding debt and such factors as the real estate assessment base, Town population or income. These ratios often are used as part of the process of determining the credit rating of the town, especially when issuing general obligation bonds.

Debt Service - the accounting for payments of principal and interest on long-term debt.

Delinquent Taxes - taxes remaining unpaid on or after the date on which a penalty for non-payment is attached.

Department - a separate functional and accounting entity within a certain fund type.

Depreciation - The decrease in value of physical assets due to use and the passage of time. In financial terms, it refers to the process of allocating the cost of a capital asset to the periods during which the asset is used.

Disbursement - an expenditure, or a transfer of funds, to another accounting entity within the town's financial system. Total disbursements are equal to the sum of expenditures and interfund transfers.

Encumbrance - a reservation of funds for an anticipated expenditure prior to actual payment for an item. Funds usually are reserved or encumbered once a contracted obligation has been signed for an item, but prior to the cash payment actually being dispersed.



Enterprise Fund - accounts for operations that are financed in a manner similar to private business, where the intent is that costs of providing goods and services to the general public on a continuing basis be financed or recovered through user charges. The town's enterprise funds are the Water and Sewer Fund, the Golf Course Fund, and the Chestnut Grove Cemetery Fund.

Expenditure - a decrease in net financial resources. Expenditures include payment in cash for current operating expenses, debt service and capital outlays.

Expenses - charges incurred, whether paid or unpaid, for operations, maintenance, interest, and other charges, which are presumed to benefit the current fiscal year.

Fiduciary Fund - funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

Fiscal Year - in the Town of Herndon, the twelve months beginning July 1 and ending the following June 30. (The Federal government's fiscal year begins October 1.) The property tax rate in the Town's FY 2024 fiscal plan applies to the calendar year beginning January 1, 2023. Expenditures are for the fiscal year beginning July 1, 2023.

Fringe Benefits - the fringe benefit expenditures included in the adopted budget plan are the town's share of an employee's fringe benefits. These include FICA (Social Security), health insurance, life insurance, retirement, unemployment, disability insurance, flexible spending plan and worker's compensation, most of which are paid through salary banded premiums.

Fund - a fiscal and accounting entity with a self-balancing set of accounts which is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance - the excess of a fund's assets over its liabilities and reserves.

General Fund - the primary tax and operating fund for town governmental activities and general operations. This fund accounts for all Town revenues and expenditures which are not accounted for in other funds.

General Obligation Bond - bond for whose payment the full faith and credit of the town is pledged. This pledge involves the general taxing powers of the town to satisfy the payment of debt obligations. See Bond.

Goal - a general statement of purpose. A goal provides a framework within which the program unit operates; it reflects realistic constraints upon the unit providing the service. A goal statement speaks generally toward end results rather than toward specific actions. Also see Objective.

Golf Course Fund - see Enterprise Fund.

Governmental Funds - Governmental funds are typically used to account for most of a government's activities, including those that are tax-supported. The town maintains the following types of governmental funds: a general fund to account for all activities not required to be accounted for in another fund, a special revenue fund and capital projects funds.

Interfund Transfers - Interfund Transfers are comprised of one-time projects or capital improvement projects, funded partially or in full, using either an undesignated fund balance or revenue from the one percent increase in the meals tax.

Investments - securities held for the production of income in the form of interest, dividend, or rental payments. The term does not include fixed assets used in town operations.

Lease Purchase - this method of financing allows the town to construct or acquire property and pay for it over a period of time by installment payments rather than an outright purchase. The time payments include an interest charge, which is typically reduced because the lessor does not have to pay income tax on the interest revenue.

Levy - to impose taxes, special assessments, or service charges for support of the town.

Line Item - a specific expenditure category within a department budget, e.g., travel, telephone, postage, printing and forms, or office supplies. Defined by an objective code number.



Major Fund – A governmental fund or enterprise fund reported as a separate column in the basic financial statements. The general fund is always a major fund. In addition, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of the corresponding totals for all governmental or enterprise funds and at least five percent of the aggregate amount for all governmental or enterprise funds for the same item.

Mission Statement - a written description stating the purpose of an organization unit (department or agency) and its function (what the department or agency does).

Mobile System - laptops in cars.

Modified Accrual - the modified accrual basis of accounting is used to record revenues and related assets when they become measurable and available to finance operations of the fiscal period. Accordingly, real and personal property taxes are recorded when billed and licenses, permits and fines are recorded as revenues. Expenditures are recorded as they are incurred.

Natatorium – building which holds a swimming pool.

Net Position - the difference between assets and liabilities in the government-wide statement of net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Net Bonded Debt – gross bonded debt less any cash or other assets available and earmarked for its retirement and less all self-supporting debt, e.g., those debt portions to be repaid by the Golf Course Fund and the Cemetery Fund.

Non-Departmental - a category for accounting for expenditures that are common to all departments and activities, such as insurance, general education and training, leased office space and annual audit. (Not used in categorizing General Fund expenditures.)

Non – Major Funds – any fund not meeting the definition of a major fund.

Non-spendable Fund Balance – that portion of the total fund balance which is not in a spendable form, such as inventories or prepaid expenses.

Objective - a statement of purpose defined more specifically than a goal. A goal may be a sum of several related objectives. An objective normally indicates anticipated levels of achievement and is usually time-limited and quantifiable. Within the objective, specific statements with regard to targets and/or standards are often included.

Obligations - amounts that the town may be required to pay out from its resources.

Operating Expenditures - a category of recurring expenses, other than salaries and capital equipment costs, which cover expenditures necessary to maintain facilities, collect revenues, provide services, and otherwise carry out the town's goals. Typical line items are supplies, printing, postage, transportation, and utilities.

Operations and Maintenance - (O&M) a category of account codes which identify general operating expenses, i.e., supplies, routine equipment and building maintenance and other overhead-type expenditures.

Ordinance - a formal legislative enactment by the Town Council. Revenue-raising measures, such as the imposition of taxes, special assessments, and service charges, require ordinances.

Pay-For-Performance System - this refers to an assessment system that provides a process for appraising the quality of work performed by Town employees and linking potential pay increases with work performance. It is designed to establish a link between performance assessment and employee performance of job duties and responsibilities.

Personal Property - a category of property, other than real estate, so identified for purposes of taxation. It includes personally owned items, as well as corporate property and business equipment. Examples include automobiles, motorcycles, trailers, boats, airplanes, business furnishings and manufacturing equipment. Goods held for sale by manufacturers, wholesalers or retailers are not included.

Personnel - a category of account codes which identifies various classifications of wages and salaries and overtime expenses.



Position - a group of duties and responsibilities, as prescribed by an office or department, to be performed by a person on a full time, part time and/or temporary basis. The following items relate to positions and the funding of the various types of positions. The status of a position is not to be confused with the status of the employee. For the purpose of the town's budget, the following definitions are used solely in describing the status and funding of positions:

- A regular employee is any non-probationary employee of the town who is other than a temporary employee and may be part-time or full-time.
- A regular part-time employee is an individual who is assigned regular working hours of a minimum of 20 hours but less than 40 hours per work week.
- A temporary/seasonal employee is an individual who performs a seasonal or temporary job on an "as needed" basis in less than full time status and does not receive fringe benefits.
- A job-sharing arrangement is a work arrangement in which the Town Manager approves the sharing by two regular part-time employees of one regular full-time position.

Principal - in the context of bonds, the face value or per value of a bond or issue of bonds payable on stated dates of maturity.

Proffer - an offer of cash or property. This usually refers to property, cash, or structural improvements offered by contractors/developers to the town in land development projects. An example is a proffer of land from a developer to the town.

Proprietary Fund - funds that focus on the determination of operating income, changes in net position, and cash flows.

Public Hearing - a scheduled meeting or time specifically set aside to provide an opportunity for citizens to discuss their feelings about a particular issue. Prior to a public hearing, the scheduled date and time, as well as the subject, must be advertised.

Purpose Statement - a general statement of the purposes of the town. The purpose statement is all-inclusive and expresses organizational values and philosophies.

Quasi-external Revenue - Interfund transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the town government (e.g., payments from an enterprise fund to the general fund for reimbursement of indirect services).

Real Property - real estate, including land and improvements (buildings, fences, pavement, etc.) classified for purposes of assessment.

RecTrac - Software used by the town to manage all recreational clients/programs/payments etc.

Refunding Bonds - bonds issued to retire bonds already outstanding.

Revenue Bonds - bonds issued to finance the construction, acquisition, or improvement of a revenue-producing facility, with the principal and interest requirements payable solely from the revenues generated by the facility's operations.

Reserve - an account that records a portion of the fund balance which must be segregated for some future use, and which is not available for future appropriation or expenditures.

Special Revenue Fund - a fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, such as use of the interest earnings and other revenues related to the Town's Chestnut Grove Cemetery Perpetual Care Fund.

Resolution - a special or temporary order of the Town Council.

Tax Base - the aggregate value of the items being taxed. The base of the town's real property tax is the market value of all real estate in the Town; that of the personal property is the market value of all automobiles, trailers, boats, airplanes, business equipment, etc., which may be taxed as personal property by the town.

Tax Levy Ordinance - an ordinance by which taxes are levied.



Tax Rate - the amount of tax stated in terms of a unit of the tax base, i.e., 2675 cents per \$100 of real property assessed valuation.

Tipping Fees - the amount per ton which Fairfax County charges municipalities and commercial trash haulers to off-load refuse trucks at the transfer station or landfill.

Total Budget - the receipts and disbursements of all funds, e.g., the General Fund, the Water and Sewer Fund, the Chestnut Grove Cemetery Fund, and the Golf Course Fund, combined; also includes funds necessary to complete approved capital projects.

Transfers - a movement of money from one-line item to another, from one department to another or from one fund to another, as authorized by the department head, Town Manager, or Town Council, as appropriate.

Trust Fund – Funds consisting of resources received and held by government as trustee, to be expended or invested in accordance with the conditions of the trust.

Unassigned Fund Balance - remaining portion of fund balance at the close of the fiscal year which has not been assigned to other funds nor allocated for other purposes or to other categories of fund balance (i.e., not categorized as restricted, committed, or assigned to a specific purpose).

User Fees - these are charges for certain town services used by the public. Examples include fees for the use of golf course, recreation facilities, aquatics center, tennis courts, water consumption, sewer conveyance and cemetery interments.

Water & Sewer Fund - see Enterprise Fund.

Working Capital - the amount of net cash available in enterprise operations to assist with fund operations. Working capital is generally the difference between current assets and current liabilities.

