

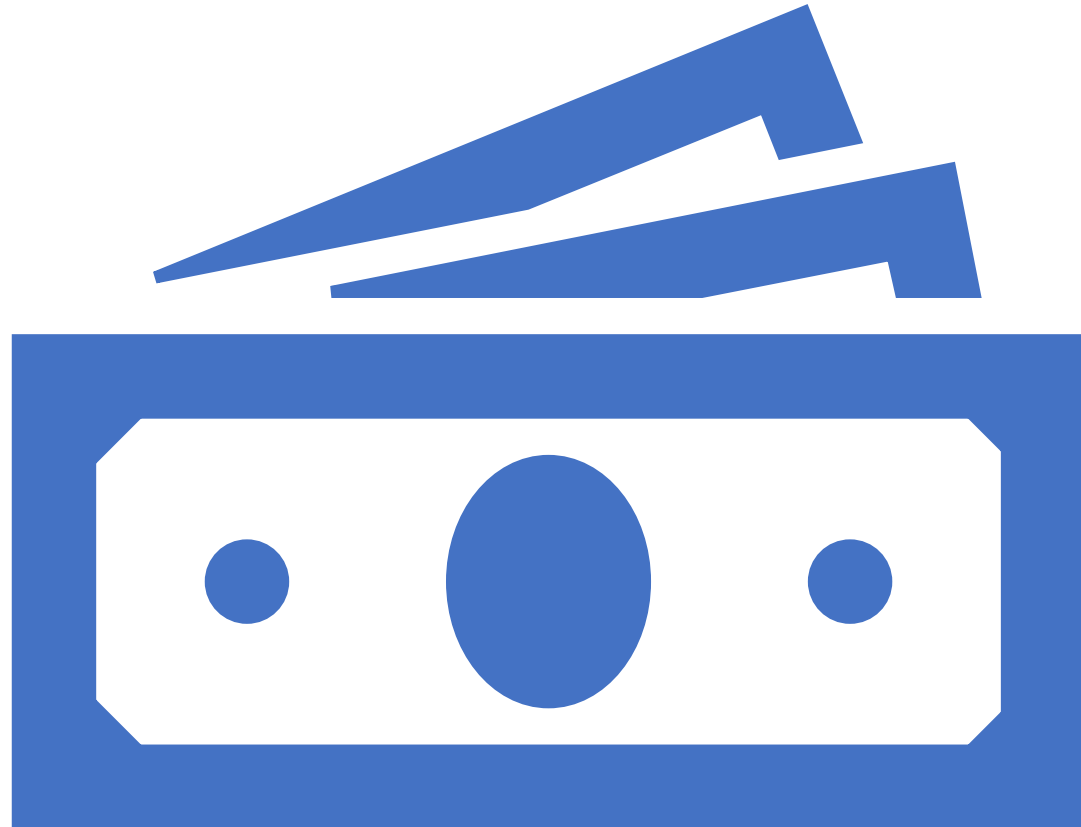
Town of Portola Valley

Fiscal Year 2026-27 Expenditure Budget Study Session

April 8, 2026

Overview

- Town Organization
 - Departments
 - Funds
- Expense Categories



Town Departments

- 22 total functions

Town Departments

Administration

	Dept No
Town Council	110
Town Committees	115
Town Manager	120
Town Attorney	125
Town Clerk	130
Finance	140

Public Safety

Police Services	210
Fire Services	220
Dispatch Services	230

Planning & Building

Planning Division	310
Building Division	320
Code Compliance	330
Customer Deposits	340

Recreation

	Dept No
Community Hall	410
Parks & Fields Maintenance	420

Public Works

Roads, Facilities & Development Services	510
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Non-Departmental

Non-Departmental	610
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Road Maintenance Districts

Road Maintenance Districts	620
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Capital Projects

Roads & Right of Way Improvements	710
Parks & Fields Improvements	720
Open Space Improvements	725
Facilities & Buidings Improvements	730

Town Funds

- 19 Active Funds
- 5 Categories

Town Funds

General Fund

General Fund	101
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Capital Projects

Capital Projects	401
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Special Revenue Funds

Grants	201
Public Safety Sales Tax	202
Public Safety COPS Grant	203
Open Space	204
Library	205
Gas Tax	206
Frog Pond	208
Measure A	211
Measure M	212
Measure W	213
Park in-lieu	221
Inclusion in -lieu	222

Special Districts

Crescent RMD	501
Portola Valley Ranch RMD	502
Wayside II RMD	504
Woodside Highlands RMD	505

Agency Funds

Customer Deposits	701
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Town Funds – Sources and Uses

Sources and Uses

Fund	Source	Use
101-General Fund	Taxes, Fees	General Operations
201-Grants	Grants	Operations, Capital
202-Public Safety Sales Tax	Sales Tax	Public Safety
203-Public Safety COPS Grant	Sales Tax	Public Safety
204-Open Space	UUT, Contributions	Open Space acquisitions and preservation
205-Library	County	Library
206-Gas Tax	HUTA, RMRA	Transportation
208-Frog Pond	Contributions	Frog Pond remnant preservation
211-Measure A	Sales Tax	Transportation
212-Measure M	Motor Vehicle Fee	Transportation
213-Measure W	Sales Tax	Transportation
221-Park in-lieu	Developer Fee	Parks and fields
222-Inclusion in -lieu	Developer Fee	Affordable Housing
401-Capital Projects	General Fund	Capital Projects
501-Crescent RMD	Assessments	Private road maintenance
502-Portola Valley Ranch RMD	Assessments	Private road maintenance
504-Waysidell RMD	Assessments	Private road maintenance
505-Woodside Highlands RMD	Assessments	Private road maintenance
701-Customer Deposits	Applicant	Applicant projects

Expenses

Salaries & Benefits

Contract Services

Supplies

Maintenance

Capital Improvements (CIP)

Transfers

Council Priorities



Financial
Responsibility and
Long-term Viability



Safety



Operational
Efficiency and
Effectiveness



Responsible Land
Use



Community



Environmental
Sustainability

Salary Schedule

- Adopted annually by Council
- Council Direction needed
 - COLA and Merit increases
- Used to develop the Budget Workforce Plan

FY 2025-26 Salary Schedule:

	Annual Range			Hourly Range	
	Bottom	Top		Bottom	Top
Administration					
Town Manager	set by contract			salary	
Assistant Town Manager	\$190,962	\$246,129		salary	
Town Clerk	\$120,119	\$157,060		salary	
Administrative Services Manager	\$127,308	\$167,622		salary	
Senior Administrative Analyst	\$120,119	\$157,060		salary	
Administrative Analyst	\$103,941	\$129,411		\$49.97	\$62.22
Administrative Assistant	\$77,441	\$93,863		\$37.23	\$45.13

Finance

Finance Director	\$180,353	\$235,520		salary	
Senior Accountant	\$114,577	\$137,917		salary	
Finance Technician	\$58,091	\$101,524		\$27.93	\$48.81

Planning & Building

Planning and Building Director	\$180,353	\$235,520		salary	
Deputy Building Official	\$121,422	\$180,138		\$58.38	\$86.60
Senior Planner	\$122,686	\$172,873		\$58.98	\$83.11
Associate Planner	\$103,440	\$141,229		\$49.73	\$67.90
Assistant Planner	\$94,972	\$128,187		\$45.66	\$61.63
Senior Development Review Technician	\$88,142	\$111,646		42.38	53.68
Development Review Technician I/II	\$57,077	\$100,112		\$27.44	\$48.13

Public Works / Facilities Maintenance

Town Engineer	\$185,400	\$210,120		salary	
Engineering Technician	\$88,141	\$111,646		42.38	53.68
Maintenance Worker III	\$96,707	\$135,617		\$46.49	\$65.20
Maintenance Worker II	\$88,470	\$110,745		\$42.53	\$53.24
Maintenance Worker I	\$70,147	\$99,574		\$33.72	\$47.87

Consultant/Intern/Temporary Help	-	-		\$25.00	\$175.00
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Salaries

- Total FTE 15.5
- Recruitment ongoing for Senior Development Review Technician

Budgeted Positions

Administration

	Status
Town Manager	Filled
Assistant Town Manager	Recruiting
Administrative Services Manager	Filled
Town Clerk	Filled
Administrative Analyst	Filled
Administrative Analyst	Filled

Planning & Building

Planning & Building Director	Filled
Senior Planner	Filled
Senior Development Review Technician	Recruiting
Temporary Help	PT

Finance

Finance Director	Filled
Senior Accountant	Filled
Finance Technician	Filled

Public Works / Facilities Maintenance

Town Engineer	Filled
Maintenance Worker III	Filled
Maintenance Worker III	Filled

Total FTE

15.5

Cost-of-Living Adjustment (COLA)

- 3.62% average increase since 2022
- 2.0% increase - \$42K
- 3.0% increase - \$63K
- 4.0% increase - \$84K
- Staff recommends 3% COLA increase totaling \$63,000

CPI Index - San Francisco (All items)

2022	2023	2024	2025	2026	Average
5.2	5.3	2.4	2.7	2.5	3.62

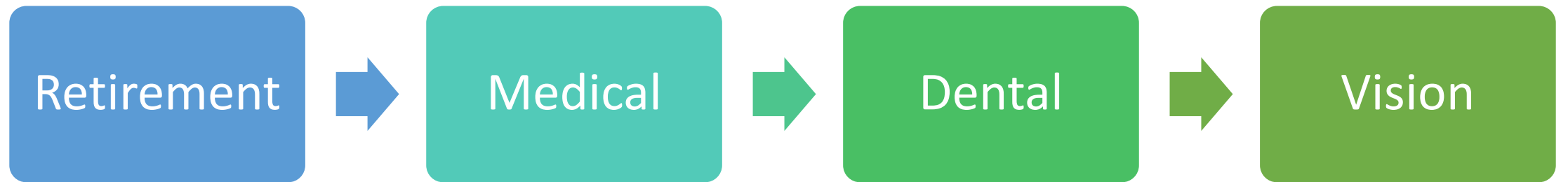
Merit

Merit

1%	15,500
2%	31,000
3%	46,000
4%	61,500
5%	77,000

- For employees not at the top range
 - 11 employees
- No merit increases in last two budget cycles
- Staff recommends a 2% pool for merit increases

Benefits



Retirement

Employer Contribution Rates

	Classic	Inc/Dec	PEPRA	Inc/Dec
FY 2021-22	10.34%	0%	7.59%	0%
FY 2022-23	10.32%	-0.02%	7.47%	-0.12%
FY 2023-24	11.84%	1.52%	7.68%	0.21%
FY 2024-25	11.88%	0.04%	7.87%	0.19%
FY 2025-26	11.94%	0.06%	7.96%	0.09%
FY 2026-27	11.92%	-0.02%	7.93%	-0.03%

- Two Tiers
 - Classic – 2% @ 55
 - PEPRA – 2% @ 62
- Employee Contribution Rate
 - Classic – 7.00%
 - PEPRA – 7.75%
- Total Contributions
 - FY 21-22 - \$175,839
 - FY 22-23 - \$176,126
 - FY 23-24 - \$173,836
 - FY 24-25 - \$136,587
 - FY 25-26 - \$111,223

Unfunded Accrued Liability (UAL)

- The difference between the actuarially determined pension liability and the market value of assets (MVA) held at CalPERS amortized on an annual basis over years.
- Agencies can elect one-time prepayment for savings
- Pension Liability – \$1.97 Million
 - Accrued Liability - \$10.97 Million
 - MVA - \$9.0 Million

Unfunded Accrued Liability - UAL

	Classic	PEPRA	Total
FY 2021-22	87,654	3,927	91,581
FY 2022-23	103,055	4,125	107,180
FY 2023-24	93,769	-	93,769
FY 2024-25	129,326	2,216	131,542
FY 2025-26	162,957	4,802	167,759
FY 2026-27	194,952	-	194,952

Medical

- Anthem rates have increased 12% on average since FY 2021-22
- Kaiser rates have increased 8% on average since FY 2021-22
- Since premium increases go into effect Jan 1 assumes a 5% increase in medical premiums
- Rates displayed are for employee only plans

Medical Premium

	Anthem	Perc	Kaiser	Perc
FY 2021-22	1,057.01	0%	857.06	0%
FY 2022-23	1,200.12	13.54%	913.74	6.61%
FY 2023-24	1,314.27	9.51%	1,021.41	11.78%
FY 2024-25	1,476.10	12.31%	1,112.90	8.96%
FY 2025-26	1,670.14	13.15%	1,168.86	5.03%
FY 2026-27*	1,870.56	12.00%	1,262.37	8.00%

***Projected**

Medical

Medical Premium

	Premium	Increase	Perc
FY 2021-22	154,340.00	-	-
FY 2022-23	188,125.00	33,785	21.89%
FY 2023-24	207,374.00	19,249	10.23%
FY 2024-25	193,046.00	(14,328)	-6.91%
FY 2025-26	224,453.00	31,407	16.27%
FY 2026-27*	251,387.36	26,934	12.00%

Contract Services

Some Town services are supported through contract providers and consultants

Public Safety

- San Mateo County Sheriff's Office
- Woodside Fire Protection District

Planning & Building

- Good City
- CSG Consultants

Subscriptions

- OpenGov

San Mateo County Sheriff

- \$197K increase to FY 26-27 contract
- \$508K - Increase to FY 26-27 GF Budget
 - \$197K Increase
 - \$211K expired credit
 - \$100K use of ARPA funds

Sheriff Contract

Fiscal Year	Amount	Increase	Percentage
FY 2018-19	1,058,278	-	0.00%
FY 2019-20	1,153,523	95,245	9.00%
FY 2020-21	1,257,340	103,817	9.00%
FY 2021-22	1,370,500	113,160	9.00%
FY 2022-23	1,493,845	123,345	9.00%
FY 2023-24	2,346,584	852,739	57.08%
FY 2024-25	2,382,817	36,233	1.54%
FY 2025-26	2,339,626	(43,191)	-1.81%
FY 2026-27	2,536,758	197,132	8.43%

Woodside Fire Protection District

- Crew – costs associated with the Town right-of-way vegetation management program
- Chipper – costs associated with the Town’s share of the annual Chipper program
- FME – costs associated with the Fuel Mitigation Engineer.

Woodside Fire Protection District

Fiscal Year	FME	Chipper	Crew	Total
FY 2020-21	35,532	26,533	26,140	88,205
FY 2021-22	36,960	38,553	67,778	143,291
FY 2022-23	38,816	47,954	199,634	286,404
FY 2023-24	41,969	40,133	146,459	228,561
FY 2024-25	55,384	68,911	121,391	245,686
FY 2025-26	59,179	47,843	134,646	241,668
FY 2026-27	59,179	38,569	142,300	240,048

Capital Improvement Plan (CIP)

Category		Funding								
Project	Amount	101	401	201	206	211	212	213	222	
Roads & Right of Way										
2025-001	2025 Street Resurfacing	\$ 900,000	\$ -	156,903	-	114,967	421,130	57,000	150,000	-
2025-003	Storm Drain Repairs	20,000	-	20,000	-	-	-	-	-	-
Total - Roads & Right of Way		\$ 920,000	-	176,903	-	114,967	421,130	57,000	150,000	-
Parks & Fields										
2025-004	Ford Field Bathroom - Design	\$ 51,000	\$ 6,000	-	-	-	-	-	-	45,000
2025-005	Town Courts Resurfacing	35,000	-	-	35,000	-	-	-	-	-
Total - Parks & Fields		\$ 86,000	6,000	-	35,000	-	-	-	-	45,000
Open Space										
2025-006	Valley Oak Trail Bridges	\$ 50,000	\$ -	50,000	-	-	-	-	-	-
2025-007	Trail Rehabilitation	25,463	-	25,463	-	-	-	-	-	-
Total - Open Space		75,463	-	75,463	-	-	-	-	-	-
Buildings & Facilities										
2025-008	Town Hall Energy Efficiency Upgrade	\$ 64,000	\$ -	-	64,000	-	-	-	-	-
2025-010	Town Hall IT Upgrades	50,000	-	50,000	-	-	-	-	-	-
2025-011	Schoolhouse IT Upgrades	100,000	-	-	100,000	-	-	-	-	-
Total - Buildings & Facilities		214,000	-	50,000	164,000	-	-	-	-	-
Total - CIP Budget		1,295,463	6,000	302,366	199,000	114,967	421,130	57,000	150,000	45,000

Capital Improvement Plan (CIP)

Multi-year roadmap that helps prioritize and manage capital projects

Outlines an organization's long-term investments in infrastructure, facilities and equipment

Effective budgeting and resource allocation tool

Aligns strategic and comprehensive plans with fiscal capacity

Capital Improvement Plan

A working document that should be reviewed and updated annually

Defines difference between maintenance and capital improvements

Informs residents about the Town's investment in infrastructure, facilities and equipment

Capital Improvement Plan



Step 1 – Organizing the CIP

Engage all departments for process, forms, criteria and schedule
Identify infrastructure needs, equipment replacement, and facility improvements



Step 2 – Identify projects and funding options



Step 3 – Prepare and recommend a capital plan and capital budget

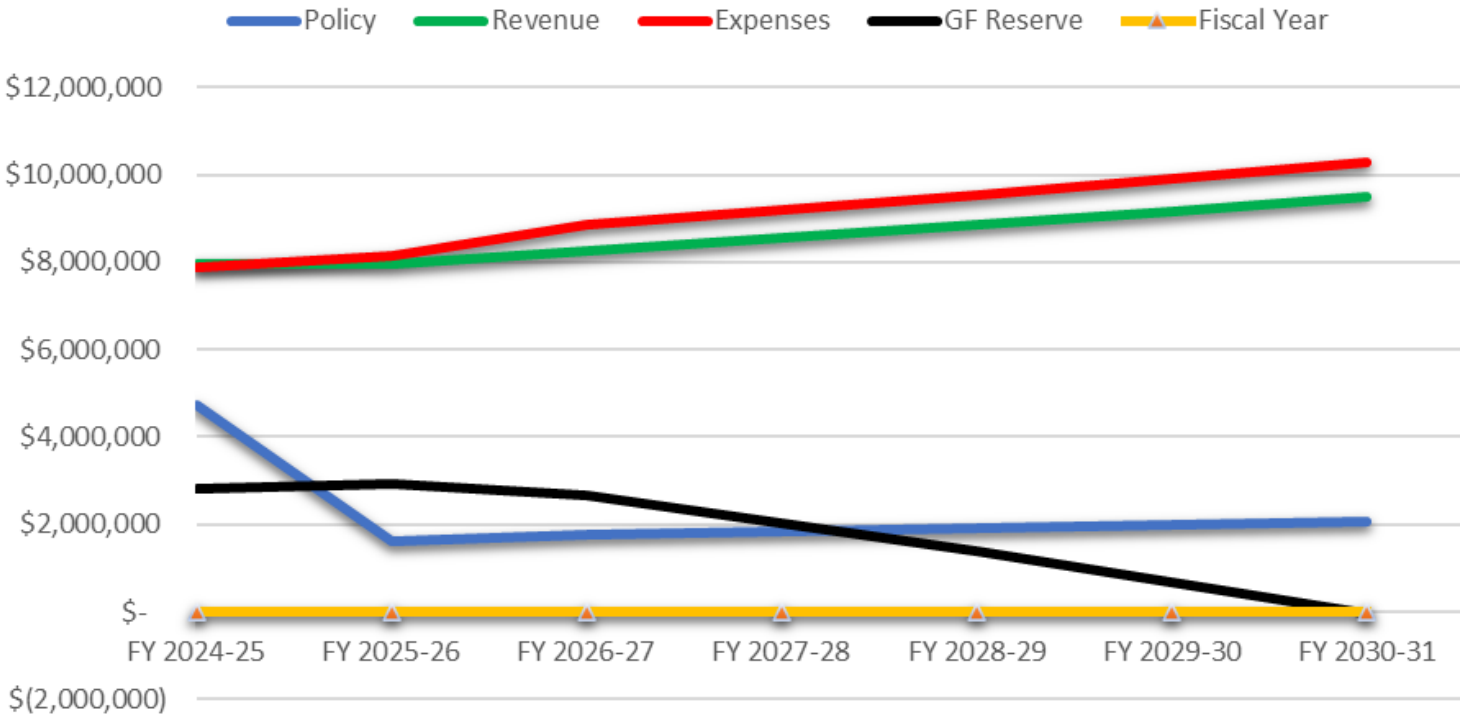
Stakeholder outreach
Council approves capital plan



Step 4 – Adopt the capital budget

First year of the capital plan

Town of Portola Valley Fiscal Activity and Forecast From FY 2024-25 through FY 2030-31

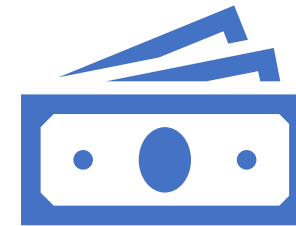


Fiscal
Forecast

Fiscal Forecast



Structural Deficit – (\$700,000)



**Without new revenue corrective action
on the expense side would impact**

Financial Responsibility and Long-term viability

Safety

Operational Efficiency and Effectiveness

Community

Expense Reductions to be Considered at Mid-Year

Reduce	Suspend	Reduce	Cap	Reduce	Reduce
Reduce Personnel Priority Impact - Operational Efficiency & Effectiveness	Suspend Town Committee and Non-profit Funding Priority Impact -Community	Reduce Staff Development Priority Impact - Operational Efficiency & Effectiveness	Cap Consultant Hours in Building & Planning Priority Impact - Operational Efficiency & Effectiveness - Community - Responsible Land Use	Reduce Fire Mitigation services Priority Impact - Safety -Community	Reduce Sheriff services Priority Impact - Safety - Community

Discussion & Direction
