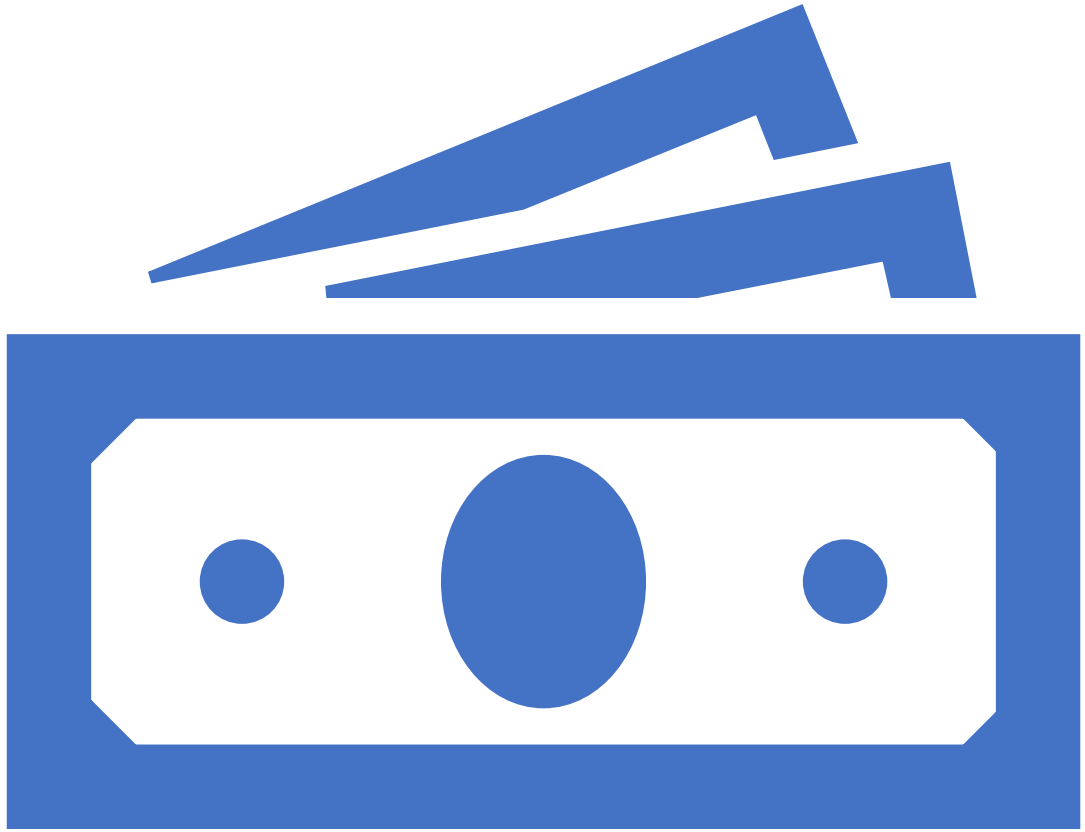
Town of Portola Valley

Fiscal Year 2026-27 Preliminary Budget

June 10, 2026

Overview

- Revenues
- Expenses



FY 24-25 General Fund Revenues

Category	Revised	Actual	$	%
Property Taxes	4,355,875	3,928,233	427,642	**90.18%**
Sales & Use Tax	325,000	279,516	45,484	**86.00%**
Utility Users Tax	1,173,000	1,013,478	159,522	**86.40%**
Business License Tax	115,000	132,780	(17,780)	**115.46%**
Franchise Fees	424,000	313,617	110,383	**73.97%**
Fines & Forfeitures	2,500	10,196	(7,696)	**407.84%**
Licenses & Permits	322,500	245,179	77,321	**76.02%**
Intergovernmental	7,500	6,784	716	**90.45%**
Charges for Services	885,200	745,424	139,776	**84.21%**
Use of Money & Property	337,000	296,764	40,236	**88.06%**
Miscellaneous	5,200	11,635	(6,435)	**223.75%**
Transfers In	-	-	-	**0.00%**
Total	**7,952,775**	**6,983,606**	**969,169**	**87.81%**

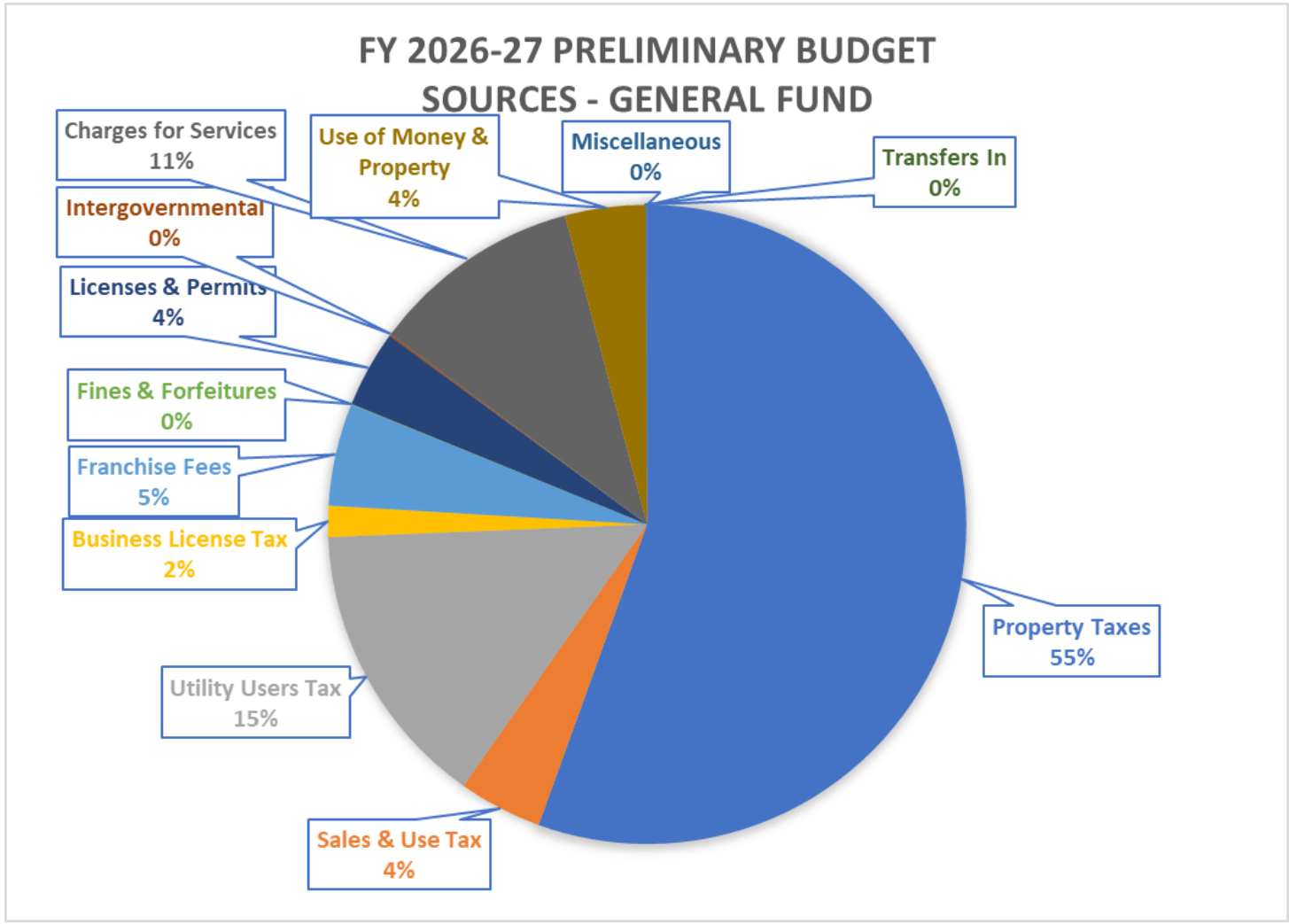
FY 24-25 General Fund Expenses

Category	Revised	Actual	$	%
Salaries	2,322,020	2,141,500	(180,520)	**92.23%**
Benefits	972,906	834,418	(138,488)	**85.77%**
Services	892,237	652,543	(239,694)	**73.14%**
Maintenance	384,100	343,159	(40,941)	**89.34%**
Contract	2,560,832	2,379,324	(181,508)	**92.91%**
Consultants	940,000	791,165	(148,835)	**84.17%**
Development	73,700	45,572	(28,128)	**61.83%**
Transfers Out	70,000	-	(70,000)	**0.00%**
Total	**8,215,795**	**7,187,680.70**	**(1,028,114)**	**87.49%**
Surplus / (Deficit)	**(263,020)**	**(204,075)**		

Council Priorities

General Fund Revenues

- $8.26 Million – +3.9%
  - Property Tax – +5.3%
  - Sales & Use Tax – +7.69%
  - UUT – +2.9%
  - Franchise - +1.0%



General Fund Revenues

Category	25-26	26-27	$	%
Property Taxes	4,355,875	4,588,087	232,212	**5.33%**
Sales & Use Tax	325,000	350,000	25,000	**7.69%**
Utility Users Tax	1,173,000	1,207,000	34,000	**2.90%**
Business License Tax	115,000	130,000	15,000	**13.04%**
Franchise Fees	424,000	428,000	4,000	**0.94%**
Fines & Forfeitures	2,500	2,500	-	**0.00%**
Licenses & Permits	322,500	322,500	-	**0.00%**
Intergovernmental	7,500	7,500	-	**0.00%**
Charges for Services	885,200	885,200	-	**0.00%**
Use of Money & Property	337,000	337,000	-	**0.00%**
Miscellaneous	5,200	5,200	-	**0.00%**
Transfers In	-	-	-	**0.00%**
Total	**7,952,775**	**8,262,987**	**310,212**	**3.90%**

- Still Under Review
  - Licenses and Permits
  - Charges for Services

Property Transfers

- 5 Year Average
  - SFR – 51 sales, $5.2M
  - Non SFR – 4 sales, $3.1

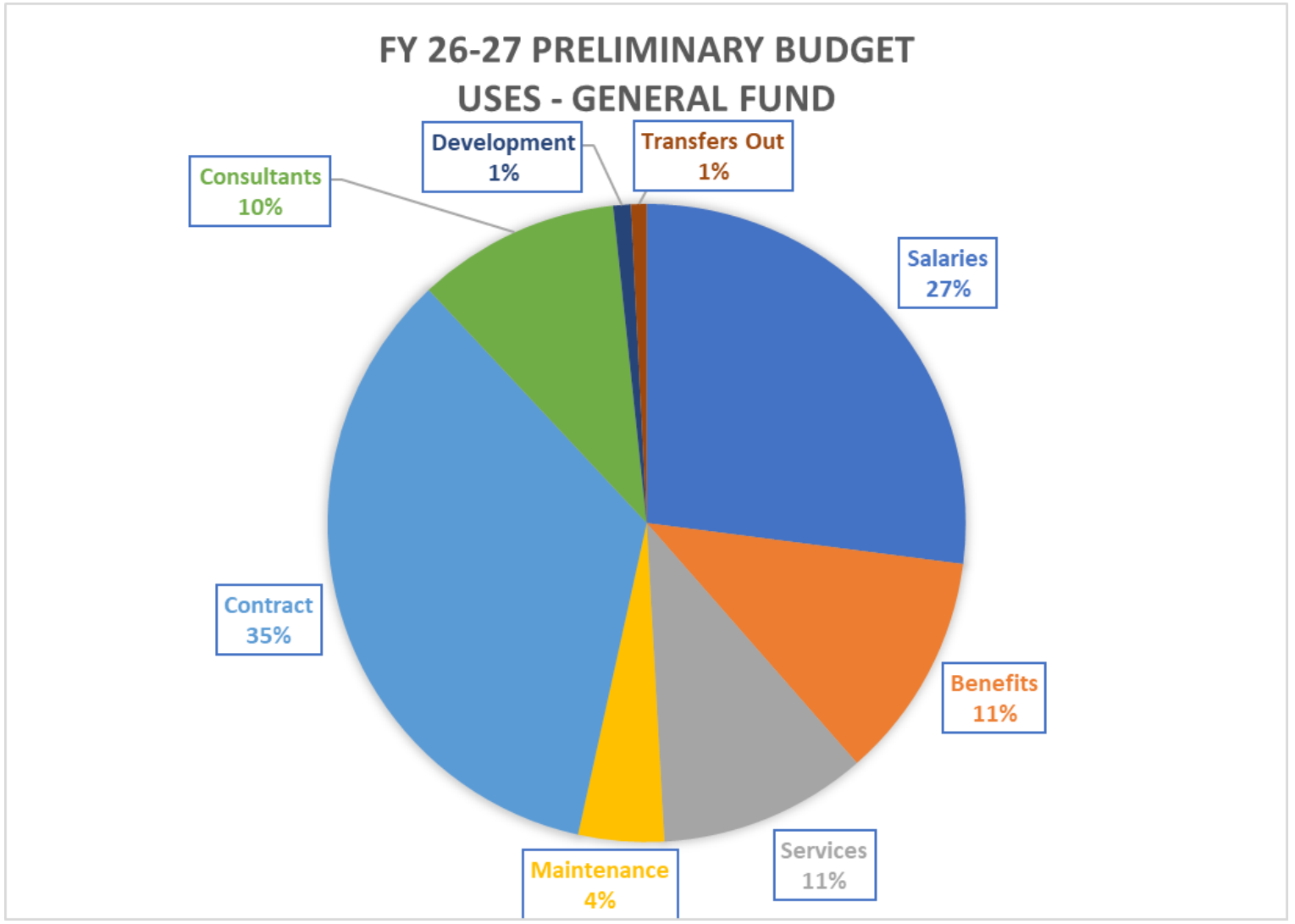
Transfer of Ownership

Tax Year	SFR Sales	Original Values	Sale Price	% Change	Non SFR Sales	Original Values	Sale Price	% Change	Total Sales	Original Values	Sale Price	% Change
2021	70	$ 177,111,344	$ 312,634,850	76.5%	5	$ 13,038,316	$ 13,615,900	4.4%	75	$ 190,149,660	$ 326,250,750	71.6%
2022	39	$ 116,062,849	$ 234,812,500	102.3%	2	$ 1,179,664	$ 2,275,000	92.9%	41	$ 117,242,513	$ 237,087,500	102.2%
2023	37	$ 112,058,203	$ 187,630,500	67.4%	1	$ 2,856,000	$ 1,400,000	-51.0%	38	$ 114,914,203	$ 189,030,500	64.5%
2024	53	$ 156,565,457	$ 278,693,857	78.0%	5	$ 10,851,956	$ 19,018,097	75.3%	58	$ 167,417,413	$ 297,711,954	77.8%
2025	57	$ 157,543,687	$ 277,165,317	75.9%	7	$ 9,450,083	$ 11,813,683	25.0%	64	$ 166,993,770	$ 288,979,000	73.0%

Source - Coren & Cone

General Fund Expenses

- $8.85 Million – +7.7%
  - Sheriff's Contract - +$488K
- $584K - Deficit



General Fund Expenses

Category	25-26	26-27	$	%
Salaries	2,322,020	2,393,384	71,364	**3.07%**
Benefits	972,906	1,017,565	44,659	**4.59%**
Services	892,237	934,556	42,319	**4.74%**
Maintenance	384,100	384,100	-	**0.00%**
Contract	2,560,832	3,059,248	498,416	**19.46%**
Consultants	940,000	910,000	(30,000)	**-3.19%**
Development	73,700	78,700	5,000	**6.78%**
Transfers Out	70,000	70,000	-	**0.00%**
Total	**8,215,795**	**8,847,553**	**631,758**	**7.69%**
Surplus / (Deficit)	**(263,020)**	**(584,566)**		

- Still Under Review
  - Services (Subscriptions)
  - Consultants
  - Transfers Out

Salaries

- Total FTE 15
- Proposed Positions
  - Finance Manager
  - Senior Development Review Technician/Building Inspector
  - Accountant I

Budgeted Positions

Administration	Status
Town Manager	Filled
Assistant Town Manager	Filled
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/BI	Proposed

Finance	
Finance Manager	Proposed
Senior Accountant	Filled
Accountant I	Proposed

Public Works / Facilities Maintenance	
Town Engineer	Filled
Maintenance Worker III	Filled
Maintenance Worker III	Filled

Total FTE	**15.0**

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 23-24 - $173,836
  - FY 24-25 - $136,587
  - FY 25-26 - $111,223
  - FY 26-27 - $135,000 (est)

Unfunded Accrued Liability (UAL)

- The difference between the actuarily 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	Planning & Building	Subscriptions
• Town Attorney	• San Mateo County Sheriff's Office • Woodside Fire Protection District	• Good City - Planning • CSG Consultants – Building, inspections, Plan review • Interwest – Engineering, CIP project management • Shums Coda – Permit processing	• OpenGov • Other IT infrastructure • Microsoft365 • Other Planning/Building infrastructure • Starlink • Ring • Zoom

San Mateo County Sheriff

- $197K increase to FY 26-27 contract
- $488K - Increase to FY 26-27 GF Budget
  - $197K Increase
  - $211K expired credit
  - $100K use of ARPA funds
  - Will use an additional $20K in COPS funding

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 covering 60 days
- Chipper – costs associated with the Town's share of the annual Chipper program
- FME – costs associated with the Fuel Mitigation Engineer/Education.

Woodside Fire Protection District

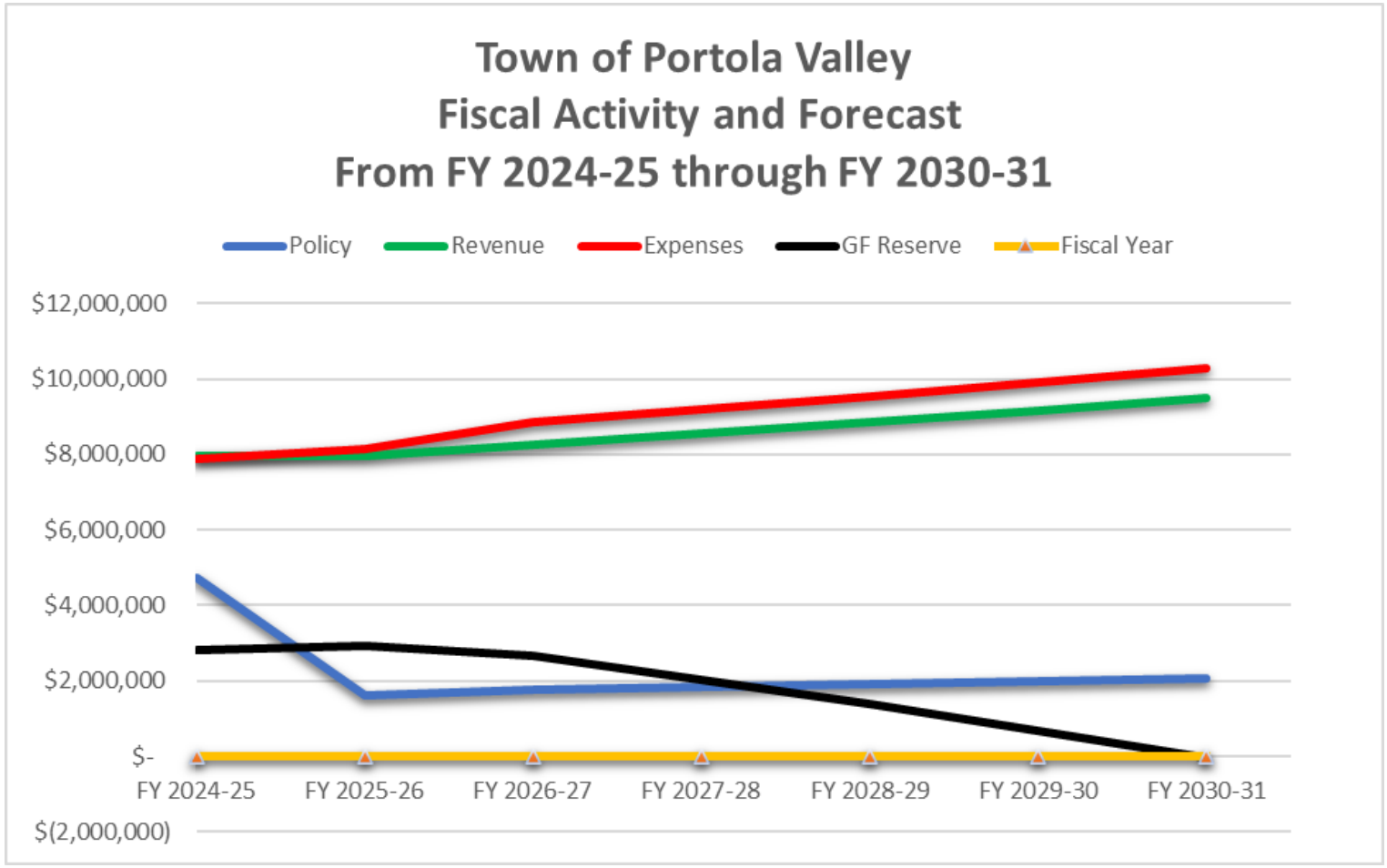
Fiscal Year	FME	Chipper	Crew	Total
FY 2020-21	35,532	26,533	26,140	88,205
FY 2021-22	36,960	38,553	67,778	143,291
FY 2022-23	38,816	47,954	199,634	286,404
FY 2023-24	41,969	40,133	146,459	228,561
FY 2024-25	55,384	68,911	121,391	245,686
FY 2025-26	59,179	47,843	134,646	241,668
FY 2026-27	59,179	38,569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

Capital Improvement Plan (CIP)

- Post adoption decisions on CIP
  - Ford Field Bathroom
  - Valley Oak Trail Bridges
  - Shawnee Pass Speed Humps

Category			Funding						
	Project	Amount	101	401	201	206	211	212	213	222
Roads & Right of Way										
2025-001	Annual Street Resurfacing	$ 905,559	$ -	156,903	-	120,526	421,130	57,000	150,000	-
2026-002	Annual Street Resurfacing - ADA	60,000	-	-	-	12,000	36,000	-	12,000	-
2025-003	Storm Drain Repairs	20,000	-	20,000	-	-	-	-	-	-
Total - Roads & Right of Way		**$ 985,559**	**-**	**176,903**	**-**	**132,526**	**457,130**	**57,000**	**162,000**	**-**
Parks & Fields										
2025-004	Ford Field Bathroom - Design	$ -	$ -	-	-	-	-	-	-	-
2025-005	Town Courts Resurfacing	-	-	-	-	-	-	-	-	-
Total - Parks & Fields		**$ -**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Open Space										
2025-006	Valley Oak Trail Bridges	$ -	$ -	-	-	-	-	-	-	-
2025-007	Trail Rehabilitation	25,463	-	25,463	-	-	-	-	-	-
Total - Open Space		**25,463**	**-**	**25,463**	**-**	**-**	**-**	**-**	**-**	**-**
Buildings & Facilities										
2025-008	Town Hall Energy Efficiency Upgrades	$ 64,415	$ -	-	64,415	-	-	-	-	-
2025-010	Town Hall IT Upgrades	-	-	-	-	-	-	-	-	-
2025-011	Schoolhouse IT Upgrades	-	-	-	-	-	-	-	-	-
2026-001	EV Charging Stations	381,777	64,777	-	317,000	-	-	-	-	-
Total - Buildings & Facilities		**446,192**	**64,777**	**-**	**381,415**	**-**	**-**	**-**	**-**	**-**
Total - CIP Budget		**1,457,214**	**64,777**	**202,366**	**381,415**	**132,526**	**457,130**	**57,000**	**162,000**	**-**

Fiscal Forecast



Questions & Direction