

## FY 2025-26 YEAR-END RECOMMENDED BUDGET ADJUSTMENTS

Budget adjustments are recommended for the following revenues and expenditures at the year-end as described below:

FY 2025-26 YEAR END BUDGET ADJUSTMENT REQUESTS - GENERAL FUND					
Fund	Program	Account	General Fund Revenues	Amount	Comments
111	1201	41131	Property Tax	\$ (153,425)	Funds are not Anticipated
111	1201	41211	Sales & Use Tax	(345,452)	Funds are not Anticipated
111	1221	41214	Measure G - District Sales Tax	40,000	Funds are not Anticipated
111	1201	45941	Tait Property Sales	(3,000,000)	Property Sales is Anticipated to Close in FY 2026-27
111	5802	43310	VTA - Measure B Education & Encouragement Grant	54,042	Funds are Anticipated
<b>TOTAL GENERAL FUND REVENUES:</b>				<b>\$ (3,404,835)</b>	

Fund	Program	Account	General Fund Expenditures	Amount	Comments
111	Town-wide	50000-59999	Salaries and Benefits	Varies	Up to 4.6% Salary Saving Factor Applied Up to the Amount of \$1,951,624 by Programs/Departments
<b>TOTAL GENERAL FUND EXPENDITURES</b>				<b>Varies</b>	

FY 2025-26 YEAR-END BUDGET ADJUSTMENT REQUESTS - OTHER FUNDS					
Fund	Program	Account	Other Fund Revenues	Amount	Comments
<b>421 Grant Funded Capital Program</b>					
421	8119	43310	VTA - Measure B Education & Encourag	\$ 54,042	Funds Anticipated
<b>TOTAL OTHER FUNDS REVENUES</b>				<b>\$ 54,042</b>	

Property Tax: \$153,425 revenue budget decrease due to a property tax agreement will now result in a direct payment to the County instead of to the Town.

Sales and Use Tax: \$345,452 revenue budget decrease to reflect current sales tax trends based on HdL's current projections.

Measure G – District Sales Tax: \$40,000 revenue budget increase to reflect the current trends of the one-eight cent sales tax based on HdL’s projections.

Tait Property Sales: \$3,000,000 revenue budget decrease to reflect that the anticipated sale of the Town’s Tait property is now expected to close after June 30, 2026. If the sale closes before that date, staff will leave the revenue budget unchanged.

Valley Transportation Authority’s Measure B Education and Encouragement Grant Revenue: \$54,042 revenue budget increase for recognizing anticipated grant proceeds to true up spending authorization

Salaries and Benefits (Vacancy Factor): A salary and benefits expenditure budget increase up to the 4.6% salary savings (\$1,951,624) for individual Departments/Programs as needed, based on year-end actuals. Current projections indicate that an increase of approximately \$355,000 will be required. The final adjustment amount will be determined once the Fiscal Year closes and actual expenditures are finalized.

**FY 2025-26 YEAR-END RECOMMENDED SALARY AND BENEFIT RECLASSIFICATION FROM THE GENERAL FUND TO CAPITAL PROGRAMS**

Staff is requesting the salary and benefit reclassification from the General Fund to the Capital Projects to recognize the utilization of temporary staff for capital projects. Current projection to reclassify is \$160,000, the actual amount will be determined at the close of the fiscal year.