TOWN OF Herndon VIRGINIA

Town Council Regular Meeting
Agenda Item 7.a.

Agenda Item: **Resolution 26-G-43 to authorize the Reserve of Fiscal Year (FY) 2026 funding for ongoing operations and maintenance, capital projects, and for outstanding encumbrances on June 30, 2026 for the FY 2027 Adopted Budget**

Meeting Date: July 28, 2026

Category: General

Prepared by: Marjorie Sloan, Finance Director, Maria Lee, Budget Manager

Description:
The Town Council authorized and appropriated monies for specific activities anticipated to occur during Fiscal Year (FY) 2026. Due to timing, delays, and status, some of these activities or projects were not completed by June 30, 2026, and will therefore need to be reauthorized and re-appropriated to continue. This request is an annual housekeeping procedure.

The attached schedules provide detail supporting the recommended reserves and estimated encumbrances as of June 30, 2026.

Background/Timing Impact:
N/A

Strategic Focus Area:
Strong Fiscal Stewardship
Good Governance

Fiscal Impact:
Impacted funds have capacity either through grant revenues, grant commitments, unrestricted net positions (enterprise funds), or assigned fund balances (Capital Projects fund), to support the reserves and encumbrances.

Legal Impact:
The Code of Virginia §15.2-2507 allows localities to amend their adopted budget.

Staff Recommendation/Next Steps:
Staff recommends the adoption of the resolution.

Attachments:

1. Resolution (Proposed)
2. FY 27 Attachment A, Reserves & Encumbrances