FY 2026 Budget Amendment 1

Town Council Meeting

July 15, 2025 Regular Session

Finance Department

Marjorie Sloan, Maria Lee, Jerry Schulz

TOWN OF Herndon

LIVE DIFFERENTLY.

Elements of Amendment 1

- Reserves & Encumbrances
  - **Resolution-** to authorize the Reserve of Fiscal Year 2025 funding for ongoing operations & maintenance, Capital Projects, ARPA projects and for Outstanding Encumbrances on June 30, 2025 for the FY 2026 Adopted Budget.
  - **Ordinance-** to amend the Fiscal Year (FY) 2026 Adopted Budget for the General Fund, Water and Sewer Fund, Stormwater Management Fund, Chestnut Grove Cemetery Fund, Herndon Centennial Golf Fund, Capital Projects Fund and ARPA Fund.
    - Includes Reserves and Encumbrances across funds.
    - No additional amendment requests in FY 2026 Amendment 1.

Proposed Reserves – Operations & Maintenance

Schedule 1 – Operations & Maintenance Reserves

Fund	Description	Amount
General Fund	Comprehensive Plan Costs	$1,100,000
General Fund	Advisory Costs, Security and Software, Rebranding and Contracts	257,445
General Fund	Downtown Parking	3,200,000
General Fund	Paving contract, traffic controller install	171,270
Water & Sewer	Lead and copper testing	600,000
	Total Operations & Maintenance Reserves	**$5,328,715**

Proposed Reserves – Capital Reserves

Schedule 2 – Capital Reserves

Fund	Description	Amount
Capital Projects	East Spring Street	$1,720,000
Capital Projects	Sidewalks Trails & Bicycles	320,380
Capital Projects	Sterling Road Improvements	204,000
Capital Projects	Arts Center Project	462,500
Centennial Golf	Vehicle/Equipment	32,765
Chestnut Grove Cemetery	Chestnut Grove Cemetery Expansion	746,547
Water & Sewer	Master Plan / Spring Downs	1,482,785
Water & Sewer	Master Plan / Water Pump Station	3,500,000
Water & Sewer	General maintenance and water line replacement	2,100,000
Stormwater Management	Stormwater Drain Improvements	655,879
Stormwater Management	North Stream Restoration	1,228,386
ARPA	HMC / Town Hall backlog	425,979
ARPA	Fire Alarm System / HMC	122,550
ARPA	Town-wide Security Initiative	87,500
ARPA	Fuel Storage Tank	100,000
ARPA	ARPA / remaining projects individually less than $10K	2,354
	Total Capital Reserves	**$13,191,625**

Estimated Encumbrances June 30, 2025

Schedule 3 – Estimated Outstanding Encumbrances - June 30, 2025

Fund	Amount
General Fund	$1,203,405
Water & Sewer Fund	330,118
Chestnut Grove Cemetery Fund	122,075
Herndon Centennial Golf Course Fund	969,742
Capital Projects Fund	51,872
Stormwater Management Fund	408,008
ARPA Fund	2,904,211
Total Estimated Outstanding Encumbrances	**$5,989,431**