



**FY 2027  
PROPOSED OPERATING AND  
CAPITAL BUDGETS**

**Summary of Day 1**

**May 6, 2026**

**[www.PaloAlto.gov/budget](http://www.PaloAlto.gov/budget)**

# ADJUSTMENT(S) AND PARKING LOT

- Used as a running list of items Committee approves adjusting, items for further discussion (parking lot), and recommended use of funds available.
- Status reviewed at the end of each day
- Will inform the basis of the discussions with Finance Committee at budget wrap

## FY 2027 BUDGET PROCESS

Date	Finance Committee Adjustments to Budget	FY 2027 GF (cost)/source	Potential FY 2028 GF (cost)/source	Dept
<i>Subtotal Costs (Expense)</i>		\$ -	\$ -	
<i>Potential Funds Remaining Net (cost) / source</i>		\$ -	\$ -	

Date	Parking Lot Items	FY 2027 GF (cost)/source	Potential FY2028 GF (cost)/source	Dept
<i>Subtotal Costs (Expense)</i>		\$ -	\$ -	
<i>Potential Funds Remaining Net (cost) / source</i>		\$ -	\$ -	

Date	FY 2027 Council Contingency	
5-May	Beginning Balance	\$ 125,000
	<b>Remaining:</b>	<b>\$ 125,000</b>

# “PARKING LOT” (as of May 5<sup>th</sup> 5:30PM)

Date	Parking Lot Items	Potential		Dept
		FY27 GF (cost)/ source	FY28 GF (cost)/source	
5/5/26 ✓	Quiet Zones Construction, direct staff to return with revised timing figures. Evaluate funding sources for Grade separation. <b>*Accelerate funding to FY27-FY28 with Measure K</b>			OOT/ PWD
5/5/26 ✓	Roth Building Maintenance <b>*Park Drain Improvements (PG-21000)</b>			PWD
5/5/26 ✓	Cubberley - Evaluate acceleration of certain capital repair needs for Cubberley incld potentially utilities infrastructure. <b>*Move to referrals</b>			CSD/ PWD
5/5/26	Direct staff to add the Chimalus ROW as a project in CIP.			OOT
5/5/26	CPI – KPIs: track delays, cost increases, & deferred spending by program area.			ASD
5/5/26	City Council Executive Assistant position funding.			Council
5/5/26	Non-Profit Workplan.			CMO
5/5/26 ✓	Employee Childcare Pilot Program within the Long Range Financial Forecast <b>*No near-term financial impact, recommend adjust forecast ongoing costs</b>			HRD
5/5/26	JMZ Conservation Costs and explore utilizing existing conservation programs to fulfill the AZA requirements to the extent possible.			CSD

# BUDGET HEARING RECOMMEND - REFERRALS (as of May 5<sup>th</sup> 5:30PM)

## Finance Committee Recommendation for Council Referrals (Requires Majority Vote)

- 1) Referral staff to return with a summary of the City's AI strategy.
- 2) Referral staff to return with a consultant best practices narrative, including impacts to date as part of Council Priority Workplan for the item
- 3) Referral to staff to present Palo Alto Golf Course P&L in a more complete way and evaluate golf fees, including senior resident rates
- 4) Referral to staff to explore increase in proportion of outdoor recreation programs located at Cubberley.
- 5) Cubberley - Evaluate acceleration of certain capital repair needs for Cubberley including potentially utilities infrastructure. (moved from "Parking Lot" to here)

# BUDGET HEARING REQUEST – INFORMATION (as of May 5<sup>th</sup> 5:30PM)

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## Finance Committee Request for Additional Information (Requires Majority Vote)

1) none



= response included in this follow-up

# Technical Adjustments

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Given complexity, volume and timing of the proposed budget, subsequent to publication, staff have found technical adjustments necessary to ensure accuracy in the adopted budget. A full list will be provided to Finance Committee on May 19<sup>th</sup>.

- Utility – gas & electric: adjust duplicate entry for SCAP program and debt financing
  - Adjust FY 2026 reductions made ongoing (FTE impacts erroneously omitted)
  - Based on final reductions, reconciliation to ensure all allocations across internal service funds (e.g. benefit costs, vehicles, etc.) are balanced
  - Realignment of revenues/costs to align with revised utility rates
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- Staff will strive to ensure the General Fund fiscal impact for technical adjustments remains de minimis or net zero.



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# Conclude

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