



FY 2026/27 Recommended Budget

Arts Commission, Board of Library Trustees, Parks Commission



May 20, 2026

Legal Framework and Community Values

- 10-Year Balanced Budget Mandate (City Charter, Article 1302)
- 20-Year Resource Allocation Plan Requirement (City Council Policy 7.1.1)
- General Fund Budget Stabilization Fund Threshold requirement
 - ◆ 15% of revenues in first two years of the Financial Plan (City Council Policy 7.1.E (1.4))

FY 2026/27 Budget Principles

- Continues performance based long-term planning and short-term action planning
- First year of budget cycle – focused on Operating Budget
- Meets all City Charter and Policy Requirements
- Supports Council Strategic Priorities

Budget Approval Process

- **May 19 – Budget Workshop**

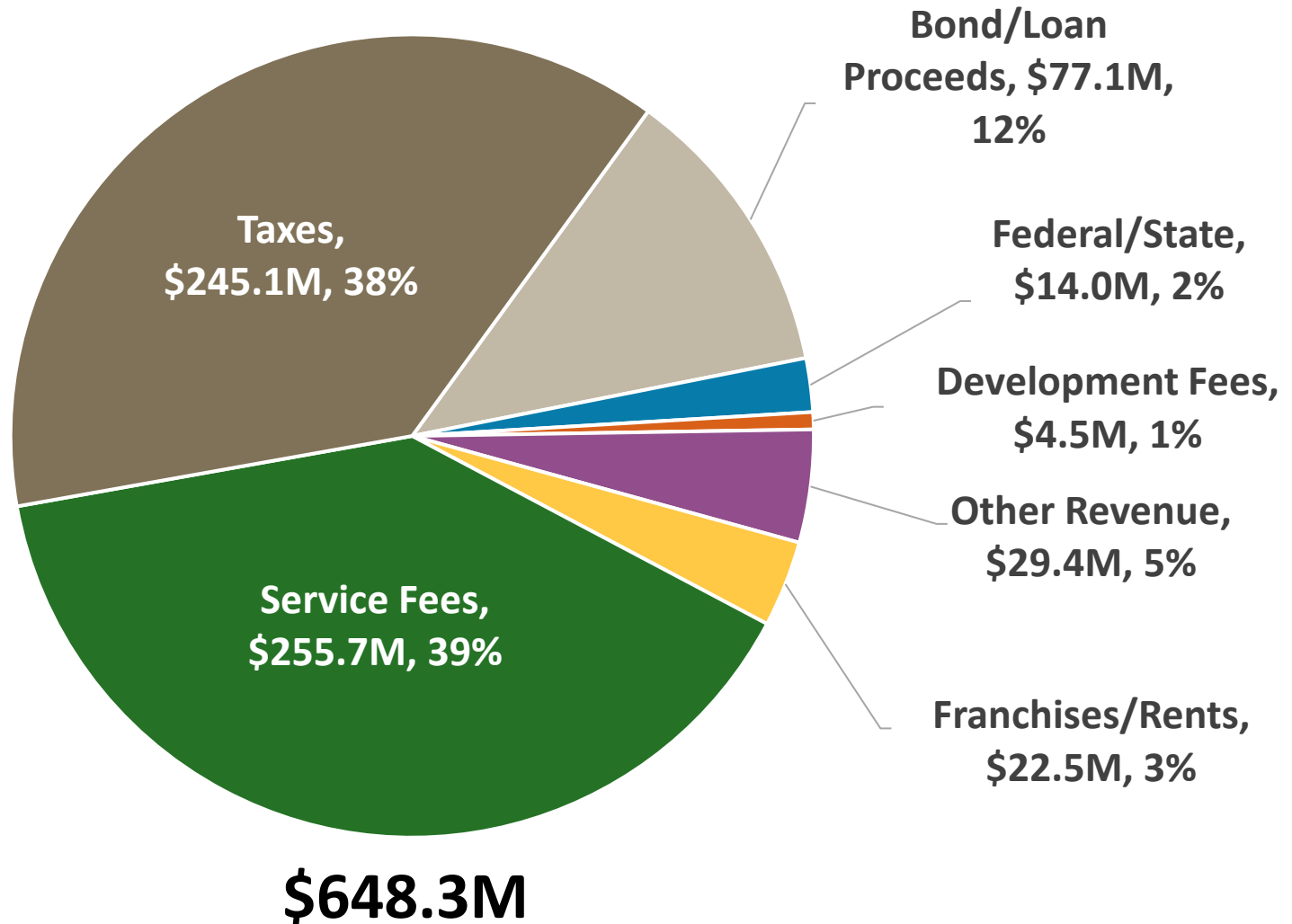
Received Council direction on:

- Budget Supplement 1 – *Council Priority Projects*
- Budget Supplement 2 – *Other Additional Service or Reduction Options*
- **June 2** – Public hearing on Budget and Fee Schedule
- **June 16** – Adoption of Budget, Fee Schedule and Utility Rates

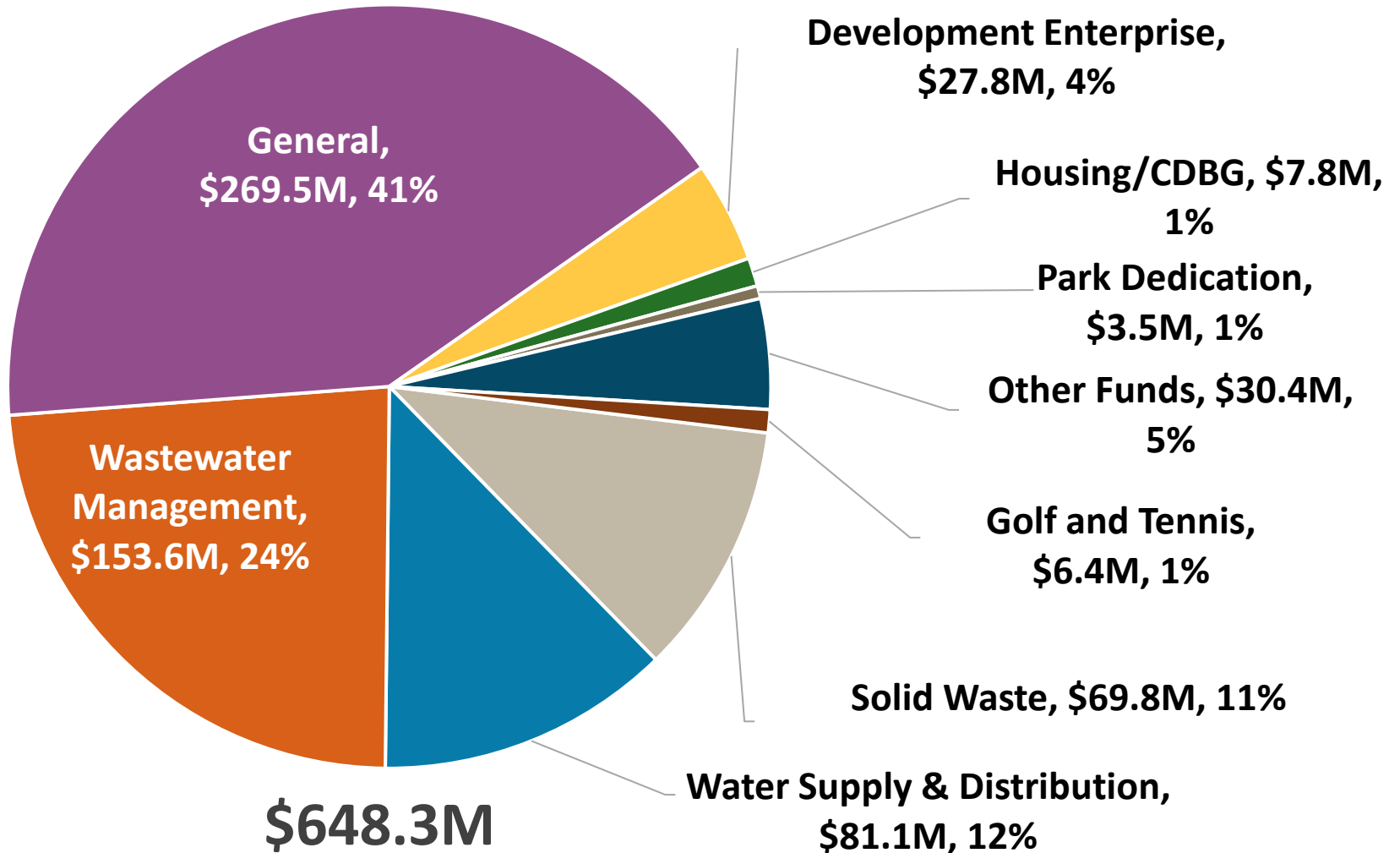
FY 2026/27 Budget Summary

	<u>All Funds</u>
Total Revenue	\$648.3M
<u>Expenses</u>	
Operating	\$425.1M
Total Projects	213.3M
Other	<u>79.3M</u>
Total Expenses	\$717.7M
Use of Reserves	<u>\$69.4M</u>

Citywide Revenues by Source – All Funds



Citywide Revenues by Fund – All Funds

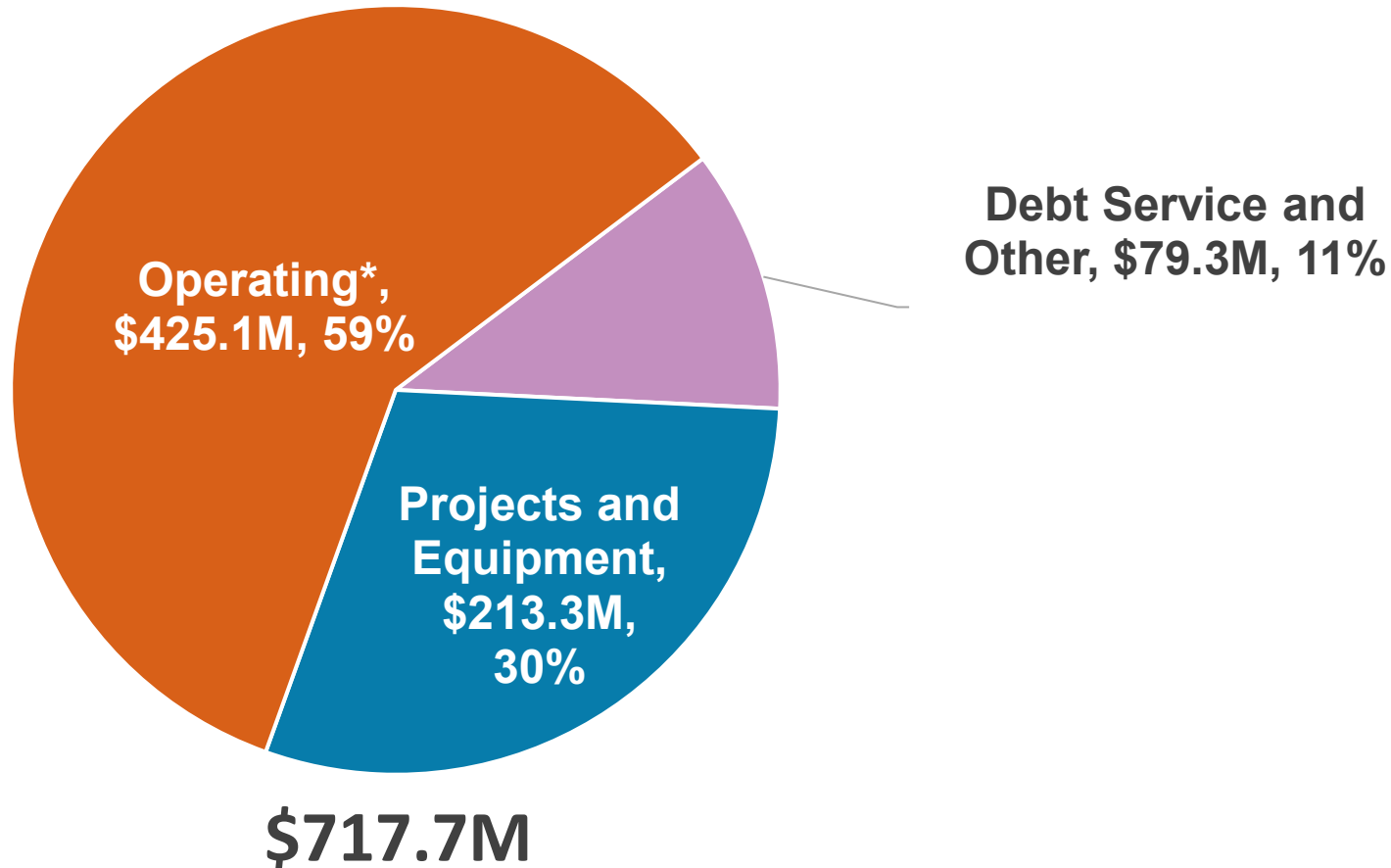


Top Tax Revenues

Revenue Source	2023/24 Actual	2024/25 Actual	2025/26 Budget	2025/26 Revised Projection	2026/27 Proposed Projection
Property Tax	\$129.1M	\$136.6M	\$138.6M	\$143.6M	\$146.3M
Sales Tax	40.7	44.2	40.6	40.5	44.2
Transient Occupancy Tax	18.9	20.9	20.6	20.9	21.9
Utility Users Tax	10.8	11.3	11.3	11.2	11.1
Construction Tax	3.3	3.0	3.4	3.4	3.7
Streets Funding*	13.1	13.4	14.5	14.7	14.0
Total Top Tax Revenues	\$215.9	\$229.4	\$229.0	\$234.3	\$241.2

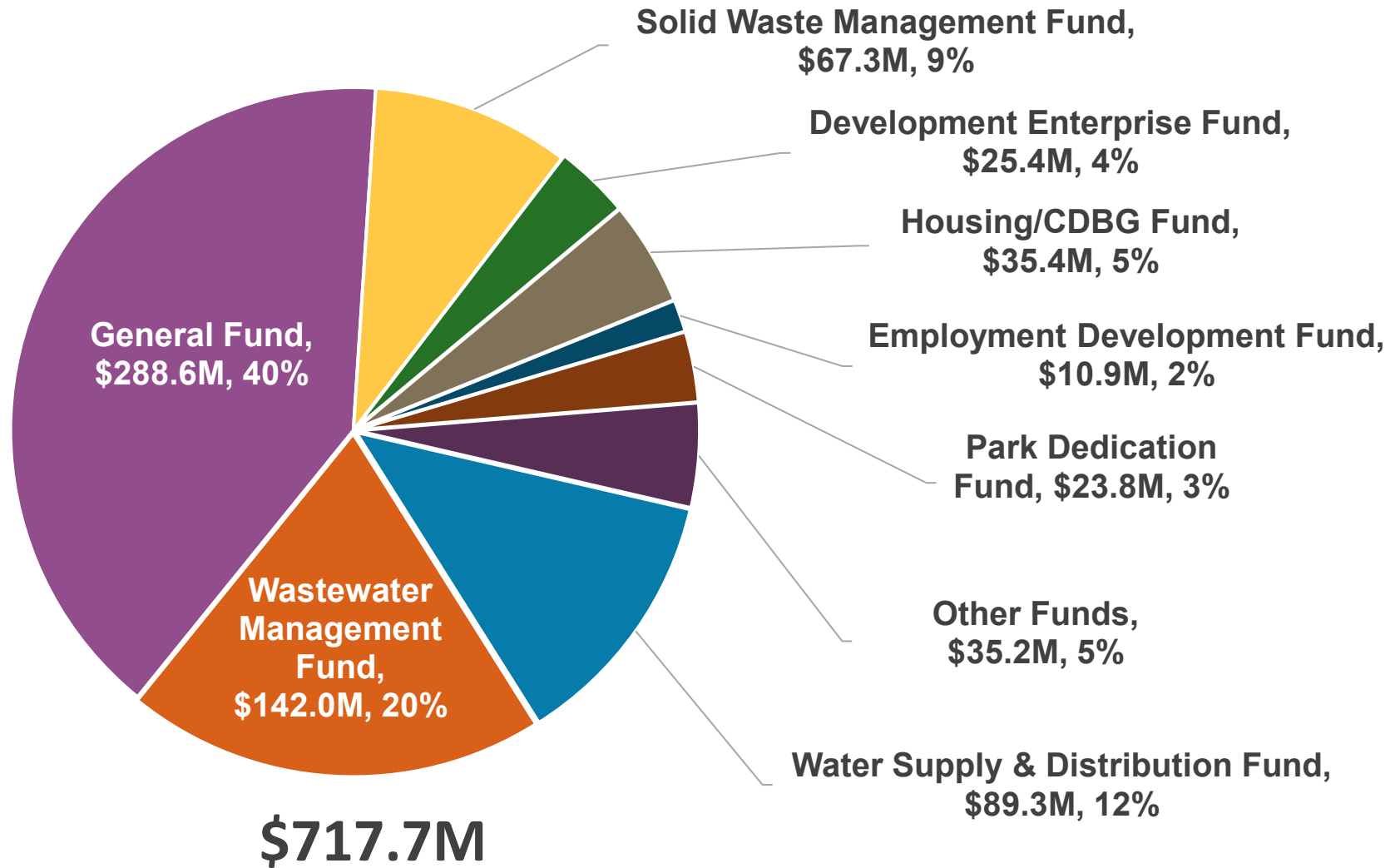
* Streets Funding includes Gas Tax, Road Maintenance and Rehabilitation Fund (Senate Bill 1), and Measure B half cent County-Wide sales tax for transportation funding

Expenditures by Type – All Funds

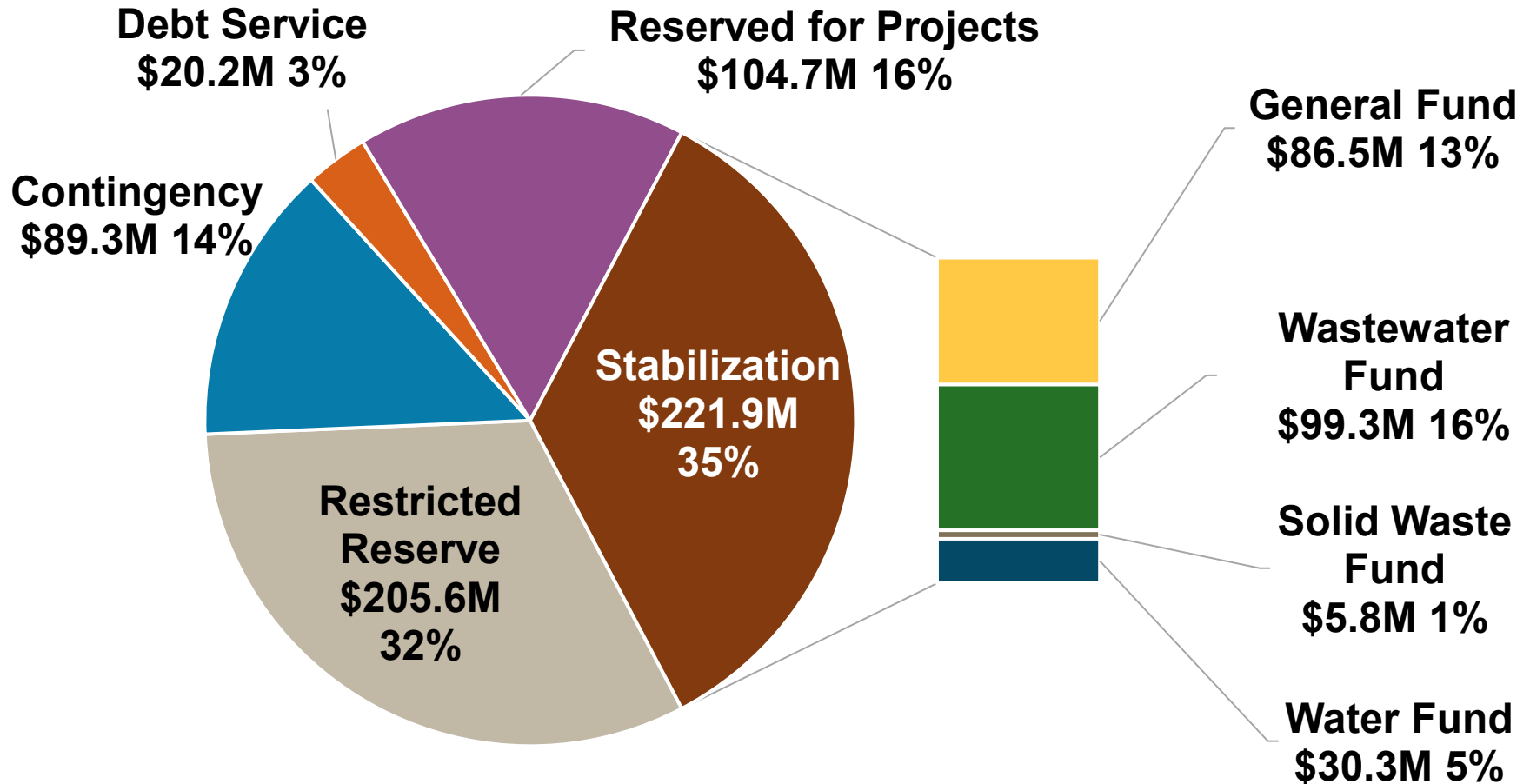


*Excludes internal service funds.

Expenditures by Fund



Reserve Balances by Type – All Funds



Park Dedication Fund

- Allocated to develop new or rehabilitate existing neighborhood or community parks or recreational facilities
- \$225.2M programmed in the 20-year financial plan to renovate all City parks with more than 50 projects planned or currently underway



Baylands



Corn Palace

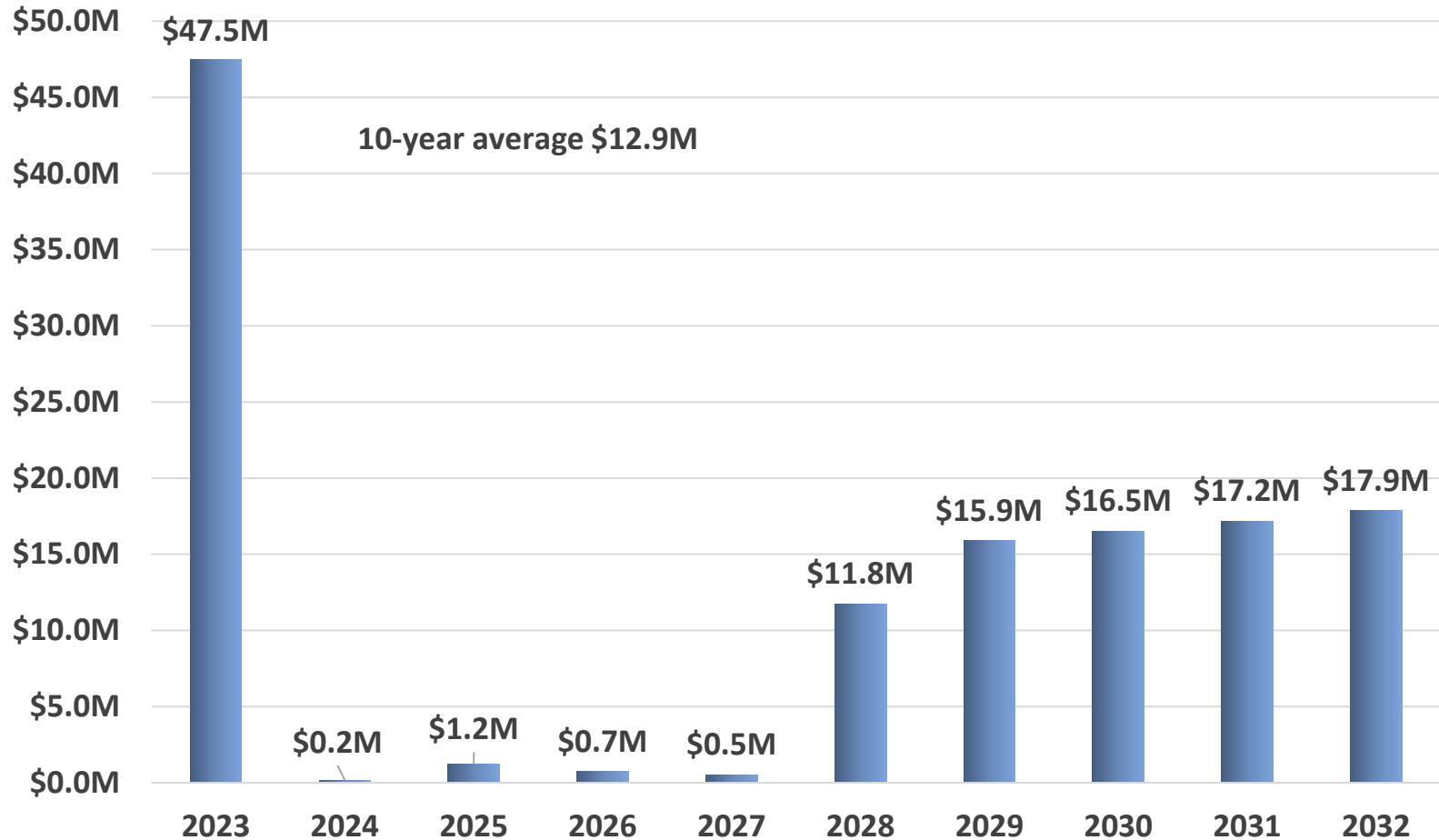


Encinal



Las Palmas

Park Dedication Fee Revenue



Golf and Tennis Operations Fund

- **Short-Term**

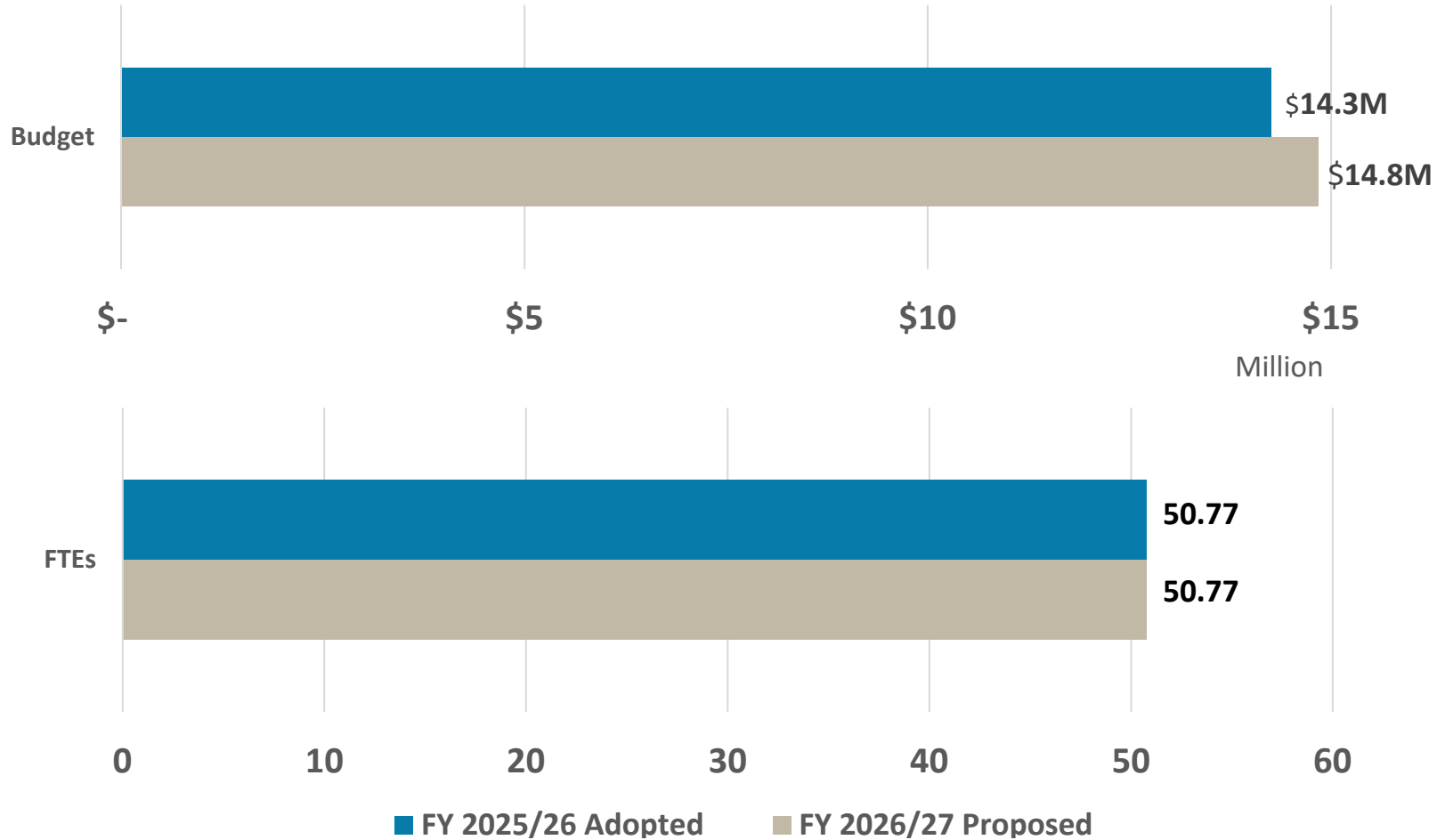
- Golf revenues expected to increase by 5% in FY 2026/27 and 4% in FY 2027/28
- Currently, a self-supporting fund until FY 2029/30

- **Long-Term**

- “Fiscal Strategies” have been resolved through a transfer from the General Fund.

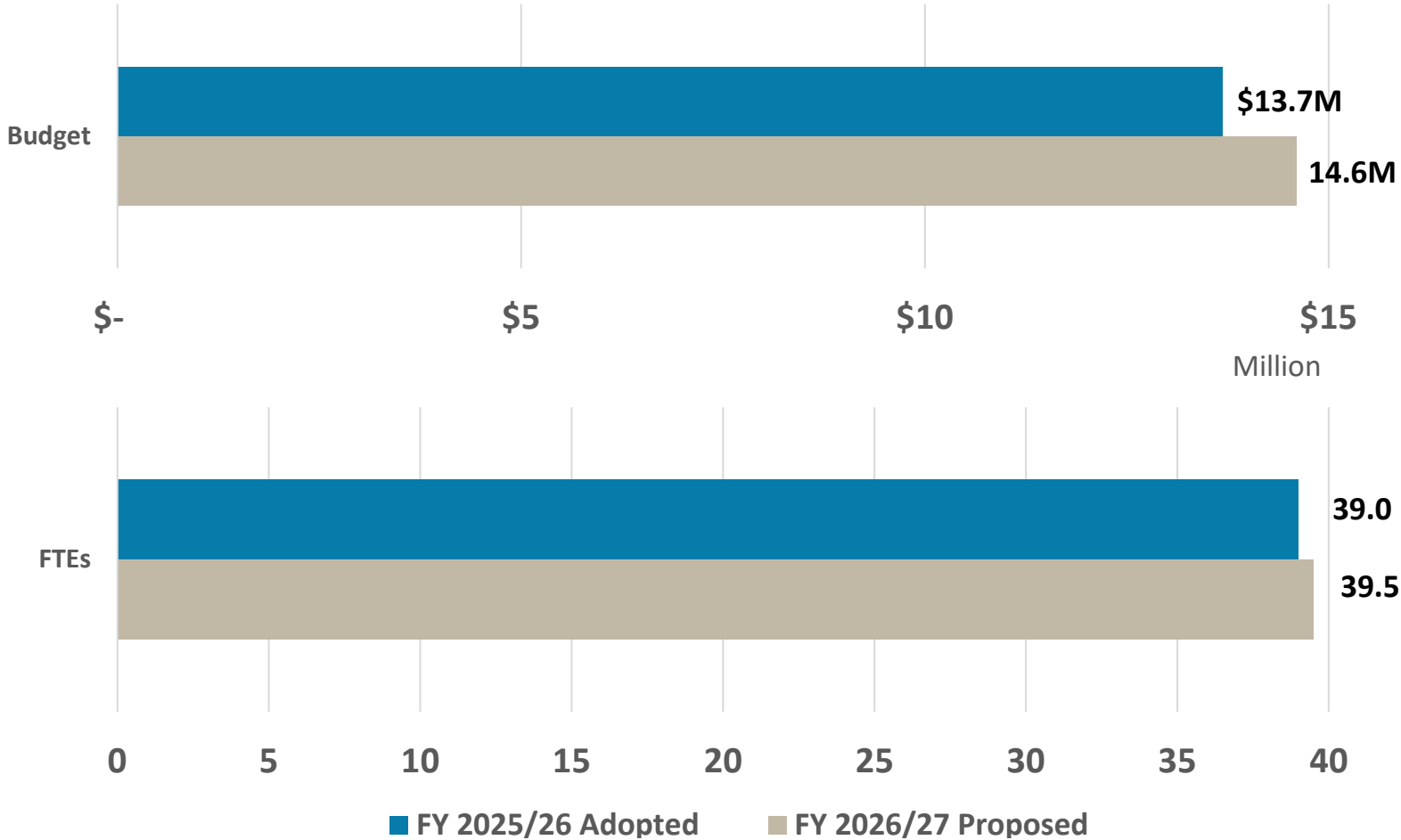
FY 2026/27 Recommended Budget

Program 11900 - Library



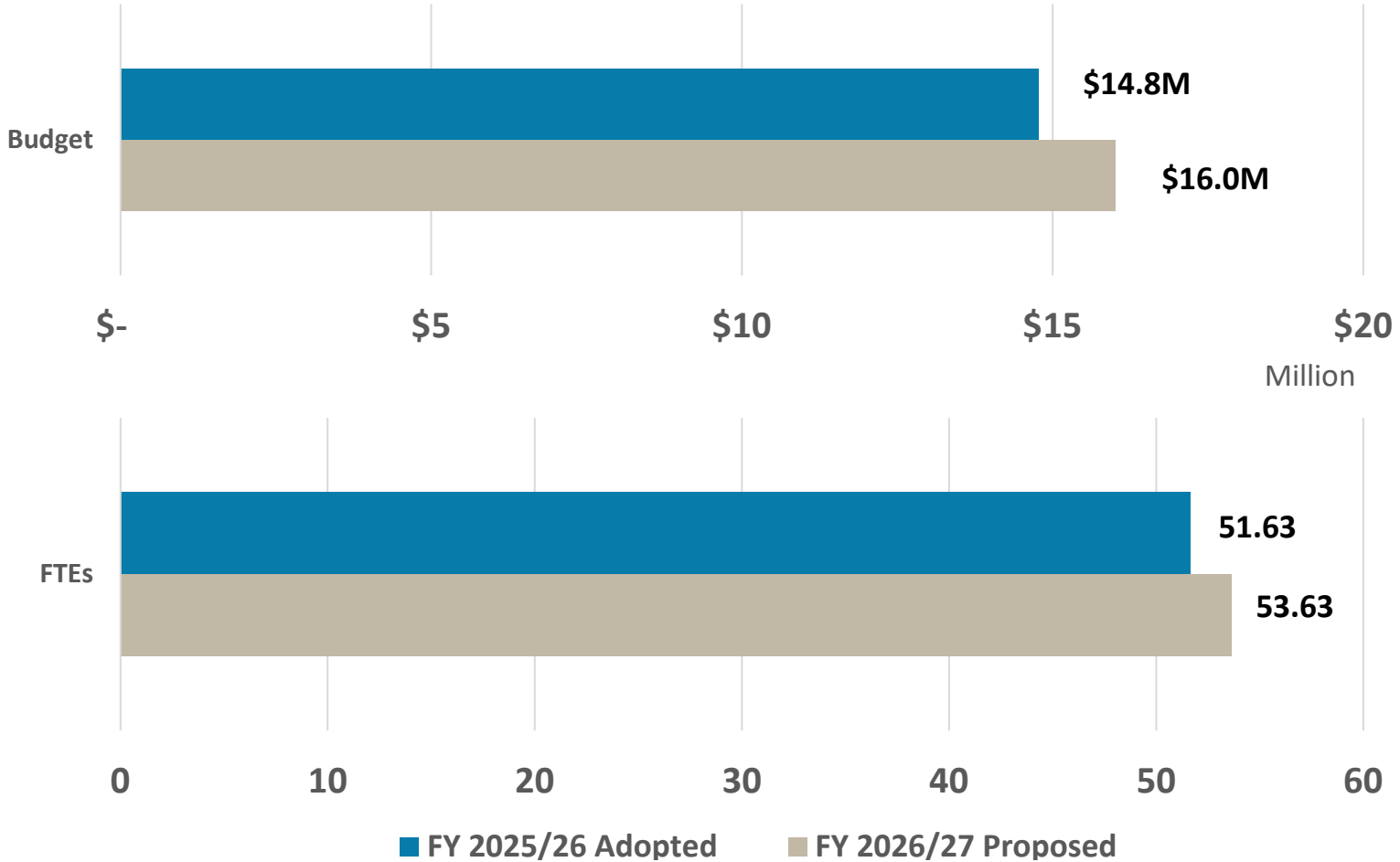
FY 2026/27 Recommended Budget

Program 12000 - Recreation



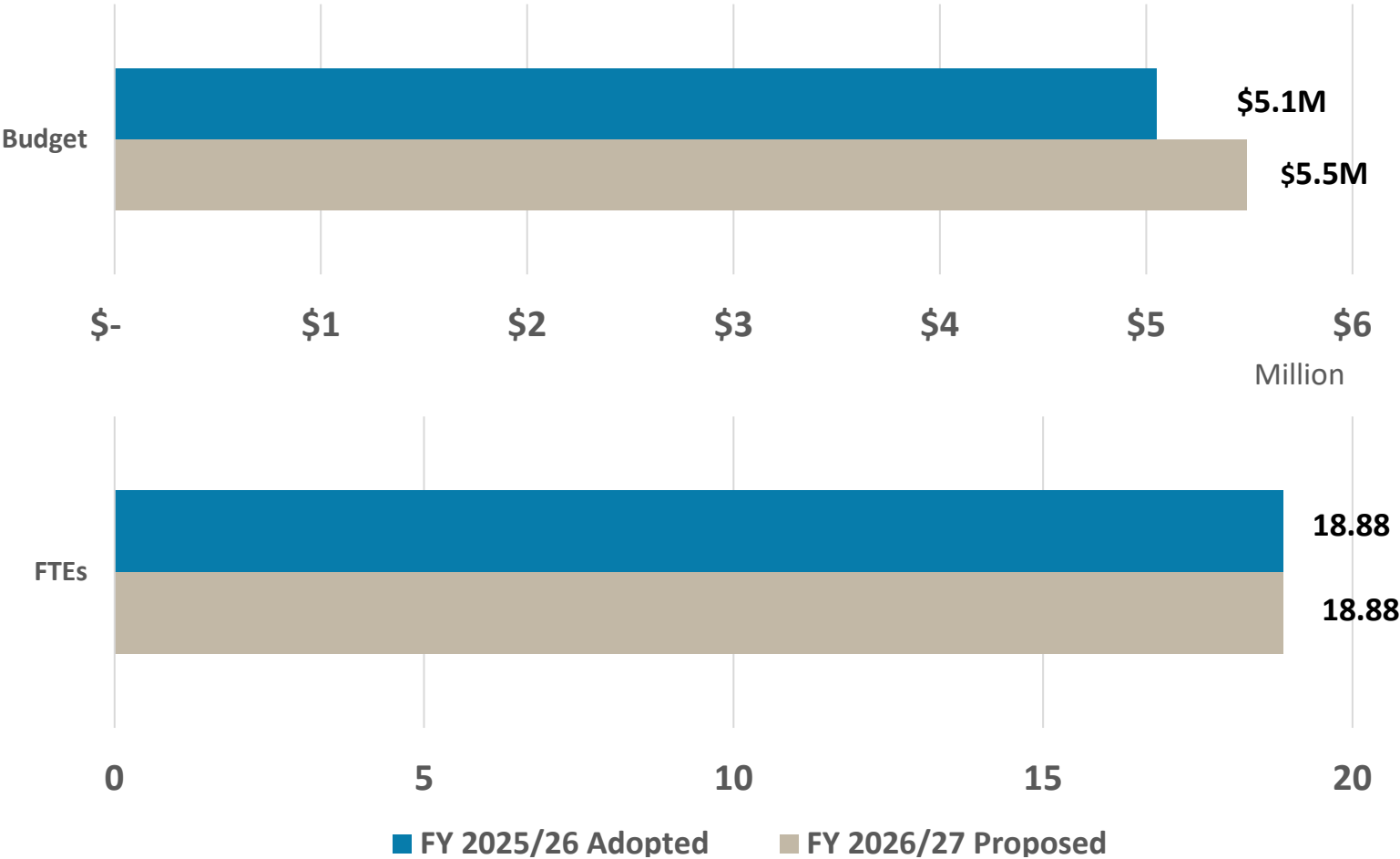
FY 2026/27 Recommended Budget

Program 13600 – Parks/Open Space Management



FY 2026/27 Recommended Budget

Program 14000 – Golf Course Operations



Service Level Adjustments

Addition	Purpose
Senior Library Assistant Position	Lead the Level Up Literacy Program in Library Services for Adults.
Library Collections	Increased Books, Publications and E-Publications to include a book leasing program and to account for change in book supplier
Recreation Services Coordinator (Term-limited)	Support the growth of the Sunnyvale Public Art program.
2 Park Workers	Fulfill increased demands at additional and newly renovated City parks.

Art Funds

- Sunnyvale Municipal Code 19.52.080
- The city council authorizes the establishment of two funds for the deposit of all fees paid under this chapter.
 - ◆ Public Arts Fund. This fund uses one percent of the construction valuation for the acquisition and installation of the art and administration of the public art program, including, but not limited to, improvements, site preparation, lighting and landscaping.
 - ◆ Art Maintenance Fund. The 0.1 percent of the construction valuations shall be set aside in the art maintenance fund for repairing and maintaining art purchased by the in-lieu fee.
- Current balance between both funds: \$542.4K

Questions

