



CITY COUNCIL STAFF REPORT

ITEM NO. 6.17

DATE: May 11, 2026
TO: Honorable Mayor and City Council
FROM: Tina Olson, Administrative Services Director
SUBJECT: Resolution Approving the FY 2026-27 Budget Update

RECOMMENDED ACTION

Staff recommends that City Council adopt a resolution approving the 2026-27 Budget Update.

DECISION TYPE

Administrative

SUMMARY

The City of Livermore's (the City) Two-Year Budget for FY 2025-26 and 2026-27 was approved by City Council on June 9, 2025. Staff updated revenue and expenditure estimates for FY 2026-27 and based on that review, are proposing to increase the General Fund expenditure budget by \$331,384, reduce operating transfers out by \$803,756, and decrease the General Fund revenue budget by \$6,072,122. Staff proposes to adjust the FY 2026-27 budgets in the City's other funds as discussed in the FY 2026-27 Budget Update report, exhibit A of the resolution.

DISCUSSION

The City's FY 2025-26 and 2026-27 Two-Year Budget was adopted by City Council on June 9, 2025. City staff evaluates the second year of the two-year budget cycle revenue and expenditure estimates in advance of the second year to determine whether adjustments are necessary to have a balanced budget. Staff completed their review of the FY 2026-27 budget and concluded that the General Fund expenditure budget needs to be increased by \$331,384, operating transfers out reduced by \$803,756, and the revenue budget decreased by \$6,072,122. The attached FY 2026-27 Budget Update Report includes the details of those changes in the General Fund as well as proposed changes within the City's other funds.

The Budget anticipates compliance with the General Fund Reserve Policy, which was updated in June of 2016 to require a total General Fund reserve of 30% of budgeted operating expenditures and outgoing transfers for debt service.

FISCAL AND ADMINISTRATIVE IMPACTS

Adoption of the FY 2026-27 Budget Update results in a balanced budget with a General Fund surplus of almost \$83,955 that will be added to unallocated reserves.

COMMUNITY PILLAR

5: A City That Works

GOAL

17: Ensure effective use of public resources

ATTACHMENTS

- 1. Resolution
- 2. Exhibit A - FY 2026-27 Budget Update Report

Prepared by: Erik Peterson
Finance Manager

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Tina Olson
Administrative Services Director