



# Budget Update Cost Saving Measures

April 14, 2026





# General Fund FY 27 Projection

- Projected gap between ongoing revenues and expenses is over **\$12 million** even with current cost saving measures
- Doesn't include...
  - Additional positions
  - New programs
  - New funding for capital improvement projects
  - Increases to discretionary services and supplies budgets
- Can't fully close **\$12 million** budget gap in FY 26/27 without impacting service levels and reducing programs.



# Finance

## 2.5% Reductions for FY26 (\$138,788)

- Elimination of Non-Full Time Budget: \$78,452
  - **Impact:** Front counter and Utility Billing coverage, Interns
- Reduction in Training: \$28,141
  - **Impact:** Moved exclusively to online trainings, skill development, policy updates
- Services & Supplies: \$32,195
  - **Impact:** Drastically reduced budget for office supplies



# Finance

## 5% Reductions

- Hiring freeze if position is vacant or layoff(s) if department has no vacancies

### Impact

- Reduced hours at the front counter or Utility Billing call center
- Delayed financial reporting or audit completion
- Delayed processing of invoice payments and/or billings





# City Attorney's Office

## 2.5% Reductions for FY26 (\$67,760)

- Reduction in Legal and Professional Services: \$45,099
  - **Impact:** Limited access to outside legal counsel reduces capacity to handle specialized or complex matters; in-house attorneys absorb additional work, increasing burnout risk
- Reduction in Training: \$21,661
  - **Impact:** Hinders CLE compliance and staying current on legal requirements; fewer professional development opportunities weaken recruitment and retention
- Reduction in General Supplies: \$1,000
  - **Impact:** Minimal operational disruption at 2.5%; the office may still manage core functions with careful prioritization and workload management



# City Attorney's Office

## 5% Reductions

- Further Reduction in Legal and Professional Services: \$42,000
  - **Impact:** Increases legal risk in complex or high-stakes matters; creates unaddressed or inadequately handled legal exposure, raising litigation risk
- Further Reduction in Training, Supplies, and Software: \$25,760
  - **Impact:** Risk of falling behind on CLE requirements and creates gaps in staff knowledge regarding changes in law and regulatory requirements; impacts ability to retain qualified legal professionals in a competitive market





# City Manager's Office

## **2.5% Reductions for FY26 (\$81,707):**

CMO/City Clerk (\$42,969)

Public Relations (\$38,738)

Reductions across: Professional Services, Consulting, Technical Services, Repair, Training Travel & Meals, Professional Memberships, General Supplies, Postage, and Software.

### **Impacts:**

- Limited access to professional services and training which can impact workloads, project timelines, engagement support, broadcast system support, and staff development.
- Reduced funding for programs and materials (Vacaville Neighborhood Associations).
- Software reductions are one-time only due to pre-payment of subscriptions at a reduced rate.





# City Manager's Office

## 5% Reductions

CMO/City Clerk (\$14,853)

Public Relations (\$44,497)

Reductions across: Professional Services, Consulting, Advertising, Repair, Training Travel & Meals, Professional Memberships, Team Development, Small Tools, General Supplies, and Software.

### Impacts:

- These additional reductions result in staff having few external resources to address the needs of the organization. Significant training reductions will impact access to remain current on software, upgrades, and AI tools.
- Reduced advertising limit placement in publications.
- Software reductions are one-time only due to pre-payment of subscriptions at a reduced rate.





# Information Technology

## 2.5% Reductions for FY26 (\$84,929)

- Consulting, Mailing Services, Professional Memberships, General Supplies, Postage, Software, and small tools.

### Impact:

- Creates risk for complex infrastructure and system projects across the organization.
- Delay system enhancements and reduce operational flexibility in responding to departmental technology needs.





# Information Technology

## 5% Reductions

- Consulting Services, Repair, Mileage, Training Travel & Meals, Background check, General Supplies, Software, and small tools.

### Impact:

- Limit the ability to effectively support complex infrastructure, cybersecurity, and system projects across the organization. This may result in extended project timelines, reduced implementation capacity, and increased reliance on internal staff for highly specialized work.
- Constrain staff access to certifications, best practices, and emerging technology trends.
- Delay system enhancements and further reduce operational flexibility in responding to departmental technology needs.





# City Council

## 2.5% Reductions for FY26 (\$3,301)

- Reduction in Professional Memberships and General Supplies

## 5% Reductions

- Reduction in Training, Travels & Meals, Professional Memberships, Postage, and General Supplies

**Impact:** Reductions may limit access to supplies for general operations, policy resources, training opportunities, and forums that support informed decision-making and regional collaboration.





# Human Resources

## 2.5% Reductions for FY26 (\$89,714)

- Elimination of full-time Office Assistant II: \$82,961
  - **Impact:** Position was vacant; duties absorbed by other full-time staff and college intern
- Reduction in Citywide Training: \$6,753
  - **Impact:** Decreased contract training





# Human Resources

## 5% Reductions

- Further Reduction in Citywide Training: \$45,000

### Impact:

- Overall reduction in amount of training offered citywide
  - Staff will work to development additional in-house training
  - Utilization of online reduced cost or free training
- Reduction to Legal Services Budget: \$39,714
    - **Impact:** Labor negotiations legal assistance (No MOU negotiations in FY 26/27)
  - Reduction in Training/Travel Budget: \$5,000
    - **Impact:** Eliminate/Reduce HR specific training for staff; Updates to industry policies and practices





# Parks and Recreation

## 2.5% Reductions for FY26 (\$239,876)

- Non-Full Time: \$34,452
  - **Impact:** Reduced Admin and Marketing staff – Community Center hours reduced.
- VPAT/Theatre: \$123,724
  - **Impact:** Reduced to 1 city-sponsored show per year.
- General supplies & services: \$81,700
  - **Impact:** Retirement of music program instructor, reduced general supplies for Special Events, Youth Services and Merriment on Main.





# Parks and Recreation

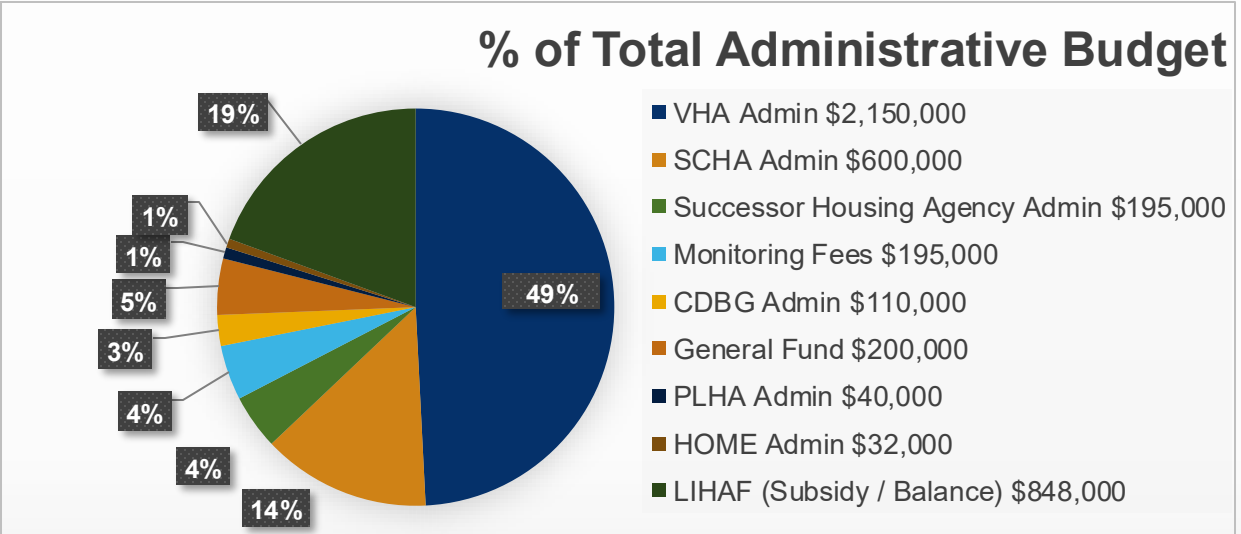
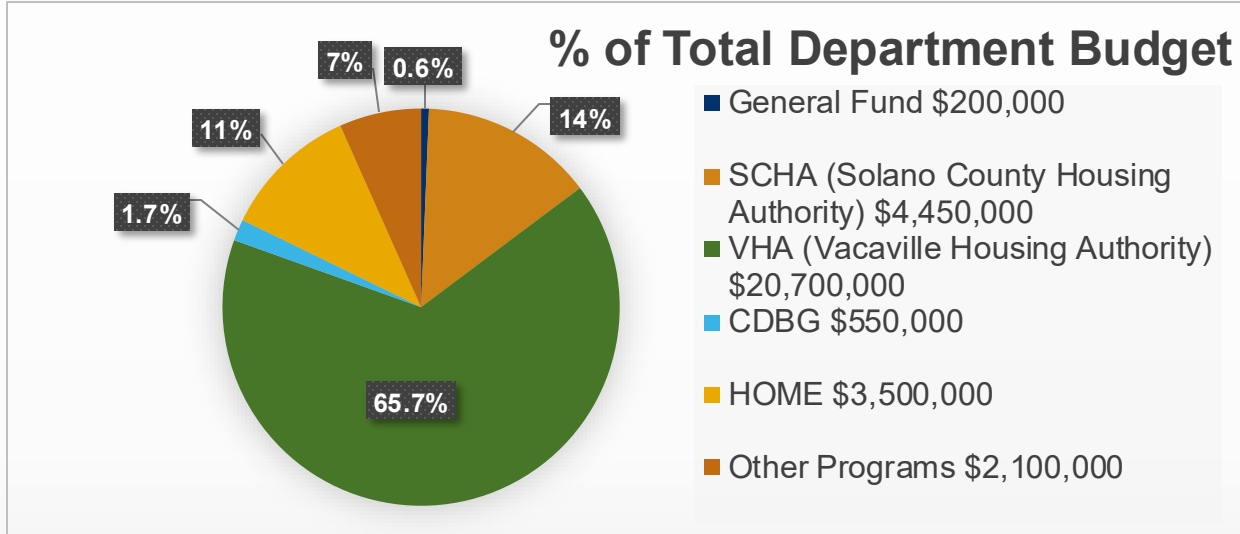
## 5% Reductions

- 4<sup>th</sup> of July Fireworks Show & Concert: \$49,855
  - **Impact:** No City Sponsored fireworks celebration
- Suspension of Youth Scholarship Program: \$150,000
  - **Impact:** 230-250 children's ability to enroll in recreation programming
- Suspension of Concessions Program: \$39,952
  - **Impact:** Closure of the Keating and Nelson concession stands.





# Housing and Community Services



## 2.5% Budget Reduction for FY 26 - \$99,577

- Assistant Director position delayed - \$174,086
- Discontinued Work Number - \$ 29,250

**Total \$203,336**

**Department is already at 5% cost reduction**





# Housing and Community Services

## Impacts of Federal Funding Uncertainty

### Staffing Strategy (Continued Vacancies)

- Assistant Director - \$174,086
- Housing Administrator - \$140,452
- Housing Technician - \$ 65,295
- Total - \$378,833

### Ongoing Vacancy-Driven Operations

- Continued delays in filling leads to:
  - Reduced management oversight
  - Limited supervisory capacity
  - Slower internal decision-making
- Increased Compliance Risk
- Declining Service Levels
  - Response times at 48–72 hours or longer
- Deferred Technology improvements
  - Homeless Dashboard
  - Homelessness System Mapping

### Loss of Direct Services & Program Support

- Reduced outreach
- Limited landlord engagement
- Inability to advance:
  - Homeless Action Plan implementation
    - Transitional Housing Pilot
    - Navigation Center
  - Housing Element programs
    - SHIP
    - Senior Shared Housing
  - First-Time Homebuyers Down Payment Assistance
- Limited staff capacity to:
  - Identify funding opportunities
  - Prepare competitive applications
  - Manage complex grants



# Community and Economic Development

## 2.5% Reductions for FY26 (\$136,763)

- Reduced Outside Service Contracts supporting Planning, Building, and Administrative Functions
  - **Impact:** The work typically performed by outside consultants was absorbed by existing staff
- **Department's revenues are mainly fee-based unlike the General Fund**
  - Revenues are closely tied to development activity
  - Fees can only be increased through approval of updated fee schedule (May 2026 – Fee Study)





# Community and Economic Development

## 5% Reductions

- Further Reductions to Outside Service Contracts supporting Planning, Building, and Administrative Functions: \$133,000
  - **Impact:** Reducing contracts for Building Services will result in delays to Building Inspections and Plan Check Review timelines. Customers will need to fund the service through an outside service agreement or wait until existing staff has the capacity to complete the review.
- Eliminate Funding for Planning Commissioner's Academy Training Program: \$4,000
  - **Impact:** Planning Commissioners attendance to the Planning Commissioners Academy will be eliminated.





# Public Works

## 2.5% Reductions for FY26 (\$339,977)

- Freeze: Public Works Manager \$200,200
  - Increased Workload on Managers and Staff
  - Delay Creating Maintenance Master Plans
- Freeze: Maintenance Worker – Streets \$121,476
  - Reduced Street Maintenance and Repairs
  - Borrow Staff from Concrete, Creeks & Storm Drainage Crews
  - Increased Cost for Out-Sourcing Work
- Play 4 All – Maintenance \$ 18,301
  - Maintenance of Future Phases of the Park



# Public Works

## 5% Reductions (\$359,128)

- Freeze: Laborer – Parks \$ 31,842
  - Reduced Park Maintenance (Edging, Pruning, Etc.)
  - Reduced Litter Removal
- Staff Reduction: Engineering Interns \$ 31,371
  - Slower Response Time for Data Collection-Traffic Counts
  - Slower Response to Transportation Permits
- Pause: L&L Equipment Replacement \$159,515
  - Push Back Park Equipment Replacement
- Parks Beautification Funding Reduction \$ 90,000
  - No Basketball or Tennis Court Resurfacing
  - Reduced Upkeep of Bathrooms (Painting-Resurfacing Floors)
  - Reduced Playground Maintenance
  - Overall Reduction - Park Beautification (tree/shrub plantings)
- Downtown Pressure Washing Reduction \$ 46,400
  - Reduce Number of SW Washings to Twice a Year
  - Additional \$200k Above L&L Annually to Downtown

## Fuel Costs (Gas)

- Fuel Costs in 2025 were less than 2024
- 2026 Costs:
- Jan - Feb: 18.5% Increase
- Feb - Mar: 19.1% Increase
- Mar - Apr: 10.8% Increase

## Lighting & Landscaping Maintenance Districts

- GF Annual Contribution FY25/26: \$1.6 million

## Community Parks

- GF Annual Contribution FY25/26: \$977K





# Fire Department

## 2.5% Reductions for FY26

- Reduce daily **minimum staffing from 29 to 27** by a brownout of Medic 72
  - Current OT trending much higher due to Vacation season and Fire Academy
  - Very concerned with health and safety of Firefighters

### Impact:

- Brownout of one full-time ambulance; redistribute call volume
- Increased workload on remaining units
- Potential increase in response times





# Fire Department

## 5% Reductions

- Full brownout of Medic 72 - \$1.4M
- Cross-Staff Medic 75 (16 hrs. every other night) - \$430K
- Eliminate Two Code Compliance Techs - \$270K

## Impact:

- Brownout of one full-time ambulance and additional reduced overnight EMS capacity
- Increased workload on remaining units
- 2/3 Code Compliance team eliminated; increase in call/complaints, less enforcement





# Police Department

## 2.5% Reductions for FY26 (\$1,381,444)

- Dissolve Community Response Unit (CRU)
  - Reassign (4) Police Officers and (1) Police Sergeant to Patrol
  - Estimated Overtime Savings: \$300,000
- Continue Freeze/Eliminate (4) Police Officer Positions - \$872,000
- Freeze/Eliminate over-hire funding (Academy positions) - \$394,000
- Freeze/Eliminate (1) Office Assistant Position - \$68,000\*

**Total Estimated Savings:  
\$1,634,000 8 FTE positions**

\*Retain \$40k for NFT



# Police Department

## 5% Reductions

### Personnel Impacts

- Dissolve CRU (reassign 4 Officers, 1 Sergeant to Patrol) -Estimated \$300,000 overtime savings\*
- (6) Police Officers frozen/eliminated - \$1,308,000
- (4) Over-hire (Academy positions) - \$394,000\*
- (1) Community Service Officer - \$132,000
- (1) Office Assistant - \$68,000\*
- (1) Mental Health Coordinator - \$204,300
- (1) Public Safety Dispatcher \$158,500

**Total Estimated Savings  
\$3,019,800 14 FTE Positions**

\*Part of Current 2.5% Reduction

### Service Reductions

- Special Event OT reductions - \$146,000 (Fiesta Days, 4th of July, Halloween Stroll, Merriment on Main, National Night Out, Retail Detail)
- Family Resource Center basic needs funding - \$90,000
- Homeless Outreach (VSSC) - \$57,000
- Homeless Temporary Assistance (ABVI) - \$25,000
- Homeless Shelter Beds (Shelter Solano) - \$137,000



# Questions or Comments

