CALL AND NOTICE OF SPECIAL MEETING AT 10:00 AM OF THE VALLEJO CITY COUNCIL

APRIL 12, 2025

COUNCIL MEMBERS
Andrea Sorce (Mayor)
Peter Bregenzer (Vice-Mayor)
Helen-Marie Gordon
Tonia Lediju, PhD
Alexander Matias
Diosdado "JR" Matulac
Charles Palmares

HYBRID MEETING
www.Cityofvallejo.net

REVISED AGENDA - INCLUDES STAFF REPORT WITH ATTACHMENTS

Vallejo Room
Lower Level of the JFK Library
505 Santa Clara Street
Vallejo, CA 94590

NOTICE: Members of the Public will be able to participate in-person or remotely via Zoom	City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.
PUBLIC COMMENT: Members of the Public may provide public comments during the City Council Meeting in person or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833.	For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment
VIEW THE MEETING: There are four different ways you can view this public meeting: • In Person • Watch Vallejo local channel 28 • Stream from the City website: www.cityofvallejo.net/Streaming • Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net	Scan QR code for live captions and translation in Spanish and Tagalog.
Hybrid Options are available for members of the public to participate. To participate remotely	
Option to Join by Computer From your browser go to https://ZoomRegular.CityofVallejo.net to launch and join the zoom application. Meeting ID: 914 0075 0676# Meeting Password: 131313	**Option to Join by Phone** Dial (669) 900-6833 Enter Meeting ID: 914 0075 0676# Meeting Password: 131313 Press *9 to digitally raise your hand from the phone. Press *6 to unmute/mute
Any supplemental writing related to an agenda item for an open session of a regular meeting that is distributed to all or a majority of all members of the City Council less than 72 hours before the meeting will be posted concurrently on the City's website at www.cityofvallejo.net/agendas Written material distributed during the meeting, will be available at the meeting if prepared by the City or after the meeting if prepared by someone else. Such materials may be obtained from the City Clerk	

Vallejo City Council Chambers ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof

AGENDA

TO THE MEMBERS OF THE VALLEJO CITY COUNCIL:
You are hereby notified that I do hereby call the Vallejo City Council in special session to consider only the matters stated on the agenda listed below. NOTICE: Members of the public shall have the opportunity to address the City Council concerning any item listed on the agenda before or during consideration of that item. No other items may be discussed at this special meeting

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. BUDGET WORKSHOP

NOTICE: Members of the public wishing to address the Council on Workshop item may do so in person by signing in to the Public Speaker's kiosk located in the back of the Vallejo Room or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to digitally raise your hand from the phone. Press *6 to unmute/mute. For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420 or as approved and announced by the Mayor. In person speakers will be recognized first

A. **PROVIDE CITY COUNCIL WITH A PRELIMINARY BUDGET OVERVIEW OF THE FISCAL YEAR (FY) 2025-2026 BUDGET AND RECEIVE COUNCIL DIRECTION (PART 2 of 2)**

Recommendation: Provide City Council with a draft General Fund and other funds overview of the fiscal year 2025-26 budget and receive Council direction.

Contact: Andrew Murray, City Manager, (707) 648-4576
Andrew.Murray@cityofvallejo.net
Rekha Nayar, Finance Director
Rekha.Nayar@cityofvallejo.net

5. ADJOURNMENT

ADDITIONAL CITY INFORMATION

Members of the public can:

- Like us on Facebook and Instagram (@cityofvallejo)
- Sign up to receive City Communications via e-mail (www.cityofvallejo.net/subscribe)
- Sign up for emergency alerts at: alertsolano.com

Dated: Friday, April 11, 2025	Dawn C. Abrahamson for Andrea Sorce, Mayor

I, Dawn Abrahamson, City Clerk do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to

Andrea Sorce (Mayor)
Peter Bregenzer (Vice-Mayor)
Helen-Marie Gordon
Tonia Lediju, PhD
Alexander Matias
Diosdado "JR" Matulac
Charles Palmares,

at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 9:30 a.m., Friday, April 11, 2025.

Dated: Friday, April 11, 2025	Dawn C. Abrahamson

City of VALLEJO California

ACTION ITEM 4.A.

DATE: April 12, 2025
TO: Mayor and Members of the City Council
FROM: Andrew Murray, City Manager
Rekha Nayar, Finance Director
SUBJECT: **PROVIDE CITY COUNCIL WITH A PRELIMINARY BUDGET OVERVIEW OF THE FISCAL YEAR (FY) 2025-2026 BUDGET AND RECEIVE COUNCIL DIRECTION (PART 2 of 2)**

RECOMMENDATION

Provide City Council with a draft General Fund and other funds overview of the fiscal year 2025-26 budget and receive Council direction.

REASONS FOR RECOMMENDATION

As per Council request staff is providing preliminary FY 2025-2026 budget for recommendation and direction.

BACKGROUND AND DISCUSSION

On March 22, 2025 staff and City Council had a special meeting referred to as the Community Budget Workshop, to review FY 2025-2026 baseline budget, gather community input, and provide direction to staff on the development of the forthcoming proposed FY 2025-2026 budget. This workshop was an essential step in the budget preparation process, enabling key stakeholders, including community members, to voice their priorities and concerns regarding the upcoming fiscal year's budget.

The City is holding a second Community Budget Workshop on April 12, 2025.

This report provides the FY 2025-2026 baseline budget, an updated draft of the FY 2025-2026 General Fund budget, budget balancing options, and budgets for select non-General Fund funds. The baseline budget serves as the foundation from which the proposed budget is developed. It is intended to illustrate what revenues the City would receive and what expenditures it would encounter if the City continued to perform its current, ongoing programs and services.

I. Overview of the General Fund baseline budget and shortfall

On March 22, 2025, staff presented the baseline budget to the Council, highlighting a significant shortfall of $8 million. This deficit arose primarily due to two key factors. Firstly, General Fund revenues were projected to increase by less than one percent over the current fiscal year, compared to the typical three-to-four percent range observed in previous years. Secondly, certain types of expenditures were expected to rise at rates exceeding normal revenue growth.

The FY 2025-2026 General Fund baseline budget includes the following elements:

- FY 2024-2025 budget including mid-year adjustments.
- Removing one-time revenues and expenditures from FY 2024-2025.
- Adding back the 10% reduction of FY 2024-2025 of services and supplies, which were envisioned as one-time cuts.
- Adding a 3% escalation factor to services and supplies.

- Updating labor cost calculation: This update is based on the current Memorandum of Understanding (MOU) with all of the City's bargaining units and changes in benefit rates.

The baseline General Fund budget for FY 2025-2026 is summarized in the table below.

City of Vallejo
General Fund
Draft FY 2025-26 Baseline Budget

	FY 24-25 Adopted Budget	FY 25-26 Baseline in Thousands at 3.22.25
Revenues		
Tax and other unrestricted revenues	115,907	120,301
Program revenues	18,422	15,538
Subtotal, revenues	**134,329**	**135,839**
Expenditures		
Salaries and Benefits		
Salaries	63,591	67,371
Benefits		
Pension Benefit - Normal Cost	9,107	9,386
Pension Benefit - Unfunded Liability	25,154	27,468
Workers Compensation	5,608	5,610
Health benefits	6,164	8,423
Retiree health benefits - Normal Cost + RHSA		828
Retiree health benefits - Unfunded Liability		1,326
Retiree health benefits (normal + UAL)	2,157	
Social security/other benefits	2,635	2,890
Leave Payouts	500	1,100
Projected Vacancy	(6,650)	(6,000)
Anticipated Compensation increase	1,085	
Subtotal, salaries and benefits	**109,350**	**118,402**
Services and Supplies		
Vehicle maintenance	2,675	2,972
Vehicle replacement	1,662	1,846
Utilities	2,140	2,728
Service and supplies, including interfund transfers	12,168	13,346
Bonds, leases and other costs	1,674	974
Infrastructure/capital maintenance, including streets	5,145	6,786
Subtotal, service and supplies	**25,464**	**28,652**
Subtotal, expenditures before reimbursements	**134,814**	**147,054**
Interfund reimbursements		
General Liability	10,291	7,713
Citywide Overhead (CIP cost allocation)	(10,818)	(10,953)
Subtotal, interfund reimbursements	(527)	**(3,240)**
Subtotal, expenditures incl salaries	**134,288**	**143,814**
Net Revenue/Expenditures (Surplus/(Deficit))	**42**	**(7,975)**

II. Presentation of Measure P fund status (including FY 2025-2026 requests)

Effective April 1, 2023, the City began collecting 0.875% transaction tax revenue. Total budgeted revenue till FY 2024-2025 is $40M and budgeted expenditure is $27M. For FY 2025-2026, projected revenue is expected to total $17.75M, alongside proposed expenditures of $15.01M. The projected anticipated fund balance for Measure P at the end of FY 2025-2026 is $14.82M. Detailed breakdowns by Council Category are provided in **Exhibit 1**.

III. Responses to questions raised by Council at the March 22, 2025 Community Budget Workshop

At the March 22, 2025 Community Budget Workshop, the City Council asked a number of questions and requested information of staff, for staff to present at the April 12, 2025 Community Budget Workshop. These questions and requests and the responses are listed in **Exhibit 2**.

Department's General Fund expenditure trends

One request was for information on the budgeted and actual expenditures over time for each department that is primarily funded by the General Fund. This information is contained in **Exhibit 3**, with a summary of some key points below.

- In FY 2023-2024, the adopted General Fund budget totaled $133.43M, which was later revised to $139.59M due to adjustments made during the year. Actual expenditures amounted to less than the revised budget, resulting in a surplus of $6.24M being added to the total fund balance.
- For FY 2024-2025, the adopted budget was $134.29M, which is almost the same as the previous year's adopted budget. However, the current budget for FY 2024-2025 has increased to $140.00M, which includes the MOU and Midyear adjustments.
- For a complete breakdown by department, please refer to **Exhibit 3**. This exhibit provides detailed insights into the individual departmental budgets, revised budgets, actual expenditures, and variances for both FY 2023-2024 and FY 2024-2025.

Department's FTE Trends from FY 2015-2016 to FY 2024-2025

Another request for information was regarding the full-time equivalent (FTE) staffing levels for each department over the past 10 years. Details of the department's FTE trends are in **Exhibit 4**.

IV. Responses to questions and the ideas raised by the community at the March 22, 2025 Community Budget Workshop

At the March 22, 2025 Community Budget Workshop, members of the community engaged in small group work, after which they presented questions and ideas about the FY 2025-2026 budget. Responses to those questions have been provided in **Exhibit 5**.

V. Presentation of options to solve the General Fund budget shortfall

The city's General Fund has a baseline deficit of $8 million for FY 2025-2026. Staff are proposing the following options to eliminate that shortfall. Staff views some of these balancing options as only appropriate under the City's current unusual budget circumstances, the particularly large baseline shortfall and the desire to fund the contract for service with the Sheriff's Office, and not appropriate on an ongoing basis.

A. Potential Fiscal Year 2024-25 surplus

One way to help close the shortfall projected between revenues and expenditures in FY 2025-2026 is to create a higher General Fund fund balance in the current year. If the General Fund fund balance is higher in the current year, the beginning fund balance will be higher next fiscal year. Staff proposed the following ways to increase General Fund fund balance in FY 2024-2025.

- **End General Fund subsidy of Golf Fund:** The General Fund has been paying a loan that the Golf Fund owes because the Golf Fund had not been generating enough revenue to sustain itself. In FY 2024-2025, the Golf Fund is now generating enough revenue to cover this loan repayment. A $500K transfer from the Golf Fund to the General Fund to pay for this loan was approved in the FY 2024-2025 annual budget, but the funds have not yet been allocated from the Golf Fund to the General Fund. If the City allocates those funds, it will increase the FY 2024-2025 year end General Fund fund balance and FY 2025-2026 beginning fund balance by $500K.
- **Suspend contribution of CalPERS unfunded liability lump sum payment discount to Section 115 Trust:** The City is required to make payments to CalPERS to pay down the City's unfunded pension liability. The City is given the option of making a single lump sum payment to CalPERS at the beginning of the fiscal year, and receiving a discount, or making monthly payments. The City has been making annual lump sum payments each year, and it has been the City's policy, since the creation of the City's Section 115 Trust, to deposit the related discount savings into the Section 115 Trust. In July 2024, the City made its lump sum payment for FY 2024-2025, resulting in an $814K discount. Council has the option to decide not to send the discount to Pension 115 Trust and instead increase the fund balance.
- **Suspend contribution of CalPERS normal cost expense for vacant positions to Section 115 Trust:** The City must make a contribution to CalPERS each year to cover the "normal cost" for each employee. The City's practice has been to budget for each position's normal cost, even for vacant positions. If the positions remain vacant throughout the year, the City does not have to make a contribution to CalPERS for those positions. The City has historically taken the amount that is saved in normal cost contributions for vacant positions and contributed that amount to the Section 115 Trust. This is per a City budgeting practice, not a Council priority. The CalPERS normal cost contribution savings for FY 2024-2025 due to vacant positions is approximately $1.0M. The Council has the option to decide not to transfer these funds to the Section 115 Trust. City staff does not believe that suspending contributions to the Section 115 Trust for this year due to the particularly challenging budget circumstances will impact the City's future credit rating due to other budget resiliency strengths, including the presence of a Section 115 Trust for unfunded pension liabilities, a Section 115 Trust of other post-employment benefits (OPEB) liabilities, and significant General Fund revenue flexibility (when considering Measures B/V and P).
- **Make payment for retiree medical costs out of OPEB Trust rather than General Fund revenue:** The City must pay for certain health benefits for retired City employees. The liability for these benefits is referred to as OPEB. The City has a OPEB Trust for retiree medical benefits that is funded at a level nearly 80% of the liability. The City has the option of paying for these retiree health benefits out of the OPEB Trust rather than paying for them out of general revenues. The City could pay for the retiree medical expenses due in FY 2024-2025, which amount to $1.3M, out of the OPEB Trust rather than the General Fund budget. This would require a 2-step budget amendment in FY 2024-2025.

B. Potential Fiscal Year 2025-2026 expenditure reductions to close the baseline shortfall

- **Decrease Leave Payout:** The City has historically budgeted $1.1M annually for General Fund leave payout (the payment to employees that leave the City for accrued unused leave). So, the FY 2025-2026 baseline budget has $1.1M budgeted. The City is projecting to spend $500K or less on leave payout in FY 2024-2025 and expects to expend a similar amount in FY 2025-2026 due to factors such as scheduled employee salary cost of living adjustments (COLAs). If the City were to budget $500K rather than the baseline amount of $1.1M for this expense, it would save $600K.
- **Reduce Vehicle Maintenance and Replacement budget:** The FY 2024-2025 General Fund budget for vehicle maintenance and replacement included a 10% decrease that was envisioned as one-time to balance the FY 2024-2025 budget. The FY 2025-2026 baseline budget for vehicle replacement and maintenance added back the 10% decrease from the prior year and added a 3% cost escalation factor. A 10% decrease can be implemented for FY 2025-2026, which would save $480K.
- **Reduce Services and Supplies:** The FY 2024-2025 General Fund budget for services and supplies included a 10% decrease that was envisioned as one-time to balance the FY 2024-2025 budget. The FY 2025-2026 baseline budget for services and supplies added back the 10% decrease from the prior year and added a 3% cost escalation factor. A reduction of 10% in services and supplies in FY 2025-2026 from the baseline would result in an expenditure reduction of $1.2M. Staff believes that it is feasible for departments to absorb this reduction as they were able to do so in FY 2024-2025. The following services and supplies expenditures were not given a 10% reduction because they are bound by contracts already in place or they are services and supplies that the City cannot reduce the use of: janitorial and security services; utilities; animal control services; and bank service charges. An additional reduction of 10% to services and supplies would result in an additional savings of $970K. In both cases, staff would need to identify the specific services and supplies to be reduced to amount to a 10% or 20% reduction overall.
- **Reduce technology expenditures**: A 20% reduction in hardware costs would result in savings of $128K.
- **Make payment for retiree medical costs out of OPEB Trust rather than General Fund revenue:** Paying for retiree health expenses out of the OPEB Trust rather than General Fund revenue would save the General Fund $1.3M.
- **Suspend contribution of CalPERS unfunded liability lump sum payment discount to Section 115 Trust:**Suspending the contribution of the amount of the discount the City receives from making a lump sum payment to CalPERS to the Section 115 Trust would save the General Fund $889K. Below is a brief financial analysis of the benefit of making a lump sum payment to CalPERS for the unfunded liability generally opposed to making monthly payments.
    - If the amount of the lump sum payment ($26.6M) is invested into the City's sweep account and yields an annual return of 3-4%, the potential investment income is $414K.
    - If the amount of the lump sum payment ($26.6M) is sent to CalPERS at the beginning of the fiscal year, the City will get an $889K discount and save $805K in interest expense on pension liability.

Summarizing all the options listed above

THIS TABLE DOES NOT INCLUDE THE VEHICLE MAINTENANCE AND TECHNOLOGY HARDWARE REDUCTIONS

FY 25-26 Deficit	**(7,975)**
FY 24-25 Year End surplus	
FY 24-25 Golf	500
Unfunded pension discount – GF portion	814
Pension Normal savings due to Vacancy	1,000
Pay retiree health from OPEB trust	1,307
Subtotal, FY 24-25 Year End Surplus	**3,621**
FY 25-26 Reduction	
Reduce Leave Payout from $1.1M to $500k	600
Service & Supplies 10%	1,200
Service & Supplies an Additional 10%	970
Genereral Liability & Cost Allocation	(350)
Pay retiree health from OPEB trust	1,326
Unfunded Pesnion Liability Annual Discount	889
Subtotal, FY 25-26 Reduction	**4,635**
Total Surplus/(Deficit)	**281**

If the City were to implement all of the budget balancing options listed above, the FY 2025-2026 General Fund budget would go from having a $8M shortfall to having a $281K surplus.

VI. Funding options for the Sheriff’s contract

The City is interested in entering into a contract for services with the Sheriff's Office that would substantially increase police services in the City during a time when the Vallejo Police Department is experiencing critically low staffing levels. The Sheriff's Office has presented a proposal to provide 17 FTEs at an annual cost of $11.2M including equipment and overhead. The services would likely be provided January 2026 - December 2026, spanning two fiscal years. To fund these services, the City must budget for a portion of the contract expenses, as well as some additional City costs, net City savings, in FY 2025-2026 and FY 2026-2027.

City staff is proposing to fund the FY 2025-2026 portion of the Sheriff's contract through the following mechanisms:

- Allocate $1.93M from the General Liability Fund to cover insurance and liability expenses in the contract as well as the additional City liability costs due to the contract.
- Utilize investment income earned by Measure P, which totals $1.7M.
- Utilize $1.98 million in Measure P funds to cover the remaining balance.

Expenditure as per Term sheet

Personnel	5,832
Service & Supplies	403
Service Vehicles	1,277
Insurance & Liability	1,933
Sheriff's Office Admin Overhead	1,788
Total for Contract Term	**11,233**
Funding for FY 25-26	
General Liability Fund	(1,933)
Interest from Measure P Funds	(1,700)
Measure P Funding	(1,980)
Total FY 25-26	**(5,613)**

City staff need to further analyze the timing of payments due on the Sheriff's contract as well as some potential City savings in overtime and vehicle purchases and incorporate those factors into the preliminary proposed General Fund budget.

VII. Presentation of baseline budgets for certain non-General Fund funds that are requesting General Fund subsidies in FY 2025-2026 (Fiber, Marina, and Housing)

A few funds outside of the General Fund are requesting General Fund subsidies in FY 2025-2026. A summary of those funds' budget situations are presented below. The budgets of all funds outside of the General Fund will be presented within the preliminary proposed budget that will be published by May 15, 2025.

A. Fiber

The City continues to develop its broadband program, focusing on new construction projects as they are approved. The City has received an additional $3.8M to build broadband in four underserved areas, which will connect to an additional 1,000 locations.

Currently, the program generates approximately $13K per month with 80 customers. For FY 2025-2026, Fiber is projected to generate a revenue of $90K, which will not be sufficient to pay the General Fund loan of $150K for FY 2025-2026. The General Fund will need to subsidize the loan repayment or the fund will go negative. The 5-year revenue projection is around $600K per year, allowing the broadband program to become self-sustaining and repay the General Fund loan. This financial stability will ensure the long-term success and expansion of the program. By investing in broadband infrastructure, the city is making a commitment to its future growth and prosperity.

	Audited FY 23-24	Adopted FY 24-25	DRAFT Proposed FY 25-26
Beginning Available Fund Balance (a)	$ 135,823	$ 274,273	$ -
REVENUES			
Charges for services	53,069	150,000	90,000
Investment Income	-	-	-
Transfers in- General Fund Recovery (ARPA)	1,058,870	-	-
	1,111,939	150,000	90,000
EXPENDITURES			
Operating			
ARPA Expenditure	1,058,870	-	-
Utilities	-	10,000	-
Others	35,479	22,685	35,479
Debt Payment	-	150,000	150,000
	1,094,349	182,685	185,479
Net Annual Activity	17,590	(32,685)	(95,479)
Ending Available Fund Balance	**$ 153,413**	**$ 241,588**	**$ (95,479)**

B. Marina

The Vallejo Municipal Marina consists of 642 marina berths, a harbormaster facility, three restroom facilities, a highly used promenade area, fuel and guest docks, and a boat launch area. The facility is managed by F3, a third-party management company.

For FY 2025-2026, the proposed operating expenditure is $1.21 million. This will be funded by an expected revenue of $912K, with an anticipated deficit of $300K to be funded by the General Fund.

The primary revenue for the Marina is from berth rentals, with other revenue being generated from liveaboard fees, guest dock rentals, laundry fees, lockbox rentals and fuel sales. The proposed FY 2025-2026 Marina rates remain the same as the approved FY 2024–2025 rates. The most recent rate increase approved by City Council—a 5% adjustment—was implemented in Fiscal Year 2023–2024.

	Audited FY 23-24	Adopted FY 24-25	DRAFT Proposed FY 25-26
Beginning Available Fund Balance (a)	$ 82,037	$ 93,112	$ -
REVENUES			
Operations			
Berth Rentals	984,686	1,075,000	625,000
Live-aboard Fees	73,696	85,800	65,500
Other Operating Revenues	207,956	240,050	222,150
Investment Income	38,757	-	-
State Grant	196,699	-	-
Other Revenues	422	-	-
	1,502,216	1,400,850	912,650
Transfers In			
State Lands - Operations	-	-	700,000
General Fund	699,999	700,000	-
	699,999	700,000	700,000
Total Revenues	2,202,215	2,100,850	1,612,650
EXPENDITURES			
Operations			
Gasoline for Resale	102,201	108,000	104,000
Utilities	182,243	192,500	201,500
Other	1,332,463	1,096,024	904,990
	1,616,907	1,396,524	1,210,490
Debt Service	700,000	702,160	702,160
	2,316,907	2,098,684	1,912,650
Net Annual Activity	(114,692)	2,166	(300,000)
Ending Available Fund Balance	**$ (32,655)**	**$ 95,278**	**$ (300,000)**

The continued accumulation of silt and the absence of regular dredging continues to be a pressing issue for the City-owned marina. The sediment buildup is progressively reducing the marina's depth, restricting vessel access, and hindering its overall functionality. As a direct result, the marina continues to see a decline in berth rentals, which is leading to a significant decrease in rental revenue. Without the necessary dredging, the marina would face increasing difficulty in achieving financial self-sufficiency. Until adequate funding is secured for a comprehensive dredging project, these revenue losses will persist, and alternative solutions must be considered to ensure the facility's long-term sustainability.

C. Housing

The Housing and Community Development Department is projected to experience a deficit in administrative funds in FY 2026-2027. The cause of the deficit is a result of many factors, including, but not limited to, an increase in wages in the citywide MOUs, administrative funding limitations for grants, and decreases in the administrative fees from HUD for underutilization of the housing choice voucher program.

<u>Insufficient Funding for Grant Administration</u>
The funding allocation for administering the grant programs remains at a fixed amount each grant year. The maximum amounts are 20% for CDBG and 10% for HOME. As a result of the voluntary grant reduction for the HOME program, the department will not receive funding for this grant until FY 2026-2027. The total amount received for administering the CDBG grant program is $206,831.20 and the costs associated with implementing the grants are $366,739.58, a difference of $159,908.38. The difference equates to 56.4%

more in the cost of administering the grant programs compared to the amount of administrative funds received.

The number of vouchers under contract fluctuates each month to account for attrition and leasing activity. The Housing Authority is allocated 2358 vouchers, and the department receives administrative fees according to the number of families under a contract each month. Between CY 2020-2024, the average number of vouchers under contract declined by 13.58 percent and the administrative fees declined by 18.09 percent because of under-utilization.

Lack of adequate staff:

The Housing Choice Voucher and HUD grant programs are highly regulated programs that require specialized and/or learned knowledge because of their complexity. Each division within the Housing and Community Development Department requires a manager and adequate support for effective program administration. To ensure provision of full housing services, staff request an Administrative Manager position for the Housing Choice Voucher program.

FUND 121 HOUSING ADMINISTRATION

	Audited FY 23-24	Projected FY 24-25	Projected FY 25-26	Projected FY 26-27	Projected FY 27-28
Beginning Available Fund Balance	$ 2,510,263	$ 2,006,287	$ 925,657	$ (32,813)	$ (1,125,225)
Revenues					
Operating Grants and Contributions	1,988,034	2,417,488	2,428,296	2,428,296	2,428,296
Projected Increase					
Investment income	74,310	33,300			
Other Income	23,853		22,492	33,300	33,300
Total Revenues	2,086,197	2,450,788	2,450,788	2,461,596	2,461,596
Expenditures					
Salaries	1,622,338	2,247,215	2,414,264	2,546,264	2,645,264
Service and Supplies	502,791	780,226	570,000	570,000	570,000
New Asks					
Cost Allocation charges	491,628	572,624	501,248	516,285	531,774
Cost Reimbursements	(26,584)	(106,254)	(76,254)	(78,542)	(80,898)
	-	-	-	-	-
Total Expenditures	2,590,173	3,493,811	3,409,258	3,554,008	3,666,140
Net Annual Activity	(503,976)	(1,043,023)	(958,470)	(1,092,412)	(1,204,544)
Ending Available Fund Balance	$ 2,006,287	$ 963,264	(32,813)	(1,125,225)	(2,329,769)

- Requesting funding for Administrative Manager $215K
- Requesting GF to pay for security services of $70K per year

VIII. Departments' additional General Fund budget requests for FY 2025-2026

Some departments are requesting increases to their General Fund budgets beyond their baseline budgets for FY 2025-2026. Details of the departments' additional expenditure requests are in **Exhibit 6** and summarized below.

Department	FY 25-26
City Clerk	73,165
City Manager	7,500
Citywide	781,674
Economic Development	132,325
Fire	44,500
Human Resources	133,849
Information Technology	318,450
P&DS	271,000
Police	2,114,828
Public Works	106,210
Grand Total	**3,983,501**

These budget requests have not yet been fully analyzed and prioritized by the Finance Department. The Finance Department will work with the City Manager's Office to review these requests and incorporate any recommendations for these requests into the preliminary proposed budget that will be published by May 15, 2025.

FISCAL IMPACT
There is no fiscal impact

ENVIRONMENTAL REVIEW
This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	Exhibit 1 Measure P Revenue & Expenditure
2.	Exhibit 2 Council Meeting Questions from 3.22.25
3.	Exhibit 3 Budget vs Actual FY 23-24 & 24-25 by department
4.	Exhibit 4 FTEs from 15-16 to 24-25
5.	Exhibit 5 Responses to questions raised by community from 3.22.25
6.	Exhibit 6 FY25-26 General Fund Budget Asks

CONTACT
Andrew Murray, City Manager, (707) 648-4576
Andrew.Murray@cityofvallejo.net
Rekha Nayar, Finance Director
Rekha.Nayar@cityofvallejo.net

Exhibit 1

General Fund
Measure P - Transaction and Use Tax

		Current Budget	Midyear Request	DRAFT FY 25-26 Proposed
Revenues				
	Total Revenues	**40,120,453**	**(293,000)**	**17,745,000**
Expenditures				
No.	**Council Measure P Category**			
1	**Maintain emergency medical response**	500,000	323,132	1,229,000
2	**Maintain crime prevention**	2,498,200	400,000	500,000
3	**Address homelessness**	4,479,665	-	-
4	**Address blight**	650,000	-	-
5	**Address dumping**	500,000	-	500,000
6	**Repair deteriorating neighborhood streets, roads and sidewalks**	5,000,000	13,120,000	12,779,488
7	**Youth priorities**	275,000	-	-
	Total Expenditures	**13,902,865**	**13,843,132**	**15,008,488**
Net Operating Results (Fund balance)		**$ 26,217,588**	**$ 12,081,456**	**$ 14,817,968**

Exhibit 2

March 22, 2025 Study session meeting:

QUESTIONS RAISED BY COUNCIL:

1. Provide a table of FY 24-25 Budget, Actuals and Difference.
   RESPONSE: Has been attached as Exhibit 2 to the staff report.

2. Provide FTE changes for every department since 2016.

   RESPONSE: Has been attached as Exhibit 3 to the staff report.

3. In the current $6M vacancy, do we need those positions

   RESPONSE: Yes

4. Can we freeze positions?

   RESPONSE: Yes, if we need to balance the budget.

5. When will the salary study be completed?

   RESPONSE: Currently ongoing, anticipated completion in the next couple months.

6. List of employee-paid contributions for pensions.

	VPOA Police	**IAFF** Fire	**IBEW** Misc	**CAMP**	**Executive**
Classic Members (incl. employee cost-sharing)					
Contribution Rate - City (paid by Employee)	0.00%	4.40%	1.00%	1.00%	1.00%
Contribution Rate - Employee	9.00%	9.00%	8.00%	8.00%	8.00%
PEPRA members					
Contribution Rate - Employee	13.75%	13.75%	7.75%	7.75%	7.75%

7. Provide map and list of city property.

   RESPONSE: List has been attached. Link to property map: https://covit.maps.arcgis.com/apps/instant/basic/index.html?appid=744c7dc397ba4d9cb9be95aa0399dbc0

8. Current Revenue and Expenses of each property.

RESPONSE: See attached spreadsheet for lease revenue from each revenue generating property (leased property only).

Certain leased properties, such as the Ferry Building (Fund 001; see item 9) and the Empress Theater ($27k; Fund 225), have designated expenditure budgets. However, for most leased properties, there are no regularly recurring expenditures that the City is responsible for paying, and consequently, no specific allocated expenditure budgets. Expenses for these properties, for which the City is responsible, such as major maintenance/repairs, would be funded through the multi-year operating project MY2303 Real Property Management or other project specific to the work if/when there was a situation requiring such a City-funded expense.

9. Ferry Building - What is the revenue and expenditure?

RESPONSE: In FY 2023-24, total actual Ferry Building revenue was $196,013.20. Actuals for FY 2024-25 to date equal $119,233. Expenditure budget for that location totals approximately $219k for FY 2024-25.

10. What is the status of Herbert House?

RESPONSE: The Architectural Heritage and Landmarks Commission recently discussed their thoughts on the Herbert House, and they have prepared a memo to send to the Council with their recommendations. Economic Development staff are currently working on an RFP as directed by City Council, to advertise the property for a 15-year lease and rehab, or for the sale of the house separately to someone willing to rehabilitate. Concurrenlty, staff is working on the Surplus Lands Act process for a potential sale of the house and the property together.

11. Status of PD headquarters?

RESPONSE: A PD Headquarters plan has been submitted to COV Building Division for review. The architect is waiting for comments. The architect is also providing a proposal for an analysis and possible recommendation of a Corp Yard relocation.

12. Status of marina dredging?

RESPONSE: Foth and Van Dyke are working on dredging permits, however, there is no funding for dredging this 2025 season. Dredging will be possible in Fall 2026 only if $1.5-2M is allocated toward a dredging project. This budget would be used to complete dredging of the entrances of both fairways (north and south) and the areas leading to the fuel dock and guest dock. Additional budget would be needed to dredge slips and side fairways.

13. Status of bond for roads?

RESPONSE: City issued an RFP and selected a new Municipal Advisor. Currently the contract is being executed after which city will work with the MA to explore funding options for roads.

14. Can we put police or security guards at hotels?

    RESPONSE: Kirk Smith of Visit Vallejo presented to the Economic Development Commission on 4/9/25. In the presentation he mentioned that the hoteliers are considering a partnership with FLOCK. They plan to pilot the program at the Marriott.

15. How do we reinstitute the midnight basketball program as an ongoing expense?

    RESPONSE: The City Council can direct staff to include funding for midnight basketball in the proposed FY 2025-26 budget.

16. What is the status on broadband? What is the revenue generated from broadband.

    RESPONSE: The city continues to develop its broadband program, focusing on new construction projects as they are approved. The city has received an additional $3.8 million to build broadband in four underserved areas, which will connect an additional 1,000 locations. This significant funding boost will help bridge the digital divide and provide high-speed internet access to more residents. Currently, the program generates approximately $13K per month with 80 customers. We are in the second year of the program after ending our partnership with the former P3 contractor. The 5-year projection is around $600K per year, allowing the broadband program to become self-sustaining and repay the general fund loan. This financial stability will ensure the long-term success and expansion of the program. Once the loan is paid off, all revenues can be used to continue expanding broadband in the city. This program can also serve as an economic development tool to attract new businesses to the city and enhance the overall quality of life for our residents. By investing in broadband infrastructure, the city is making a commitment to its future growth and prosperity.

17. What is the plan for the abandoned buildings in District 6?

    RESPONSE: Update on City-owned properties in District 6: PG&E site and 50 Solano are being remediate, Kiewit is leased, Gen Mills is leased, South Vallejo Community Center is in use.

18. Building maintenance - What is the maintenance cost for the fire stations? This should be budgeted in Public Work's CIP plan?

    RESPONSE: The maintenance and repair of fire station facilities is funded through the Public Works project PWC111 – Public Building Repairs. This project is allocated approximately $1.1 million annually; however, the funding supports major maintenance and repairs for all City-owned facilities, not exclusively fire stations. Recent work completed at fire stations has included bay door repair and replacement, HVAC system repairs, and the installation of new appliances. Planned future work includes driveway and roof repairs at Fire Station 21, as well as a kitchen upgrade at Fire Station 25.

19. How can we stimulate sales tax revenue? Example: Gift Card program.

    RESPONSE: The Economic Development Department is currently working on implementing phase 1 of the ED Strategic Plan to assist in increasing revenues. Some of the projects being considered are Shop Local campaign (including a potential gift card program), a Marketing Strategy, continuation of the Small Business Revolving Loan fund amongst others.

20. When and how much will it cost to update the Zoning code?

    RESPONSE: Phase 2 of the zoning code updates are planned for this year and are likely to focus on the “procedures” sections of Title 16. This work will be done primarily inhouse but may require environmental review, which could be anywhere from $20k to $80k, depending on the full scope of the project/review required. It should also be noted that other additional small changes to the zoning code are also planned to be brought forth separately in 2025, to address Housing Element commitments and state law updates (such as ADU law changes).

21. Goal in the next 3 years to develop District 6. How can we do this?

    RESPONSE: Continue to clean up the area to improve the ‘curb appeal’ to attract small business owners. Remove the broken-down paddle wheel in the river and get the old General Mills site activated. Cite all the known chop shops that are eyesores. Work with the businesses that are in D6 to increase their foot traffic, reach out to them about the small business loan incentive program.

22. What is the timeline for the performance audit?

    RESPONSE: Staff are currently working on scope for the RFP.

Additional questions staff are working on responses:

1. Has there been a review of each department’s org chart?
2. What are the gaps in positions, so we can better serve the City.
3. Create a Finance & Budget committee
4. How can we track and provide transparency on other funds such as CFD?
5. Planning for unfunded pension liabilities
6. Six Flags:
    a. Funding from Six Flags revenue should be allocated in the Six Flag area.
    b. Can the City renegotiate for additional revenue with Six Flags?

Exhibit 3

Budget Account	Fiscal Year 2023 - 2024			
	Adopted Budget	Revised Budget	Actual	Revised vs Actual $ Diff
Mayor/City Council	260,179.00	261,729.00	302,762.68	(41,034)
Commissions	65,100.00	65,350.00	34,616.32	30,734
City Manager	2,905,293.00	2,946,510.00	2,316,971.77	629,538
City Clerk	250,129.00	270,129.00	328,644.25	(58,515)
Development Services	6,618,358.00	6,708,925.00	5,612,610.42	1,096,315
City Attorney	2,157,405.00	1,975,944.00	1,581,877.70	394,066
Finance	2,663,734.00	2,403,752.00	2,381,473.12	22,279
Human Resources Dept	2,587,818.00	2,353,984.00	1,870,969.12	483,015
Information Technology	1,770,381.00	1,735,863.00	1,861,919.48	(126,056)
Econ Dev	2,126,876.00	1,917,564.00	1,658,183.23	259,381
Fire Department	32,938,106.00	32,657,317.00	34,291,097.03	(1,633,780)
Police Department	57,889,656.00	55,241,157.00	53,651,045.26	1,590,112
Public Works	10,427,639.00	9,992,371.00	9,300,668.83	691,702
Non-Departmental	10,772,654.00	21,058,863.00	18,161,212.55	2,897,650
Total	**133,433,328.00**	**139,589,458.00**	**133,354,051.76**	**6,235,406**

Budget Account	Fiscal Year 2024 - 2025				
	Adopted Budget	Revised Budget	Encumbrances	Actual (as of 3/31/25)	% Revised vs Actual (at 9 months)
Mayor/City Council	316,663.00	328,059.00	649.62	209,360.45	85%
Commissions	75,794.00	75,794.00	-	802.23	1%
City Manager	3,154,632.00	3,335,669.00	12,720.93	1,500,976.84	60%
City Clerk	490,127.00	508,904.00	4,766.84	425,051.74	111%
Development Services	6,180,989.00	6,750,535.00	77,470.29	3,792,150.46	75%
City Attorney	2,439,437.00	2,613,349.00	96,424.16	1,484,794.39	76%
Finance	2,867,206.00	3,175,988.00	131,607.52	1,636,449.95	69%
Human Resources Dept	1,871,820.00	2,305,931.00	315,979.28	1,126,691.63	65%
Information Technology	2,253,438.00	2,401,041.00	5,586.15	1,676,345.47	93%
Econ Dev	2,116,247.00	2,366,008.00	205,934.48	1,156,130.78	65%
Fire Department	31,829,554.00	32,343,898.00	262,513.00	25,267,049.63	104%
Police Department	62,144,339.00	63,042,689.00	287,346.76	40,157,464.58	85%
Public Works	9,923,140.00	11,191,717.00	710,165.12	7,294,015.55	87%
Non-Departmental	8,624,168.00	9,565,216.00	1,699,462.26	5,502,020.00	77%
Total	**134,287,554.00**	**140,004,798.00**	**3,810,626.41**	**91,229,303.70**	**87%**

Exhibit 4

Personnel Summary

Authorized Full-time Equivalent (FTE) Listing

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
	Amended	Amended	Amended	Amended	Amended	Amended	Amended	Amended	Amended	Amended
General Fund										
Legislative	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Executive										
City Manager	7.00	6.00	7.00	10.00	13.00	13.00	16.00	16.00	16.00	16.00
City Clerk	2.00	2.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00
Information Technology	6.60	6.60	7.00	8.00	13.00	13.00	12.00	-	-	-
Economic Development				6.00	5.00	5.00		-	-	
Legal	13.00	11.00	13.00	13.00	13.00	13.00	14.00	14.00	14.00	14.00
Economic Development	20.75	23.75	25.00					7.00	7.00	7.00
Finance	16.00	16.00	16.00	18.00	21.00	21.00	24.00	24.00	24.00	24.00
Fire	85.00	85.00	86.00	86.00	96.00	108.00	109.00	108.00	96.00	99.00
Human Resources	8.40	9.50	9.50	14.00	14.00	14.00	15.00	15.00	15.00	16.00
Information Technology								11.50	13.50	13.50
Planning & Development Services	-	-	-	21.00	24.00	24.00	31.00	35.00	35.00	35.00
Police	166.00	170.00	172.00	173.00	175.00	187.00	201.00	190.00	201.00	201.00
Public Works	71.00	71.00	71.50	73.00	73.50	73.50	74.00	73.50	73.50	73.50
	403.75	408.85	418.00	433.00	458.50	482.50	507.00	504.00	505.00	509.00
Enterprise Funds										
Water	106.00	106.00	108.00	98.00	101.50	107.50	120.00	121.00	120.00	121.00
Information Technology										
Finance				16.00	17.00	17.00	17.00	18.00	18.00	18.00
Human Resources							1.00	1.00	1.00	-
Subtotal, Water	106.00	106.00	108.00	114.00	118.50	124.50	138.00	140.00	139.00	139.00
Marina	4.00	4.00	4.00	4.00	4.00	4.00		-	-	
Parking	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	
Fiber			1.00					-	-	
	111.00	111.00	114.00	119.00	123.50	129.50	139.00	140.00	139.00	139.00
Economic Development Funds										
Mare Island CFDs	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Works Funds										
Landscape Districts	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Corp Yard	7.00	7.00	7.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00
	12.00	12.00	12.00	12.00	13.00	13.00	13.00	14.00	14.00	14.00
Other Funds										
Housing	14.00	14.00	15.00	17.00	15.00	15.00	15.00	15.00	16.00	16.00
Self Insurance	2.00	3.50	4.50	4.00	5.00	5.00	5.00	5.00	5.00	5.00
	16.00	17.50	19.50	21.00	20.00	20.00	20.00	20.00	21.00	21.00
TOTAL	544.75	551.35	565.50	587.00	617.00	647.00	681.00	680.00	681.00	685.00

March 22, 2025 Study session meeting:

REQUESTS FROM COMMUNITY:

1. Safety in the community.

2. Review all city-owned properties: What can be earned from selling these properties?

   RESPONSE: Twenty city owned properties are collateralized and cannot immediately be sold. The value of city properties is in their long-term appreciation and use for future amenities and programs and not in their immediate sales.

   Opportunities to unlock the value of city owned properties include:

   - Develop Northern Waterfront: Contracting with developers to develop the northern waterfront into mixed use buildings and market rate housing. The land is fallow and costly to maintain. Originally envisioned by the Redevelopment Authority of Vallejo in 1966.
   - Sell Marina: Sell marina to a private entity to better maintain and enhance the waterfront.
   - 126 Ohio: a turn of the century 3 family, in current condition, modified into a rooming house style property with egress deficiencies and extensive deferred maintenance, market value of approx. $425,000 as is. In rehab condition with egress and kitchens restored into 3 separate units, $626,000.
   - Sell Vacant Lots -price to be determined
     - Marina Towers Parking Lot
     - City Parking Lot I
     - City Parking lot H
     - Broadway and Tennessee-on SLA sale now
     - Farragut residential lot between school and architectural heritage foundation.

   Lease

   - Lease the dental building. 285 Mare Island Way to a commercial office user. At $15 PSF initial term the 3,730 sq ft building would lease at a $55,950 annually with annual increases. Tenant to provide all TI and NNN cost.
   - 400 Mare Island Way, 2nd floor, Lease 30,000 sq ft class A office space. Subdividable. Lease to a commercial office user, at $15 PSF, $450,000 annually.
   - Herbert House, lease or sale, RFP currently being prepared.

3. What are the annual obligations that we must fund?

   Response: Staff are working on compiling a list.

4. Of the 10% cuts in services and supplies, what specifically was cut?

   Response: All expenses except salaries funded by general fund, hence services & supply.

5. Can we sell Water Assets/resources?

6. What are the programs that we currently fund?

7. Determine vehicle replacement plans – What vehicle companies are being considered?

   Response: The City of Vallejo's Fleet predominantly consists of Ford vehicles due to the streamlined approach it offers in terms of parts and service. By focusing on Ford units, essential components are standardized, such as tires, brake pads, filters, motor and transmission oil, and more, which are compatible across multiple models. Additionally, Fleet staff have received diagnostic training on Ford units, ensuring proper repair procedures. Significant investments have been made in Ford OEM diagnostic tools and software, which are utilized to assist in repairs. Introducing vehicles from other manufacturers would require expansion of parts inventory, the purchase of new diagnostic tools and software, and investment in additional training—resulting in substantial additional costs.

   The City primarily purchases fleet units through State or cooperative agreements. These contracts have been competitively bid and meet the City's bidding requirements. In some cases, the City will solicit quotes from companies that offer the needed vehicles or equipment when State or other cooperative agreements do not exist.

8. Address electric vehicle transition challenges – What infrastructure is needed, and can hybrid vehicles be prioritized in the meantime?

   Response: Additional electric vehicle charging stations are required. The City of Vallejo currently has 11 level 2 chargers installed at the Corp yard, 4 level 2 chargers at Fleming Hill Water Treatment Plant, and 4 level 2 chargers at City Hall. Frequent and costly vandalism of the existing charging stations at City Hall has been a challenge.

   The City currently has 5 hybrids in the fleet, and 5 more on order. The City is focusing on purchasing hybrid units for multiple reasons:

   - lack of sufficient charging stations at various City facilities where fleet units are parked;
   - there has been longer delivery times on EV units;
   - The cost of EV units typically run higher than hybrid and gas/diesel units.

   Examples of pricing obtained by Public Work, Fleet:
   EV sedan: Average $46-50K
   Hybrid: average 36-42K

   EV Utility truck: 15' 10-wheeler dump truck $650K
   Gas Utility truck: 15' 10-wheeler dump truck $275K

   EV street sweeper: No name brand $850K
   Gas street sweeper: TYMCO Diesel $355K

9. Explore better methods to engage the community beyond current email/phone lists, which only reach those already involved.

10. Various other comments from the community:
    - Highlight businesses in town
    - Promote our THREE universities
    - Improve permitting process/pricing
    - What industries does Vallejo have? Can we lean into those?
    - How can leadership better promote Vallejo?
    - How do officials and staff re-engage in Vallejo?
    - How to promote and encourage resident engagement in Commissions and Committees?
    - What is the Unhoused ROI?
    - Create/promote local job opportunities for all residents including/specifically Youths as well?
    - Reinvest and focus on economic development that includes Springs Rd, Kings Market, Sonoma Blvd, not just Downtown and Mare Island
    - Use existing Consultant developed but unutilized plans (stop paying consultants and not putting their plans into action.)

Department	FY 25-26
City Clerk	**73,165**
Laserfiche Software	73,165
City Manager	**7,500**
Citizen's Academy Ongoing Costs	7,500
Citywide	**781,674**
CMO Citywide Consulting	100,000
IT000 $1.41K & PDRAD $966K	294,674
Legal Fees - City-Wide Investigations	350,000
JPA Agreements (general membership & staffing MOU), HMIS license & supplies	37,000
Economic Development	**132,325**
ED Strategic Plan Projects	123,000
SBDC Contract	9,325
Fire	**44,500**
Hazardous Waste	14,000
Increased PW Contract -Janitorial CleanTek	4,000
Items for Recruitments/Promotional/Special Events	5,000
Office Supplies	5,500
Physical Exams	5,000
Reserve Program	10,000
Training & Conferences	1,000
Human Resources	**133,849**
Increase Software for NeoGov subscription	133,849
Information Technology	**318,450**
Phone Upgrade due to current system end of life	150,000
Rubrik Backup System costs have risen due to police data compliance	116,000
End of life data switches that make up the Vallejo network	46,000
Routine Equipment Repairs and Maintenance Services	6,450
P&DS	**271,000**
Planning: Office Renovations to Accommodate a Full Staff	14,000
Outside Plan Check Services that Exceed Staffing Capabilities	200,000
Code: Office Renovations to Accommodate a Full Staff	25,000
R/M for Returning Abatement Program	32,000
Police	**2,114,828**
Software Program Shortfall	144,328
Cradlepoint Routers for PD vehicles	35,000
Police Advanced Officer Training (AOT)	30,000
Ammunition Increase Costs	7,000
Compliance, Integrity, Accountability Division (CIAD) Office Supplies.	2,000
DOJ Mandated Trainings	75,000
Increase in Gas & Electricity	15,000
Other Supplies for Road Dots	8,000
Polygraph Services CIAD Recruitment Costs	2,050
Professional Services for Traffic/Parking Ticket Admin & Court Work	3,000
Project Manager for DOJ/CIAD	200,000
Software Program - Kronos	18,000
Software Program -RIMS, Flock & RIPA project	405,000
Space Rental Charges: Evidence Tow & Storage Fees	1,080,000
Training Police Academy	50,000
Various PD projects around cabling, Wi-Fi, and other enhancements	25,000
Software Program - Cellebrite Service Package	15,450
Public Works	**106,210**
Mare Island Preserve Operation Expenses - porta-potty rentals for public use	7,800
Solano Stormwater Alliance Dues - Municipal Regional Stormwater National Pollutant Discharge Elimination Permit management	38,410
Solano Transportation Authority (STA) Membership Dues & Lobbyist Fees	15,000
Tree Work: Mare Island Preserve, Couch St, Tennessee St	45,000
Grand Total	**3,983,501**