

City of
SACRAMENTO



Fiscal Year 2026/27
Budget Hearing

Budget Schedule

Date / Meeting*	Subject
April 29, 2026	Release of Proposed Budget
May 5, 2026 – 11:00AM Budget & Audit Committee	Fees & Charges
May 5, 2026 – 5:00PM Council	<ul style="list-style-type: none"> • Budget Overview • Budget Balancing Plan • Questions & Deliberations
May 12, 2026 – 2:00PM Council	<ul style="list-style-type: none"> • 2026-2031 Capital Improvement Program • Citywide Fees & Charges • Budget Equity Lens
May 12, 2026 – 5:00PM Council	<ul style="list-style-type: none"> • Budget Deliberations • Council Direction
May 18, 2028 – 5:30PM Measure U Commission	FY2026/27 Budget
May 26, 2026 – 11AM Budget & Audit Commission	Review of FY2026/27 Budget
June 9, 2026 – 5PM Council	Adoption of FY2026/27 Budget

*Schedule is subject to change.

May 5th Budget Hearing Summary

- Presentation of FY2026/27 Proposed Budget
 - \$1.7 Billion All Funds, \$898M General Fund
 - Closes \$66.2M Budget Gap
- Council Questions & Discussion
- Councilmembers to Submit Budget Amendment Memos for Deliberation & Council Direction on May 12th

FY2026/27 Proposed Budget (\$ in millions)

	FY2025/26 Approved	FY2026/27 Proposed	Change
All Funds	\$1,675.0	\$1,723.1	\$48.1
General Fund	\$872.5	\$898.3	\$25.8
Full-Time Equivalent Employees (FTEs)	4,984.83	4,821.07	(163.76)

The Proposed Budget is balanced and closes a \$66.2M funding gap.

Proposed Budget Balancing Plan (millions)

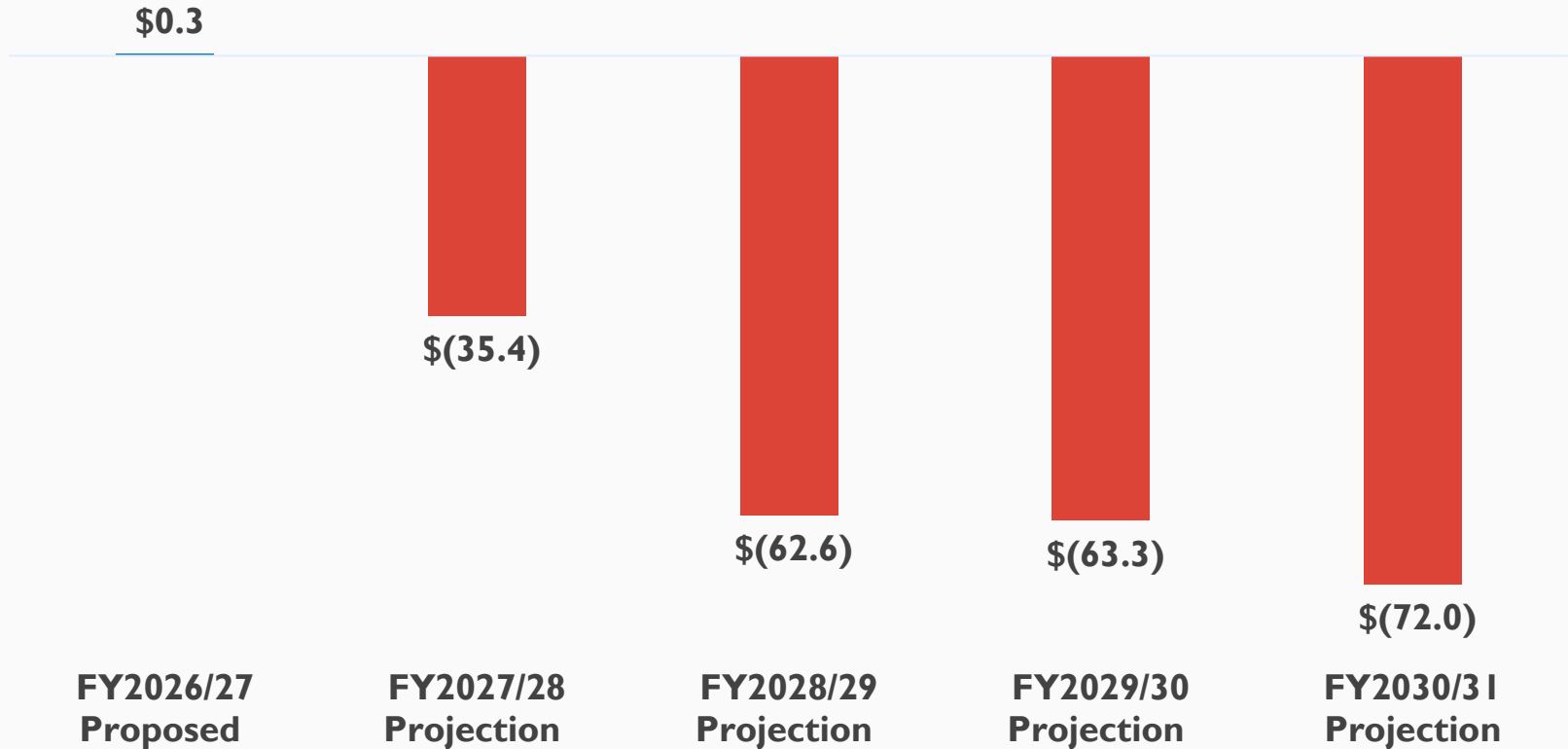
	FY2026/27	FY2027/28
Mid-Year Forecast	(\$66.2)	(\$81.8)
Labor Contract Adjustments*	(\$11.3)	(\$21.8)
Budget Balancing Strategies	\$68.8	\$51.2
Encampment Relief Funds (State Homelessness Funding)	\$2.3	\$-
HHAP Round 6 (State Homelessness Funding)	\$3.5	\$4.7
HHAP Round 7 (State Homelessness Funding)	\$-	\$6.4
Other Adjustments	\$3.2	\$5.9
End Balance	\$0.3	(\$35.4)

*Labor costs above those included in the Mid-Year Forecast.

Budget Balancing Strategies

Category	FY27 Savings
Interest on Treasury Pool	\$4.3
Debt Refunding	\$1.4
Homelessness Services Efficiencies & Partnerships	\$8.9
Departmental Revenues	\$13.6
Cost Shifts to Other Funds	\$6.9
Project Reallocations	\$11.1
Single Role Implementation Savings	\$3.5
Police Department Expense Reductions	\$7.5
Fire Department Expense Reductions	\$3.3
YPCE Expense Reductions	\$2.9
Other Departmental Expense Reductions	\$5.4
TOTAL	\$68.8

Proposed Budget - 5-Year Forecast (April 2026)



Councilmember Budget Proposals



Restorations Cost \$1.9M (*\$1.4M ongoing / \$0.5M one-time*)

- Youth Violence Prevention Funding to Community Based Organizations – GPIT restoration would be \$1.3M
- Wading Pools - \$118k
- Restoration of North Sac Economic Development Investment Project - \$260k (one-time)
- Restoration of North Sac Code Enforcement and Outreach Funding - \$201k (one-time)

Financing Sources \$3.3M (*\$1.3M ongoing / \$2.0M one-time*)

- Charge for Residential Parking Program - \$410k
- Decrease Old Sacramento Management Services - \$250k
- Freeze/Eliminate 7.0 vacant FTE in Parking Enforcement - \$556k
- Eliminate Ethics Commission - \$92k
- Reduce Economic Uncertainty Fund contribution - \$1.0M (one-time)
- Shift HHAP-6 funding from FY28 to FY27 - \$1.0M (one-time)

Proposal 2

Restorations Cost \$4.0M (\$3.6M ongoing / \$0.4M one-time)

- Hotel/Motel Shelter program - \$1.04M
- Youth Violence Prevention (GPIT Grants to Community-Based Organizations) - \$1.0M
- Office of Violence Prevention project - \$406k – one-time
- K-9 unit officer position - \$135k
- 5 CSO positions - \$505k
- 26 Park Maintenance Workers - \$567k
- Wading Pools - \$118k
- Summer at City Hall / Youth Civic Engagement - \$132k
- 2 YPCE Workforce Development positions - \$107k

Financing Sources \$9.2M (\$1.8M ongoing / \$7.4M one-time)

- Freeze/Eliminate 2.0 vacant FTE in Parking Enforcement - \$158k
- Cancel DI Parks Maintenance Contract - \$100k
- Eliminate capital funding for micro-communities - \$7.4M – one-time
- Eliminate ongoing operations funding for micro-communities - \$1.5M

Additional policy direction to restore 1-2 School Resource Officers for Natomas Unified (funded by school) & to work with State Legislative delegation to receive reimbursement for Police costs for authorized protests at the capital.

Restorations Cost \$4.5M (\$3.6M ongoing / \$0.9M one-time)

- Clerk Automation Project - \$880k – one-time
- Deputy Clerk Position - \$90k
- City Attorney Positions (restore 1 Deputy / maintain 4 Senior Deputy, restore Assistant) - \$903k
- Youth Violence Prevention (GPIT Grants to Community-Based Organizations) - \$1.0M
- Mounted Unit - \$918k
- Wading Pools - \$118k
- Recreation Swim Hours - \$464k
- Summer at City Hall / Youth Civic Engagement - \$132k

Financing Sources \$10.0M (All ongoing)

- Reduction in homelessness services contracts administered by Dept of Community Response with some of the savings being from eliminating micro-communities in D1 and D7- \$10.0M

Policy direction to restore School Resource Officers for Natomas Unified (funded by school), a cap of \$30M in General Fund for homelessness services per year, and no microcommunities in D1 or D7.

Restorations Cost \$2.3 (All ongoing)

- Wading Pools - \$118k
- Youth Violence Prevention (GPIT Grants to Community-Based Organizations) - \$1.3M
- Hart Senior Center - \$274k
- Partial Restoration of Mounted Unit - \$600k

Financing Sources \$2.3M (\$0.6M ongoing / \$1.7M one-time)

- Elimination of Ethics Commission - \$92k
- Reduction in Commission meetings / Reduced contribution to EUR if needed - \$26k
- Freeze 7.0 vacant FTE in Parking Enforcement - \$556k
- Freeze Community Ambassador Program - \$157k – one-time
- Reduced Contribution to EUR – \$1.5M – one-time

Restorations Cost \$1.5M (All ongoing)

- Wading Pools - \$118k
- Youth Violence Prevention (GPIT Grants to Community-Based Organizations) - \$1.3M
- Southside Pool - \$107k

Financing Sources \$1.5M (\$556k ongoing, \$1.0M one-time)

- Freeze/Eliminate 7.0 vacant FTE in Parking Enforcement - \$556k
- Shift HHAP-6 funding from FY28 to FY27 - \$1.0M (one-time)

Restorations Cost \$2.35M *(All ongoing)*

- Youth Violence Prevention (GPIT Grants to Community-Based Organizations) - \$1.3M
- Youth Violence Prevention (EBVIDS Grants to Community-Based Organizations) - \$0.8M
- Summer at City Hall / Youth Civic Engagement - \$132k
- Wading Pools - \$118k

Financing Sources \$2.35M *(All ongoing)*

- Elimination of vacant Police Department positions

Restorations Cost \$1.8M *(all ongoing)*

- Wading Pools - \$118k
- Recreation Swim hours - \$464k
- Hart Center - \$274k
- Mounted Unit - \$918k

Financing Sources \$35.7M - \$40.7 *(\$25.7M ongoing / \$10M-\$15M one-time)*

- Residential Parking Permit charges - \$1M
- Parking Meter Rate increase - \$740k
- Reduce Homelessness Services Contracts - \$24M
- Sell 102 Acres - \$10M-\$15M - one-time

Restorations Cost **\$3.4M** *(2.9M ongoing / \$0.5M one-time)*

- Park Maintenance Workers - \$567k
- Recreation Swim hours - \$464k
- Youth Violence Prevention (GPIT grants to Community Based Organizations - \$1.3M
- Youth Violence Prevention (additional funds) - \$500k
- Hart Center - \$274k
- IT Support Specialist positions - \$320k

Financing Sources up to **\$5.0M** with additional potential savings upon analysis

- Decrease Old Sac Management Services - \$250k
- Reduce Forensiclean contract – Up to \$4.7M
- Re-evaluate Allied Universal Security Contract – Total across all funds \$8.4M – General Fund savings dependent upon analysis
- Re-evaluate Plan Review/Permit/Inspection contracts – Total \$4.3M – General Fund savings dependent upon analysis
- Review and identify potential savings in outside counsel contracts, departmental organization, and technology/process improvements

Proposals Summary

	Total Cost	Total Financing
Proposal 1 – Restore GPIT, Wading Pools, and North Sac projects funded by parking revenues, Parking Enforcement vacancies, decreased Old Sac management services, reduced EUR contribution and shift of HHAP-6 funds from FY28 to FY27.	\$1.9M (\$1.4M ongoing)	\$3.3M (\$1.3M ongoing)
Proposal 2 – Fully restore park maintenance workers, wading pools & summer at City Hall. Partially restore GPIT, Hotel voucher, Police Positions & YPCE Workforce Development. Funded by Parking Enforcement vacancies, parks maintenance contract, capital and operating costs for microcommunities.	\$4.0M (\$3.6M ongoing)	\$9.2M (\$1.8M ongoing)
Proposal 3 – Fully restore mounted unit, summer at City Hall, Wading pools, Recreation swim hours, City Attorney staffing and Clerk project. Partially restore GPIT & Clerk staffing. Funded by reductions in homelessness services contracts. Policy direction regarding SROs, total General Fund homelessness spend and microcommunities.	\$4.5M (\$3.6M ongoing)	\$10M (\$10M ongoing)
Proposal 4 – Fully restore wading pools, GPIT, Hart Senior Center. Partially restore mounted unit. Funded by reduced EUR contribution, elimination of Ethics Commission, reduction in Commission meetings, Parking Enforcement vacancies, and freeze of Community Ambassador program.	\$2.3M (\$2.3M ongoing)	\$2.3M (\$0.6M ongoing)
Proposal 5 – Restore wading pools, GPIT & Southside pool hours funded by Parking Enforcement vacancies and shifting HHAP-6 funds from FY28 to FY27	\$1.5M (\$1.5M ongoing)	\$1.5M (\$0.6M ongoing)
Proposal 6 – Restore GPIT, EBVIDS, summer at City Hall, and wading pools funded by eliminating Police Department vacancies	\$2.4M (\$2.4M ongoing)	\$2.4M (\$2.4M ongoing)
Proposal 7 – Reduce future year deficits funded by reducing homelessness services contracts, parking revenues, and selling land (land sale funds may not be available in FY27)	\$1.8M (\$1.8M ongoing)	\$35.7M - \$40.7M (\$25.7M ongoing)
Proposal 8 – Restore Park Maintenance Workers, recreation swim hours, violence prevention funding, YPCE program coordinators, and IT staffing funded by reducing Old Sac Maintenance, Forensiclean contract, and other contract / operational savings with amounts to be determined based on analysis.	\$3.4M (\$2.9M ongoing)	Up to \$5.0M for Old Sac / Forensiclean ¹⁷ other savings TBD

Identified Restorations & Financing Ranked by # of Proposals

#	Restoration	Max FY27 Cost (millions)
1	Violence Prevention (GPIT)	\$ 1.30
2	Wading Pools	\$ 0.12
3	Recreation Swim Hours	\$ 0.46
4	Summer at City Hall	\$ 0.13
5	Violence Prevention (Other)	\$ 0.80
6	Hart Senior Center	\$ 0.27
7	Mounted Unit	\$ 0.92
8	Park Maintenance Worker positions	\$ 0.57
9	City Attorney Staffing	\$ 0.90
10	Clerk Automation Project (one-time)	\$ 0.88
11	Clerk Staffing	\$ 0.09
12	Community Service Officer III Positions	\$ 0.51
13	Hotel / Motel Vouchers	\$ 1.04
14	IT Positions	\$ 0.32
15	K9 Officer Position	\$ 0.14
16	North Sac Code Enforcement Project (one-time)	\$ 0.20
17	North Sac Economic Development Project (one-time)	\$ 0.26
18	YPCE Workforce Development Positions	\$ 0.11
TOTAL		\$ 9.01

#	Financing	Max FY27 (millions)
1	Parking Enforcement Vacancies	\$ 0.56
2	Homelessness Services Contracts	\$ 24.00
3	Eliminate Ethics Commission	\$ 0.09
4	HHAP-6 from FY28 to FY27 (one-time)	\$ 1.00
5	Old Sacramento Management Services	\$ 0.25
6	Reduced EUR Contribution (one-time)	\$ 1.51
7	Residential Parking Charges	\$ 1.00
8	District 1 New Parks Maintenance Contracts	\$ 0.10
9	Eliminate Community Ambassador Stipends	\$ 0.11
10	Eliminate Police Vacancies	\$ 2.35
11	Forensiclean Contract	\$ 4.70
12	Homelessness Services Capital (one-time)	\$ 7.40
13	Parking Meter Rate Increase	\$ 0.74
14	Reduced Commission Meetings (EUR contribution if needed)	\$ 0.03
TOTAL		\$ 43.83

Green shaded rows represent restorations or financing strategies identified by multiple Councilmembers.



Potential Mayor / City Manager Compromise Option

Restore top 3 identified Councilmember restorations with identified funding strategies.

Restoration	Cost (millions)	Financing Source	Financing Amount (millions)
Violence Prevention – GPIT Grants to Community-Based Organizations*	\$1.3	Shift of HHAP-6 from FY28 to FY27	\$1.3
Wading Pools	\$0.1	Parking Enforcement Vacancies	\$0.1
Recreation Swim Hours	\$0.5	Parking Enforcement Vacancies	\$0.5
TOTAL	\$1.9	TOTAL	\$1.9

*One-time restoration to provide bridge to potential Measure L funding.