

City of Vacaville

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COUNCIL TO CONSIDER VARIETY OF COST-CUTTING MEASURES Goal is to bring spending in line with revenues

The Vacaville City Council on Tuesday will consider a variety of agreements with the City's bargaining units designed to cut costs by over 9 percent and help bring City spending in line with revenues.

"Our employees have stepped up and made an effort to keep the City fiscally solvent," said Interim City Manager Laura Kuhn. "It's good to know they understand the gravity of the situation, and that they want to do what they can to help. Most of our employees live in Vacaville, and they want to see the City continue to thrive."

City staff has been working with the various groups that represent City employees to achieve reductions in employee costs of over 9 percent. Most of the groups offered and approved a variety of give-backs, including furloughs, reducing benefits, or a combination of other cost-saving measures. These reductions total over \$4.5 million.

If the agreements are approved, City Hall would be closed the first Friday of every month beginning June 5. The disposition of other City facilities has yet to be determined.

While tentative agreements have not been reached with all bargaining groups, meetings are ongoing. If agreements are not reached, the City's option to achieve savings is limited to layoffs. The final decision regarding any layoffs is pending the outcome of ongoing negotiations.

"We'll continue to work with those groups that haven't yet reached an agreement with the City," Kuhn said. "I'm hopeful we can reach some sort of agreement soon."

(More)

A sluggish economy, a drop in housing prices and lack of residential and commercial development has had a major impact on City revenues. Sales and property taxes are the City's two main sources of revenue.

Earlier this year the City implemented a variety of cost-cutting measures, including freezing 31 positions; implementing a range of cost-cutting measures in all departments; reducing staffing in Community Development by eight positions; and reducing all travel and training budgets. General Fund savings associated with these cuts are over \$7.6 million.

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