



2025-2026 Final Adjustments to Budget and Ordinances

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November 4, 2024



Agenda

- Finalize Operating Budget:
 - Review of Recommended and Not-Recommended Reductions
 - Finalize Budget Ordinances





Finalize Operating Budget



2025-2026 City Manager's Recommended Budget

Recommended Budget: \$2.1 billion

Operating Budget
\$1.5 billion

Capital Budget
\$0.6 billion

General, Street,
Fire Funds
\$769 million

All Other
Operating Funds
\$763 million

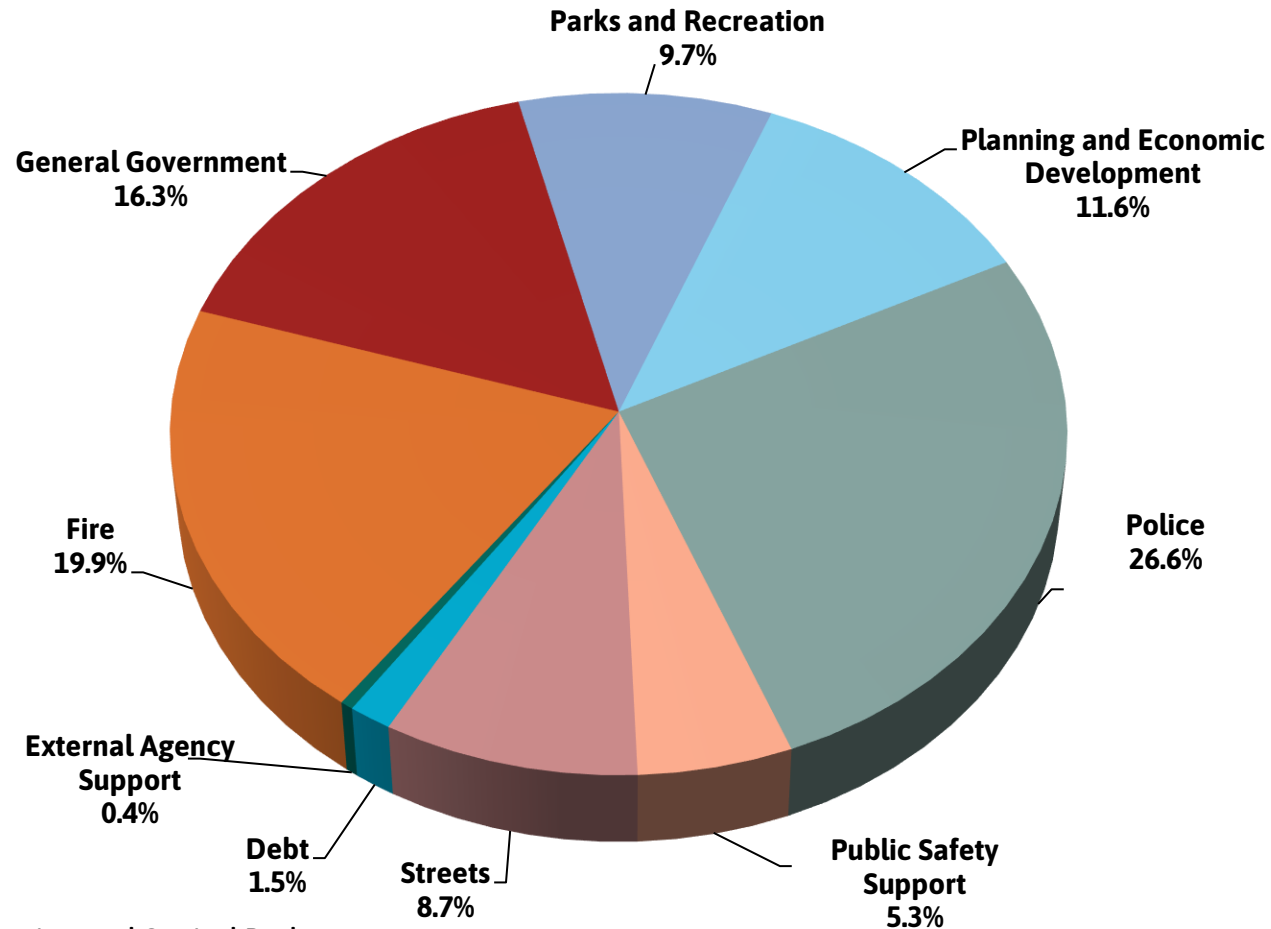
Capital Projects
\$440 million

Funding
Transfers
\$143 million



General Fund Budget Expenditures

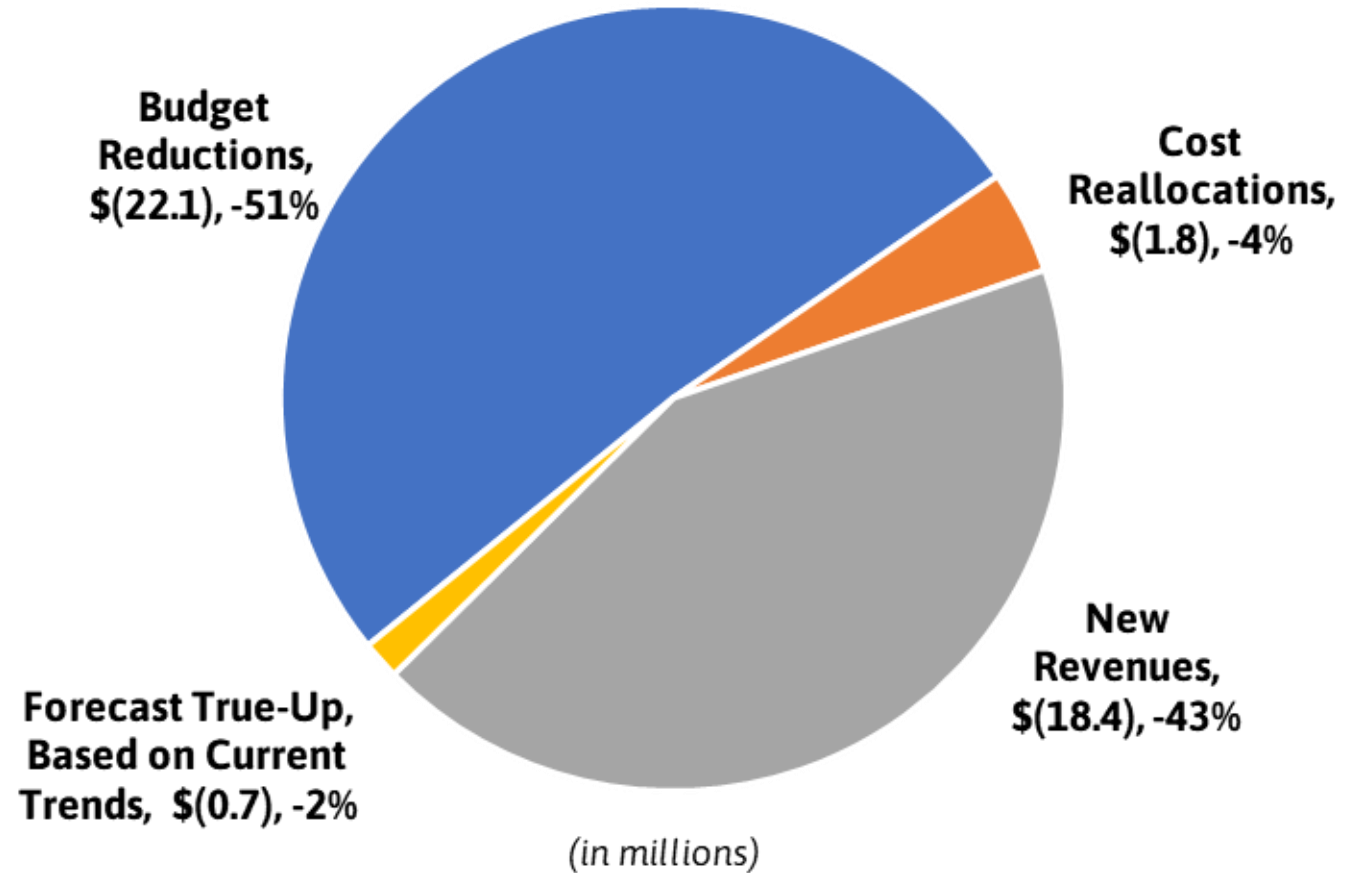
2024 General Fund Budget:
\$287.8M (fee revenue-funded expenditures removed)



2025-2026 Operating Budget

Addressing the Budget Deficit

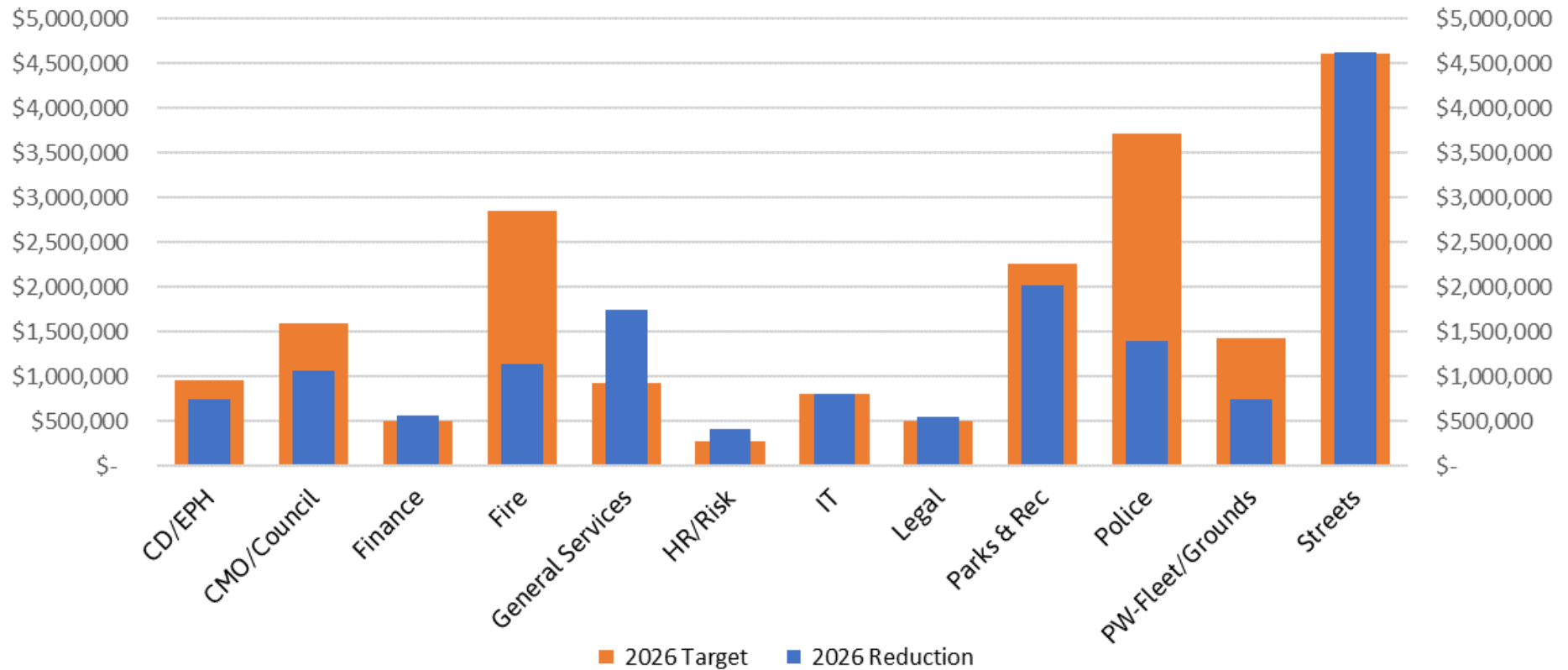
2025-26 Budget Balancing, \$(43) Million



2025-2026 Operating Budget

Addressing the Budget Deficit

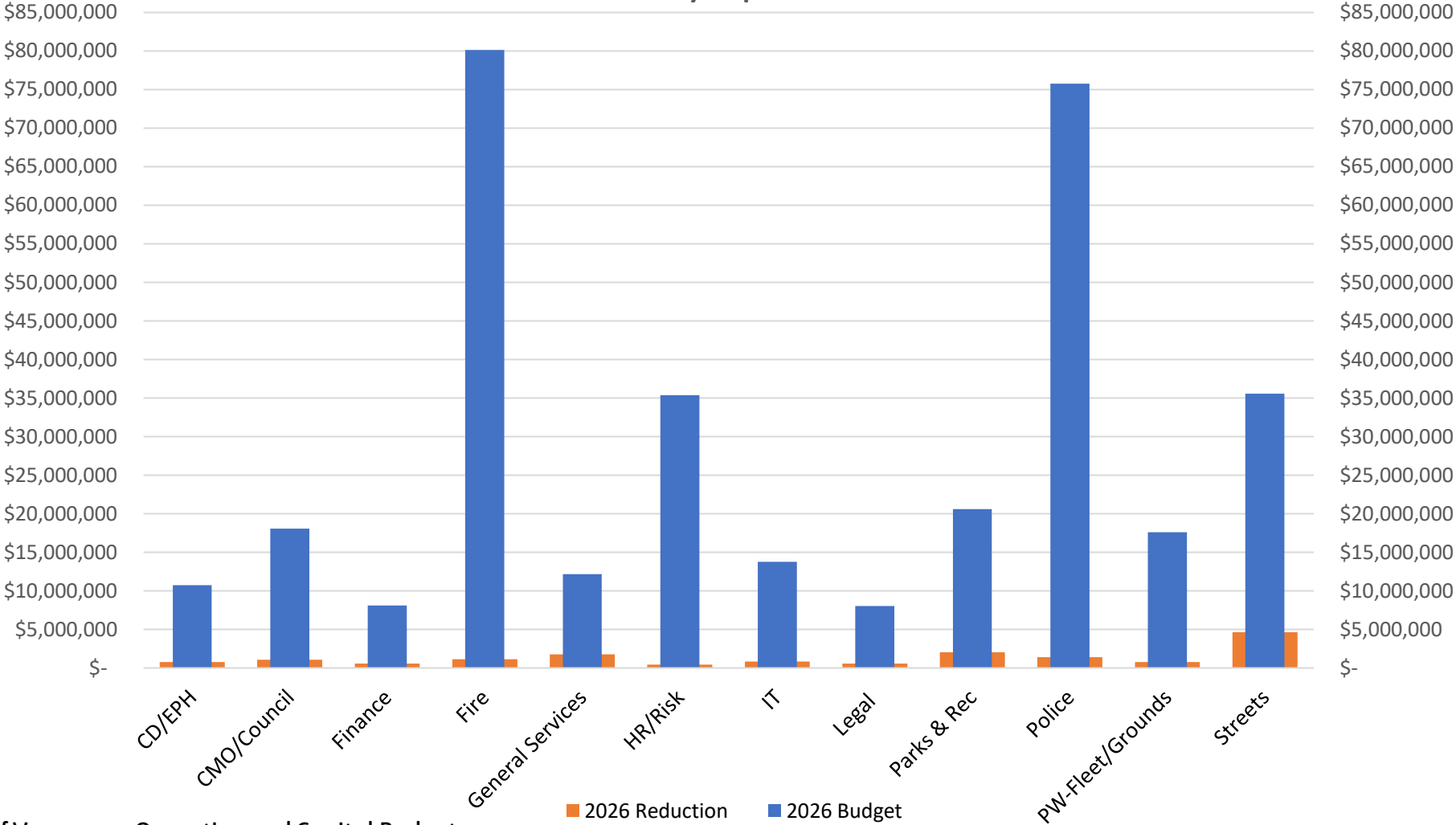
2026 Target vs Reduction/New Revenue
by Department



2025-2026 Operating Budget

Addressing the Budget Deficit

2026 Budget vs Reduction/New Revenue
by Department





Budget Reductions – Recommended



Recommended - Budget Reductions

FTE – General Fund Reductions

Department	DP Code	2025-26 Amount	2026 FTE
City Attorney's Office	LS00681 - Eliminate 0.5 FTE Assistant City Attorney II in 2025	(221,796)	(0.50)
City Attorney's Office	LS00682 - Eliminate 0.5 FTE for Assistant City Attorney II in 2025	(258,047)	(0.50)
Community Development	CD00951 - .5 FTE Support Specialist Reduction	(92,010)	(0.50)
Community Development	CD00976 - Reduce 1.0 FTE Assistant Planner Position	(226,704)	(1.00)
Economic Prosperity & Housing	EPH0162 - Remove Small Business and Entrepreneurship Coordinator FTE	(284,694)	(1.00)
General Services	GS00284 - Reduction of Emergency Preparedness Manager by .50 FTE	(204,267)	(0.50)



Recommended - Budget Reductions

FTE – General Fund Reductions *(continued)*

Department	DP Code	2025-26 Amount	2026 FTE
Parks, Recreation & Cultural Services	PR00847 - Eliminate 1.0 FTE vacant Recreation Services Manager position	(436,825)	(1.00)
Parks, Recreation & Cultural Services	PR00849 - Eliminate 0.5 FTE vacant Departmental Aide	(83,565)	(0.50)
Parks, Recreation & Cultural Services	PR00850 - Eliminate two vacant Senior Recreation Specialist 0.50 FTE positions	(231,730)	(1.00)
Parks, Recreation & Cultural Services	PR00895 - Eliminate 1.0 FTE in Fitness/Seniors - Senior Recreation Specialist	(215,007)	(1.00)
Parks, Recreation & Cultural Services	PR00898 - Eliminate two 0.50 FTEs Customer Service Representatives in community centers	(183,150)	(1.00)



Recommended - Budget Reductions

FTE by Fund Reductions

Department	DP Code	2025-26 Amount	2026 FTE
Police	PL00834 - Reduce 1.0 FTE Vacant Lead Records Specialist	(200,986)	(1.00)
Police	PL00835 - Reclass 5.0 FTE Corporal To Police Officers	(237,155)	-
Police	PL00836 - Reclass 2.0 FTE Sergeant's To Police Officers	(161,680)	-
001 General Fund Total		(3,037,616)	(9.50)
Fire	FR00949 - Fire - Reduction - 1.0 FTE Material Control in 2025	(192,819)	(1.00)
Fire	FR00950 - Fire - Reduction - 1.00 FTE Senior Support Specialist T in 2025	(199,555)	(1.00)
Fire	FR00951 - Fire - Reduction - 1.00 FTE Senior Support Specialist A in 2025	(187,035)	(1.00)
151 Fire Fund Total		(579,409)	(3.00)



Recommended - Budget Reductions

FTE by Fund Reductions

Department	DP Code	2025-26 Amount	2026 FTE
Public Works - Operations & Maintenance	PWOM00974 - 445-CC0192 Eliminate Regular 0.75 FTE Departmental Aide	(134,758)	(0.75)
445 Water Utility Fund Total		(134,758)	(0.75)
Community Development	CD00977 - Reduce 1.0 FTE Building Inspector III	(288,531)	(1.00)
Community Development	CD00978 - Reduce 1.0 FTE Building Inspector II	(266,486)	(1.00)
Community Development	CD00979 - Reduce 0.5 FTE Senior Plans Examiner	(78,066)	(0.50)
483 Building Inspection Fund Total		(633,083)	(2.50)
Economic Prosperity & Housing	EPH0127 - Parking - Remove .5 FTE Parking Officer	(88,480)	(0.50)
491 Parking Services Fund Total		(88,480)	(0.50)



Recommended - Budget Reductions

FTE by Fund Reductions

Department	DP Code	2025-26 Amount	2026 FTE
Public Works - Operations & Maintenance	PWFS00667 - 504-CC0116 Eliminate 2.0 FTE Vehicle Service Technicians	(456,838)	(2.00)
504 Fleet Services Operation Fund Total		(456,838)	(2.00)
City Attorney's Office	LS00680 - Reduce vacant Assistant City Attorney III FTE by 0.5 in 2025 and 1.0 in 2026	(338,444)	(1.00)
Financial & Management Services	FS00714 - 1.0 FTE Reduce Vacant Supplier Diversity Program Administrator	(308,364)	(1.00)
Financial & Management Services	FS00715 - 0.5 FTE Reduce Accounting Clerk Position	(106,919)	(0.50)
Financial & Management Services	FS00720 - 1.0 FTE Reduce Business Intelligence Analyst	(360,258)	(1.00)
Human Resources	HR00725 - Eliminate Vacant Department Aide FTE Positions	(122,594)	(0.80)
Human Resources	PL00837 - Reduce Human Resources Specialist (1.0 FTE)	(231,372)	(1.00)
Human Resources	HR00730 - Eliminate HR Analyst Position (1.0 FTE)	(296,245)	(1.00)
510 Internal Administrative Services Fund Total		(1,764,196)	(6.30)



Recommended - Budget Reductions

Community Impacts - Highlights

Fund	Department	DP Code	2025-26 Amount
001 General Fund	Parks, Recreation & Cultural Services	PR00878 - Volunteer Management program eliminations	(106,980)
001 General Fund	Parks, Recreation & Cultural Services	PR00879 - Eliminate travel for PRCS programs and remove vans	(458,430)
001 General Fund	Parks, Recreation & Cultural Services	PR00883 - Recreation program eliminations for Fitness and Adult, Senior & Special Programs	(52,235)
151 Fire Fund	Fire	FR00952 - Fire - Reduction - FMO Fireworks Enforcement	(41,800)
343 Parks Construction Fund	Parks, Recreation & Cultural Services	PR00878 - Volunteer Management program eliminations	(82,930)
444 Surface Water Management	PW - Operations & Maintenance	PWOM00965 - Greenway & Sensitive Lands Reduction of Community Partnership Plantings	(29,924)
445 Water Utility Fund	PW - Operations & Maintenance	PWOM00973 - Water Emergency Repair Reductions	(248,377)



Recommended - Budget Reductions

Community Impacts – Highlights *(continued)*

Fund	Department	DP Code	2025-26 Amount
445 Water Utility Fund	PW - Operations & Maintenance	PWOM00976 - Water Future Regulatory Compliance Communication Reductions	(257,000)
490 Solid Waste Fund	Public Works – Environmental Services	PW01373 - 490-CC0158 Reduce Solid Waste Funding for Community Partnerships	(400,000)
507 Facilities Maintenance Services	General Services	GS00181/GS00285 - Janitorial Services Reduction	(1,207,339)
507 Facilities Maintenance Services	General Services	GS00182 - Additional Security Services Reduction	(847,147)
508 Grounds Services Fund	PW - Operations & Maintenance	PWOM00980 - Grounds Maintenance Correction Crew Reduction	(150,000)
508 Grounds Services Fund	PW - Operations & Maintenance	PWOM00981 - Reduce Off-Season Restroom Hours	(179,275)
Grand Total			(4,061,437)





Budget Reductions – Not Recommended



Not Recommended - Budget Reductions

FTE Reductions Not Taken

Fund	Department	DP Code	2025-26 Amount	2026 FTE
001 General Fund	Parks, Recreation & Cultural Services	PR00894 - Eliminate position in Cultural Services - 1.0 Senior Recreation Specialist FTE	(\$220,409)	(1.00)
001 General Fund	Parks, Recreation & Cultural Services	PR00896 - Eliminate position in youth programs - 1.0 Senior Recreation Specialist FTE	(\$215,012)	(1.00)
001 General Fund	Police	PL00829 - Reduce 1.0 FTE Vacant Police Sergeant	(\$366,490)	(1.00)
001 General Fund	Police	PL00830 - Reduce 1.0 FTE Vacant Police Sergeant	(\$366,490)	(1.00)
001 General Fund	Police	PL00831 - Reduce 1.0 FTE Vacant Assistant Police Chief	(\$529,377)	(1.00)
001 General Fund	Police	PL00833 - Reduce 1.0 FTE Vacant Police Lieutenant	(\$404,504)	(1.00)



Not Recommended - Budget Reductions

FTE Reductions Not Taken

Fund	Department	DP Code	2025-26 Amount	2026 FTE
151 Fire Fund	Fire	FR00929 - Fire - Reduction - 1.0 FTE Deputy Chief in 2026	(\$289,690)	(1.00)
151 Fire Fund	Fire	FR00930 - Fire - Reduction - 1.0 FTE Division Chief in 2026	(\$269,494)	(1.00)
151 Fire Fund	Fire	FR00931 - Fire - FMO - Reduction - 1.0 FTE Fire Code Officer A in 2025	(\$261,386)	(1.00)
151 Fire Fund	Fire	FR00932 - Fire - FMO - Reduction - 1.0 FTE Fire Code Officer B in 2025	(\$268,502)	(1.00)
151 Fire Fund	Fire	FR00933 - Fire - FMO - Reduction - 1.0 FTE Deputy Fire Marshal in 2025	(\$294,607)	(1.00)
Grand Total			(\$3,485,961)	(11.00)



Not Recommended Budget Reductions

Community Impacts Not Taken - Highlights

Fund	Department	DP Code	2025-26 Amount
001 General Fund	General Governmental	PWOM00984 - Grounds Cemetery Maintenance Operating Reductions	(193,000)
001 General Fund	Parks, Recreation & Cultural Services	PR00882 - Reduce funding to Citywide events, including elimination of Waterfront Concert Series	(136,282)
001 General Fund	Parks, Recreation & Cultural Services	PR00884 - Reduce Summer Playgrounds program	(64,827)
001 General Fund	Parks, Recreation & Cultural Services	PR00885 - Close the community centers on holidays	(51,600)
001 General Fund	Parks, Recreation & Cultural Services	PR00886 - Recreation program eliminations for Youth Programs & Sports and Access to Recreation	(401,158)
001 General Fund	Parks, Recreation & Cultural Services	PR00888 - Recreation program eliminations for Aquatics and Adult Sports	(123,878)



Not Recommended Budget Reductions

Community Impacts Not Taken – Highlights *(continued)*

Fund	Department	DP Code	2025-26 Amount
151 Fire Fund	Fire	FR00912 - Fire - Reduction - Overtime for Captain's Academy training sessions	(120,000)
151 Fire Fund	Fire	FR00914 - Fire - Reduction - Overtime for Marine Division training	(181,834)
151 Fire Fund	Fire	FR00916 - Fire - Reduction - Eliminate Marine Division Program	(1,004,850)
504 Fleet Services Fund	PW - Operations & Maintenance	PWFS00665 - Reduce Funding for Diesel Fuel	(198,337)
508 Grounds Services Fund	PW - Operations & Maintenance	PWOM00982 - Reduce Funding for Turf Maintenance in Grounds	(191,000)
508 Grounds Services Fund	PW - Operations & Maintenance	PWOM00984 - Grounds Cemetery Maintenance Operating Reductions	(102,269)
508 Grounds Services Fund	PW - Operations & Maintenance	PWOM00985 - Preventative Tree Maintenance	(50,000)
Grand Total			(2,819,036)





Non-Profit Support



2025-2026 Operating Budget

Non-Profit Support

- **Fourth Plain Forward**
- **Vancouver Downtown Association**
- **Visit Vancouver**
- **The Historic Trust**
- **Columbia Springs**
- **Watershed Alliance**
- **Humane Society**
- **Children's Justice Center**





Finalize Budget Ordinances



Budget Ordinances

- Property Tax Ordinances (1st read: 11/4; 2d read: 11/18) *No Changes*
- Utility Rate increase ordinances: *No Changes*
 - 6% annual increase, weighted
 - Change basis to all gross revenues
- Special license fees adjusted for inflationary pressures *No Changes*
- Credit card company fees passed to consumers *No Changes*
- Fire Marshal's fees, land use and other fee updates *No Changes*
- Recommend to TBD: to increase license fee *No Changes*



Budget Ordinances *(continued)*

- **New Taxes**

- Cable utility excise tax - 6% *No Changes*
- Commercial parking tax - \$0.15 per transaction in lots and \$0.20 for street *No Changes*
- Admissions Tax (Movie Theatres >two screens) – 5% *No Changes*
- B&O Tax \$0.001/\$1,000 on Retailing (bridge shelter) *No Changes*
- Cultural Access Sales Tax 1/10 of 1% *Discuss*



NEW Tax – Arts and Culture Sales Tax

- Proposed Implementation Date 1/1/2026
(7-year duration) *Effective date could be as early as 1/1/2025*
- Annual Revenue \$7.1 Million
- 0.1% Sales Tax in Vancouver city limits
- Supports:
 - Student access to culture and arts (5%)
 - Expanded Culture Grants program (\$325K per year)
 - Capital investment in new cultural facilities in the Vancouver Arts District



NEW Tax – Arts and Culture Sales Tax

Cultural access program—Supplantation Prohibition

- City prohibited from “replac[ing] or materially diminish[ing]” funding that has been “usually and customarily provide[d] to cultural associations”
- CAP sales tax revenues may not be used to replace programs City has traditionally provided



NEW Tax – Arts and Culture Sales Tax

- Funding eligibility requires creation of **CAP** (Cultural Access Program)
- Program must:
 - Provide/continue providing funding to cultural organizations that provide discernible public benefits (wide range)
 - Adopt guidelines establishing (a) baseline standard of continuous performance with respect to public benefits and (b) evaluating the eligibility of any cultural organization to receive funds
 - Develop/provide Public School CAP



NEW Tax – Arts and Culture Sales Tax

○ Options

- Establish Advisory Council made up of residents of the City who represent constituencies/organizations with interests relevant to program
 - Business leaders
 - Educational leaders
 - Cultural community leaders
- Appoint a Designated Entity (e.g., CAHC) to manage distribution of the funds



NEW Tax – Arts and Culture Sales Tax

- City's obligations
 - Create CAP (Cultural Access Program) by ordinance
 - Determine and Adopt:
 - A range of public benefits that cultural organizations may provide for eligibility to receive funding from sales tax
 - If any admin costs of the program to be funded (includes outreach on future public benefits)
 - Develop and provide a Public Student Access to Culture and Arts program
 - Specify funding allocation



NEW Tax – Arts and Culture Sales Tax -

ALLOCATIONS: The City Must Determine:

- (1) Percentage, if any, for start-up funding
- (2) Amount, reserved for direct administrative costs
- (3) The percentage of total funds available annually to be reserved for a public school CAP (not less than 5%)
- (4) Remaining funds distributed by entity designated to administer the program based on City-determined
 - Guidelines
 - Criteria
 - Procedures
 - Identified public benefits



NEW Tax – Arts and Culture Sales Tax -

PROPOSED ALLOCATIONS:

- | | |
|--|------|
| (1) Percentage, if any, for start-up funding | None |
| (2) Amount, if any, reserved for direct administrative costs | None |
| (3) The percentage of total funds available annually to be reserved for a public school cultural access program | 5% |
| (4) Remaining funds must be distributed by the city to the entity designated to administer the program: | |
| - Program benefit, criteria, desired outcome and eligibility to be developed by City/CAHC for Operating Cult. Access Program | 5% |
| - Program benefit, criteria, desired outcome and eligibility to be developed by City/CAHC for Capital Cult. Access Program | 90% |



Discussion





Next Steps

- City of Vancouver Adopted Budget:
 - Published – Sept. 30
 - Budget Overview Workshop – Oct. 7
 - Operating Workshop – Oct. 14
 - Capital & Ordinances – Oct. 28
 - **Finalize Budget and Ordinances – Nov. 4**
 - **First Reading – Nov. 18**
 - **Public Hearing & Adoption– Dec. 2**



Thank You

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