



Folsom City Council Staff Report

MEETING DATE:	7/8/2025
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 11435 – A Resolution Approving Deferral of Hiring Ten (10) Firefighters Due to Over \$3 Million Dollars in Projected FY 2025/2026 Operational Deficit
FROM:	City Manager's Office

RECOMMENDATION / CITY COUNCIL ACTION

The City Manager recommends that the City Council pass and adopt Resolution No. 11435 - A Resolution approving deferral of hiring ten (10) firefighters due to over \$3 million dollars in projected FY 2025/2026 operational deficit.

BACKGROUND / ISSUE

On June 24, 2025, the Folsom City Council approved the FY 2025/2026 Budget that utilizes more than \$3 million dollars of General Fund reserves to cover the projected expenses for the year. This budget was passed with the expectation that City staff would continue to look for ways to reduce costs to close the deficit.

Currently, there is an open recruitment to fill 10 firefighter vacancies. Conditional offers have been extended, and those firefighters are scheduled to begin their employment with the City of Folsom on July 21, 2025. Considering the City's shortfall in the General Fund, is it prudent for the City of Folsom to fill those positions?

POLICY / RULE

Pursuant to Section 2.02 of the City Charter, all powers of the City shall be vested in the City Council except as otherwise provided by the City Charter. Under Section 3.03 of the City Charter and Section 2.08.040 of the Folsom Municipal Code, the City Manager shall be responsible for the appointment, removal, and discipline of all City employees.

Hiring, determining the method of financing, organizational structure, size and composition of the work force, and maintaining order and efficiency in City facilities and operations are management rights under Article II of the Memorandum of Understanding between City of Folsom and Sacramento Area Firefighters Local 522, IAFF, Folsom Unit.

ANALYSIS

The City Manager recommends that the City Council defer the hiring of ten (10) firefighter positions due to over \$3 million dollars in the City's projected operational deficit for Fiscal Year 25/26. Deferring the hires will result in an estimated cost savings of approximately \$2 million and is a necessary step toward achieving near-term fiscal sustainability.

Staff recognizes the long-term importance of public safety staffing and recommends this action only as a temporary measure. The positions will remain authorized in the budget, and hiring may be revisited when the City's financial condition stabilizes.

Are other General Fund position vacancies being considered for deferral?

Yes, as discussed in the recent budget hearings City staff is exploring all options to reduce General Fund expenditures to close the deficit. The firefighter positions are a current focus since conditional offers of employment have been extended and the start date for those candidates is scheduled for July 21, 2025. Time is of the essence, and we need to decide whether to move forward with the hires very quickly.

Additionally, the City Manager has asked the Human Resources Department to assess all current position vacancies, identify those positions that are 100% funded by the General Fund and implement a preliminary and immediate General Fund hiring freeze. Please note that there are essential vacancies in the Finance Department that may be partially funded by the General Fund which will still be filled.

How will not hiring these firefighters affect the operations of the fire department?

Not hiring these positions will result in a reduction in service to the community. To realize savings and reduce overtime costs a fire station may need to be browned out.

Fire Station Brown Out:

A fire station brownout refers to a temporary, planned reduction in fire department services due to budget constraints, staffing shortages, or other resource limitations. Specifically, it usually means that:

- A fire station is partially or fully closed for a period of time.
- One or more fire engines, trucks, or ambulances are taken out of service.
- The crew from that station is either reassigned or not staffed, reducing the department's overall response capacity.

Key Points:

- Not a full shutdown: Unlike a permanent closure, a brownout is meant to be temporary and often rotates among different stations to spread the impact.
- Response times may increase: With fewer units available, neighboring stations must cover a wider area, which can lead to delays in emergency response.

FINANCIAL IMPACT

The adopted FY 2025/2026 budget shows an operational deficit of over \$3 million dollars in the General Fund. The savings of not hiring the 10 firefighters in FY 2025/2026 is expected to create a savings of approximately \$2,000,000, which will reduce the use of General Fund reserves to approximately \$1,000,000.

ALTERNATIVES

- Proceed with the hiring of the 10 firefighter positions and identify alternative cuts or revenue sources to address the deficit.
- Approve a partial hiring (e.g., 4 positions) to balance fiscal responsibility and public safety.
- Approve the staff recommendation to defer all 10 firefighter hires until a later date.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines section 15061(b)(3)). This action pertains to City budget and personnel and is not subject to CEQA. No environmental review is required.

ATTACHMENT

1. Resolution No. 11435 – A Resolution Approving Deferral of Hiring Ten (10) Firefighters Due to Over \$3 Million Dollars in Projected FY 2025/2026 Operational Deficit

Submitted,

Bryan Whitemyer, CITY MANAGER