

# FINANCE, ECONOMIC DEVELOPMENT, TECHNOLOGY COMMITTEE

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**Presented By:  
David Cavazos  
City Manager**

**March 9, 2015**



# AGENDA

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- **Budget/CIP Calendar-Next Steps: Agenda Item 6**
- **Pension Costs: Agenda Item 7**
- **Gas Tax Allocation Update: Agenda Item 8**
- **Wi-Fi Update: Agenda Item 11**



# BUDGET/CIP CALENDAR-NEXT STEPS

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- **March 17, 2015: Present City Manager's General Fund Trial Budget & Preliminary CIP to City Council**
- **March 30, 2015: Community Budget Outreach-Budget, Strategic Plan & CIP Updates**
- **April 2015:**
  - **Community Budget Hearings**
  - **Preliminary Seven-Year Capital Improvement Program presentation to the Planning Commission**
- **May 2015:**
  - **Council Review of Trial Budget & CIP**
  - **City Manager's Proposed FY15-16 Budget Work Study Session includes CIP, Miscellaneous Fees & Personnel Resolutions**
- **June 2, 2015: Tentative Budget/CIP Ordinance Adoption**
- **June 16, 2015: Final Budget/CIP Ordinance Adoption**
- **July 1, 2015: Start of the New Fiscal Year**



# PENSION COSTS AND RETIREE HEALTHCARE

- Pension

- CALPERS-June 30, 2013 (Actuarial Valuation Date):

	<b>Unfunded Actuarial Accrued Liability (UAAL)</b>	<b>Funded Ratio</b>
Miscellaneous	\$199,494,277	71.4%
Safety	\$230,030,446	74.9 %
Total	\$429,524,723	

- Report issued by California Policy Center dated February 2015, “California City Pension Burdens”

- Santa Ana is ranked #150

- Retiree Health Care (OPEB)

- Unfunded Actuarial Liability

- \$43,753,000



# PENSION COSTS AND RETIREE HEALTHCARE – PROPOSED STRATEGIES

- **Establish an Employee Stabilization Rate Reserve Fund to protect against future rate volatility**
  - Funded annually
  - Amount no less than \$500,000
  - Total amount not to exceed 10% of total net surplus
  
- **Prepay CalPERS annual requirements for both Safety and Miscellaneous plans**
  - Analyze Cash Flow position
  - Currently requesting information from CalPERS
  
- **Retain an Actuarial Consultant**
  - Conduct savings analysis to determine feasibility in funding an additional \$1 million lump sum payment to CalPERS to reduce unfunded actuarial liability
    - 10, 15 or 20 year period



# GAS TAX ALLOCATION UPDATE

## Revenues by Fiscal Year

	1 <sup>st</sup> Estimate (January)	2 <sup>nd</sup> Estimate (March/May)	Actuals
▪ FY 2013-14	\$10,023,404	\$ 9,457,585	\$11,117,439
▪ FY 2014-15	\$ 8,922,710	\$10,124,386	\$10,000,000 (Projected)
▪ FY 2015-16	\$ 8,134,375	\$ 7,527,406	TBD

▪ \*Estimate is provided by California Local Government Finance Almanac

## Funding for Fiscal Year 2015-16

- Projected to be reduced by 23%, from the prior fiscal year

## Revenues

- Fiscal Year 2014-15 (budgeted) - \$10,340,000
- Fiscal Year 2015-16 (estimated) - \$ 7,527,406

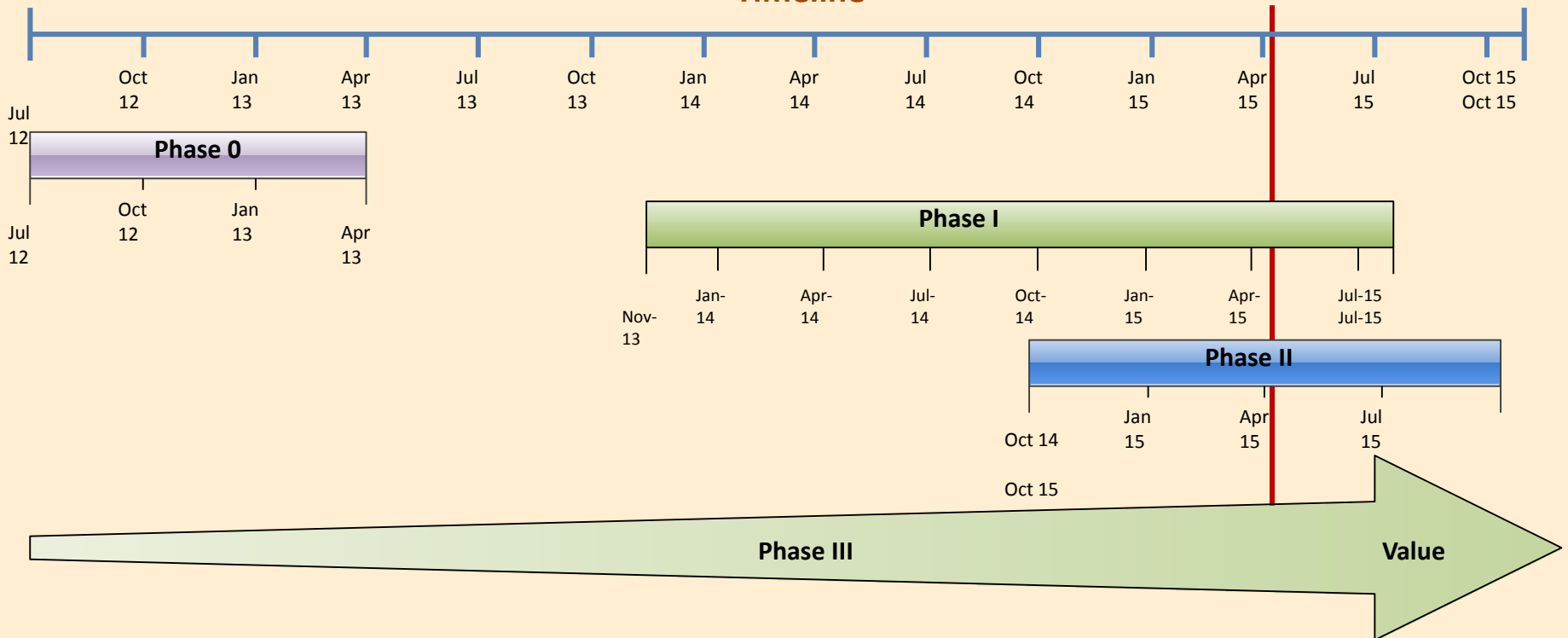
## Impact of Reduction

- Debt Service Obligations – 1<sup>ST</sup> Priority
- Maintenance of Roads (Signals, Medians, Roadway) – 2<sup>ND</sup> Priority
- Capital Improvement Projects – 3<sup>RD</sup> Priority



# WI-FI UPDATE

## Mobility Technology Initiative - Timeline



# WI-FI UPDATE

	Location	Agency/ Department	Wi-Fi Equipment Installed	Broadband Installed	Wi-Fi Active
1	City Hall	Multiple	✓		✓
2	City Council Chamber	COC	✓		✓
3	Santa Ana Senior Center	PRCSA	✓	✓	✓
4	Corbin Center / Southwest Senior Center	PRCSA	✓	✓	✓
5	Garfield Center	PRCSA	✓	✓	✓
6	Ross Building	PWA-PBA	✓		✓
7	Central Library	PRCSA-LIB	✓		✓
8	Newhope Library Branch	PRCSA-LIB	✓	✓	✓
9	Centennial Park - Trailer	PRCSA	✓		
10	Jerome Rec. Center*	PRCSA	✓		
11	Logan Rec. Center	PRCSA	✓		
12	City Yard	Multiple	✓	✓	✓
13	McFadden Youth Center	SAPD	✓		
14	Memorial Rec. Center*	PRCSA	✓		
15	El Salvador Community Center*	PRCSA	✓		
16	Salgado Rec. Center*	PRCSA	✓		
17	Wildlife & Watershed Interpretative Center	PRCSA	✓		
18	Santa Anita Rec. Center*	PRCSA	✓		
19	Eddie West Stadium	PRCSA	✓		
20	Train Station	PWA	✓	✓	✓
21	Santa Ana Zoo at Prentice Park	PRCSA	✓		
22	Santiago Lawn Bowling Center	PRCSA	✓		
23	Court Yard of City Hall	PRCSA	✓		✓
24	Sandpointe Rec. Center	PRCSA	✓		
25	Police Admin	SAPD		✓	

## Color Codes

Waiting for Wireless Equipment. Purchase Rec Submitted Jan 6, 2015

Not needed

Waiting on Time Warner installation of Fiber Optic Broadband

