



CITY OF NEWPORT BEACH FINANCE COMMITTEE AGENDA - Final

100 Civic Center Drive - Newport Coast Conference Room, Bay 2E
Thursday, October 15, 2015 - 4:00 PM

Finance Committee Members:

Keith Curry, Chair / Council Member
Diane Dixon, Mayor Pro Tem
Tony Petros, Council Member
William C. O'Neill, Committee Member
Larry Tucker, Committee Member
John Warner, Committee Member
Vacant, Committee Member

Staff Members:

Dave Kiff, City Manager
Dan Matusiewicz, Finance Director / Treasurer
Steve Montano, Deputy Director, Finance
Marlene Burns, Administrative Specialist to the Finance Director

The Finance Committee meeting is subject to the Ralph M. Brown Act. Among other things, the Brown Act requires that the Finance Committee agenda be posted at least seventy-two (72) hours in advance of each regular meeting and that the public be allowed to comment on agenda items before the Committee and items not on the agenda but are within the subject matter jurisdiction of the Finance Committee. The Chair may limit public comments to a reasonable amount of time, generally three (3) minutes per person.

The City of Newport Beach's goal is to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, we will attempt to accommodate you in every reasonable manner. Please contact Dan Matusiewicz, Finance Director, at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible at (949) 644-3123 or dmatusiewicz@newportbeachca.gov.

NOTICE REGARDING PRESENTATIONS REQUIRING USE OF CITY EQUIPMENT

Any presentation requiring the use of the City of Newport Beach's equipment must be submitted to the Finance Department 24 hours prior to the scheduled meeting.

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS

Public comments are invited on agenda items. Speakers must limit comments to three (3) minutes. Before speaking, we invite, but do not require, you to state your name for the record. The Finance Committee has the discretion to extend or shorten the speakers' time limit on agenda items, provided the time limit adjustment is applied equally to all speakers. As a courtesy, please turn cell phones off or set them in the silent mode.

IV. CONSENT CALENDAR

A. MINUTES OF SEPTEMBER 16, 2015

Recommended Action:

Approve and file.

[DRAFT MINUTES 091615](#)

V. CURRENT BUSINESS

A. DISCUSS SCHEDULE FOR NEXT FINANCE COMMITTEE MEETING OF NOVEMBER 12, 2015

Summary:

Due to a scheduling conflict, the Finance Committee should discuss an alternate meeting date and/or time for the November meeting.

Recommended Action:

Finance Committee should set the date and time for the November Finance Committee Meeting.

B. RETIREE HEALTH LIABILITY (OPEB)

Summary:

The City obtains an actuarial valuation for its retiree health program every other year. The purpose of the valuation is to measure the City's liability for retiree health benefits and to determine the City's accounting requirements under the Government Accounting Standards Board (GASB) Statement No. 45. Marilyn Jones, Consulting Actuary, from Nyhart will be present to answer any questions regarding the June 30, 2015, valuation.

Recommended Action:

Staff welcomes the Finance Committee to discuss the June 30, 2015, Actuarial Valuation and to provide comment to staff's proposed changes to the discount rate used in measuring the related OPEB liabilities.

[STAFF REPORT](#)
[ATTACHMENT A](#)

C. IMPLEMENTATION OF BUDGET PREPARATION FRAMEWORK - REVIEW OF OPERATING BUDGET, SESSION 1

Summary:

During the August 13, 2015, Finance Committee meeting, members discussed pursuing actions for bringing greater transparency and accountability during the annual budget development process. Staff believes that following a proposed budget preparation framework consisting of budget principles, and associated strategies and tactics can be a reliable vehicle for improving the City's budget process. In furtherance of Budget Framework Tactic T.10.1, the goal of this presentation will be to familiarize members of the Finance Committee with the elements of the FY 2015-16 Recreation and Senior Services Department departmental budget, provide opportunity for questions, and to gain clarity in the funding allocations for departmental programs. Staff will schedule similar Finance Committee presentations covering the operating budgets of other departments over the next few months.

Recommended Action:

In furtherance of Budget Framework Tactic T.10.1, review, ask questions, and provide comment relating to the Recreation and Senior Services FY 2015-16 operating budget.

[STAFF REPORT](#)

[ATTACHMENT A](#)

[ATTACHMENT B](#)

VI. ADJOURNMENT

Burns, Marlene

From: Jim Mosher
Sent: Sunday, October 11, 2015 8:15 PM
To: Burns, Marlene
Cc: Matusiewicz, Dan
Subject: Suggested corrections to Finance Committee draft minutes
Attachments: 2015Oct15_FinanceCommittee_AgendaItem_IV.A_Comments_JimMosher.pdf

Marlene,

Please find attached some suggested minor corrections to the draft September 16th Finance Committee minutes (to be considered at this Thursday's meeting of the Committee).

I might also point out a couple of problems I noticed with the agenda on Legistar:

<https://newportbeach.legistar.com/View.ashx?M=A&ID=437367&GUID=64FE55A0-7A1A-48D2-8C07-076230758A2A>

1. It says in the fine print at the top that, as required by the Brown Act, the public may comment on "*items not on the agenda but are within the subject matter jurisdiction of the Finance Committee*," but no specific time has been set for this in the agenda.

Formerly Item III. PUBLIC COMMENTS read "*Public comments are invited on agenda **and non-agenda items generally considered to be within the subject matter jurisdiction of the Finance Committee***," but for some reason the part in bold has been lost. The missing words should probably be restored, or a new item added for non-agenda comments (many committees put that near the end).

2. Prior to the addition of citizen members in January, the agendas always ended, just before the Adjournment, with an item "(6) FINANCE COMMITTEE ANNOUNCEMENTS OR MATTERS WHICH MEMBERS WOULD LIKE PLACED ON A FUTURE AGENDA FOR DISCUSSION, ACTION OR REPORT (NON-DISCUSSION ITEM)." Although not required by the Brown Act, that item looks like it has been inadvertently omitted since February.

3. Although apparently required by the Brown Act only with respect to ADA issues, I might suggest it would also be good to specify a clear person the public should contact with more general questions about the Committee or the agenda, or more generally how to contact the Finance Department (especially since they are asked to do so with regard to requests to use City presentation equipment). A reasonable person might suppose it's the same as the ADA contact person, but it's not obvious. And it might even be useful to list a generic contact, since the specific person listed may be out of their office, in which case the public is uncertain who to call or email.

Yours sincerely,

Jim Mosher

October 15, 2015, Finance Committee Meeting Comment

These comments related to the Newport Beach City Council Finance Committee are submitted by:
Jim Mosher (jimmosher@yahoo.com), 2210 Private Road, Newport Beach 92660 (949-548-6229)

PUBLIC COMMENT ON A NON-AGENDA ITEM

Chair Curry and members of the Committee, my name is Jim Mosher.

As I am sure most of the Finance Committee members are aware, there is currently a vacancy on the Committee.

In view of that, I think those who were not present at Tuesday's Council meeting deserve to know that at it Councilman Scott Peotter presented his nomination to fill the vacancy, which he has been empowered to do by the Committee's enabling resolution, and his nominee happened to be me.

Normally, the ratification of a fellow Council member's nomination is a matter of professional courtesy; or in the words of the prayer that opened Tuesday's meeting, an action taken out of a spirit of love, humility, respect for others and a desire to work together for a greater good. Instead, possibly for the first time in the City's 109 year history, and without benefit of those voting against him having engaged the person in question in a dialog on the matters of concern to them, a majority of the Council refused to accept their colleague's recommendation for the position – because, we are told, the appointment would have wreaked havoc on the City.

As a result, if the current vacancy on the Finance Committee is not to become permanent, Councilman Peotter has now apparently been given the difficult task of finding a citizen volunteer who has not supported him politically (for the record, I did not vote for him or *any* of the current City Council members), who has directed budget management in a private or public sector financial department for a minimum of 15 to 20 years, and who will be more serious and diligent than me about staying focused on the issues, going into the numbers and thinking well about them – yet a volunteer who has not previously shown enough interest in the City's finances to have commented on them or to have attended any of the meetings of the Finance Committee.

While I freely admit to not having a financial background, the charges against me I most resent are that I am frequently wrong about facts and have a long history of advocating positions counterproductive to a well managed City.

The impression that my facts are wrong is certainly one that might result from the format of public meetings in Newport Beach, in which after public speakers speak City staff is invited to rebut their comments, but the speaker is given no opportunity to respond to the rebuttal. The more times one speaks, the more times the public hears the speaker is wrong. And the public has certainly heard *many* times that I am wrong. Despite that impression, I take particular pride in my efforts to verify the accuracy of what I say -- although I recognize that effort is ultimately limited by the accuracy of the information on which it is based, which is City documents.

But since facts ultimately speak for themselves, and mine in the end most often prove to be correct, I far more resent the statement that my positions are part of a misguided effort counterproductive to the well-being of the City and by implication that they are out of tune with the mainstream of public thought.

As one of many examples to the contrary, *all* the current City Council members and at least one of the current citizen appointees on the Finance Committee publicly stated that passage of Measure Y in 2014 would be beneficial to the City. The “correctness” of that position is certainly questionable since 69.4% of the voting public demonstrated with their votes that they thought passage was NOT beneficial and NOT good for the well-being of the City – a position I had consistently taken at every public meeting. While the Council and Committee members may continue to feel my understanding of Measure Y and my position on it was wrong, pre-judging alternate viewpoints as invalid and excluding from ones deliberations all those with whom one disagrees doesn’t seem good governance.

As a second and more discrete example, at its August 13th meeting the Finance Committee discussed the City’s Vehicle Replacement Policy, F-9. Although it may not be clear from the written minutes, I believe I was the only one in the room to suggest staff should revisit the proposed revision making it appear it was mandatory to shift vehicles out of active service when they reached a preset mileage or number of years. Again, my position may have been, and may still be, wrong, but at its October 13th Study Session, the full Council directed Policy F-9 back to the Finance Committee to address that exact issue. Thus in retrospect my comments on August 13th do NOT seem to have been out of the mainstream of thought nor to have had the time-wasting “counterproductive to good management” irrelevance the Committee seems to have assigned to them.

While appreciating the psychological difficulty of working *with*, rather than *against*, ones persistent critics, I find it strange the Council has so little confidence in its own power as to be unwilling to even try that experiment for the three months remaining in the existing vacancy.

I believe I would make a very good Finance Committee member and bring to the Committee a perspective that a candidate with a more solid financial background, but a lesser understanding of the past and current workings of the Newport Beach City government, could not.

I wish to assure the Council and the Committee that my application for appointment remains active and I hope I will be included in any future interview process.

**CITY OF NEWPORT BEACH
FINANCE COMMITTEE
SEPTEMBER 16, 2015 MEETING MINUTES**

I. CALL MEETING TO ORDER

The meeting was called to order at 4:00 p.m. in the Newport Coast Conference Room, Bay 2E, 100 Civic Center Drive, Newport Beach, California 92660.

II. ROLL CALL

PRESENT: Council Member Keith Curry (Chair); Mayor Pro Tem Diane Dixon; Committee Member William C. O'Neill; Committee Member Larry Tucker

ABSENT: Council Member Tony Petros (arrived at 4:06 p.m.); Committee Member Bill McCullough (Unexcused); Committee Member John Warner (Excused)

STAFF PRESENT: City Manager Dave Kiff, Finance Director Dan Matusiewicz, Deputy Finance Director Steve Montano, Administrative Specialist to the Finance Director Marlene Burns, Budget Manager Susan Giangrande, IT Manager Rob Houston, Assistant City Manager Carol Jacobs, Revenue Manager Evelyn Tseng, Accounting Manager Rukshana Virany

MEMBER OF THE PUBLIC: Jim Mosher

III. PUBLIC COMMENTS

Jim Mosher referenced his earlier comments regarding the hurried adoption of the budget by City Council and reported that it is still not available on the City's website. He referenced the City Charter and a requirement to make available, a list of all contracts held by the City, including those from the City Attorney's office and stressed that the City Attorney's role is to review contracts. He opined having one department to write, review, award, and archive contracts is not a good policy. Additionally, he commented on the City budget relative to the organization of the City's various departments and employees and stated it is somewhat confusing.

Council Member Curry pointed out that Council had the benefit of three study sessions to review the City's budget prior to acting on same.

It was noted that City staff is working on getting the budget on the City's website.

IV. APPROVAL OF MINUTES

A. Summary:
Approval of the August 13, 2015, Finance Committee Minutes.

Recommended Action:
Approve and file.

Chair Curry noted that Committee Members O'Neill and Tucker submitted recommended changes to the minutes.

Chair Curry opened public comments.

Seeing no one wishing to address the Committee, Chair Curry closed public comments.

Mayor Pro Tem Dixon moved, and Committee Member O'Neill seconded, to approve the August 13, 2015, Finance Committee Minutes, as corrected. The motion carried with 4 ayes, 0 abstentions and 3 absent (Council Member Petros, Committee Member McCullough, and Committee Member Warner).

Council Member Petros arrived at this juncture (4:06 p.m.).

V. CURRENT BUSINESS

A. RECOMMENDED BUDGET PRACTICES FOR THE DEVELOPMENT OF THE ANNUAL BUDGET

Summary:

During the August 13, 2015, Finance Committee meeting, members discussed three recommended actions for bringing greater transparency and accountability during the annual budget development process. Staff will present a proposed framework for improving budget practices. Staff will also present proposed broad community goals that can be incorporated into the Fiscal Year 2016-2017 budget.

Recommended Action:

Suggest changes to staff's presented budget practices and, if necessary, make recommendations for submission to the City Council for approval.

Finance Director/Treasurer Dan Matusiewicz presented details of the staff report noting the importance of deciding the Finance Committee's involvement prior to City Council adoption. He addressed the purpose of today's agenda item including providing transparency and increasing confidence in the budget development process. He commented on the development of broad objectives and goals, strategies, and tactics to achieve those goals.

City Manager Dave Kiff stated the document shows how he looks at the budget, commented on the steps taken in preparing the budget and asked for input from the Committee.

Chair Curry commented on the context of the process and assignment of resources.

Committee Member O'Neill referenced Strategic Objectives S.5 and S.7 and commented positively on the City's "fresh start" concept. He referenced the budget cycle and recommended the City look ahead four or five years down the road during the budget process.

City Manager Kiff commented on the City's informal budget approach which is different from a 0 percent growth budget. He addressed MOUs relative to Police and Fire services and noted the ongoing cost escalation resulting from MOUs.

In reply to Committee Member O'Neill's question regarding pension liabilities and the possibility of pulling that information out of Department budgets so that the true increase can be determined, Finance Director/Treasurer Matusiewicz felt that the City does a better job than most cities as it is one of the few cities that shows unfunded liabilities as a separate line item.

Discussion followed regarding increases in overall Department budget that includes accelerated payments on unfunded liabilities.

Mayor Pro Tem Dixon suggested pulling that information out, going forward, so that the Committee may see true, programmatic costs.

City Manager Kiff stated that the City wants to be in a position where program costs are identified so that the Finance Committee and Council can consider the true costs.

Discussion followed regarding improvements made and the need to make further improvements and data provided by the new ERP system.

Finance Director/Treasurer Matusiewicz mentioned the future availability of a performance-based budgeting module in the new ERP system to track key metrics.

Discussion followed regarding the ERP, elements programmed by Finance, internal service cost centers, unfunded liabilities spread as a percentage of payroll, total annual costs of pension payments to CalPERS, employees paying a greater percentage of their pensions, unfunded liabilities associated with people that are no longer employed by the City and maintaining a flat versus balanced budget.

Ensuing discussion continued regarding the need to clean-up the document, the process followed by other cities, presenting the proposed budget to Council during a study session, the possibility of Council setting broader goals and the importance of having Council involved, every step of the way.

Council Member Petros stated he would like for Council to understand the underlying foundation for the City's budget.

City Manager Kiff stated he would like the Finance Committee to review the proposed budget framework in order to understand how this might work, in practice. He noted the importance of having each Member speak about the items they need or the questions that they need answered, in preparation of the upcoming budget discussions.

Committee Member O'Neill commented on the importance of holding study sessions and thoroughly reviewing the details.

Deputy Finance Director Steve Montano addressed related action items and recommendations as stated in the report. The item will be submitted to Council in October, and subsequently, the Finance Committee and Council will participate in budget reviews. These will be held from October through February, prior to the budget adoption and commented on next steps.

Discussion followed regarding review of waste-water rates and whether the matter will be going to Council.

Chair Curry opened public comments.

Jim Mosher commented on the benefits of seeing the information in writing in terms of making it easier for the public to understand the process. He addressed the City's list of goals and objectives in terms of pension obligations and questioned having so many goals at a time. He commented on specific objectives in terms of avoiding bias in outsourcing, including titles of Council policies when they are referenced, and a "results-based" budgeting approach and performance measurements.

B. PUBLIC EMPLOYEES RETIREMENT SYSTEM AND OTHER POST-EMPLOYMENT BENEFITS PRIMER

Summary:

Staff will provide a pension and other post-employment benefits presentation that will describe the basic mechanics and challenges associated with pension and OPEB benefit funding.

Recommended Action:

Receive and file.

Chair Curry introduced the item and prefaced the report with a brief background.

Finance Director/Treasurer Matusiewicz noted that this report is intended as information, only, and that the latest valuations for this year, are not yet available. These should be available, next month.

Chair Curry added that the numbers are typically, two-years in arrears.

Finance Director/Treasurer Matusiewicz addressed setting aside resources during the expected service life of the employee to have enough resources in order to last them through their expected retirement life. When people live longer, the employer is at risk for additional contributions. He addressed the importance of investment earnings with respect to pension costs over time

Chair Curry commented on policy tensions and assumptions.

Discussion followed regarding longer life expectancy issues affecting subsequent budgets and past performance being indicative of the future.

Finance Director/Treasurer Matusiewicz addressed earnings, unfunded liabilities, market value of City assets, and trends over time, actions to mitigate rising pension costs, "fresh starts" implemented over the years, employee contributions towards pensions and accelerated payments towards unfunded liabilities.

Brief discussion followed regarding State trends, expectations, and negative amortization, and costs/benefits analyses, impacts of "fresh starts", savings achieved by accelerating costs at the front end and new opportunities and challenges.

Finance Director/Treasurer Matusiewicz addressed increased costs in pensions, loss associated with policy changes in amortization, changes in mortality assumptions and "rate smoothing" techniques.

Chair Curry added that the City is making constructive actions to address the issue and commented on challenges and driving the allocation of resources, going forward.

Discussion followed regarding the constantly changing nature of the unfunded actuarial liability, ensuring that services are not impacted and steps that can be taken.

City Manager Kiff commented on the need for the Legislation to act within the next four or five years and noted that things will get worse before they improve. He added that his inclination would be to keep "fresh starting" and addressed the City's reserves and paying high-interest debt first.

Discussion followed regarding possible options for different approaches, fiscal impacts of "fresh start", throwing good money after bad, setting caps, incremental costs, pros and cons of various options.

Finance Director/Treasurer Matusiewicz offered to provide a sample scenario using the "fresh start" strategy at a future meeting noting that the concept is too theoretical at this point without actual data to present.

Chair Curry opened public comments.

Jim Mosher commented on buying out of the CalPERS plan and asked regarding the possibility of individuals being offered cash rather than pension benefits.

In answer to his questions, it was noted that it is not financially feasible buy out of the PERS plan nor legally permissible to cash out employees.

Chair Curry closed public comments.

Discussion followed regarding next steps, practices of other cities and counties, and items to be considered by the Finance Committee during upcoming meetings.

VI. ADJOURNMENT

The Finance Committee adjourned at 5:37 p.m. to the next regular meeting of the Finance Committee on October 15, 2015, at 4:00 p.m.

Filed with these minutes are copies of all materials distributed at the meeting.

The agenda for the Regular Meeting was posted on September 9, 2015, at 4:17 p.m., in the binder and on the City Hall Electronic Board located in the entrance of the Council Chambers at 100 Civic Center Drive.

Attest:

Keith Curry, Chair
Finance Committee Chair

Date

October 15, 2015, Finance Committee Agenda Comments

These comments on items on the Newport Beach City Council Finance Committee agenda are submitted by: Jim Mosher (jimmosher@yahoo.com), 2210 Private Road, Newport Beach 92660 (949-548-6229)

Item IV.A. MINUTES OF SEPTEMBER 16, 2015

The following minor corrections are suggested:

Page 1, Item 3, paragraph 2: “**Council Member Chair** Curry pointed out that Council had the benefit of three study sessions to review the City’s budget prior to acting on same.”

Page 4, paragraph 6 from end: “Chair Curry added that the City is **making taking** constructive actions to address the issue and commented on challenges **and** driving the allocation of resources, going forward.”

Page 4, paragraph 4 from end: “City Manager Kiff commented on the need for the **Legislation Legislature** to act within the next four or five years and noted that things will get worse before they improve.” [?]

Page 5, paragraph 2: “In answer to his questions, it was noted that it is not financially feasible **to** buy out of the PERS plan nor legally permissible to cash out employees.”

Page 5, last paragraph: “The agenda for the Regular Meeting was posted on **September 9, 2015, at 4:17 p.m.**, in the binder and on the City Hall Electronic Board located in the entrance of the Council Chambers at 100 Civic Center Drive.”

[This may well be true, but to the best of my knowledge the agenda was not publicly visible **online** until Sunday afternoon, September 13th, a bare 72 hours before the Tuesday meeting. It is commendable that, by contrast, the agenda packet for the current (October 15th) meeting was posted online on October 9th, nearly a week in advance of the meeting.]

Committee Member O'Neill's proposed changes to the 9/16/2015 meeting minutes:

- Page 3 of 5. Before the second full paragraph starting "Discussion followed regarding improvements...", I suggest the following: "Committee Member O'Neill stated his agreement with Council Member Dixon's goals of driving many budgetary decisions by using hard-data analysis. Committee Member O'Neill asked whether the implementation of the new ERP system would be equipped to engage in that type of analysis. Chair Curry noted that one of the principal drivers of the decision to implement the new ERP system was to aid in budgetary decisions. Finance Director/Treasurer Matusiewicz concurred and discussed the timing of the rollout of the ERP system. Committee Member O'Neill expressed his appreciation for the responses and noted his appreciation for the past Council's decision to roll out the ERP system."
- Page 4 of 5. Before the third-to-last full paragraph, starting with "Discussion followed regarding possible...", insert the following: "Committee Member O'Neill noted his agreement with the past Council's decision to engage in a "Fresh Start" and also noted that whether the decision was politically popular, it was the right act because of the generational problem that UAL has become throughout the State."



**CITY OF NEWPORT BEACH
FINANCE COMMITTEE
STAFF REPORT**

Agenda Item No. 5B
October 15, 2015

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE COMMITTEE

FROM: Finance Department
Dan Matusiewicz, Finance Director
949-644-3123, danm@newportbeachca.gov

SUBJECT: RETIREE HEALTH LIABILITY (OPEB)

SUMMARY:

The City obtains an actuarial valuation for its retiree health program every other year. The purpose of the valuation is to measure the City's liability for retiree health benefits and to determine the City's accounting requirements under the Government Accounting Standards Board (GASB) Statement No. 45. Marilyn Jones, Consulting Actuary, from Nyhart will be present to answer any questions regarding the June 30, 2015, valuation.

RECOMMENDED ACTION:

Staff welcomes the Finance Committee to discuss the June 30, 2015, Actuarial Valuation and to provide comment to staff's proposed changes to the discount rate used in measuring the related OPEB liabilities.

BACKGROUND:

Public employee compensation combines three distinct elements, including salaries and wages, benefits provided during active service (for example, health care for active employees), and benefits provided following the completion of active service. The City provides a contribution towards post-employment benefits (Other Post-Employment Benefits or "OPEB") including medical, dental and vision benefits to its retirees and surviving spouses. A defined benefit plan is an arrangement where the employer extends a promise to provide post-employment benefits usually based on salary and years of service. In these arrangements, the employer carries substantial funding risk. A defined contribution plan provides a means for both employees and employers to contribute to the participant's benefit account whereby the employer carries no further funding risk beyond the agreed upon contribution.

Legacy Defined Benefit Plan

For employees hired prior to January 1, 2006, the City makes annual contributions to the California Employers' Retiree Benefit Trust Fund (CERBT) that is dedicated to prefunding the OPEB defined benefit for eligible California public agencies. That money is invested over the employees' working lives and earnings on these funds are re-invested. By the time employees reach retirement, the accumulated assets in the trust are available to pay benefits as they become due. The objective is to accumulate sufficient assets to pay a legacy benefit that provides monthly contributions ranging between \$400 and \$450 toward health benefits for life. To meet this objective, an OPEB funding plan receives contributions in accordance with an actuarially based funding schedule. The actuarially determined OPEB funding schedule determines exactly how much the City should contribute each year to ensure that the benefits being earned will be securely funded in a systematic fashion.

Current Defined Contribution Plan

To virtually eliminate the City's defined benefit plan liability over time, the City implemented a Retiree Health Savings (RHS) Program on January 1, 2006. This defined contribution program is for all active full-time employees and retirees that are eligible for continuing medical coverage at retirement. This program includes several funding components: mandatory employee contribution of 1 percent of base pay; City contribution of \$2.50 per month for each year of age plus service during active employment; and a mandatory transfer of accumulated leave during any leave buyout (specific amount determined by bargaining unit). On average, the annual City expense to maintain this benefit ranges between \$1,020 and \$2,400 per employee at a total annual cost of approximately \$800,000.

DISCUSSION:

Actuarial Valuation Highlights:

The amount of the Actuarial Accrued Liability (AAL) for the City's retiree health benefits program as of June 30, 2015, is \$42,638,555. The City has accumulated \$14,818,836 in the CERBT trust to prefund the AAL. The Unfunded Actuarial Accrued Liability (UAAL) as of June 30, 2015, is \$27,747,929. This amount represents the difference between accrued liabilities and the actuarial value of assets (AVA) of \$14,890,626 accumulated to finance the City's OPEB obligation.

The AAL is based on a discount rate of 7.0 percent, down from 7.25 percent which was used in the June 30, 2013 actuarial valuation, and it assumes that the City will continue to pre-fund its annual required CERBT contribution. The funded ratio at June 30, 2015, was 35 percent; however, the plan is projected to be fully funded by June 30, 2026.

The discount rate is based on the expected price inflation and real rate of returns. The lower the discount rate, the greater the pension liabilities. While the lower discount rate will increase the Annual Required Contribution (ARC) and actuarial liability, it will also more accurately reflect the current expectation of what the market will deliver in the future to ensure that benefits are properly funded in a systematic fashion.

As the financial community is grappling with a range of appropriate investment earnings expectations, Newport Beach has the opportunity to reduce its discount rate to become less reliant on investment earnings to fund OPEB liabilities. Staff requested that the actuary include information related to an additional decrease to the discount rate, reducing it by an additional 0.5 percent to 6.5 percent. Implementing that assumption will increase the actuarial accrued liability at June 30, 2015, by \$1,967,449 to \$44,606,004. It will increase the ARC by \$209,226 to a total contribution in Fiscal Year 2016-2017 of \$3,925,087.

The ARC is the employer's periodic required contribution to a defined benefit OPEB plan. The ARC is the sum of two parts: (1) the normal cost, which is the cost for OPEB benefits attributable to the current year of service, and (2) an amortization payment, which is a catch-up payment for past service costs to fund the Unfunded Actuarial Accrued Liability. Under GASB 45, it is not required that public entities actually fund the entire ARC each year. However, doing so sends an important message to the financial community and our residents that the City takes its financial obligations seriously. Therefore, the City funds 100 percent of the ARC every year and publicly discloses such information in the City's annual financial statements.

The June 30, 2015, actuarial valuation provides the ARC for Fiscal Year 2016-2017 and for Fiscal Year 2017-2018. The table below shows the year-to-year change in ARC.

Annual Required Contribution (ARC)

	<u>Explicit</u>	<u>Implicit</u>	<u>Total</u>
Fiscal Year 2015-16	\$ 2,845,895	\$ -	\$ 2,845,895
Fiscal Year 2016-17	\$ 2,647,512	\$ 1,068,349	\$ 3,715,861
Fiscal Year 2017-18	\$ 2,726,938	\$ 1,100,399	\$ 3,827,337

The City's healthcare plan, offered through the California Public Employees Retirement System (CalPERS), is an experience-related plan that includes both active employees and retirees with blended premium rates for all members. The prior valuation did not require the City to include the implicit subsidy. The implicit rate is an inherent subsidy of retiree healthcare costs by active employee healthcare costs when healthcare premiums paid by retirees and actives are the same. The true healthcare costs for retirees are, on average, greater than active employees' healthcare costs. With an implicit rate subsidy, the active employee premiums and related benefits are subsidizing the retiree premiums. This subsidization increases the cost of the retiree insurance plan.

The cost of the subsidy needs to be recognized, funded and properly accounted for. It is important to note that while the implicit subsidy component of the ARC is just over \$1 million, a portion of this amount (\$625,000) can be drawn from the CERBT trust to cover current costs.

A change in Actuarial Standard of Practice (ASOP) # 6 now requires that inclusion of implicit rate subsidies in the valuation of medical costs regardless of how the plan insurance premiums are derived. The implicit subsidy accounts for \$7,116,207 of the \$42,638,555 actuarial accrued liability. The portion due to the explicit contribution liability is \$35,522,348 and remains relatively constant from the amount at June 30, 2013, (\$35,563,794) due to more favorable experience (e.g., the fund's assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc.). This favorable experience is offset by the lowering of the discount rate to 7.0 percent, which increases cost.

Staff welcomes the Finance Committee to discuss the June 30, 2015, Actuarial Valuation and to provide comment to staff's proposed changes in discount rate. Marilyn Jones, Consulting Actuary from Nyhart, will be available to answer any technical questions concerning the actuarial valuation or any other questions the Committee may have concerning OPEB plans and liabilities.

Prepared by:

Submitted by:

/s/Susan Giangrande

Susan Giangrande
Budget Manager

/s/Dan Matusiewicz

Dan Matusiewicz
Finance Director

Attachment:

- A. City of Newport Beach Retiree Health Program Actuarial Valuation as of June 30, 2015

ATTACHMENT A

City of Newport Beach Retiree Health Program Actuarial Valuation as of June 30, 2015

nyhart



October 6, 2015

PRIVATE

Ms. Susan Giangrande
Budget Manager
City of Newport Beach
One Civic Center Drive
Newport Beach, CA 92660

Re: GASB Actuarial Valuation

Dear Ms. Giangrande:

We are presenting our report of the June 30, 2015 actuarial valuation conducted on behalf of the City of Newport Beach (the "City") for its retiree health program.

The purpose of the valuation is to measure the City's liability for retiree health benefits and to determine the City's accounting requirements under the Government Accounting Standard Board Statements No. 43 & 45 (GASB 43 & 45) in regard to unfunded liabilities for retiree health benefits. The objective of GASB 45 is to improve the information in the financial reports of government entities regarding their post-employment benefits (OPEB) including retiree health benefits. The objective of GASB 43 is to establish uniform reporting for funded OPEB Plans.

The Nyhart Company is an employee owned actuarial, benefits and compensation consulting firm specializing in group health and retiree health and qualified pension plan valuations. We have set forth the results of our study in this report.

We have enjoyed working on this assignment and are available to answer any questions.

Sincerely,
NYHART

Marilyn K Jones, ASA, MAAA, EA, FCA
Consulting Actuary

MKJ:rl

Enclosure



**City of Newport Beach
Actuarial Valuation
Retiree Health Program
As of June 30, 2015**

September 2015

Prepared By:

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**City of Newport Beach
Retiree Health Benefits Program
GASB Actuarial Valuation
As of June 30, 2015**

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SECTION I. EXECUTIVE SUMMARY

Background

The City of Newport Beach (the “City”) selected The Nyhart Company to perform an actuarial valuation of its retiree health program. The purpose of the actuarial valuation is to measure the City’s liability for retiree health benefits and to estimate the City’s accounting requirements for other post-employment benefits (OPEB) under Governmental Accounting Standards Board Statements No. 43 & 45 (GASB 43 and GASB 45). GASB 45 requires accrual accounting for the expensing of OPEB. The expense is generally accrued over the working career of employees, rather than on a pay-as-you-go basis. GASB 43 requires additional financial disclosure requirements for funded OPEB Plans.

Effective January 1, 2006, the City implemented a Retiree Health Savings program (RHS Plan) for all new full-time employees and for full-time employees whose age plus years of service as of January 1, 2006 was less than 46 for public safety employees and 50 for all other employees. A Hybrid Plan was provided for full-time active employees whose age plus years of service as of January 1, 2006 was 46 or more for public safety employees and 50 or more for all other employees (unless opting into the RHS Plan). Employees in the Hybrid Plan continue to be eligible to receive the City’s fixed dollar contribution under the prior defined benefit plan at retirement but the contribution is paid into the employee’s RHS account. Employees already retired and eligible for a City contribution at January 1, 2006 also continue to receive the City’s fixed dollar contribution under the prior defined benefit plan but instead of being applied towards medical coverage, the fixed dollar contribution amount less the Public Employees Medical and Hospital Care Act (PEMHCA) minimum required employer contribution for those continuing coverage through PEMHCA is made to an RHS account established for the retiree. Part-time employees retiring from the City can elect to continue medical coverage through PEMHCA and receive a City contribution equal to the PEMHCA minimum required employer contribution.

As of the valuation date there are 539 retirees receiving the City’s flat dollar contribution plus 25 retirees receiving the PEMHCA minimum required contribution. There are also 111 active employees under the Hybrid Plan eligible to receive the City’s flat dollar contribution in the future if retiring from the City. In addition, there are 88 part-time employees who may become eligible to continue coverage through PEMHCA at retirement. The remaining 579 employees participate in the RHS Plan. The City may be responsible for the PEMHCA minimum required contribution if these employees retire from the City and continue coverage under PEMHCA.

The City participates in the CalPERS Health Program for its retiree medical coverage. In general, the premium rates charged to participating employers are the same for each medical plan within each region (or “community”) and are the same for both active and retired employees covered under the same medical plan. An implicit rate subsidy can exist when the non-Medicare rates for retirees are the same as for active employees. Since non-Medicare eligible retirees are typically much older than active employees, their actual medical costs are typically higher than for active employees. GASB 45 requires that implicit rate subsidies be considered in the valuation of medical costs. In past valuations the liability for the implicit rate subsidy was excluded from the valuation as the GASB had provided for an exemption for community-rated plans. This valuation includes an estimate of the liability for the implicit rate subsidy.

Section IV of the report provides a full description of the plan provisions that were included in the valuation and the current premium costs for coverage.

Results of the Retiree Health Valuation

We have determined that the amount of the actuarial liability for the City's retiree health plan as of June 30, 2015, the measurement date, is \$47,414,343 (including \$38,297,319 for the City's explicit contribution and \$9,117,024 for the implicit rate subsidy). This value is based on an assumed discount rate of 7.0%. The amount represents the present value of all benefits projected to be paid by the City for current and future retirees. If the City were to place this amount in a fund earning interest at the rate of 7.0% per year, and all other actuarial assumptions were met, the fund would have enough to pay the City's required contribution for retiree health benefits. This includes benefits for the current retirees as well as the current active employees expected to retire in the future. The valuation does not consider employees not yet hired as of the valuation date.

If the amount of the actuarial liability is apportioned into past service, current service and future service components; the past service component (actuarial accrued liability) is \$42,638,555 (including \$35,522,348 for the City's explicit contribution and \$7,116,207 for the implicit rate subsidy), the current service component (normal cost or current year accrual) is \$610,915 (including \$403,729 for the City's explicit contribution and \$207,186 for the implicit rate subsidy) and the future service component (not yet accrued liability) is \$4,164,873 (including \$2,371,242 for the City's explicit contribution and \$1,793,631 for the implicit rate subsidy).

Changes from Prior Valuation

The valuation reflects updated premium, plan and census information. The plan was modified to reduce the City contribution for spouse coverage. In addition, the valuation reflects several assumption changes (as noted in Section VI) including updates to the medical trend rates and bringing in assumptions from the CalPERS experience study for similar groups as the City. A reconciliation of the approximate change from the prior valuation is provided in the following table:

Actuarial Liability at June 30, 2013 @7.25%	\$38,001,000
Decrease due to passage of time	(116,000)
Decrease due to more favorable experience	(879,000)
Increase due to new entrants	249,000
Increase due to lowering the discount rate to 7.0%	<u>1,042,000</u>
Actuarial Liability at June 30, 2015 @7.0% - Without Implicit Liability	\$38,297,000
Increase due to inclusion of the liability for the implicit rate subsidy	<u>9,117,000</u>
Actuarial Liability at June 30, 2015 @7.0% - With Implicit Liability	\$47,414,000
Portion attributable to current year accrual or normal cost	(611,000)
Portion of liability not yet accrued or future normal cost accruals	<u>(4,164,000)</u>
Actuarial Accrued Liability at June 30, 2015 @7.0% - With Implicit Liability	\$42,639,000

Annual Required Contribution

The City's annual required contribution (accrual expense) for the 2016/2017 fiscal year is \$3,582,661 (net of Hybrid Plan contribution made by active employees and including \$1,068,349 for the implicit rate subsidy). The annual required contribution is comprised of the present value of benefits accruing in the current fiscal year (normal cost with interest) plus an 11-year amortization (on a level-percentage of pay basis) of the unfunded actuarial accrued liability. Thus, it represents a means to expense the plan's liabilities in an orderly manner. The change in the net OPEB obligation/(asset) at the end of the fiscal year will reflect any actual contributions made by the City during the period for retiree health benefits including any pre-funding amounts and implicit rate subsidy.

Funding

The City's funding policy is to fund 100% of the annual required contribution as determined under GASB 45 through the California Employers' Retiree Benefit Trust (CERBT). The actuarial value of assets in the CERBT as of June 30, 2015 is \$14,890,926. The unfunded actuarial accrued liability (UAAL) at June 30, 2015 is \$27,747,629 (including \$7,116,207 for the implicit rate subsidy). The funded ratio is 35% at June 30, 2015 (42% for the City's explicit contribution). The UAAL as a percentage of payroll is 39%.

The CERBT provides participating employers with the choice of three investment allocation strategies. The expected rate of return of assets is dependent on the funding strategy of a participating employer and which investment allocation strategy is selected. For employers fully funding their annual required contribution, strategy 1 has a CERBT published median yield of 7.28%, strategy 2 has a published median yield of 6.73% and strategy 3 has a published median yield of 6.12%. The valuation was performed using a 7.0% discount rate assuming the City remains in strategy 1 for the 2016/2017 and 2017/2018 fiscal years and assumes a 0.28% additional margin for adverse deviation applied to the CERBT stated median discount rate. Section II-L of the report provides the results using an alternative discount rate of 6.5%.

Actuarial Basis

The actuarial valuation is based on the assumptions and methods outlined in Section VI of the report. To the extent that a single or a combination of assumptions is not met the future liability may fluctuate significantly from its current measurement. As an example, the healthcare cost increase anticipates that the rate of increase in medical cost will be at moderate levels and decline over several years. Increases higher than assumed would bring larger liabilities and expensing requirements. A 1% increase in the healthcare trend rate for each future year would increase the annual required contribution by 8%. The impact is mitigated because the City's contribution for most retirees is a flat dollar amount and not subject to future increases unless the retiree is covered under PEMHCA and the PEMHCA minimum contribution exceeds the flat dollar amount in the future.

Another key assumption used in the valuation is the discount (interest) rate which is based on the expected rate of return of plan assets. The valuation is based on a discount rate of 7.0%. A 0.5% decrease in the discount rate would increase the annual required contribution by 6%. A 0.5% increase in the discount rate would decrease the annual required contribution by 5%.

GASB 45 requires that implicit rate subsidies be considered in the valuation of medical costs. An implicit rate subsidy occurs when the rates for retirees are the same as for active employees. Since pre-Medicare retirees are typically much older than active employees, their actual medical costs are almost always higher than for active employees. The valuation results were determined using the higher expected costs associated with retired employees.

Scheduled to take effect in 2018, the "Cadillac Tax" is a 40% non-deductible excise tax on employer-sponsored health coverage that provides high-cost benefits. For pre-65 retirees and individuals in high-risk professions, the threshold amounts are currently \$11,850 for individual coverage and \$30,950 for family coverage. For insured plans, the insurance company is responsible for payment of the excise tax. For self-funded plans, the employer is responsible for payment of the excise tax. The valuation does not include any additional liability for the Cadillac Tax.

The valuation is based on the census, plan and rate information provided by the City. To the extent that the data provided lacks clarity in interpretation or is missing relevant information, this can result in liabilities different than those presented in the report. Often missing or unclear information is not identified until future valuations.

SECTION II. FINANCIAL RESULTS

A. Valuation Results

The table below presents the employer liabilities associated with the City's retiree health benefits program determined in accordance with GASB 43 & 45. The actuarial liability (AL) is the present value of all the City's contributions projected to be paid under the program. The actuarial accrued liability (AAL) reflects the amount attributable to the past service of current employees and retirees. The normal cost reflects the accrual attributable for the current period.

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1. Actuarial Liability (AL)			
Actives	\$ 8,190,749	\$ 5,423,030	\$13,613,779
Retirees	<u>16,596,960</u>	<u>17,203,604</u>	<u>33,800,564</u>
Total AL	\$24,787,709	\$22,626,634	\$47,414,343
<i>Explicit Contribution</i>	\$20,110,933	\$18,186,386	\$38,297,319
<i>Implicit Subsidy</i>	\$ 4,676,775	\$ 4,440,249	\$ 9,117,024
2. Actuarial Accrued Liability (AAL)			
Actives	\$ 5,771,075	\$ 3,066,916	\$ 8,837,991
Retirees	<u>16,596,960</u>	<u>17,203,604</u>	<u>33,800,564</u>
Total AAL	\$22,368,035	\$20,270,520	\$42,638,555
<i>Explicit Contribution</i>	\$18,685,542	\$16,836,806	\$35,522,348
<i>Implicit Subsidy</i>	\$ 3,682,493	\$ 3,433,714	\$ 7,116,207
3. Normal Cost	\$ 303,514	\$ 307,401	\$ 610,915
<i>Explicit Contribution</i>	\$ 196,707	\$ 207,022	\$ 403,729
<i>Implicit Subsidy</i>	\$ 106,807	\$ 100,379	\$ 207,186
No. of Active Employees	508	270	778
Average Age	44.6	39.0	42.7
Average Past Service	12.3	11.7	12.1
No. of Retired Employees*	302	262	564
Average Age	68.4	64.9	66.8
Average Retirement Age	57.5	51.3	54.7

*Counts exclude 103 retirees waiving coverage and not receiving any City contribution

B. Reconciliation of Market Value of Plan Assets

The reconciliation of Plan Assets for the last four fiscal years is presented below:

	<u>6/30/2012</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>
1. Beginning Market Value of Assets	\$8,240,851	\$ 8,146,021	\$10,632,403	\$14,909,052
2. Contribution	2,314,000	3,051,000	4,881,000	2,763,005
3. Fund Earnings (gross)	144,158	1,026,517	2,118,149	(43,051)
4. Benefit Payments	(2,542,050)	(1,577,434)	(2,704,796)	(2,794,465)
5. Administrative Expenses	<u>(10,938)</u>	<u>(13,701)</u>	<u>(17,704)</u>	<u>(15,705)</u>
6. Ending Market Value of Assets	\$8,146,021	\$10,632,403	\$14,909,052	\$14,818,836
7. Estimated Gross Rate of Return	2%	12%	18%	0%

C. Development of Actuarial Value of Assets

The actuarial value of assets is based on the expected market value appreciation. The actual market appreciation or depreciation, both realized and unrealized, is phased in over five years as the expected growth is phased out. The table below presents the development of the actuarial value of assets.

	<u>6/30/2012</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	
1 Market value of assets					\$14,818,836
2 Actual gross rate of return	1.78%	11.57%	18.09%	(0.29%)	
3 Expected rate of return	7.25%	7.25%	7.25%	7.25%	
4 Actual fund earnings	\$144,158	\$1,026,518	\$2,118,149	(43,051)	\$ 3,245,774
5 Expected fund earnings	588,798	643,507	849,095	1,079,197	3,160,597
6 Gain(loss) [(4) - (5)]	(444,640)	383,011	1,269,054	(1,122,248)	
7 Percent of gain/(loss) recognized 6/30/2015	80%	60%	40%	20%	
8 Recognized gain/(loss) [(6) x (7)]	(355,712)	229,807	507,622	(224,450)	157,267
9. Blended value of assets at 6/30/2015 [(1) - (4) + (5) + (8)]					\$14,890,926
10. Percent increase/(decrease) of (9) over (1)					0.5%
11. Actuarial value of assets, not more than 120% nor less than 80% of market value					\$14,890,926

D. Development of Unfunded Actuarial Accrued Liability (UAAL) @ June 30, 2015

The table below presents the development of the unfunded actuarial accrued liability (UAAL). The UAAL is the excess of the actuarial accrued liability (AAL) over the actuarial value of eligible plan assets.

	<u>Explicit</u>	<u>Implicit</u>	<u>Total</u>
1. Actuarial Accrued Liability (AAL)	\$35,522,348	\$ 7,116,207	\$42,638,555
2. Actuarial Valuation of Assets	(14,890,926)	(0)	(14,890,926)
3. Unfunded AAL	\$20,631,422	\$ 7,116,207	\$27,747,629

E. Required Supplementary Information (Funding Progress @6/30/2015)

The table below presents a sample disclosure of the funding progress as of the beginning of the fiscal year.

1. Actuarial Accrued Liability (AAL)	\$35,522,348	\$ 7,116,207	\$42,638,555
2. Actuarial Valuation of Assets	(14,890,926)	(0)	(14,890,926)
3. Unfunded AAL	\$20,631,422	\$ 7,116,207	\$27,747,629
4. Funded Ratio	42%	0%	35%
5. Current Payroll	\$70,277,000	\$70,277,000	\$70,277,000
6. UAAL as % of Payroll	29%	10%	39%

F. Projected Actuarial Value of Assets @ June 30, 2016

The table below presents the development of the expected actuarial value of assets at June 30, 2016 for purposes of developing the annual required contribution.

1. Actuarial Value of Assets at June 30, 2015	\$14,890,926
2. Expected Fund Earnings @7.0%	1,068,152
3. Expected City Contributions*	4,214,876
4. Expected Benefit Payments & Expenses*	(3,478,104)
5. Projected Actuarial Value of Assets at June 30, 2016	\$16,695,850

* Based on projected City contributions equal to \$4,214,876 and reimbursements for direct payments for benefits and implicit rate subsidies equal to \$3,478,104.

G. Development of Unfunded Actuarial Accrued Liability@6/30/2016

The table below presents the development of the unfunded actuarial accrued liability. The unfunded actuarial accrued liability is the excess of the actuarial accrued liability (AAL) over the actuarial value of eligible plan assets¹.

	<u>Explicit</u>	<u>Implicit</u>	<u>Total</u>
1. Actuarial Accrued Liability (AAL)	\$35,547,601	\$7,189,644	\$42,737,245
2. Actuarial Value of Assets ¹	<u>(16,695,850)</u>	<u>(0)</u>	<u>(16,695,850)</u>
3. Unfunded AAL	\$18,851,751	\$7,189,644	\$26,041,395

H. Amortization of Unfunded Actuarial Accrued Liability

The amortization of the UAAL component of the annual required contribution (ARC) is being amortized on a level-percentage of pay basis over a period of 11 years. Under the level-percentage of pay method, the amortization payment is scheduled to increase in future years based on wage inflation.

1. Unfunded AAL (UAAL)	\$18,851,751	\$ 7,189,644	\$26,041,395
2. Amortization Factor	8.559010	8.559010	8.559010
3. Amortization of UAAL	\$ 2,202,562	\$ 840,009	\$ 3,042,571

I. Annual Required Contribution (ARC)

The table below presents the development of the annual required contribution (ARC) under GASB 45 for the fiscal year ending June 30, 2017 and estimated for the fiscal year ending June 30, 2018.

FY2016/2017

1. Normal Cost at End of Fiscal Year	\$ 444,950	\$ 228,340	\$ 673,290
2. Amortization of Surplus	<u>2,202,562</u>	<u>840,009</u>	<u>3,042,571</u>
3. Annual Required Contribution (ARC)	\$ 2,647,512	\$ 1,068,349	\$ 3,715,861
4. Expected Hybrid Employee Contributions	<u>(133,200)</u>	<u>(0)</u>	<u>(133,200)</u>
5. City ARC	\$ 2,514,312	\$ 1,068,349	\$ 3,582,661
6. Expected Payroll	\$72,385,000	\$72,385,000	\$72,385,000
7. City ARC as % Payroll	3.5%	1.5%	5.0%

FY2017/2018

1. Normal Cost at End of Fiscal Year	\$ 458,299	\$ 235,190	\$ 693,489
2. Amortization of Surplus	<u>2,268,639</u>	<u>865,209</u>	<u>3,133,848</u>
3. Annual Required Contribution (ARC)	\$ 2,726,938	\$ 1,100,399	\$ 3,827,337
4. Expected Hybrid Employee Contributions	<u>(133,200)</u>	<u>(0)</u>	<u>(133,200)</u>
5. City ARC	\$ 2,593,738	\$ 1,100,399	\$ 3,694,137
6. Expected Payroll	\$74,556,000	\$74,556,000	\$74,556,000
7. City ARC as % Payroll	3.5%	1.5%	5.0%

¹ Based on projected actuarial accrued liability and projected actuarial value of plan assets at June 30, 2016

J. Estimated Net OPEB Obligation at June 30, 2017 and June 30, 2018

The table below shows an estimate of the net OPEB obligation/(asset) at the end of the upcoming fiscal years assuming the City contributes at the annual required contribution by the end of the fiscal year and that the City's net OPEB obligation/(asset) at June 30, 2015 is (\$1,500,000).

	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
1. Annual Required Contribution (ARC)	\$2,713,000	\$3,583,000	\$3,694,000
2. Interest on Net OPEB Obligation	(105,000)	(206,000)	(197,000)
3. Adjustment to ARC	<u>161,000</u>	<u>344,000</u>	<u>354,000</u>
4. Annual OPEB Cost	\$2,769,000	\$3,721,000	\$3,851,000
5. Estimated City Contributions Made	<u>(4,215,000)</u>	<u>(3,583,000)</u>	<u>(3,694,000)</u>
6. Increase in Net OPEB Obligation	(\$1,446,000)	\$ 138,000	\$ 157,000
7. Net OPEB Obligation/(Asset)			
– Beginning of Fiscal Year	<u>(1,500,000)</u>	<u>(2,946,000)</u>	<u>(2,808,000)</u>
8. Net OPEB Obligation/(Asset)			
– End of Fiscal Year	(\$2,946,000)	(\$2,808,000)	(\$2,651,000)

K. Sensitivity Analysis:

The impact of a 0.5% decrease or increase in the discount (interest) rate and the impact of a 1% increase in future healthcare trend rates on the City's actuarial liability, actuarial accrued liability, unfunded actuarial accrued liability and the annual required contribution is provided below:

	Dollar (\$) Increase/ (Decrease)	Percentage (%) Increase/ (Decrease)
<i>0.5% Decrease in Discount Rate</i>		
- Actuarial Liability	\$2,655,170	8%
- Actuarial Accrued Liability	\$1,967,449	5%
- Unfunded Actuarial Accrued Liability	\$1,967,449	7%
- Annual Required Contribution	\$ 209,226	6%
<i>0.5% Increase in Discount Rate</i>		
- Actuarial Liability	(\$2,407,087)	(7%)
- Actuarial Accrued Liability	(\$1,818,068)	(4%)
- Unfunded Actuarial Accrued Liability	(\$1,818,068)	(7%)
- Annual Required Contribution	(\$ 195,432)	(5%)
<i>1% Increase in Future Healthcare Trend Rates</i>		
- Actuarial Liability	\$2,578,633	8%
- Actuarial Accrued Liability	\$1,607,806	4%
- Unfunded Actuarial Accrued Liability	\$1,607,806	6%
- Annual Required Contribution	\$ 297,786	8%

L. Alternative Results: Alternative Discount Rate

The table below shows the impact on the liability and annual required contributions using a lower discount rate of 6.5%.

	Explicit Contribution	Implicit Rate Subsidy	Total
<i>As of June 30, 2015</i>			
1. Actuarial Liability (AL)			
Actives	\$ 9,432,850	\$ 5,395,219	\$14,828,069
Retirees	<u>31,026,491</u>	<u>4,214,953</u>	<u>35,241,444</u>
Total AL	\$40,459,341	\$ 9,610,172	\$50,069,513
2. Actuarial Accrued Liability (AAL)			
Actives	\$ 6,233,096	\$ 3,131,464	\$ 9,364,560
Retirees	<u>31,026,491</u>	<u>4,214,953</u>	<u>35,241,444</u>
Total AAL	<u>\$37,259,587</u>	<u>\$ 7,346,417</u>	<u>\$44,606,004</u>
3. Actuarial Value of Assets	<u>(14,890,826)</u>	<u>(0)</u>	<u>(14,890,926)</u>
4. Unfunded AAL (UAAL)	\$22,368,661	\$ 7,346,417	\$29,715,078
 <i>Projected to June 30, 2016</i>			
1. Actuarial Accrued Liability (AAL)	\$37,273,106	\$ 7,419,053	\$44,692,159
2. Actuarial Value of Assets	<u>(16,695,850)</u>	<u>(0)</u>	<u>(16,695,850)</u>
3. Unfunded AAL (UAAL)	\$20,577,256	\$ 7,419,053	\$27,996,309
4. Amortization Factor	8.788265	8.788265	8.788265
5. Amortization of UAAL	\$ 2,341,447	\$ 844,200	\$ 3,185,647
 <i>2016/2017 Annual Required Contribution</i>			
1. Normal Cost at End of Year	\$ 492,297	\$ 247,143	\$ 739,440
2. Amortization of UAAL at End of Year	<u>2,341,447</u>	<u>844,200</u>	<u>3,185,647</u>
3. Annual Required Contribution (ARC)	\$ 2,833,744	\$ 1,091,343	\$ 3,925,087
4. Expected Hybrid Employee Contributions	<u>(133,200)</u>	<u>(0)</u>	<u>(133,200)</u>
5. City ARC	\$ 2,700,544	\$ 1,091,343	\$ 3,791,887
6. Expected Payroll	\$72,385,000	\$72,385,000	\$72,385,000
7. City ARC as % of Payroll	3.7%	1.5%	5.2%
 <i>2017/2018 Annual Required Contribution</i>			
1. Normal Cost at End of Year	\$ 507,066	\$ 254,557	\$ 761,623
2. Amortization of UAAL at End of Year	<u>2,411,690</u>	<u>869,526</u>	<u>3,281,216</u>
3. Annual Required Contribution (ARC)	\$ 2,918,756	\$ 1,124,083	\$ 4,042,840
4. Expected Hybrid Employee Contributions	<u>(133,200)</u>	<u>(0)</u>	<u>(133,200)</u>
5. City ARC	\$ 2,785,556	\$ 1,124,083	\$ 3,909,640
6. Expected Payroll	\$74,556,000	\$74,556,000	\$74,556,000
7. City ARC as % of Payroll	3.7%	1.5%	5.2%

SECTION III. PROJECTED CASH FLOWS

The valuation process includes the projection of the expected benefits and/or contributions to be paid by the City under its retiree health benefits program. This expected cash flow takes into account the likelihood of each employee reaching age for eligibility to retire and receive health benefits. The projection is performed by applying the turnover assumption to each active employee for the period between the valuation date and the expected retirement date. Once the employees reach their retirement date, a certain percent are assumed to enter the retiree group each year. Employees already over the latest assumed retirement age as of the valuation date are assumed to retire immediately or at first eligibility, if later. The per capita cost as of the valuation date is projected to increase at the applicable healthcare trend rates both before and after the employee's assumed retirement. The projected per capita costs are multiplied by the number of expected future retirees in a given future year to arrive at the cash flow for that year. Also, a certain number of retirees will leave the group each year due to expected deaths and this group will cease to be included in the cash flow from that point forward. Because this is a closed-group valuation, the number of retirees dying each year will eventually exceed the number of new retirees, and the size of the cash flow will begin to decrease and eventually go to zero.

The expected cash flows for selected future years are provided in the table on the following page. These cash flows do not reflect the employee contributions that will be paid by Hybrid Plan active employees in future years. The estimated implicit rate subsidies are also provided.

Projected Employer Cash Flows – Representative Years

<u>Fiscal Year</u>	<u>Future Retirees</u>	<u>Retired Employees</u>	<u>City Total</u>	<u>Subsidy</u>	<u>Total</u>
2015/16	\$ 90,119	\$ 2,705,341	\$ 2,795,460	\$ 624,528	\$ 3,419,988
2016/17	\$ 167,472	\$ 2,675,001	\$ 2,842,473	\$ 669,685	\$ 3,512,158
2017/18	\$ 243,000	\$ 2,643,789	\$ 2,886,789	\$ 683,338	\$ 3,570,127
2018/19	\$ 311,387	\$ 2,611,414	\$ 2,922,801	\$ 691,049	\$ 3,613,850
2019/20	\$ 372,572	\$ 2,578,390	\$ 2,950,962	\$ 696,254	\$ 3,647,216
2020/21	\$ 426,304	\$ 2,543,256	\$ 2,969,560	\$ 726,736	\$ 3,696,296
2021/22	\$ 474,885	\$ 2,505,413	\$ 2,980,298	\$ 756,249	\$ 3,736,547
2022/23	\$ 518,309	\$ 2,466,031	\$ 2,984,340	\$ 727,814	\$ 3,712,154
2023/24	\$ 555,273	\$ 2,424,559	\$ 2,979,832	\$ 732,625	\$ 3,712,457
2024/25	\$ 586,862	\$ 2,381,169	\$ 2,968,031	\$ 729,293	\$ 3,697,324
2025/26	\$ 616,111	\$ 2,333,228	\$ 2,949,339	\$ 718,554	\$ 3,667,893
2026/27	\$ 644,524	\$ 2,284,265	\$ 2,928,789	\$ 712,830	\$ 3,641,619
2027/28	\$ 669,816	\$ 2,231,286	\$ 2,901,102	\$ 708,869	\$ 3,609,971
2028/29	\$ 694,763	\$ 2,174,048	\$ 2,868,811	\$ 706,446	\$ 3,575,257
2029/30	\$ 718,737	\$ 2,115,121	\$ 2,833,858	\$ 683,168	\$ 3,517,026
2030/31	\$ 743,064	\$ 2,053,080	\$ 2,796,144	\$ 661,972	\$ 3,458,116
2031/32	\$ 767,326	\$ 1,986,098	\$ 2,753,424	\$ 630,784	\$ 3,384,208
2032/33	\$ 792,292	\$ 1,917,641	\$ 2,709,933	\$ 588,929	\$ 3,298,862
2033/34	\$ 816,637	\$ 1,845,291	\$ 2,661,928	\$ 560,176	\$ 3,222,104
2034/35	\$ 841,534	\$ 1,769,686	\$ 2,611,220	\$ 573,921	\$ 3,185,141
2035/36	\$ 866,514	\$ 1,692,080	\$ 2,558,594	\$ 575,864	\$ 3,134,458
2036/37	\$ 890,652	\$ 1,612,167	\$ 2,502,819	\$ 567,254	\$ 3,070,073
2037/38	\$ 914,384	\$ 1,529,567	\$ 2,443,951	\$ 601,623	\$ 3,045,574
2038/39	\$ 937,165	\$ 1,445,163	\$ 2,382,328	\$ 639,412	\$ 3,021,740
2039/40	\$ 958,301	\$ 1,359,287	\$ 2,317,588	\$ 680,412	\$ 2,998,000
2040/41	\$ 977,274	\$ 1,273,083	\$ 2,250,357	\$ 666,016	\$ 2,916,373
2041/42	\$ 994,008	\$ 1,185,643	\$ 2,179,651	\$ 692,230	\$ 2,871,881
2042/43	\$ 1,008,849	\$ 1,098,178	\$ 2,107,027	\$ 737,022	\$ 2,844,049
2043/44	\$ 1,021,543	\$ 1,011,274	\$ 2,032,817	\$ 717,089	\$ 2,749,906
2044/45	\$ 1,031,772	\$ 925,584	\$ 1,957,356	\$ 652,925	\$ 2,610,281
2045/46	\$ 1,039,908	\$ 844,086	\$ 1,883,994	\$ 637,254	\$ 2,521,248
2050/51	\$ 1,100,568	\$ 533,454	\$ 1,634,022	\$ 305,198	\$ 1,939,220
2055/56	\$ 1,067,559	\$ 278,750	\$ 1,346,309	\$ 78,396	\$ 1,424,705
2060/61	\$ 943,318	\$ 117,540	\$ 1,060,858	\$ 1,058	\$ 1,061,916
2065/66	\$ 766,484	\$ 42,923	\$ 809,407	\$ 0	\$ 809,407
2070/71	\$ 578,185	\$ 17,182	\$ 595,367	\$ 0	\$ 595,367
2075/76	\$ 386,825	\$ 9,263	\$ 396,088	\$ 0	\$ 396,088
2080/81	\$ 208,088	\$ 5,401	\$ 213,489	\$ 0	\$ 213,489
2085/86	\$ 81,416	\$ 2,142	\$ 83,558	\$ 0	\$ 83,558
2090/91	\$ 20,842	\$ 399	\$ 21,241	\$ 0	\$ 21,241
2095/86	\$ 2,927	\$ 0	\$ 2,927	\$ 0	\$ 2,927
2100/01	\$ 122	\$ 0	\$ 122	\$ 0	\$ 122
All Years	\$49,593,990	\$66,810,824	\$116,404,814	\$23,870,287	\$140,275,101

SECTION IV. BENEFIT PLAN PROVISIONS

This study analyzes the post-retirement health benefits provided by the City. Currently, eligible active employees are offered a choice of medical (including prescription drug coverage) plans through the CalPERS Health Program under the Public Employees' Medical and Hospital Care Act (PEMHCA). The City offers the same medical plans to eligible retirees except once a retiree is eligible for Medicare, the retiree must join a Medicare HMO or Supplement Plan with Medicare being the primary payer.

Prior to January 1, 2006, the City sponsored a defined benefit healthcare plan which provided a fixed dollar contribution towards the cost of medical coverage for eligible employees continuing medical coverage through PEMHCA at retirement. The City's contribution varied by employee group (up to a maximum of \$450 per month for Police employees and \$400 for all other employees).

Effective January 1, 2006, the City implemented a Retiree Health Savings program (RHS) for all new full-time employees (Category 1) and for full-time employees whose age plus service as of January 1, 2006 was less than 46 for public safety employees and 50 for all other employees (Category 2). Full-time active employees whose age plus service as of January 1, 2006 was 46 or more for public safety employees and 50 or more for all other employees (Category 3) continued to be eligible to receive the City's fixed dollar contribution under the prior defined benefit plan at retirement but the contribution is paid into the employee's RHS account. Employees already retired and eligible for a City contribution at January 1, 2006 (Category 4) continued to receive the City's contribution under the prior defined benefit plan but instead of being applied towards medical coverage, the fixed dollar contribution amount less the minimum required employer PEMHCA contribution for those continuing coverage through PEMHCA is made to an RHS account established for the retiree. Employees in Category 3 could make a one-time election to be treated similarly to Category 2 employee with those not electing remaining in a Hybrid Plan (includes both the City's fixed dollar contribution but also some components of the RHS Plan). A description of the funding components is outlined in the chart on the following page.

The RHS is a Health Reimbursement Arrangement (HRA) sponsored by the City which reimburses a participant for post-employment medical (PEMHCA plan) dental, vision, long-term care, miscellaneous medical expenses, and the PEMHCA minimum. In general, the RHS is a defined contribution program sponsored by the City with several funding components as outlined in the table on the following page. Any balance in the employee's RHS account after the death of the employee and eligible spouse and dependents will be forfeited.

Part-time employees can continue medical coverage through PEMHCA and receive the PEMHCA minimum required contribution from the City which is scheduled to increase in the future based on the medical portion of CPI. A history of the increases in past years and current amounts are as follows:

Calendar Year	Minimum Required Employer Contribution
2007	\$80.80
2008	\$97.00
2009	\$101.00
2010	\$105.00
2011	\$108.00
2012	\$112.00
2013	\$115.00
2014	\$119.00
2015	\$122.00
2016	\$125.00
2017+	Adjusted Annually to reflect Medical Portion of CPI

In general, the RHS is a defined contribution program sponsored by the City with the following funding components:

	Category 1	Category 2	Category 3*	Category 4
Part A – Pre-Retirement Employee Contributions	<ul style="list-style-type: none"> ○ 1% of base pay mandatory contribution ○ effective immediately upon employment 	<ul style="list-style-type: none"> ○ 1% of base pay mandatory contribution ○ effective January 1, 2006 	<ul style="list-style-type: none"> ○ 1% of base pay mandatory contribution ○ effective January 1, 2006 	None
Part B – Pre-Retirement City Contributions:	<ul style="list-style-type: none"> ○ City contributes \$2.50 per month for each year of age plus service during employment ○ effective upon 5 years of vesting service; immediate vesting for industrial disability ○ retroactively deposited; biweekly thereafter 	<ul style="list-style-type: none"> ○ City contributes \$2.50 per month for each year of age plus service during employment ○ effective upon 5 years of vesting service; immediate vesting for industrial disability ○ retroactively deposited; biweekly thereafter 	None	None
Part C – Leave Conversion:	<ul style="list-style-type: none"> ○ mandatory transfer of a portion of accumulated leave during any leave buyout ○ amount of leave conversion varies by bargaining unit & subject to negotiation ○ not payable in cash 	<ul style="list-style-type: none"> ○ mandatory transfer of a portion of accumulated leave during any leave buyout ○ amount of leave conversion varies by bargaining unit & subject to negotiation ○ not payable in cash 	<ul style="list-style-type: none"> ○ mandatory transfer of a portion of accumulated leave during any leave buyout ○ amount of leave conversion varies by bargaining unit & subject to negotiation ○ not payable in cash 	
Part D – Conversion Contribution:	None	<ul style="list-style-type: none"> ○ For fully converted employees who retire from the plan only ○ City will make a one-time contribution of \$100 per month the employee contributed to the plan prior to January 1, 2006 with a cap of \$18,000 	<ul style="list-style-type: none"> ○ City will make a one-time contribution of \$75 per month the employee contributed to the plan January 1, 2006 with a cap of \$13,500 	
Part E – Post Retirement Contribution	<ul style="list-style-type: none"> ○ City will provide the PEMHCA minimum contribution when a retiree’s RHS account value has been exhausted 	<ul style="list-style-type: none"> ○ City will provide the PEMHCA minimum contribution when a retiree’s RHS account value has been exhausted 	<ul style="list-style-type: none"> ○ City will contribute \$400 per month (\$450 for Police employees retiring prior to January 1, 2006) 	<ul style="list-style-type: none"> ○ City will contribute \$400 per month (\$450 for Police employees) to retiree’s or surviving spouse’s RHS account
Part F – Other Pre-Retirement Employee Contributions:	None	None	<ul style="list-style-type: none"> ○ Active full-time employees are required to make a contribution of \$100 per month 	None

*Employees making a one-time election into the RHS Plan are treated as Category 2 employees.

Premium Rates

The City participates in the CalPERS Health Program, a community-rated program, for medical coverage. The tables below summarize the calendar 2015 and 2016 monthly medical premiums for the primary medical plans in which the retirees are enrolled.

2015 Other So. Cal. Region	Kaiser	BS HMO	BS NVP HMO	PERS Care	PERS Choice	PERS Select
Retiree Only	\$ 579.80	\$ 598.66	\$ 561.09	\$ 657.32	\$ 594.40	\$ 585.58
Retiree Plus Spouse	\$1,159.60	\$1,197.32	\$1,122.18	\$1,314.64	\$1,188.80	\$1,171.16
Retiree Plus Family	\$1,507.48	\$1,556.52	\$1,458.83	\$1,709.03	\$1,545.44	\$1,522.51
Retiree Only- Medicare	\$ 295.51	\$ 352.63	\$ 352.63	\$ 368.76	\$ 339.47	\$ 339.47
Retiree Plus Spouse – Medicare	\$ 591.02	\$ 705.26	\$ 705.26	\$ 737.52	\$ 678.94	\$ 678.94

2015 Other So. Cal. Region (Continued)	Sharp HMO	UHC HMO	Anthem HMO Select	Anthem HMO Traditional	Health Net Salud	Health Net Smart Care
Retiree Only	\$ 564.57	\$ 449.10	\$ 653.97	\$ 743.12	\$ 520.59	\$ 579.88
Retiree Plus Spouse	\$1,129.14	\$ 898.20	\$1,307.94	\$1,486.24	\$1,041.18	\$1,159.76
Retiree Plus Family	\$1,467.88	\$1,167.66	\$1,700.32	\$1,932.11	\$1,353.53	\$1,507.69
Retiree Only- Medicare	\$ 327.66	\$ 267.41	\$ 445.38	\$ 445.38	\$ 276.85	\$ 276.85
Retiree Plus Spouse – Medicare	\$ 655.32	\$ 534.82	\$ 890.76	\$ 890.76	\$ 553.70	\$ 553.70

2016 Other So. Cal. Region	Kaiser	BS HMO	BS NVP HMO	PERS Care	PERS Choice	PERS Select
Retiree Only	\$ 605.05	\$ 654.87	\$ 666.35	\$ 761.50	\$ 683.71	\$ 625.20
Retiree Plus Spouse	\$1,210.10	\$1,309.74	\$1,332.70	\$1,523.00	\$1,367.42	\$1,250.40
Retiree Plus Family	\$1,573.13	\$1,702.66	\$1,732.51	\$1,979.90	\$1,777.65	\$1,625.52
Retiree Only- Medicare	\$ 297.23	N/A	N/A	\$ 408.04	\$ 366.38	\$ 366.38
Retiree Plus Spouse – Medicare	\$ 594.46	N/A	N/A	\$ 816.08	\$ 732.76	\$ 732.76

2016 Other So. Cal. Region (Continued)	Sharp HMO	UHC HMO	Anthem HMO Select	Anthem HMO Traditional	Health Net Salud	Health Net Smart Care
Retiree Only	\$ 561.34	\$ 493.99	\$ 634.75	\$ 710.79	\$ 535.98	\$ 596.98
Retiree Plus Spouse	\$1,122.68	\$ 987.98	\$1,269.50	\$1,421.58	\$1,071.96	\$1,193.96
Retiree Plus Family	\$1,459.48	\$1,284.37	\$1,650.35	\$1,848.05	\$1,393.55	\$1,552.15
Retiree Only- Medicare	N/A	\$ 320.98	N/A	N/A	N/A	N/A
Retiree Plus Spouse – Medicare	N/A	\$ 641.96	N/A	N/A	N/A	N/A

SECTION V. VALUATION DATA

The valuation was based on the census furnished to us by the City. The following tables display the age distribution for retirees and the age/service distribution for active employees as of the Measurement Date.

Age Distribution of Eligible Retired Participants & Beneficiaries

	Miscellaneous	Safety	Total*	MRC Only	Waives	Grand Total
<50	1	2	3	5	11	19
50-54	10	26	36	2	6	44
55-59	41	37	78	3	6	87
60-64	52	70	122	5	7	134
65-69	68	60	128	4	11	143
70-74	41	28	69	3	13	85
75-79	34	21	55	2	14	71
80-84	18	8	26	1	14	41
85+	18	4	22	0	21	43
Total:	283	256	539	25	103	667
Average Age:	68.8	65.2	67.1	60.9	71.6	67.5
Average Retirement Age:	57.7	51.6	54.8	52.3	50.2	54.0

* Note: Currently receiving the \$400 or \$450 per month contribution.

Age/Service Distribution of All Active Benefit Eligible Employees

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	Total	Hybrid Plan	RHS Plan	Part Time
20-24	22	1								23	0	10	13
25-29	48	20	0							68	0	49	19
30-34	38	57	26	3						124	0	116	8
35-39	22	36	59	9						126	0	119	7
40-44	14	21	41	23	7	3				109	0	106	3
45-49	15	17	24	22	22	17	1			118	16	94	8
50-54	8	8	21	21	16	28	5	1		108	42	56	10
55-59	8	6	8	9	6	12	6	0		55	30	18	7
60-64	4	8	6	7	4	3	4	2		38	18	11	9
65-69	1	2	0	0	1	2	0	0	1	7	4	0	3
70+	0	0	1	0	0	1	0	0	0	2	1	0	1
Total:	180	176	186	94	56	66	16	3	1	778	111	579	88
Average Age:										42.7	55.5	40.5	41.0
Average Service:										12.1	24.6	10.4	7.6

Age/Service Distribution of Benefit Eligible Miscellaneous Employees

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	Total	Hybrid Plan	RHS Plan	Part Time
20-24	17	1								18	0	5	13
25-29	26	11								37	0	18	19
30-34	16	32	14	1						63	0	56	7
35-39	15	22	24	7						68	0	61	7
40-44	13	7	25	14	4	1				64	0	61	3
45-49	14	14	15	13	10	9	1			76	6	64	6
50-54	6	8	20	15	11	23	3	1	0	87	27	50	10
55-59	7	6	8	9	6	9	6	0	0	51	28	17	6
60-64	3	8	6	7	4	2	3	2	0	35	16	10	9
65-69	1	2	0	0	1	2	0	0	1	7	4	0	3
70+	0	0	1	0	0	1	0	0	0	2	1	0	1
Total:	118	111	113	66	36	47	13	3	1	508	82	342	84
Average Age										44.6	56.8	42.6	40.8
Average Service										12.3	24.4	10.7	7.1

Age/Service Distribution of Benefit Eligible Safety Employees

Age	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	Total	Hybrid Plan	RHS Plan	Part Time
20-24	5									5	0	5	0
25-29	22	9								31	0	31	0
30-34	22	25	12	2						61	0	60	1
35-39	7	14	35	2						58	0	58	0
40-44	1	14	16	9	3	2				45	0	45	0
45-49	1	3	9	9	12	8				42	10	30	2
50-54	2	0	1	6	5	5	2	0		21	15	6	0
55-59	1	0	0	0	0	3	0	0	0	4	2	1	1
60-64	1	0	0	0	0	1	1	0	0	3	2	1	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0	0
Total:	62	65	73	28	20	19	3	0	0	270	29	237	4
Average Age										39.0	51.7	37.4	45.5
Average Service										11.7	25.2	10.0	17.6

SECTION VI. ACTUARIAL ASSUMPTIONS AND METHODS

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Measurement Date: June 30, 2015

Fiscal Year: July 1st to June 30th

Fiscal Years Covered: Fiscal Year Ending June 30, 2017 & Fiscal Year Ending June 30, 2018 – 1 Year Lag Period

Discount Rate: 7.0% for cash subsidy and PEMHCA implied subsidy, pre-funded through CERBT strategy 1

[The prior valuation assumed 0.25% higher rate for the cash subsidy and 4.25% for PEMHCA]

Inflation: 2.8% per annum

Wage Inflation: 3.0% per annum, in aggregate.

Salary Increases: For cost method purposes the merit increases from the CalPERS pension plan are used.

Pre-retirement Turnover: According to the termination rates under the CalPERS pension plan. Sample rates for Miscellaneous employees are as follows:

Service	Entry Age			
	20	30	40	50
0	17.42%	16.06%	14.68%	13.32%
5	8.68%	7.11%	5.54%	0.97%
10	6.68%	5.07%	0.71%	0.38%
15	5.03%	3.47%	0.23%	0.04%
20	3.70%	0.21%	0.05%	0.01%
25	2.29%	0.05%	0.01%	0.01%
30	0.05%	0.01%	0.01%	0.01%

Sample rates for Firefighter employees are as follows:

Service	Entry Age			
	20	30	40	50
0	9.5%	9.5%	9.5%	9.5%
5	2.6%	2.6%	2.6%	1.0%
10	0.9%	0.9%	0.3%	0.3%
15	0.8%	0.8%	0.2%	0.2%
20	0.7%	0.2%	0.2%	0.2%
25	0.6%	0.1%	0.1%	0.1%
30	0.1%	0.1%	0.1%	0.1%

Sample rates for Safety employees are as follows:

Service	Entry Age			
	20	30	40	50
0	10.1%	10.1%	10.1%	10.1%
5	2.5%	2.5%	2.5%	0.9%
10	1.8%	1.8%	0.5%	0.5%
15	1.1%	1.1%	0.3%	0.3%
20	0.8%	0.2%	0.2%	0.2%
25	0.7%	0.1%	0.1%	0.1%
30	0.1%	0.1%	0.1%	0.1%

Pre-retirement Mortality:

According to the pre-retirement mortality rates under the CalPERS pension plan updated to reflect the most recent experience study. Sample deaths per 1,000 employees applicable to employees are as follows:

Age	Males	Females
25	0.4	0.2
30	0.5	0.3
35	0.6	0.4
40	0.8	0.5
45	1.1	0.7
50	1.6	1.0
55	2.3	1.4
60	3.1	1.8

Post-retirement Mortality:

According to the post-retirement mortality rates under the CalPERS pension plan updated to reflect the most recent experience study. Sample deaths per 1,000 employees applicable to Miscellaneous and Safety retirees are as follows:

Age	Males	Females
55	6.0	4.2
60	7.1	4.4
65	8.3	5.9
70	13.1	9.9
75	22.1	17.2
80	39.0	29.0
85	69.7	52.4
90	129.7	98.9

Sample deaths per 1,000 employees applicable to industrial disabled retirees are as follows:

Age	Males	Females
55	6.0	4.2
60	7.5	5.2
65	11.2	8.4
70	16.4	14.0
75	28.3	23.2
80	49.0	39.1
85	76.8	62.5
90	129.7	98.9

Disability Rates:

According to the disability rates under the CalPERS pension plan updated to reflect the most recent experience study. Sample industrial disabilities per 1,000 employees:

Age	Miscellaneous	Safety	Firefighter
25	0.0	3.2	1.2
30	0.0	6.4	2.5
35	0.0	9.7	3.7
40	0.0	12.9	4.9
45	0.0	16.1	6.1
50	0.0	19.2	7.4
55	0.0	66.8	72.1

Retirement Rates:

According to the retirement rates under the CalPERS pension plan updated to reflect the most recent experience study as follows:

Miscellaneous Employees

- Tier 1 – 2.5% @ Age 55
- Tier 2 – 2.0% @ Age 60
- Tier 3 – 2.0% @ Age 62

Fire Employees

- Tier 1 – 3.0% @ Age 50
- Tier 2 – 2.0% @ Age 50
- Tier 3 – 2.7% @ Age 57

Safety Employees

- Tier 1 – 3.0% @ Age 50
- Tier 2 – 3.0% @ Age 55
- Tier 3 – 2.7% @ Age 57

Participation Rates:

100% of eligible full-time employees under the Hybrid Plan are assumed to participate at retirement with 65% assumed to continue coverage through PEMHCA. 18% of eligible part-time employees are assumed to elect to continue coverage under PEMHCA at retirement. For employees in the RHS Plan, the City is responsible for the PEMHCA minimum required contribution but may be eligible for reimbursement by the retiree from their individual RHS account. For purposes of the valuation, 35% of employees in the RHS Plan are assumed to continue coverage under PEMHCA at retirement with the City paying the full PEMHCA minimum required contribution.

[The prior valuation assumed 75% of future retirees continue coverage through PEMHCA.]

Spouse Coverage:

60% of future retirees are assumed to cover their spouse. Male spouses are assumed to be 3 years older than female spouses. Actual spouse coverage and spouse ages are used for current retirees.

Waived Retiree Re-election:

20% of the current retiree population currently under 65 re-elect PEMHCA plan at age 65; 0% of those currently over age 65 re-elect.

Claim Cost Development: The valuation claim costs are based on the premiums paid for medical insurance coverage. The City participates in CalPERS, a community rated plan. Past valuations assumed the City was exempt from the valuation of any medical plan implicit rate subsidy. An implicit rate subsidy can exist when the non-Medicare rates for retirees are the same as for active employees. Since non-Medicare eligible retirees are typically much older than active employees, their actual medical costs are typically higher than for active employees. The current valuation contains an estimate of the implicit rate subsidy.

Medical Trend Rates: Medical costs are adjusted in future years by the following trends:

Year	PPO	HMO
2016	Actual	Actual
2017	7.0%	6.5%
2018	6.5%	6.0%
2019	6.0%	5.5%
2020	5.5%	5.0%
2021+	5.0%	5.0%

[The prior valuation assumed 0.5% lower initial trend rates.]

Minimum Contribution: The PEMHCA minimum required contribution is assumed to increase 4.0% per year.

Fixed Dollar Contribution: Assumed to remain constant in future years.

Medicare Participation: Assume 100% participation.

Actuarial Cost Method: The actuarial cost method used to determine the allocation of the retiree health actuarial liability to the past (accrued), current and future periods is the Entry Age Normal (EAN) cost method. The EAN cost method is a projected benefit cost method which means the “cost” is based on the projected benefit expected to be paid at retirement.

The EAN normal cost equals the level annual amount of contribution from the employee’s date of hire (entry date) to their retirement date that is sufficient to fund the projected benefit. For plans unrelated to pay, the normal cost is calculated to remain level in dollars; for pay-related plans the normal cost is calculated to remain level as a percentage of pay. The City has elected to determine the EAN normal cost as a level percentage of pay. The EAN actuarial accrued liability equals the present value of all future benefits for retired and current employees and their beneficiaries less the portion expected to be funded by future normal costs.

All employees eligible as of the measurement date in accordance with the provisions of the Plan listed in the data provided by the City were included in the valuation.

Actuarial Value of Assets:	The valuation assumes investment gains and losses are smoothed over a 5-year period. The actuarial value of assets shall be no less than 80% of the market value of assets and shall be no more than 120% of the market value of assets.
Amortization of UAAL:	The unfunded actuarial accrued liability is being amortized using a level-percentage of payroll method on a closed basis. The remaining period is 11 years.
CalPERS Pension Plan	The rates used are from the CalPERS 1997-2011 Experience Study.

SECTION VII. ACTUARIAL CERTIFICATION

This report summarizes the GASB actuarial valuation for the City of Newport Beach (the "City") as of June 30, 2015. To the best of our knowledge, the report presents a fair position of the funded status of the plan in accordance with GASB Statements No. 43 (Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans) and No. 45 (Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions). The valuation is also based upon our understanding of the plan provisions as summarized within the report.

The information presented herein is based on the actuarial assumptions and substantive plan provisions summarized in this report and participant information and asset information furnished to us by the Plan Sponsor. We have reviewed the employee census provided by the Plan Sponsor for reasonableness when compared to the prior information provided but have not audited the information at the source, and therefore do not accept responsibility for the accuracy or the completeness of the data on which the information is based. When relevant data may be missing, we may have made assumptions we feel are neutral or conservative to the purpose of the measurement. We are not aware of any significant issues with and have relied on the data provided.

The discount rate and other economic assumptions have been selected by the Plan Sponsor. Demographic assumptions have been selected by the Plan Sponsor with the concurrence of Nyhart. In our opinion, the actuarial assumptions are individually reasonable and in combination represent our estimate of anticipated experience of the Plan. All calculations have been made in accordance with generally accepted actuarial principles and practice.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- plan experience differing from that anticipated by the economic or demographic assumptions;
- changes in economic or demographic assumptions;
- increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and
- changes in plan provisions or applicable law.

While some sensitivity analysis was provided in the report, we did not perform an analysis of the potential range of future measurements due to the limited scope of our engagement.

To our knowledge, there have been no significant events prior to the current year's measurement date or as of the date of this report that could materially affect the results contained herein.

Neither Nyhart nor any of its employees has any relationship with the plan or its sponsor that could impair or appear to impair the objectivity of this report. Our professional work is in full compliance with the American Academy of Actuaries "Code of Professional Conduct" Precept 7 regarding conflict of interest. The undersigned meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Should you have any questions please do not hesitate to contact me.

Certified by:

Marilyn K. Jones, ASA, EA, MAAA, FCA
Consulting Actuary

Date: _____

SECTION VIII. DEFINITIONS

The definitions of the terms used in GASB actuarial valuations are noted below.

Actuarial Liability (also referred to as Present Value of Future Benefits) – Total projected benefits include all benefits estimated to be payable to plan members (retirees and beneficiaries, terminated employees entitled to benefits but not yet receiving them, and current active members) as a result of their service through the valuation date and their expected future service. The actuarial present value of total projected benefits as of the valuation date is the present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment. Expressed another way, it is the amount that would have to be invested on the valuation date so that the amount invested plus investment earnings will provide sufficient assets to pay total projected benefits when due.

Actuarial Accrued Liability – That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of plan benefits and expenses which is not provided for by the future Normal Costs.

Actuarial Assumptions – Assumptions as to the occurrence of future events affecting health care costs, such as: mortality, turnover, disablement and retirement; changes in compensation and Government provided health care benefits; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; characteristics of future entrants for Open Group Actuarial Cost Methods; and other relevant items.

Actuarial Cost Method – A procedure for determining the Actuarial Present Value of future benefits and expenses and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a Normal Cost and an Actuarial Accrued Liability.

Actuarial Present Value – The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions.

Annual OPEB Cost – An accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan.

Annual Required Contribution (ARC) – The employer's periodic required contributions to a defined benefit OPEB plan, calculated in accordance with the parameters.

Explicit Subsidy – The difference between (a) the amounts required to be contributed by the retirees based on the premium rates and (b) actual cash contribution made by the employer.

Funded Ratio – The actuarial value of assets expressed as a percentage of the actuarial accrued liability.

Healthcare Cost Trend Rate – The rate of change in the per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

Implicit Rate Subsidy – In an experience-rated healthcare plan that includes both active employees and retirees with blended premium rates for all plan members, the difference between (a) the age-adjusted premiums approximating claim costs for retirees in the group (which, because of the effect of age on claim costs, generally will be higher than the blended premium rates for all group members) and (b) the amounts required to be contributed by the retirees.

Net OPEB Obligation – The cumulative difference since the effective date of this Statement between annual OPEB cost and the employer's contributions to the plan, including the OPEB liability (asset) at transition, if any, and excluding (a) short-term differences and (b) unpaid contributions that have been converted to OPEB-related debt.

Normal Cost – The portion of the Actuarial Present Value of plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Pay-as-you-go – A method of financing a benefit plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

Per Capita Costs – The current cost of providing postretirement health care benefits for one year at each age from the youngest age to the oldest age at which plan participants are expected to receive benefits under the plan.

Select and Ultimate Rates – Actuarial assumptions that contemplate different rates for successive years. Instead of a single assumed rate with respect to, for example, the healthcare trend rate assumption, the actuary may apply different rates for the early years of a projection and a single rate for all subsequent years. For example, if an actuary applies an assumed healthcare trend rate of 6.5% for year 20W0, 6.0% for 20W1, 5.5% for 20W2, then 5.0% for 20W3 and thereafter, then 6.5%, 6% and 5.5% are select rates, and 5% is the ultimate rate.

Substantive Plan – The terms of an OPEB plan as understood by the employer(s) and plan participant.

Item No. 5B1
Retiree Health Liability (OPEB)
Staff Presentation
October 15, 2015

FINANCE COMMITTEE OPEB Valuation Results Intro

October 15, 2015





OTHER POST EMPLOYMENT BENEFITS (OPEB)



OPEB Plans

- ❖ Legacy Plan Closed in 2001
 - Defined Benefit \$400-450 Monthly Annuity
 - Primary Driver of OPEB Liabilities
 - 539 Retirees and 111 Actives
- ❖ New Plan is a Defined Contribution Plan
 - 401K Style Benefit \$1,000 to \$2,500 annual contribution to Retiree Health Account (RHS)
 - Virtually no residual liability after active employment
 - 579 Participants

Valuation summary

Valuation dated June 30, 2015 – Marilyn Jones, Nyhart Epler

Actuarial Accrued Liability (AAL)*	\$42,638,555
Actuarial Value of Assets (AVA)	<u>\$14,890,926*</u>
Unfunded Actuarial Liability (UAL)	\$(27,747,629)
Percent Funded	35%
2016-17 Annual Required Contribution (ARC)**	\$3,715,861
Normal Cost	\$673,290
Amortization of Unfunded Actuarial Accrued Liability	\$3,042,571
Legacy Benefit Employee Contributions (Hybrid Participants)	(\$133,200)
Net City ARC	\$3,582,661

* Market Value of Assets \$14,818,836



Policy Decisions

- ❖ Fully Fund ARC?
 - Looks Better to Financial Community
 - \$1million more annually
 - \$375,000 Net Cost after Reimb. from trust

- ❖ Decrease Discount Rate to 6.5%
 - Increases Cost \$209,000 Annually
 - Conservative Approach
 - Less reliant on investment earnings.

Decrease Discount Rate to 6.5%

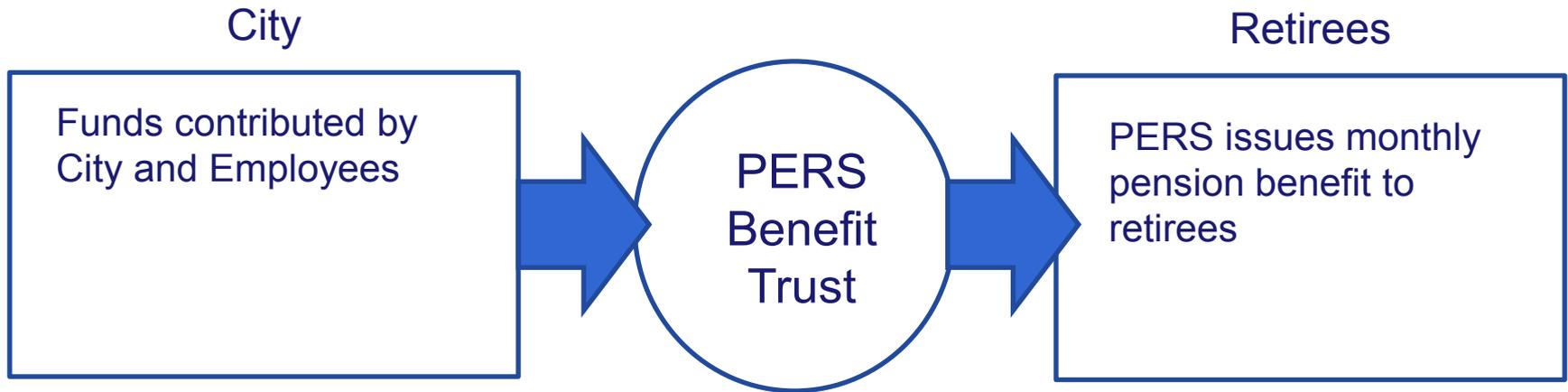
0.5% Decrease in Discount Rate

<u>Item</u>	<u>Dollar (\$) Increase / (Decrease)</u>
Actuarial Accrued Liability (AAL)	\$ 1,967,449
Unfunded Actuarial Accrued Liability (UAAL)	\$ 1,967,449
Annual Required Contribution (ARC)	\$ 209,226

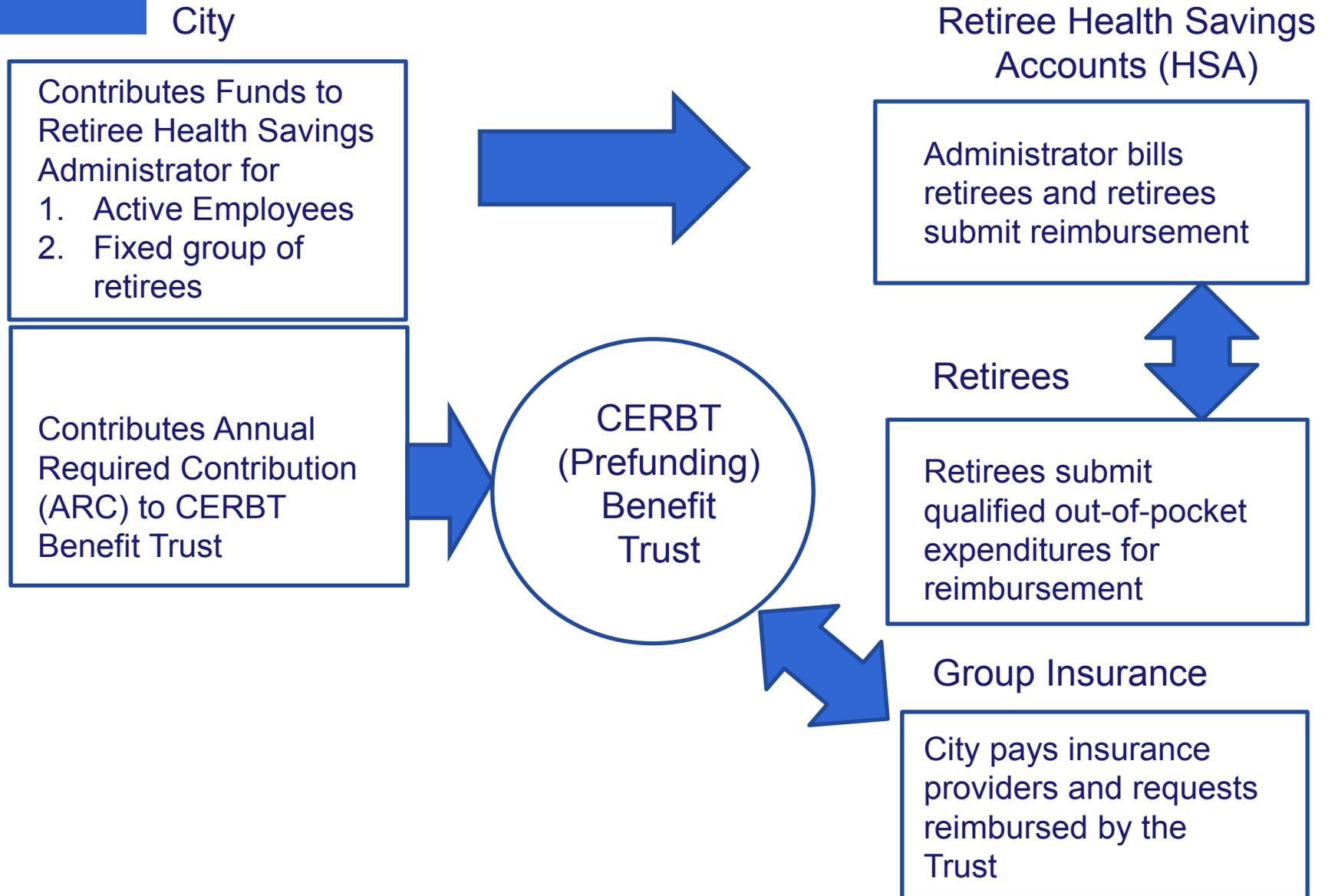


Annual Required Contribution (ARC)				
	Explicit	Implicit	Total	Implicit Subsidy Cash Flow
Fiscal Year 2015-16	\$ 2,845,895	\$ -	\$ 2,845,895	
Fiscal Year 2016-17	\$ 2,647,512	\$ 1,068,349	\$ 3,715,861	\$ 669,685
Fiscal Year 2017-18	\$ 2,726,938	\$ 1,100,399	\$ 3,827,337	\$ 683,338

Fund Flows in PERS



Fund Flows in OPEB





Questions



**CITY OF NEWPORT BEACH
FINANCE COMMITTEE
STAFF REPORT**

Agenda Item No. 5C
October 15, 2015

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE COMMITTEE

FROM: Finance Department
Dan Matusiewicz, Finance Director
(949) 644-3123, danm@newportbeachca.gov

SUBJECT: Implementation of Budget Preparation Framework – Review of Operating Budget, Session 1

SUMMARY:

During recent Finance Committee meetings, members discussed pursuing actions for bringing greater transparency and accountability during the annual budget development process. Staff believes that following a proposed budget preparation framework consisting of budget principles, and associated strategies and tactics can be a reliable vehicle for improving the City's budget process. In furtherance of Budget Framework Tactic T.10.1, the goal of this presentation will be to familiarize members of the Finance Committee with the elements of the FY 2015-16 Recreation and Senior Services Department departmental budget, provide opportunity for questions, and to gain clarity in the funding allocations for departmental programs. Staff will schedule similar Finance Committee presentations covering the operating budgets of other departments over the next few months.

RECOMMENDED ACTION:

In furtherance of Budget Framework Tactic T.10.1, review, ask questions, and provide comment relating to the Recreation and Senior Services FY 2015-16 operating budget.

DISCUSSION:

The Finance Committee expressed an interest in having greater involvement in the review of the proposed budget prior to its adoption by the City Council. During the September 16, 2015, Finance Committee meeting, members discussed and agreed to pursue a Budget Preparation Framework for bringing greater transparency and accountability during the annual budget development process.

The Budget Preparation Framework consists of goals, strategies and associated tactics to facilitate the establishment of priorities, guiding program activities, and allocating resources. Goals or “budget principles” represent statements that identify the broad goals that provide overall direction for the City and serve as a basis for decision making. Strategic objectives are major accomplishments that the City seeks to achieve over a specified period of time to achieve its long term goals. Tactics identify what should be done, that is, outline the specific tasks that must be accomplished to achieve the strategic objectives.

Certain members of the Finance Committee expressed a desire to be more involved in the early stages of the budget process, well in advance of the budget adoption by the City Council in May. Budget development is typically well underway by February, the month that the Committee convened its first meeting in 2015. Soliciting Committee input earlier will provide the Finance Committee with a better opportunity to be involved and better understand the proposed budget.

The goal of this presentation will be to familiarize members of the Finance Committee with the elements of the FY 2015-16 Recreation and Senior Services Department departmental budget, provide opportunity for questions, and to gain clarity in the funding allocations for departmental programs. Committee members can also work on developing budget recommendations on items such as pension funding, Other Post-Employment Benefits (OPEB), Facilities Financial Planning (FFP), Seawall replacement(s), programs, services, and other budget items prior to the development of the FY 2016-17 budget.

This agenda item is in furtherance of Budget Framework Tactic T.10.1 and staff will schedule similar Finance Committee presentations covering the operating budgets of other departments over the next few months.

Budget Framework Tactic T.10.1:

Staff would take the Finance Committee (FC) through a series of three to four “deep dives” into specific budget divisions or programs, with explanations about the Budget Detail and salaries, benefits, contract service accounts, and more. Set aside enough time to do this without anyone feeling rushed.

- *Have each member of the FC identify 2-3 areas of interest – or questions they want answered before they have a final discussion about the budget – and complete these to general satisfaction prior to having the Council’s spring 2016 budget sessions for FY 16-17.*

This action will provide members with the context and understanding of the City's programs in advance of the Fiscal Year 2016-2017 budget process and reinforce an environment of continual process improvement.

Prepared and Submitted by:

/s/ Dan Matusiewicz

Dan Matusiewicz
Finance Director

Attachments:

- A. Recreation and Senior Services FY 2015-16 Operating Budget Performance Plan
- B. Recreation and Senior Services FY 2015-16 Operating Budget Detail

ATTACHMENT A

Recreation and Senior Services FY 2015-16 Operating Budget Performance Plan

MISSION STATEMENT

To enhance the quality of life by providing diverse opportunities in safe and well maintained facilities, open spaces and parks. We pledge to respond to community needs by creating quality educational, environmental, recreational, cultural and social programs for people of all ages.

DEPARTMENT OVERVIEW

The Recreation and Senior Services (RSS) Department consists of three divisions: Administration, Recreation, and Senior Services. Under the guidance of the Department Director, the RSS Department is responsible for the creation, coordination and implementation of recreational and social opportunities that serve a population ranging from infants to those in their advanced years. In addition, the department oversees the use of 66 parks and 12 facilities while also playing a role at the Back Bay Science Center and a number of natural spaces and sensitive marine habitats throughout the City. The Oasis Senior Center focuses on serving the senior community, offering programs to enrich senior life, prevent isolation, and create positive, successful aging experiences. With all programs, the backbone of the Department's success is the large volume of part-time staff and independent contractors out in the field serving the community as well as numerous volunteers who join us on a daily basis to fulfill our mission. These dedicated individuals, combined with the full-time staff, form a unified team that is talented, skilled and service oriented.

KEY DEPARTMENT PROGRAMS

- Administration
- Recreation
- Senior Services

**Parks
Make
Life
Better!**



Service Indicators	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2015-16 Projected
<i>Recreation Services</i>				
Special Event Permits	252	276	350	350
Facility Rentals	2,638	2,489	2,500	2,500
Program Attendance	394,055	524,126	525,000	525,000
Comm.Youth Sports Program Attendance	293,938	368,730	370,000	370,000
<i>Senior Services</i>				
Facility Rentals	146	116	140	140
Program Attendance	77,600	105,509	111,500	115,000
Human Services Attendance	28,000	26,451	26,000	26,000
Transportation Services Attendance	13,007	13,956	13,900	13,900
Fitness Center Attendance	70,416	72,613	72,000	72,000

GOALS

- Deliver well rounded, high quality recreational and social programs as well as senior services to the Newport Beach community.
- Protect and preserve natural land and marine habitats within the City of Newport Beach boundaries while fostering stewardship of the environment.
- Ensure open spaces, parks and community centers are well maintained and safe for the community to enjoy.
- Continue to seek partnerships and opportunities to enhance recreation and senior services while minimizing general fund support.
- Participate in and support efforts for the design, development and programming of Marina Park, Big Canyon Public Access, West Newport Community Center, and a future dog park.
- Promote the City of Newport Beach rental properties, including the OASIS Senior Center, Marina Park and Civic Center Community Room and Park, as premier locations for rentals.
- Continue to enhance the department's website to better market programming.
- Continue to broaden our outreach to the community by such offerings as resource expos tailored to each age group.
- Develop a trend analysis report that tracks participation of Department offerings to improve performance and make informed decisions that further meet the needs of the community.
- Utilize new RSS Equipment Fund (Fund 619) for managing Department's equipment replacement and court resurfacing needs.



TOTAL RECREATION & SENIOR SERVICES DEPARTMENT COSTS

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2015-16 Adopted
Salaries and Benefits	\$ 4,752,186	\$ 4,964,843	\$ 5,607,999	\$ 6,293,014
Maintenance and Operations	\$ 3,845,713	\$ 3,987,178	\$ 4,485,171	\$ 5,057,444
Capital Equipment	\$ 15,149	\$ 8,920	\$ 103,239	\$ 49,430
Total	\$ 8,613,048	\$ 8,960,941	\$ 10,196,409	\$ 11,399,888

PROGRAMS

ADMINISTRATION

INTENDED OUTCOME

- Provide leadership and administrative support to the RSS divisions throughout all phases of executing the department's mission and strategic goals.

CORE FUNCTIONS

- Executive leadership and direction
- Policy development and guidance
- Liaison to City Council and Parks, Beaches & Recreation Commission
- Marketing
- Budget development and management
- Financial and statistical analysis
- Payroll processing
- Personnel facilitation
- Contract management
- Invoice processing
- ActiveNet system administration
- Interdepartmental and intradepartmental collaboration



WORK PLAN

- Provide ongoing leadership and direction for the RSS Department, to ensure quality execution of department goals.

- Lead marketing efforts department-wide, including publication of the Newport Navigator brochure on a quarterly basis.
- Prepare, facilitate, and monitor the annual budget; maintain the budget tracking model.
- Perform financial analysis and audits to support staff in implementing department goals.
- Manage contractual services and contract record keeping processes; coordinate with City Attorney's office to ensure proper contract execution.
- Process payroll bimonthly; track personnel data and coordinate personnel changes.
- Maintain active communication with ActiveNet, the provider of the RSS program registration system, to ensure a smooth registration process for the community.
- Continue to efficiently manage front office operations, providing quality internal support services and quality customer service to the community.
- Process and track invoices on a timely basis.



ADMINISTRATION PROGRAM COSTS

	2012-13* Actual	2013-14 Actual	2014-15 Estimated	2015-16 Proposed
Salaries and Benefits	\$ 534,907	\$ 587,674	\$ 590,457	\$ 631,619
Maintenance and Operations	\$ 403,148	\$ 428,692	\$ 432,991	\$ 456,878
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ 938,055</u>	<u>\$ 1,016,366</u>	<u>\$ 1,023,448</u>	<u>\$ 1,088,497</u>

* Irvine Ranch Conservancy Contract added in FY 2012-13.

ADMINISTRATION BUDGETED STAFFING

Positions	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time				
Administrative Assistant	1.0	1.0	1.0	1.0
Budget Analyst	0.5	0.5	0.5	0.5
Marketing Specialist	1.0	1.0	1.0	1.0
Recreation & Senior Services Director	1.0	1.0	1.0	1.0
Total Full-Time	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>
Part-Time				
Senior Fiscal Clerk P/T	0.5	0.5	0.5	0.5
Total Part-Time	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Total Budgeted Staffing	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>

RECREATION

INTENDED OUTCOME

- Provide programs and facilities for the community that enrich citizens' lives, improve their health, and enhance community safety.

CORE FUNCTIONS

- Provide staffing support to City Council and the Parks, Beaches & Recreation Commission on a variety of recreational and community use issues
- Allocate and patrol use of 66 parks, 12 facilities, and beaches
- Provide a wide variety of high quality programming for youth and adults
- Develop and conduct programs in support of environmental awareness
- Maintain and operate 11 community centers
- Develop future community facilities
- Maintain citywide sports courts, ball fields and tot lots
- Manage special event permits
- Provide and facilitate community support and problem solving



WORK PLAN

- Continue to develop a wide variety of recreational and social programs that address the needs of tots, youth and adults in the Newport Beach community.
- Collaborate with over 100 independent contractors to ensure high quality class instruction and programs year-round, focusing on expanding program offerings at Carroll Beek Community Center.
- Manage the City adult sports leagues, focusing on expanding softball and basketball participation
- Maintain a well trained staff to efficiently operate the aquatics program, preschool and after-school programs, youth recreational sports programs and summer day camps.
- Manage the sports field allocation program in collaboration with the Youth Sport Commission members, such as Youth Soccer and Little League, serving over 6,000 youth annually through this program.
- Continue to develop the Traveling Tidepool Outreach Program to educate the community about the Crystal Cove Marine Protected Area; implement a full schedule of Traveling Tidepool school tours utilizing the ISOpod for the FY15/16 school year.
- Manage the Marine Protection and Education program, educating residents and visitors on how best to explore and protect natural land and marine habitats.

- Implement staffing, partnership and program plan for Marina Park operations.
- Process over 2,600 reservation requests each year, for rentals of picnic areas, fields, gyms and meeting rooms.
- Monitor and maintain playground equipment, play surfaces, backstops, and courts for 34 playgrounds and all active sports parks throughout the city.
- Maintain adequate Park Patrol units throughout the city to ensure parks, open spaces, and facilities remain safe environments for the community to enjoy; enforce City ordinances pertaining to open spaces.
- Process over 350 special events permits annually for both large and small scale events.
- Sponsor special events and community programs, including the Corona del Mar Scenic 5k, the Mariners and Balboa Peninsula Independence Day Parades and Picnics, Camp Expo, Youth Track Meet, Breakfast with Santa, Mayor’s Egg Roll and neighborhood based events.
- Collaborate with community partners and agencies to provide facilities and programming for the community. These groups include the Newport-Mesa Unified School District, New Irvine Ranch Conservancy, Boys & Girls Club, U.S. Fish and Wildlife, Newport Theatre Arts Center, Newport Aquatic Center, academic institutions and environmental non-governmental organizations.

RECREATION PROGRAM COSTS

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2015-16 Adopted*
Salaries and Benefits	\$ 2,907,301	\$ 3,053,803	\$ 3,518,094	\$ 4,081,390
Maintenance and Operations	\$ 2,639,158	\$ 2,641,191	\$ 3,033,767	\$ 3,477,936
Capital Equipment	\$ 9,476	\$ 5,000	\$ 88,750	\$ 39,460
Total	\$ 5,555,935	\$ 5,699,994	\$ 6,640,611	\$ 7,598,786

*Grand Opening of Marina Park Set for December 2015.



RECREATION BUDGETED STAFFING

Positions	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time				
Department Assistant	1.0	1.0	1.0	1.0
Deputy Rec & Sr Svcs Director	-	-	1.0	1.0
Facilities Maintenance Worker II	2.0	2.0	2.0	3.0
Groundswoker II	2.0	2.0	2.0	2.0
Lead Park Patrol Officer	1.0	1.0	1.0	1.0
Marine Protection & Education Supervisor	1.0	1.0	1.0	-
Office Assistant	-	2.0	2.0	3.0
Park Patrol Officer	-	-	1.0	1.0
Recreation Coordinator	3.0	5.0	5.0	5.0
Recreation Manager	2.0	2.0	2.0	3.0
Recreation Superintendent	1.0	1.0	-	-
Recreation Supervisor	5.0	5.0	5.0	7.0
Total Full-Time	18.0	22.0	23.0	27.0
Part-Time				
Assistant Recreation Coordinator P/T	1.76	0.50	0.50	0.50
Facilities Maintenance Worker II P/T	-	-	-	0.40
Marine Naturalist Interpreter P/T	1.95	2.35	2.60	2.60
Office Assistant P/T	2.57	0.88	0.88	1.60
Park Patrol Officer	1.75	1.75	2.57	2.57
Pool Swim Instructor	3.18	3.18	3.18	3.18
Recreation Leader	8.75	9.35	12.04	12.30
Senior Pool Lifeguard	1.52	1.52	1.52	1.52
Senior Recreation Leader I	5.3	5.55	5.70	7.84
Total Part-Time	26.78	25.08	28.99	32.51
Total Budgeted Staffing	44.78	47.08	51.99	59.51



SENIOR SERVICES

INTENDED OUTCOME

- Ensure that senior citizens of Newport Beach are able to live healthy and active lifestyles by providing services that assist them in their daily living and provide activities that enhance their lives.

CORE FUNCTIONS

- Maintain and operate the OASIS Senior Center
- Provide a wide variety of recreational and educational services for seniors
- Provide help and assistance to those who are struggling with aging issues
- Provide information on health and social aging issues
- Provide a wide variety of health and wellness programs to assist in the well being of of older adults
- Operate a full service fitness center for the 50 plus population
- Administer facility rentals at the OASIS Senior Center for private and community functions
- Provide transportation services to and from the Center and medical appointments



WORK PLAN:

- Continue to develop a wide variety of recreational, social, and human service programs that address the needs of seniors in the Newport Beach community.
- Partner with the Friends of OASIS nonprofit organization in providing volunteer assistance to the Center and monetary support for programs. The Friends of OASIS membership continues to grow to 6,500 at its peak.
- Collaborate with a multitude of community organizations to enhance programming and services. These organizations include: Age Well, OC Department of Health, University of California at Irvine, Hoag Memorial Hospital Presbyterian, Braille Institute, Orange County Council on Aging, and the Orange County Transit Authority.
- Continue to market the OASIS Fitness Center to ensure optimum usage of the facility.
- Support continuing education for staff to better understand how to serve the senior community. Staff includes professionals in the fields of Gerontology, Administration, Recreation, Transportation, and Health & Fitness.
- Actively seek out and consider customer feedback when developing program offerings; encourage customer participation in the development process.

- Consider programming impact on parking when scheduling classes to enable maximum parking availability for participants throughout the day.
- Expand classes, activities and services into the evening hours to accommodate working adults.
- Expand our health and wellness programs to address the growing aging population and their ability to stay active for a longer period in life.
- Expand our case management and transportation programs to be able to provide help to the growing older population who are aging in place.



SENIOR SERVICES PROGRAM COSTS

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2015-16 Adopted
Salaries and Benefits	\$ 1,309,978	\$ 1,323,366	\$ 1,499,448	\$ 1,580,006
Maintenance and Operations	\$ 803,406	\$ 917,295	\$ 1,018,414	\$ 1,122,631
Capital Equipment	\$ 5,672	\$ 3,920	\$ 14,489	\$ 9,970
Total	<u>\$ 2,119,056</u>	<u>\$ 2,244,581</u>	<u>\$ 2,532,351</u>	<u>\$ 2,712,607</u>

SENIOR SERVICES BUDGETED STAFFING

Positions	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time				
Department Assistant	1.0	1.0	1.0	1.0
Facilities Maintenance Worker II	1.0	1.0	1.0	1.0
Recreation Coordinator	1.0	1.0	1.0	1.0
Recreation Supervisor	3.0	3.0	3.0	3.0
Senior Services Manager	1.0	1.0	1.0	1.0
Senior Services Van Driver	4.0	4.0	4.0	4.0
Total Full-Time	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>
Part-Time				
Assistant Recreation Coordinator P/T	0.88	0.88	0.88	0.88
Office Assistant P/T	0.75	0.75	0.88	0.88
Recreation Leader, OASIS	2.91	2.91	3.43	3.43
Senior Recreation Leader I	1.84	1.84	1.84	1.84
Senior Services Van Driver P/T	0.50	0.50	0.90	1.40
Total Part-Time	<u>6.88</u>	<u>6.88</u>	<u>7.93</u>	<u>8.43</u>
Total Staffing	<u>17.88</u>	<u>17.88</u>	<u>18.93</u>	<u>19.43</u>

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ATTACHMENT B

Recreation and Senior Services FY 2015-16 Operating Budget Detail

Recreation & Senior Services

Report : DIVISION POSITION WORKSHEET
Year: JUL To JUN 2016
Division 010-4510 - REC & SR SVCS ADMIN

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
ASSISTANT, ADMINISTRATIVE	Full Time	1.00	77,251	0	2,873	24,027	104,151
BUDGET ANALYST	Full Time	0.50	42,282	0	1,573	12,194	56,049
MARKETING SPECIALIST	Full Time	1.00	77,272	0	2,874	31,828	111,974
REC & SR SERVICE DIRECTOR	Full Time	1.00	186,950	6,510	6,953	31,227	231,640
FISCAL CLERK, SR. P/T	Part Time	0.50	23,098	0	859	335	24,292
		4.00	406,854	6,510	15,131	99,611	528,107

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4510 REC & SR SVCS ADMIN
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	353,802	374,340	374,340	383,756
7020 SALARIES - PART TIME	24,987	23,899	23,899	23,098
Total Regular Salaries	378,789	398,239	398,239	406,854
7110 CAR ALLOWANCE	4,800	4,800	4,800	4,800
7112 WELNESS ALLOWANCE	750	750	750	750
7114 CELL PHNE STIPND EXP	960	960	960	960
Total Other Salaries	6,510	6,510	6,510	6,510
Total Salaries	385,299	404,749	404,749	413,365
7210 HLTH/DNTAL/VISON FT	63,872	68,030	68,030	70,258
7223 ANNUAL OPEB COST	18,489	18,068	18,068	16,223
7227 RHS \$2.50 CONTRIB	1,560	1,710	1,710	9,570
Total Health & Retiree Ins	83,721	87,807	87,807	96,051
7290 LIFE INSURANCE	368	368	368	368
7295 EMP ASSIST PRGM	80	83	83	85
7370 WORKERS' COMP, MISC	15,064	15,064	15,064	9,588
7373 COMPSNTD ABSNCES	12,383	13,102	13,102	13,431
7425 MEDICARE FRINGES	5,832	5,774	5,774	5,899
Total Other Benefits	33,526	34,391	34,391	29,372
7439 PERS MBR CNTRBN MISC	4,051	31,063	31,063	32,471
7440 PERS ER CNTRBN MISC	58,806	34,444	31,794	32,906
7445 EE RET CNTRBN MISC	0	(43,235)	(43,235)	(50,247)
7446 PERS UNFND LIAB MISC	0	43,888	43,888	77,700
Total Retirements	62,857	66,160	63,510	92,831
Total Benefits	180,105	188,358	185,708	218,254
Total Salaries and Benefits	565,404	593,107	590,457	631,619
8033 PRNTR MAINT/SUPLIES	600	600	600	600
8040 MAINT&REPAIR - BLDG	21,000	21,000	2,400	21,000
8050 PSTGE,FREIGHT,EXPRS	47,698	47,698	47,698	47,698
8080 SERVICES-PROF & TECH	196,250	202,155	202,155	208,220
8100 TRAVEL & MEETINGS	1,050	1,050	1,050	1,050
8105 TRAINING	300	300	300	300
8127 OFCE SUP- CTY PRNTG	132,860	132,860	132,860	132,860
8140 SUPPLIES- OFFICE NOC	1,656	1,656	1,656	1,656
8318 IT ISF OPRATNG CHRGE	29,851	35,974	35,974	27,000
8319 IT ISF STRATGIC CHRGE	5,531	5,642	5,642	7,589
8340 GENERAL INSURANCE	2,656	2,656	2,656	8,905
Total Operating Expenses	439,452	451,591	432,991	456,878
Total Division Expenses	1,004,856	1,044,697	1,023,447	1,088,497
Total Expenses	1,004,856	1,044,697	1,023,447	1,088,497

Report : DIVISION POSITION WORKSHEET
Year: JUL To JUN 2016
Division 010-4310 - SUPPORT SERVICES

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) [1]	Other Benefits	Total Salaries and Benefits
ASSISTANT, DEPARTMENT	Full Time	1.00	62,026	1,800	2,374	24,619	90,819
ASSISTANT, OFFICE	Full Time	1.00	53,082	1,800	2,041	22,857	79,779
ASSISTANT, OFFICE	Full Time	1.00	53,082	1,800	2,041	22,857	79,779
DEPUTY REC & SR SVCS DIRECTOR	Full Time	1.00	149,809	960	5,571	29,299	185,639
RECREATION MANAGER	Full Time	1.00	103,792	960	3,860	27,381	135,993
RECREATION MANAGER	Full Time	1.00	92,922	960	3,456	26,093	123,430
RECREATION SUPERVISOR	Full Time	1.00	78,915	960	2,935	25,699	108,510
RECREATION SUPERVISOR	Full Time	1.00	70,494	960	2,622	29,042	103,118
RECREATION SUPERVISOR	Full Time	1.00	66,013	960	2,455	23,471	92,899
RECREATION SUPERVISOR	Full Time	1.00	78,915	960	2,935	25,819	108,630
RECREATION SUPERVISOR	Full Time	1.00	62,862	960	2,338	23,315	89,475
		11.00	871,911	13,081	32,627	280,450	1,198,070

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4310 SUPPORT SERVICES
T50000 Total Expenses

DESCRIPTION	2014	2015	2015	2016
	ADOPTED	ADOPTED	AMENDED	ADOPTED
7000 SALARIES - MISC	833,441	819,023	819,773	871,911
Total Regular Salaries	833,441	819,023	819,773	871,911
7066 BILINGUAL PAY	1,800	5,400	5,400	5,400
7114 CELL PHNE STIPND EXP	7,680	7,681	7,681	7,681
Total Other Salaries	9,480	13,081	13,081	13,081
Total Salaries	842,921	832,105	832,855	884,993
7210 HLTH/DNTAL/VISON FT	200,112	213,807	213,807	220,810
7223 ANNUAL OPEB COST	34,979	42,562	42,562	35,527
7227 RHS \$2.50 CONTRIB	17,093	7,740	7,740	14,979
Total Health & Retiree Ins	252,184	264,109	264,109	271,317
7290 LIFE INSURANCE	1,155	1,155	1,155	1,155
7295 EMP ASSIST PRGM	252	260	260	268
7370 WORKERS' COMP, MISC	36,486	36,486	36,486	23,222
7373 COMPSNTED ABSNCES	29,170	28,666	28,666	30,517
7425 MEDICARE FRINGES	11,107	11,954	11,954	12,721
Total Other Benefits	78,171	78,521	78,521	67,883
7439 PERS MBR CNTRBN MISC	8,119	64,305	64,305	70,018
7440 PERS ER CNTRBN MISC	129,462	65,954	65,954	70,957
7445 EE RET CNTRBN MISC	0	(89,862)	(89,862)	(108,348)
7446 PERS UNFND LIAB MISC	0	90,818	90,818	167,548
Total Retirements	137,582	131,215	131,215	200,175
Total Benefits	467,936	473,845	473,845	539,375
Total Salaries and Benefits	1,310,857	1,305,950	1,306,700	1,424,367
8020 AUTOMOTIVE SERVICE	7,500	7,500	7,500	7,500
8022 EQUIP MAINT ISF	21,399	23,412	23,412	23,366
8024 VEHICLE REPLACE ISF	16,280	16,280	16,280	18,980
8030 MAINT&REPAR - EQUIP	4,000	4,000	4,000	4,000
8033 PRNTR MAINT/SUPLIES	1,535	1,535	1,535	1,535
8050 PSTGE,FREIGHT,EXPRS	11,000	11,000	11,000	11,000
8060 PUBLICATIONS & DUES	2,705	2,705	2,705	2,705
8080 SVCS-PROF & TECH	13,050	13,050	13,050	13,050
8089 SVCS-CITY PRT CNTRCT	14,979	14,979	14,979	14,979
8100 TRAVEL & MEETINGS	1,750	1,750	1,750	1,750
8105 TRAINING	8,461	8,461	8,461	8,461
8112 UTILITIES - TELEPHONE	2,600	2,600	2,600	2,600
8114 UTILITIES - NTRL GAS	3,400	3,400	3,400	3,400
8116 UTILITIES - ELECTRICITY	49,500	49,500	49,500	49,500
8118 UTILITIES - WATER	16,000	16,000	16,000	16,000
8140 SUPPLIES- OFFICE NOC	16,039	16,039	16,039	16,039
8200 SPECIAL DEPT SUPPLIES	3,324	3,324	586	3,324
8250 SPECIAL DEPT EXPENSE	3,991	4,899	3,399	4,899
8318 IT ISF OPRATNG CHRGE	80,853	97,360	97,360	67,499
8319 IT ISF STRATGIC CHRGE	16,593	16,925	16,925	18,972
8340 GENERAL INSURANCE	2,810	2,810	2,810	9,421
Total Operating Expenses	297,768	317,529	313,291	298,980
9010 COMPUTER EQUIPMENT	3,050	3,050	2,000	3,050
Total Capital Outlay	3,050	3,050	2,000	3,050
Total Division Expenses	1,611,675	1,626,529	1,621,991	1,726,397
Total Expenses	1,611,675	1,626,529	1,621,991	1,726,397

Report :
Year:
Division

DIVISION POSITION WORKSHEET
JUL To JUN 2016
010-4320 - ADULT SPORTS

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
RECREATION COORDINATOR	Full Time	1.00	54,714	0	2,035	22,911	79,661
RECREATION LEADER	Part Time	0.11	3,103	0	115	45	3,263
		1.11	57,817	0	2,150	22,956	82,924

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4320 ADULT SPORTS
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	49,338	51,345	51,345	54,714
7020 SALARIES - PART TIME	0	3,217	3,217	3,103
7030 SALARIES - SEASONAL	10,378	0	0	0
Total Regular Salaries	59,716	54,562	54,562	57,817
Total Salaries	59,716	54,562	54,562	57,817
7210 HLTH/DNTAL/VISON FT	18,192	19,437	19,437	20,074
7223 ANNUAL OPEB COST	0	2,520	2,520	2,225
Total Health & Retiree Ins	18,192	21,957	21,957	22,299
7290 LIFE INSURANCE	105	105	105	105
7295 EMP ASSIST PRGM	23	24	24	24
7370 WORKERS' COMP, MISC	1,946	1,946	1,946	1,239
7373 COMPSNTED ABSNCES	1,727	1,797	1,797	1,915
7425 MEDICARE FRINGES	878	791	791	838
Total Other Benefits	4,679	4,663	4,663	4,122
7439 PERS MBR CNTRBN MISC	479	3,460	3,460	4,614
7440 PERS ER CNTRBN MISC	7,647	4,713	4,356	4,676
7445 EE RET CNTRBN MISC	0	(5,924)	(5,924)	(7,140)
7446 PERS UNFND LIAB MISC	0	6,013	6,013	11,042
7460 RETRMNT PT/TEMP	389	0	0	0
Total Retirements	8,515	8,262	7,905	13,192
Total Benefits	31,386	34,881	34,524	39,613
Total Salaries and Benefits	91,102	89,443	89,086	97,429
8070 RENTAL/PROP & EQUIP	6,500	6,500	6,500	6,500
8080 SERVICES-PROF & TECH	11,580	11,580	11,580	11,580
8105 TRAINING	500	500	500	500
8200 SPECIAL DEPT SUPPLIES	22,500	23,300	23,300	23,300
8318 IT ISF OPRATNG CHRGE	42	51	51	6,750
8319 IT ISF STRATGIC CHRGE	0	0	0	1,897
8340 GENERAL INSURANCE	3,466	3,466	3,466	11,621
8380 CNTRCT REC INSTRCTS	124,000	222,384	227,712	186,759
Total Operating Expenses	168,588	267,781	273,109	248,907
Total Division Expenses	259,690	357,224	362,195	346,336
Total Expenses	259,690	357,224	362,195	346,336

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4330 - FEE BASED CLASSES

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) [1]	Other Benefits	Total Salaries and Benefits
RECREATION COORDINATOR	Full Time	1.00	60,362	960	2,245	23,191	86,758
RECREATION COORDINATOR	Full Time	1.00	56,256	960	2,092	22,988	82,296
REC LEADER W/PARS	Part Time	0.20	5,387	0	202	78	5,667
REC LEADER,SR I	Part Time	0.43	15,500	0	576	225	16,301
RECREATION LEADER	Part Time	0.63	18,686	0	695	271	19,652
SR REC LEADER W/PARS	Part Time	0.43	14,087	0	528	204	14,819
		3.69	170,278	1,920	6,339	46,956	225,493

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4330 FEE BASED CLASSES
T50000 Total Expenses

DESCRIPTION	2014	2015	2015	2016
	ADOPTED	ADOPTED	AMENDED	ADOPTED
7000 SALARIES - MISC	102,899	108,737	108,737	116,618
7020 SALARIES - PART TIME	31,644	45,910	45,910	34,186
7030 SALARIES - SEASONAL	1,047	8,621	8,621	19,474
Total Regular Salaries	135,590	163,268	163,268	170,278
7114 CELL PHNE STIPND EXP	1,920	960	960	1,920
Total Other Salaries	1,920	960	960	1,920
Total Salaries	137,510	164,228	164,228	172,198
7210 HLTH/DNTAL/VISON FT	36,384	38,874	38,874	40,147
7223 ANNUAL OPEB COST	4,864	5,255	5,255	4,712
Total Health & Retiree Ins	41,248	44,129	44,129	44,860
7290 LIFE INSURANCE	206	210	210	210
7295 EMP ASSIST PRGM	46	47	47	49
7370 WORKERS' COMP, MISC	4,819	4,819	4,819	3,067
7373 COMPSNTED ABSNCES	3,601	3,806	3,806	4,082
7425 MEDICARE FRINGES	1,992	2,367	2,367	2,469
Total Other Benefits	10,665	11,249	11,249	9,877
7439 PERS MBR CNTRBN MISC	1,782	11,185	11,185	12,036
7440 PERS ER CNTRBN MISC	20,973	17,337	12,245	12,197
7445 EE RET CNTRBN MISC	0	(16,524)	(16,524)	(18,624)
7446 PERS UNFND LIAB MISC	0	17,070	17,070	28,800
7460 RETRMNT PT/TEMP	39	323	323	730
Total Retirements	22,795	29,392	24,300	35,139
Total Benefits	74,708	84,770	79,678	89,875
Total Salaries and Benefits	212,218	248,998	243,906	262,073
8033 PRNTR MAINT/SUPLIES	250	250	250	250
8080 SERVICES-PROF & TECH	11,701	11,701	11,701	11,701
8100 TRAVEL & MEETINGS	3,500	3,500	6,270	3,500
8105 TRAINING	3,000	3,000	3,000	3,000
8140 SUPPLIES- OFFICE NOC	415	415	415	415
8200 SPECIAL DEPT SUPPLIES	29,000	29,000	29,000	56,482
8204 UNIFORM EXPENSE	750	750	750	750
8250 SPECIAL DEPT EXPENSE	59,966	60,280	68,258	60,280
8318 IT ISF OPRATNG CHRGE	42	51	51	13,500
8319 IT ISF STRATGIC CHRGE	0	0	0	3,794
8335 RSS EQUIPMENT ISF CH	0	0	0	23,716
8340 GENERAL INSURANCE	17,333	17,333	17,333	58,114
8371 SURFING RESERVE	30,000	30,000	30,000	0
8372 TENNIS RESERVE	20,000	20,000	20,000	0
8373 SAILING RESERVE	37,459	37,459	37,459	0
8380 CNTRCT REC INSTRCTS	1,408,710	1,408,710	1,408,710	1,026,460
8381 CYC CNTRCT REC INSTR	0	0	0	156,000
Total Operating Expenses	1,622,127	1,622,450	1,633,198	1,417,962
9010 COMPUTER EQUIPMENT	3,400	3,400	3,400	3,400
Total Capital Outlay	3,400	3,400	3,400	3,400
Total Division Expenses	1,837,744	1,874,848	1,880,504	1,683,436
Total Expenses	1,837,744	1,874,848	1,880,504	1,683,436

Report : Division Position Worksheet
 Year: JUL To JUN 2016
 Division 010-4335 - NPT COAST COMM CTR

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
FACILITIES MAINT WRKR II	Full Time	1.00	58,178	540	2,167	23,083	83,968
RECREATION COORDINATOR	Full Time	1.00	52,803	960	1,964	22,817	78,544
ASSISTANT, OFFICE P/T	Part Time	0.88	40,287	0	1,498	584	42,370
REC LEADER W/PARS	Part Time	0.94	25,320	0	950	367	26,636
REC LEADER, SR I	Part Time	0.88	30,256	0	1,125	439	31,820
RECREATION LEADER	Part Time	0.31	9,195	0	342	133	9,670
SR REC LEADER W/PARS	Part Time	0.32	11,002	0	413	160	11,574
		5.33	227,041	1,500	8,458	47,588	284,588

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4335 NPT COAST COMM CTR
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	125,902	127,795	127,795	110,981
7020 SALARIES - PART TIME	72,832	74,887	74,887	79,738
7030 SALARIES - SEASONAL	35,244	36,984	36,984	36,322
Total Regular Salaries	233,979	239,666	239,666	227,041
7040 OT, MISC & 1/2 TIME	400	400	400	400
Total Overtime Salaries	400	400	400	400
7070 SCHOLASTIC ACHVMNT	0	5,000	5,000	0
7114 CELL PHNE STIPND EXP	1,500	1,500	1,500	1,500
Total Other Salaries	1,500	6,500	6,500	1,500
Total Salaries	235,879	246,566	246,566	228,942
7210 HLTH/DNTAL/VISON FT	36,384	38,874	38,874	40,147
7223 ANNUAL OPEB COST	5,952	6,430	6,430	5,538
7227 RHS \$2.50 CONTRIB	1,380	1,530	1,530	0
Total Health & Retiree Ins	43,716	46,834	46,834	45,686
7290 LIFE INSURANCE	210	210	210	210
7295 EMP ASSIST PRGM	46	47	47	49
7370 WORKERS' COMP, MISC	9,283	9,283	9,283	5,908
7373 COMPSTND ABSNCES	4,407	4,473	4,473	3,884
7425 MEDICARE FRINGES	3,466	3,553	3,553	3,298
Total Other Benefits	17,412	17,567	17,567	13,349
7439 PERS MBR CNTRBN MISC	3,751	16,207	16,207	15,229
7440 PERS ER CNTRBN MISC	30,983	24,722	16,417	15,433
7445 EE RET CNTRBN MISC	0	(22,105)	(22,105)	(23,566)
7446 PERS UNFND LIAB MISC	0	22,944	22,944	36,441
7460 RETRMNT PT/TEMP	1,322	1,387	1,387	1,362
Total Retirements	36,056	43,155	34,850	44,900
Total Benefits	97,183	107,555	99,250	103,935
Total Salaries and Benefits	333,062	354,121	345,816	332,876
8020 AUTOMOTIVE SERVICE	1,750	1,750	1,750	1,750
8022 EQUIP MAINT ISF	3,731	4,082	4,082	4,074
8024 VEHICLE REPLACE ISF	3,478	3,478	3,478	3,478
8030 MAINT&REPAR - EQUIP	1,000	1,000	1,000	1,000
8033 PRNTR MAINT/SUPLIES	3,500	3,500	3,500	3,500
8040 MAINT&REPAIR - BLDG	21,100	21,100	21,100	21,100
8050 PSTGE,FREIGHT,EXPRS	1,500	1,500	1,500	1,500
8080 SERVICES-PROF & TECH	12,200	12,200	12,200	12,200
8081 SERVICES - JANITORIAL	27,113	31,420	31,420	31,420
8100 TRAVEL & MEETINGS	1,500	1,500	2,400	1,500
8105 TRAINING	1,500	1,500	1,500	1,500
8114 UTILITIES - NTRL GAS	2,060	2,060	2,060	2,060
8116 UTILITIES - ELECTRICITY	40,000	40,000	40,000	40,000
8118 UTILITIES - WATER	4,000	4,000	4,000	4,000
8130 SEWER USE FEE/PROPE	0	0	0	4,329
8140 SUPPLIES- OFFICE NOC	3,410	3,410	3,410	3,410
8150 SUPPLIES- JANITORIAL	6,000	6,000	6,000	6,000
8200 SPECIAL DEPT SUPPLIES	14,500	14,520	14,605	14,616
8204 UNIFORM EXPENSE	1,000	1,000	1,000	1,000
8318 IT ISF OPRATNG CHRGE	4,889	5,848	5,848	20,250
8319 IT ISF STRATGIC CHRGE	1,844	1,881	1,881	5,692
8335 RSS EQUIPMENT ISF CH	0	0	0	8,997
8340 GENERAL INSURANCE	2,062	2,062	2,062	6,913
8380 CNTRCT REC INSTRCTS	0	0	0	198,250
Total Operating Expenses	158,137	163,811	164,796	398,539
9000 OFFICE EQUIPMENT	1,500	1,500	1,500	1,500
9010 COMPUTER EQUIPMENT	1,500	1,500	1,500	1,500
9020 FITNESS EQUIPMENT	0	0	0	1,469
9300 EQUIPMENT, N.O.C.	3,500	3,500	3,500	4,976
9400 OFF FRNTRE/FIXTRES	0	0	0	389
Total Capital Outlay	6,500	6,500	6,500	9,835
Total Division Expenses	497,699	524,432	517,112	741,249
Total Expenses	497,699	524,432	517,112	741,249

Report : Division Position Worksheet
 Year: JUL To JUN 2016
 Division 010-4340 - AQUATICS

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
POOL LIFEGUARD SR W/PARS	Part Time	1.02	40,544	0	1,520	588	42,652
POOL LIFEGUARD, SENIOR	Part Time	0.50	18,949	0	705	275	19,928
POOL SWIM INSTR W/PARS	Part Time	3.18	108,145	0	4,055	1,568	113,769
RECREATION LEADER	Part Time	0.31	8,111	0	302	118	8,531
		5.01	175,750	0	6,582	2,548	184,880

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4340 AQUATICS
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7020 SALARIES - PART TIME	58,711	9,066	9,066	27,060
7030 SALARIES - SEASONAL	108,254	161,162	161,162	148,689
Total Regular Salaries	166,965	170,228	170,228	175,750
Total Salaries	166,965	170,228	170,228	175,750
7370 WORKERS' COMP, MISC	6,187	6,187	6,187	3,938
7425 MEDICARE FRINGES	2,501	2,468	2,468	2,548
Total Other Benefits	8,688	8,655	8,655	6,487
7439 PERS MBR CNTRBN MISC	1,455	707	707	2,160
7440 PERS ER CNTRBN MISC	9,320	1,706	701	2,189
7445 EE RET CNTRBN MISC	0	(922)	(922)	(3,342)
7446 PERS UNFND LIAB MISC	0	1,005	1,005	5,168
7460 RETRMNT PT/TEMP	4,060	6,044	6,044	5,576
Total Retirements	14,835	8,539	7,534	11,750
Total Benefits	23,523	17,195	16,190	18,237
Total Salaries and Benefits	190,488	187,422	186,417	193,986
8070 RENTAL/PROP & EQUIP	42,000	42,000	42,000	42,000
8080 SERVICES-PROF & TECH	12,750	12,750	12,750	12,750
8105 TRAINING	1,500	1,500	1,500	1,500
8112 UTILITIES - TELEPHONE	1,300	1,300	1,300	1,300
8200 SPECIAL DEPT SUPPLIES	14,737	15,402	15,637	15,402
8204 UNIFORM EXPENSE	7,000	7,000	7,000	7,000
8318 IT ISF OPRATNG CHRGE	333	404	404	0
8340 GENERAL INSURANCE	1,174	1,174	1,174	3,936
Total Operating Expenses	80,794	81,530	81,765	83,888
Total Division Expenses	271,281	268,952	268,182	277,874
Total Expenses	271,281	268,952	268,182	277,874

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4345 - MARINA PARK COMM CTR

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
ASSISTANT, OFFICE	Full Time	1.00	30,400	0	1,131	16,256	47,786
FACILITIES MAINT WRKR II	Full Time	1.00	33,288	0	1,241	16,405	50,933
RECREATION MANAGER	Full Time	1.00	68,780	0	2,558	18,197	89,535
RECREATION SUPERVISOR	Full Time	1.00	45,159	0	1,679	17,017	63,856
ASSISTANT, OFFICE P/T	Part Time	0.72	15,338	0	570	222	16,131
FACILITIES MAINT WRKR II	Part Time	0.40	13,315	0	495	193	14,003
REC LEADER, SR I	Part Time	1.44	26,660	0	991	387	28,038
RECREATION LEADER	Part Time	0.96	13,960	0	519	202	14,682
		7.52	246,900	0	9,184	68,878	324,963

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4345 MARINA PARK COMM CTR
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	0	0	0	190,942
7020 SALARIES - PART TIME	0	0	0	55,957
Total Regular Salaries	0	0	0	246,900
Total Salaries	0	0	0	246,900
7210 HLTH/DNTAL/VISON FT	0	0	0	58,677
Total Health & Retiree Ins	0	0	0	58,677
7290 LIFE INSURANCE	0	0	0	334
7295 EMP ASSIST PRGM	0	0	0	71
7373 COMPSNTED ABSNCES	0	0	0	6,217
7425 MEDICARE FRINGES	0	0	0	3,580
Total Other Benefits	0	0	0	10,202
7439 PERS MBR CNTRBN MISC	0	0	0	19,711
7440 PERS ER CNTRBN MISC	0	0	0	19,975
7445 EE RET CNTRBN MISC	0	0	0	(30,501)
7446 PERS UNFND LIAB MISC	0	0	0	45,356
Total Retirements	0	0	0	54,541
Total Benefits	0	0	0	123,420
Total Salaries and Benefits	0	0	0	370,320
8020 AUTOMOTIVE SERVICE	0	0	0	875
8022 EQUIP MAINT ISF	0	0	0	2,100
8023 NON-CAPITAL EQUIPMNT	0	0	0	24,000
8030 MAINT&REPAR - EQUIP	0	0	0	2,917
8040 MAINT&REPAIR - BLDG	0	0	0	23,275
8050 PSTGE,FREIGHT,EXPRS	0	0	0	3,491
8060 PUBLICATIONS & DUES	0	0	0	6,052
8080 SERVICES-PROF & TECH	0	0	0	14,739
8081 SERVICES - JANITORIAL	0	0	0	27,154
8100 TRAVEL & MEETINGS	0	0	0	3,103
8105 TRAINING	0	0	0	3,879
8112 UTILITIES - TELEPHONE	0	0	0	1,164
8114 UTILITIES - NTRL GAS	0	0	0	5,819
8116 UTILITIES - ELECTRICITY	0	0	0	31,033
8118 UTILITIES - WATER	0	0	0	17,456
8130 SEWER USE FEE/PROPE	0	0	0	79
8140 SUPPLIES- OFFICE NOC	0	0	0	2,715
8150 SUPPLIES- JANITORIAL	0	0	0	11,638
8200 SPECIAL DEPT SUPPLIES	0	0	0	22,414
8204 UNIFORM EXPENSE	0	0	0	1,552
8250 SPECIAL DEPT EXPENSE	0	0	0	3,879
8380 CNTRCT REC INSTRCTS	0	0	0	162,266
Total Operating Expenses	0	0	0	371,600
9000 OFFICE EQUIPMENT	0	0	0	1,164
9010 COMPUTER EQUIPMENT	0	0	0	1,164
9300 EQUIPMENT, N.O.C.	0	0	0	15,517
Total Capital Outlay	0	0	0	17,845
Total Division Expenses	0	0	0	759,765
Total Expenses	0	0	0	759,765

Report : DIVISION POSITION WORKSHEET
Year: JUL To JUN 2016
Division 010-4350 - YOUTH SPORTS

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
REC LEADER W/PARS	Part Time	0.52	14,007	0	525	203	14,735
REC LEADER,SR I	Part Time	0.10	3,438	0	128	50	3,616
RECREATION LEADER	Part Time	0.40	11,282	0	420	164	11,865
		1.02	28,727	0	1,073	417	30,216

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4350 YOUTH SPORTS
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7020 SALARIES - PART TIME	8,574	14,512	14,512	14,720
7030 SALARIES - SEASONAL	18,840	13,801	13,801	14,007
Total Regular Salaries	27,414	28,313	28,313	28,727
Total Salaries	27,414	28,313	28,313	28,727
7370 WORKERS' COMP, MISC	1,456	1,456	1,456	927
7425 MEDICARE FRINGES	411	411	411	417
Total Other Benefits	1,867	1,867	1,867	1,344
7439 PERS MBR CNTRBN MISC	213	1,132	1,132	1,175
7440 PERS ER CNTRBN MISC	1,361	2,731	1,121	1,191
7445 EE RET CNTRBN MISC	0	(1,477)	(1,477)	(1,818)
7446 PERS UNFND LIAB MISC	0	1,609	1,609	2,811
7460 RETRMNT PT/TEMP	706	518	518	525
Total Retirements	2,280	4,513	2,903	3,884
Total Benefits	4,147	6,379	4,769	5,228
Total Salaries and Benefits	31,560	34,693	33,083	33,954
8080 SERVICES-PROF & TECH	4,000	500	500	26,960
8105 TRAINING	500	500	500	500
8200 SPECIAL DEPT SUPPLIES	16,844	19,433	21,809	19,433
8204 UNIFORM EXPENSE	1,500	1,823	1,823	1,823
8318 IT ISF OPRATNG CHRGE	63	76	76	0
8340 GENERAL INSURANCE	270	270	270	905
8380 CNTRCT REC INSTRCTS	0	3,500	3,500	3,500
Total Operating Expenses	23,177	26,102	28,478	53,121
Total Division Expenses	54,737	60,795	61,561	87,076
Total Expenses	54,737	60,795	61,561	87,076

010-4360 SPECIAL EVENTS
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
8080 SERVICES-PROF & TECH	6,250	12,250	12,250	12,250
8200 SPECIAL DEPT SUPPLIES	6,250	12,250	12,250	12,250
Total Operating Expenses	12,500	24,500	24,500	24,500
Total Division Expenses	12,500	24,500	24,500	24,500
Total Expenses	12,500	24,500	24,500	24,500

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division: 010-4380 - YOUTH AFTER SCHL/CAMP PRG

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
RECREATION COORDINATOR	Full Time	1.00	55,629	0	2,069	22,957	80,654
REC LEADER W/PARS	Part Time	3.95	106,397	0	3,990	1,543	111,930
REC LEADER,SR I	Part Time	1.35	46,416	0	1,726	673	48,816
RECREATION LEADER	Part Time	1.46	39,327	0	1,463	570	41,359
SR REC LEADER W/PARS	Part Time	2.05	67,158	0	2,518	974	70,650
		9.81	314,927	0	11,766	26,717	353,409

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4380 YOUTH AFTER SCHL/CAMP PRG
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	49,338	52,216	52,591	55,629
7020 SALARIES - PART TIME	128,396	88,440	88,440	85,743
7030 SALARIES - SEASONAL	112,516	169,157	169,157	173,555
Total Regular Salaries	290,249	309,813	310,188	314,927
Total Salaries	290,249	309,813	310,188	314,927
7210 HLTH/DNTAL/VISON FT	18,192	19,437	19,437	20,074
7223 ANNUAL OPEB COST	0	2,520	2,520	2,279
Total Health & Retiree Ins	18,192	21,957	21,957	22,353
7290 LIFE INSURANCE	105	105	105	105
7295 EMP ASSIST PRGM	23	24	24	24
7370 WORKERS' COMP, MISC	10,667	10,667	10,667	6,789
7373 COMPSNTED ABSNCES	1,727	1,828	1,828	1,947
7425 MEDICARE FRINGES	4,323	4,492	4,492	4,566
Total Other Benefits	16,845	17,115	17,115	13,432
7439 PERS MBR CNTRBN MISC	3,661	10,971	10,971	11,283
7440 PERS ER CNTRBN MISC	28,030	20,818	11,010	11,434
7445 EE RET CNTRBN MISC	0	(14,690)	(14,690)	(17,459)
7446 PERS UNFND LIAB MISC	0	15,560	15,560	26,999
7460 RETRMNT PT/TEMP	4,219	6,343	6,343	6,508
Total Retirements	35,911	39,002	29,194	38,765
Total Benefits	70,947	78,074	68,266	74,550
Total Salaries and Benefits	361,196	387,887	378,454	389,476
8080 SERVICES-PROF & TECH	27,129	27,129	27,129	27,129
8105 TRAINING	1,500	1,500	1,500	1,500
8111 TELECOMM-DATALINES	1,380	1,380	1,380	1,380
8200 SPECIAL DEPT SUPPLIES	34,512	34,512	34,666	34,512
8318 IT ISF OPRATNG CHRGE	333	404	404	6,750
8319 IT ISF STRATGIC CHRGE	0	0	0	1,897
8340 GENERAL INSURANCE	796	796	796	2,669
Total Operating Expenses	65,650	65,721	65,875	75,837
Total Division Expenses	426,846	453,608	444,329	465,313
Total Expenses	426,846	453,608	444,329	465,313

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4385 - PRESCHOOL PROG

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
REC LEADER W/PARS	Part Time	0.43	11,019	0	413	160	11,592
REC LEADER,SR I	Part Time	0.65	22,349	0	831	324	23,504
RECREATION LEADER	Part Time	0.43	12,128	0	451	176	12,755
		1.51	45,496	0	1,695	660	47,851

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4385 PRESCHOOL PROG
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7020 SALARIES - PART TIME	36,092	23,092	23,092	34,477
7030 SALARIES - SEASONAL	0	22,825	22,825	11,019
Total Regular Salaries	36,092	45,917	45,917	45,496
Total Salaries	36,092	45,917	45,917	45,496
7370 WORKERS' COMP, MISC	1,338	1,338	1,338	852
7425 MEDICARE FRINGES	536	666	666	660
Total Other Benefits	1,874	2,004	2,004	1,512
7439 PERS MBR CNTRBN MISC	895	1,801	1,801	2,752
7440 PERS ER CNTRBN MISC	5,730	4,345	1,784	2,788
7445 EE RET CNTRBN MISC	0	(2,350)	(2,350)	(4,258)
7446 PERS UNFND LIAB MISC	0	2,561	2,561	6,584
7460 RETRMNT PT/TEMP	0	856	856	413
Total Retirements	6,624	7,213	4,652	8,280
Total Benefits	8,498	9,217	6,656	9,791
Total Salaries and Benefits	44,590	55,134	52,573	55,287
8080 SERVICES-PROF & TECH	1,500	1,500	1,500	1,500
8105 TRAINING	1,300	1,300	2,300	1,300
8200 SPECIAL DEPT SUPPLIES	7,601	7,653	7,653	7,653
8318 IT ISF OPRATNG CHRGE	52	64	64	0
8340 GENERAL INSURANCE	140	140	140	469
Total Operating Expenses	10,594	10,657	11,657	10,922
Total Division Expenses	55,184	65,791	64,230	66,209
Total Expenses	55,184	65,791	64,230	66,209

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4390 - FACILITIES

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
FACILITIES MAINT WRKR II	Full Time	1.00	58,178	960	2,167	23,083	84,388
GROUNDWORKER II	Full Time	1.00	62,296	760	2,329	23,290	88,674
GROUNDWORKER II	Full Time	1.00	62,296	960	2,320	23,287	88,863
PARK PATROL OFFICER F/T	Full Time	1.00	51,262	0	1,910	22,740	75,912
PARK PATROL OFFICER, LEAD	Full Time	1.00	61,880	0	2,301	23,266	87,447
PARK PATROL OFFCR W/PARS	Part Time	2.12	91,543	0	3,433	1,327	96,303
PARK PATROL OFFICER	Part Time	0.45	20,405	0	759	296	21,460
REC LEADER W/PARS	Part Time	1.65	42,282	0	1,585	613	44,481
REC LEADER,SR I	Part Time	0.19	7,197	0	268	104	7,569
		9.41	457,338	2,680	17,072	118,035	595,126

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4390 FACILITIES
T50000 Total Expenses

DESCRIPTION	2014	2015	2015	2016
	ADOPTED	ADOPTED	AMENDED	ADOPTED
7000 SALARIES - MISC	237,474	289,141	290,116	295,911
7020 SALARIES - PART TIME	87,572	27,285	27,285	27,601
7030 SALARIES - SEASONAL	0	133,355	133,355	133,826
Total Regular Salaries	325,046	449,780	450,755	457,338
7040 OT, MISC & 1/2 TIME	2,000	2,000	2,000	2,000
Total Overtime Salaries	2,000	2,000	2,000	2,000
7063 CERTIFICATION PAY	220	220	220	220
7114 CELL PHNE STIPND EXP	2,460	2,460	2,460	2,460
Total Other Salaries	2,680	2,680	2,680	2,680
Total Salaries	329,726	454,461	455,436	462,018
7210 HLTH/DNTAL/VISION FT	72,768	97,185	97,185	100,368
7223 ANNUAL OPEB COST	11,226	12,127	12,127	12,573
Total Health & Retiree Ins	83,994	109,312	109,312	112,941
7290 LIFE INSURANCE	420	521	521	525
7295 EMP ASSIST PRGM	92	118	118	122
7370 WORKERS' COMP, MISC	13,745	13,745	13,745	8,748
7373 COMPSNTD ABSNCES	8,312	10,120	10,120	10,357
7425 MEDICARE FRINGES	3,955	6,554	6,554	6,664
Total Other Benefits	26,523	31,058	31,058	26,416
7439 PERS MBR CNTRBN MISC	4,478	24,728	24,728	25,867
7440 PERS ER CNTRBN MISC	50,792	28,313	25,287	26,214
7445 EE RET CNTRBN MISC	0	(34,358)	(34,358)	(40,028)
7446 PERS UNFND LIAB MISC	0	34,944	34,944	61,898
7460 RETRMNT PT/TEMP	0	5,001	5,001	5,018
Total Retirements	55,270	58,628	55,602	78,971
Total Benefits	165,787	198,998	195,972	218,327
Total Salaries and Benefits	495,513	653,459	651,408	680,346
8020 AUTOMOTIVE SERVICE	1,500	2,460	2,460	2,460
8022 EQUIP MAINT ISF	3,291	7,080	7,080	3,593
8023 NON-CAPITAL EQUIPMNT	0	26,000	0	0
8024 VEHICLE REPLACE ISF	2,518	5,518	5,518	2,518
8030 MAINT&REPAR - EQUIP	0	0	18,600	0
8040 MAINT&REPAIR - BLDG	67,838	67,838	67,838	67,838
8070 RENTAL/PROP & EQUIP	32,788	32,788	32,788	32,788
8080 SERVICES-PROF & TECH	8,464	8,464	8,464	8,464
8081 SERVICES - JANITORIAL	91,185	102,511	102,511	102,511
8105 TRAINING	3,189	3,189	4,289	3,189
8111 TELECOMM-DATALINES	460	460	460	460
8130 SEWER USE FEE/PROPE	0	0	0	2,867
8150 SUPPLIES- JANITORIAL	17,578	17,578	17,578	17,578
8160 MAINT & REPAIR NOC	29,537	29,537	29,537	29,537
8200 SPECIAL DEPT SUPPLIES	13,228	23,228	23,228	23,948
8204 UNIFORM EXPENSE	1,290	1,290	1,290	1,290
8318 IT ISF OPRATNG CHRGE	19,359	23,152	23,152	27,000
8319 IT ISF STRATGIC CHRGE	7,375	7,522	7,522	7,589
8335 RSS EQUIPMENT ISF CH	0	0	0	40,233
8336 RSS INFRASTRUCTURE I	0	0	0	31,275
8340 GENERAL INSURANCE	3,331	3,331	3,331	11,168
8374 REC FAC RENTL RSRVE	15,626	15,626	22,463	0
Total Operating Expenses	318,557	377,573	378,110	416,306
9022 PLYGRND EQUIPMNT	5,000	25,000	25,000	0
9027 FY15 COMM RM UPGRDS	0	50,800	50,800	0
9300 EQUIPMENT, N.O.C.	0	0	0	2,997
9400 OFF FRNTRE/FIXTRES	0	0	0	2,334
Total Capital Outlay	5,000	75,800	75,800	5,331
Total Division Expenses	819,070	1,106,831	1,105,317	1,101,983
Total Expenses	819,070	1,106,831	1,105,317	1,101,983

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4395 - TIDEPOOLS

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
RECREATION SUPERVISOR	Full Time	1.00	75,171	960	2,796	25,574	104,501
MNI W/PARS	Part Time	2.60	87,718	0	3,290	1,272	92,279
REC COORD, ASST P/T	Part Time	0.50	24,138	0	898	350	25,386
		4.10	187,027	960	6,983	27,196	222,166

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4395 TIDEPOOLS
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	68,952	69,992	69,992	75,171
7020 SALARIES - PART TIME	21,278	0	0	24,138
7030 SALARIES - SEASONAL	74,786	108,800	111,900	87,718
Total Regular Salaries	165,017	178,592	181,892	187,027
7114 CELL PHNE STIPND EXP	960	960	960	960
Total Other Salaries	960	960	960	960
Total Salaries	165,977	179,552	182,852	187,988
7210 HLTH/DNTAL/VISON FT	18,192	19,437	19,437	20,074
7223 ANNUAL OPEB COST	3,260	3,521	3,521	3,033
7227 RHS \$2.50 CONTRIB	1,530	1,590	1,590	1,650
Total Health & Retiree Ins	22,982	24,548	24,548	24,757
7290 LIFE INSURANCE	105	105	105	105
7295 EMP ASSIST PRGM	23	24	24	24
7370 WORKERS' COMP, MISC	2,699	2,699	2,699	1,718
7373 COMPSNTD ABSNCES	2,413	2,450	2,450	2,631
7425 MEDICARE FRINGES	2,451	2,590	2,637	2,712
Total Other Benefits	7,691	7,867	7,915	7,190
7439 PERS MBR CNTRBN MISC	1,196	5,459	5,459	7,926
7440 PERS ER CNTRBN MISC	14,066	5,599	5,599	8,032
7445 EE RET CNTRBN MISC	0	(7,629)	(7,629)	(12,265)
7446 PERS UNFND LIAB MISC	0	7,710	7,710	14,356
7460 RETRMNT PT/TEMP	2,804	4,072	4,196	3,289
Total Retirements	18,066	15,212	15,336	21,339
Total Benefits	48,739	47,627	47,799	53,286
Total Salaries and Benefits	214,716	227,180	230,651	241,274
8020 AUTOMOTIVE SERVICE	1,500	1,500	1,500	1,500
8022 EQUIP MAINT ISF	4,188	4,582	4,582	4,573
8024 VEHICLE REPLACE ISF	17,228	17,228	17,228	17,228
8080 SERVICES-PROF & TECH	3,100	3,100	3,100	3,100
8089 SVCS-CTY PRT CNTRCT	183	183	183	183
8100 TRAVEL & MEETINGS	1,000	1,000	1,000	1,000
8105 TRAINING	1,500	1,500	1,500	1,500
8111 TELECOMM-DATALINES	460	460	460	460
8112 UTILITIES - TELEPHONE	40	40	40	40
8200 SPECIAL DEPT SUPPLIES	5,312	5,525	15,755	5,526
8250 SPECIAL DEPT EXPENSE	0	0	4,238	0
8318 IT ISF OPRATNG CHRGE	4,889	5,848	5,848	6,750
8319 IT ISF STRATGIC CHRGE	1,844	1,881	1,881	1,897
8340 GENERAL INSURANCE	1,675	1,675	1,675	5,616
8380 CNTRCT REC INSTRCTS	0	0	0	28,000
Total Operating Expenses	42,919	44,522	58,989	77,373
9010 COMPUTER EQUIPMENT	0	0	1,050	0
Total Capital Outlay	0	0	1,050	0
Total Division Expenses	257,635	271,701	290,690	318,647
Total Expenses	257,635	271,701	290,690	318,647

Report : DIVISION POSITION WORKSHEET
Year: JUL To JUN 2016
Division 010-4410 - OASIS

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
ASSISTANT, DEPARTMENT	Full Time	1.00	62,026	0	2,307	24,503	88,836
FACILITIES MAINT WRKR II	Full Time	1.00	58,178	0	2,167	23,083	83,427
RECREATION SUPERVISOR	Full Time	1.00	59,557	960	2,215	23,151	85,883
RECREATION SUPERVISOR	Full Time	0.80	54,840	768	2,040	24,033	81,681
RECREATION SUPERVISOR	Full Time	0.60	47,349	0	1,761	15,636	64,746
SENIOR SERVICES MANAGER	Full Time	1.00	114,546	960	4,260	28,333	148,099
ASSISTANT, OFFICE P/T	Part Time	0.88	44,442	0	1,653	645	46,739
REC COORD, ASST P/T	Part Time	0.88	37,695	960	1,402	547	40,604
REC LEADER W/PARS	Part Time	1.23	33,131	0	1,243	480	34,854
REC LEADER,SR I	Part Time	0.88	30,256	0	1,125	439	31,820
RECREATION LEADER	Part Time	0.30	8,461	0	315	123	8,899
		9.57	550,481	3,649	20,486	140,972	715,588

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4410 OASIS
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	346,982	417,897	417,897	396,495
7020 SALARIES - PART TIME	94,998	107,559	107,559	120,855
7030 SALARIES - SEASONAL	26,428	40,607	40,607	33,131
Total Regular Salaries	468,408	566,063	566,063	550,481
7114 CELL PHNE STIPND EXP	960	960	960	3,649
Total Other Salaries	960	960	960	3,649
Total Salaries	469,368	567,023	567,023	554,130
7210 HLTH/DNTAL/VISON FT	87,322	104,960	104,960	108,398
7223 ANNUAL OPEB COST	17,127	17,720	17,720	18,111
7227 RHS \$2.50 CONTRIB	3,270	6,084	6,084	10,017
Total Health & Retiree Ins	107,719	128,764	128,764	136,525
7290 LIFE INSURANCE	504	567	567	567
7295 EMP ASSIST PRGM	110	128	128	132
7370 WORKERS' COMP, MISC	19,967	19,967	19,967	12,708
7373 COMPSNTD ABSNCES	12,144	14,626	14,626	13,877
7425 MEDICARE FRINGES	6,884	8,208	8,208	7,982
Total Other Benefits	39,610	43,496	43,496	35,266
7439 PERS MBR CNTRBN MISC	6,375	40,444	40,444	41,297
7440 PERS ER CNTRBN MISC	73,074	53,678	41,749	41,851
7445 EE RET CNTRBN MISC	0	(56,505)	(56,505)	(63,904)
7446 PERS UNFND LIAB MISC	0	57,975	57,975	98,821
7460 RETRMNT PT/TEMP	0	1,523	1,523	1,242
Total Retirements	79,450	97,114	85,185	119,307
Total Benefits	226,778	269,373	257,444	291,098
Total Salaries and Benefits	696,147	836,397	824,468	845,228
8030 MAINT&REPAR - EQUIP	1,000	1,000	1,000	1,000
8033 PRNTR MAINT/SUPLIES	1,200	1,200	1,200	1,200
8040 MAINT&REPAIR - BLDG	24,000	34,000	49,619	34,000
8050 PSTGE,FREIGHT,EXPRS	500	500	500	500
8060 PUBLICATIONS & DUES	800	800	800	800
8080 SERVICES-PROF & TECH	50,063	56,000	56,000	56,000
8081 SERVICES - JANITORIAL	45,000	45,000	45,000	45,000
8089 SVCS-CTY PRT CNTRCT	1,894	1,000	1,000	1,000
8100 TRAVEL & MEETINGS	4,000	4,000	5,200	4,000
8105 TRAINING	4,000	5,000	5,000	5,000
8112 UTILITIES - TELEPHONE	765	765	765	765
8114 UTILITIES - NTRL GAS	1,700	1,700	1,700	1,700
8116 UTILITIES - ELECTRICITY	42,984	42,984	42,984	42,984
8118 UTILITIES - WATER	6,303	6,303	6,303	6,303
8127 OFCE SUP- CTY PRNTG	30,000	30,000	30,000	30,000
8130 SEWER USE FEE/PROPE	0	0	0	17,097
8140 SUPPLIES- OFFICE NOC	8,000	8,000	8,000	8,000
8150 SUPPLIES- JANITORIAL	8,312	8,300	8,300	8,300
8160 MAINT & REPAIR NOC	1,000	1,000	1,000	1,000
8200 SPECIAL DEPT SUPPLIES	20,000	21,000	21,000	31,326
8318 IT ISF OPRATNG CHRGE	24,207	28,949	28,949	33,750
8319 IT ISF STRATGIC CHRGE	9,218	9,403	9,403	9,486
8335 RSS EQUIPMENT ISF CH	0	0	0	41,798
8340 GENERAL INSURANCE	3,368	3,368	3,368	11,292
8375 OASIS FAC RNTL RSRVE	0	10,000	10,000	0
8380 CNTRCT REC INSTRCTS	310,000	310,000	310,000	310,000
Total Operating Expenses	598,314	630,272	647,090	702,302
9000 OFFICE EQUIPMENT	3,000	3,000	3,000	3,000
9010 COMPUTER EQUIPMENT	1,500	1,500	1,500	1,500
9300 EQUIPMENT, N.O.C.	0	0	0	869
9400 OFF FRNTRE/FIXTRES	0	0	0	1,272
Total Capital Outlay	4,500	4,500	4,500	6,641
Total Division Expenses	1,298,960	1,471,168	1,476,058	1,554,171
Total Expenses	1,298,960	1,471,168	1,476,058	1,554,171

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4415 - OASIS FITNESS CENTER

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
RECREATION COORDINATOR	Full Time	1.00	57,691	960	2,146	23,059	83,856
RECREATION SUPERVISOR	Full Time	0.20	13,710	192	510	6,008	20,420
RECREATION LEADER W/PARS	Part Time	1.60	45,128	0	1,692	654	47,474
RECREATION LEADER	Part Time	0.30	8,461	0	315	123	8,899
REC LEADER,SR I	Part Time	0.96	33,007	0	1,227	479	34,713
		4.06	157,997	1,152	5,890	30,323	195,362

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4415 OASIS FITNESS CENTER
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	68,808	67,766	67,766	71,401
7020 SALARIES - PART TIME	32,069	34,105	34,105	41,469
7030 SALARIES - SEASONAL	52,087	55,565	55,565	45,128
Total Regular Salaries	152,964	157,437	157,437	157,998
7114 CELL PHNE STIPND EXP	0	0	0	1,152
Total Other Salaries	0	0	0	1,152
Total Salaries	152,964	157,437	157,437	159,150
7210 HLTH/DNTAL/VISON FT	21,830	23,324	23,324	24,088
7223 ANNUAL OPEB COST	6,150	3,514	3,514	2,937
7227 RHS \$2.50 CONTRIB	0	0	0	1,289
Total Health & Retiree Ins	27,980	26,838	26,838	28,314
7290 LIFE INSURANCE	126	126	126	126
7295 EMP ASSIST PRGM	28	28	28	29
7370 WORKERS' COMP, MISC	4,660	4,660	4,660	2,966
7373 COMPSTED ABSNCES	2,408	2,372	2,372	2,499
7425 MEDICARE FRINGES	2,268	2,283	2,283	2,291
Total Other Benefits	9,489	9,469	9,469	7,911
7439 PERS MBR CNTRBN MISC	1,462	7,946	7,946	9,008
7440 PERS ER CNTRBN MISC	15,756	11,839	8,057	9,129
7445 EE RET CNTRBN MISC	0	(10,857)	(10,857)	(13,939)
7446 PERS UNFND LIAB MISC	0	11,247	11,247	21,556
7460 RETRMNT PT/TEMP	1,953	2,084	2,084	1,692
Total Retirements	19,172	22,259	18,477	27,446
Total Benefits	56,641	58,566	54,784	63,671
Total Salaries and Benefits	209,605	216,003	212,221	222,821
8030 MAINT&REPAR - EQUIP	2,000	4,000	4,000	6,000
8050 PSTGE,FREIGHT,EXPRS	0	0	0	500
8105 TRAINING	2,000	2,000	2,000	2,000
8140 SUPPLIES- OFFICE NOC	3,000	1,000	1,000	1,000
8200 SPECIAL DEPT SUPPLIES	2,095	3,575	3,575	3,575
8318 IT ISF OPRATNG CHRGE	4,889	5,848	5,848	6,750
8319 IT ISF STRATGIC CHRGE	1,844	1,881	1,881	1,897
8335 RSS EQUIPMENT ISF CH	0	0	0	30,750
8340 GENERAL INSURANCE	459	459	459	1,539
8376 OASIS FITNS CTR RSRV	0	10,000	10,000	0
8380 CNTRCT REC INSTRCTS	160,000	160,000	160,000	181,000
Total Operating Expenses	176,287	188,763	188,763	235,011
9000 OFFICE EQUIPMENT	5,000	5,000	9,989	2,500
9020 FITNESS EQUIPMENT	0	0	0	829
Total Capital Outlay	5,000	5,000	9,989	3,329
Total Division Expenses	390,893	409,766	410,973	461,161
Total Expenses	390,893	409,766	410,973	461,161

Report : DIVISION POSITION WORKSHEET
 Year: JUL To JUN 2016
 Division 010-4420 - SR.SVCS-TRANSPORTATION

Position	Type of Employee	FTE	Base Wages	Specialty Pays	Retirement Contrib (City) ^[1]	Other Benefits	Total Salaries and Benefits
RECREATION SUPERVISOR	Full Time	0.40	31,566	0	1,174	10,424	43,164
SENIOR SERVICES VAN DRVR	Full Time	1.00	56,098	165	2,096	24,782	83,141
SENIOR SERVICES VAN DRVR	Full Time	1.00	56,098	220	2,098	25,233	83,649
SENIOR SERVICES VAN DRVR	Full Time	1.00	56,098	165	2,096	24,542	82,901
SENIOR SERVICES VAN DRVR	Full Time	1.00	56,098	165	2,096	22,982	81,341
SR SVCS VAN DRIVER PT W/PARS	Part Time	1.40	65,491	0	2,456	950	68,896
		5.80	321,447	715	12,015	108,913	443,092

[1] Retirement Contribution (City) for each position does not include the amortized cost of the unfunded pension liability.

010-4420 SR.SVCS-TRANSPORTATION
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	281,422	248,886	248,886	255,956
7030 SALARIES - SEASONAL	23,837	39,086	39,086	65,491
Total Regular Salaries	305,258	287,972	287,972	321,447
7063 CERTIFICATION PAY	715	715	715	715
Total Other Salaries	715	715	715	715
Total Salaries	305,973	288,687	288,687	322,163
7210 HLTH/DNTAL/VISON FT	90,960	85,523	85,523	88,324
7223 ANNUAL OPEB COST	13,304	14,372	14,372	10,786
7227 RHS \$2.50 CONTRIB	6,810	6,186	6,186	6,390
Total Health & Retiree Ins	111,073	106,080	106,080	105,500
7290 LIFE INSURANCE	523	462	462	462
7295 EMP ASSIST PRGM	115	104	104	107
7370 WORKERS' COMP, MISC	14,121	14,121	14,121	8,988
7373 COMPSNTED ABSNCES	9,850	8,711	8,711	8,958
7425 MEDICARE FRINGES	4,489	4,186	4,186	4,671
Total Other Benefits	29,098	27,584	27,584	23,187
7439 PERS MBR CNTRBN MISC	2,744	18,662	18,662	20,515
7440 PERS ER CNTRBN MISC	43,731	19,991	19,991	20,790
7445 EE RET CNTRBN MISC	0	(27,238)	(27,238)	(31,746)
7446 PERS UNFND LIAB MISC	0	27,527	27,527	49,091
7460 RETRMNT PT/TEMP	894	1,466	1,466	2,456
Total Retirements	47,369	40,409	40,409	61,107
Total Benefits	187,540	174,073	174,073	189,794
Total Salaries and Benefits	493,513	462,759	462,760	511,957
8020 AUTOMOTIVE SERVICE	27,500	27,500	27,500	27,500
8022 EQUIP MAINT ISF	36,732	40,187	40,187	40,108
8024 VEHICLE REPLACE ISF	53,494	63,196	63,196	63,196
8080 SERVICES-PROF & TECH	3,990	2,200	7,400	2,200
8105 TRAINING	1,500	1,500	1,500	1,500
8112 UTILITIES - TELEPHONE	2,175	2,175	2,175	2,175
8200 SPECIAL DEPT SUPPLIES	650	1,000	1,000	1,000
8318 IT ISF OPRATNG CHRGE	24,155	28,887	28,887	33,750
8319 IT ISF STRATGIC CHRGE	9,218	9,403	9,403	9,486
8340 GENERAL INSURANCE	1,313	1,313	1,313	4,402
Total Operating Expenses	160,727	177,360	182,560	185,317
Total Division Expenses	654,240	640,120	645,320	697,275
Total Expenses	654,240	640,120	645,320	697,275

D4500 RECREATION & SENIOR SVCS
T50000 Total Expenses

DESCRIPTION	2014	2015	2015	2016
	ADOPTED	ADOPTED	AMENDED	ADOPTED
010-4310 SUPPORT SERVICES	1,611,675	1,626,529	1,621,991	1,726,397
010-4320 ADULT SPORTS	259,690	357,224	362,195	346,336
010-4330 FEE BASED CLASSES	1,837,744	1,874,848	1,880,504	1,683,436
010-4335 NPT COAST COMM C	497,699	524,432	517,112	741,249
010-4340 AQUATICS	271,281	268,952	268,182	277,874
010-4345 MARINA PARK COMM	0	0	0	759,765
010-4350 YOUTH SPORTS	54,737	60,795	61,561	87,076
010-4360 SPECIAL EVENTS	12,500	24,500	24,500	24,500
010-4380 YOUTH AFTER SCHL/	426,846	453,608	444,329	465,313
010-4385 PRESCHOOL PROG	55,184	65,791	64,230	66,209
010-4390 FACILITIES	819,070	1,106,831	1,105,317	1,101,983
010-4395 TIDEPOOLS	257,635	271,701	290,690	318,647
010-4410 OASIS	1,298,960	1,471,168	1,476,058	1,554,171
010-4415 OASIS FITNESS CEN	390,893	409,766	410,973	461,161
010-4420 SR.SVCS-TRANSPOR	654,240	640,120	645,320	697,275
010-4510 REC & SR SVCS ADMI	1,004,856	1,044,697	1,023,447	1,088,497
D4500 RECREATION & SENIOR	9,453,011	10,200,962	10,196,409	11,399,888

6190 RSS EQUIPMENT REPLCEMNT ISF
T50000 Total Expenses

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
9020 FITNESS EQUIPMENT	0	0	0	26,800
9022 PLYGRND EQUIPMNT	0	0	0	25,000
9106 EQUIPMNT RENOVTN	0	0	0	15,000
9300 EQUIPMENT, N.O.C.	0	0	0	364,740
Total Capital Outlay	0	0	0	431,540
Total Division Expenses	0	0	0	431,540
Total Expenses	0	0	0	431,540

RECREATION & SENIOR SERVICES FY 2016 ADOPTED BUDGET



October 15, 2015

FY 2016 ADOPTED BUDGET OVERVIEW

Total Forecasted Revenues	\$5,410,750
Salaries & Benefits	\$6,293,014
Maintenance & Operations	\$5,057,444
Capital Outlay	\$49,430
Total Forecasted Expenditures	\$11,399,888
Net Recovery Rate	47%



RSS DEPARTMENT FY 2016 ADOPTED BUDGET BY PROGRAM

Program	FY16 Adopted Expenditures	FY16 Adopted Revenues	Revenue Sources
Rec & Sr Svcs Admin	\$1,088,497	\$0	None
Program Support	\$1,726,397	\$160,000	Field Light & Special Event Permit Fees
Fee Based Classes	\$1,683,436	\$2,145,000	Fee Based, Tennis, Surf & Sailing Classes
Adult Sports	\$346,336	\$368,730	Adult Sports League Fees
Youth Sports	\$87,076	\$20,080	Youth Sports League Fees
Youth Programs	\$465,313	\$355,000	Youth Classes & Camps; After School Prog
Preschool Program	\$66,209	\$74,000	Tiny Tots & Preschool Programs
Natural Resources	\$318,647	\$99,400	Marine Ed Classes; Private Donations
Special Events	\$24,500	\$4,800	Private Donations
Aquatics	\$277,874	\$120,000	Aquatic Program Fees
Newport Coast Comm Cntr	\$741,249	\$348,000	Classes; Facility Rentals, Drop In Memb
Marina Park	\$759,765	\$195,640	Classes; Facility Rentals; Cafe
Facilities	\$1,101,983	\$212,000	Other Facility Rentals, YSC Field Fees
Oasis	\$1,554,171	\$505,000	Special Events, Facility Rentals, Classes
Oasis Fitness Center	\$461,161	\$490,000	Fitness Member & Pers Trainer Fees
Senior Services Transportation	\$697,275	\$313,100	Hoag Grant, Measure M, Transp Fees, Friends of Oasis Donations
RSS Department Total	\$11,399,888	\$5,410,750*	

Leadership
Admin Support
Personnel Support
Marketing
Budget Mgmt
Contract Mgmt
Parks & Facility Dev

League Facilitation;
Softball, Basketball,
Soccer (Grass & Sand),
Volleyball & Flag
Football

P/T Staff for After School,
Preschool, Summer
Camps, Holiday Camps
& Flag Football
Programs; represents
approx 5,440
registrations per year

Year Round CdM &
NHHS Lap Swim;
Learn To Swim Program

Social, recreational,
educational, and cultural
programs for senior
community

Two Rec
Coordinators
overseeing
classes/camps;
approx 11,750
registrations
per year

Marine Protection &
Education - CdM
Tidepool Tours,
Traveling Tidepool
Program & docent
volunteer program

4th of July events,
Movie in the Park
events, Mayor's
Egg Roll, Breakfast
w/Santa, & Camp
Expo

Maintenance of
playgrounds,
buildings & sports
courts; Park Patrol



*In addition to RSS Dept Revenue, \$30,000 Civic Center and \$46,667 Marina Park Concession/Catering Revenue forecasted in CDD Dept (Bldg-Admin) Budget

RSS DEPARTMENT SERVICE INDICATORS

ADMIN • RECREATION • SENIOR SERVICES

RSS Admin & Recreation Services	FY16 Adopted
Expenditures	\$8,687,282
Special Events Permits	350
Facility Rentals	2,500
Recreation Program Attendance	525,000
Youth Sports Program Attendance	370,000



Senior Services	FY16 Adopted
Expenditures	\$2,712,606
Facility Rentals	140
Class/Program Attendance	115,000
Human Services Attendance	26,000
Transportation Services Attendance	13,900
Fitness Center Attendance	72,000

RSS Staff

- 42 Full Time
\$4,642,094
41% of Adopted Exp
- 94 Part Time
(41.4 FTE)
\$1,650,920
14% of Adopted Exp
- 20,800 Annual
Volunteer Hours @
Oasis



Parks & Facilities Managed

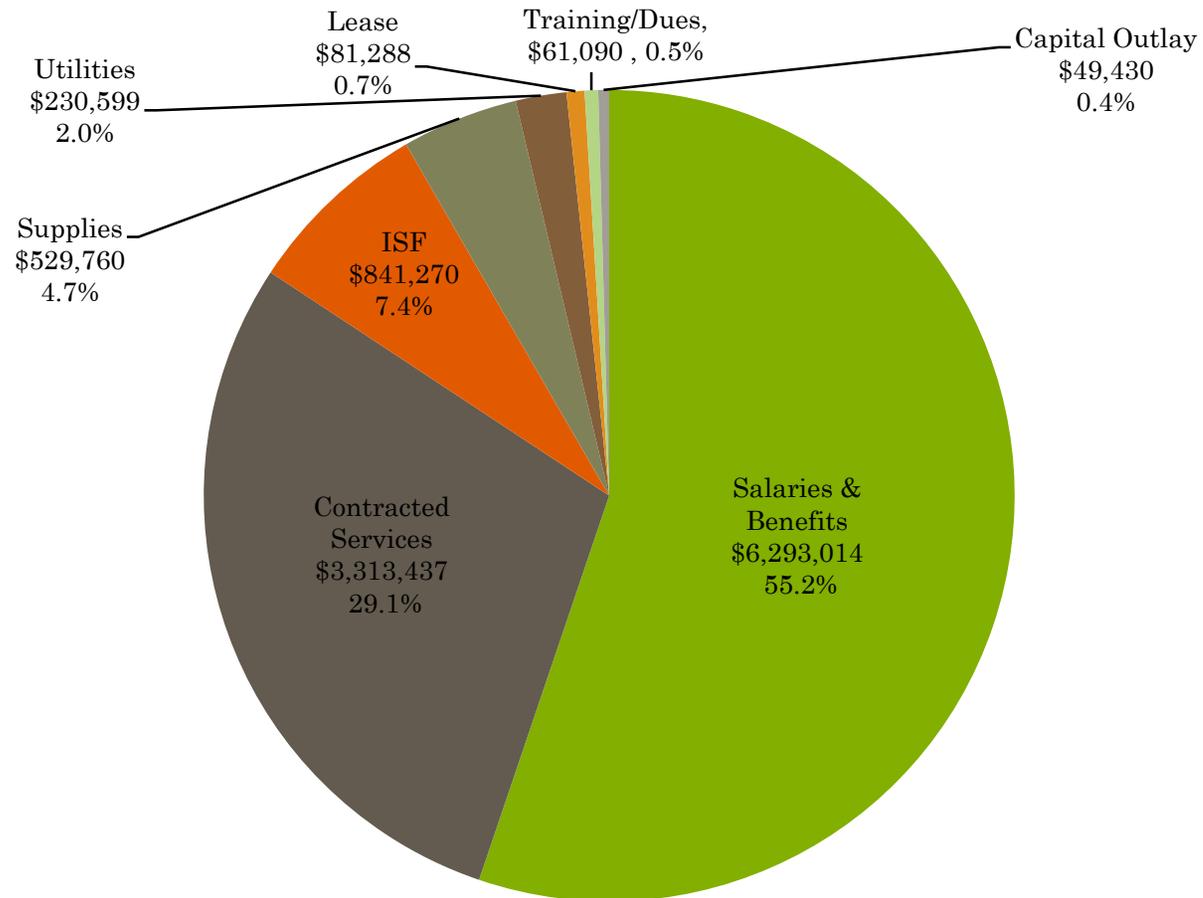
- 65 Parks
- 10 Community
Centers
- 29 Playgrounds
- 16 Tennis Courts
- 6 Handball Courts
- 4 Pickleball Courts
- 16 Outdoor
Basketball Courts
- 2 Swimming Pools
- 25 Sports Fields
- 69 Volleyball
Courts
- 4 Leased
Properties on City
Land

Acreage Managed/Patrolled

- 599 Acres Parks
- 264 Acres Beach
- 245 Acres Buck
Gully Open Space

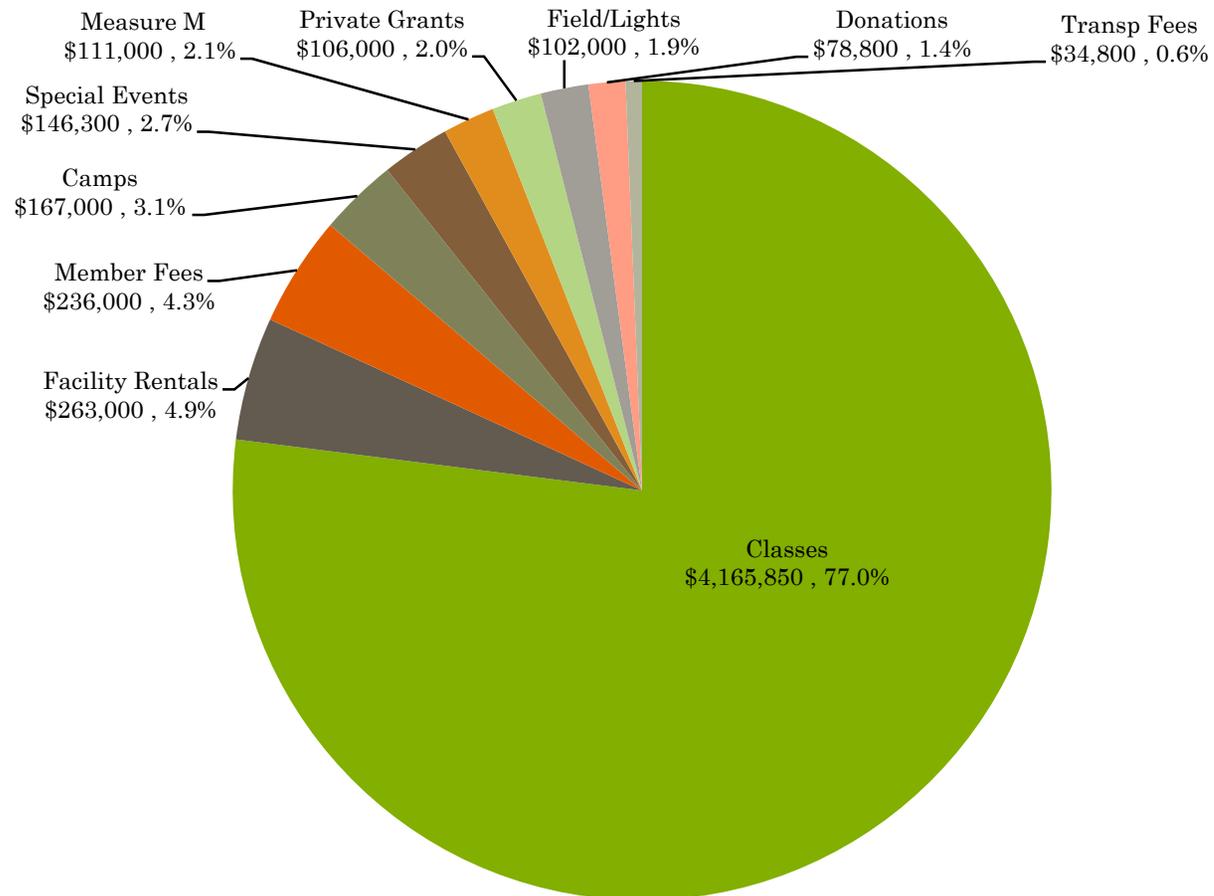


FY16 ADOPTED BUDGET FOR EXPENDITURES TOTAL OF \$11,399,888



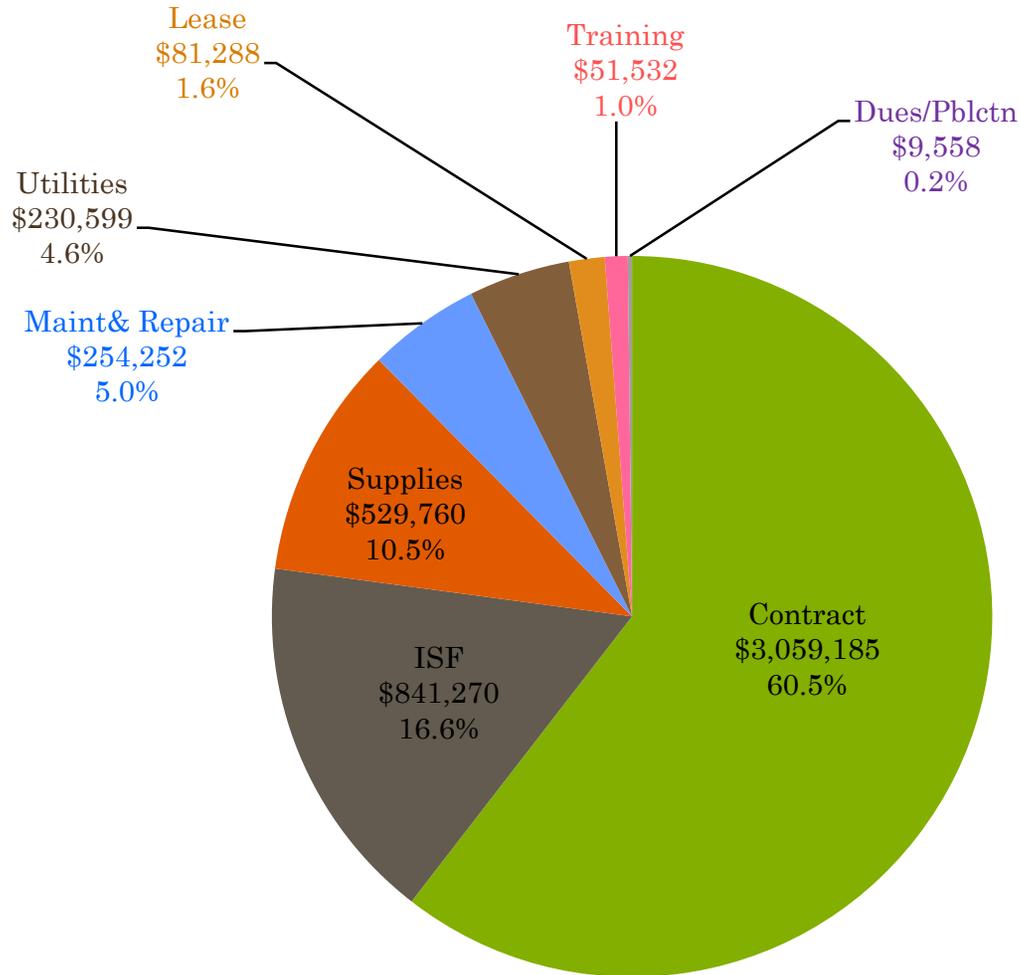
FY16 ADOPTED BUDGET FOR REVENUES

TOTAL OF \$5,410,750



FY16 ADOPTED MAINTENANCE & OPERATION EXPENDITURES

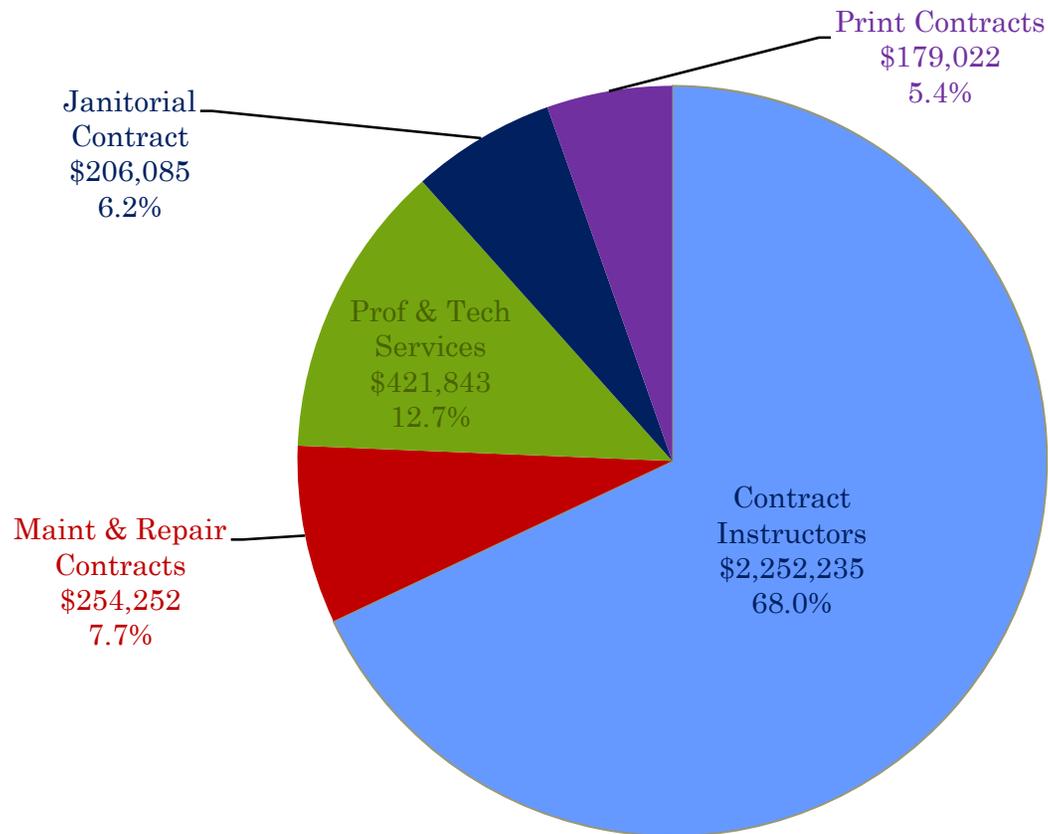
TOTAL OF \$5,057,444



EXAMPLES

- Contract Instructors
- Buck Gully Mgmt
- Print Services
- Janitorial Services
- IT ISF Operation Charge
- RSS Equipment ISF Charge
- Postage
- RSS Class/Program Supplies
- Fence Repair
- HVAC Service
- Playground Repair

FY16 ADOPTED BUDGET FOR CONTRACTED SERVICES TOTAL OF \$3,313,437



EXAMPLES

- Ocean Adventure
- Newport Surf Camp
- Brenda Benveniste (Art)
- Tumble-N-Kids
- Superior Fence
- Fox Painting
- Coast Recreation
- Irvine Ranch Conservancy
- Carrier Corporation (HVAC)
- Western Allied Corp (HVAC)
- ABM Janitorial Services
- Trend Offset Printing
- Newsong Group Printing

EXAMPLE OF EXPENDITURE CATEGORIES

010-4410 OASIS

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	346,982	417,897	417,897	398,495
7020 SALARIES - PART TIME	94,998	107,559	107,559	120,855
7030 SALARIES - SEASONAL	26,428	40,607	40,607	33,131
Total Regular Salaries	468,408	566,063	566,063	550,481
7114 CELL PHNE STIPND EXP	960	960	960	3,649
Total Other Salaries	960	960	960	3,649
Total Salaries	469,368	567,023	567,023	554,130
7210 HLTH/DNTAL/VISON FT	87,322	104,960	104,960	108,398
7223 ANNUAL OPEB COST	17,127	17,720	17,720	18,111
7227 RHS \$2.50 CONTRIB	3,270	6,084	6,084	10,017
Total Health & Retiree Ins	107,719	128,764	128,764	136,525
7290 LIFE INSURANCE	504	567	567	567
7295 EMP ASSIST PRGM	110	128	128	132
7370 WORKERS' COMP. MISC	19,967	19,967	19,967	12,708
7373 COMPSNTD ABSNCES	12,144	14,626	14,626	13,877
7425 MEDICARE FRINGES	6,884	8,208	8,208	7,982
Total Other Benefits	39,610	43,496	43,496	35,266
7439 PERS MBR CNTRBN MISC	6,375	40,444	40,444	41,297
7440 PERS ER CNTRBN MISC	73,074	53,678	41,749	41,851
7445 EE RET CNTRBN MISC	0	(58,605)	(58,605)	(83,904)
7448 PERS UNFND LIAB MISC	0	57,975	57,975	98,821
7460 RETRMNT PT/TEMP	0	1,523	1,523	1,242
Total Retirements	79,450	97,114	85,185	119,307
Total Benefits	226,778	269,373	257,444	291,098
Total Salaries and Benefits	696,147	836,397	824,468	845,228
8030 MAINT&REPAR - EQUIP	1,000	1,000	1,000	1,000
8033 PRNTR MAINT/SUPLIES	1,200	1,200	1,200	1,200
8040 MAINT&REPAIR - BLDG	24,000	34,000	49,819	34,000
8050 PSTGE,FREIGHT,EXPRS	500	500	500	500
8080 PUBLICATIONS & DUES	800	800	800	800
8080 SERVICES-PROF & TECH	50,063	56,000	56,000	56,000
8081 SERVICES - JANITORIAL	45,000	45,000	45,000	45,000
8089 SVCS-CITY PRT CNTRCT	1,894	1,000	1,000	1,000
8100 TRAVEL & MEETINGS	4,000	4,000	5,200	4,000
8105 TRAINING	4,000	5,000	5,000	5,000
8112 UTILITIES - TELEPHONE	765	765	765	765
8114 UTILITIES - NTRL GAS	1,700	1,700	1,700	1,700
8116 UTILITIES - ELECTRICITY	42,984	42,984	42,984	42,984
8118 UTILITIES - WATER	6,303	6,303	6,303	6,303
8127 OFCE SUP- CITY PRNTG	30,000	30,000	30,000	30,000
8130 SEWER USE FEE/PROPE	0	0	0	17,097
8140 SUPPLIES- OFFICE NOC	8,000	8,000	8,000	8,000
8150 SUPPLIES- JANITORIAL	8,312	8,300	8,300	8,300
8160 MAINT & REPAIR NOC	1,000	1,000	1,000	1,000
8200 SPECIAL DEPT SUPPLIES	20,000	21,000	21,000	31,326
8318 IT ISF OPRATNG CHRGE	24,207	28,949	28,949	33,750
8319 IT ISF STRATGIC CHRGE	9,218	9,403	9,403	9,488
8335 RSS EQUIPMENT ISF CH	0	0	0	41,798
8340 GENERAL INSURANCE	3,368	3,368	3,368	11,292
8375 OASIS FAC RNTL RSRVE	0	10,000	10,000	0
8380 CNTRCT REC INSTRCTS	310,000	310,000	310,000	310,000
Total Operating Expenses	598,314	630,272	647,090	702,302
9000 OFFICE EQUIPMENT	3,000	3,000	3,000	3,000
9010 COMPUTER EQUIPMENT	1,500	1,500	1,500	1,500
9300 EQUIPMENT, N.O.C.	0	0	0	869
9400 OFF FRNTRE/FIXTRES	0	0	0	1,272
Total Capital Outlay	4,500	4,500	4,500	6,641
Total Division Expenses	1,298,960	1,471,168	1,476,058	1,554,171

Program Overview

- 5.4 F/T & 4.17 P/T FTE
- 250,000 people served
- FY16 Revenue: \$505,000
- Programs for senior community, focused on:
 - Social Services
 - Fitness
 - Arts
 - Computer
 - Languages
 - Special Events

EXAMPLE OF EXPENDITURE CATEGORIES

010-4380 YOUTH AFTER SCHL/CAMP PRG

DESCRIPTION	2014 ADOPTED	2015 ADOPTED	2015 AMENDED	2016 ADOPTED
7000 SALARIES - MISC	49,338	52,218	52,591	55,829
7020 SALARIES - PART TIME	128,398	88,440	88,440	85,743
7030 SALARIES - SEASONAL	112,518	169,157	169,157	173,555
Total Regular Salaries	290,249	309,813	310,188	314,927
Total Salaries	290,249	309,813	310,188	314,927
7210 HLTH/DNTAL/VISON FT	18,192	19,437	19,437	20,074
7223 ANNUAL OPEB COST	0	2,520	2,520	2,279
Total Health & Retiree Ins	18,192	21,957	21,957	22,353
7290 LIFE INSURANCE	105	105	105	105
7295 EMP ASSIST PRGM	23	24	24	24
7370 WORKERS' COMP, MISC	10,667	10,667	10,667	6,789
7373 COMPSNTD ABSNCES	1,727	1,828	1,828	1,947
7425 MEDICARE FRINGES	4,323	4,492	4,492	4,566
Total Other Benefits	16,845	17,115	17,115	13,432
7439 PERS MBR CNTRBN MISC	3,661	10,971	10,971	11,283
7440 PERS ER CNTRBN MISC	28,030	20,818	11,010	11,434
7445 EE RET CNTRBN MISC	0	(14,690)	(14,690)	(17,459)
7448 PERS UNFND LIAB MISC	0	15,580	15,580	28,999
7460 RETRMNT PT/TEMP	4,219	6,343	6,343	6,508
Total Retirements	35,911	39,002	29,194	38,765
Total Benefits	70,947	78,074	68,266	74,550
Total Salaries and Benefits	361,196	387,887	378,454	389,476
8080 SERVICES-PROF & TECH	27,129	27,129	27,129	27,129
8105 TRAINING	1,500	1,500	1,500	1,500
8111 TELECOMM-DATALINES	1,380	1,380	1,380	1,380
8200 SPECIAL DEPT SUPPLIES	34,512	34,512	34,666	34,512
8318 IT ISF OPRATNG CHRGE	333	404	404	6,750
8319 IT ISF STRATGIC CHRGE	0	0	0	1,897
8340 GENERAL INSURANCE	796	796	796	2,669
Total Operating Expenses	65,650	65,721	65,875	75,837
Total Division Expenses	426,846	453,608	444,329	465,313

Program Overview

- 1 F/T & 8.81 P/T FTE
- Approx 4,250 registrations per year
- FY16 Revenue: \$355,000
- After School Programs at three school sites
- Summer Day Camps at two sites
- Holiday Camps

MARINA PARK OVERVIEW



Forecasted Annual Revenue	\$996,330
Annual Expenditures:	
Personnel	\$528,298
Maintenance & Operations	\$865,744
Forecasted Annual Expenditures	\$1,394,042
Annual Recovery Rate	71%

MARINA PARK REVENUE SOURCES

Forecasted Annual Revenue	\$996,330
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Preschool Educational Programs

Youth Enrichment Programs

Adult Fitness Classes

Adult Dance Classes

Adult Educational Programs

Enrichment Summer Camps

BeachSports Summer Camps

Facility Rentals

Sailing Partner Revenue

Restaurant Rent

