

RESOLUTION NO. 11689

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE ADOPTING THE CONTRACT WITH ORANGE AND REAFFIRMING THE CITY'S COMMITMENT TO RESPONSIBLE STEWARDSHIP OF THE PUBLIC'S MONEY

WHEREAS, across the United States and the State of California, the rising costs for goods and services have placed a financial strain on many families and individuals; and

WHEREAS, the Orange Community is not immune to these cost pressures with many Orange residents and businesses impacted by inflationary trends which have increased the costs of everyday goods and services; and

WHEREAS, as the Orange Community perseveres through financially arduous times, the Orange City Council fully grasps its significant responsibility to effectively manage the public's money, and reaffirms its commitment to judicious financial stewardship, and

WHEREAS, the money managed by the City of Orange is not the City's money, but rather it is funding belonging to the public; and

WHEREAS, the Orange City Council has a duty to ethically administer the public's money and invest into programs that maintain and improve the Orange Community's quality of life while simultaneously engaging in responsible long-term financial planning, thereby securing a stronger future for our posterity; and

WHEREAS, The Contract with Orange supplements and supports the City of Orange's Fiscal Years 2025-2030 Citywide Strategic Plan (Strategic Plan) insofar that it represents an actionable contract that will assist the City achieve the Strategic Plan objectives; and

WHEREAS, to reaffirm the Orange City Council's commitment to the Orange Community, the City Council adopts The Contract with Orange, avowing the City Council's commitment to local control, fiscal discipline, and measurable results.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Orange that The Contract with Orange is hereby adopted, and serves as the Orange City Council's formal commitment to residents, businesses, and taxpayers that existing or any future increase in local tax revenues authorized by the Orange Community will be managed responsibly, transparently, and with direct public oversight.

The City believes revenue generated by Orange taxpayers should stay in Orange, serve Orange residents, support Orange businesses, and strengthen Orange neighborhoods. This is a commitment to local control, fiscal discipline, and measurable results. This contract ensures taxpayer dollars are protected and used only for the essential priorities as follows:

SECTION 1. Preserve Public Safety: The City recognizes that our community values public safety and places great trust in the Orange Police Department and Orange City Fire Department. Any existing or new tax revenues authorized by the Orange Community will support police services, fire protection, emergency response readiness, and neighborhood safety programs to help keep residents, businesses, and neighborhoods safe. At the same time, the City will continue reviewing operational practices, including excessive overtime costs, to improve efficiency and ensure taxpayer dollars are used responsibly.

SECTION 2. Independent Oversight Committee: The City believes community trust requires community participation. An Independent Oversight Committee composed of Orange residents, business owners, and community leaders will review and report on expenditures associated with any new tax revenues authorized by the Orange Community. This committee will help ensure funds are spent solely in accordance with The Contract with Orange.

SECTION 3. Annual Public Transparency Reports: The City will publish annual accountability reports detailing revenues collected, expenditures made, project status updates, progress toward debt reduction, and measurable outcomes and performance results. This ensures the public has clear visibility into how taxpayer dollars are spent.

SECTION 4. Infrastructure Improvement Guarantee: Any existing or new tax revenues authorized by the Orange Community will help maintain and improve roads and streets, sidewalks and public facilities, parks and recreational spaces, neighborhood beautification, and critical public infrastructure. The City commits to fully funding annual road maintenance to protect Orange's infrastructure and prevent more costly repairs in the future.

SECTION 5. Fiscal Responsibility and Balanced Budgeting: The City will continue to adopt balanced annual budgets, maintain responsible budgeting practices, limit unnecessary debt, and preserve emergency reserve funds to protect Orange during future economic downturns. Any new revenues authorized by the Orange Community will not replace fiscal discipline, they will strengthen it. No new revenues authorized by the Orange Community shall be used for unrelated purposes or diverted away from the commitments outlined in The Contract with Orange. Taxpayer funds must remain aligned with the priorities promised to the residents: public safety, infrastructure, fiscal sustainability, and quality of life.

SECTION 6. Pension and Other Post-Employment Benefits Liability Reduction and Long-Term Sustainability: The City will continue to take all concerted efforts to reduce long-term pension liabilities, address Other Post-Employment Benefit (OPEB) obligations, and strengthen the City's long-range financial position.

While Pension Obligation Bond debt, unfunded pension liabilities, and retiree health obligations may eventually be reduced or paid off, the City must continue planning for future pension cost volatility, CalPERS rate fluctuations, healthcare inflation, and long-term retirement obligations. To ensure continued fiscal stability, the City will establish and maintain a Section 115 Pension Stabilization Trust to help prefund future pension obligations, smooth contribution rate increases, and protect taxpayers from significant market-driven cost spikes.

The City will also continue to responsibly address OPEB liabilities through long-term funding strategies that reduce future burdens on taxpayers and preserve service levels for residents. Annual budget surpluses, when available, may also be directed toward the Section 115 Trust, pension debt reduction, OPEB liabilities, reserve restoration, and other long-term obligations to improve Orange’s financial sustainability and reduce future fiscal pressures.

The goal is not simply to solve today’s challenges, but to responsibly prepare for tomorrow’s obligations.

SECTION 7. Continued Operational Efficiency: The City will continue scrutinizing staffing levels, service delivery models, and opportunities to use technology to improve efficiency. The City will continue reviewing revenue performance no less than quarterly and make appropriate budget adjustments when revenues are not meeting projections, ensuring proactive fiscal management rather. The City will continue implementing results-based budgeting, strategic staffing reviews, and operational efficiency measures so that every taxpayer dollar is prioritized based on community value, measurable outcomes, and long-term sustainability.

SECTION 8. Economic Vitality Support: City investments will encourage local economic growth, strengthen commercial districts, support small businesses, and attract responsible development that benefits the entire community. A stronger local economy helps strengthen Orange for future generations.

SECTION 9. Measurable Performance Standards: Additional tax revenues authorized by the Orange Community will be used with clear goals, timelines, and performance metrics to ensure taxpayer dollars produce visible, measurable, and lasting results.

SECTION 10. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

ADOPTED this _____ day of _____ 2026.

Daniel R. Slater, Mayor, City of Orange

ATTEST:

Pamela Coleman, City Clerk, City of Orange

APPROVED AS TO FORM:

Nathalie Adourian, City Attorney, City of Orange

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Orange at a regular meeting thereof held on the ____ day of _____ 2026, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

Pamela Coleman, City Clerk, City of Orange