

City of Santa Ana

BUDGET OVERVIEW



ECONOMIC OUTLOOK

- Economic crisis being felt in multiple ways
- Median home prices down 40%
- Santa Ana unemployment at 13.5%
- Sales tax still falling
- Property taxes declining
- No recovery until mid-2010
- State budget crisis puts City dollars at risk



STATE BUDGET IMPACTS

- “Borrow” City Property Tax
 - \$5.75 million in City property tax, repayable in 3 years with interest
 - Can utilize short-term financing to cover loss in FY 2009-2010
- Take 70% of City Gas Tax
 - \$4.6 million, would not be repaid
 - Use Measure M and Prop 42 funding for street rehabilitation bond repayment
 - Reduce Measure M/Prop 42 CIP projects
 - Could halt Bristol Street Widening between 3rd and Civic Center if OCTA funding is impacted

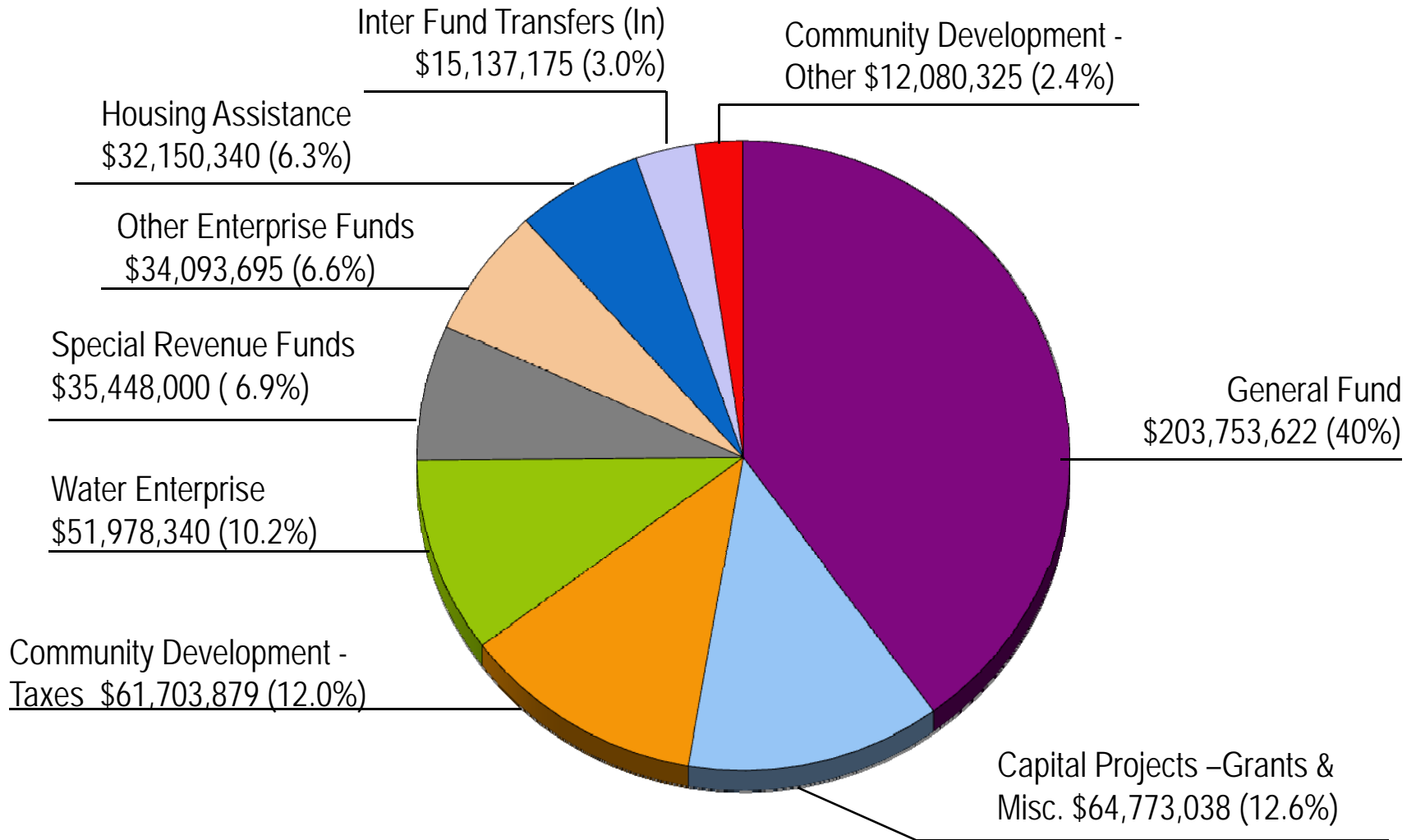


Governmental Funds Revenue Sources

FY 2009-2010 Estimated Revenues: \$ 511,118,414

Fund Balance: 56,047,266

Total Revenue Sources: \$ 567,165,680



City of Santa Ana

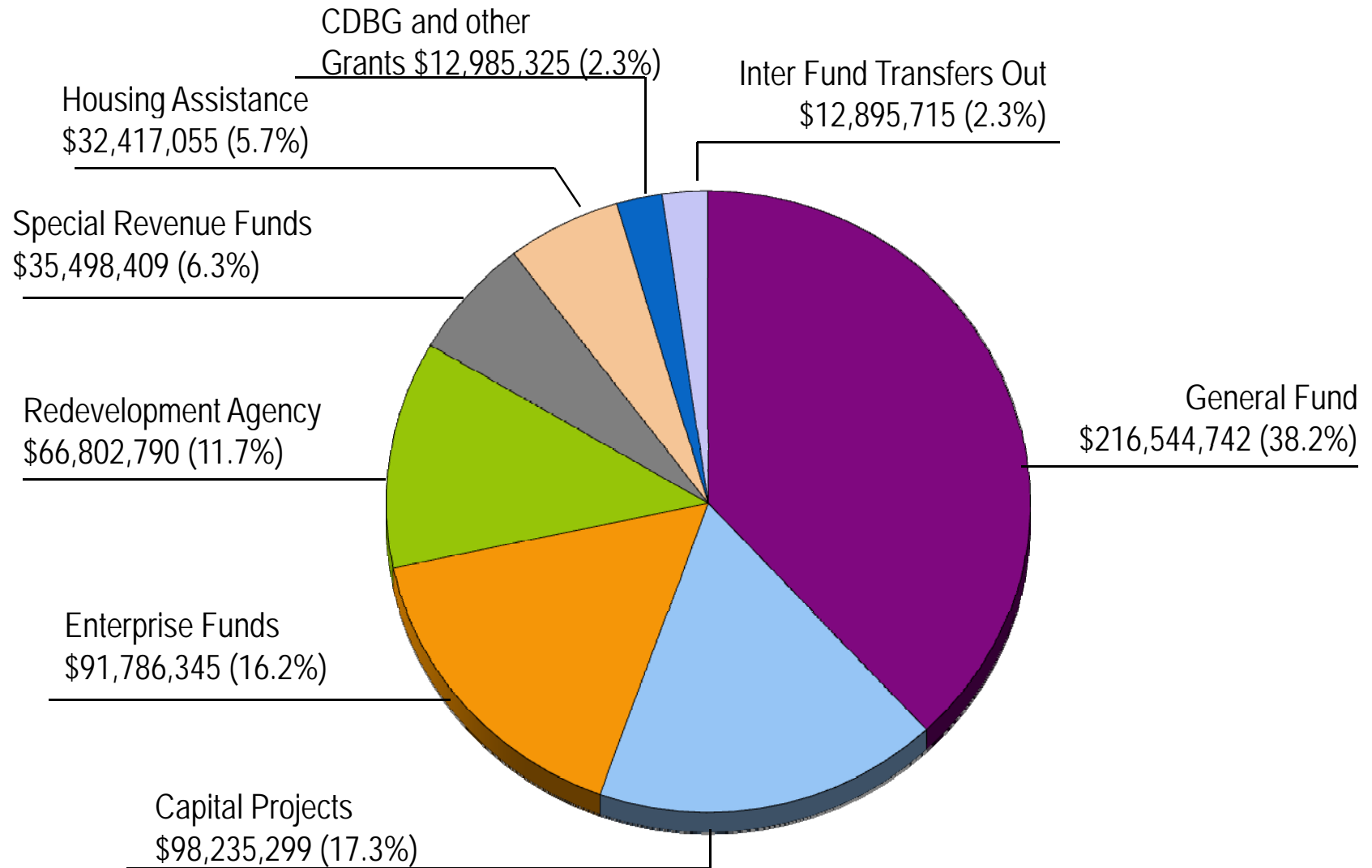
REVENUE CHANGES FROM FY 08-09

FY 09-10 City Manager's Proposed Budget

Revenue Source	FY 08-09 (in millions)	FY 09-10 (in millions)	% Change
General Fund	\$209.19	\$203.75	-2.60%
CIP Projects	76.95	64.77	-15.83
CDA Taxes	70.86	61.70	-12.93
Water Enterprise	49.18	51.98	5.69
Special Revenue Funds	15.45	35.45	129.45
Other Enterprise Funds	32.08	34.09	6.27
Housing Assistance	31.63	32.15	0.52
CDA – Other Grants	11.33	12.08	0.75

Governmental Funds Appropriations

FY 2009-2010 \$ 567,165,680



City of Santa Ana

APPROPRIATION CHANGES FROM FY 08-09

FY 09-10 City Manager's Proposed Budget

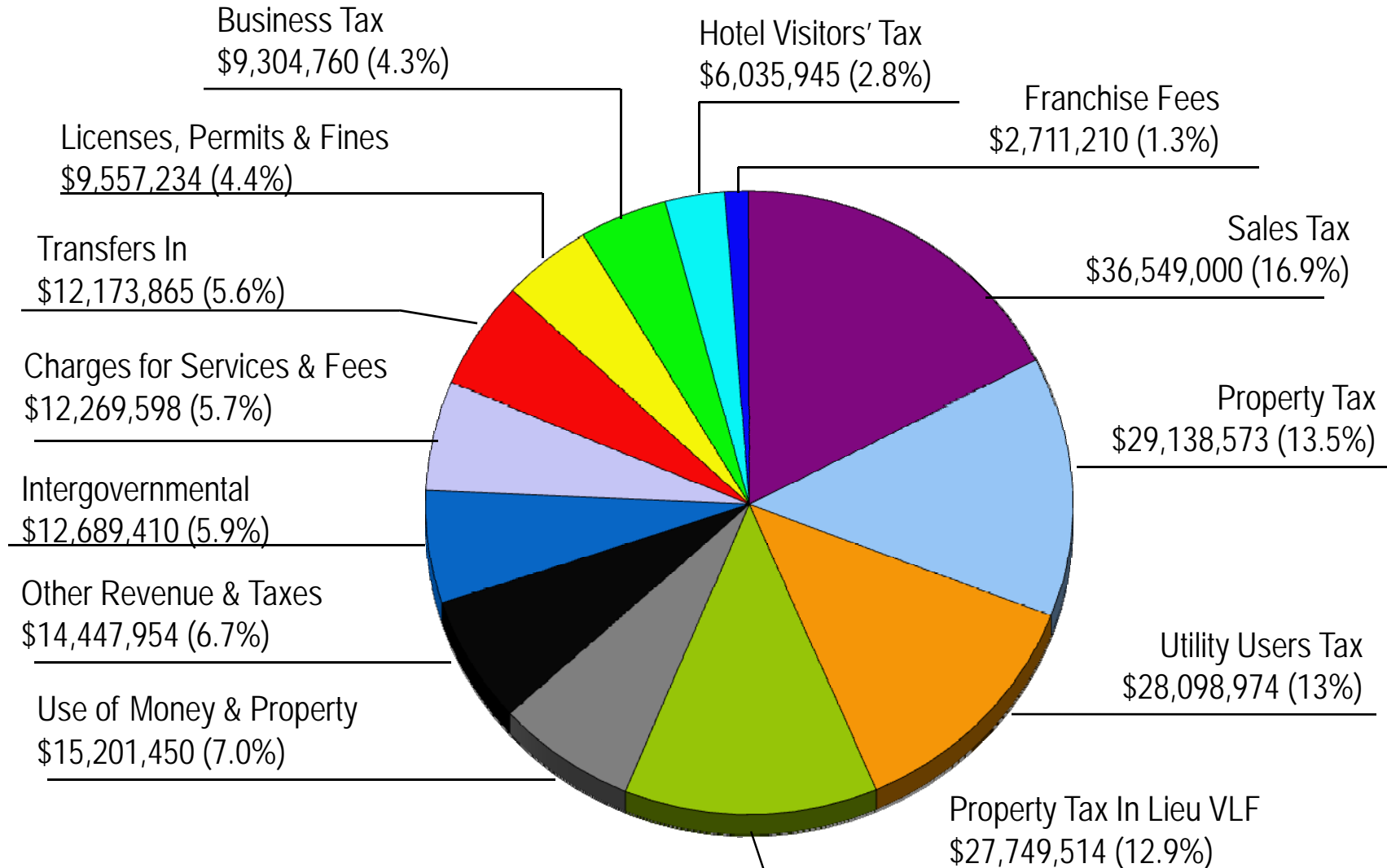
Revenue Source	FY 08-09 (in millions)	FY 09-10 (in millions)	% Change
General Fund	\$244.71	\$219.85	-10.2%
Capital Projects	99.45	98.23	-1.2
Enterprise Funds	87.43	91.78	5.0
Redevelopment Agency	74.20	66.80	-10.0
Special Revenue Funds	22.74	35.50	56.1
Housing Assistance	33.41	32.42	-3.0
CDBG & Other Grants	13.43	12.99	-3.3

General Fund Revenue Sources

FY 2009-2010 Estimated Revenues: \$215,927,487

Fund Balance: 3,928,880

Total General Fund Revenue Sources: \$219,856,367



City of Santa Ana

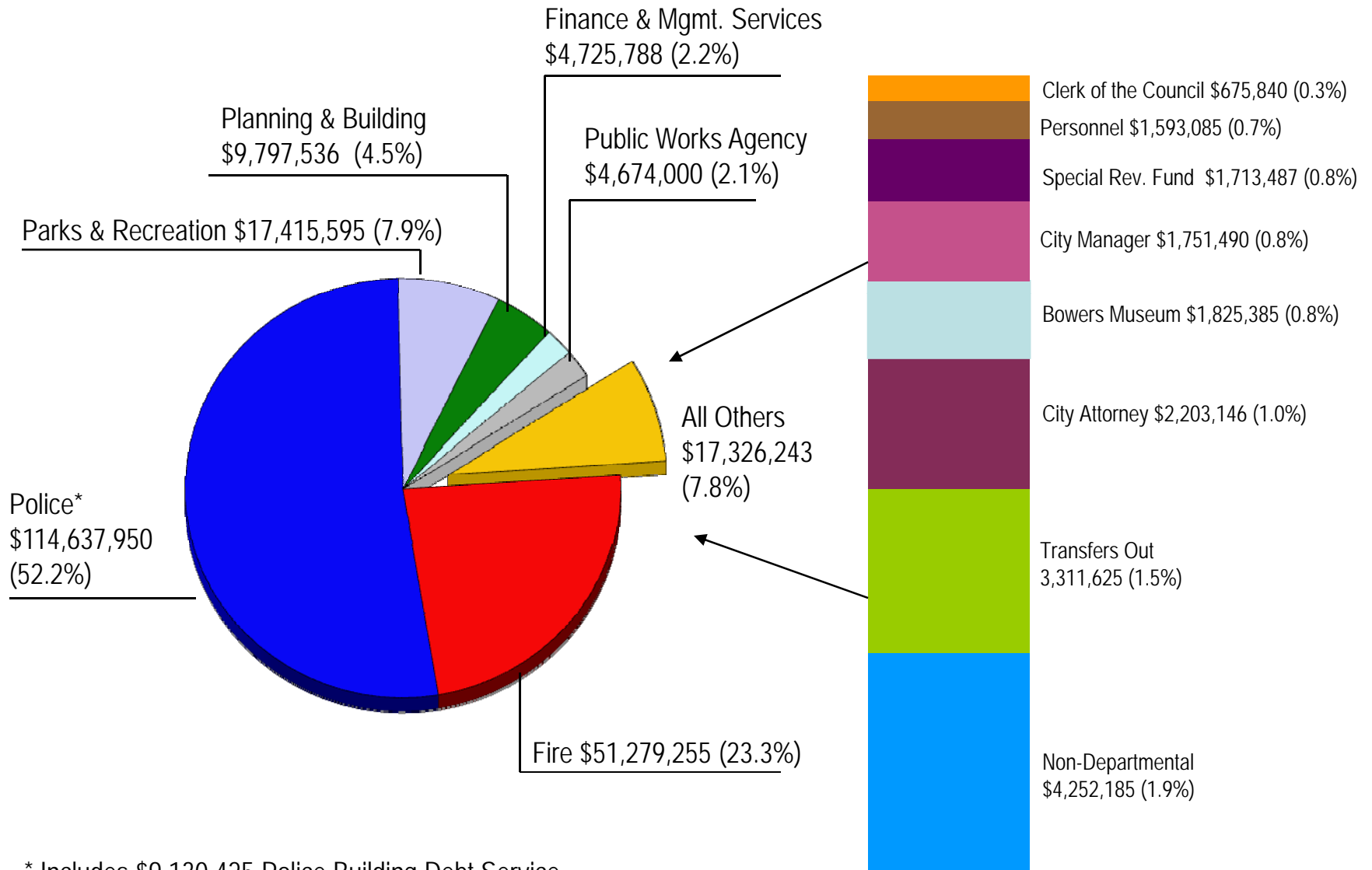
REVENUE CHANGES FROM FY 08-09

FY 09-10 City Manager's Proposed Budget

Revenue Source	FY 08-09 (in millions)	FY 09-10 (in millions)	% Change
Sales Tax	\$45.59	\$36.55	-19.8
Property Tax	30.45	29.14	-4.3
Utility Users Tax	28.24	28.10	-0.5
Property Tax in Lieu of VLF	27.06	27.75	2.5
Use of Money & Property	13.34	15.20	13.9
Intergovernmental	11.69	12.69	8.6
Charges for Fees Services	9.22	12.27	33.1
Interfund Transfers (In)	7.30	12.17	66.7
Business Tax	10.0	9.30	-7.0
Hotel Visitor's Tax	7.40	6.04	-18.4
Franchise Fees	2.54	2.71	6.7

General Fund Appropriations

FY 2009-2010 \$ 219,856,367



* Includes \$9,130,425 Police Building Debt Service

City of Santa Ana

APPROPRIATION CHANGES FROM FY 08-09

FY 09-10 City Manager's Proposed Budget

Department	FY 08-09 (in millions)	FY 09-10 (in millions)	% Change
Police	\$123.60	114.64	-7.2%
Fire	54.03	51.28	-5.1
Parks & Rec. (Library)	21.36	17.41	-18.5
Planning & Building	12.34	9.80	-20.6
Finance	6.20	4.75	-23.4
Public Works	4.67	4.67	0.0

City of Santa Ana

APPROPRIATION CHANGES FROM FY 08-09

FY 09-10 City Manager's Proposed Budget

Department	FY 08-09 (in millions)	FY 09-10 (in millions)	% Change
City Manager	\$2.17	1.75	-19.4%
City Attorney	2.54	2.20	-13.4
Clerk of the Council	1.01	0.67	-33.7
Personnel	2.14	1.59	-25.7
Non-Departmental	5.52	4.25	-23.0
Bowers Museum	2.01	1.82	-9.5

City of Santa Ana

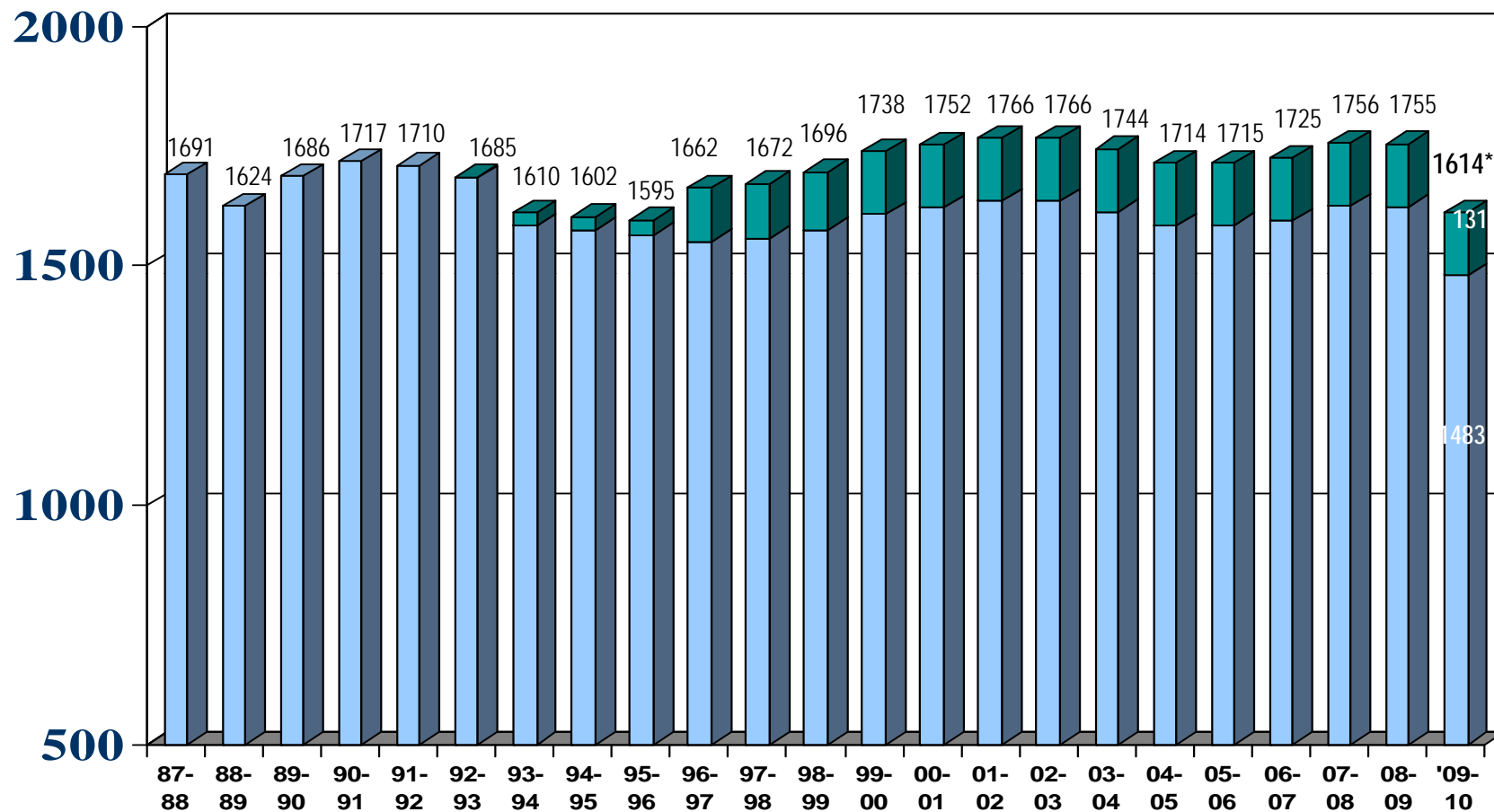
FY 09-10 City Manager's Proposed Budget

2009-2010

PROPOSED
WORKFORCE CHANGES

Number of Full-Time Employees

FY 87-88 through FY09-10



Note: Workforce has decreased over 12% while population nearly doubled over the past 20 years.

*Excludes 21 grant funded positions

F/T Employees



Detention Staff



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2009-2010

PROPOSED WORKFORCE CHANGES

Changes in full-time workforce count:

- Eliminate 150 full-time positions, many already vacant
- Includes 40 previously unfunded positions

Reallocations:

- Merger of Library into Parks & Recreation requires changes in supervisory structure and function
- Changes in title for 13 positions (no financial impact) to better reflect job functions

MISCELLANEOUS FEES
AND
FEE ADJUSTMENTS

NEW AND MODIFIED FEES

- 4 new fees
 - Library digital services
 - Rental fees
 - Massage Permit fees
- Modifications to some fees
 - Damaged library materials
 - Athletic Field Lighting
 - Zoo Admissions
 - Paramedic Subscriptions
 - Parking fines
- CPI adjustment of 3.0%

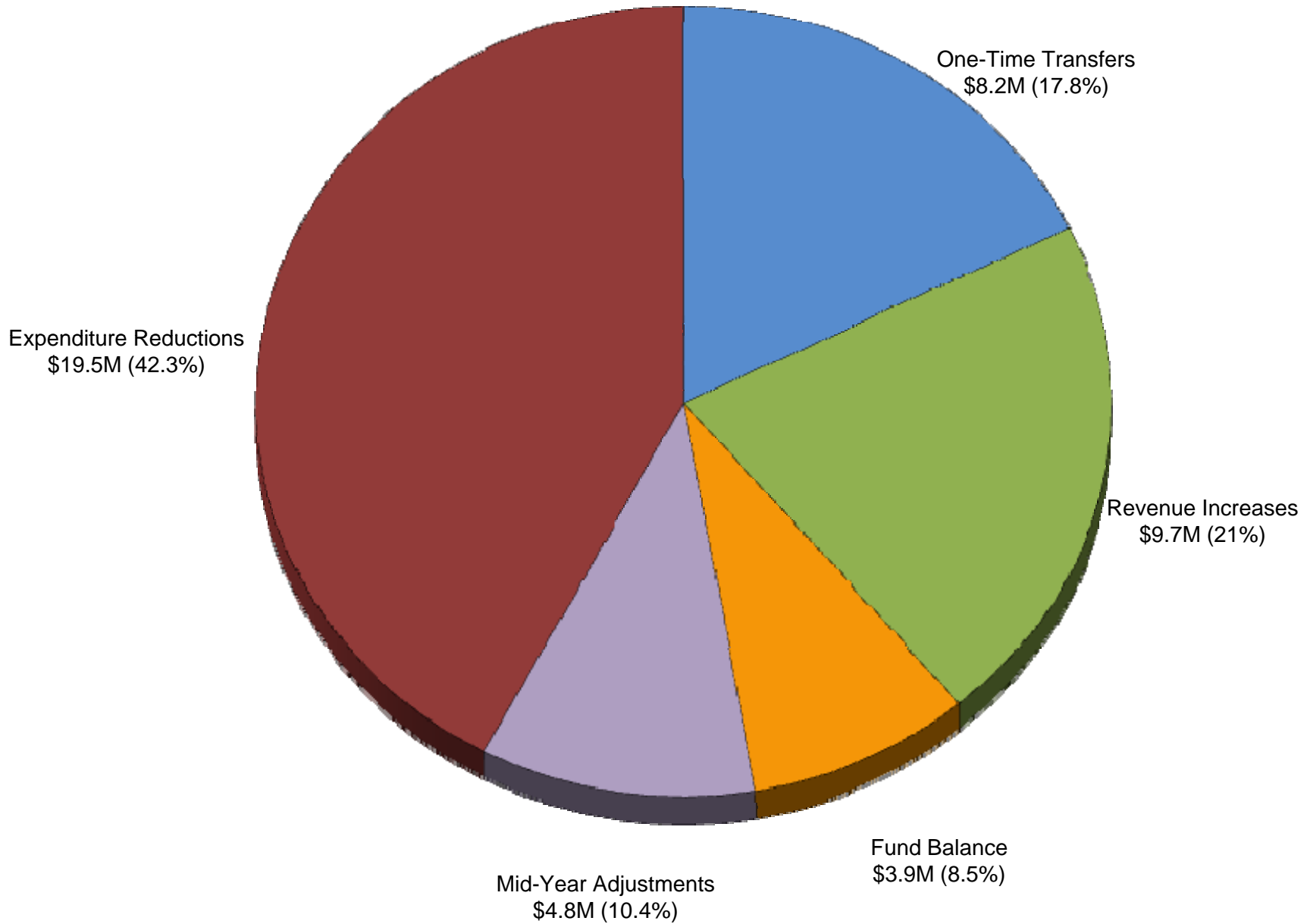


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ADDITIONAL BUDGET MEASURES

- Maintain hiring freeze and other expenditure reduction measures
- Continue to work with all employee groups to negotiate short-term, cost-saving concessions
 - Deferral of salary increases
 - Furloughs or equivalent
 - Suspension of cash outs



Bridging the General Fund \$46M Budget Gap



City of Santa Ana

FY 09/10 CIP

- Neighborhood Improvements \$38,752,794
- Arterial Improvements \$48,651,873
- Traffic Improvements \$6,050,550
- Infrastructure Improvements \$6,537,512
- City Facility Improvements \$3,267,500
- Park Improvements \$1,073,937

TOTAL FY 09/10 CIP: \$104,334,166

TOTAL 7-YEAR CIP: \$358,345,554

PROPOSED BUDGET

- Maintains City Council and community priorities
- Maintains funding for critical front-line programs and services
- Continues significant funding for infrastructure
- Mid-year adjustments likely to be necessary



QUESTIONS / COMMENTS