FY 15-16 City Manager’s Budget Message

Thank You!!!

• Mayor and City Council
  • Outstanding Leadership
    • Adoption of and continued implementation of Strategic Plan

• Long-term vision
  • Adoption of one-year Forecast and four-year financial projection
FY 15-16 City Manager’s Budget Message

• “Positive” Economic Development
  • Increase in Real Estate Valuation
    • Resulting in higher property tax
• Increase in New Development
  • Vibrant Downtown Santa Ana
  • Main Place Mall Renovation
• Increase in Employment
  • Sales Tax Increase
    • New and Used Auto Sales up year over year
FY 15-16 City Manager’s Budget Message

• Refinancing of existing City Debt
  • Police Administration and Jail Facility ($3.0M)
  • Water Bond Refunding ($1.6M) and Capital Projects ($5.9M)

• Reserve Funding
  • Achieve goal of 20% general fund reserve ($40.5M) and economic uncertainty ($3.8M)

• Utility Users Tax
  • 3rd most important City revenue source stabilized
FY 15-16 City Manager’s Budget Message

• Innovation and Efficiency
  • Adjustment of Jail Rates to recover $1.4M in costs
  • Establishment of Receivership program to assist neighborhoods and allow for cost recovery of incurred legal fees and staff costs
  • Installation of 24-hour payment kiosk at City Hall
  • Online application for CDBG, ESG, building permits, and business license fees

• Coordination of Grant Efforts
  • Secured approximately $14.0M in Grant Funding

• Information Technology Assessment
  • Funding in the amount of $3.6M recommended through FY 14-15 surplus

Thank you City Employees for your efforts and for delivering “more with less” and thank you Mayor and City Council for your financial stewardship
FY 15-16 General Fund Trial Budget

- Presenting a Balanced Trial Budget of $222.2M
- GF Budget Comparison FY 15-16 vs. FY 09-10

We have come a long way!
Unassigned Fund Balance

Unassigned fund balance as reflected in FY 09-10 & FY 13-14 Comprehensive Annual Financial Report

*Unassigned reserve level of 20% achieved
FY 15-16 Baseline Elements

• Allocates $2.5M for the implementation of the Strategic Plan

• Successfully obtained $1.25M in COPS Hiring Grant Funds for ten additional Police Officers & allocated $1.0M in matching City funds

• Additional Planning & Building staff-$1.1M

• Medical Marijuana Dispensaries (MMD) Enforcement Plan:
  • 5 Police Officers & 1 Police Sergeant-$1.5M
  • 2 Community Preservation Inspectors-$253k
  • 1 Revenue & Contract Compliance Examiner-$125k
  • 1 Assistant City Attorney & additional funding for contractual services-$252k
  • In total, the City added over $2.0M in funding for the MMD Enforcement Plan

• Includes revised health insurance rates of 7%

• Includes FY 15-16 actuarial PERS rates:
  • Safety: 46.5%
  • Miscellaneous: 28.5%
City Charter Requirement
(Santa Ana City Charter)

Sec. 604 - Budget Preparation by the City Manager. In preparing the proposed City budget, the City Manager shall review the financial plans submitted, hold conferences thereon with the office, agency and department heads, respectively, and revise such plans as he may deem advisable.

Sec. 605 – Submission to the City Council. On or before the fifteenth (15th) day of June of each year, the City Manager shall recommend and submit to the City Council a proposed budget for the next ensuing fiscal year and a proposed appropriation ordinance as prepared by him.

Sec. 607 – Further Consideration and Adoption. On or before the thirty-first (31st) day of July the City Council shall adopt the budget with revisions, if any, by the affirmative votes of at least a majority of its members. Upon final adoption, the budget shall be in effect for the ensuing fiscal year.
FY 15-16 City Manager’s Trial Budget

• Public Safety-Strategic Plan Goal 1:
  
  • Addition of (7) Police Officers to improve response times and community policing efforts
  
  • Upgrade of County-wide 800 MHz Public Safety Communications system-partnership costs
  
  • Provide for the replacement of a Crime Scene Investigation van and 2 Police Traffic motorcycles
FY 15-16 City Manager’s Trial Budget

• Youth, Education & Recreation-
  Strategic Plan Goal 2:
  • Provide for the opening of the Main
    Library on Sundays
  • Increase the purchase of new books
    for Library circulation
  • Develop a Zoo Master Plan
  • Provide for utility cost adjustment to
    support fields, lighting, and facilities
  • Funding to support City sponsored
    events
FY 15-16 City Manager’s Trial Budget

• Economic Development - Strategic Plan Goal 3:
  • Provide funding to support Economic Development & Neighborhood Improvement staff

• City Financial Stability - Strategic Plan Goal 4:
  • Fund an Employee Pension Rate Stability reserve
  • Establishment of an internal audit program
FY 15-16 City Manager’s Trial Budget

- Community Health, Livability, Engagement, & Sustainability-Strategic Plan Goal 5:

  - Provide base funding for the development of a Safe Mobility Program to address vehicle and pedestrian safety in the Santa Ana community

  - Allocation of funds for 52 neighborhood associations

  - Provide for a City Council Liaison

  - Purchase of mobile technology for Code Enforcement
FY 15-16 City Manager’s Trial Budget

- Community Facilities & Infrastructure-Strategic Plan Goal 6:
  - Allocate funding for Park deferred maintenance
  - Provide funds for deferred maintenance projects at the Southwest Senior Center, New Hope Library & Corbin Center
  - Replacement of a roof at the Corporate Yard
  - Funding for fire station improvements
  - Funds for Civic Center capital projects
FY 15-16 City Manager’s Trial Budget

• Team Santa Ana - Strategic Plan Goal 7:
  • Continue funding for Information Technology assessment to improve workforce efficiency and provide effective customer service to external customers

• Employee Compensation & Miscellaneous:
  • Consideration of a potential cost of living increase for employees
FY 15-16 Deferred Maintenance Projects

- Total of $500k allocated for Deferred Maintenance:
  - $130k-Roof restoration of the Corporate Yard
  - $100k-Address various park facility deferred maintenance
  - $100k-1 Crime Scene Investigation van & 2 Police Traffic Motorcycles
  - $60k-Fire station improvements
  - $40k-Front door upgrades to be ADA compliant & exterior painting of the South West Senior Center
  - $40k-Rebuilding of air handler at New Hope Library
  - $30k-Install commercial commodes & exterior painting of the Corbin Center
FY 15-16 Technology Projects

• Total of $500k allocated for Information Technology Initiatives:
  • $225k-Partnership cost of 800 Megahertz backbone
  • $150k-Ongoing IT Assessment
  • $125k-Purchase mobile technology for Code Enforcement Officers
## TOTAL ANNUAL GENERAL FUND BUDGET BY DEPARTMENT

<table>
<thead>
<tr>
<th>Department</th>
<th>Proposed FY 15-16</th>
<th>% of Total</th>
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</thead>
<tbody>
<tr>
<td>Police Department</td>
<td>$116,417,565</td>
<td>52.4%</td>
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<tr>
<td>Fire Department</td>
<td>41,450,486</td>
<td>18.7%</td>
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<tr>
<td>Parks, Recreation &amp; Community Services</td>
<td>20,499,180</td>
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<td>Debt Service</td>
<td>10,079,155</td>
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<td>Planning &amp; Building Agency</td>
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<td>Public Works Agency</td>
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<tr>
<td>Non-Departmental</td>
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<tr>
<td>Finance &amp; Management Services</td>
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<tr>
<td>City Attorney's Office</td>
<td>2,368,829</td>
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<tr>
<td>City Manager’s Office</td>
<td>2,045,910</td>
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<tr>
<td>Bowers Museum</td>
<td>1,474,540</td>
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<tr>
<td>Personnel Services</td>
<td>1,156,355</td>
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<tr>
<td>Community Development</td>
<td>1,125,000</td>
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<tr>
<td>Clerk of the Council Office</td>
<td>732,006</td>
<td>0.3%</td>
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<tr>
<td>Legislative Affairs</td>
<td>511,915</td>
<td>0.2%</td>
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<td><strong>TOTAL DEPARTMENTAL EXPENDITURES</strong></td>
<td><strong>$222,185,000</strong></td>
<td><strong>100.0%</strong></td>
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FY 15-16 GF Trial Budget-Expenditures: $222.2M

*Includes Non-Departmental, City Attorney’s Office, Bowers Museum, HR, City Manager’s Office, Community Development, Clerk of the Council, & Legislative Affairs
FY 15-16 Additional Funding Priorities
NOT Included in Trial Budget

**CDA**
- Economic Development Aide-$88k
- Two Administrative Aides-Bilingual (Part-Time) positions-$52k
- Fixed Charges & Miscellaneous Operations-$54k

**CITY CLERK**
- Add Assistant Clerk of the Council-$31k
- Add 50% of Senior Legal Management Assistant-$63k
- Reallocate Sr. Deputy Clerk of the Council to Deputy Clerk of the Council-$13k

**PRCSA**
- Provide Additional Recreational Classes-$165k
- Funding for Custodial Services-$100k
- Funding to provide landscape maintenance at City parks-$620k
FY 15-16 Additional Funding Priorities
NOT Included in Trial Budget

**PD**
- Four Downtown Police Officers-$502k
- Two Domestic Violence investigators-$251k

**PBA**
- Add one Associate Planner and one Assistant Planner-$210k
- Reallocation of Assistant Planner I to Assistant Planner II-$10k
- Vehicles for new Building Safety Inspection Staff and Code Enforcement Officers-$21k

**PWA**
- Graffiti Abatement Services for Parks & Rec-$180k
- SARTC Deferred Maintenance & Property Management-$613k
FY 15-16 Additional Funding Priorities
NOT Included in Trial Budget

**FMSA**
- Add one Senior Budget Analyst-$120k
- Add one Accountant II-$130k

**CAO**
- Add 50% of Senior Legal Management Assistant-$63k
- Reallocation of Legal Secretary to City Attorney Office Executive Assistant-$10k
- Funding for modernization of equipment & furnishings-$50k
CAPITAL IMPROVEMENT PROGRAM
Budget/CIP calendar-next steps

• March 30, 2015: Community Budget Outreach-Budget, Strategic Plan & CIP Updates

• April 2015:
  • Community Budget Hearings
  • Preliminary Seven-Year Capital Improvement Program presentation to the Planning Commission

• May 2015:
  • City Council one-on-one meetings- Review of Trial Budget & CIP
  • City Manager’s Proposed FY15-16 Budget Work Study Session includes CIP, Miscellaneous Fees & Personnel Resolutions

• June 2, 2015: Tentative Budget/CIP Ordinance Adoption

• June 16, 2015: Final Budget/CIP Ordinance Adoption

• July 1, 2015: Start of the New Fiscal Year