TOPICS TO BE COVERED

I. City Manager Overview
II. Form of Government & City Charter
III. Development of a Budget
IV. Current Financial Status
V. Five-Year Strategic Plan Update
VI. Capital Improvement Program
VII. Community Input Opportunity
CITY MANAGER OVERVIEW
FORM OF GOVERNMENT
&
CITY CHARTER
HOW THE CITY OF SANTA ANA FUNCTIONS

COMMUNITY

Votes

6 Council Members

1 Mayor

Appoint

City Attorney

(serves at Council’s pleasure)

Appoint

City Clerk

(serves at Council’s pleasure)

Appoint

City Manager

(Oversees Core Programs and Services)

Public Safety

Parks, Library, and Youth Programs

Planning, Development, Code Enforcement

Infrastructure
(e.g. Traffic, Transportation Safety and utilities)

Economic/Community Development and Housing Authority

Financial and Administrative Operations
(e.g. finance, information technology, human resources)
General Law vs. Charter Cities
General law cities are bound by the state’s general law, even with respect to municipal affairs. **A charter city** is a city in which the governing system is defined by the city’s own charter document rather than by general law.

What grants authority to elect form of government?
The California Constitution gives cities the power to become charter cities. The charter is a written document that operates as the city’s “constitution.”

Is the City of Santa Ana a General Law or Charter City?
The City of Santa Ana is a **Charter City**. The charter was adopted in 1952, which established a Council/Manager form of Government.

How many cities in California have adopted a charter?
Of California’s 478 cities, **108 of them are charter cities**.
A City Charter is a legal document that defines the functions and procedures of a local government.

Sections of the Charter require the following elements:

- A Budget prepared by the City Manager
- A submitted budget to the City Council (on or before June 15th of each year)
- Further Consideration and Adoption by the City Council (on or before July 31st)
DEVELOPMENT OF A BUDGET
What is a Budget?
Why is it Important?

A Budget is a twelve-month fiscal policy and planning document that reflects community priorities and needs.
DEVELOPMENT OF A BUDGET

Annual Budget Process

**NOVEMBER - DECEMBER**
- Development & distribution of assumptions
- Present preliminary Calendar & process to City Council for Approval

**January - April**
Hold Department budget meetings and conduct community outreach meetings

**May**
City Manager's Proposed Budget Work-Study Session & Budget Presentation

(7-8 month process)

**JULY**
BEGINNING OF NEW FISCAL YEAR

**June**
City Council Adoption of Budget & CIP
STEP 1
Prior fiscal year’s budget is used as the baseline to build the upcoming budget.

STEP 2
Based on projected revenues and/or expenditures the budget is adjusted for the ensuing fiscal year.

STEP 3
Community input on budget priorities.

Trial Budget
For
FY 2018-19

STEP 1
BUDGET
FY 2017-18

STEP 2
Revenues & Expenditures
City’s budget is grouped into different types of funds, or accounts, based on what it can be used for. The general fund of FY 2017-18 makes up 45.9% of the $510.7 million citywide budget, and is predominately unrestricted.
WHERE DOES THE MONEY COME FROM?

City’s Budget is made up of different sources of funding. Some, such as local taxes, may be used for any purpose and are unrestricted. Others, such as utility fees and federal and state grants, can only be used for specified purposes and are restricted.

Residents, businesses and visitors pay **TAXES** including property, sale and hotel visitor taxes.

Residents, businesses and visitors pay **FEES** such as building permits and recreation classes.

Residents and businesses pay **RATES** for utilities services such as water and sanitation.
The General Fund serves as the city’s main operating fund, supporting the day-to-day services of the community (e.g. Public Safety, Library, Youth Programs, Planning/Development, etc.)

What can impact the flow of REVENUE?

**EXAMPLES**

- **Car Price** = $30,000  
  Sales Tax Collected = $2,325  
  **Santa Ana’s Share** = $300

- **Cost** = $550,000  
  Property Tax collected = $5,500  
  **Santa Ana’s share** = $1,100

- **New Business**  
  Santa Ana’s Share  
  Sales Tax  
  Business Tax
How much of my tax dollars does the City receive?

1% Property Tax
Basic Levy Rate

$0.18 – $0.20
City of Santa Ana

7.75% Sales Tax

6.75%
Other government agencies

$0.80 to $0.82
Other government agencies

1%
City of Santa Ana
WHERE DOES THE MONEY GO?

- Public Safety: 71.0%
- Parks, Library and Youth Programs: 8.5%
- Financial Operation: 4.5%
- Debit Service & Transfer: 2.9%
- Traffic & Transportation Safety, Street Lighting Maintenance: 2.4%
- Planning, Development & Code Enforcement: 2.4%
- Other Support Services: 6.4%
# How much is the available Per Capita?

## CITY OF SANTA ANA

**Population 341,341**

<table>
<thead>
<tr>
<th>Budget Amount</th>
<th>Yearly</th>
<th>Monthly</th>
<th>Daily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citywide $510.7 Million</td>
<td>$1,496.00</td>
<td>$125.00</td>
<td>$4.10</td>
</tr>
<tr>
<td>General Fund $234.2 Million</td>
<td>$686.00</td>
<td>$57.00</td>
<td>$1.91</td>
</tr>
</tbody>
</table>

## CITY OF ANAHEIM

**Population 351,043**

<table>
<thead>
<tr>
<th>Budget Amount</th>
<th>Yearly</th>
<th>Monthly</th>
<th>Daily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citywide $1.7 Billion</td>
<td>$4,843.00</td>
<td>$403.56</td>
<td>$13.27</td>
</tr>
<tr>
<td>General Fund $300 Million</td>
<td>$854.60</td>
<td>$71.22</td>
<td>$2.34</td>
</tr>
</tbody>
</table>
Household Budget Plan...

WHERE DOES THE MONEY GO?

- Housing & Utilities (50%)
- Transportation (20%)
- Education (10%)
- Entertainment (5%)
- Communication (5%)
- Personal Care (5%)
- Savings Account (5%)
Your tax dollars at work - What are the core services in a typical City Budget?

- **Public Safety** – Police & Fire Services
- **Quality of Life** – Parks, Recreation, Community Services, Library, Cultural Arts, etc.
- **Utilities** – Water, Sewer, Trash Pick-up, etc.
- **Building & Development** – Planning, Housing, Community Development, etc.
- **Streets & Lights** – Public Works, Capital Improvement Program, etc.
- **General Services** – City Manager’s Office, Finance, Human Resources, City Attorney’s Office, etc.
CURRENT FINANCIAL STATUS
General Fund Revenue Sources
$224,235,795

- Sales Tax: 50,300,000 (22%)
- Property Tax: 34,544,000 (15%)
- Property Tax In Lieu VLF: 30,966,459 (14%)
- Utility Users Tax: 27,780,000 (12%)
- Use of Money & Property: 3,598,142 (2%)
- Charges for Services & Fees: 12,049,266 (5%)
- Licenses, Permits & Fines: 10,560,979 (5%)
- Business Tax: 11,870,000 (5%)
- Other Revenue & Taxes: 24,137,339 (11%)
- Hotel Visitors’ Tax: 9,900,000 (4%)
- Intergovernmental: 5,871,563 (3%)
- Franchise Fees: 3,358,047 (2%)

*Excludes $9.3M in One-Time Revenue*
FY 2017-18 Budget
General Fund
Total $234.2 Million

- Police: $115,871,365 (49.5%)
- Fire: $50,417,145 (21.5%)
- Recreation & Library: $19,966,850 (8.5%)
- Public Works Agency: $6,847,195 (2.9%)
- Planning & Building: $10,106,100 (4.3%)
- Debt Service: $9,040,680 (3.9%)
- Transfers: $1,471,404 (0.6%)
- All Others: $14,940,000 (6.4%)

- Total: $234,200,000
FY 2017-18 ADOPTED GENERAL FUND BUDGET

$9.3M Budget Gap
(balanced w/the use of one-time monies)

Revenues: $224.9M
Expenditures: $234.2M
GENERAL FUND
REVENUE & EXPENDITURE TRENDS

Revenues

2%

On average, total General Fund revenues have grown at the rate of 2% since FY 2012-13

Expenditures

4%

On average, total General Fund expenditures have grown at the rate of 4% since FY 2012-13

*Excludes the $9.3M in One-Time Revenue
PRELIMINARY FY 2018-19 GENERAL FUND

Preliminary FY 18-19 General Fund Budget

Millions

- $239.2M FY 18-19 Base Revenues
- $256.1M FY 18-19 Base Expenditures
- $16.9M Budget Gap

25
FIVE-YEAR STRATEGIC PLAN UPDATE
Mission Statement
To deliver efficient public services in partnership with our community which ensure public safety, a prosperous economic environment, opportunities for our youth, and a high quality of life for residents.
84% of the Strategies Accomplished or Currently being Implemented
GOAL 1

COMMUNITY SAFETY

» Enhance the Police Department’s community policing
  • Developed the SAPD Citizens Academy
  • SAPD held first Open House

» Formed a traffic/pedestrian/bicycle safety taskforce to increase community outreach

GOAL 2

YOUTH, EDUCATION, RECREATION

» Implemented Year-round Youth Sports Program

» Expanded after-school educational programming to seven sites
  El Salvador, Jerome, Logan, Memorial, Salgado, Santa Anita Center and Madison Park

GOAL 3

ECONOMIC DEVELOPMENT

» Drafted an Economic Development Strategic Plan
  http://www.santa-ana.org/cda

» Launched the Santa Ana Shop local campaign
  http://santa-ana.org/cda/shoplocal.asp
GOAL 4

CITY FINANCIAL STABILITY

- Increased the accessibility of financial information
  - Quarterly updates, financial forecast, trial budget, annual reports, and community budget outreach meetings
- Achieved and maintained General Fund reserve level in accordance with City Policy.

GOAL 5

COMMUNITY HEALTH, LIVABILITY, ENGAGEMENT, & STABILITY

- Increased community outreach by partnering with the SAUSD, leveraging technology, and social media
- Established the Arts and Culture Commission and master plan
- Approval of an Affordable Housing Funds Policy

GOAL 6

COMMUNITY FACILITIES & INFRASTRUCTURE

- Completed a Citywide Technology Assessment
- Developed a comprehensive capital improvement program
- Creating an Asset Management Program
- Successful in obtaining grants.
- Best Tasting Water award
GOAL 7

TEAM SANTA ANA
Primary Objectives:
- Establish a culture of customer service and community engagement as the organization's primary focus.
- Provide a positive workplace environment that supports the health of its employees and celebrates its success.
Accountability & Monitoring Progress

Strategic Plan Alignment:
- City Council Agendas
- Council Committee Agendas

Monthly progress reports:
- City Council Meetings
- Strategic Plan Website
  www.santa-ana.org/strategic-planning

Funding reviewed during the budget process
CAPITAL IMPROVEMENT PROGRAM (CIP)
CITY OF SANTA ANA
FY 2017/2018
CAPITAL IMPROVEMENT PROGRAM

Memory Lane Resurfacing

New Memory Lane Park

Maple Street Bike Trail Safety Enhancement

Santa Ana Stadium Structural Improvement
17/18 CAPITAL IMPROVEMENT PROGRAM (CIP) $44,967,732

- Street Improvements $20,530,316
- Traffic Improvements $7,579,750
- Utility / Drainage / Lighting Improvements $11,117,052
- City Facility Improvements $5,740,614

**Pie Chart:****
- Street Improvements 45%
- Traffic Improvements 25%
- Utility / Drainage / Lighting Improvements 13%
- City Facilities 17%
STREET IMPROVEMENTS
$20,530,316

Planning
3 – Projects
$400,000

- Pavement Management
- Project Development
- Right-of-Way Management

Roadway Improvements
12 – Projects
$19,930,316

- Alley Improvements
- Main Street Rehabilitation: Edinger to 1st
- Sustainable Mobility and Roadway Transformation (SMaRT)
- Residential Street Repair
- Local Preventive Maintenance
- Bristol St Rehab. 17th to Santa Clara
- Westminster Ave Rehab: Harbor to Fairview
- Bristol St and Memory Ln Intersection Widening
- Fairview Bridge and Street Improvements
- Warner Avenue Improvements from Main to Oak
- Warner Avenue Improvements from Oak to Grand
- Grand Avenue Widening from First to Fourth

Sidewalk/Streetscape
1 – Projects
$200,000

- Omnibus Concrete
TRAFFIC IMPROVEMENTS
$7,579,750

Planning
4 – Projects
$600,948

- Bike Lane Project Development
- Traffic Management Plans
- Traffic Safety Project Development
- OC Streetcar

Traffic Signal
4 – Projects
$665,050

- Bear St. Traffic Signal Synchronization
- Main St. and 15th St. Traffic Signal
- Traffic Signal Equipment Replacement
- Warner Ave and Flower St Intersection Improvements

Mobility/Safety
9 – Projects
$6,313,752

- Hazard Avenue Projected Bike Lanes from Euclid St to Harbor Blvd
- Edinger Ave Protected Bike Lanes
- Santa Ana and 5th St Protected Bike Lanes
- Sepulveda Safe Routes to School Project
- 1st St/Jackson St and 5th St/Euclid St Signal Modifications
- Bristol St and Edinger Ave Class II Bike Lanes
- Bristol Street Protected Bike Lanes
- Citywide Bike Racks and SARTC Bicycle Center
- Citywide Bike Lane Striping and Maint.
PUBLIC UTILITY / DRAINAGE IMPROVEMENTS
$11,117,052

- Sewer Improvements
  4 – Projects
  $846,752
  - Citywide Sewer Main Improvements
  - Bristol Street Phase 3B Sewer Main Improvements
  - Flower Street Sewer Main Improvements
  - Washington Square Sewer Main Improvements

- Water Improvements
  6 – Projects
  $3,600,000
  - 17th St Water Main Improvements Phase 2
  - Grand Avenue Water Main Improvements
  - Riverview Neighborhood Water Main Improvements
  - Thornton Park Water Main Improvements
  - Warner Avenue Widening Water Main Improvements
  - West Grove Valley Neighborhood Water Main Improvements

- Facility / Drainage Improvements
  7 – Projects
  $6,470,300
  - Drainage Master Plan Alternative Improvement Assessment and Prioritization
  - Segerstrom (San Lorenzo) Sewer Lift Station Reconstruction
  - C-5-F Channel Extension Assessment b/w Newhope and Harbor
  - Well 29 - Improvements
  - Well No. 32 – Rehabilitation
  - Civic Center Stormwater Lift Station Renovation
  - Santa Ana Delhi Channel Diversion Project

- Street Light Improvement
  1 – Project
  $200,000
  - Street Light Rewiring and Repairs
CITY FACILITIES
$5,740,614

- Recreation Improvements
  8 – Projects
  $587,367
  - Riverview/Cabrillo/Windsor Basketball & Tennis Court Resurfacing
  - SA Library Children’s Patio Expansion
  - Santiago Park BikeTrail/Bomo Koral Sidewalk & Walkway Renovation
  - Playground Equipment: Delhi, Madison Park, Rosita Park, Santiago Park, Thornton Park

- Park / Zoo Facilities
  11 – Projects
  $3,903,247
  - 6th and Lacy Park Improvements
  - Centennial Lake Circulation Renovation (Design)
  - Centennial Lake Circulation Study
  - Security Lighting: Pacific Electric Bike Trail, Various Parks, Various Parks (Phase 2)
  - Security Cameras: Jerome Park, Santiago Park, Windsor Park
  - Park Improvements: Raitt & Myrtle, Roosevelt/Walker

- Civic Center Improvements
  6 – Projects
  $1,250,000
  - Civic Center: Dry Stream Renovation, Fountain Repair
  - Sasscer Park, Irrigation Controller Replacement, Japanese Garden Renovation, Plaza Of The Sun/Mall Drought Tolerant Landscape, Renovate ADA Access
TOTAL CAPITAL IMPROVEMENT PROGRAM (CIP) $237,770,624

- Street Improvements $125,209,539
- Traffic Improvements $33,649,537
- Utility / Drainage / Lighting Improvements $47,642,599
- City Facilities $31,268,949

- Street Improvements: 13%
- Traffic Improvements: 20%
- Utility / Drainage / Lighting Improvements: 53%
- City Facilities: 14%
UPCOMING COMMUNITY BUDGET OUTREACH MEETINGS
UPCOMING COMMUNITY BUDGET OUTREACH MEETINGS
DATES & LOCATION

 councils Chambers (Sunshine Ordinance)
 Thursday, March 29th, 2018
 6:30 PM – 7:30 PM

 Santa Ana Lawn Bowling Club
 Wednesday, April 4th, 2018
 7:00PM – 8:00 PM

 Madison Elementary School
 Wednesday, April 11th, 2018
 6:30PM – 7:30PM

 Adams Elementary School
 Thursday, April 12th, 2018
 6:00PM – 7:00PM

 Com-Link Meeting
 Thursday, April 26th, 2018
 7:00PM – 8:00PM
COMMUNITY INPUT
COMMENTS & SUGGESTIONS