AGENDA

• City Manager’s Budget Status

• FY 2017-18 General Fund Recommended Budget

• FY 2017-18 Recommended Non-General Fund Budget

• FY 2017-18 Recommended Capital Improvement Program
1. CITY MANAGER’S BUDGET STATUS
General Fund Forecast FY 2016-17 to FY 2018-19

Proposed GF Budget on May 16th
($14.4M)
($19.5M)
## RECOMMENDED BUDGET PLAN

<table>
<thead>
<tr>
<th></th>
<th>17/18</th>
<th>18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Gap</td>
<td>(14.4M)</td>
<td>(19.5M)</td>
</tr>
<tr>
<td>Jail (Holding Facility)</td>
<td>$4.0M</td>
<td>$8.0M</td>
</tr>
<tr>
<td>Strategic Plan</td>
<td>2.5M</td>
<td>0</td>
</tr>
<tr>
<td>Medical Marijuana Tax</td>
<td>1.0M</td>
<td>1.5M</td>
</tr>
<tr>
<td>Sale of Land</td>
<td>0</td>
<td>2.1M</td>
</tr>
<tr>
<td>Citywide Fee Study</td>
<td>0*</td>
<td>0.9M</td>
</tr>
<tr>
<td>Loss of Jail Revenue</td>
<td>(2.5M)</td>
<td>(5.0M)</td>
</tr>
<tr>
<td>Additional GF Revenue</td>
<td>0*</td>
<td>3.0M</td>
</tr>
<tr>
<td>(2 New Hotels, Parking Enforcement Rev., Additional Econ Dev &amp; Jail Reuse)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Exp. Reimbursement</td>
<td>0.1M</td>
<td>0.1M</td>
</tr>
<tr>
<td>Adjusted Budget Gap</td>
<td>(9.3M)</td>
<td>(8.9M)</td>
</tr>
<tr>
<td>Use of One-Time Monies</td>
<td>9.3M</td>
<td>4.4M</td>
</tr>
<tr>
<td>Economic Uncertainty</td>
<td>0</td>
<td>3.8M</td>
</tr>
<tr>
<td>Budget Gap</td>
<td>$0</td>
<td>($0.7M)</td>
</tr>
</tbody>
</table>

*FY 17-18 amounts included in the base budget:
Additional GF Revenue: $700k
Citywide Fee Study: $100k
### ONE-TIME REVENUES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2015-16 Ending Operating Balance</td>
<td>$3.5M</td>
</tr>
<tr>
<td>Triple-Flip Payment</td>
<td>5.6M</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$9.1M</strong></td>
</tr>
<tr>
<td>Assigned Programs</td>
<td>4.6M</td>
</tr>
<tr>
<td><strong>Available</strong></td>
<td><strong>$13.7M</strong></td>
</tr>
</tbody>
</table>
PREVIOUSLY IDENTIFIED PROGRAMS/PROJECTS

Skate Park

Park Development/Joint Use Agreement

Public Safety Initiatives

Community Engagement Program Grant

SARTC Capital Improvements

Economic Development/Business Corridor Projects

Additional Contribution to Pension Stability Fund

Creation of the Jail Revenue Stability Fund
2. FY 2017-18 RECOMMENDED GENERAL FUND BUDGET
Proposed FY 2017-18
General Fund 11 Revenue Sources
Estimated Revenues: $224,900,795
Prior Year Carry-Forward: $9,300,000
Total Revenues: $234,200,795
FY 2017-18 General Fund Budget Elements

• FY 2017-18 Preliminary GF Revenue $234.2:
  • Includes use of One-Time Revenues: $9.3M
  • Implementation of a Holding Facility: ($11.0M)
  • Includes reduction of the Water Transfer Revenue: ($2.4M)
  • Includes increase to top 6 revenue sources: $6.9M
  • Recognizes Medical Marijuana Dispensaries’ extended hours of operations: $1.0M
Proposed FY 2017-18
General Fund 11 Appropriations
$234,200,795

- Police Department: $115,871,364 (49.47%)
- Finance & Management Services Agency: $5,575,056 (2.38%)
- Fire Department: $50,417,145 (21.52%)
- Recreation & Library: $19,966,850 (8.53%)
- Debt Service: $9,040,680 (3.86%)
- Transfers: $1,471,404 (0.63%)
- Planning & Building: $10,106,100 (4.33%)
- Public Works Agency: $6,447,430 (2.75%)
- Non-Departmental: $1,854,432 (0.79%)
- Community Development: $547,116 (0.23%)
- Legislative: $441,615 (0.19%)
- Clerk of the Council Office: $1,094,794 (0.47%)
- Personnel: $1,706,002 (0.73%)
- Bower's Museum: $1,476,130 (0.63%)
- City Attorney's Office: $3,191,160 (1.36%)
- Information Services: $2,632,230 (1.12%)
- City Manager's Office Administration: $2,361,287 (1.01%)

*Continues attrition savings value*
# JAIL COST REVIEW

### Staffing Levels

<table>
<thead>
<tr>
<th>TYPE II JAIL FACILITY</th>
<th>TEMPORARY HOLDING FACILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>81 Full-Time</td>
<td>54 Full-Time</td>
</tr>
<tr>
<td>1 Part-Time</td>
<td>1 Part-Time</td>
</tr>
</tbody>
</table>

### Jail Cost of Operations

<table>
<thead>
<tr>
<th>TYPE II JAIL FACILITY</th>
<th>TEMPORARY HOLDING FACILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,840,584</td>
<td>$7,865,363</td>
</tr>
</tbody>
</table>

### Other PD GF Charges

<table>
<thead>
<tr>
<th>TYPE II JAIL FACILITY</th>
<th>TEMPORARY HOLDING FACILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,082,254</td>
<td>805,217</td>
</tr>
</tbody>
</table>

### Total Jail Costs

<table>
<thead>
<tr>
<th>TYPE II JAIL FACILITY</th>
<th>TEMPORARY HOLDING FACILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>$16,922,838</td>
<td>$8,670,580</td>
</tr>
</tbody>
</table>

### Revenue

<table>
<thead>
<tr>
<th>TYPE II JAIL FACILITY</th>
<th>TEMPORARY HOLDING FACILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,862,666</td>
<td>50,000</td>
</tr>
</tbody>
</table>

### Net Operating Balance

<table>
<thead>
<tr>
<th>TYPE II JAIL FACILITY</th>
<th>TEMPORARY HOLDING FACILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>(12,060,172)</td>
<td>(8,620,580)</td>
</tr>
</tbody>
</table>

*Note: Debt Service for the Jail Facility is approximately $3.0M*
FY 17-18 General Fund Budget Elements (Continued)

• FY 2017-18 Preliminary GF Expenditure $234.2M:
  • Assumes no labor negotiated increases
  • Implementation of Holding Facility Cost Savings: ($4.0M)
  • Reflects PERS increase of $4.8M

(budgeting to actual levels – PD Safety: 43.1%, Fire: $7.3M (UAAL) & Miscellaneous: 34.1%)

• Increase to Health Insurance: $1.3M
FY 17-18 General Fund Budget Elements (Continued)

• Increase of OCFA & Ambulatory Cost: $1.3M

• Graffiti Abatement Program funding in the General Fund: $1.2M

• Allocation for 3rd COPS Grant: $1.0M
FY 17-18 General Fund Budget Elements (Continued)

• Annual share of Animal Shelter construction costs: $750K

• Increase to Workers Compensation Rates: $750K

• Recognizes Financing of the 800MHz Final Phase Backbone: $200K

• Continues current attrition value: $11.9M
3. FY 2017-18 RECOMMENDED NON-GENERAL FUND BUDGET
FY 2017-18 Recommended Non-General Fund Budget: $276,477,983

- **Capital Funds**: $43,633,604, 15.8%
- **GF Related**: $18,895,959, 6.8%
- **CDBG & Other Grants**: $13,677,993, 4.9%
- **Water Enterprise**: $57,592,380, 20.9%
- **Other Enterprise Funds**: $49,634,074, 18.0%
- **Housing Assistance**: $42,806,900, 15.5%
- **Successor Agency**: $25,246,650 (9.1%)
- **Special Revenue Funds**: $24,990,424, 9.0%
- **CDBG & Other Grants**: $13,677,993, 4.9%
- **GF Related**: $18,895,959, 6.8%

Council Special Projects
Strategic Plan
Capital Outlay for Parks
South Main Corridor Capital Projects
South Main Redevelopment Projects
Cable TV Fund
City Services
Proposed Workforce Changes

Additions/Deletions

- General Fund – net reduction of 5 positions (Correctional Officers)
- Non-GF – net addition of 10 positions (7-PWA, 1-CDA, 1-IT, 1-PRCSA)

Reallocation Efficiencies

- General Fund Reallocation – 4 Positions, $35K
- Non-GF Reallocation – 6 Positions, $14K

Total City Positions: 1,145
The fees are adjusted annually to reflect the change in the Consumers Price Index (CPI) – 3.36%*

Includes 11 new fees

- PBA (2) - Conceptual “First Look,” & Site Plan Review fees
- PWA (6) – Backflow Device Testing & Final Notice Fees; Fire Flow Test Fees; Water Service Application Fee & Construction Meter Rental
- PRCSA (3) – Library Materials – 2 Fees, Garfield Community Center

*Unless otherwise noted, CPI: Los Angeles-Riverside-Orange County; Dec. 2016
FY 17-18 Proposed
Miscellaneous Fees Schedule
New, Modified, and Deleted Fees

7 modified fees
• Landscape Plan Review (PBA) – 3 fees
• Police Security Services & Cost Recovery – 4 fees

3 fees to be deleted (Police, Library, and Finance)
4. FY 2017-18 RECOMMENDED CAPITAL IMPROVEMENT PROGRAM (CIP)
CITY OF SANTA ANA
FY 2017-18
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
$11,117,052

City Facility Improvements
$5,740,614

- Street Improvements
- Traffic Improvements
- Utility / Drainage / Lighting Improvements
- City Facilities
STREET IMPROVEMENTS
$20,530,316

Planning
3 – Projects
$400,000

Roadway Improvements
12 – Projects
$19,930,316

Sidewalk/Streetscape
1 – Projects
$200,000

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

• 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

• 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
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 Bike Trail/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
FUTURE PROGRAMS

- Street Light LED Conversion
- ATP/HSI
- Pavement Management
- SMSA
- Bus Stop Improvements
- Citywide Bicycle Master Plan
- Sidewalk/ADA Study
- Implementation of a Citywide Fiber Optics Network
- Purchase Street Lights from SCE
- Finance Through Reduced Rate Savings
- Replace with LED
- Lower Energy Consumption and Cost
- More Responsive Maintenance
- Active Transportation and Highway Safety Improvement Program Projects

Efficiency / Technology
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 53%
- Traffic Improvements 14%
- Utility / Drainage / Lighting Improvements 20%
- City Facilities 13%
FY 17-18 Budget/CIP Calendar – Next Steps

June 6, 2017

• First Reading: Tentative Budget/CIP Ordinance Adoption, Miscellaneous fees, and Personnel Resolution

June 20, 2017

• Second Reading: Final Budget/CIP Ordinance Adoption

July 1, 2017

• Start of the new Fiscal Year