

# CITY OF SANTA ANA

## 1ST QUARTER NEWSLETTER

### Quarter Results

The first quarter of fiscal year 2014-15 ended on September 30, 2014 with total General Fund (GF) revenues of \$22.0M, which is approximately \$2M higher when compared to the 1st quarter results of FY 13-14. In general, the revenues generated in the top 6 major sources exceeded the projected amount (approx. \$800K) and in total (GF), the City generated approx. \$1.4M more than anticipated. The table below illustrates a breakdown of the major revenues with their projected and actual monetary values.

The revenues continue to demonstrate positive results and significant savings in expenditures have been achieved as the City continues to operate through the implementation of efficient and innovative strategies. Total GF expenditures reached \$47.8M, which is approx. \$1.5M less than anticipated.

### Financial Outlook

Since the economic downturn, the City has steadily grown economically and has achieved a healthy reserve level (20% of operating expenses) to address any unforeseen economic occurrences and has prudently planned for the future.

As a result, the City of Santa Ana continues to improve in many critical areas. Overall sales tax have increased by 18% from 2011-2014, property values have increased, unemployment rate has decreased from a high of 15.5% to the current 8.2%, and the number of business licenses issued is at



an all-time high. Additionally, the City continues to experience positive growth and is operating with a surplus.

The overall economy, on the other hand, performed less than anticipated for the first half of the year. However, economists have noted that the economy will recover and exceed projected performance in the second half of the year.

If the current favorable national, state, and local economic trends continue, the City of Santa Ana will achieve financial results not seen since the 2008 recession.

## 1ST QUARTER GENERAL FUND RESULTS PROJECTED VS. ACTUALS

REVENUE SOURCE	FY 2014-2015	FY 2014-15	VARIANCE
	1ST QUARTER PROJECTED	1ST QUARTER ACTUALS	
Sales Tax	\$2,996,354	\$3,094,080	\$97,726 ↑ 3.3%
Property Tax	768,324	980,971	212,647 ↑ 27.7%
Property Tax In-Lieu of VLF	56,612	150,097	93,485 ↑ 165.1%
UUT	4,456,117	4,696,198	240,081 ↑ 5.4%
Business License*	679,270	657,929	(21,341) ↓ -3.1%
Hotel Visitors Tax	1,574,007	1,752,425	178,418 ↑ 11.3%
<b>TOTAL</b>	<b>\$10,530,684</b>	<b>\$11,331,700</b>	<b>\$801,016 ↑ 7.6%</b>

\*Anticipated recovery by the 2nd quarter and will exceed projected amount.

