AGENDA ITEM #65C-
Exhibit 6

CITY OF SANTA ANA

FY 2018-19 MID-YEAR BUDGET UPDATE

FEBRUARY 5, 2019
Recommended FY 2018-19
General Fund Recommended Revenue Sources: $262.9M

- Property Tax, $68.8M, 26.2%
- Sales Tax, $51.3M, 19.5%
- Sales Tax-Measure X, $15.0, 5.7%
- Jail Revenue, $16.0M, 6.1%
- Hotel Visitors Tax, $9.3M, 3.5%
- Business Tax, $12.8M, 4.9%
- Utility Users Tax, $23.1M, 8.8%
- Other Taxes, Fees, Charges, etc., $59.0M, 22.4%
- Cannabis Tax, $7.6M, 2.9%
Recommended FY 2018-19 Mid-Year General Fund Appropriations: $263.5M

By Department

- **Police Department**, $132.1M, 49.8%
- **Fire Department**, $52.1M, 19.7%
- **Transfer to Projects and Debt Service**, $12.3M, 4.6%
- **Planning & Building**, $13.4M, 5.0%
- **Public Works**, $8.6M, 3.1%
- **Parks, Recreation & Library**, $21.4M, 8.0%
- **Finance & Mgmt Services**, $6.0M, 2.3%
- **Non-Departmental**, $3.3M, 1.9%
- **OTHER**, $14.3M, 4.0%

*Other includes: City Manager: $3.0M, City Attorney: $3.5M, Clerk: $1.7M, HR: $1.9M, Bowers: $1.5M, CDA: $1.2M, Unrealized Cost Savings: $1.5M*
RECOMMENDED FY 2018-19 MID-YEAR
General Fund Appropriations: $263.5M
By Budget Category

- Labor, $157.4M, 59.7%
- Contractual Services, $71.5M, 27.1%
- Supplies & Equipment, $4.0M, 1.5%
- Internal Charges, $11.4M, 4.3%
- Interfund Transfers, $12.3M, 4.7%
- Other*, $6.9M, 2.6%

* Other includes: Capital & Miscellaneous Expenses
## General Fund Summary

**(in millions)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revised Revenue Projections</td>
<td>$262.9</td>
</tr>
<tr>
<td>Appropriated Expenditures</td>
<td>(262.5)</td>
</tr>
<tr>
<td>Additional Mid-Year Requests</td>
<td>(1.0)</td>
</tr>
<tr>
<td><strong>Revised Net Activity</strong></td>
<td><strong>(0.6)</strong></td>
</tr>
<tr>
<td>Beginning Fund Balance-07/1/18</td>
<td>$56.4</td>
</tr>
<tr>
<td>Revised Net Activity</td>
<td>(0.6)</td>
</tr>
<tr>
<td><strong>Estimated Ending Fund Balance-06/30/19</strong></td>
<td><strong>$55.8</strong></td>
</tr>
</tbody>
</table>
## General Fund Balance Update

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Revised At Mid-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance – 7/1/18</strong></td>
<td>$56.4</td>
<td>$56.4</td>
</tr>
<tr>
<td><strong>Net Activity</strong></td>
<td>(10.2)</td>
<td>(0.6)</td>
</tr>
<tr>
<td><strong>Estimated Ending Fund Balance – 6/30/19</strong></td>
<td>$46.2</td>
<td>$55.8</td>
</tr>
<tr>
<td><strong>Operating Reserve (16.67% operating revenues)</strong></td>
<td>$42.0</td>
<td>$43.8</td>
</tr>
<tr>
<td><strong>Economic Uncertainty Reserve (1% revenue)</strong></td>
<td>2.5</td>
<td>2.6</td>
</tr>
<tr>
<td><strong>Total Reserve Requirement</strong></td>
<td>$44.5</td>
<td>$46.4</td>
</tr>
</tbody>
</table>
General Fund Financial Trends

*Figures above depict Audited Financial Statement*
General Fund (11) Financial Trends

![Graph showing financial trends for General Fund (11) from 2010 to 2019 mid-year. The graph includes lines for Expenditure & Transfers Out and Revenue & Transfers In, with specific values indicated at each year.](image-url)
General Fund Financial Trends

Annual % Change in Property Tax & Sales Tax Compared to % Change in CPI

- Property Tax
- Sales Tax
- CPI

-6.0%
-4.0%
-2.0%
0.0%
2.0%
4.0%
6.0%
8.0%
10.0%
12.0%

New Sales Tax – Measure X (1.5%)

• Effective April 1, 2019

• FY 2018-19 estimate (April-June): $15.0M

• FY 2019-20 estimate (July-June): $60.0M

• Use of funds to be determined during the FY 2019-20 budget process

• Citizens oversight committee potentially active by March 2019