COMMUNITY BUDGET MEETING

Sunshine Ordinance
October 24, 2019

FINANCE AND MANAGEMENT SERVICES AGENCY
AGENDA

• FY 19-20 Budget Overview

• Measure X
Adopted FY 19-20
General Fund Revenue: $316.7M

Sales Tax (Measure X), 19%, $60.0M
Sales Tax (Bradley-Burns), 16%, $51.5M
Property Tax & In Lieu of VLF, 23%, $71.5M
Other GF Revenue, 20%, $62.8M
Total Cannabis Revenue, 3%, $10.8M
Hotel Visitors' Tax, 3%, $9.5M
Business Tax, 4% $13.0M
Jail Revenue, 5%, $15.1M
Utility Users' Tax, 7%, $22.5M

†Rounded to the nearest hundred thousand
Adopted FY 19-20
General Fund Expenditure: $316.1M

- Fire: $45.6M, 14%
- Police: $131.6M, 42%
- Parks & Rec: $21.4M, 7%
- Public Works: $13.2M, 4%
- Planning: $13.2M, 4%
- Finance: $9.7M, 3%
- Transfer for Debt Payment: $9.0M, 3%
- General Government: $7.6M, 2%
- Library: $5.4M, 2%
- Other: $22.3M, 7%
- Unfunded Pension Liability Payment: $37.1M, 12%
- Safety (PD): $15.1M
- Safety (Fire): $7.6M
- Miscellaneous: $14.5M

†Rounded to the nearest hundred thousand

* Other includes: Transfer to Cannabis ($6.2M), Strategic Plan ($2.5M), Civic Center ($1.2M) & Loan Repayment to WC ($0.3M), Non-Dept. ($4.9M), CDA ($3.3M), HR ($2.5M), & Bowers ($1.5M)

** General Government includes: City Attorney ($3.2M), City Manager ($2.2M), Clerk ($1.7M) & Legislative ($0.5M)
Adopted FY 19-20
Citywide Operating Budget: $646.2M

General Fund $316.1M, 49%

Other Restricted Funds $57.2M, 9%

Inclusionary Housing: $18.2M
Gas Tax: $14.6M
Civic Center: $7.5M

Enterprise Funds Funded By User Fees $127.7M, 20%

Grant Funds $70.6M, 11%

Capital Funds $55.3M, 8%

Traffic Safety Mgmt. Program: $12.5M
Select Street Construction: $5.9M
Measure M: $5.6M

Housing Authority Grants: $41.8M
Comm. Dev. Block Grant (CDBG): $7.8M

Water Enterprise: $76.5M
Refuse: $21.6M
Sanitary Sewer: $8.5M
Sanitation: $7.9M
Parking Operations: $6.5M

Cannabis Public Benefit: $6.2M
City Services: $3.3M
Strategic Plan: $2.5M

+Rounded to the nearest hundred thousand
FY 19-20 Budget Highlights

• Increased Park Maintenance by $2.6 million, including City parks, facilities & tree replacement
• Established the Cannabis Public Benefit Fund with $6.2 million budget
• 62 Additional full-time employees to provide services, including:
  • Parks, Recreation, Community Services/Library – 15 positions (including Exec. Dir. of the Library and two additional Librarians)
  • Public Works Agency – 22 positions (including positions for QOLT)
  • Added four new Code Enforcement Officers
  • Added Police Department staff to allow officers more time in the field
• Homeless Cleanup funding for contracts and vehicles
• Allocated funding to plan for and begin to establish a Justice Center as well as for the Universal Legal Defense and Rental Assistance
• Police Department budget enhanced with technology and more aggressive recruitment efforts
OTHER FY 19-20 INITIATIVES

• Work with the Youth Commission to help program $3.1 million of Cannabis revenue set-aside for Youth Services (e.g. Teen Space, tutoring for all school aged youth, internship program, Catalina youth program, youth bookmobile, etc.)
  
  o September 17 – City Council added $1.0 million for the set aside

• Establish Library Department as a stand-alone agency to provide state of the art programs and expanded hours

• Soft launch of the new and improved City mobile application

• Identified resources to provide $2.5 million of additional pavement repair

• Use proposed FY19-20 resources to improve crime statistics communication, develop a Police dashboard, and aggressively advertise for police recruiting

• Developed a homeless strategic plan that includes a four step action plan
General Fund
Major Revenue Trends

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Five-Year Trend</th>
<th>FY 19-20 Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td></td>
<td>$ 51,509,900</td>
</tr>
<tr>
<td>Sales Tax (Measure X)</td>
<td>N/A</td>
<td>60,000,000</td>
</tr>
<tr>
<td>Property Tax/Property Tax In-Lieu of VLF</td>
<td></td>
<td>71,513,700</td>
</tr>
<tr>
<td>UUT</td>
<td></td>
<td>22,500,000</td>
</tr>
<tr>
<td>Business License</td>
<td></td>
<td>13,000,000</td>
</tr>
<tr>
<td>Hotel Visitors Tax</td>
<td></td>
<td>9,500,000</td>
</tr>
<tr>
<td><strong>Subtotal Major GF Revenues (72% of total GF Revenue)</strong></td>
<td></td>
<td><strong>228,023,600</strong></td>
</tr>
</tbody>
</table>

| Other General Fund Revenues (28% of total GF Revenue) |     | **88,654,440**          |

**Total Revenues**

$ 316,678,040
FY 19-20 Full-Time Funded Positions

- City Manager's Office - 10
- City Attorney's Office - 15
- Clerk of the Council - 5
- Community Development - 47
- Finance & Management Services - 68
- Information Technology - 24
- Human Resources - 27
- Planning Building - 72
- Police Department - 598
- PRCSA - 62
- Library - 26
- Public Works Agency - 224

Total of 1,178
Measure X
Measure X Ballot Language

Ballot Title:

City of Santa Ana, Santa Ana Neighborhood Safety, Homeless Prevention and Essential City Services Enhancement Measure

Ballot Language:

To maintain effective 9-1-1 response; retaining firefighters and police officers; addressing homelessness; fixing streets; maintaining parks, youth and senior services, and unrestricted general revenue purposes; shall the sales tax be increased one and one half (1.5) cents until 2029 providing approximately $60 million dollars annually, then reduced to one (1) cent providing approximately $40 million dollars annually, until 2039, requiring annual audits, citizens oversight and for Santa Ana use only?

Measure X is General Fund Revenue – can be used for any legal purpose
Addressing Homelessness

<table>
<thead>
<tr>
<th></th>
<th>FY 18-19</th>
<th>FY 19-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$5,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$10,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$15,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$20,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$25,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$30,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$16.6 M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$25.4 M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Police Response
- Fire Response
- Clean-Up & Code Enforcement
- Park Safety
- Homeless Services
- Management & Legal
General Fund
Ten-Year Outlook

As of Budget Adoption - June 2019

 Millions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$316.1</td>
<td>$327.4</td>
<td>$337.6</td>
<td>$348.1</td>
<td>$359.3</td>
<td>$371.8</td>
<td>$383.3</td>
<td>$395.2</td>
<td>$407.4</td>
<td>$447.5</td>
</tr>
</tbody>
</table>

Legend:
- **Revenue**
- **Expenditures**
Thank you!

Questions and/or Comments