



City of Santa Ana

CITY COUNCIL BUDGET WORKSHOP

May 17th, 2022



Meeting Topics

- 01** Proposed General Fund Budget
- 02** Cannabis Fund
- 03** Workforce Changes
- 04** New, Modified, and Deleted Miscellaneous Fees
- 05** Internal Service Funds & Enterprise Funds
- 06** FY 2022-2023 Proposed CIP Budget
- 07** Council Priorities
- 08** Next Steps



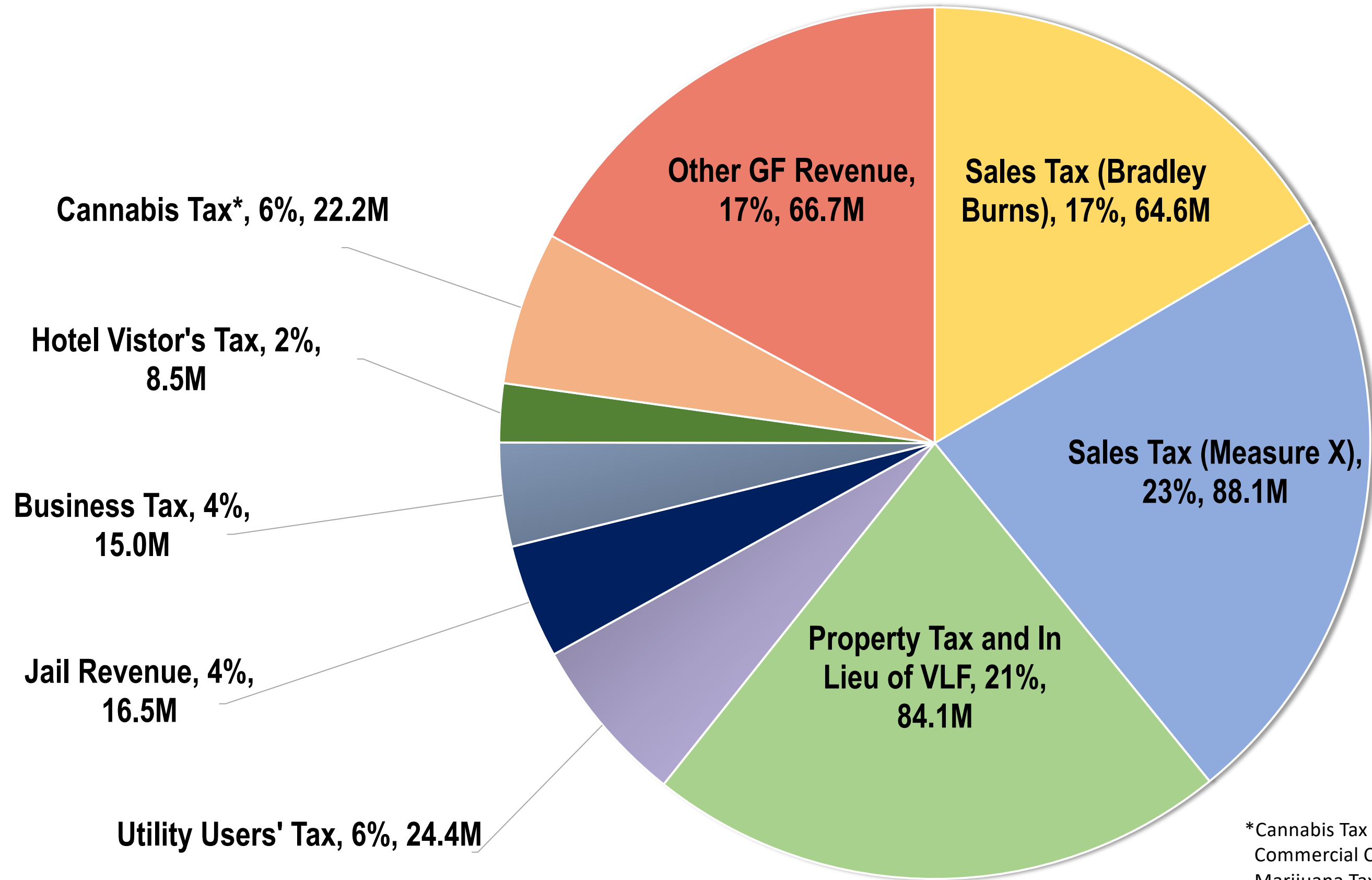
Supporting Materials/Handouts

- **Budget Detail (DRAFT)**
- **Capital Improvement Program (CIP) Book (DRAFT)**
- **Miscellaneous Fees Schedule (DRAFT)**

General Fund Summary

Estimated Revenue	\$ 390,112,940	Estimated Beginning Balance	\$ 97,224,791
Recurring Baseline Spending	362,038,301	Net Activity	5,865,480
Proposed Additions to Recurring	14,471,149	Less One-Time Spending	<u>(19,857,310)</u>
Transfer to Pension Stabilization	7,738,010	Estimated Ending Balance	<u>\$ 83,232,961</u>
Net Recurring Activity	<u>\$ 5,865,480</u>		
		18% Reserve Requirement	<u>70,220,329</u>
Proposed One-Time Spending	<u>\$ 19,857,310</u>	Excess Available	<u>\$ 13,012,632</u>

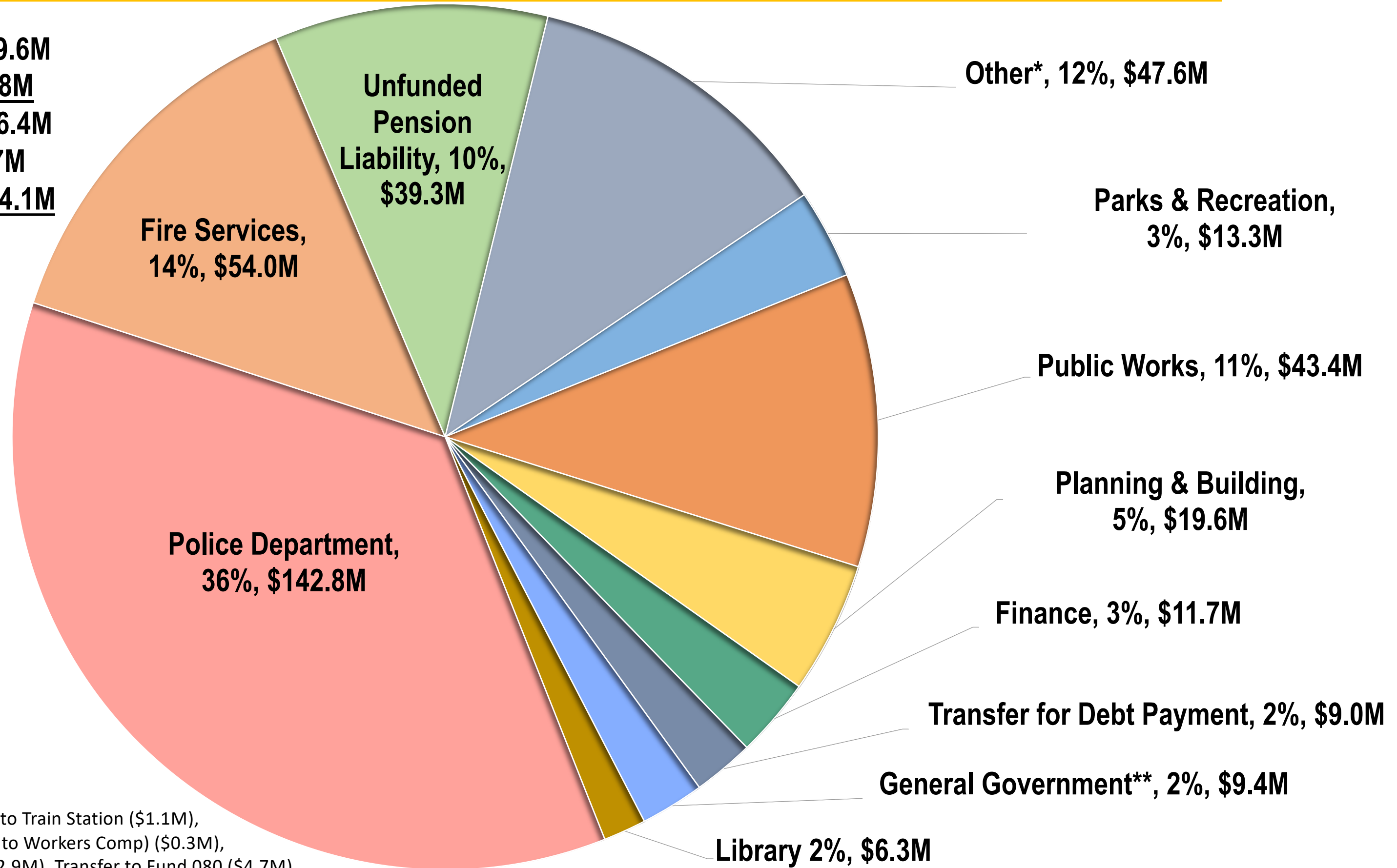
General Fund Revenue - \$390.1 Million



*Cannabis Tax Includes: Adult-Use Retail Tax (\$19.0M), Commercial Cannabis Taxes (\$2.35M), and Medical Marijuana Taxes (\$0.85M)

General Fund Expenditure - \$396.4 Million[†]

Recurring Expenses: \$379.6M
 One-Time Expenses: \$16.8M
 Pension Trust Contribution: \$7.7M
Total: \$404.1M

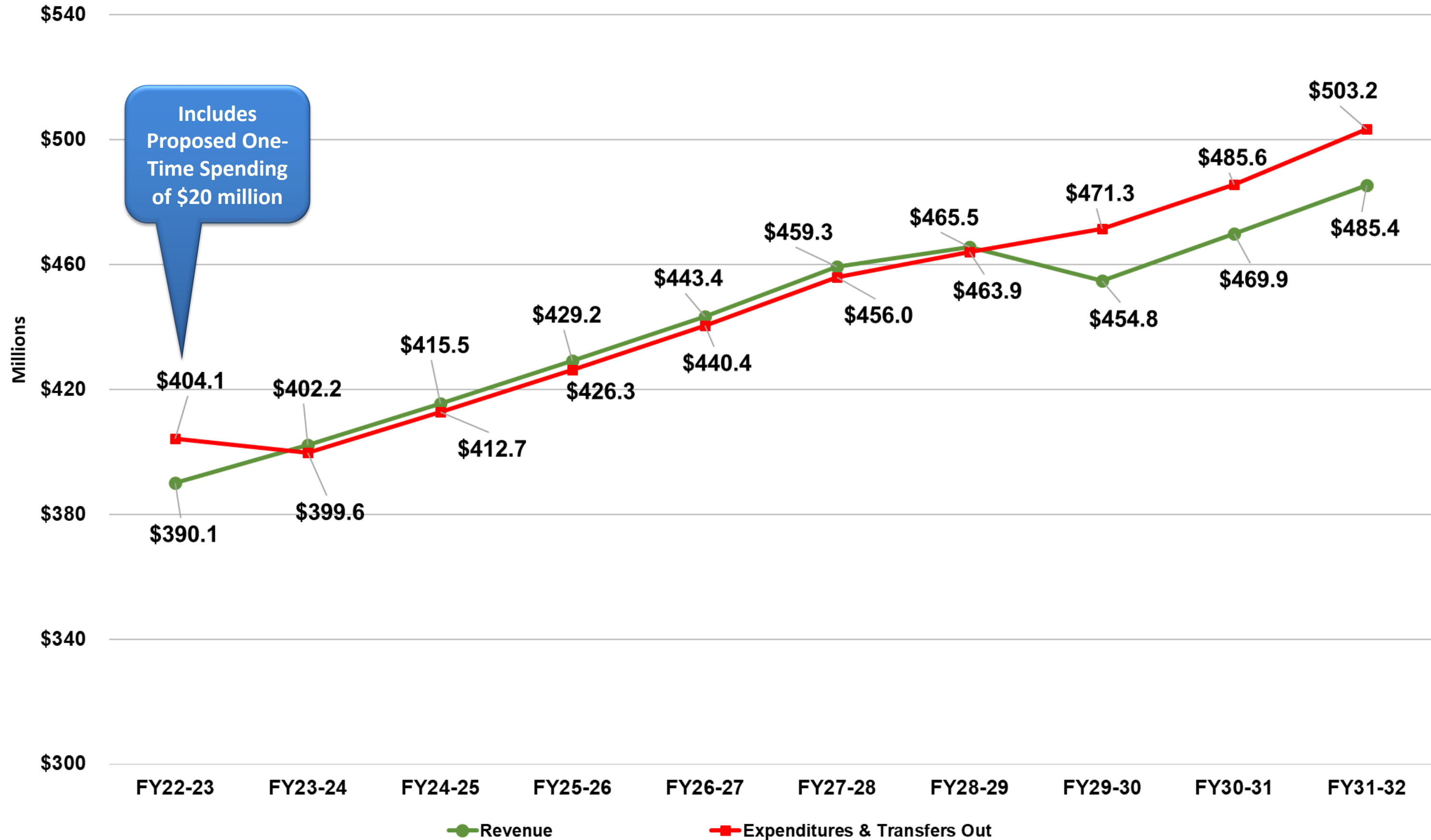


[†] Rounded to the nearest hundred thousand

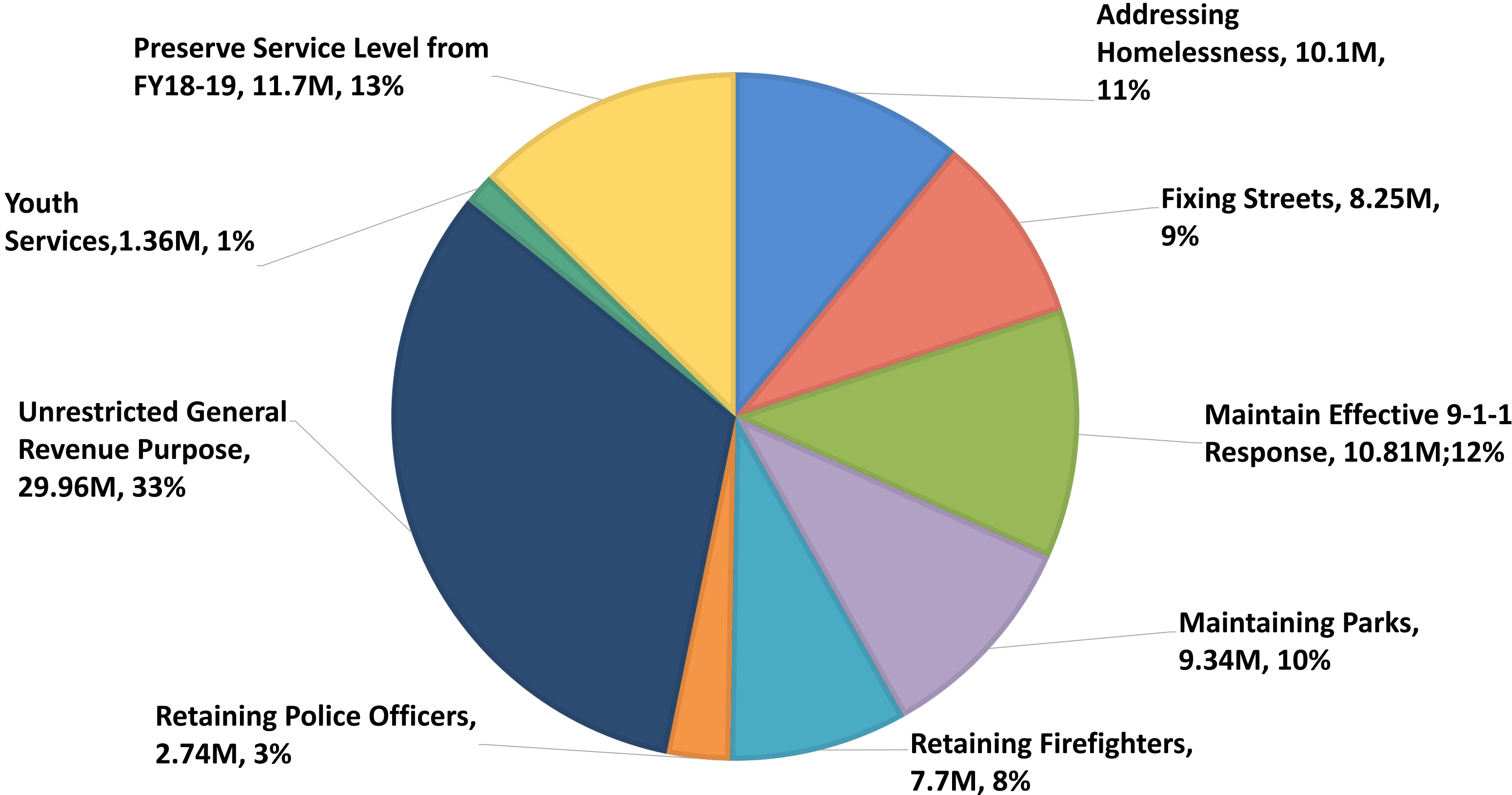
*Other Includes: Cannabis Set-Aside (\$14.2M), Transfer to Train Station (\$1.1M), Transfer to Fund 051 (Fire Station #1 Loan Repayment to Workers Comp) (\$0.3M), Transfer to Fund 074 (\$1.2M), Transfer to Fund 027 (\$2.9M), Transfer to Fund 080 (\$4.7M), Transfer to Fund 081 (\$2.5M), Non-Dept. (\$6.8M), Community Development (\$7.5M), Human Resources (\$3.9M), and Museum (\$2.5M)

**General Government Includes: City Attorney (\$3.6M), City Manager (\$2.9M), Clerk (\$1.9M), and Legislative (\$1.0M)

10-Year General Fund Outlook



Measure X Spending Plan – by Category \$92 Million



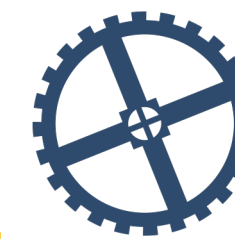
Cannabis Fund – Youth Services

Library	Book Mobile- Books, subscriptions and related costs	95,500
	Digital Content and subscriptions(Hoopla, Overdrive, Enki, Newsbank, ABC Mouse, Ancestry, etc.)	186,650
	Library over 300 Hotspots	275,000
	Library Program Staff and related Costs	277,620
	Newhope Library ADA interior and Exterior facility upgrades	1,110,730
	Youth Services-Creative Cloud licenses and various misc. expenses	54,500
	Total Library	2,000,000
Parks, Recreation & Community Services	Aquatics	335,000
	Parks program staff and related costs	1,257,780
	Internship Program	898,490
	Nature Center	114,140
	Recreation Mobile	61,030
	Splashpad project	325,890
	Santa Anita Soccer Field	1,816,650
	Teen Excursion	67,950
	Traveling Zoo	250,000
	Youth Services-Program Supplies	21,560
Zoo & You Program	90,000	
Total Parks, Recreation and Community Services	5,238,490	
Total Youth Services	7,238,490	

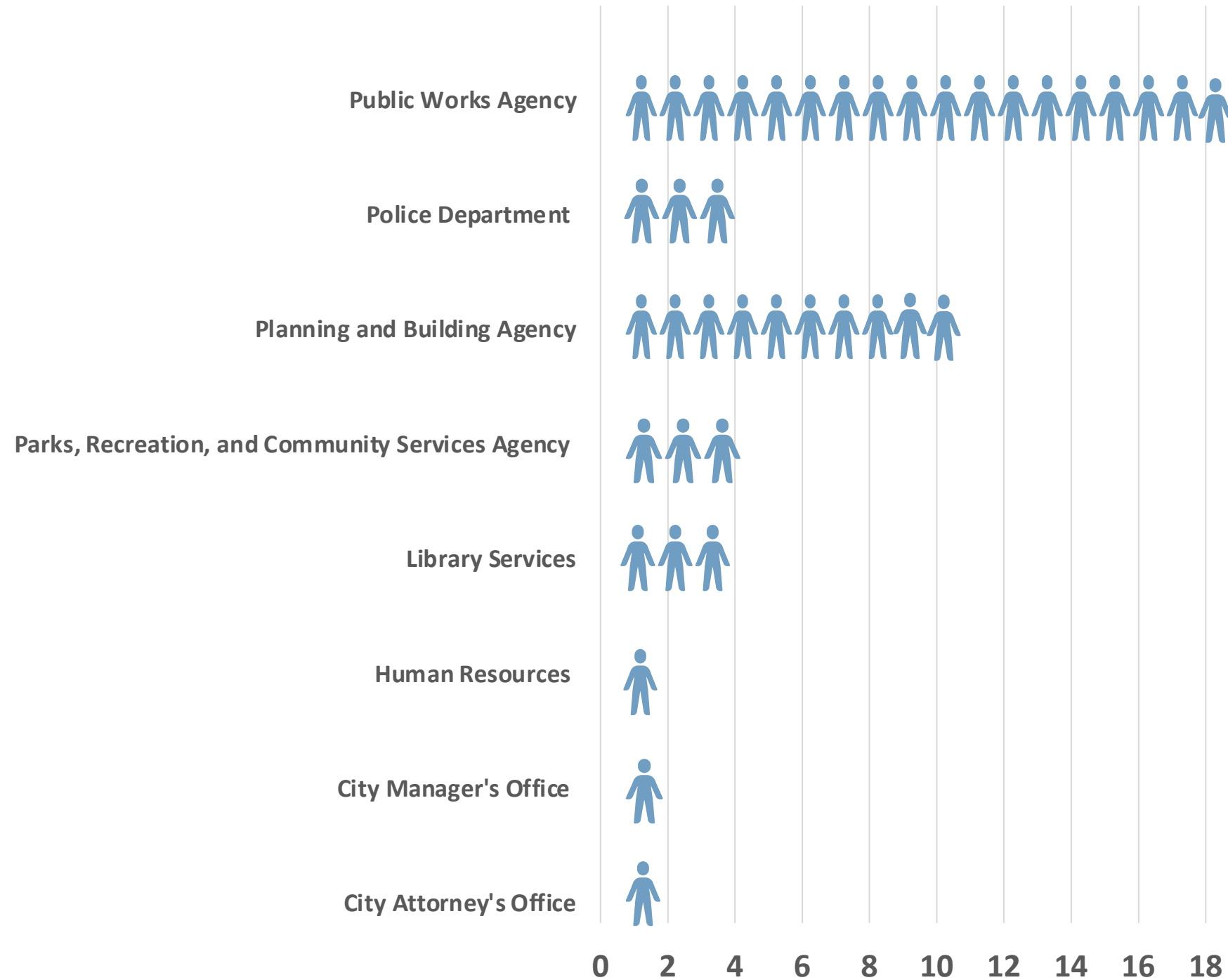
Cannabis Fund – Enforcement Services

Legal Enforcement - City Attorney's Office staff	239,820
Contract legal services	300,000
Total Legal Enforcement	539,820
Code Enforcement- Planning and Building Agency - Code Enforcement Supervisor, 10 Code Enforcement Officers and Admin Staff	1,363,270
Equipment and Supplies	20,000
Total Code Enforcement	1,383,270
Safety and Security - Police Department staff (6 Police Officers & 1 Sergeant	1,855,660
Increased enforcement for proposed Cannabis Lounges	600,000
Evidence warehouse for cannabis activities	142,800
Bodyworn Camera Program	988,150
Replacement of mobile data computers	1,000,000
Total Safety & Security Enforcement	4,586,610
Collections Enforcement - Finance and Management Services staff	105,980
Contract services to audit cannabis activities	255,550
Total Collections Enforcement	361,530
Total Enforcement Services:	6,871,230

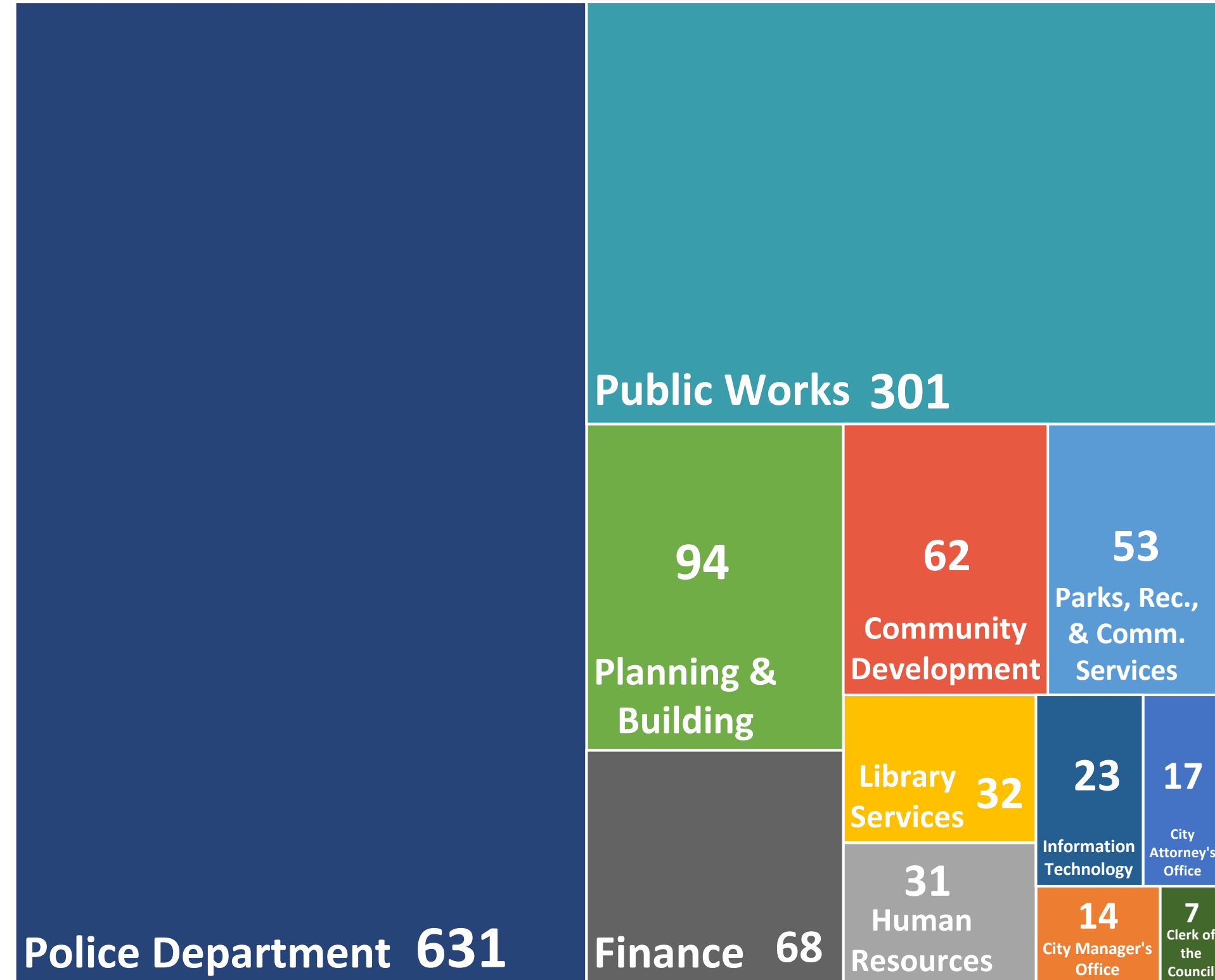
Workforce Changes



Positions Added



Total Positions



New, Modified, & Deleted Miscellaneous Fees



New

12 FEES

- 5 construction, street or land development
- 3 hearing or protest-related
- 1 parking permit
- 1 building engineering
- 2 housing development



Modified

32 FEES

- 14 athletic and recreational programs or facilities rental
- 14 water, fire, and meter service or testing
- 2 digital or visual evidence
- 1 planning and inspection
- 1 report and compliance



Deleted

30 FEES

- 25 athletic and recreational programs, services, or facilities/equipment rental
- 3 water and fire service or testing
- 1 moving permit
- 1 audio or visual evidence

Certificate of Occupancy (Misc. Fees)

- Existing Fee: \$499.36
- Proposed Fee:
 - 1) Certificate of Occupancy in combination with Building Permit Fee
 - 2) \$249.68- Tier 1- Certificate of Occupancy (Planning & Inspection) Building/Mechanical Occupancies
 - 3) \$499.36- Tier 2- Certificate of Occupancy (Planning & Inspection)- All Other Occupancies

The current fee is \$499.36. PBA is requesting a modification of existing fee and creating a tier fee based on required time and effort for various type of occupancies.

Internal Service Funds & Enterprise Funds



Issues

1. Parking Fund & Train Station
2. Fleet, Stores & Corp Yard
3. Engineering Fund



Concerns

- Fund balances are low, with no reserve.
- Continued depletion of fund balance and increase costs.
- Delays in project billing and reconciliation for prior years.



Going Forward

- Monitor and report at Mid-Year. General Fund subsidizes, but budgets need to be rebalanced for the long-term.
- Evaluate internal charges and propose changes
- Monitor and report at Mid-Year

FY 2022-2023 Proposed CIP Budget

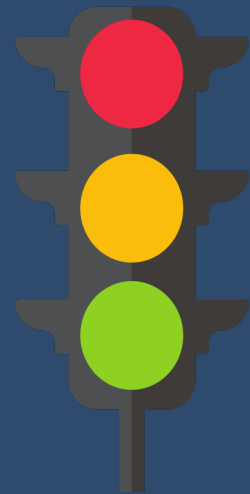
Total Budget:
\$44.95M



Street Improvements \$20.6M

Key Projects:

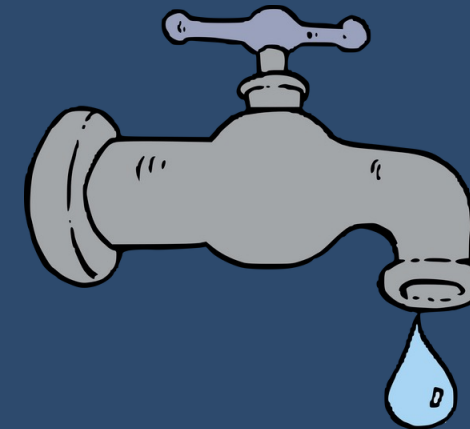
- Local Street Preventative Maintenance
- Non-Residential Street Repair
- Residential Street Repair
- McFadden Ave Rehab- Raitt to Grand



Traffic Improvements \$2.22M

Key Projects:

- Raitt St Protected & Buffered Bikeway
- Active Transportation- Warner Traffic Signal
- Santa Clara Ave Bike Lane



Utility, Drainage & Lighting Improvements \$6.49M

Key Projects:

- Willard Neighborhood Sewer & Water
- North East Annex Sewer Improvement
- Washington Well Site



City & Park Facilities \$15.64M

Key Projects:

- Newhope Library
- Santa Anita Park
- Salgado Center

Priorities Defined by Council on May 12

- **Key Themes that emerged from Council feedback, Community Budget Meetings, Survey, and Budget Engagement Tool (BEST)**
 1. Youth Programs
 2. Parks & Recreation
 3. Community Health, Safety & Security
 4. Public Right of Way/Facilities
 5. Other City Services



Youth Program Priorities

Currently Funded

- Monthly Teen Excursions
- Paid Internships \$4.5M grant over four years for ages 16-30
- SAY program \$800K employs 150 youth for ages 16-21
- City Internship Program through HR for college and high school juniors/seniors
- Educational Enrichment at Zoo
- Early Childhood Programming
- \$497K of After-School Programming
- First Knowledge Mobile
- > \$1 million of Skills & Educational Development, Leadership & Mental Health

Proposed Additions

- Outdoor Library at Jerome Park
- Second Knowledge Mobile (to be funded with a carryover)
- Newhope Renovation
 - Technology labs and services
- \$100K addition to Youth Employment Program

Parks & Recreation Priorities

Currently Funded

- Youth sports at Jerome Community Center
- Recreation- Dance, CPR & Boxing
- Concerts/Movies in the Park
- Aquatics programming
- Free classes offered through Library
- Restrooms at El Salvador Park in Revive Plan
- Lights at Thornton Park (In Design)
- RecMobile
- Pool Infrastructure Assessment

Proposed Additions

- Parks Master Plan Implementation
- Grant submitted for a new park on Bristol
- Grant submitted for King St Urban Greening project
- \$4 million added to Parks Maintenance budget for security and maintenance enhancements
- \$1.1 million for Dog Park (carryover) + applied for grant funding
- New Parks (carryover)
 - Raitt & Myrtle
 - Standard & McFadden

Community Health, Safety & Security Priorities

Currently Funded

- Fire Station Improvements- \$1M
- REVIVE funded Mental Health Services for LGBTQI
- Adult Services Re-entry grant
- CityNet pilot project

Proposed Additions

- Environmental Justice Implementation
- Additional Fire Station improvements - \$3.1M
- Funding for police oversight
- Expansion of direct patrol by wards after positions are filled
- +4 Code Enforcement staff
- Expansion of Parking Enforcement for weekend and evening hours
- PD working with Recreation to co-locate police presence in Recreation facilities

Public Right of Way & Facility Priorities

Currently Funded

- Applying for EV Charging Stations grant
- Streets- \$16.3M
- Parks - \$8.5M
- Libraries- \$2.16M
- QOLT encampment clean-ups
- \$750K for Streetlights
- \$500K for Traffic Calming

Proposed Additions

- China Town Memorial
- \$1.5M for Alley Improvements
- Entry Point Signage as part of street projects
- \$20.6M for streets
- \$12.2M for parks
- \$600K for Streetlights
- \$350K for Streetlights Master Plan
- \$1M for Traffic Calming

Other City Service & Project Priorities

Currently Funded

- CDA Staffing
 - Dedicated CDA Director
 - Recently filled 4 positions
- City Council approved \$2 million for programs from non-profits on May 3
- Cost to convert Cypress Fire Station to a multi-use center

Proposed Additions

- Evaluation of equipment available to Neighborhood Associations
- Public Records Request Improvements
 - Clerk's Office- City-wide staff training
 - New Records Specialists (PD 2, PBA 1)
- Zoning Code Updates \$1.5 million
- Cert of Occupancy Fee Reduction

Looking Ahead

- Placeholder for additional workshop (If needed)
 - Tuesday, May 31
- Public Hearing: Tuesday, June 7
- FY2022-23 Adoption of Annual Budget: Tuesday, June 21

QUESTIONS?