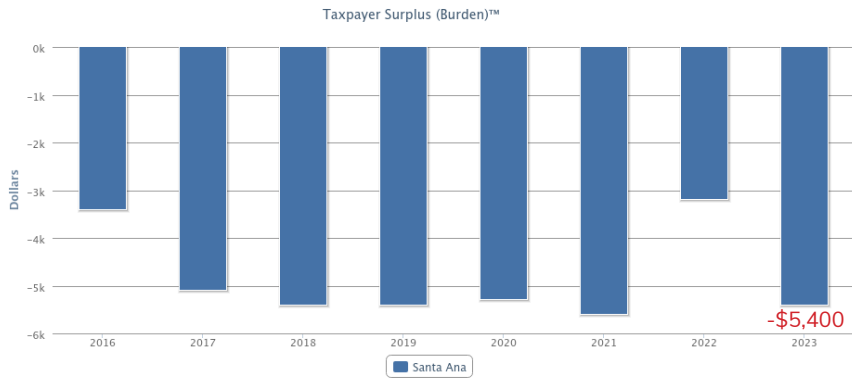




\$651.2 million
MONEY NEEDED TO PAY BILLS

\$5,400
TAXPAYER BURDEN™

Santa Ana’s financial condition worsened. Based on our analysis of its audited financial report for fiscal year 2023, its financial hole deepened with a need for \$651.2 million to cover its bills. This created a Taxpayer Burden™ of \$5,400, earning the city a “D” grade from Truth in Accounting and solidifying its status as a Sinkhole City.



Santa Ana’s financial obligations grew due to an increase in its unfunded CalPERS pension liability. In 2022, the city issued bonds to reduce this burden, but investment losses and unfavorable actuarial assumptions offset much of the effort, raising the estimated cost to cover benefits. These factors led to a higher net pension liability, straining the city’s long-term financial outlook.

Police Department expenses rose by \$51 million due to pension liability adjustments, higher interest costs, and increased employee compensation. While these investments enhance public safety, they also create financial strain. To maintain fiscal stability, the city must balance rising obligations with sustainable revenue strategies and prudent financial planning to support essential services and long-term economic health.

The data included in this report is derived from Santa Ana’s 2023 audited Annual Comprehensive Financial Report and retirement plans’ reports. To compare prior years and other states’ and cities’ financial, demographic, and economic information, go to Data-Z.org.

D
FINANCIAL GRADE

50 out of 75
RANKING

FINANCIAL FACTS

- Santa Ana had \$545.4 million available to pay \$1.2 billion worth of bills.
- The outcome was a \$651.2 million shortfall, which breaks down to a burden of \$5,400 per taxpayer.
- Santa Ana’s pension liability grew despite bond contributions, straining finances. Rising police costs added pressure, requiring balanced revenue strategies for stability.

The City’s Bills Exceeded Its Assets

Total Assets	\$2,044,224,000
Minus: Capital Assets	-\$1,269,384,000
Restricted Assets	-\$229,419,000
Assets Available to Pay Bills	\$545,421,000
Minus: Total Bills*	-\$1,196,581,000
Money needed to pay bills	\$651,160,000
Each taxpayer’s share of this burden	\$5,400

*Breakdown of Total Bills

Bonds	\$480,099,000
Other Liabilities	\$396,792,000
Minus: Debt Related to Capital Assets	-\$106,920,000
Unfunded Pension Benefits	\$383,897,000
Unfunded Retiree Health Care Benefits	\$42,713,000
Total Bills	\$1,196,581,000

Grade:	Bottom line:
D	Santa Ana would need \$5,400 from each of its taxpayers to pay all of its outstanding bills and received a “D” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden between \$5,000 and \$20,000 is given a “D” grade.

Truth in Accounting is a 501(c)(3) nonprofit committed to educating and empowering you with understandable, reliable, and transparent government financial information so you can be a knowledgeable participant in your government and its budget process.