

# Measure O Citizens Oversight Board Committee

Special Meeting  
February 22, 2021

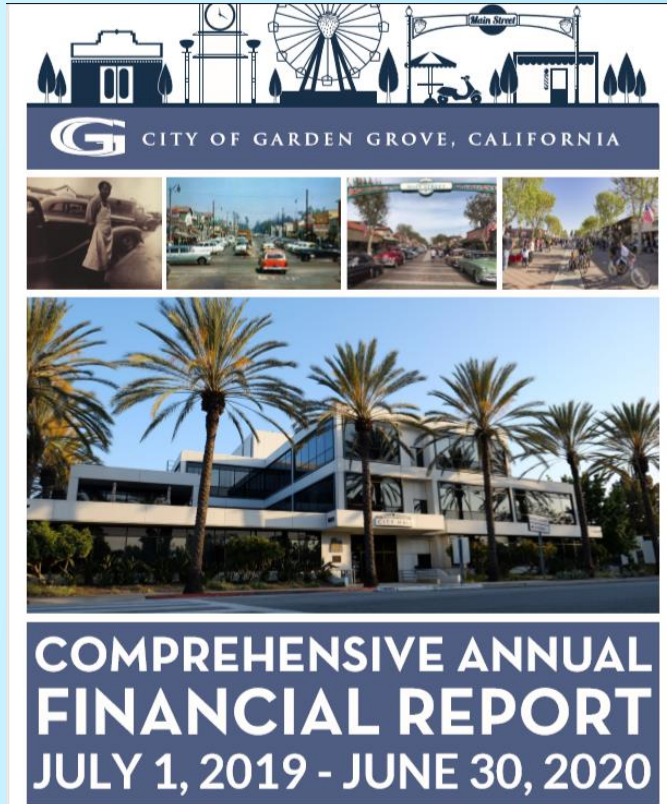
# Agenda

- Oral communications
- Receive and file minutes for Sept. 21, 2020 Special Meeting
- Review Fiscal Year 2019-20 audited financials
- Review mid-year General Fund financial condition
  - COVID-19 related costs and relief funds received
  - Fiscal Year 2020-21 General Fund revenue and expenditures update
- Next Meeting Date and Topics
- Matters from Committee members and staff

## Important Facts

- On November 6, 2018, Garden Grove voters passed Ordinance No. 2897, known as Measure O, imposing a one-cent (1%) transaction and use (sales) tax.
- Collection of the one-cent local sales tax began on April 1, 2019.
- Measure O is subject to a clear system of accountability, with the oversight of an independent committee.

# Fiscal Year 2019-20 Audited Financials

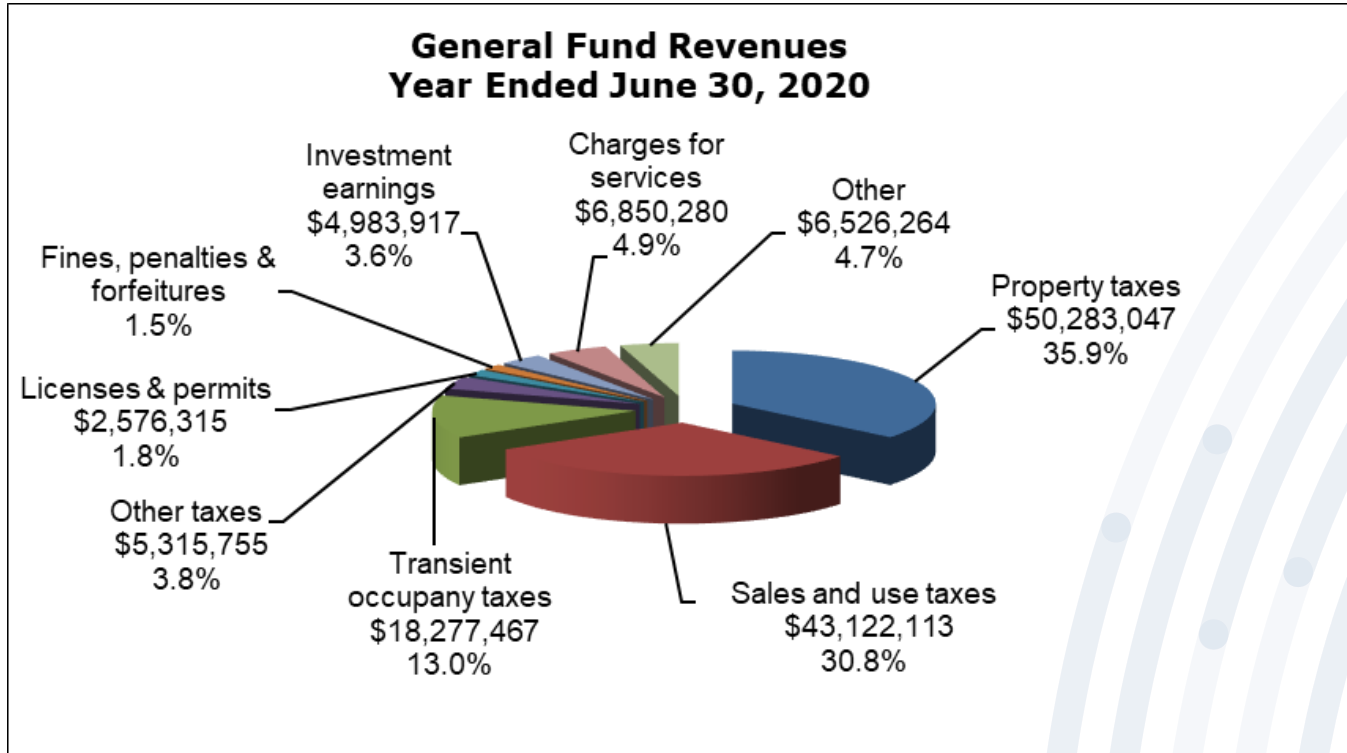


## Highlights

- Received “clean” opinion from independent auditor
- Total revenue exceeded total expenditures by \$15.2M, among which \$7.0M was carried over to the current year to complete projects/programs
- Measure O brought in \$20.0M in revenue. Without such, the City would have ended the year with a \$4.8M deficit

*Link to the Comprehensive Annual Financial Report (CAFR):*  
<https://ggcity.org/sites/default/files/CAFR-2020.pdf>

# General Fund Revenues

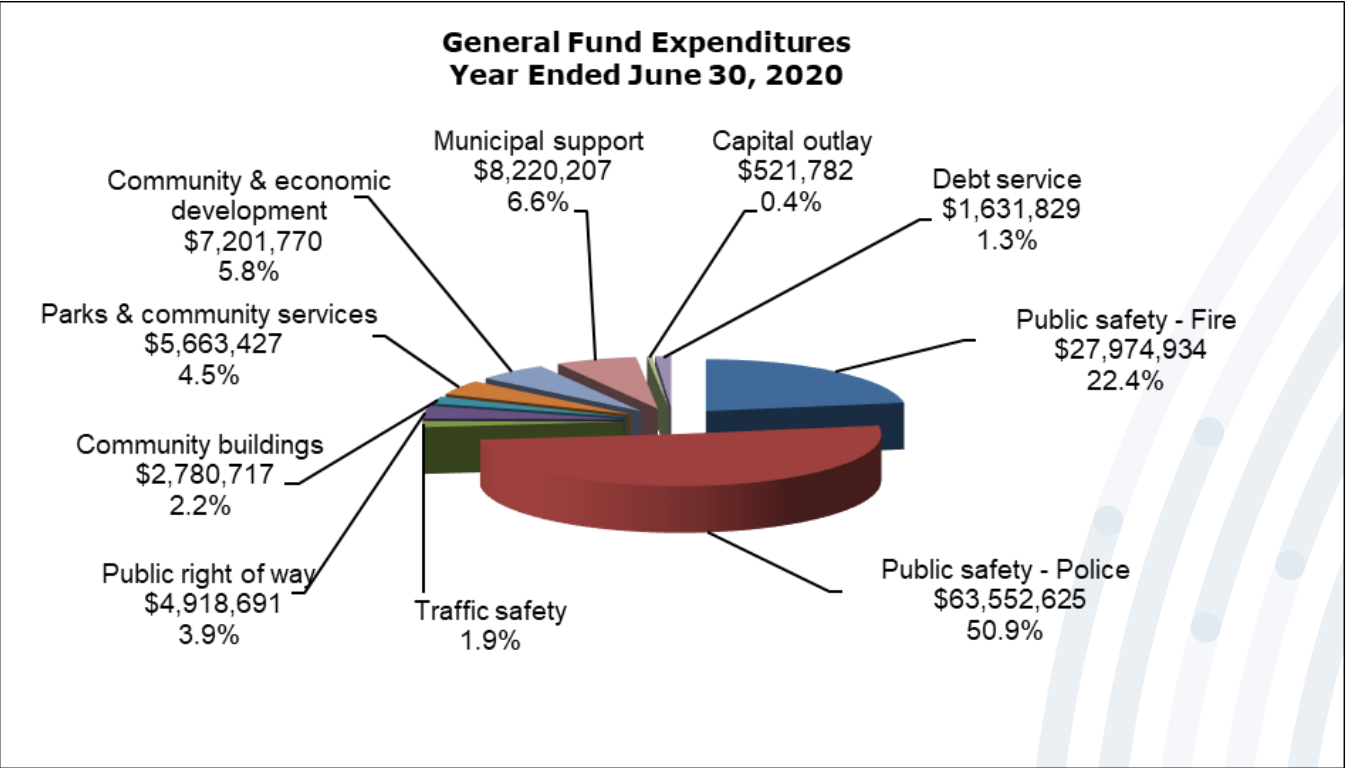


## Highlights

- Total revenue – \$140.1M
- Measure O revenue – \$20.0M
- \$10.3M increase from prior year – Measure O increased \$15.2M, TOT decreased \$8.0M

Source: Comprehensive Annual Financial Report, July 1, 2019 – June 30, 2019  
<https://ggcity.org/sites/default/files/CAFR-2020.pdf>

# General Fund Expenditures



## Highlights

- Total expenditures - \$124.9M
- Public Safety – 73.3%
- \$12.2M increase from prior year – all in Public Safety category (\$3.7M Fire and \$8.7 M in Police safety)

Source: Comprehensive Annual Financial Report, July 1, 2019 – June 30, 2019  
<https://ggcity.org/sites/default/files/CAFR-2020.pdf>

# FY2020-21 Mid-Year Update







COVID-19

# COVID-19 Related Costs and Relief Funds Received

# Cumulative Direct Costs

March 16, 2020 through January 31, 2021

	<b>Amount</b>
Direct Personnel Cost	\$ 2,324,721
Costs of Emergency Supplies and Commodities	310,679
Cost of Emergency Services	71,217
Cost of Equipment and Vehicle Use	53,277
Other Costs	88,989
<b>Total Cumulative to Date</b>	<b>\$ 2,848,882</b>

## Notes

- Amount does not include loss of revenue - \$20.0M
- Personnel costs are salaries only, does not include benefits
- Approximately \$500K is reimbursable from FEMA



# Coronavirus Aid, Relief, and Economic Security (CARES) Act Funds Received

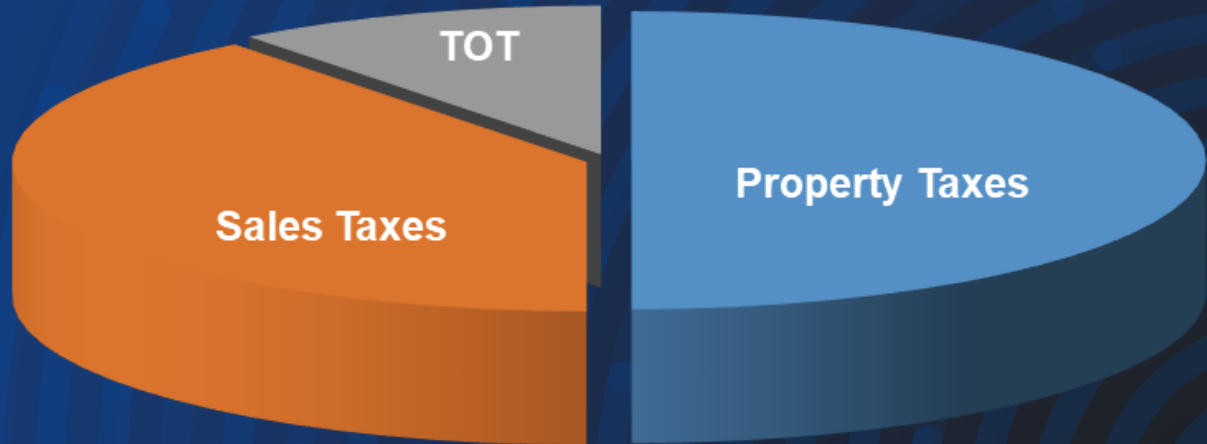
		Amount
<b><u>Funding Received:</u></b>		
County	Pass-through Allocation - County	\$ 1,545,490
DOF	Pass-through Allocation - State	2,158,291
County	Economic Support - County	617,600
HUD	Housing Choice Voucher Program - HUD	1,152,338
HUD	Housing Assistance Payment Program - HUD	1,257,995
<b>Total Received</b>		<b>\$ 6,731,714</b>
<b><u>Additional Eligible Funding Sources:</u></b>		
HUD	CDBG-CV1 - Jobs First Business Program	\$ 1,194,311
HUD	CDBG-CV3	1,612,275
HUD	ESG-CV1 - Housing programs	602,846
County	ESG-CV2 - Housing/Homeless programs	3,635,163
County	District 1 - Small Business Grant Program	4,010,000
HUD	Mainstream Housing Voucher Program	1,125,000
<b>Total Additional Eligible Funding</b>		<b>\$ 12,179,595</b>
<b>Total CARES Funding Available to the City</b>		<b>\$ 18,911,309</b>

## Notes

- Total received to date - \$6.7M
- Additional amounts committed to the City - \$12.2M (mostly on reimbursement basis)
- County and State pass-through allocations (\$3.7M) used to offset Police personnel costs

“How are we doing this year so far?”

Top 3 General Fund Revenues



# General Fund Revenues Update

	FY2019-20 Actual	FY2020-21 Budget	FY2020-21 Projected
Property Taxes <sup>1</sup>	\$ 50,283	\$ 49,963	\$ 50,283
Sales Taxes <sup>2</sup>	43,122	39,462	44,702 <sup>3</sup>
TOT	18,277	10,500	5,322 <sup>4</sup>
	<u>\$ 111,682</u>	<u>\$ 99,925</u>	<u>\$ 100,307</u>

<sup>1</sup> Includes Motor Vehicle In-lieu Fee.

<sup>2</sup> Includes Measure O.

<sup>3</sup> Based on HdL projection dated 1/25/2021.

<sup>4</sup> Based on July through December 2020 actual operating data.

# General Fund Revenue & Expenditures

	FY2019-20 Actual	FY2020-21	
		Adopted/ Current	Estimated FY (as of 1/27/20)
<b>Revenue</b>			
Sales Tax - Bradley Burns	\$ 23,129	\$ 21,436	\$ 23,800
Sales Tax - Measure O	19,993	18,026	20,902
Property Tax	50,283	49,963	50,283
Transient Occupancy Tax	18,277	10,514	5,322
Other Revenues	28,444	19,778	19,778
<b>Total Revenue</b>	140,127	119,717	120,085
<b>Expenditure</b>			
Police	63,578	67,269	67,269
Fire	27,975	28,571	28,571
City Manager/City Attorney	3,206	3,227	3,227
Community & Economic Development	6,170	6,969	6,969
Community Services	4,334	3,542	3,542
Finance	2,830	2,546	2,546
Human Resources	1,339	1,359	1,359
Information Technology	646	677	677
Public Works	13,324	13,457	13,457
Debt Service/Capital Outlay	1,509	1,510	1,510
Transfers & Non-Operating Items	4	1,100	1,100
<b>Total Expenditure</b>	124,915	130,227	130,227
<b>Use of Fund Balance</b>	-	10,510	10,142
<b>Surplus/(Deficit)</b>	<b>\$ 15,212</b>	<b>\$ -</b>	<b>\$ -</b>

At mid-year, we are holding our estimate of an operating deficit of \$10M for Fiscal Year 2020-21.

The anticipated deficit will be covered by the use of unreserved fund balance.

# Next Meeting...

## Topics to cover:

- Discuss preliminary FY2020-21 General Fund operating results
- Review Adopted FY2021-23 biennial budget
- Review Annual Committee Report to the City Council

## Tentative date:

Late September to early October



# We want to hear from you...

**Questions?**

**Comments?**

**Suggestions?**

# Thanks!

## Any questions?

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