



GARDEN GROVE



# FY 2021-23 Biennial Budget

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**Measure O Oversight Committee**  
**October 4, 2021**

# Agenda

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1. Oral Communications
2. Receive and File Minutes
3. Review Draft Measure O Annual Report
4. Review Preliminary FY 20-21 General Fund Financials negative economic impacts
5. Review FY 21-23 Adopted Biennial Budget
6. Discuss Next Meeting Committee Date
7. Matters from Committee Members and Staff



# Comprehensive Annual Financial Report

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- General Fund
  - General Fund (111)
  - Self Supporting Recreation
  - Economic Development
  - Land Sale Proceeds
  - TID Transit / TID Street Improvements
  - Donation/Deposit Funds



# FY 2020-21 Year-End Revenue

<b>General Fund Revenue</b>	<b>FY 2020-21 Adopted Budget (\$000)</b>	<b>FY 2020-21 Est. Year-End (\$000)</b>	<b>Variance</b>
<b>Sales Tax</b>	\$ 21,436	\$ 25,122	\$ 3,686
<b>Measure O</b>	18,026	23,279	5,253
<b>Property Tax</b>	50,463	54,655	4,192
<b>Hotel Tax (TOT)</b>	10,514	7,537	(2,977)
<b>Other Taxes</b>	5,000	4,978	(22)
<b>Licenses &amp; Permits</b>	2,200	2,372	172
<b>Fines, Forfeits &amp; Penalties</b>	1,850	2,185	335
<b>Charges for Current Services</b>	6,694	6,225	(469)
<b>Investment Earnings</b>	1,000	1,687	687
<b>Other</b>	3,000	31,719	28,719
<b>Total General Fund</b>	<u>\$ 120,183</u>	<u>\$ 159,759</u>	<u>\$ 39,576</u>

# FY 2020-21 Year-End Forecast

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## *The Good News*

- Sales Tax
- Property Tax
- Building Permits
- Interest Earnings
- CARES Act

## *The Bad News*

- TOT

## *and the*

- American Rescue Plan Act



# FY 2020-21 Year-End Expenditure

General Fund Expenditures	FY 2020-21 (\$000) Final Budget	FY 2020-21 Est. Year-End (\$000)	Under (Over) Budget (\$000)
Public Safety - Fire	\$ 28,544	\$ 28,470	\$ 74
Public Safety - Police	67,195	65,416	1,779
Traffic Safety	2,356	2,703	(347)
Public Right of Way	5,800	4,914	886
Community Buildings	3,636	3,168	468
Community Services	4,493	3,864	629
Economic Development	2,547	1,956	591
Parks and Green Belts	1,306	1,349	(43)
Community Planning & Dev.	7,354	6,527	827
Municipal Support	7,880	8,569	(689)
Capital Improvement	1,063	402	661
Debt Service	1,512	1,512	-
<b>Total Expenditure</b>	<b>\$ 133,686</b>	<b>\$ 128,850</b>	<b>\$ 4,836</b>



# FY 2020-21 Year-End Expenditure

	FY 2020-21 (\$000) Final Budget	FY 2020-21 Est. Year-End (\$000)	Under (Over) Budget (\$000)
<b>General Fund Expenditures</b>			
Salaries	\$ 82,275	\$ 81,639	\$ 636
Contractuals	36,713	33,598	3,115
Commodities	1,893	1,696	197
Other/ISF	11,743	11,515	228
Capital	1,063	402	661
<b>Total Expenditure</b>	<b>\$ 133,686</b>	<b>\$ 128,850</b>	<b>\$ 4,836</b>



# FY 2020-21 Summary

	<b>FY 2020-21 Adopted Budget (\$000)</b>	<b>FY 2020-21 Est. Year-End (\$000)</b>
<b>Revenue</b>	<b>120,183</b>	<b>159,759</b>
<b>Total Expenditure</b>	<b>(133,686)</b>	<b>(128,850)</b>
<b>Surplus / (Deficit)</b>	<b>\$ (13,503)</b>	<b>\$ 30,909</b>





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# **Fiscal Years 2021-23 Biennial Budget General Fund**

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# Budget Development Foundation City Council Priorities

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## COVID Recovery & Balanced Budget

- Maintain City Services
- Support Businesses
- Protect Reserves

## Public Safety

- Maintain Staffing
- Crime Reduction
- Public Safety Facility Improvement

# Budget Development Foundation City Council Priorities

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## Quality of Life

- Graffiti
- Trash
- Code Enforcement
- Homelessness
- Parking
- Signage

## Infrastructure

- Streets
- Long-term Funding Plan

# Public Safety and Quality of Life

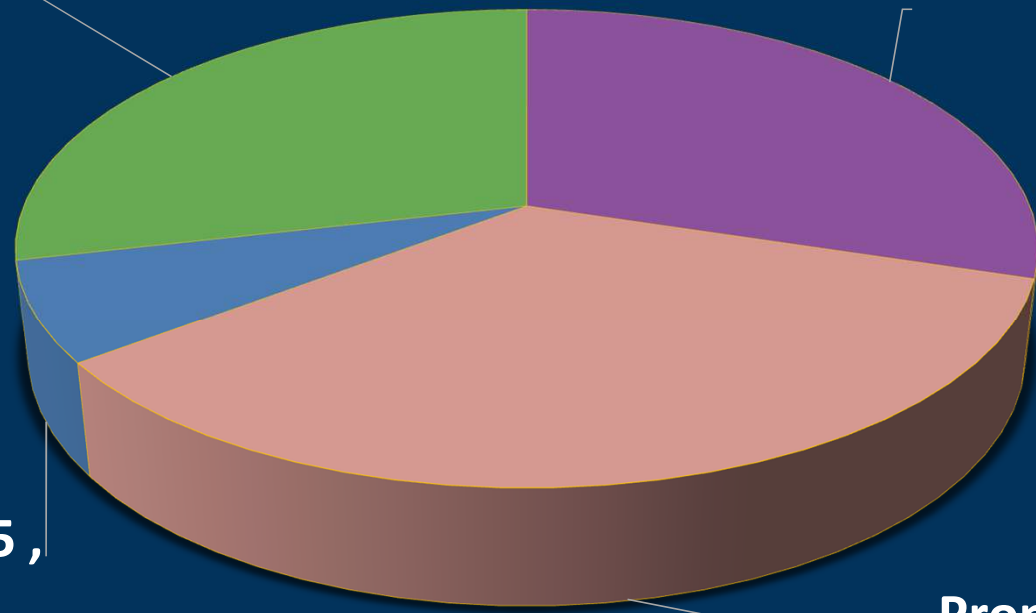


# FY 2021-22 General Fund Revenue - \$155.0M

(\$ in millions)

Other, \$44.4 ,  
28%

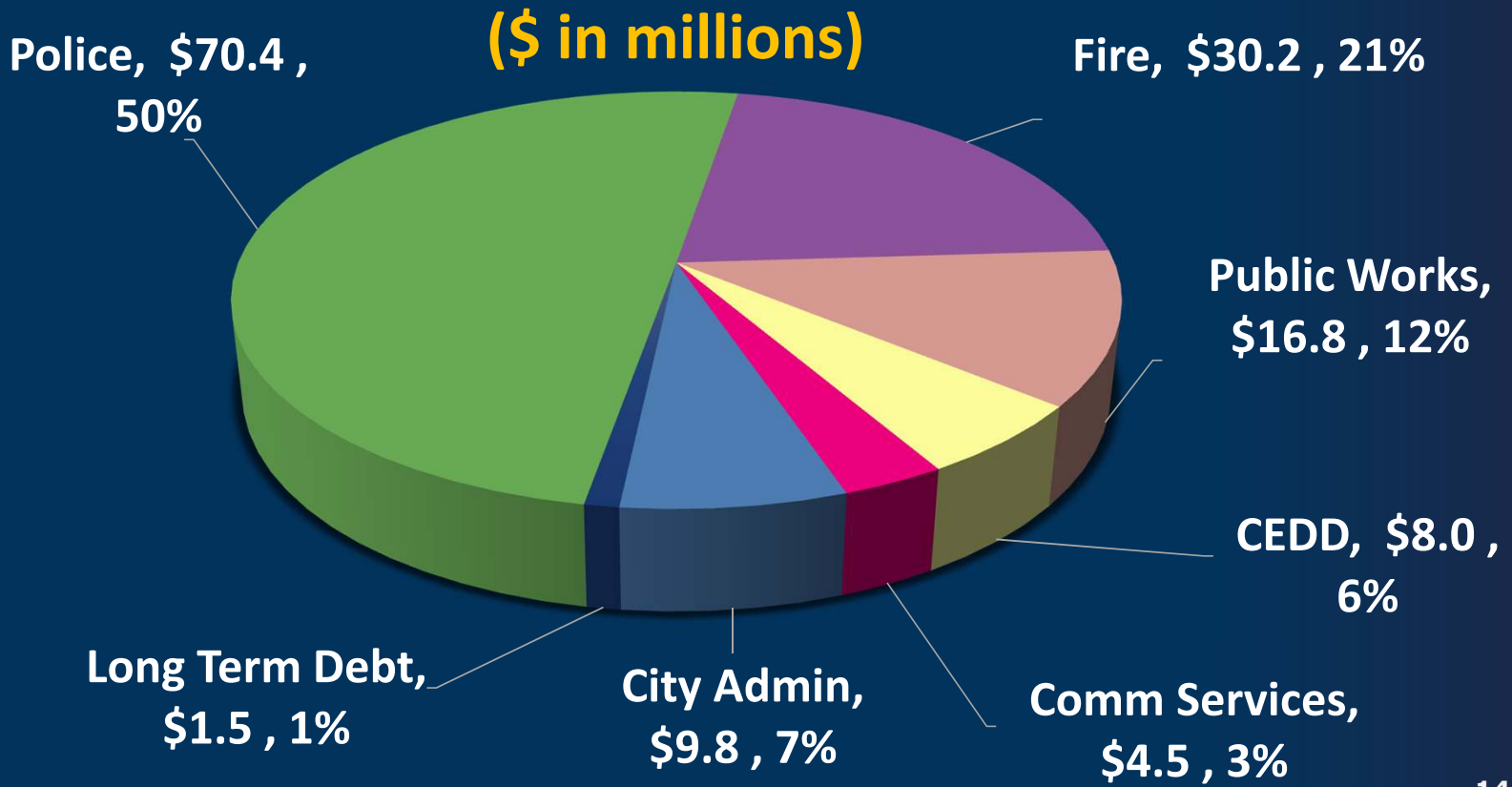
Sales Tax, \$46.2 ,  
30%



TOT, \$10.5 ,  
7%

Property Tax,  
\$54.0 , 35%

# FY 2021-22 General Fund Operating Budget - \$141.1M



# FY 2021-22 General Fund Budget

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- Restored 17 positions (\$2.1 million) – including addition of full-time Code Enforcement Officer
- Be Well mobile mental health services (\$400K)
- Additional graffiti abatement services (\$137K)
- Street sign replacement (\$95K)



# FY 2021-22 General Fund Budget

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- Traffic/parking enforcement (\$104K)
- Street & traffic signal maintenance (\$433K)
- Reinvestment in information technology (\$217K)
- Public Facilities/Infrastructure (\$17.5M)
- Pavement Management Plan Acceleration Program (\$17.5M)





# FY 2021-22 General Fund Budget

<b>FY 2020-21 Surplus</b>	<b>\$</b>	<b>21,412</b>
<b>Estimated Operating Revenue</b>		<b>155,037</b>
<b>Available Sources</b>	<b>\$</b>	<b>176,449</b>
<b>Uses:</b>		
<b>Baseline Expenditure Budget</b>		<b>137,848</b>
<b>Restore Staffing Levels</b>		<b>2,158</b>
<b>Mandates</b>		<b>138</b>
<b>Council Priorities</b>		
<b>Quality of Life</b>		<b>696</b>
<b>Infrastructure</b>		<b>34,657</b>
<b>Economic Recovery</b>		<b>100</b>
<b>Public Safety</b>		<b>182</b>
<b>Other Service Enhancements</b>		<b>367</b>
<b>Total Uses</b>		<b>176,146</b>
<b>Estimated Surplus</b>	<b>\$</b>	<b>303</b>

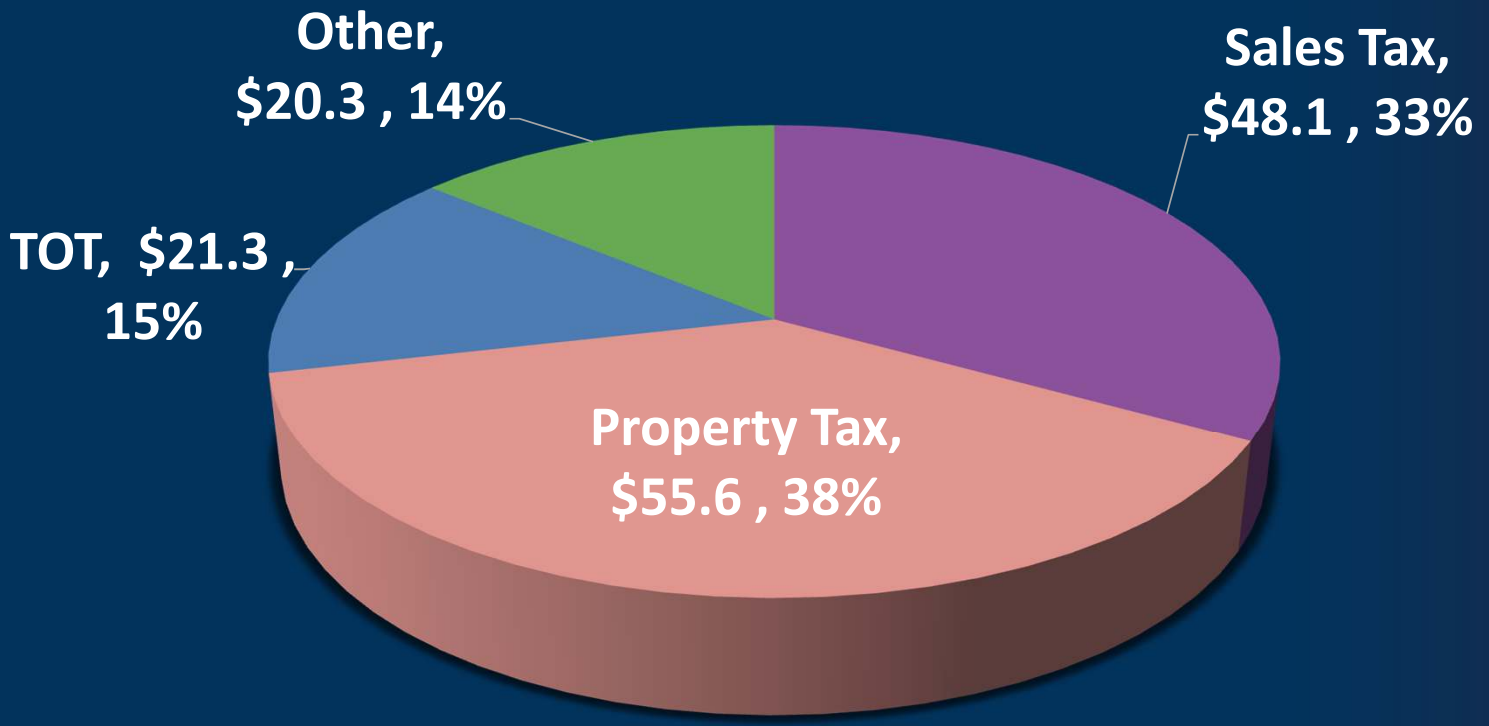
# FY 2022-23 General Fund Budget

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- Continue quality of life service enhancements
- Maintain staffing levels
- Park reseeding (\$70K)
- Facility maintenance (\$145K)
- Main Street parking lot rehabilitation (\$190K)
- Election costs (\$85K)

# FY 2022-23 General Fund Revenue - \$145.3M

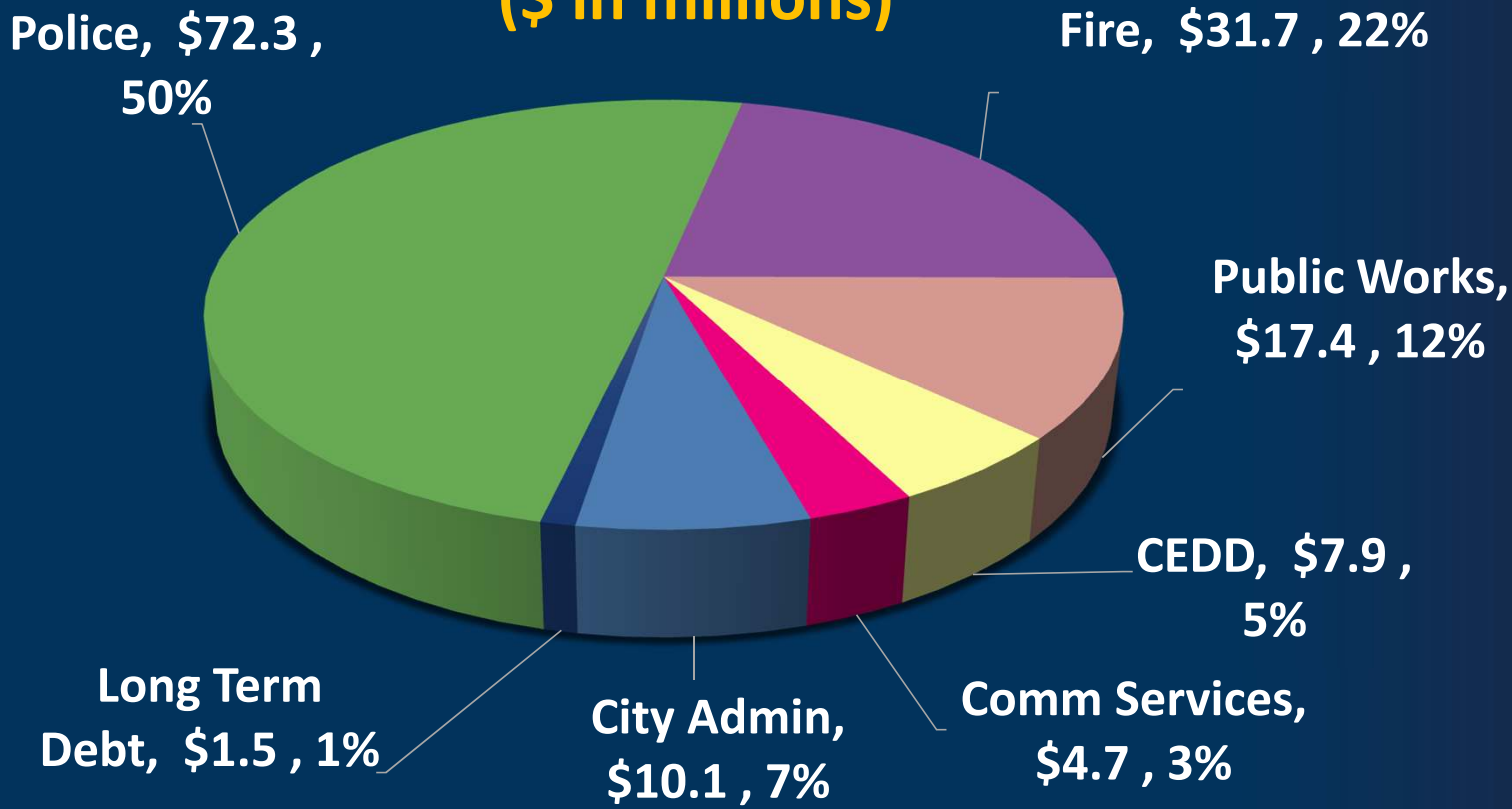
**(\$ in millions)**





# FY 2022-23 General Fund Operating Budget - \$145.6M

**(\$ in millions)**





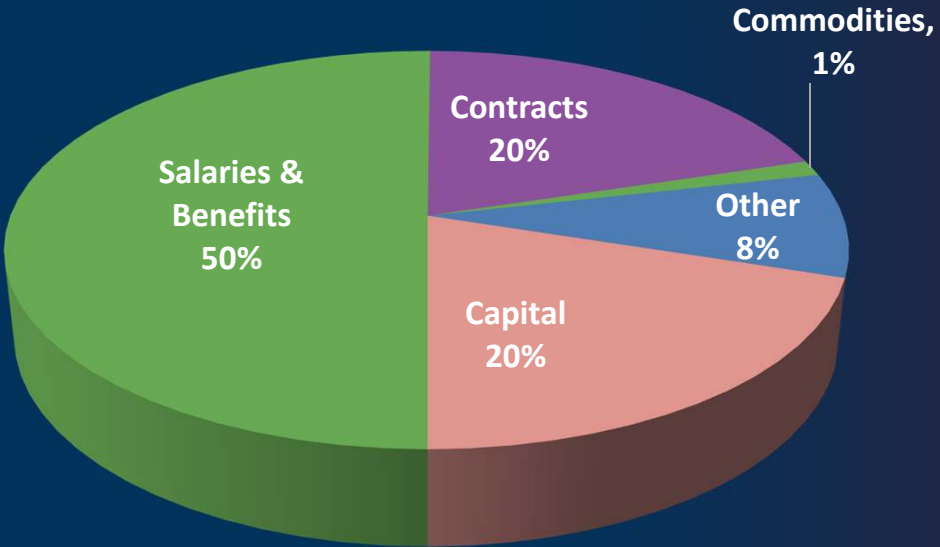
# FY 2022-23 General Fund Budget

<b>FY 2021-22 Surplus</b>	<b>\$</b>	<b>303</b>
<b>Estimated Operating Revenue</b>		<b>145,276</b>
<b>Available Sources</b>	<b>\$</b>	<b>145,579</b>
<b>Uses:</b>		
<b>Baseline Expenditure Budget</b>		<b>141,217</b>
<b>Restore Staffing Levels</b>		<b>2,221</b>
<b>Mandates</b>		<b>162</b>
<b>Council Priorities</b>		
<b>Quality of Life</b>		<b>296</b>
<b>Infrastructure</b>		<b>1,054</b>
<b>Economic Recovery</b>		<b>100</b>
<b>Public Safety</b>		<b>206</b>
<b>Other Service Enhancements</b>		<b>304</b>
<b>Total Uses</b>		<b>145,560</b>
<b>Estimated Surplus</b>	<b>\$</b>	<b>19</b>



# General Fund Budget Components

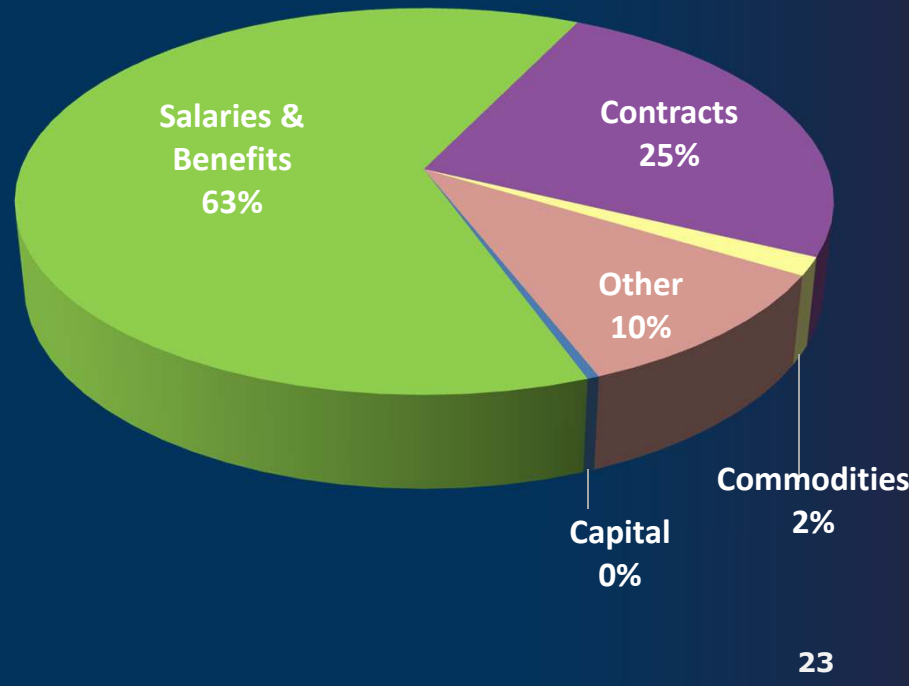
Expenditure Category	FY 2021-22
Salaries & Benefits	\$ 88.3
Contracts	35.4
Commodities	2.2
Other Expenditure/Transfers	14.9
Capital	35.3
<b>Total</b>	<b>\$ 176.1</b>





# General Fund Budget Components

Expenditure Category	FY 2022-23	
Salaries & Benefits	\$	91.4
Contracts		36.3
Commodities		2.2
Other Expenditure/Transfers		15.1
Capital		0.6
<b>Total</b>	<b>\$</b>	<b>145.6</b>





## Capital Improvement Program FY 2021-23 General Fund

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- Pavement Management Acceleration Program (\$17.5M)
- Public Safety Facilities (\$17.5M)
- Concrete Replacement (\$0.2M)
- Main Street West Parking Lot (\$0.2M)
- Lampson Rehabilitation (\$0.1M)



# Looking Forward...

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- Opportunities
  - Economic Recovery
  - Reopening of California
  - Recovery of tourism
  - Site C Development
  - American Rescue Plan

# Looking Forward...

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- Challenges
  - Deferred infrastructure improvements
  - Increase in labor costs
  - Risk management/workers' compensation funding
  - Rising costs for contracts and commodities
  - Mental health and homelessness



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# Questions?

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