Measure O Citizens Oversight Board Committee

Special Meeting
November 9, 2026

Agenda

1. Oral communications
2. Receive and file minutes for April 13, 2026 Special Meeting
3. Review Draft Measure O Annual Report to City Council
4. Review Amended Fiscal Year 2026-27 Budget for the General Fund
5. Review Preliminary Fiscal Year 2025-26 General Fund Financials
6. Next Meeting Date and Topics
7. Matters from Committee Members and Staff

Measure O 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.

Measure O Committee
FY 2025-26 Annual Report

Agenda Item No. 3

Highlights of FY2025-26 Annual Report

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	City Council	From:	Measure O – Citizen's Oversight Committee
Subject:	MEASURE O COMMITTEE ANNUAL REPORT FOR FISCAL YEAR 2025-26	Date:	January 12, 2027

OBJECTIVE

To present the Fiscal Year 2025-26 Measure O Citizen's Oversight Committee Annual Report to the City Council for receipt and filing pursuant to Resolution No. 9540-19.

BACKGROUND

On November 6, 2018, Garden Grove voters passed Ordinance No. 2897, also known as Measure O, imposing a one-cent (1%) transactions and use (sales) tax. The Measure O Citizen's Oversight Committee was established on February 26, 2019, to review the City's annual budget, mid-year budget, and year-end audited financial information in regards to the receipt and use of Measure O funds. Resolution No. 9540-19 requires that an annual report be presented to the City Council communicating the Committee's activities and to provide a response to the following questions:

- Does the current audited financial information reflect that the Measure O – Public Safety and Vital City Services tax was collected and appropriately spent?
- Does the City's proposed General Fund annual budget and CIP plan protect and maintain the City's core services including public safety?

- Summary of Committee's Proceedings and Activities during the year
- Recap of Audited Financial Information for Fiscal Year 2024-25
  - $187.6M General Fund revenue, $29.4M from Measure O
  - $181.7M General Fund expenditures, over 75% for Public Safety (exclude one-time, capital and debt service costs)
- Highlight on Adopted General Fund biennial budget for Fiscal Years 2025-2027 – structurally balanced without one-time and capital spending

City of Garden Grove
Amended FY 2026-27 General Fund Budget

Adopted by City Council on June 9, 2026

Agenda Item No. 4

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Amended FY2026-27 General Fund Budget - Expenditures

Adopted Budget - FY2026-27		**$ 194,840,054**
Proposed Mid-Cycle Amendments:		
CalPERS Unfunded Actuarial Liabilities		(110,814)
Cost Allocation Plan Implementation		1,910,730
Supplemental Requests		
Council Chamber Security Enhancement	137,500	
Municipal Yard Facility Condition Assessment	126,500	
Public Safety Building Custodial Contract & Staffing	498,411	
Public Safety Building Maintenance Program	160,000	
Park Security Program Extension	340,000	
Employee Training, Health & Wellness Program	113,900	
Woodbury Park Pool Program Expansion	39,220	
Vehicle Rebate Program Additional Funding	67,500	
Citywide Property Tax	36,000	
General Election Additional Funding	44,630	1,563,661
Total Proposed Mid-cycle Amendments		**3,363,577**
Proposed Amended Budget - FY2026-27		**$ 198,203,631**

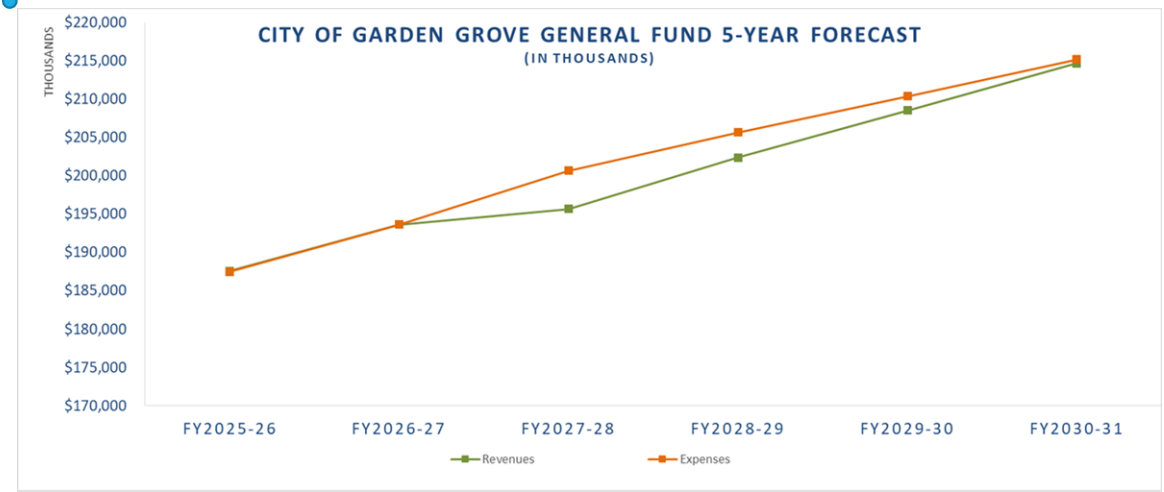
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Amended FY2026-27 General Fund Budget - Revenues

Estimated Revenue in Adopted Budget		**$**	**193,627,775**
Additional Revenue Sources:			
Citywide Cost Allocation Plan Overhead Charges	1,483,173		
Parking Enforcement	1,100,000		
Investment Income	717,383		
Woodbury Park Pool Program Expansion	63,000		3,363,556
Revised FY2026-27 Revenue Estimate			196,991,331
One-time Funds Approved in Adopted Budget			1,212,300
Amended Total Sources		**$**	**198,203,631**

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General Fund Five-Year Forecast



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City of Garden Grove

FY 2025-26 Preliminary Financial Performance

- General Fund -

Agenda Item No. 5

FY2025-26 Preliminary General Fund Operating Result

GENERAL FUND REVENUE VS. EXPENDITURE					
	Revised Budget	Preliminary Actual As of June 30, 2026[3]	Variance $	Variance %
Revenue Total[1]	$ 187,584,135	$ 192,491,593	$ 4,907,458	3%
Expenditure Total	192,856,632 [2]	189,965,609 [4]	2,891,023	1%
Surplus/(Deficit)	**$ (5,272,497)**	**$ 2,525,984**	**$ 7,798,481**	

[1] *Amount does not include transfers.*

[2] *Revised budget includes capital carryovers from previous fiscal years.*

[3] *Preliminary amounts subject to audit.*

[4] *Total expenditure includes a net transfer of $10.1 million to other funds.*

FY2025-26 Preliminary General Fund Revenue

Source	Revised Budget	Preliminary Actual As of June 30, 2026	Variance $	Variance %
Property Tax	$ 70,054,600	$ 72,322,661	$ 2,268,061	3.2%
Sales Tax - Bradley-Burns	29,992,400	30,271,404	279,004	0.9%
Sales Tax - Measure O	29,951,000	30,339,011	388,011	1.3%
Hotel Visitor's Tax	28,000,000	26,796,291	(1,203,709)	-4.3%
Other Taxes	6,018,000	5,830,876	(187,124)	-3.1%
Licenses & Permits	4,349,100	4,886,868	537,768	12.4%
Charges for Services	9,099,200	9,291,042	191,842	2.1%
Investment Earnings[1]	1,969,300	4,912,059	2,942,759	149.4%
Other General Fund Revenue	8,150,535	7,841,381	(309,154)	-3.8%
Total	**$ 187,584,135**	**$ 192,491,593**	**$ 4,907,458**	**2.6%**

[1] *The actual amount includes mark-to-market adjustment in accordance with GASB Statement No. 31.*

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FY2025-26 Preliminary General Fund Expenditure

Department	Current Budget*	Preliminary June 30, 2026	Variance[4] $	Variance[4] %
Fire [1]	$ 35,235,900	$ 34,923,945	$ (311,955)	-0.9%
Police	89,627,198	85,439,377	(4,187,821)	-4.7%
City Administration	5,083,228	4,474,601	(608,627)	-12.0%
Human Resources	2,218,108	2,042,940	(175,168)	-7.9%
Finance	3,896,756	3,254,617	(642,139)	-16.5%
Information Technology[2]	697,385	661,395	(35,990)	-5.2%
Community Development	7,964,625	7,752,100	(212,525)	-2.7%
Community Services	9,138,405	6,918,335	(2,220,070)	-24.3%
Economic Development	9,905,249	5,719,716	(4,185,533)	-42.3%
Public Works	18,911,878	18,173,409	(738,469)	-3.9%
Non-Departmental[3]	10,177,900	20,605,174	10,427,274	102.5%
Total	**$ 192,856,632**	**$ 189,965,609**	**$ (2,891,023)**	**-1.5%**

[1] *Fire expenditure includes contractual payments to OCFA and CalPERS UAL allocation.*

[2] *Majority of IT operational costs are accounted for in the Information Systems internal service fund.*

[3] *Non-departmental costs include debt service, utilities, and year-end transfer of $2.1M to Worker's Comp and $7.1M to General Liability internal service funds.*

[4] *Salary savings of $8.6M and encumbrances of $5.3M as of June 30, 2026 contributed to the budget variances.*

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Next Meeting…

Topics to cover:

- Discuss audited General Fund operating results for Fiscal Year 2025-26
- Review Fiscal Year 2026-27 mid-year General Fund budget and Measure O Revenue outlook

Tentative date:

February/March 2027



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