

MINUTES
MEASURE O CITIZENS' OVERSIGHT COMMITTEE

SPECIAL MEETING

Community Meeting Center, Founders Room,
11300 Stanford Avenue, Garden Grove, CA 92840

Monday, October 27, 2025

CALL TO ORDER: 5:35 p.m.

ROLL CALL PRESENT: (5) Chair Sanders, Vice Chair Mackanic, Member
Beard, Member Luu, Member Malo

ABSENT: (2) Member Ferrer, Member Tran

OTHERS PRESENT: Patricia Song, Finance Director; Brandi Hart, Department Secretary;
and Meena Yoo, Risk Management Supervisor.

ORAL COMMUNICATIONS:

None.

RECEIVE AND FILE MINUTES:

All members present confirmed the receipt of the March 10, 2025 meeting minutes.
Member Malo motioned to approve the minutes, seconded by Member Beard.

Ayes: (5) Beard, Luu, Mackanic, Malo, Sanders
Noes: (0) None
Abstained: (0) None
Absent: (2) Ferrer, Tran

REVIEW DRAFT MEASURE O ANNUAL REPORT TO CITY COUNCIL:

Ms. Song presented the draft report, which summarized the Committee's proceedings
and activities for Fiscal Year 2024-25. The report highlighted the audited financial
results for Fiscal Year 2023-24 and the amended General Fund budget for Fiscal Year
2024-2025. It concluded with the Committee's findings and recommendations.

All members present agreed with the content and findings outlined in the Annual Report. Member Beard moved to approve the report, and Chair Sanders seconded the motion.

Ayes: (5) Beard, Luu, Mackanic, Malo, Sanders
Noes: (0) None
Abstained: (0) None
Absent: (2) Ferrer, Tran

REVIEW ADOPTED FY 2025-26 AND 2026-27 BIENNIAL BUDGET (GENERAL FUND):

Ms. Song presented the adopted FY2025-26 and FY2026-27 biennial budget, focusing on the General Fund. She highlighted each major municipal function's reliance on the General Fund, outlined the budget development process, illustrated revenue forecasts and expenditure projections, and discussed the additional funding allocated in the new budget cycle to support citywide programs and initiatives.

Vice Chair Mackanic suggested that, when presenting revenue trends, taxes be shown separately from other revenue sources to improve clarity and understanding. Member Luu recommended distinguishing recurring costs from one-time funds to better support more informed decision-making.

REVIEW PRELIMINARY FY 2024-25 FINANCIAL PERFORMANCE (GENERAL FUND):

Ms. Song presented the unaudited preliminary operating results for the General Fund for Fiscal Year 2024-25. Revenues exceeded the adopted budget by approximately \$8.1 million, primarily due to higher investment earnings resulting from a favorable interest rate environment. Ms. Song cautioned that of the \$8.1 million, \$3.7 million represented an accounting adjustment, and nearly \$1.0 million reflected encumbered funds for existing contractual obligations. As a result, the fiscal year concluded with a modest surplus driven mainly by labor cost savings from vacant positions.

Member Luu inquired about the most effective way to present encumbered funds in financial reports to help prevent overspending and ensure clarity.

DISCUSS NEXT MEETING:

The next meeting will tentatively be scheduled for February/March 2026. Topics will include the review of audited Fiscal Year 2024-25 annual financial statements and Fiscal Year 2025-26 mid-year budget update.

MATTERS FROM COMMITTEE MEMBERS AND STAFF:

Member Beard asked about the Orange County Fire Authority contract performance and whether the decision to transition fire protection services had been financially beneficial.

Chair Sanders inquired about the progress of the Public Safety Facility project.

Committee members thanked staff for the update and expressed appreciation for the strong communication between City staff and the Committee, noting that it reinforces transparency and accountability in the use of Measure O revenues.

ADJOURNMENT: At 6:47 p.m.