



MEASURE O CITIZEN'S OVERSIGHT BOARD COMMITTEE

SPECIAL MEETING

JULY 22, 2019





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.

Agenda

- Selection of Chair and Vice Chair
 - Overview of Brown Act
 - Code of Ethics
 - Harassment Training
 - Committee Purpose and Responsibilities
- Fiscal Years 2019-21 Budget Overview
 - Next Meeting Topics

COMMITTEE PURPOSE AND RESPONSIBILITIES

RESOLUTION NO. 9540-19

Purpose

Provide citizen oversight of Measure O's funds, to ensure all funds are spent properly

Responsibilities

- Review General Fund Budget;
- Review Comprehensive Annual Financial Report; and
- Communicate Review Findings Annually to the City Council during public meeting.

City Budget in a Nutshell

- The City's fiscal year begins July 1 and ends June 30.
- Through a public process, the Adopted Budget commits financial resources to a myriad of services and programs that the City provides.
- Funding commitments reflect the priorities of the City and the direction of its future.

Basis of Accounting and Budgeting

- Accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity.
- The City collects and records revenues and expenses within the following categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.
- The General Fund is the chief operating fund and accounts for most City programs and services which are supported by general tax revenues and fees.
- Measure O funds are reported in the General Fund.

UNDERSTANDING THE CITY'S BUDGET

**FISCAL YEARS 2019-21
GENERAL FUND
BUDGET**



FY2019-21 General Fund Budget at a Glance



FY 2019-20 \$134.2M

FY2020-21 \$137.0M



FY 2019-20 \$126.9M

FY2020-21 \$132.4M

	FY2019-20 (\$'000)	FY2020-21 (\$'000)	Change
Sales Tax	\$ 22,668	\$ 23,006	1.5%
Measure O	19,000	19,285	1.5%
Property Tax	46,965	48,385	3.0%
Transient Occupancy Tax	26,477	27,007	2.0%
Business Tax	2,500	2,500	0.0%
Franchise Fee	2,500	2,500	0.0%
Building Permit & Other Fees	2,200	2,200	0.0%
Street Repair	2,484	2,516	1.3%
Deferred Municipal Support	3,422	3,422	0.0%
Other Income	5,964	6,175	3.5%
Grand Total	\$ 134,180	\$ 136,996	2.1%

	FY2019-20 (\$'000)	FY2020-21 (\$'000)	Change
Police	\$ 65,026	\$ 67,738	4.2%
Fire	27,748	29,149	5.0%
City Administration	3,114	3,354	7.7%
Finance	4,122	4,292	4.1%
Human Resources	1,396	1,483	6.2%
Information Technology	813	859	5.7%
Community & Economic Development	6,652	7,073	6.3%
Community Services	3,310	3,506	5.9%
Public Works	13,066	13,787	5.5%
Transfer Out	1,446	1,132	-21.7%
Grand Total	\$ 126,693	\$ 132,373	4.5%

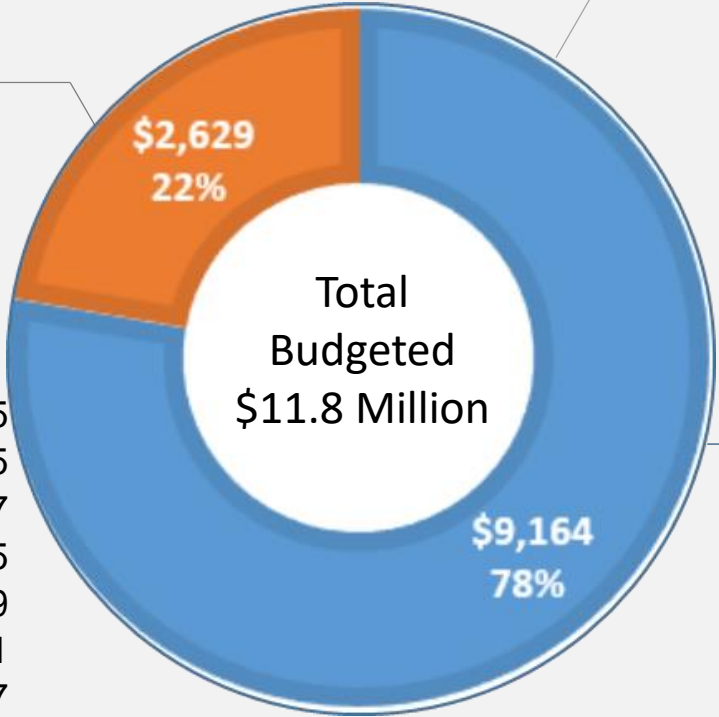
Budgeted Use of Measure O Funding – FY 2019-20

(\$ in '000)



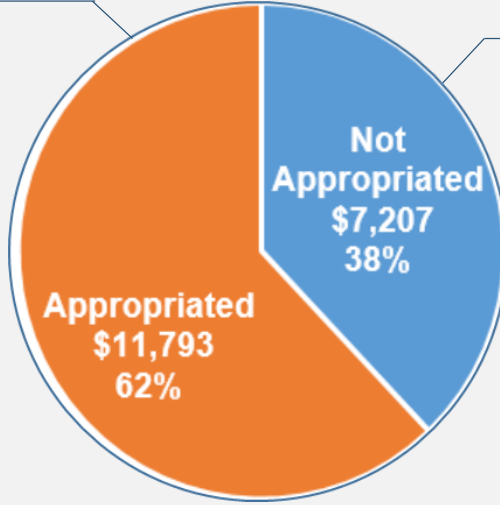
Public Safety

OCFA Transition	\$ 1,720
Police Workforce Expansion	3,473
School Resource Officer Program Enhancement	206
Facility Assessment	150
Additional Training	45
Labor & Pension Cost Increase	3,570
	\$ 9,164



Non-Public Safety

Financial Transparency Efforts	\$ 5
Compliance & Legal Services	205
BiGG/Revenue Enhancement Measures	807
Public Works Service/Contractual Increases	395
Community Partnership & Events	59
Service Level Enhancement	21
Labor & Pension Cost Increase	1,137
	\$ 2,629



Projected Surplus (\$7.2 Million)

- Pension Liability Pay Down
- Rainy Day Fund

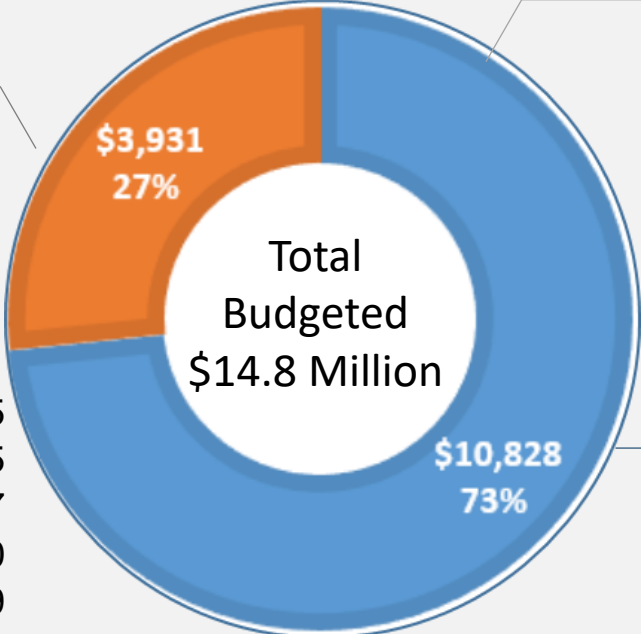
Budgeted Use of Measure O Funding – FY 2020-21

(\$ in '000)



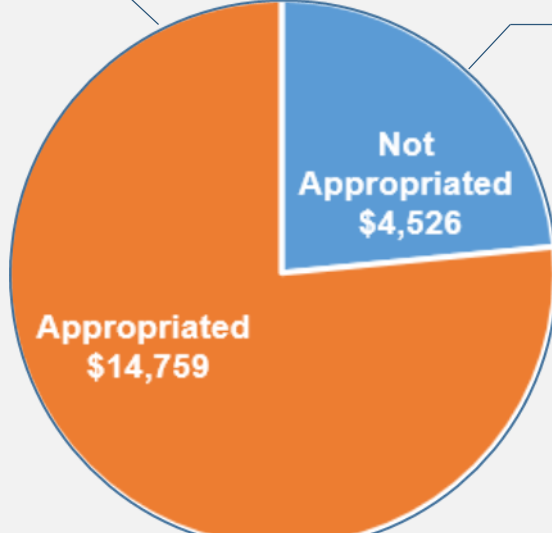
Non-Public Safety

Financial Transparency Efforts	\$ 25
Compliance & Legal Services	385
BiGG/Revenue Enhancement Measures	807
Public Works Service/Contractual Increases	630
Community Partnership & Events	59
Service Level Enhancement	169
Labor & Pension Cost Increase	1,856
	\$ 3,931



Public Safety

OCFA Transition	\$ 3,122
Police Workforce Expansion	3,236
School Resource Officer Program Enhancement	219
Facility Assessment	-
Additional Training	45
Labor & Pension Cost Increase	4,206
	\$10,828



Projected Surplus (\$4.5 Million)

- Pension Liability Pay Down
- Rainy Day Fund



Next Meeting

- Timing – January 21, 2020 (tentative)
 - Annual audited financial statement
 - Sales Tax information availability
- Topics:
 - Review of FY2018-19 Comprehensive Annual Financial Report (CAFR)
 - Measure O Revenue and Expenditure Update

THANK YOU

