

MINUTES  
MEASURE O CITIZENS' OVERSIGHT COMMITTEE

SPECIAL MEETING

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

Monday, October 4, 2021

CALL TO ORDER: 5:30 p.m.

ROLL CALL      PRESENT:      (6)    Member Bischoff, Member Mackanic,  
Member Malo, Member Beard, Member Holst,  
Chair Thomas

ABSENT:      (1)    Vice Chair Sanders

OTHERS PRESENT: Scott Stiles, City Manager, Patricia Song, Finance Director, Ann Eifert, Finance Manager.

City Manager Stiles gave an opening statement and provided an update on the City's biennial budget, the American Rescue Plan Act funds, community engagement effort in regards to the Civic center/Police facility renovation, and the recent credit rating upgrade from Standard & Poors.

ORAL COMMUNICATIONS:

None.

RECEIVE AND FILE MINUTES:

Members confirmed the receipt of February 22, 2021 meeting minutes. The motion to approve minutes was made by Member Malo, and seconded by Member Beard.

Ayes:            (6)    Bischoff, Mackanic, Malo, Holst, Thomas, Beard  
Noes:            (0)    None  
Abstained:    (0)    None  
Absent:         (1)    Sanders

REVIEW DRAFT MEASURE O ANNUAL REPORT TO CITY COUNCIL:

Ms. Song walked the members through the draft annual report, which captured the Fiscal Year 2019-20 audited financials, the adopted General Fund biennial budget for fiscal years 2021 through 2023, and the Committee findings and recommendations. Members further asked/discussed the following areas:

- The American Rescue Plan Act (ARPA) fund
- The restoration of the previously frozen position in early 2020
- City's population growth
- City's response/position on Senate Bill 9 and 10 on housing development
- Police facility renovation

REVIEW PRELIMINARY FY 2020-21 GENERAL FUND FINANCIALS:

Ms. Song presented slides on the preliminary FY2020-21 General Fund financials.

- Highlights
  - Anticipated surplus due to one-time ARPA funds received
  - Both revenue and expenditures are anticipated to have a favorable variance comparing to the adopted budget
  - Measure O revenue made up the shortfall caused by the significant decline in Transient Occupancy Tax revenue.
- General Fund Revenue
  - Top 3 revenue sources are Property Tax, Sales Tax (including Measure O) and Transient Occupancy Tax
  - Both sales tax and property tax exceeded original anticipation despite the pandemic
  - TOT came in lower than revised budget
- General Fund Expenditures
  - Total expenditures stayed within the budget, due to the early implementation of spending cut, including hiring freeze
  - Increase in Public Safety expenditures

REVIEW FY 2021-23 BIENNIAL GENERAL FUND BUDGET:

Ms. Song and Ms. Eifert presented slides on the FY 2021-23 biennial budget with the focus on the General Fund:

- Biennial budget was developed based on City Council established priorities:
  - COVID Recovery and Balanced Budget
  - Public Safety
  - Quality of Life Enhancement
  - Infrastructure Improvement
- Achieved balanced budget in both years

- Designated a total of \$35 million for City infrastructure – half for the Accelerated Pavement Improvement Program, and half for the City Facility Improvement Program, including the Police facility renovation.
- Launched new programs including Be Well Mobile Mental Health services, additional graffiti abatement, and reinvestment in Information Technology.
- Restored 17 positions with an addition of a full-time Code Enforcement Officer.

DISCUSS NEXT MEETING DATE:

The next meeting will tentatively be scheduled for February/March 2022.

MATTERS FROM COMMITTEE MEMBERS AND STAFF:

Chair Thomas and the Committee members thanked City Manager Stiles and staff for the update and expressed that the good communication between City staff and the Committee ensured transparency and accountability of the use of Measure O revenue, it provides confidence for the committee and the community they represent.

ADJOURNMENT: At 7:28 p.m.