



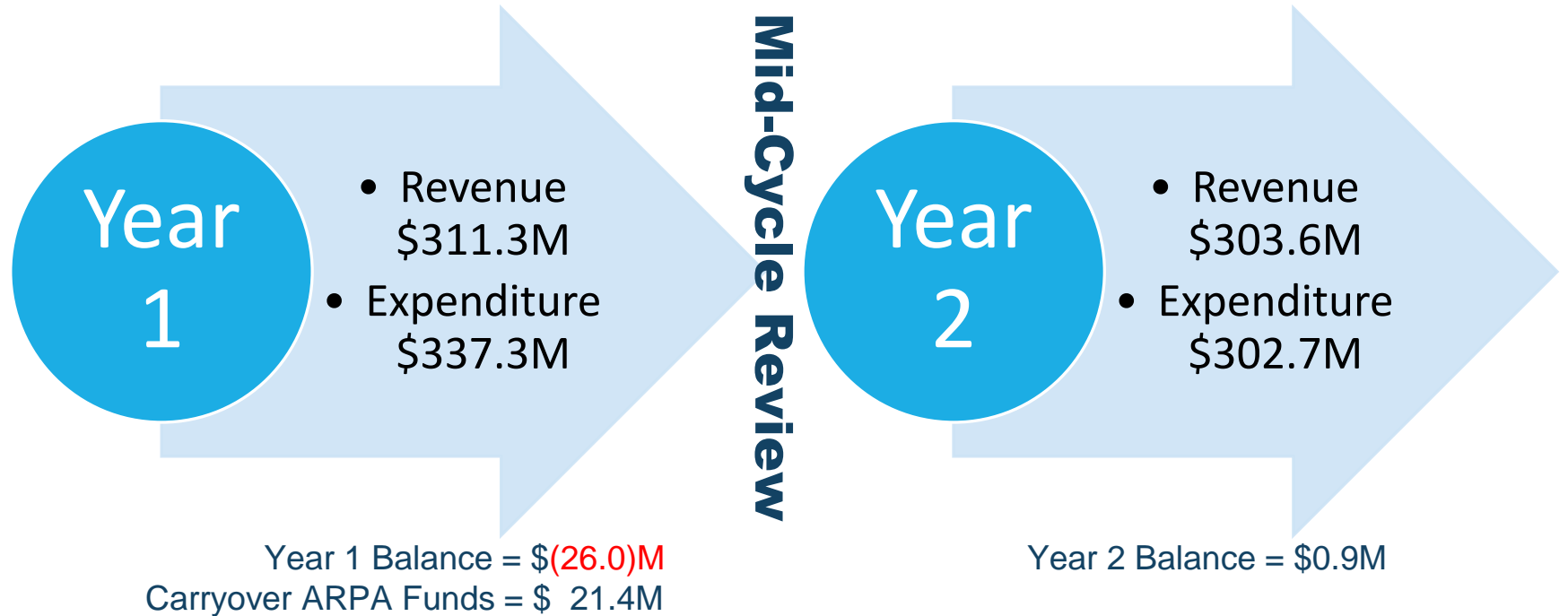
CITY OF GARDEN GROVE FY 2022-23 AMENDED BUDGET

JUNE 28, 2022



City of Garden Grove, California

FY2021-2023 Biennial Adopted Budget



Year 1

FY2021-2022 General Fund Update

Revenue Source	FY 2021-22		
	Adopted Budget (\$'000)	Revised Estimate (\$'000)	Projected Variance (\$'000)
Sales Tax	\$ 46,216	\$ 56,096	\$ 9,880
Property Tax	53,967	55,466	1,499
Hotel Tax	10,500	22,215	11,715
Other	44,354	44,354	-
	<u>\$ 155,037</u>	<u>\$ 178,131</u>	<u>\$ 23,094</u>

- Navigation Center - \$7.0M
- Public Facilities/Police Building & Civic Center - \$8.0M
- General Fund Stability Reserves - \$3.2M
- Buildings and Facilities Rehabilitation fund - \$3.0M
- Worker's Compensation Fund - \$1.6M

Year 2

FY2022-2023 General Fund Update

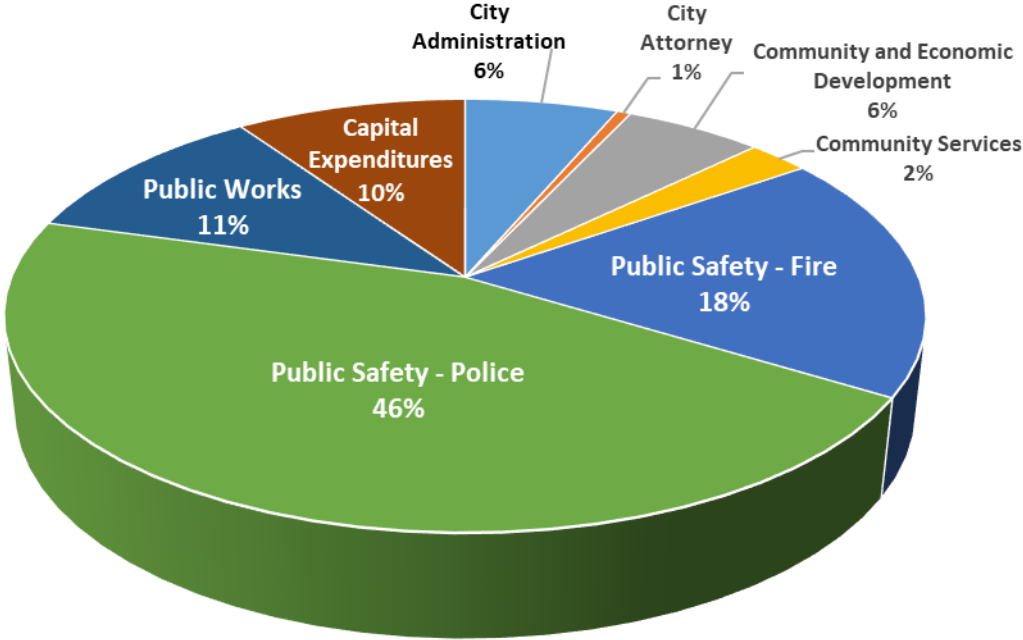
Revenue Source	FY 2022-23		
	Adopted Budget (\$'000)	Revised Estimate (\$'000)	Estimated Variance (\$'000)
Sales Tax	\$ 48,087	\$ 56,370	\$ 8,283
Property Tax	55,631	58,362	2,731
Hotel Tax	21,300	22,342	1,042
Other	20,258	19,568	(690)
	<u>\$ 145,276</u>	<u>\$ 156,643</u>	<u>\$ 11,367</u>

- Anticipated labor cost increase - \$2.8M
- Increase in CalPERS unfunded liability contribution - \$1.7M
- Inflation adjustment on contractual and commodities – 7% of adopted amounts
- Additional requests including mandates and other supplemental - \$2.8M

FY2022-2023 General Fund Amended Budget

General Fund Amended Appropriations by Function

Amended Appropriations	Amount (\$'000)
Salaries and benefits	\$ 96,472
Contractual expenditures	39,134
Commodities	2,349
Internal service & debt service payment	13,515
Capital Expenditures	16,093
	\$ 167,563
Adopted Appropriations	\$ 143,951
Total Amendments	\$ 23,612



FY2022-2023 General Fund Additional Appropriations

Amended Appropriations	Total Amendments (\$'000)
Reserve for Navigation Center	\$ 7,000
Additional funding for Public Facilities/Police Station/Civic Center	8,250
Estimated labor cost increase (MOU change)	2,750
Additional contribution to CalPERS towards Unfunded Liability	1,708
General CPI Increase and Subsidies	1,144
Supplemental requests	2,760
	\$ 23,612

FY2022-2023 Citywide Amended Budget

Fund	Adopted FY 2022-23 (\$'000)	Amended FY 2022-23 (\$'000)	Change (\$'000)
General Fund	\$ 143,950	\$ 167,563	\$ 23,613
Other Governmental Funds	32,556	37,281	4,725
Water Enterprise Fund	44,993	48,023	3,030
Successor Agency	19,971	20,104	133
Housing Authority	44,943	46,951	2,008
Sanitary District	16,281	19,136	2,855
Total Expenditures	<u>\$ 302,694</u>	<u>\$ 339,058</u>	<u>\$ 36,364</u>

FY2022-2023 Capital Improvement Plan Amendments

Fund	Description	Amendment Amount (\$'000)
General Fund	Navigation Center	\$ 7,000
General Fund	Public Facilities/Police Station/Civic Center	8,250
Gas Tax funds	Various street rehabilitation projects	1,445
Traffic Mitigation Fee Fund	Various traffic signal projects	770
Citywide Park Fee Fund	Park improvement projects (Garden Grove Park, Woodbury)	800
Federal Grants	Various street rehabilitation and pavement projects	1,506
Measure M2 - CTFP Fund	Traffic Signal at Harbor and Garden Grove Blvd	68
Sewer Utility Fund	Sewer Main and lift station projects	2,205
Water Utility Fund	Water capital projects funded by Water Revenue Bonds	3,599
		<u>\$ 25,643</u>

FY2022-2023 Successor Agency Budget Amendments

Expenditures	Adopted FY 2022-23	Amended FY 2022-23	Change
Administrative Allowance	\$ 358,883	\$ 274,466	\$ (84,417)
Recognized Obligation Payments	19,612,008	19,829,183	217,175
Total Expenditures	<u>\$ 19,970,891</u>	<u>\$ 20,103,649</u>	<u>\$ 132,758</u>

- Recognized Obligations Payments Scheduled approved by DOF annually in February.
- Approval of the ROPS will result in an allocation of Redevelopment Property Tax Trust Fund (RPTTF) monies to the Successor Agency.

FY2022-2023 Housing Authority Budget Amendments

Expenditures	Adopted FY 2022-23	Amended FY 2022-23	Change
Administration	\$ 3,689,565	\$ 3,876,544	\$ 186,979
Property Management	139,457	142,797	3,340
Housing Assistance Payments	41,114,368	42,931,836	1,817,468
Total Expenditures	<u>\$ 44,943,390</u>	<u>\$ 46,951,177</u>	<u>\$ 2,007,787</u>

- Federally funded through HUD
- Administration covers initial and annual inspections, outreach to tenants and landlords
- Property management performed on Agency owned assets
- Anticipate an increase of \$1.8M in Housing Choice Voucher Program funding

FY2022-2023 Sanitary District Budget Amendments

Business Line	Adopted FY 2022-23	Amended FY 2022-23	Change
Sewer Operations	\$ 8,477,882	\$ 8,946,918	\$ 469,036
Sewer Capital Improvement	3,716,939	5,936,252	2,219,313
Sewer Replacement	1,582,467	1,621,216	38,749
Refuse Service	2,503,994	2,631,334	127,340
Total	<u>\$ 16,281,282</u>	<u>\$ 19,135,720</u>	<u>\$ 2,854,438</u>

- Compliant with District's Business Principles:
 - Two-month cash flow with \$500K cash reserve
 - Satisfy debt covenant
 - Improve system and facilities up to industry standards by adequately funding capital improvement programs

General Fund Reserve Policy

- Adopted in Dec. 2019
- 16.7% of adopted General Fund operating revenues
- \$22.5M currently funded – since 2019
- \$3.2M additional funding = policy threshold

Three Reserve Components

<i>Operating Reserves</i>		<i>Non-operating Reserve</i>
Stability	16.7%	Designated Revenues
Catastrophic	13.3%	
<u>30.0%</u>		

**Employee
Classification
Addition**

Emergency Operations Manager

Classification
Emergency Operations Manager

Salary Range
M194

Job Cod	long desc	schedule	range	step	Annual	Monthly	Bi-Weekly	Hourly
502	EMER OPS MGR	M	194	A	92,124.03	7,677.00	3,543.23	44.2904
				B	96,732.06	8,061.01	3,720.46	46.5058
				C	101,568.06	8,464.01	3,906.46	48.8308
				D	106,644.10	8,887.01	4,101.70	51.2712
				E	111,972.02	9,331.00	4,306.62	53.8327
				F	117,575.95	9,798.00	4,522.15	56.5269
				G	123,444.05	10,287.00	4,747.85	59.3481
				H	129,623.94	10,801.99	4,985.54	62.3192
				I	136,103.97	11,342.00	5,234.77	65.4346

Looking Ahead...

- Economics
 - Inflation
 - Possible recession
- Community needs
 - Homelessness
 - Infrastructure condition

**Council
Priorities**

**Next
Biennial
Budget**

Recommended Actions:

- Adopt Resolutions to amend City of Garden Grove, Garden Grove Housing Authority, and Garden Grove Successor Agency Fiscal Year 2022-23 adopted biennial budget
- Adopt a Resolution to increase General Fund Stability Reserve
- Adopt a Resolution to add Emergency Operations Manager classification and authorize salary range