

CITY OF GARDEN GROVE  
FY 2020-21  
PROPOSED BUDGET  
AMENDMENT

June 23, 2020

GARDEN GROVE HOUSING AUTHORITY  
FY 2020-21

PROPOSED BUDGET  
AMENDMENT

June 23, 2020

# FY 2020-21 Proposed Budget Amendment Housing Authority

- Federally funded through the Department of Housing and Urban Development (HUD)
- Rental subsidies up to 2,337 low-income families
- Outreach activities to tenants, landlords, and others
- Conduct initial and planned annual inspections
- Continue family self-sufficiency program
- Maintain owned properties
- Monitor Former Agency Affordable Housing Agreements

# FY 2020-21 Proposed Budget Amendment Housing Authority

(\$ in '000)

	FY 2020-21 Adopted	Proposed Amended Budget
<b>Sources</b>		
Beginning Fund Balance	\$ 561	\$ 934
Housing Allocation	35,975	35,975
<b>Total Resources</b>	<b>36,536</b>	<b>36,909</b>
<b>Uses</b>		
Voucher Program	(32,570)	(32,569)
Family Self Sufficiency Program	(143)	(143)
Property Management	(147)	(147)
City Administration	(3,115)	(3,306)
<b>Total Uses</b>	<b>(35,975)</b>	<b>(36,165)</b>
<b>Balance</b>	<b>\$ 561</b>	<b>\$ 744</b>

GARDEN GROVE SUCCESSOR AGENCY  
FY 2020-21

PROPOSED BUDGET  
AMENDMENT

June 23, 2020

# FY 2020-21 Proposed Budget Amendment

## Garden Grove Successor Agency

- Reduced funding level for administrative costs of \$68K from adopted budget
- Recognized Obligation Payment Schedule (ROPS) approved annually by the Department of Finance (DOF)
- Continued efforts in implementing of DOF approved Development and Disposition Agreements (DDA) for various projects:
  - Brookhurst Triangle
  - Site B2
  - Housing Fund Repayment

# FY 2020-21 Proposed Budget Amendment Successor Agency

(\$ in '000)

	<b>FY 2020-21 Adopted</b>	<b>Proposed Amended Budget</b>
<b>Sources</b>		
RPTTF Distribution	\$ 14,798	\$ 22,945
Other Revenue	208	208
<b>Total Resources</b>	<b>15,006</b>	<b>23,153</b>
<b>Uses</b>		
Administration	(581)	(513)
Recognized Obligation Payments	(14,425)	(22,640)
<b>Total Uses</b>	<b>(15,006)</b>	<b>(23,153)</b>
<b>Balance</b>	\$ -	\$ -

GARDEN GROVE SANITARY DISTRICT  
FY 2020-21

PROPOSED BUDGET  
AMENDMENT

June 23, 2020



# FY 2020-21 Proposed Budget Amendment

## Garden Grove Sanitary District

- Balanced Budget
- Funding for Street Sweeping and Bus Shelter Trash Clean-Up
- Longsdon Pit Landfill Improvements
- Continue Planned Sewer Capital Program  
(Capacity/Structural)
- Continue Manhole Inspection and Replacement program
- Continue Fats, Oils, and Grease Control Education
- Continue AB 939 Waste Diversion Efforts
- Implement Commercial Organic Waste Program

# FY 2020-21 Proposed Budget Amendment

## Garden Grove Sanitary District

(\$ in '000)

	Sewer Funds			Refuse	
	FY 2020-21 Adopted	Proposed Amended Budget		FY 2020-21 Adopted	Proposed Amended Budget
<b>Sources</b>			<b>Sources</b>		
Beginning Working Capital	\$ 24,582	\$ 27,933	Beginning Working Capital	\$ 6,853	\$ 7,204
Operating Revenue	11,464	11,464	Operating Revenue	3,159	3,130
<b>Total Sources</b>	<b>36,046</b>	<b>39,397</b>	<b>Total Sources</b>	<b>10,012</b>	<b>10,334</b>
<b>Uses</b>			<b>Uses</b>		
Operations & Maintenance	(5,340)	(5,106)	Operations & Maintenance	(1,990)	(2,084)
Contractual Services	(1,564)	(1,578)	Landfill Reserve	(500)	(500)
Debt Service	(1,207)	(1,207)	Debt Service	-	-
Capital Replacement	(1,717)	(1,717)	Capital Replacement	-	-
Capital Improvement	(4,000)	(5,020)	Capital Improvement	-	(172)
<b>Total Uses</b>	<b>(13,828)</b>	<b>(14,628)</b>	<b>Total Uses</b>	<b>(2,490)</b>	<b>(2,756)</b>
<b>Ending Working Capital</b>	<b>\$ 22,218</b>	<b>\$ 24,769</b>	<b>Ending Working Capital</b>	<b>\$ 7,522</b>	<b>\$ 7,578</b>

CITY OF GARDEN GROVE  
FY 2020-21  
PROPOSED BUDGET  
AMENDMENT

City Council  
June 23, 2020

# FY 2020-21 All Funds at a Glance

## Revenue & Expenditures (In Millions)

Revenue				Expenditures			
Fund Type	Adopted Budget	Proposed Amended Budget	Change	Fund Type	Adopted Budget	Proposed Amended Budget	Change
General Fund	\$ 137.0	\$ 119.7	\$ (17.3)	General Fund	\$ 132.5	\$ 130.2	\$ (2.3)
Other Governmental	11.2	11.1	(0.1)	Other Governmental	13.4	13.7	0.3
Successor Agency	15.0	23.2	8.2	Successor Agency	15.0	23.2	8.1
Grants	4.9	7.5	2.6	Grants	4.7	7.4	2.7
Housing	36.0	36.0	0.0	Housing	36.0	36.2	0.2
Water	38.2	44.5	6.3	Water	41.4	51.6	10.2
Sewer	11.5	11.5	0.0	Sewer	13.8	14.6	0.8
Refuse	3.2	3.1	(0.1)	Refuse	2.5	2.8	0.3
Special Districts	5.9	3.6	(2.3)	Special Districts	5.0	3.2	(1.8)
<b>Total</b>	<b>\$ 262.9</b>	<b>\$ 260.2</b>	<b>\$ (2.7)</b>	<b>Total</b>	<b>\$ 263.1</b>	<b>\$ 282.8</b>	<b>\$ 19.7</b>

# General Fund

## FY 2020-21 Proposed Amended Budget

### Revenue

Revenues (In Millions)	Adopted Budget	Amended Budget	Change	% Change
Sales Tax	\$ 42.3	\$ 39.5	\$ (2.8)	-7%
Transient Occupancy	27.0	\$ 10.5	(16.5)	-61%
Property Tax	29.3	\$ 30.7	1.4	5%
Other	38.4	\$ 39.0	0.6	2%
<b>Total Revenue</b>	<b>\$ 137.0</b>	<b>\$ 119.7</b>	<b>\$ (17.3)</b>	<b>-13%</b>

# FY 2020-21 Proposed Amended Budget General Fund Expenditures

<b>Department</b>	<b>Adopted FY 2020-21 (In Millions)</b>	<b>Proposed Amended Budget (In Millions)</b>
City Manager	\$ 2.5	\$ 2.3
Finance	4.3	4.1
Comm & Econ Dev	7.1	7.0
Public Works	13.9	13.5
Comm Services	3.5	3.5
Fire	29.1	28.6
Police	67.7	67.1
City Attorney	0.9	0.9
Human Resources	1.5	1.4
Information Tech	0.9	0.7
Transfers	1.1	1.1
<b>Total Expenditures</b>	<b>\$ 132.5</b>	<b>\$ 130.2</b>

# FY 2020-21 Proposed Amended Budget General Fund

## Major Additions

- Increased Training for PD, Offsetting Cost by Reducing Over-Time
- Contractual Obligations and Other Mandates
- Revenue Generating Efforts (i.e. plan check/inspection, investment advisory, and citation collection services)
- Addition of 2 CSOs and Equipment Charges to Neighborhood Traffic Unit (Approved by Council in December 2019)

## Budget Reductions

- Defunding of 22 Vacant Positions (\$2.1 Million)
- Reduction to Training & Conferences by 30% (\$58K)
- Reductions to Temp/Seasonal Staffing Level and Recreation Programs
- Decreasing Contributions to City's Fleet Internal Service Fund by 16%

# FY 2020-21 Proposed Amended Budget Balancing Measures – One Time Funds

<b>General Fund</b>	<b>Proposed Amended Budget (In Millions)</b>	
Revenue	\$	119.7
Expenditures		(130.2)
<b>Surplus/(Deficit)</b>	<b>\$</b>	<b>(10.5)</b>
<b>Balancing Measures for FY 2020-21</b>		
Reserve for Legal Costs	\$	0.5
Fleet Fund Reserve for Fire Equip		2.5
FY 2019-20 Estimated Surplus		3.2
General Fund Unreserved Fund Balance		4.3
<b>Total One-Time Sources</b>	<b>\$</b>	<b>10.5</b>



# FY 2020-21 Proposed Amended Budget Water Utility

- Bond Refunding
- Additional Water Purchase Cost as a Result of PFOS
- Review and Update Water Rates to Develop a Sustainable Water Utility Financial Plan
- Continue to Implement Water Master Plan
- Continue with Major Capital Replacement

# FY 2020-21 Proposed Amended Budget

## Water Utility (\$ in '000)

<b>Water Utility</b>	<b>FY 2020-21</b>	<b>Proposed</b>
	<b>Adopted</b>	<b>Amended Budget</b>
<b>Sources</b>		
Beginning Working Capital	\$ 15,981	\$ 16,637
Operating Revenue	38,229	40,495
Bond Proceeds	-	4,000
<b>Total Sources</b>	<b>54,210</b>	<b>61,132</b>
<b>Uses</b>		
Operations & Maintenance	(13,012)	(12,657)
Purchased Water Supply	(17,737)	(27,236)
Debt Service	(3,591)	(3,576)
Capital Replacement	(3,305)	(3,305)
Capital Improvement	(3,000)	(4,000)
Street Repair Charge	(775)	(775)
<b>Total Uses</b>	<b>(41,420)</b>	<b>(51,549)</b>
<b>Ending Working Capital</b>	<b>\$ 12,790</b>	<b>\$ 9,583</b>

# FY 2020-21 Proposed Amended Budget

## CIP & Grants

Capital Improvement Program	Adopted Budget (In Millions)	Proposed Amended Budget (In Millions)
Street Improvements	\$ 5.4	\$ 8.8
Storm Drain Improvement	1.5	0.2
Traffic Improvements	0.4	0.7
City Facilities	0.1	0.0
Park Improvements	0.4	0.8
Water Infrastructure Improvements	6.3	7.3
Sewer Infrastructure Improvements	5.7	6.7
Longsdon Pit Landfill	0.0	0.2
<b>Total</b>	<b>\$ 19.8</b>	<b>\$ 24.7</b>

Grant	Adopted Budget ( '000)	Proposed Amended Budget ( '000)
CALHOME	\$ 250	\$ 250
CDBG	841	2,656
HOME	827	917
EMERGENCY SOLUTIONS	179	175
POST REIMBURSEMENTS	50	50
STATE GRANTS	708	1,590
FACT	402	306
PUB SAFETY/PROP 172	821	821
AQMD (AB 2766)	226	218
POLICE-SLESA	250	24
CA DEPT OF CONSERV	44	43
USED OIL	47	47
OTHER FEDERAL GRANTS	99	99
MEASURE M2-CTFP	185	185
<b>Total</b>	<b>\$ 4,929</b>	<b>\$ 7,381</b>

# CalPERS Unfunded Actuarial Liability (UAL) Sensitivity Analysis

	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	Total
<b>Actuarial Report Amount</b>	\$ 21.6	\$ 24.0	\$ 25.8	\$ 27.2	\$ 28.5	\$ 27.6	\$ 154.7
<b>Scenario 1:</b>							
<b>6.5% Return on Investment</b>	\$ 21.6	\$ 24.0	\$ 26.1	\$ 27.4	\$ 28.9	\$ 28.0	\$ 156.1
<b>Increase in UAL Payments</b>	-	-	\$0.3	\$0.2	\$0.4	\$0.4	\$ 1.4
<b>Scenario 2:</b>							
<b>6.0% Return on Investment</b>	\$ 21.6	\$ 24.0	\$ 26.2	\$ 27.6	\$ 29.2	\$ 28.3	\$ 156.8
<b>Increase in UAL Payments</b>	-	-	\$0.4	\$0.4	\$0.6	\$0.7	\$ 2.1
<b>Scenario 3:</b>							
<b>5.5% Return on Investment</b>	\$ 21.6	\$ 24.0	\$ 26.2	\$ 27.7	\$ 29.4	\$ 28.6	\$ 157.6
<b>Increase in UAL Payments</b>	-	-	\$ 0.4	\$ 0.5	\$ 0.9	\$ 1.0	\$ 2.9

Source: CalPERS Pension Outlook

