



CITY OF GARDEN GROVE

ADOPTED
BIENNIAL BUDGET
2025-2027



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Garden Grove
California**

For the Biennium Beginning

July 01, 2025

Christopher P. Morill

Executive Director

INTRODUCTION

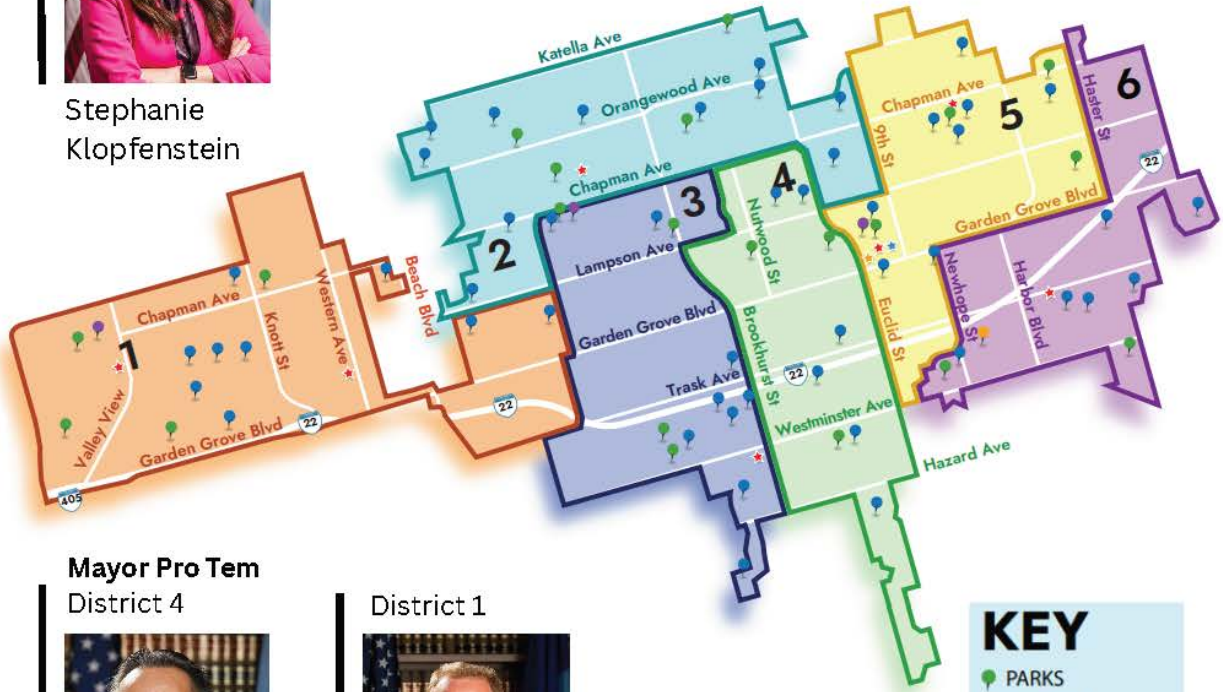
City Council

CITY COUNCIL & DISTRICT MAP

MAYOR



Stephanie
Klopfenstein



Mayor Pro Tem District 4



Joe DoVinh

District 1



George S.
Brietigam III

District 2



Phillip Nguyen

District 3



Cindy
Ngoc Tran

District 5



Yesenia
Muñeton

District 6



Ariana
Arestegui

City Officials

Lisa Kim.....City Manager

Matthew West.....Assistant City Manager

Ursula Luna Reynosa.....Asst. City Manager/Economic Development & Housing Director

Omar Sandoval.....City Attorney

Niki Wetzel.....Community Development Director

John Montanez.....Community Services Director

Patricia Song.....Finance Director

Jany Hyo Lee.....Human Resources Director

Anand Rao.....Information Technology Director

Amir El-Farra.....Police Chief

William Murray.....Public Works Director





CITY OF GARDEN GROVE, CA

June 10, 2025

Honorable Mayor and City Councilmembers:

It is my privilege to present the City of Garden Grove's Fiscal Years (FY) 2026 and 2027 Biennial Budget. This document represents more than a financial plan; it reflects our shared commitment to ensuring Garden Grove remains a safe, inclusive, and economically vibrant community for all who live, work, and visit here.

As we move forward, we continue to navigate a dynamic landscape shaped by inflationary pressures, increasing pension obligations, and the uncertainties of the global economy. In response, this biennial budget has been developed with a strong emphasis on fiscal discipline, long-term sustainability, and the strategic allocation of resources. Our aim is to preserve the City's financial health while maintaining high-quality services and advancing community priorities.

In March 2025, the City Council reaffirmed its six strategic priorities. These six priorities – each of equal importance – serve as the foundation for the FY 2026 and 2027 budget. They guide our decision-making and ensure that resources are aligned with the values and expectations of our residents. Embedded within these priorities is our overarching commitment to financial stewardship, which anchors the budget process and supports a structurally balanced framework.

The FY 2026 and 2027 Biennial Budget preserves core services and continues our investment in essential infrastructure, public safety, and community well-being. Highlights include:

- Continued funding for street and facility improvements to enhance infrastructure resilience and reliability.
- Strategic investment in public safety to maintain a safe environment for residents and businesses.
- Support for programs aimed at addressing homelessness and providing critical services to vulnerable populations.
- Resources dedicated to strengthening code enforcement to improve neighborhood quality and uphold community standards.
- Initiatives to foster economic development, retain and attract businesses, and support local small businesses.
- Programs and events that celebrate the rich cultural diversity that defines Garden Grove.

We also remain focused on innovation and efficiency in service delivery. Leveraging technology, streamlining operations, and investing in workforce development will continue to enhance our ability to serve the community effectively and responsibly.

Budgetary Highlights

The City of Garden Grove's total budget is projected at \$408.8 million for FY 2026 and \$399.4 million for FY 2027. These figures include the spending plans of the City's three component units: the Garden Grove Housing Authority, the Sanitary District, and the Successor Agency. Combined, these component units account for an average of \$81.3 million in annual expenditures.

Excluding the component units, the City's core operating and capital budget is estimated at \$328.9 million for FY 2026 and \$317.1 million for FY 2027. Of these amounts, approximately 60% is funded through the General Fund, reflecting the City's ongoing commitment to delivering essential services to the community.

The City's Capital Improvement Plan (CIP) for FY 2026 and 2027 reflects a comprehensive, five-year planning horizon and is aligned with the adopted master plans for each major infrastructure category. The CIP prioritizes projects based on need, feasibility, and strategic value. Over the two-year period, the total CIP investment is budgeted at \$82.2 million, supporting key projects across transportation, facilities, water, sewer, and parks.

This thoughtful allocation of resources ensures the City remains responsive to both current operational needs and long-term infrastructure demands.

General Fund Budget

The General Fund serves as the primary financial resource for supporting the City's daily operations and long-term governmental functions. It is the main funding source for essential services, including nearly all public safety and community development programs.

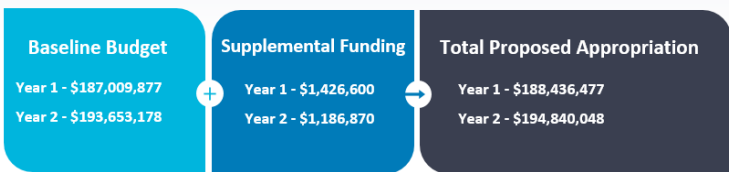
For the FY 2026 and 2027 biennium, the City anticipates a modest increase of approximately 5.0% in total General Fund resources compared to FY 2025, primarily driven by newly adopted development related user fees. General Fund revenues are projected to total \$381.2 million over the two-year period.

On the expenditure side, recurring General Fund expenditures are also estimated at \$381.2 million, resulting in a structurally balanced budget. In addition to these ongoing costs, the budget includes \$1.7 million in one-time contractual expenditures and \$411,000 in capital outlays over the two fiscal years.

Notable one-time investments include:

- \$800,000 for asphalt and concrete services to maintain momentum following the recently completed Pavement Acceleration Program, which received a one-time investment of \$17.5 million over the past three years.
- \$597,300 allocated to support homelessness-related initiatives, including the continuation of a park security pilot program.
- Additional funding for departmental augmentation and staff training to address the impacts of current position vacancies and ensure continuity of service delivery.

Given ongoing fiscal and economic uncertainties, the General Fund budget has been developed using a baseline budgeting approach. This methodology assumes that current funding levels are sufficient to maintain existing services, with adjustments made only for inflation, mandated or contractual obligations, and known operational changes such as staffing modifications or program enhancements. This prudent approach reinforces the City's commitment to long-term financial stability while ensuring that critical services remain uninterrupted.



As part of the FY 2026 and 2027 biennial budget, a total of 26 supplemental requests were approved. Of these, 16 requests - totaling \$2. 6 million over the two-year period – are fully or partially funded by the General Fund. These enhancements support a range of priorities, including the addition of new staff positions, increased contractual support, the launch of new programs, and targeted investments in technology to improve operational efficiency and service delivery.

Fiscal Challenges

The City remains mindful of the significant challenges ahead and continues to pursue proactive, strategic approaches to address them effectively. Two key areas of focus include:

- **Unfunded Pension Liability**

The City continues to manage its long-term pension obligations with diligence and foresight. In 2020, the City Council adopted a Pension Funding Policy to establish a structured and disciplined framework for accumulating resources to meet current and future pension obligations. The policy ensures that the cost of pension benefits is funded in an equitable and sustainable manner. In alignment with this policy, the City established a Section 115 Pension Trust and has made annual contributions to build reserves. Staff remain vigilant in monitoring pension liabilities and explore alternatives to ensure long-term fiscal responsibility.

- **Infrastructure Planning and Capital Asset Management**

In response to the City's infrastructure challenges, an Infrastructure Funding Policy was adopted to provide guiding principles for prioritizing and funding critical capital needs. To further strengthen this effort, the City established a Capital Replacement Reserves Policy, ensuring the availability of funding for the renewal and replacement of essential capital assets. These policies aim to protect public investments and extend the useful life of infrastructure assets. Moving forward, staff will continue to develop comprehensive asset management plans that align with these policies, positioning the City to responsibly address long-term infrastructure and capital replacement needs in a sustainable and fiscally sound manner.

Through careful planning and policy-driven actions, the City of Garden Grove is committed to navigating these challenges while preserving financial stability and service excellence.

The City's long-term financial health remains a top priority. The FY 2026 and 2027 biennial budget includes provisions to maintain healthy reserve levels, manage long-term liabilities, and prepare for unforeseen fiscal challenges. With a focus on transparency and accountability, this budget is designed to deliver results and inspire trust in our stewardship of public funds.

The FY 2026 and 2027 Biennial Budget is a balanced, forward-looking financial plan that addresses current needs while laying the foundation for a prosperous future. It is crafted with the understanding that our city's strength lies in its people, and our goal is to ensure that every resident can thrive in a safe, culturally rich, and economically vibrant community.

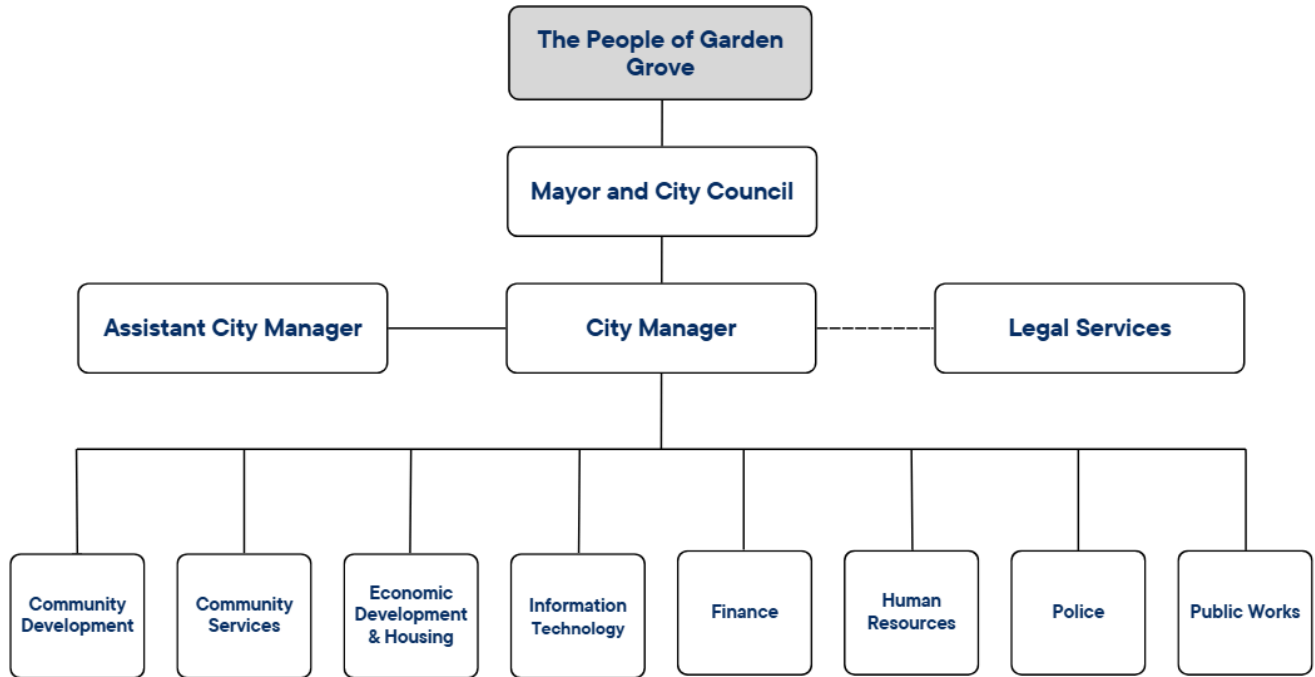
In closing, I would like to express my sincere appreciation to the Mayor and City Council for your continued leadership and vision. I also extend my gratitude to the City's department directors and dedicated staff, whose hard work and collaboration made the development of this budget possible. Together, we remain committed to building a stronger, more resilient Garden Grove.

Respectfully submitted,



Lisa L. Kim, City Manager

City of Garden Grove



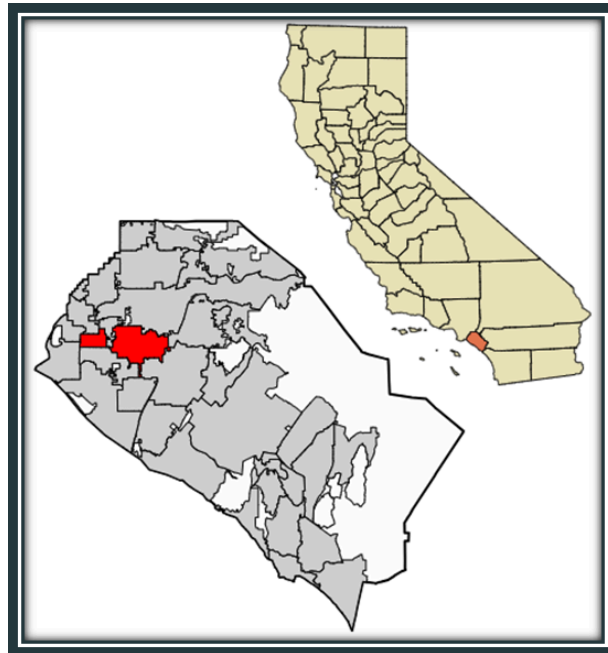
Garden Grove City Profile

Introduction

The City of Garden Grove is located in Southern California in the northeast section of Orange County and is approximately 12 miles inland from the Pacific Coast and 18 miles southeast of downtown Los Angeles. Known for its diversity and inclusivity, Garden Grove is a vibrantly progressive city that offers a variety of amenities that make it the perfect place to live, visit, and work. The city covers 18 square miles and serves a population of 170,603 (2023 ACS 5-Year Estimates) neighboring Santa Ana, Anaheim, Orange, Westminster, Stanton, and Fountain Valley.

The city is positioned among major transportation connections, such as State Route 22, also known as the Garden Grove Freeway, which runs east-west of the city, and Metrolink stations in Anaheim and Orange. The nearest airports, Long Beach Airport and John Wayne Airport, are approximately 10 miles from the city's borders.

The city provides a wide range of municipal services including public safety and fire protection (contracted with the Orange County Fire Authority), construction and maintenance of streets and other infrastructure, planning and zoning, recreational activities, and general administrative support services provided through an authorized staff of 580 full-time employees and 41 part-time benefited employees. Furthermore, the city is financially accountable for two legally separate entities: the Garden Grove Housing and Authority and the Garden Grove Sanitary District.



History

The history of Garden Grove began with a businessman, Abel Stearns, who bought large tracts of land in Southern California in 1868 and divided some of them into smaller lots to sell to settlers. Six years later in 1874, settler Alonzo Cook purchased 160 acres of land in the surrounding area for about \$15 an acre. Recognized as Garden Grove's Founding Father, Cook later donated land north of Main Street and Garden Grove Boulevard for use as the site of the first schoolhouse and

post office. Cook suggested the name "Garden Grove" for the school and surrounding village. By the time Orange County incorporated in 1889, the Garden Grove area had a population of about 200. It continued as a quiet farming community into the 20th century, when in 1905, the Pacific Electric Railroad came through Garden Grove. The railroad brought tourists, visitors, and before long, more settlers. Soon after came the first telephone, gas, and electric services for the residents near Main Street.

By 1956, the year of the City's incorporation, the population had surged to 41,238, with approximately 1,400 people moving into the area each month. In the late 1950s, Garden Grove was named the fastest growing city in America. As the area grew, its rural nature changed to a more modern society and the need for city government became evident.



Garden Grove Today

Today, the City of Garden Grove is among the most densely populated cities in Orange County, with a population density of 9,576 people per square mile. The City is home to a population of 170,603 (2023 ACS 5-Year Estimates). It ranks as the fifth-largest city in Orange County, the 31st largest in California, and 154th largest in the United States. (2020 U.S. Census Bureau). A drive through the city reveals the large parks, thriving businesses, established neighborhoods, and new housing developments.

Garden Grove has grown to become a dynamic and thriving city with a strong sense of community and rich history. The desire for improvement and the drive of communal spirit were the strengths of the City's past, and now serve as the building blocks for the future. The pioneering spirit from its inception continues to be a part of life for Garden Grove.

Local Economy

The Grove District, officially the Grove District-Anaheim resort, serves as a premier tourism destination, fostering job opportunities and infrastructure development. The Grove District is a key part of Garden Grove's District 5, located east of the Anaheim Resort area. Its proximity to major attractions such as Disneyland Resort and Parks, the Anaheim Convention Center, and the Great Wolf Lodge serves as a catalyst for economic growth by boosting strategic business partnerships and attracting visitors from around the world. Its diverse attractions range from entertainment and dining to retail and cultural experiences. The concentration of attractions makes the city a vibrant hub for tourism and leisure activities.

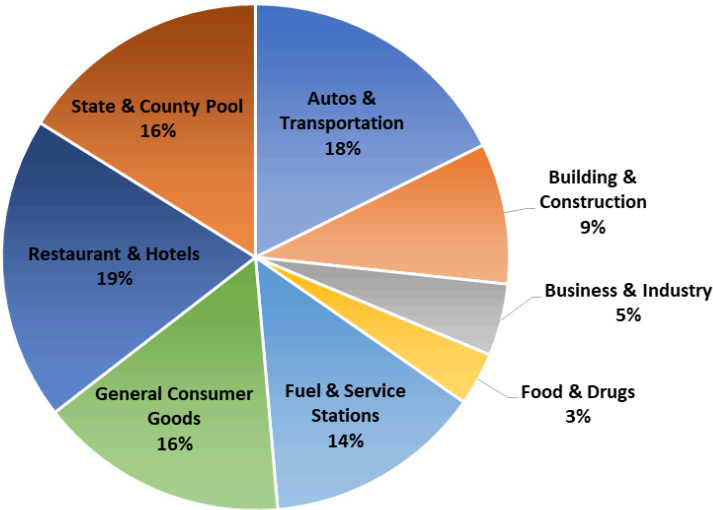


Other notable points of interest in Garden Grove include the Christ Cathedral, formerly the Crystal Cathedral; Little Saigon; OC Koreatown; Historic Main Street, and Garden Grove's oldest park, the Village Green, home to the iconic Tower on the Green (clock tower), and the City's historical, annual Strawberry Festival.

The City's largest revenue sources in the General Fund are Property Tax, Sales Tax – including Measure O, and Hotel Visitor's Tax. Together, these sources represent over 80% of the City's General Fund revenues.

The City is home to over 5,400 businesses with the top 25 businesses generating over 30% of the City's total Sales Tax revenues. The City's Sales Tax base is diverse and comprised of the following categories: Autos and Transportation, Restaurants and Hotels, State and County Pools (internet sales), General Consumer Goods, Fuel and Service Stations, Building and Construction, Business and Industry (manufacturing and business-to-business sells), and Food and Drugs.

City of Garden Grove Sales Tax Generated by Major Industry Group



**HdL Consultant Report for Calendar Year 2024*

The City has also significantly benefited from its hotel development projects. The hotels in the Grove District collectively represent a source of not only significant tax revenue (Hotel Visitor's Tax), but also job creation for the City. Additionally, the City strives to attract new economic development to benefit residents, visitors, and surrounding businesses. Cottage Industries, a "neighborhood within a neighborhood" of repurposed residential properties for artisan retail and small business use, and SteelCraft Garden Grove, an open-air urban eatery built mostly from recycled metal shipping containers, are two projects that tie into the City's Re:Imagine Garden Grove initiative to transform the downtown and Civic Center area.

Demographics

The City's community is one of the most diverse in the County, with the two largest ethnicities being Asian (41%) and Hispanic or Latino (37%) and the third-largest being Caucasian (22%). The total number of housing units within the City is 48,562 (2020 U.S. Census Bureau). Estimates indicate the median household income is \$87,407, approximately eight percent higher than the national average (2023 ACS 1-Year Estimates).

Between 2016 and 2021 the total number of jobs in the City grew 4.1% to 84,255. The City's largest employment sector for civilians employed 16 years and over is Educational Services, Health Care, and Social Assistance which accounts for 18.5%, followed by Manufacturing (14.2%), Management and Administration (12.3%), Retail Trade (10.5%), Accommodation and Food Services (10.5%), and Construction which accounts for 8.7% (2023 ACS 5-Year Estimates).

With limited opportunities for large-scale new development, Garden Grove continues to facilitate reinvestment of underutilized commercial properties. Through its ongoing commitment to stimulate the local economy, improve essential services, and expand its public safety labor force, the City of Garden Grove will continue to provide excellent services to its constituents and neighboring communities.



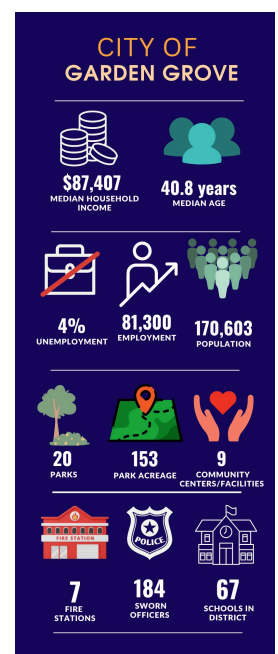
Education

The Garden Grove community is proud of its educational system provided by the Garden Grove Unified School District (GGUSD). GGUSD provides learning opportunities for nearly 38,000 students of all ages and holds education as one of its top priorities, providing services at 67 schools. GGUSD is the third-largest school district in Orange County with 17 of its campuses extending to four neighboring cities: Fountain Valley, Westminster, Santa Ana, and Stanton. Further educational opportunities are offered in close proximity at West Coast University, Stanton University, Chapman University, and Santa Ana College.

City Government

The City of Garden Grove is a General Law city that operates under the Council-Manager form of government. Its jurisdiction is divided into six districts, each represented by a city council member elected by voters within their district. Council members serve four-year terms and are limited to two consecutive terms. Elections for these six districts are staggered so that only three seats are elected during an election cycle. However, during every election cycle, the city at-large elects the Mayor for a two-year term (with a limit of four consecutive two-year terms). The City Council holds regular public meetings every second and fourth Tuesday of the month.

The City Manager is responsible for carrying out the policies and ordinances of the City Council as well as overseeing the day-to-day operations of the City. Furthermore, the City Manager develops and recommends the City's annual financial plan through the development of the City's budget, which is then submitted to the City Council for approval. The City Manager also appoints the Central Management Team, which is comprised of the Assistant City Manager, Community Development Director, Community Services Director, Economic Development and Housing Director, Finance Director, Human Resources Director, Information Technology Director, the Police Chief, and the Public Works Director.



Strategic Goals

The City's Mission

The mission of the City of Garden Grove is to provide responsible leadership and quality services as we promote safety, cultural harmony, and life enrichment.

The City's Mission Statement was developed by employees and ratified by the City Council in 1995.

Vision

The vision of Garden Grove is to be a safe, attractive, and economically vibrant city with an informed and involved public. We are a diverse community that promotes our unique attributes and preserves our residential character.

In 2004, the Garden Grove City Council authorized a community study to determine what issues were most important to Garden Grove residents. Over the following year and-a-half, opinions were gathered through focus groups, surveys, an open house, and a community forum. The results were developed into a Community Vision Statement and Guiding Principles, which were approved in March 2005 by the City Council.

Guiding Principles

We commit ourselves to the betterment of the individual, the organization, and the community, by fostering a spirit of trust, creativity, cooperation, integrity, empathy, respect, and quality service to all.

Strategic Alignment

The Fiscal Year 2025-26 and 2026-27 Biennial Budget was developed following the City Council's visioning process, a collaborative effort to define the city's future direction by aligning leadership priorities with community aspirations. This process involves setting strategic goals and guiding principles that shape City policies and initiatives.

In March 2025, during its annual retreat, the City Council reaffirmed the City's mission and vision, along with a set of shared values known as the City's Strategic Goals. These goals provide a framework for policy decisions, planning efforts, community initiatives, and daily operations of the organization. To achieve the vision and mission of the City, the Strategic Goals are integrated across all departments and reflected in their respective budgets.

The Strategic Goals are organized around six Council priorities and one foundational principle that will guide the City's operations and finances throughout the 2025-26 and 2026-27 fiscal years.

FY 2025-26 and 2026-27 Council Priorities



These priorities represent the City's continued commitment to improving the quality of life for all residents, fostering a safe and vibrant community, and creating opportunities for growth and inclusion.

In the following sections you can read about the core city services funded in the FY2025-27 Biennial Budget that are designed to target each of the five Council Priorities.

Homelessness

The City of Garden Grove remains committed to implementing comprehensive, coordinated strategies to reduce homelessness through expanded shelter capacity, enhanced outreach efforts, and partnership with regional agencies.

Garden Grove is part of the Central Service Planning Area (Central SPA) alongside eight other cities (Costa Mesa, Fountain Valley, Huntington Beach, Newport Beach, Santa Ana, Seal Beach, Tustin, Westminster, and portions of County unincorporated areas). The city actively coordinates with Central SPA jurisdictions, including the County of Orange, to address the needs of both its homeless residents and the at-risk populations.

City staff developed a new 5-Year Homelessness Strategy (July 2025 – June 2030) to guide efforts to increase housing security for the unhoused. Goals and objectives were debated to City Council on March 11, 2025 and staff finalized the document during Q2 with the final 2025-2030 Homelessness Strategy approved by City Council on June 24, 2025. The infographic below highlights the new goals, objectives and key performance indicators (KPI):



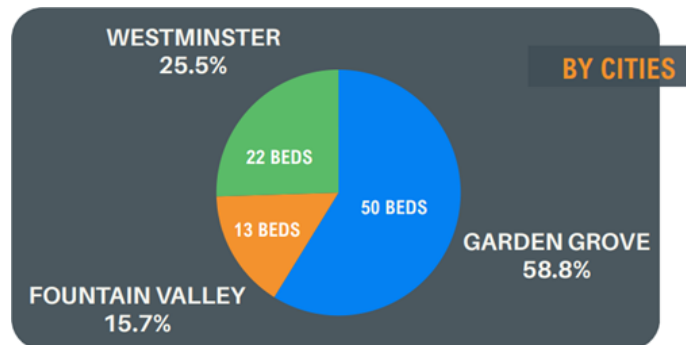
Central Cities Navigation Center



In November 2022, the Cities of Garden Grove, Fountain Valley, and Westminster entered into a Tri Cities Memorandum of Understanding (MOU) to jointly fund and develop the Central Cities Navigation Center (CCNC) with Garden Grove as the designated "Host City." Garden Grove collaborated with partner cities on site acquisition, financing, operations, and services. CCNC broke ground in June 2023 and began operations in June 2024.

The CCNC occupies 11,363 square feet of building space and accommodates 85 beds with the capacity to expand to 100 beds. The shared cost allocation plan of the ongoing operational budget is based on the 2022 Point in Time Count Results for Orange County and the 2020 U.S. Census results and data profiles comparing unsheltered population to the total population in each city. The cost allocation is reflected in the number of beds allocated per City.

The current supportive services for CCNC are provided by Volunteers of America of Los Angeles and include: case management and housing navigation assistance, education assistance, employment and job training assistance, life skills training, outpatient health services, mental health and stabilization services, substance use counseling and treatment, on-site transportation, and service animal and pet accommodation.



Outreach Programs

Garden Grove homelessness outreach programs include:

- The Special Resource Team (SRT) of the Police Department – Created in 2016 as a citywide effort to address the rapidly growing concerns of homelessness within the city. The SRT is staffed by six specially-trained police officers and one Sergeant serving the unhoused community and those affected with mental health disorders. The SRT leads daily street outreach, connects individuals to resources, and partners with various outreach providers in advancing the city's homeless assistance programs.
- Be Well OC Mobile Response Team – Be Well OC Orange County, in partnership with Garden Grove Police Department's Special Resource Team (SRT), assists in handling calls for services related to homelessness. The mobile response team is trained to respond to and deescalate situations such as mental health crisis, drug and alcohol use issues, proactive outreach to the homeless population, non-domestic violence family disputes, and welfare checks. The mobile response team will transport voluntary individuals to a shelter or other location where the individual's specific needs can be met with the objective of identifying a long-term solution.



- Additional Street Outreach – The City of Garden Grove also utilizes the services of the Garden Grove Police Department's SRT and local non-profit, Volunteers of America of Los Angeles, to provide Street Outreach for homeless individuals and at-risk homeless individuals. Street Outreach activities include: Engagement, Case Management, Emergency Health Services, Emergency Mental Health Services, and Transportation.
- Street Medicine Program – Healthcare in Action, the County's first street medicine program, was launched in April 2023 to provide mobile primary care services to individuals experiencing homelessness. The program aims to reduce barriers to quality medical care

and improve the health outcomes for Garden Grove's unsheltered population through direct, street-based outreach and engagement. Services include primary medical care, urgent care, and assistance with care management. As of March 2025, the program has conducted 626 outreach visits, served 452 individuals, and continue to support 174 active participants.

Public Safety

Public Safety remains one of the City of Garden Grove's highest priorities. The City is committed to providing a safe and secure environment for residents and visitors alike. For the Fiscal Year 2025-27 biennial budget, nearly 70% of General Fund resources are allocated to Police and Fire services, ensuring Garden Grove remains a safe and well-prepared community. In addition, the City continues to collaborate with the community to uphold a high standard of public safety and quality of life for all residents.

Garden Grove Civic Center Revitalization Project

The project includes the construction of a new Public Safety Facility for the Garden Grove Police Department, a multi-level parking structure, and a redesigned Civic Center Park.



The project will be delivered in two phases. Phase one includes a three-story Public Safety Facility and a four-level parking structure, scheduled for completion in fall 2026. Phase two features the redevelopment of Civic Center Park, a 2.7-acre space with open green areas, a memorial grove, walking trail, and other community amenities, anticipated for completion in fall 2027.

Orange County School Mobile Assessment and Resource Team (SMART)

The Garden Grove Police Department continues to work in partnership with the Orange County Sheriff's Department's SMART team. SMART consists of three detectives, a detective supervisor, a clinician from Orange County Mental Health, and a prosecutor from the Orange County District Attorney's office. The team is integral to continued community safety by identifying potential threats and crimes that may occur at schools.

Garden Grove Police Canine Training Facility

In August 2024, the Garden Grove Police Department celebrated the opening of the Garden Grove Police Canine Training Facility, a first-of-its-kind center in Orange County. This centrally located regional facility provides field training for apprehension and support canines serving law enforcement agencies throughout the County, as part of a two-year pilot program.



Recently, the Garden Grove City Council and Garden Grove Police Department held a ribbon-cutting ceremony for the Garden Grove Police Canine Training Facility. A first-of-its-kind in Orange County, the pilot program will provide field training for apprehension dogs and support canines for law enforcement agencies in the county. The facility is located at Pioneer Park.

Garden Grove Drone Program

In August 2025, the City adopted an ordinance amending Municipal Code Chapter 8.90 to regulate the operation of drones and unmanned aircraft systems within Garden Grove. The drone program represents a new public safety initiative designed to provide aerial support for law enforcement and community safety operations. Dedicated funding has been included in the biennial budget to support the program's implementation and development.



Volunteers in Policing Program

Established in 1994, the Garden Grove Police Department's Volunteers in Policing (VIP) Program continues to play a vital role in supporting public safety operations. Additional funding has been allocated to sustain and expand the program, allowing volunteers to assist with important non-emergency functions that enhance the department's effectiveness and improve the quality of life in Garden Grove. VIPs perform tasks traditionally handled by uniformed or civilian staff and take on projects that were previously unfeasible due to limited staffing resources. Volunteers contribute across various units within the Police Department and other City departments, demonstrating the value of community partnership in public service.

Police Explorers Program

The Police Explorers Program offers young men and women ages 14 to 20 the opportunity to gain firsthand experience in law enforcement and learn what it takes to pursue a career in public safety. Explorers assist the Police Department by performing a variety of community service activities, such as crowd control at parades, festivals, and special events. They may also be called upon to support police officers in emergency situations, such as searching for missing persons, evidence recovery, and major disaster response.



Garden Grove Community Emergency Response Team (CERT)

The Garden Grove Community Emergency Response Team (CERT) is a volunteer organization trained in disaster preparedness and essential life-saving skills. Members are equipped to help their communities prepare for, respond to and recover from a disasters. In addition to providing disaster support, CERT volunteers actively assist with a variety of community programs and events throughout the City.

Economic Development & Support of Local Businesses

A thriving economy is the foundation of a vibrant community. Successful businesses not only create jobs and foster innovation but also generate the revenues that fund essential public services, such as public safety, infrastructure, parks, and community programs. The City of Garden Grove recognizes that strong economic development is key to long-term prosperity and fiscal stability. The City continues to strengthen its revenue base by attracting new investment, supporting business growth and retention, expanding employment opportunities, and promoting tourism that highlights Garden Grove as a dynamic regional destination.

Foods of Garden Grove (FoGG)

FoGG has become a signature local initiative in Garden Grove designed to support small businesses, preserve local jobs, and showcase the City's vibrant multicultural dining scene. Since its relaunch in April 2024, the program has gained strong momentum, generating 63,869 social media views and attracting 10,738 followers by the second quarter of 2025. In recognition of its outstanding contributions to economic development and community engagement, the City's Economic Development team received the Award of Merit from the California Association for Local Economic Development (CALED) at its 2025 annual conference. The FoGG program continues to strengthen Garden Grove's local economy by promoting culinary diversity, encouraging tourism, and deepening community connections.



MicroBiz Program

The MicroBiz Program is designed to stimulate economic growth and promote job creation among local micro-businesses. The program focuses exclusively on microenterprise businesses and offers one-on-one technical assistance and tailored support to help participating businesses either start or enhance their operations and expand capacity. In addition, the program allows for business owners to apply for low-interest loans of up to \$50,000 once required components of the program are completed. The program launched in November 2024 and has the participation of 36 micro-businesses as of June 2025.



Garden Grove Business Retention and Expansion (BRE) Program

Garden Grove's Business Retention and Expansion (BRE) program is designed to support local businesses, strengthen the economy, and promote job growth. Through business visits, the City aims to build relationships with business leadership, identify business needs, and provide targeted support to help Garden Grove businesses grow and stay rooted in the community.

Vehicle Rebate Program (VRP)

The Vehicle Rebate Program (VRP) is a component of Garden Grove's Buy in Garden Grove (BiGG) initiative, aimed at encouraging residents and businesses to purchase new vehicles from local dealerships. This program not only supports local businesses but also helps retain sales tax revenue within the community, funding essential public services.



Buy in Garden Grove (BiGG) Program

The Buy in Garden Grove (BiGG) program is a City-led initiative designed to encourage residents and visitors to support local businesses, thereby strengthening the local economy and ensuring that tax revenues remain within the community. By fostering a culture of shopping locally, the BiGG program not only supports the growth and sustainability of Garden Grove's businesses but also contributes to the overall well-being of the community.

Tourism Initiatives

As a vibrant hub for visitors, tourism represents the third-largest source of revenue for the City of Garden Grove. Recognizing its importance to the local economy, the City continues to implement initiatives that attract, engage, and retain tourists while supporting local businesses. Key efforts during this budget cycle include the following:

Grove District Anaheim Resort

The Grove Anaheim Resort is a collection of modern hotels catering to families and business travelers located one mile from major attractions such as Disneyland and the Anaheim Convention Center. The Grove District is one of the major economic development engines for the city. The hotel developments in the Grove District area collectively represent a source of significant revenue and are an employment generator for the city.

The City is dedicated to the expansion of the Grove District and is currently working on the following projects:

- Nickelodeon Resort

The proposed resort project will occupy a 3.72 acre site on Harbor Boulevard and include 500 guest suites, a lazy river pool, Nick arcade and studio, and more.



- Investel Garden Resorts, LLC (Site C)

Two luxury, 4-star hotels will occupy a 4.3 acre site on Harbor Boulevard. The campus includes up to 769 hotel rooms, 39,000 square feet of conference space and 45,000 square feet of commercial space.

Infrastructure

In line with the City Council's priority of improving the City's aging infrastructure, the City developed and adopted a Five-Year Capital Improvement Plan, committing nearly \$82.4 million in new funding for the FY2025-27 Biennial Budget cycle to improve citywide capital infrastructure. The Capital Improvement Plan focuses on allocating resources towards the enhancement of city streets, parks, facilities and other essential infrastructure.

- Infrastructure Funding Policy – In June 2022, the City Council adopted the Infrastructure Funding Policy. This policy sets a framework for the development of a comprehensive funding strategy that addresses the city's infrastructure and enables sustainable infrastructure investments for future growth. The City of Garden Grove continues to implement ten action items outlined in the policy:

1. Establish a Capital Asset Renewal and Replacement Reserves Policy to demonstrate financial commitment;
2. Update the city's Debt Administration Policy to set clear capital financing criteria and grant evaluation process;
3. Periodically update the city's Master Fee Schedule to ensure full cost accounting is applied and true costs in relations to the use of capital assets is captured;
4. Augment infrastructure budgets to provide for annual increase equivalent to the rate of inflation and population growth unless financial position prevents it;
5. Establish a Comprehensive Infrastructure Plan to formalize prioritization for infrastructure investment and assess new investment with lifecycle cost approach to ensure ongoing maintenance and replacement costs are fully considered;
6. Adopt measurable benchmarks for each infrastructure type based on the criteria identified in the planning phase;
7. Develop Asset Management Plans at the city and department levels to document multi-disciplinary management techniques through the lifecycle of the capital assets;
8. Create an infrastructure subcommittee to ensure the proper implementation of the Comprehensive Infrastructure Plan;
9. Incorporate public-private partnership and inter-agency development options into the capital infrastructure planning; and
10. Establish criteria and performance standards of Public-Private Partnerships and develop standards/templates of formal arrangement between local governments to jointly share costs of infrastructure improvement.

- Sewer and Water Master Plans - The Sewer System Rehabilitation Plan has identified sewer mains to rehabilitate that have major to severe structure defects. Water Improvement Projects include addressing fire flow deficiencies, implementing Supervisory Control and Data Acquisition (SCADA) projects, and water well construction. Staff is working closely with the Orange County Water District (OCWD) and Municipal Water District of Orange County (MWDOC) to monitor groundwater through routine sampling.



- Perfluoroalkyl and Polyfluoroalkyl Substances ("PFAS") – The city continues the joint efforts with the Orange County Water District on constructing PFAS treatment facilities. Four out of the five planned treatment facilities have been built and are fully operational. The last treatment facility is expected to be operational by 2026.
- Pavement Maintenance Acceleration Program – the City utilizes a Pavement Management Program (PMP) to assess and maintain its roadways and improve road conditions by increasing the pace and scope of pavement maintenance and rehabilitation. This system uses Pavement Condition Index (PCI) data, maintenance history, and engineering analysis to forecast future pavement conditions, recommend repair timelines, and allocate funding for necessary projects like crack sealing, slurry seals, and asphalt overlays. Funding for these projects includes Measure M2, Gas Tax, and General Fund.



- Parks Master Plan Projects – Recent projects include the Woodbury Park Revitalization and Expansion Project, a \$13 million project expansion featuring playgrounds, a pool, and skate plaza, with an estimated completion of spring 2026. Other projects include improvements to playgrounds and surface areas at Faylane Park, Pioneer Park, and Atlantis Park. Also included is the addition of six new Pickleball courts at Garden Grove Park.

Celebrate Cultural Diversity



Communities that are diverse and inclusive are conducive to economic productivity, greater creativity, and civic engagement. The City of Garden Grove focuses on investing in multiculturalism by supporting community-initiated celebrations and additional city events that celebrate our city's diversity.

- Events – the City will continue to incorporate and enhance celebrations of cultural diversity in Community Services programs and projects. Some events and projects include summer concerts, outdoor movies, summer festivals, Art in the Park, murals, and more.
- Training – Unconscious Bias in the Workplace training is provided for all new City employees, commissioners, and councilmembers.



These six strategic priorities established by the City Council serve as the foundation for the development of the Fiscal Years 2025-27 biennial budget. Resource allocation throughout the City's budget is guided by these priorities, ensuring that investments directly support the community, strengthen infrastructure, and advance the Council's vision for a safe, thriving, and sustainable Garden Grove.

Performance Measures

The FY2025-27 Biennial Budget for the City of Garden Grove marks the first budget to include performance measures to track programs, services, and projects. These measures enhance government accountability, efficiency, and effectiveness by providing data-driven insights, monitoring progress toward strategic goals, and justifying resource allocation decisions. Garden Grove's performance measures are designed to align with the City's Strategic Goals, ensuring that daily operations support the City's broader values and long-term priorities.

As part of the budget submission process, each city department provided a set of key performance measures. These measures are highlighted in the respective department descriptions. In addition, staff submitted performance measures for essential administrative processes. While these measures do not directly align with the six Council Priorities, they promote transparency and accountability, reflecting the City's commitment to good governance. These administrative metrics are identified as good governance items within the department performance measures.

The city will track these performance measures and provide an update in the FY 2026-27 Amended Budget, which is scheduled for release in the summer of 2026.

Budget Process

The city's fiscal year begins each July 1st and concludes on June 30th of the following year. The budget process is comprised of distinct phases that include development/formulation, adoption, implementation/oversight throughout the fiscal year and amendment.

The city uses multi-tiered iterations to formulate the budget. It is a best practice approach that draws on applicable elements of established budgetary tools and techniques primarily focusing on Expenditure Control Budgeting (ECB) and Line-Item Budgeting. The first tier is the strategic level to set citywide organizational goals and objectives as derived from the annual City Council workshop, where budget priorities are first defined. The second tier is the translation of the city's priorities into specific programs and activities. These activities then become the cost centers that receive fund allocations and are assigned to designated departments. The third tier is the operational level which uses Line-Item. Budgeting to establish internal controls that guide day-to-day fiscal administration.



Once the appropriate funds are determined and finalized by the City Manager, the budget is introduced to the City Council at the budget workshop and then officially adopted at a subsequent City Council meeting. The adopted budget becomes the authority for the various departments to expend appropriations, subject to controls established by state law and internal guidelines.

Throughout the development process, city staff communicate with the City Council, management team, staff and the community. Interaction occurs in various ways from internal meetings to formal public hearings, Council Study Session and City Council meetings.

After the budget is adopted, the implementation and oversight of the budget occur throughout the fiscal year. Monitoring of the budget allows the City to evaluate service level provision, ensure any new initiatives are making expected progress towards goals, and learn more about trends or deviations that may impact future operations. In addition, Finance meets with departments on a quarterly basis to review budget to actuals to ensure expenditures are in alignment with projections.

The budget as adopted by the City Council may be amended during the fiscal year by an appropriation adjustment. An appropriation is the amount of money the Council has approved as a spending limit. The need to amend or adjust the budget typically arises in response to unforeseen circumstances or events. For example, the Council is required to formally recognize the receipt of unanticipated revenue, such as grants, before the City can legally accept and spend new money. In other cases, a department may need to transfer funds to cover unexpected shortfalls in another account.

Budget Process/Timeline

The initial step in the City's Budget process is to develop assumptions for labor costs. The development of internal service rates are also established at the initial step in the budget process to ensure that rates are appropriately determined and internal service funds are adequately budgeted.

Once labor assumptions and internal service rates are determined, the Finance Department will hold a Budget Kick-off meeting. The purpose of the Budget Kick-off meeting is to have an open dialogue with departments and discuss current fiscal year's trends, current economic environment, and any other items that can potentially impact the city's budget. Discussion on the biennial budget includes overview of the budget calendar, labor assumptions, non-labor or operating budgets, internal service funds, and departmental narratives.

In addition, General Fund revenues and labor distribution worksheets are distributed to departments to get their input on projected revenues for the upcoming fiscal years and for changes to how the positions are allocated to the different funds. The majority of the budget development takes place during the months of February through April. Non-labor budgets, Supplemental Request forms, and Department Narrative templates are distributed to departments. The Labor Distributions are also updated to reflect how much time, expressed in percentages, each position will charge a fund, division, and activity.

In March, the City Council conducts a strategic planning workshop. The purpose of the workshop is for Council members to review and discuss their governing principles, create consensus on priorities for the year ahead, and strengthen collaboration.

Also in March, departments submit their non-labor budgets, supplemental requests and department narratives. Finance then determines the City's General Fund baseline budget (known costs) as well as preliminary General Fund revenue figures to identify funding availability for organizational needs.

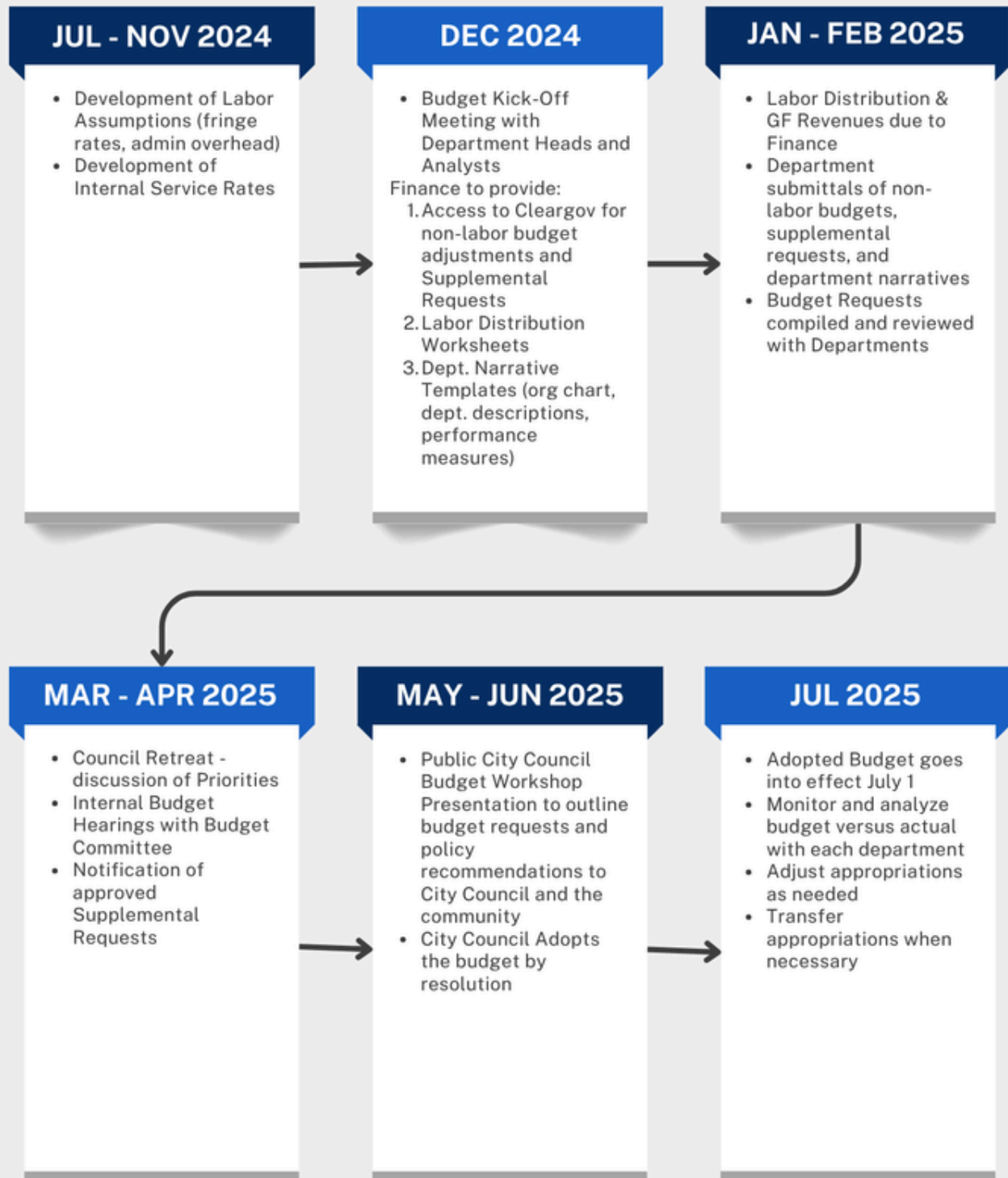
In April, the City Manager holds budget hearings with the Executive Budget Committee (comprised of the City Manager, Assistant City Manager, Finance Director, Finance Manager and Senior Analyst) and the departments. The purpose of the budget hearings is to make determinations on what supplemental budget requests (requests over and above the baseline budget) will be funded.

Departments are notified of approved supplemental requests in May and Finance incorporates all approved supplemental requests into the budget. Staff introduces the proposed biennial budget to the City Council at the Budget Study Session. The Study Session allows the City Council to review the proposed budget in detail and provide further direction.

On or before the 30th day of June, the City Council meets to adopt the proposed budget by the affirmative vote of a majority of the seven-member Council.

The following budget calendar indicates the months in which budget events or budget items occur.

FY2025-27 Budget Calendar

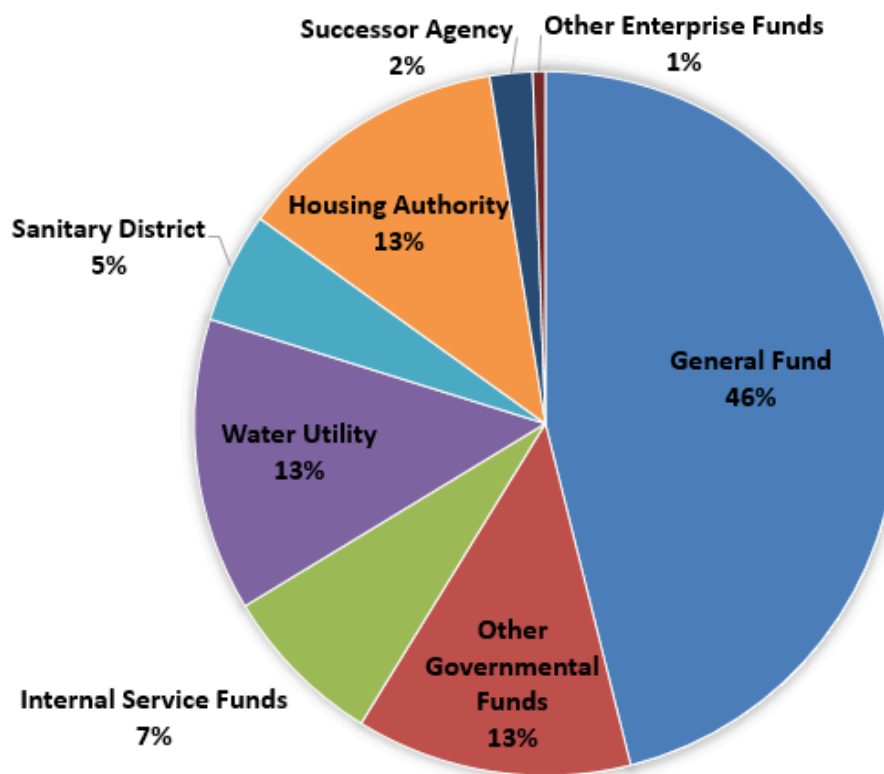


CITYWIDE FINANCIAL INFORMATION

FY 2025-26 Citywide Budget Summary (in 1,000s)

Fund	Beginning Fund Balance/Working Capital*	Sources	Uses	Ending FB
General Fund	\$ 78,552	\$ 187,584	\$ 188,436	\$ 77,700
Other Governmental Funds	118,024	31,953	51,934	98,043
Internal Service Funds	62,404	21,074	30,817	52,661
Water Utility	48,002	51,703	55,031	44,674
Sanitary District	75,972	16,803	20,866	71,909
Housing Authority	5,253	51,039	51,381	4,911
Successor Agency	5,695	7,816	8,015	5,496
Other Enterprise Funds	-	2,436	2,363	73
City Total	\$ 395,423	\$ 370,408	\$ 408,843	\$ 356,989

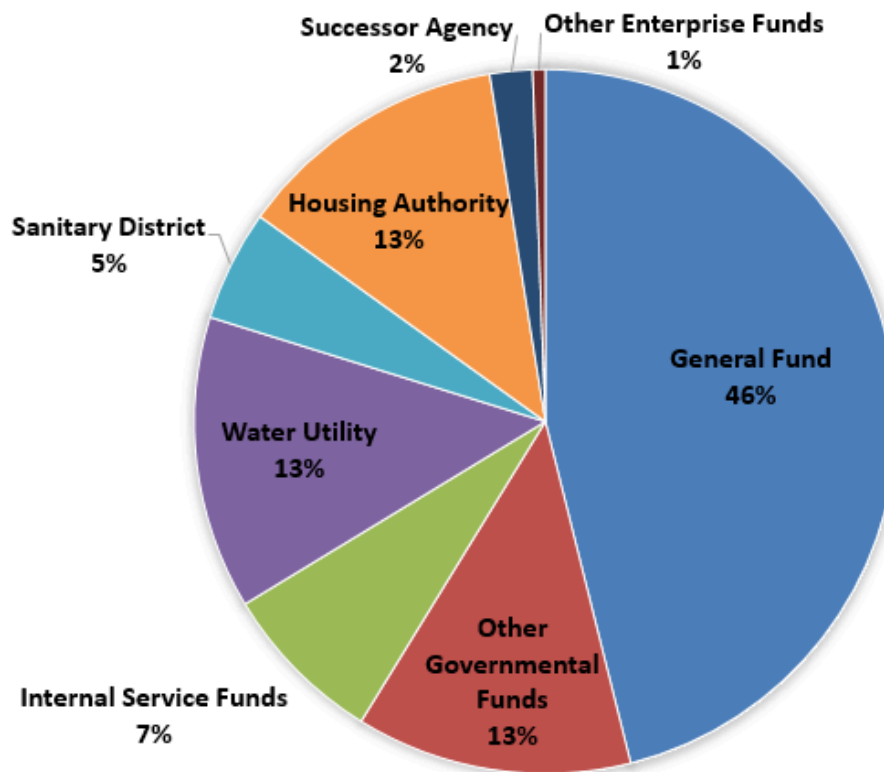
*Unaudited estimates. Final FY2024-25 numbers will be released with the city's Annual Comprehensive Financial Report.



FY 2026-27 Citywide Budget Summary (in 1,000s)

Fund	Beginning Fund Balance/Working Capital*	Sources	Uses	Ending FB
General Fund	\$ 77,700	\$ 193,628	\$ 194,840	\$ 76,488
Other Governmental Funds	98,043	31,990	37,794	92,240
Internal Service Funds	52,661	21,285	29,374	44,572
Water Utility	44,674	56,061	52,701	48,034
Sanitary District	71,909	16,803	22,892	65,821
Housing Authority	4,911	51,039	51,541	4,409
Successor Agency	5,496	7,929	7,929	5,496
Other Enterprise Funds	73	2,436	2,363	146
City Total	\$ 356,989	\$ 381,171	\$ 399,434	\$ 338,726

*Unaudited estimates. Final FY2024-25 numbers will be released with the city's Annual Comprehensive Financial Report.



All Funds Budget by Department (in 1,000s)

Department	Actual FY2023-24	Revised Budget FY2024-25*	Adopted FY2025-26	Adopted FY2026-27
Police	\$ 78,822	\$ 89,086	\$ 91,577	\$ 94,891
Fire	31,604	33,668	35,236	36,798
Public Safety Subtotal	110,426	122,753	126,813	131,688
City Administration	4,237	6,166	5,338	5,411
Legal Services	1,159	1,188	1,188	1,188
Community Development	9,508	7,575	8,585	8,541
Economic Development and Housing	69,882	95,332	77,260	76,587
Community Services	8,229	8,380	10,039	11,081
Finance	17,445	15,688	13,302	14,142
Human Resources	11,157	11,166	9,614	9,719
Information Technology	4,765	6,046	5,716	5,665
Public Works	39,438	37,407	39,349	38,213
Public Works - Utilities	34,631	66,011	52,827	53,665
Other Departments Subtotal	200,452	254,959	223,218	224,212
Non-Departmental **	2,509	8,029	10,010	10,113
Departmental Operating Total	\$ 313,387	\$ 385,741	\$ 360,041	\$ 366,014
Capital Improvement Plan (CIP) Budget	53,585	229,435	48,802	33,420
City Total	\$ 366,972	\$ 615,176	\$ 408,843	\$ 399,434

* FY2025-26 Revised Budget includes funds appropriated by Council outside of the budget cycle and PY carry forward of unspent FY2024-25 funding

** Includes long term debt expense

General Fund Budget by Department (in 1,000s)

Department	Actual FY2023-24	Revised Budget FY2024-25*	Adopted FY2025-26	Adopted FY2026-27
Police	\$ 76,455	\$ 85,738	\$ 87,861	\$ 91,156
Fire	31,604	33,668	35,236	36,798
Public Safety Subtotal	108,059	119,406	123,097	127,953
City Administration	3,239	4,589	4,052	4,081
Legal Services	1,159	1,161	1,161	1,161
Community Development	6,847	7,083	7,939	8,121
Economic Development and Housing	6,199	7,488	6,047	6,123
Community Services	5,733	7,416	9,105	9,269
Finance	3,101	4,485	3,937	4,073
Human Resources	1,916	2,264	2,109	2,184
Information Technology	556	854	697	723
Public Works	22,169	21,122	20,073	20,531
Public Works - Utilities	-	218	200	209
Other Departments Subtotal	50,919	56,678	55,319	56,473
Non-Departmental **	22,991	8,029	10,010	10,113
Departmental Operating Total	\$ 181,969	\$ 184,112	\$ 188,425	\$ 194,540
Capital Improvement Plan (CIP) Budget	21,205	9,044	11	300
City Total	\$ 203,174	\$ 193,157	\$ 188,436	\$ 194,840

* FY2025-26 Revised Budget includes funds appropriated by Council outside of the budget cycle and PY carry forward of unspent FY2024-25 funding

** Includes long term debt expense

General Fund Budget by Expenditure Type (in 1,000s)

Expenditure Type	Actual FY2023-24	Revised Budget FY2024-25*	Adopted FY2025-26	Adopted FY2026-27
Salaries & Wages	\$ 98,425	\$ 114,730	\$ 114,919	\$ 119,994
Contractual Services	46,030	43,976	46,481	47,410
Commodities	2,550	2,478	2,411	2,411
Internal Service Fund/Dept	35,056	22,034	24,614	24,726
Capital	21,205	9,044	11	300
City Total	\$ 203,266	\$ 192,262	\$ 188,436	\$ 194,841

Revenue Summary (in 1,000s)

	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
General Fund				
Sales Tax	\$ 29,769	\$ 31,409	\$ 29,992	\$ 30,846
Measure O Sales Tax	29,363	30,415	29,951	30,803
Property Tax	65,761	67,134	70,055	72,629
Hotel Visitors Tax	28,502	28,000	28,000	28,560
Business Tax	3,150	3,100	3,162	3,725
Franchises	2,961	2,800	2,856	3,054
Licenses & Permits	3,036	3,045	4,349	4,433
Fines, Forfeitures & Penalties	2,721	2,285	2,290	2,355
Investment Earnings	6,534	1,855	1,969	2,232
Charges for Services	7,531	7,254	9,099	9,288
Miscellaneous Revenues	5,206	4,317	5,861	5,704
General Fund Total	184,533	181,613	187,584	193,628
Other Revenue				
Other Governmental Funds	193,800	173,691	31,953	31,990
Internal Service Funds	29,218	19,912	21,074	21,285
Water Utility	46,269	46,588	51,703	56,061
Sanitary District	18,973	16,803	16,803	16,803
Housing Authority	54,433	51,039	51,039	51,039
Other Enterprise Funds	2,288	689	2,436	2,436
Successor Agency	8,650	11,415	7,816	7,929
Total Other Revenue	353,631	320,136	182,824	187,543
Total	\$ 538,164	\$ 501,750	\$ 370,408	\$ 381,171

Citywide Revenue Description

Sales Tax Revenue

Sales tax revenue is one of the City of Garden Grove's most significant sources of General Fund revenue, providing essential funding for core services such as police, fire, public works, and parks. This revenue is generated from the retail sale of goods and certain services within the city, including auto sales, restaurants, hotels, and general consumer goods. Garden Grove also benefits from allocations through the countywide use tax pool, which collects tax on out-of-state purchases used locally.

The California Department of Tax and Fee Administration (CDTFA) administers sales tax collections and distributes revenues to counties and cities. Disbursements are made quarterly, with monthly advances provided and reconciled through quarterly adjustments to reflect actual collections. In California, sales tax is imposed on retailers for the privilege of selling tangible personal property, and it is measured by gross receipts from retail sales. The current sales tax rate in Garden Grove is 8.75 percent. Effective April 1, 2019, the distribution of this rate is 6.75 percent allocated to the State and other governmental agencies, and 2.0 percent allocated directly to the City of Garden Grove—comprised of 1.0 percent from the Bradley-Burns Uniform Sales and Use Tax and 1.0 percent from the locally approved Measure O. Transaction and use tax functions similarly to sales tax, but it applies only to transactions where goods are delivered to customers within the City (point-of-destination), whereas sales tax applies to transactions originating within the City (point-of-sale).

Sales and use tax is a large part of the General Fund revenues, making it a key driver of the City's financial health. However, because it is directly tied to consumer behavior and business activity, it is also among the more volatile revenue streams. In recent years, Garden Grove's sales tax base has been supported by strong returns in the auto, transportation, restaurant and hotel sectors. However, shifts in the economy can impact these categories.

Sales tax revenues are forecast to grow by 4.9% in FY 2025-26 and 2.5% in FY 2026-27, averaging 3.8% annually across the two years, reflecting steady but moderating consumer spending trends. Sales tax revenue is inherently sensitive to changes in consumer spending and overall economic conditions, making it one of the more volatile revenue streams.

Looking ahead, the City anticipates continued steady growth, though it remains cautious given broader economic trends and the potential for volatility in key business sectors.

Transactions & Use Tax (Measure O)

On November 6, 2018, Garden Grove voters approved Measure O, authorizing a one-cent (1%) local transactions and use (sales) tax. The measure provides a stable, locally controlled revenue source to support the City's public safety services and quality-of-life programs. Collection of the Measure O tax began on April 1, 2019.

The Measure O Oversight Committee was established to provide independent, citizen-based oversight of Measure O funds, ensuring that all revenues generated by the local sales tax are spent appropriately and in accordance with voter intent. Resolution No. 9540-19 formally defines the structure and function of the committee, including the composition of its membership, the terms of office for committee members, and the specific responsibilities assigned to the committee. These responsibilities include reviewing financial reports, monitoring the allocation and expenditure of Measure O revenues, and reporting findings to the City Council and the public. The committee serves as a transparent mechanism to maintain public confidence in the management of Measure O funds and to help guarantee that revenues are used to support Garden Grove's public safety services and quality-of-life programs as intended by the voters.

The purpose of Measure O was to address the City's structural budget deficit and ensure stable, locally controlled funding for essential services. Revenues generated from Measure O go directly into the City's General Fund, where they support critical community priorities such as public safety (police and fire protection), street and infrastructure maintenance, parks and recreation programs, and general city services.

Property Tax

Property tax is levied on the assessed value of all real property within the City, including land, buildings, and improvements. The Orange County Assessor determines the assessed value, and the County collects the tax on behalf of all taxing entities. Revenue from property taxes is then allocated according to state law among cities, counties, school districts, and various special districts.

Proposition 13, passed by California voters in 1978, limits annual increases in the assessed value of real property to the rate of inflation, as measured by the Consumer Price Index, not to exceed 2 percent per year, unless the property is sold or undergoes significant improvements, in which case it is reassessed at its current market value. Property taxes generated in Garden Grove are allocated to the City (approximately 11%), with the remaining share (approximately 89%) distributed to the County, school districts, special districts, and formerly the redevelopment agency. Because assessed values generally increase by no more than 2 percent per year under Proposition 13, property tax revenue tends to grow steadily, making it one of the City's most stable revenue sources and less susceptible to short-term economic fluctuations compared with sales tax. In recent years, Garden Grove has experienced sustained growth in assessed valuation due to favorable housing market conditions and new development projects, supporting the City's ongoing financial stability.

As part of the State Budget Act of 2004, the California Legislature restructured funding for cities by reducing motor vehicle license fee (VLF) revenue allocations and replacing them with additional property tax allocations that adjust annually in proportion to each city's assessed property valuation. This replacement revenue, commonly referred to as "property tax in-lieu of VLF," provides a stable source of funding for local governments. The revenue category includes secured and unsecured property taxes, residual payments, and property transfer taxes, collectively contributing to the City's General Fund. By linking these revenues to the City's property tax base, the in-lieu VLF program helps ensure that Garden Grove receives a consistent and predictable funding stream to support essential municipal services, including public safety, infrastructure maintenance, and community programs, while reducing dependence on more volatile revenue sources such as sales tax.

The city's property tax revenue, as a whole, continues to grow moderately reflecting both new construction and increasing property values in Garden Grove. The city utilizes a third-party consultant to project future property tax growth. Projections are based on four factors: property turnover, pricing and appeals exposure, new construction activity, and Proposition 13's annual inflation adjustment.

Garden Grove's property tax revenues are projected to increase 3.0% in FY 2025-26, and an additional 3.0% in FY 2026-27.

Hotel Visitor's Tax

The Transient Occupancy Tax (TOT), commonly referred to as the hotel tax, is one of the City of Garden Grove's top three General Fund revenue sources, alongside sales tax and property tax. Hotel Visitor's Tax in Garden Grove is a 14.5% tax applied to the cost of hotel or other lodging stays of less than 30 days. TOT revenue is remitted directly by hotel operators and serves as a vital funding source for essential City services, including public safety, infrastructure maintenance, and community programs. Garden Grove's TOT base is supported by the City's strong hotel industry, which benefits from proximity to Disneyland Resort, the Anaheim Convention Center, and other major attractions. As a result, TOT is highly sensitive to tourism trends, convention activity, and overall economic conditions affecting travel. The revenue stream can fluctuate with changes in hotel occupancy levels and average daily room rates, making it more volatile than property tax but generally more stable than sales tax.

In recent years, Garden Grove's hotel sector has shown resilience and steady recovery following the pandemic downturn, with occupancy and revenue per available room rebounding to pre-pandemic levels. The recovery of the hotel industry is driven by leisure travel from domestic markets, as well as smaller groups and events. Factors influencing hotel tax revenues include business and leisure travel, new hotels, hotel expansion, and room rates. The hospitality industry in Garden Grove has started to recover, surpassing the pre-pandemic levels of occupancy as travel confidence improves and demand rebounds.

Hotel visitor's tax (TOT) is expected to increase by 5.0% in FY 2025-26 and maintain the same 5.0% growth in FY 2026-27, consistent with continued tourism strength.

Franchise Fees

Franchise fees are a recurring revenue source for the City of Garden Grove, generated through agreements with utility providers that operate within the city. These agreements grant companies the right to use the City's public rights-of-way for infrastructure such as electric, natural gas, cable television, and solid waste collection systems. In return, the City receives a percentage of the companies' gross receipts or a fixed fee, as outlined in each franchise contract.

Revenues are expected to be impacted by changes in gas and electric pricing along with changes in weather patterns. It can vary based on utility usage levels, customer demand, and regulatory changes affecting utility providers. While residential population may be slightly increasing, cable franchise tax is estimated to decline due to the increasing prevalence of alternative entertainment options including satellite television and online streaming service subscriptions.

In recent years, Garden Grove has received franchise fees primarily from Southern California Edison (electric), Southern California Gas Company, Spectrum (cable), and Republic Services (solid waste collection). Collectively, franchise fees provide the City with a stable, though modest, revenue stream compared to the "Big Three" revenues of sales tax, property tax, and transient occupancy tax. The city is projecting an average increase of 4% through the two year budget window.

Charges for Services

Charges for Services are collected for various building inspection fees, use of city facilities, non-resident ambulance reimbursement, and overhead charges to other funds. This category also includes charges related to the Garden Grove Water Utility and Garden Grove Sanitary District. More information on these entities can be found in sections later in the budget book.

Charges for services show stronger growth at 10.0% in FY 2025-26 before normalizing to 3.0% in FY 2026-27.

Housing and Urban Development Revenues for Garden Grove Housing Authority

Garden Grove administers the local Housing Authority which is funded by the United States Department of Housing and Urban Development. These funds go to supporting rental subsidies for eligible low-income tenants. The funding is set by the federal government, subject to congressional approval. The city is projecting this revenue source to be flat through the two year budget.

Licenses and Permits

The majority of Licenses and Permits revenue is received by the General Fund. It is comprised of various building permits, animal license permits and fees, and other development related permits.

Licenses and permits revenues are projected to rise by 5.0% in FY 2025-26 but slow to 3.0% in FY 2026-27.

Gasoline Tax

The gasoline tax levies a tax on fuel consumption. Gasoline is considered a relatively inelastic economic good, since changes in price do not substantially affect demand. However, technological improvement in the fuel efficiency of vehicles, electric cars, and public transportation all serve to reduce aggregate gasoline consumption. Garden Grove is projecting a small increase of 1% in both years for this limited budget source.

Fees and Services

Fees and services seek to recover the full cost of services provided by the City directly to residents. The City provides a wide array of fee-generating services, which include: housing fees, impact fees, insurance premiums, parking fees, land use fees,

police and court fees, recreation fees, water, wastewater and solid waste fees, and other miscellaneous fees.

Fines and Forfeitures

Fines and forfeitures represent a minor but consistent source of General Fund revenue for the City of Garden Grove. This category includes revenues collected from penalties and citations related to parking violations, vehicle code enforcement, municipal code infractions, and other regulatory violations within the city. It may also include revenues from court-imposed fines that are remitted back to the City, as well as asset forfeitures in certain law enforcement cases.

While fines and forfeitures provide some support for municipal operations, they account for a relatively small portion of the City's overall revenue structure compared to major sources such as sales tax, property tax, and transient occupancy tax. Collections in this category tend to fluctuate depending on enforcement activity levels, changes in state legislation governing fine distributions, and broader compliance trends within the community. These revenues continue to provide supplemental funding that helps offset the cost of public safety and code enforcement services. In recent years, fines and forfeitures have remained relatively stable, though subject to modest year-to-year variation.

Investment/Interest Income

Investment income is a supplemental General Fund revenue source for the City of Garden Grove, generated from the interest earned on the City's pooled cash and investment portfolio. The City invests idle cash in accordance with its adopted Investment Policy, which prioritizes the principles of safety, liquidity, and yield, in that order. Investments typically include high-quality, low-risk instruments such as U.S. Treasury securities, federal agency obligations, highly rated corporate notes, and the Local Agency Investment Fund (LAIF) managed by the State of California.

The amount of investment income earned each year is influenced primarily by short-term interest rate trends, cash flow needs, and overall market conditions. During periods of low interest rates, earnings are modest, while periods of higher interest rates can significantly increase returns on the City's portfolio. Because investment income depends on external economic factors, it is considered one of the more volatile minor revenue sources, though still important in providing additional flexibility for funding municipal services.

In recent years, Garden Grove's investment income has improved as interest rates have risen, resulting in stronger earnings than in the preceding low-rate environment. In general, the City's level of investment income is a function of the cash balance in the investment account, interest rates and the duration of the portfolio. Interest rates have remained high in recent years due to the Federal Reserve's fight against inflation. As a result of this trend, the maturing investments are reinvested at the higher rate of return.

Investment earnings are forecast to grow by 5.0% in both FY 2025-26 and FY 2026-27, reflecting the benefit of higher interest rates.

Miscellaneous Revenue

Revenues included in this category are grants, billboard revenue, building rentals, expense reimbursements, miscellaneous revenues from insurance recoveries and other various small revenues.

Transfer In

Transfer in revenue is the movement of money between funds as a means of distributing revenue to the fund where it is being expended.

Nonrecurring Revenue

Nonrecurring revenue received by the City is categorized as one-time revenue. Examples include the sale of land for capital expenditures or one time reimbursements.

Fund Descriptions

FUND STRUCTURE

The City of Garden Grove classifies its financial activity across multiple fund categories to ensure effective fiscal management and accountability. These fund categories include the General Fund, Other Governmental Funds, Internal Service Funds, Water Utility Funds, Sanitary District Funds, Housing Authority Funds, and Successor Agency Funds. Within each fund category, multiple individual funds may exist, each typically aligned with specific City departments or service areas. This structured fund system facilitates transparent tracking of revenues and expenditures, supports departmental budgeting, and enhances overall financial reporting integrity.

GENERAL FUND

The General Fund (111) is the primary operating fund of the City, not legally restricted to other funds. It accounts for about 46% of the Citywide budget for governmental activities, such as all the City's basic services, including general government, public safety (police and fire), public works (street maintenance), community development, and culture and recreation. It is funded largely by property tax, sales and use tax, hotel (transient occupancy) tax, business license fees, franchise fees, and other service charges.

The Measure O fund (112) which accounts for the one-cent local sales tax authorized by voters (Measure O) to support public safety, 9-1-1 services, and vital city operations. It is legally restricted: the revenue cannot revert to the state and must be used in accordance with the Measure O ordinance, subject to annual audits and citizen oversight.

OTHER GOVERNMENTAL FUNDS

Other governmental funds include special revenue funds that are used to account for specific monies, some which are legally restricted for use for a particular purpose.

- Economic Development (113): This fund supports larger economic development projects within the City and is funded in part by a transfer of General Fund monies.
- TID Transit (114), TID Street Projects (116), and Garden Grove TID (244): The Garden Grove Tourism Improvement District (GGTID) was created to support local tourism improvement efforts for the hotels along Harbor Boulevard. Annual assessments on gross rent charged per room occupancy per night are collected in Fund 244 and are allocated to Funds 114 and 116 to provide funding for projects identified in this corridor.
- Land Sale Proceeds (115): This fund holds the proceeds from land sales or property dispositions. It is typically used for capital projects, debt retirement, or to fund future infrastructure, rather than for ongoing operations
- Accessibility Compliance Fund (117): This fund is dedicated to ensuring the city meets legal accessibility standards (e.g. ADA compliance) across public facilities, sidewalks, and infrastructure. It may pay for audits, retrofits, and compliance work. Authorized by Senate Bill 1186, and amended by Assembly Bill 2164, the City is required to retain 90% of a special fee of \$4 imposed on business licenses to provide financial assistance to small business owners for accessibility-related inspection, renovation, and construction. This fund is also sometimes referred to as the Certified Access Specialist (CASP) fund.
- GG Cable Corp (217): The Public, Educational, and Governmental (PEG) access fee collected from state video franchise holders helps fund the City's GGTV3 team's programming and special projects.
- Tri-City Navigation Center (260): The Cities of Fountain Valley, Westminster, and Garden Grove have collaborated to develop a Central Cities Navigation Center, a combination of emergency housing and wrap-around services for individuals experiencing homelessness. Each City has pledged funding for this project proportionate to the number of beds allocated for its referral, and the County of Orange has also pledged one-time funds as well as an ongoing funding for ten years to support the center.
- The Golf Course Fund (671) and Golf Course WWGM Fund (672) account for all revenues and expenditures associated with the operation and maintenance of the Willowick Golf Course.

Miscellaneous grants are recorded under various funds. These grant funds can be organized by either funding source or by program.

- State Grants (233), County Grants (239), and Federal Grants (242): These funds house revenues and expenditures for each State, County, or Federal grant awarded to the City that does not have its own dedicated fund.
- Air Quality Management District (AQMD) Fund (222): Revenues for this fund are derived from a state subvention sourced from vehicle license fees. Expenditures are strictly reserved for projects, programs, or vehicle acquisitions aimed at reducing emissions, enabling the District to support air quality improvements in accordance with state mandates.
- CalRecycle Grant (237): This state grant facilitates the implementation of various legislative mandates related to waste management and recycling. Additionally, it supports staff efforts in the technical management and oversight of the Republic Services Franchise Agreement, ensuring compliance and operational efficiency.
- Used Oil Fund (238): Supported by a state grant administered through CalRecycle, this fund subsidizes the costs associated with the proper disposal of used oil, promoting environmental protection and compliance with state regulations.

Grants and other funding specifically allocated for public safety purposes play a vital role in enhancing police services.

- Traffic Offender Fund (201): This fund typically collects fines and penalties related to traffic offenses. The revenues are often restricted for traffic safety programs, enforcement, or education.
- Forfeit/Seizure (Federal, 202; State, 203): These funds account for the receipt and disbursement of narcotics forfeitures received from the County, State, and Federal agencies.
- Public Safety / Proposition 172 (204): This fund accounts for the City's share of revenue from the State Public Safety Augmentation Fund, authorized by Proposition 172, a statewide half-cent sales tax approved by voters in 1993. These revenues are distributed to local governments for public safety purposes only, including police, fire, and emergency response services.
- Supplemental Law Enforcement Services Fund (SLESF) (205): It is a state-mandated program to support local police services. Funds are restricted to law enforcement uses as defined in state statutes. These are grant funds based on population and are mandated to support "front line enforcement services."
- Justice Assistance Grant (JAG) (230): Also known as the Edward Byrne Memorial Grant, this federally funded program administered by the U.S. Department of Justice provides reimbursement-based funding to support a broad spectrum of public safety initiatives. Eligible activities include law enforcement services, community corrections, drug treatment and enforcement programs, and other related public safety efforts.
- Office of Traffic Safety Grant (OTS) (231): This state-administered grant focuses on improving traffic safety through targeted initiatives such as DUI and Commercial Driver's License (CDL) checkpoints and Selective Traffic Enforcement Operations. Funds are allocated to enhance enforcement and prevention efforts related to impaired and unsafe driving.
- Peace Officer Standard Training (POST) Reimbursement (232): This state grant reimburses the costs incurred for Peace Officer Standard Training.

The City receives an annual allocation of federal funds from the U.S. Department of Housing and Urban Development (HUD) to address community and housing development priorities. In compliance with federal requirements, the City prepares and submits an Annual Action Plan to HUD that outlines its strategic approach to meeting the Priority Objectives established by the City Council.

- CDBG (225): The Community Development Block Grant (CDBG) Fund accounts for federal grant revenues received from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974. Funds are restricted for programs and projects that primarily benefit low- and moderate-income residents. Eligible activities include housing rehabilitation, code enforcement, public facility improvements, neighborhood revitalization, and social service programs.
- ESG (227): The Emergency Solutions Grant (ESG) program provides critical funding that may be utilized for a range of activities including street outreach, emergency shelter services, homelessness prevention initiatives, rapid rehousing efforts, and associated administrative costs.

- HOME (249): The HOME Fund is a federally funded program administered by the U.S. Department of Housing and Urban Development (HUD) to expand the supply of affordable housing for low- and moderate-income households.

Other funds within the Other Governmental Funds category are earmarked to improve quality of life through improvements in infrastructure, such as to streets and to parks.

- Gas Tax 2106/2107 (206), Gas Tax 2105 (207), Gas Tax RM & Rehab (208) and Gas Tax 2103 (209): These funds account for revenues received from the State of California's Highway Users Tax Account (HUTA). These funds are derived from state-imposed excise taxes on gasoline and are distributed to cities and counties based on population and statutory formulas. The revenues are restricted by state law (California Streets and Highways Code) for use on street and highway construction, maintenance, and rehabilitation.
- Traffic Mitigation Fee (211): The Traffic Mitigation fee is assessed on development projects and is collected by the City to fund capital improvement projects related to traffic signal improvements and modifications.
- Red Light Enforcement Program (224) is used to fund arterial traffic improvements such as updating traffic signals to current standards and adding protected left turn phasing at intersections. This program is discontinued in December of 2024.
- Measure M (245): In November of 2006, voters approved a 30-year extension of an existing one half-cent sales tax that was set to expire in 2011. The funds are administered by the Orange County Transportation Authority (OCTA) and are used to make transportation improvements that benefit the public and the local economy.
- M2 Local Fairshare (246): The Measure M2 Fair Share Fund accounts for the City's share of revenues distributed by the Orange County Transportation Authority (OCTA) under the Renewed Measure M2, a countywide one-half cent sales tax dedicated to transportation improvements. These revenues are allocated to cities based on population, sales tax generation, and other factors, and must be used for street and road maintenance, rehabilitation, and transportation-related improvements. Unlike the project-specific CTFP grants, the Fair Share allocation provides flexible funding for local transportation priorities consistent with the Measure M2 Eligibility Guidelines.
- Measure M2 Comprehensive Transportation Funding Program (CTFP) (248): The Cooperative Transportation Funding Program (CTFP) Fund accounts for revenues received from the Orange County Transportation Authority (OCTA) under the Measure M2 transportation sales tax program. Measure M2, approved by Orange County voters, provides a one-half cent sales tax dedicated to transportation improvements throughout the county.
- Cultural Arts Fee (213): This fund supports the maintenance and upgrade to Community Services facilities (such as the repainting of the Atlantis Park mural and hollow metal doors at GEM Theatre), and consists of building permit fees.
- Park Fees (214), Drainage Fees (215), Citywide Park Fees (216): These funds account for revenues collected from developer impact fees and park in-lieu fees in accordance with the City's Park and Recreation Facilities Impact Fee Ordinance. These funds are legally restricted and may only be used to acquire, develop, or improve parkland and recreational facilities to serve new residential and commercial development.
- California Department of Conservation (236): This fund accounts for payments to the Orange County Conservation Corps for the maintenance and upkeep of City parks. This fund ensures that allocated resources are used to support park maintenance services provided by the Conservation Corps in accordance with state program requirements.

The levies of annual assessments play a crucial role in funding the enhancements and ongoing maintenance within the special districts established throughout the City of Garden Grove. These assessments are carefully calculated and imposed on properties within each district to ensure that the costs for improvements are proportionally shared by those who directly benefit from them.

- Street Lighting (218): The Street Lighting District collects special assessment and is used to pay the costs associated with lighting on and around public streets. It includes the installation, operation, maintenance and servicing of lighting along streets and alleys and arterial lighting benefiting the District parcels.
- Park Maintenance Assessment District (219): This fund provides dedicated funding for the maintenance and servicing of the City's park and recreation facilities. Eligible expenditures include park and grounds maintenance, personnel costs, electrical energy, water, materials, contracting services, and other related expenses. This fund ensures that park facilities are well-maintained and accessible for the community.

- Parking District Maintenance District (220): This fund provides funding for the repair, maintenance, and upkeep of City-owned parking facilities, including those located along Main Street. This fund ensures that parking lots remain safe, functional, and well-maintained for public use.
- Downtown Assessment District (221): This fund is formerly known as the Main Street Assessment District, provides dedicated funding for the construction, maintenance, and enhancement of special public improvements along Main Street. Eligible improvements include planters, trees, streetscape elements, sidewalks, benches, trash receptacles, drinking fountains, street lights, drainage infrastructure, and bollards. The fund ensures that these enhancements are properly maintained to support a vibrant and attractive downtown environment.

INTERNAL SERVICE FUNDS

These funds provide shared services to other city departments. Departments are charged “internal rates” for fleet management, insurance coverage, facility maintenance, and IT services. The internal service funds accumulate revenues from those charges and expend resources to operate and maintain those systems.

Internal Services Funds support citywide services and functions in areas of personnel services (Workers Compensation, 701; Employee Benefits, 703), Fleet Management (702), Information Systems (704), Warehouse Operations (705), Telecommunications (706), Risk Management (707), Communications Replacement (708), and Building Maintenance (709).

WATER UTILITY FUNDS

The Water Enterprise Funds consist of the Water Operations Fund (610), Water Capital Fund (602), and Water Replacement Fund (603), which collectively account for all revenues and expenses associated with the City's water utility services. These funds track water utility revenues, including service fees and installation charges, and cover all costs related to the operation, maintenance, and improvement of the City's water distribution system.

SANITARY DISTRICT FUNDS

The Sewer and Refuse Funds include the Sewer Operations Fund (630), Sewer Capital Fund (631), Sewer Replacement Fund (632), and Refuse Fund (660). These funds support the City's Sanitary District, which manages sewer and refuse utilities within the City and certain areas outside City limits. Residential refuse collection is contracted out, while sewer operations are maintained by the City's Water Services Division. These funds account for all revenues and expenditures related to the City's wastewater collection system and the replacement and maintenance of sewer facilities.

HOUSING AUTHORITY FUNDS

The Housing Authority Funds include several dedicated accounts used to manage federal and local housing programs. The Housing Authority Section 8 Administration Fund (681) and Housing Assistance Payments (HAP) Fund (682) account for the receipt and expenditure of federal funds provided for the administration and operation of the Section 8 rental assistance program. These funds ensure compliance with federal requirements while providing housing assistance to eligible low-income households.

Additionally, the Housing Successor Agency Fund (501) and Housing Authority – Civic Center Properties Fund (502), also known as Low and Moderate Income Housing Asset Funds, were established to manage the wind-down and ongoing administration of the former housing assets of the Redevelopment Agency of the City of Garden Grove. These funds are used to preserve, maintain, and administer housing assets, ensure the fulfillment of enforceable obligations, and support the City's efforts to provide affordable housing opportunities in accordance with state law.

SUCCESSOR AGENCY

The Successor Redevelopment Agency Fund (811): The Successor Agency Fund accounts for the financial activities of the former redevelopment agency following its dissolution pursuant to California law. This fund is used to manage and pay enforceable obligations, including outstanding bonds, loans, and legally binding contracts, and to distribute residual assets to appropriate taxing entities. Revenues for this fund are derived from the California Department of Finance's approved Tax Increment Funding from Property Tax and are being used to pay required payments on existing bonds and other obligations. Additional revenue sources include assets transferred from the former redevelopment agency and proceeds from property dispositions. Expenditures are restricted to purposes related to winding down the former agency and are subject to oversight by the County Auditor-Controller and the California Department of Finance. This fund does not support general city or county operations.

Department Fund Relationship

Department	General Fund	Enterprise Fund	Special Revenue Fund	Internal Service Fund	Capital Project Fund	Agency
City Manager	x	x	x			
Legal Services	x					
Human Resources	x	x	x	x		
Finance	x	x	x	x		x
Information Technology	x			x		
Fire Protection Services	x					
Police	x	x	x	x		
Community Development	x	x	x			
Economic Development	x	x	x		x	x
Community Services	x		x			
Public Works	x	x	x	x		
Public Works - Utilities		x				

Long Range Financial Planning

Looking beyond the two-year budget window is key to maintaining the City's fiscal stability. Analyzing multi-year trends allows decision-makers the time to identify challenges and opportunities early and implement changes as necessary. In Garden Grove, long –range financial planning focuses on the General Fund to ensure taxes and other revenue sources remain sufficient to sustain core City services.

General Fund Five-Year Forecast:

The City of Garden Grove's General Fund Five-Year Forecast for FY 2025-26 through FY 2029-30 projects a stable financial outlook, with revenues and expenditures generally increasing in tandem. The City anticipates maintaining a strong and healthy unassigned fund balance throughout the forecast period.

Beginning in FY 2025-26, General Fund revenues are budgeted at \$185.4 million and are projected to rise to \$209.3 million by FY2029-30, representing growth of approximately 11.6 percent over the forecast period. The City's major revenue sources are all expected to show steady growth.

Property tax revenues are expected to grow from \$67.1 million to \$79.4 million, an increase of 15 percent, while sales tax revenues are projected to rise from \$60.0 million to \$66.0 million, or 10 percent growth. The hotel visitor's tax (transient occupancy tax) is anticipated to experience stronger growth, increasing from \$28.0 million to \$31.0 million, a gain of 11 percent.

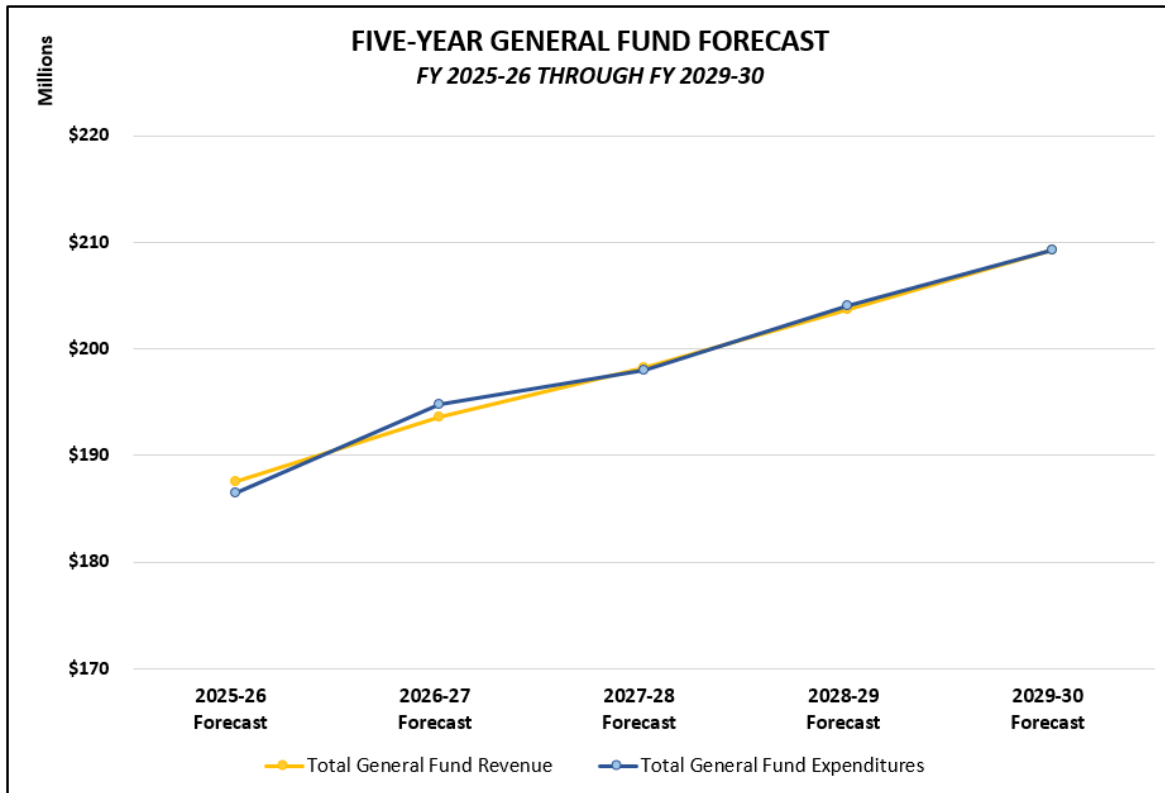
Other revenue sources, including business tax, charges for services, fines and penalties, and licenses and permits, are also projected to trend upward, with charges for services increasing by more than 20 percent over the five-year period. Assuming current growth patterns continue, General Fund revenues are projected to reach approximately \$209.0 million by FY 2029-30, with property tax, sales tax, and transient occupancy tax together accounting for roughly 85 percent of total revenues.

On the expenditure side, General Fund costs are projected to increase from \$186.5 million in FY 2025-26 to \$209.3 million in FY 2029-30, representing an overall increase of 12 percent. Public safety remains the largest expenditure category and continues to place upward pressure on the budget. Public safety is forecast to grow from \$122.9 million to \$138.1 million, reflecting a 12 percent increase. If no operational changes are implemented, public safety costs are expected to account for approximately 66 percent of the total General Fund expenditure by FY 2029-30.

The forecast shows use of one-time funding in FY 2026-27, followed by balanced budget in the following years.

Overall, the General Fund forecast demonstrates that the City remains structurally balanced across the five-year horizon, supported by steady growth in core revenues and a strong fund balance. However, expenditure growth, particularly in pension costs and public safety, nearly matches the pace of revenue growth, leaving a narrow margin in the next three years. The forecasted trend underscores the importance of ongoing fiscal discipline and continued monitoring of economic conditions, especially in revenue-sensitive areas such as sales tax and transient occupancy tax, to ensure long-term financial sustainability.

Looking ahead, while the City is well-positioned to maintain reserves at recommended levels, the forecast illustrates that future budget flexibility will be limited if expenditure growth continues to outpace revenue. Personnel costs, contractual obligations, and inflationary pressures on goods and services all contribute to upward expenditure trends. At the same time, revenues such as sales tax and transient occupancy tax remain vulnerable to broader economic cycles and shifts in consumer behavior. Should growth in these categories fall below expectations, annual operating surpluses could quickly erode, potentially requiring corrective actions.



Other Major Funds

Water Utility Funds

The City conducts a comprehensive water rate study every five years to establish a long-range financial plan for the Water Utility. The forecasting methodology is based on a comprehensive analysis of historical financial data, operational cost trends, and planned capital improvement projects. The most recent rate study was completed in November 2023. Water utility's budget was developed based on the 2023 study, which encompasses all categories of expenses related to operations, maintenance, debt service, and regulatory compliance, including specific costs for emerging concerns such as PFAS treatment. Inflation assumptions were derived from then-current economic indicators, with annual adjustments anticipated to maintain revenue adequacy. Revenue projections assume stable customer demand with minor growth over the forecast period. Capital investment requirements are integrated based on a multi-year capital improvement plan. This approach balances quantitative data modeling with expert input from City staff and consultants, providing a transparent basis for financial planning.

Sewer Funds

Sewer revenues are projected to remain stable through FY 2029-30, with no significant rate changes anticipated due to a consistent rate structure and steady customer demand. The current fee structure allows for automatic rate adjustments to account for increasing construction costs. Capital expenditures and Operations and Maintenance (O&M) costs are expected to be managed within this existing rate model, ensuring continued asset maintenance and reliable service delivery without the need for additional rate increases or debt issuance. Overall, the sewer fund remains financially stable with sufficient working capital to sustain ongoing operations and capital replacements.

Refuse Fund

The Refuse Fund accounts for revenues and expenditures related to the City's solid waste collection, disposal, and recycling programs. The City contracts with Republic Services to provide refuse and recycling service to customers. As a result, instead of collecting service charges directly, the primary revenue source for this fund is from the Orange County Waste & Recycling Importation Net Revenue Sharing program, which distributes a portion of countywide landfill importation proceeds to participating cities, including Garden Grove.

For forecasting purposes, the City's revenue share is projected to remain relatively stable in the near term before trending upward modestly over the five-year period. Revenues are expected to dip in 2026 due to the Orange County Waste & Recycling (OCWR)'s decline in landfill tonnage and increased waste diversion, driven by state mandates under Senate Bill 1383. The forecast aligns with OCWR's longer-term plans to expand importation capacity and enhance revenue recovery through organics processing and smart landfill initiatives.

These revenues are expected to sustain ongoing refuse collection and recycling contracts, administrative support, and related operational costs. Expenditures are projected to increase but are anticipated to remain in balance with available resources. Overall, the Refuse Fund is expected to maintain fiscal stability throughout the forecast period.

Housing Authority Fund

The Housing Authority Fund, which administers the federal Section 8 Housing Choice Voucher Program, is expected to maintain stable operations throughout the projected fiscal period. Federal Housing Assistance Payments (HAP) and related administrative revenues are projected to remain level, consistent with allocations from the U.S. Department of Housing and Urban Development (HUD). Expenditures will continue to align with federal guidelines, with modest increases tied to fair market rent adjustments and administrative cost inflation. Staffing and contract service costs are expected to grow slightly due to negotiated wage and benefit changes. Extending this projection through FY 2029-30, both revenues and expenditures are assumed to increase at the same average annual rate observed in the current biennial budget, resulting in balanced operations with no significant fund balance fluctuations anticipated. The funding levels for the Section 8 program will remain relatively stable, barring significant policy changes or shifts in federal funding allocations. Housing Assistance Payments (HAP) is approximately \$47.0 million per year, and Section 8 Administration is approximately \$4.5 million per year. The fund is expected to remain fully compliant with HUD administrative cost limits and maintain sufficient reserves for program continuity.

Discussion of Fund Status in Aggregate

Internal Service Funds Forecast

Across all internal service funds, the FY 2025-26 and FY 2026-27 biennial forecast anticipates modest expenditure growth primarily driven by inflation, labor adjustments, and capital replacement needs. Cost recovery rates will be calibrated to maintain stable fund balances and compliance with the City's financial policies. Overall, the internal service funds are projected to remain fiscally balanced and adequately positioned to support citywide operations throughout the five years. In aggregate, the working capital for these funds is projected to fall by more than ten percent in FY2025-26 and FY2026-27. This reduction is primarily in the Fleet Replacement Fund, where the city is catching up on vehicle replacements that were delayed due to supply chain issues during the pandemic era.

Other Governmental Funds Forecast

The City's Special Revenue Funds consist of restricted-use funds that finance targeted programs such as gas tax, Measure M2 transportation, park maintenance assessments, public safety grants, and other dedicated activities. Forecasted revenues are expected to grow modestly, averaging 2–3 percent annually through FY 2029-30, driven by inflation, stable property tax assessments, user fees, and continuing grant awards. Expenditures are projected to increase in line with inflation, programmatic growth, and administrative allocations necessary for compliance and oversight. Fund balances are anticipated to remain sufficient to meet ongoing program requirements, maintain restricted-use compliance, and provide flexibility for unforeseen needs. Overall, the Special Revenue Funds are expected to exhibit stable, controlled growth, ensuring that the City can sustain critical services and infrastructure while maintaining fiscal responsibility. This group of funds are showing a deduction in FB greater than 10% in both FY2025-26 and FY2026-27 primarily due to the planned expenditure of grant funds that were awarded in previous years.

Authorized Positions by Department

	2023-2024 Adopted Budget	2024-2025 Amended Budget	2025-2026 Adopted Budget	2026-2027 Adopted Budget
City Manager's Office				
City Manager	1	1	1	1
Administrative Secretary	1	1	1	1
Assistant City Manager	1	1	1	1
Assistant to the City Manager	-	1	1	1
City Clerk	1	1	1	1
Deputy City Clerk	1	1	1	1
Principal Administrative Analyst	1	1	1	1
Principal Office Assistant	3	3	3	3
Senior Administrative Aide	2	2	2	2
Senior Administrative Analyst	1	-	-	-
Senior Program Specialist	3	3	3	3
Department Summary	15	15	15	15

	2023-2024 Adopted Budget	2024-2025 Amended Budget	2025-2026 Adopted Budget	2026-2027 Adopted Budget
Community Development				
Community Development Director	1	1	1	1
Administrative Aide	1	1	-	-
Administrative Analyst	1	1	1	1
Assistant Planner	-	-	2	2
Associate Planner	3	3	2	2
Building Inspector	4	4	4	4
Code Enforcement Officer	5	5	5	5
Department Secretary	1	1	1	1
Deputy Director	1	1	1	1
Division Manager	-	1	1	1
Office Assistant	1	1	1	1
Permit Center Supervisor	1	1	1	1
Permit Technician	2	2	2	2
Plan Check Engineer	1	1	1	1
Planner	1	1	1	1
Planning Services Manager	1	1	1	1
Plans Examiner	1	1	1	1
Senior Building Inspector	1	1	1	1
Senior Planner	1	2	2	2
Senior Project Planner	2	1	1	1
Supervising Building Inspector	1	1	1	1
Department Summary	30	31	31	31

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Community Services	Budget	Budget	Budget	Budget
Community Services Director	1	1	1	1
Administrative Analyst	-	-	1	1
Asst. Community Services Supervisor	3	3	4	4
Community Services Coordinator	6	6	7	7
Community Services Supervisor	2	2	3	3
Department Secretary	1	1	1	1
Deputy Director	1	1	1	1
Division Manager	1	1	1	1
Eligibility Technician	1	1	1	1
Principle Office Assistant	1	1	1	1
Senior Office Assistant	1	1	1	1
Senior Program Specialist	2	2	1	1
Department Summary	20	20	23	23

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Economic Development and Housing	Budget	Budget	Budget	Budget
Asst. City Manager/ Economic Dev. Dir.	1	1	1	1
Administrative Aide	1	-	-	-
Administrative Analyst	-	1	3	3
Clerical Assistant	1	1	1	1
Deputy Director	1	1	2	2
Division Manager	1	1	-	-
Eligibility Technician	1	1	1	1
Housing Specialist	10	10	10	10
Housing Supervisor	1	1	1	1
Office Assistant	1	1	1	1
Principal Office Assistant	1	1	1	1
Program Specialist	1	1	2	2
Project Planner	2	2	2	2
Senior Administrative Analyst	1	1	1	1
Senior Housing Specialist	3	3	3	3
Senior Office Assistant	1	1	1	1
Senior Project Planner	2	2	2	2
Senior Real Property Agent	1	1	1	1
Department Summary	30	30	33	33

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Finance	Budget	Budget	Budget	Budget
Finance Director	1	1	1	1
Accounting Supervisor	2	2	2	2
Accounting Technician	2	2	2	2
Business Tax Inspector	1	1	1	1
Business Tax Supervisor	1	1	1	1
Buyer	1	1	1	1
Department Secretary	1	1	1	1
Deputy Director	1	1	1	1
Division Manager	3	3	3	3
Payroll Supervisor	1	1	1	1
Principal Account Specialist	5	5	5	5
Principal Administrative Analyst	2	2	2	2
Principal Office Assistant	1	1	1	1
Senior Account Specialist	3	3	3	3
Senior Accountant	3	3	3	3
Senior Program Specialist	1	1	1	1
Stock Clerk	2	2	2	2
Storekeeper	1	1	1	1
Utilities Revenue Supervisor	1	1	1	1
Department Summary	33	33	33	33

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Human Services	Budget	Budget	Budget	Budget
Human Resources Director	1	1	1	1
Administrative Aide	1	1	1	1
Administrative Analyst	1	1	1	1
Clerical Assistant	1	1	-	-
Department Secretary	1	1	1	1
Deputy Director	1	1	1	1
Human Resources Analyst	1	1	1	1
Principal Human Resources Analyst	2	2	2	2
Senior Office Assistant	-	-	1	1
Senior Human Resource Analyst	2	2	2	2
Department Summary	11	11	11	11

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Information Technology	Budget	Budget	Budget	Budget
Information Technology Director	1	1	1	1
Cybersecurity Officer	-	-	1	1
Department Secretary	1	1	1	1
Deputy Director	1	1	1	1
GIS Coordinator	1	1	1	1
Graphics Designer	2	2	2	2
Information Technology Programmer	1	1	1	1
Network Administrator	1	1	1	1
Repro Equipment Operator	2	2	2	2
Senior Administrative Analyst	1	1	1	1
Senior Cybersecurity Analyst	-	1	-	-
Senior Information Technology Analyst	4	4	4	4
Senior Information Technology Tech	3	3	3	3
Department Summary	18	19	19	19

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Police Department	Budget	Budget	Budget	Budget
Police Chief	1	1	1	1
Community Service Officer	14	14	14	15
Community Shift Supervisor	4	4	4	4
Corporal	6	6	7	7
Corporal II	19	19	18	18
Department Secretary	1	1	1	1
Emergency Operations Manager	1	1	1	1
Master Officer	30	30	25	25
Master Officer II	6	6	11	11
Police Captain	3	3	3	3
Police Community Manager	1	1	1	1
Police Lieutenant	7	7	7	7
Police Officer	85	85	86	86
Police Officer II	2	2	1	1
Police Records Manager	1	1	1	1

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Police Department (cont'd)	Budget	Budget	Budget	Budget
Police Records Shift Supervisor	3	3	3	3
Police Records Specialist	17	17	17	17
Police Sergeant	24	25	25	25
Police Services Supervisor	1	1	1	1
Principal Office Assistant	2	2	2	2
Public Safety Dispatcher	17	17	17	17
Public Safety Fiscal Analyst	1	1	1	1
Senior Administrative Aide	1	1	1	1
Senior Community Service Officer	7	7	7	7
Department Summary	254	255	255	256

	2023-2024	2024-2025	2025-2026	2026-2027
	Adopted	Amended	Adopted	Adopted
Public Works	Budget	Budget	Budget	Budget
Public Works Director	1	1	1	1
Animal Control Officer	3	3	3	3
Assistant Engineer	1	1	1	1
Associate Engineer	7	7	7	7
City Engineer	1	1	1	1
Construction Inspector	3	3	3	3
Custodial Supervisor	1	1	1	1
Custodian	2	2	2	2
Department Secretary	1	1	1	1
Deputy Director	1	1	1	1
Division Manager	1	1	1	1
Environmental Services Manager	1	1	1	1
Equipment Mechanic	7	7	7	7
Equipment Service Worker	1	1	1	1
Heavy Equipment Operator	3	3	3	3
Maintenance Repair Helper	1	1	1	1
Maintenance Repair Worker	6	6	6	6
Park Maintenance Worker	7	7	7	7
Parking Control Specialist	1	1	1	1
Permit Technician	1	1	1	1
Principal Administrative Analyst	1	1	1	1
Principal Engineering Technician	1	1	1	1

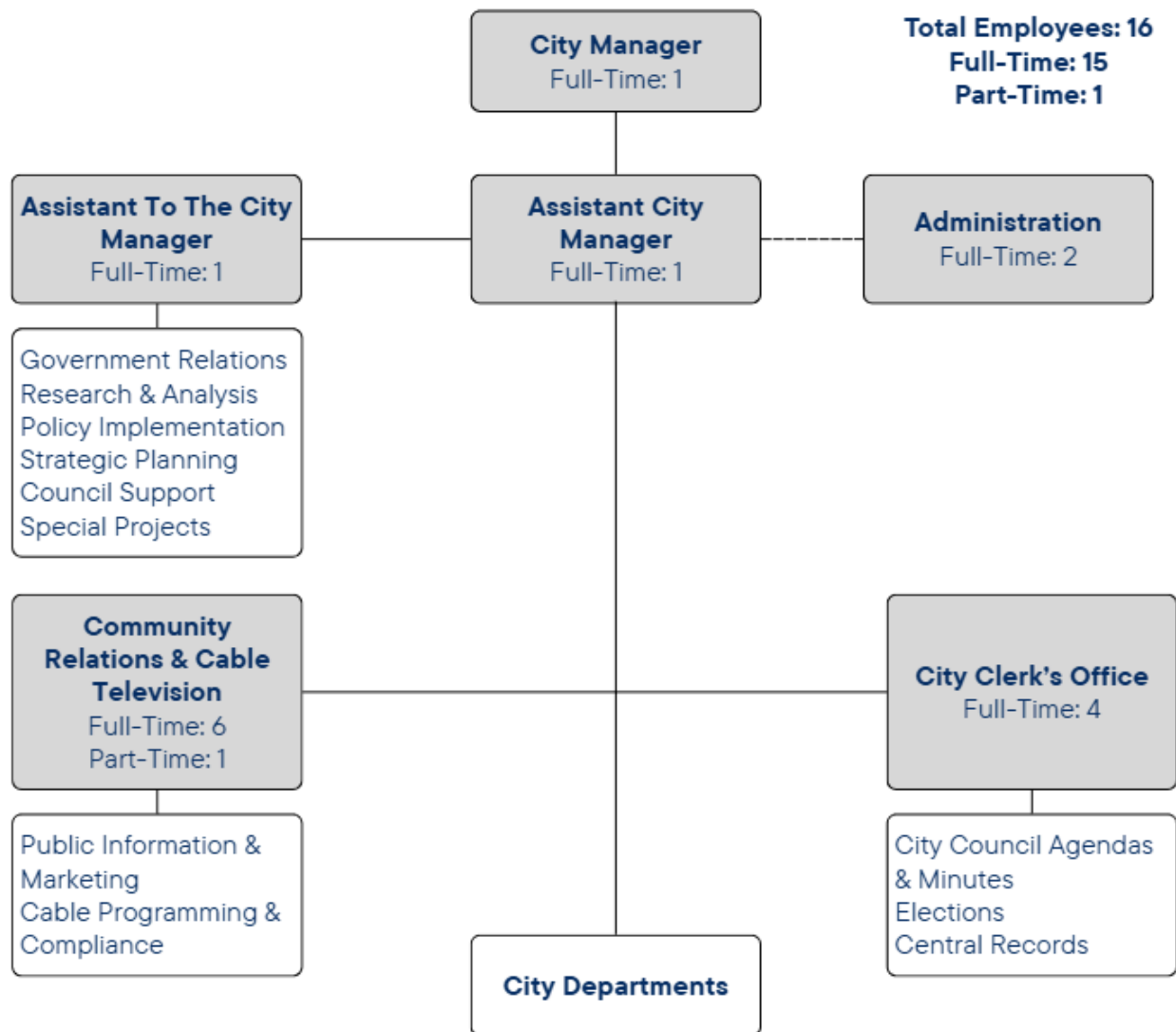
	2023-2024 Adopted Budget	2024-2025 Amended Budget	2025-2026 Adopted Budget	2026-2027 Adopted Budget
Public Works (cont'd)				
Principal Office Assistant	4	4	4	4
Program Specialist	1	1	1	1
Project Engineer	1	1	1	1
Public Works Foreman	6	6	7	7
Public Works Supervisor	10	10	10	10
Sewer Maintenance Worker	5	5	5	5
Sewer Pump Station Electrician	1	1	1	1
Senior Administrative Analyst	2	2	2	2
Senior Animal Control Officer	1	1	1	1
Senior Civil Engineer	2	2	2	2
Senior Engineering Technician	2	2	2	2
Senior Environmental Services Specialist	2	2	2	2
Senior Park Maintenance Worker	7	7	7	7
Senior Program Specialist	2	2	2	2
Senior Sewer Maintenance Worker	3	3	3	3
Senior Street Maintenance Worker	8	8	8	8
Senior Traffic Signal Electrician	1	1	1	1
Senior Water Production Operator	5	6	6	6
Senior Water Quality Technician	1	1	1	1
Senior Water Service Worker	5	5	6	6
Street Maintenance Worker	8	9	9	9
Traffic Engineer	1	1	1	1
Traffic Signal Electrician	1	1	1	1
Water Customer Service Worker	3	3	3	3
Water Production Electrician	1	1	1	1
Water Production Operator	4	4	4	4
Water Quality Technician	3	2	2	2
Water Service Worker	15	15	14	14
Water Service Manager	1	1	1	1
Department Summary	158	159	160	160

	2023-2024 Adopted Budget	2024-2025 Amended Budget	2025-2026 Adopted Budget	2026-2027 Adopted Budget
City Manager	1	1	1	1
Community Development	-	-	-	-
Community Services	12	12	8	8
Economic Development & Housing	-	-	-	-
Finance	-	-	-	-
Human Resources	-	-	-	-
Information Technology	1	1	1	1
Police Department	7	4	4	4
Public Works	27	27	27	27
Total Part-Time Benefited	48	45	41	41

DEPARTMENTAL BUDGETS

City Managers Office

The City Manager's Office is responsible for assisting the City Council in establishing community goals and policies, and providing leadership and direction in the administration of all City departments and services. Primary functions within City Manager's Office include legislative support, policy implementation, budget development, strategic planning, and communication services. Additionally, the Office manages the City Council meeting agenda, elections, and public records. The Office also monitors and responds to federal and state legislative issues, and represents the City's interests throughout the region.



Division Summaries

City Council

Sets community priorities and establishes policies aimed at enhancing the quality of life for Garden Grove residents and community members

City Manager's Office

Supports the City Council in setting community objectives, goals and policies, and provides leadership and guidance in the administration of all City departments and services. Key responsibilities within the City Manager's Office include administrative and legislative support, policy implementation, budget development, strategic planning, and communication services.

City Clerk

Records and preserves the legislative actions of the City; facilitates municipal elections upholding the democratic process; promotes transparency through access to public records; and ensures compliance with the Brown Act, the Public Records Act, and the Political Reform Act. The City Clerk attends all legislative meetings and prepares and posts the agendas and minutes for the following legislative bodies:

- Garden Grove City Council
- The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development
- The Garden Grove Sanitary District Board
- The Garden Grove Housing Authority
- The Garden Grove Public Finance Authority Board
- The Garden Grove Industrial Development Authority Board

Community Relations

Administers public information programs, news and media relations to strengthen ties with residents, City employees, the media, and the City's service clubs, religious organizations, and ethnic groups. An important component of this office is communicating with Garden Grove residents through [Garden Grove TV3](#), Connections, CityWorks water bill insert, and news releases regularly distributed to the media about new City activities, programs, and developments.

FY 2023-25 Accomplishments

- Conducted annual City Council Retreats to clearly establish City Council priorities.
- Oversaw implementation of the FY 2023-25 Action Plans to achieve the City Council's established priorities.
- Actively pursued funding opportunities through grants and Community Project Funding earmarks to augment City services and programs.
- Introduced new quarterly reports to disseminate information on key City projects and updates.
- Oversaw the successful restructuring of the Community Development and Economic Development and Housing Departments.
- Completed orientation and onboarding for a new Mayor and three new Council members.
- Held the ground breaking ceremony for the Civic Center Revitalization project and commenced construction of the GGPd Headquarters as part of the Civic Center Revitalization Project.
- Completed construction of the Central Cities Navigation Center Project (CCNC).

FY 2025-27 Goals

- Manage and facilitate implementation of the FY 2025-27 Action Plans to achieve the priorities established by the City Council.
- Manage an active legislative advocacy program focused on protecting Garden Grove's interests and identifying resources available to enhance City services and programs.
- Maintain an open dialogue and promote a positive image of Garden Grove to the community and fellow employees through effective communication, cable programming and digital media, and City programs and activities.
- Continue to build upon the City's relationship with the Garden Grove Unified School District, the County of Orange, and other local agencies.
- Communicate strategic goals, organizational needs and direction to staff throughout the organization on a consistent basis.
- Continue to promote economic development and celebrate the City's cultural diversity.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category					
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Salaries and Wages	\$ 3,260,750	\$ 4,057,000	\$ 3,781,465	\$ 3,947,761	
Contractual Services	339,185	852,900	1,005,051	910,401	
Commodities	89,768	90,700	88,306	90,106	
Fixed Charges	547,165	505,200	462,872	462,872	
Capital Outlay	14,897	-	-	-	
Transfers	-	660,200	-	-	
Total	\$ 4,251,765	\$ 6,166,000	\$ 5,337,694	\$ 5,411,140	

Expenditures by Funding Category

Expenditures by Fund Type					
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
General Fund	\$ 3,238,711	\$ 4,588,500	\$ 4,051,719	\$ 4,080,609	
Other Governmental Funds	719,136	946,400	520,582	538,683	
Water Utility	202,995	278,600	273,194	283,185	
Saitary District	211,259	296,400	323,451	334,965	
Housing Authority	(120,336)	56,100	168,748	173,698	
Total	\$ 4,251,765	\$ 6,166,000	\$ 5,337,694	\$ 5,411,140	

Expenditures by Division

Expenditures by Division					
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
City Council	\$ 631,171	\$ 673,500	\$ 754,289	\$ 779,047	
City Manager	1,495,610	2,739,000	2,119,342	2,082,773	
City Clerk	713,028	1,087,500	911,918	941,334	
Community Relations	1,578,869	1,666,000	1,514,146	1,569,987	
Housing Authority	(166,912)	-	37,999	37,999	
Total	\$ 4,251,765	\$ 6,166,000	\$ 5,337,694	\$ 5,411,140	

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Good Governance	Total number of legislative positions letters submitted to the Legislature	20	15	15	15
Good Governance	Time to respond to Public Records Act requests	6.8 days	6.7 days	6 days	6 days
Cultural Diversity	Total number of translated materials (Vietnamese, Korean, Spanish)	145	95	100	100
Good Governance	Total number of press releases issued	133	116	100	100
Good Governance	Total number of social media posts	1,470	1,373	1,500	1,500
Good Governance	Number of social media followers	62,218	68,387	70,000	75,000

Legal Services

Legal Services are provided through contract with the law firm of Woodruff & Smart.

Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category				
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Contractual Services	\$ 1,148,051	\$ 1,176,600	\$ 1,176,600	\$ 1,176,600
Fixed Charges	10,600	11,500	11,509	11,509
Total	\$ 1,158,651	\$ 1,188,100	\$ 1,188,109	\$ 1,188,109

Expenditures by Funding Category

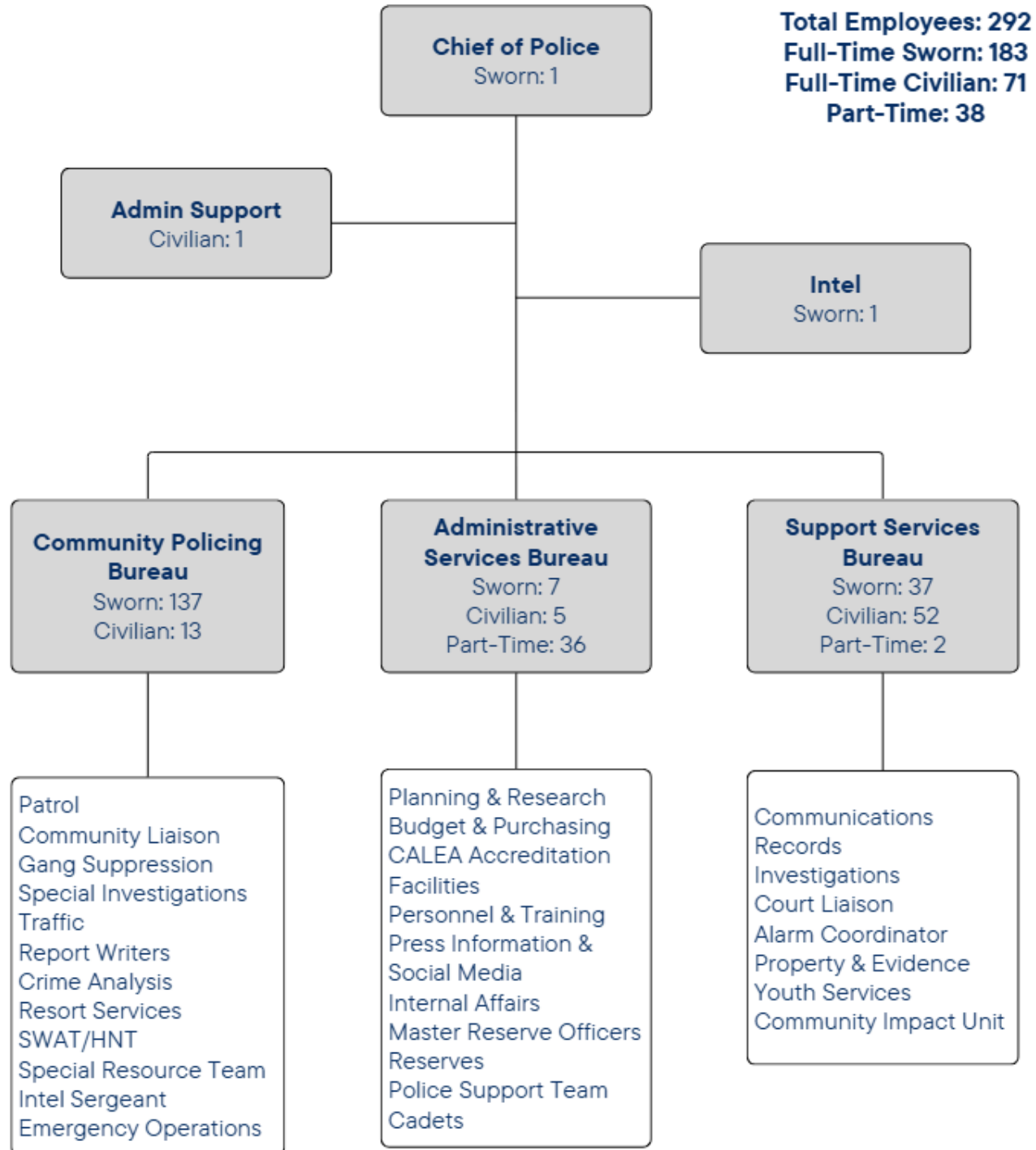
Expenditures by Fund Type				
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
General Fund	\$ 1,158,651	\$ 1,161,000	\$ 1,161,009	\$ 1,161,009
Other Governmental Funds	-	27,100	27,100	27,100
Total	\$ 1,158,651	\$ 1,188,100	\$ 1,188,109	\$ 1,188,109

Expenditures by Division

Expenditures by Division				
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
City Attorney	\$ 1,158,651	\$ 1,188,100	\$ 1,188,109	\$ 1,188,109
Total	\$ 1,158,651	\$ 1,188,100	\$ 1,188,109	\$ 1,188,109

Police

The mission of the Garden Grove Police Department, through a Community Partnership, is to improve the quality of life in the City and provide a sense of safety and security to community members.



Division Summaries

Administrative Services Bureau

Professional Standards Division

The Professional Standards Division (PSD) is responsible for organizing and conducting the Department's annual training, the recruitment and hiring of both sworn and professional personnel, and overseeing the field training program for newly hired police officers.

PIO and Social Media

The PIO/Social Media team is responsible for managing the Department's communication with the public regarding police department events and critical incidents. The team's primary goals are to foster transparency, build trust, and provide accurate information in a timely manner. Both the PIO and social media team play a vital role in building a positive relationship with the community.

Community Policing Bureau

Patrol Division

The Patrol Division is comprised of 72 patrol officers, 14 sergeants, and two lieutenants. Patrol is responsible for responding to calls for service, addressing department and beat goals, and conducting proactive enforcement to combat crime. Patrol is divided into two divisions (East and West) and three geographical areas within each division, which are called beats. The officers are assigned to a specific beat to ensure they become familiar with the residents, businesses, and crime trends affecting those areas.

Special Resource Team

The Police Department's Special Resource Team (SRT) was created in 2016 as a citywide effort to address the rapidly growing concerns of homelessness within the city. Homelessness is a widespread concern and has a tremendous impact on the community – members and businesses, alike. SRT officers are specially trained to better assist homeless individuals by connecting them to available resources and services through community partners.

Resort Services

The primary mission of the Resort Services Team is to help maintain a safe and secure environment for the enjoyment of all guests, merchants, and employees in the resort area known as the "Grove District." Garden Grove resort hotels cater to families and business travelers alike, with the Resort Services Team helping to ensure a safe and enjoyable stay.

Neighborhood Traffic Unit

The Neighborhood Traffic Unit (NTU) is tasked with ensuring safe and efficient travel throughout the City by enforcing traffic laws and educating the public about traffic safety. The Traffic Unit investigates traffic collisions, enforces traffic laws including conducting DUI patrols and checkpoints, participates in school safety presentations, plans traffic control for city events, and addresses road hazards and parking issues.

Gang Suppression Unit

The Gang Suppression Unit (GSU) is comprised of officers and detectives whose primary duties are to be pro-active in suppressing gang activity and to investigate all gang related crimes that occur in the City. Utilizing partnerships with community members, State Parole, and Orange County Probation, GSU is able to magnify its efforts in curbing gang violence in the City.

Special Investigations Unit

The Special Investigations Unit (SIU) is a dedicated team of five highly skilled undercover investigators and one sergeant. This specialized unit focuses on addressing vice and narcotics-related complaints and activities within the City.

Community Liaison Division

The Community Liaison Division (CLD) oversees the Department's community programs and the Volunteers in Policing (VIP) program. The Division's primary focus is to provide comprehensive safety education for the community through presentations, outreach events, and hands-on learning activities.

Crime Analysis

Crime Analysis (CAU) consists of one crime analyst whose duties include collecting and analyzing crime data to identify patterns, trends, and related incidents. CAU also develops and distributes regular reports and bulletins to keep police personnel and community stakeholders informed about crime trends and calls for service.

K9 Unit

The police service canine program has been established to augment police services to the community. Highly skilled teams of handlers and canines supplement the operations of the Police Department in the detection of crimes and the apprehension of offenders. The canine unit's primary responsibilities include handling alarm calls, responding to in-progress crimes, building and area searches, back-up of patrol officers and assisting in the arrest of suspects. The dogs are often used to search for suspects fleeing serious crimes and search for lost persons. The dogs are very successful in their searches due to their acute sense of smell, hearing, and sight.

Support Services Bureau

Investigations Division

The Investigations Division is comprised of the Crimes Against Persons (CAP) Unit and Property Crimes Investigations Unit. Detectives assigned to CAP are responsible for the investigation of violent assaults, rapes, homicides, officer involved shootings, sex offenses, and other serious crimes committed against people. Property Crimes detectives are responsible for investigating a variety of crimes, such as burglary, theft, identity theft, auto theft, and many others.

Communications Division

The Communications Division is the primary answer point for all 9-1-1 emergency and business calls to the Police Department. The center operates 24 hours a day, seven days a week and is staffed by a Communications Manager, four shift supervisors, 14 public safety dispatchers and one Senior Community Services Officer (CSO). The division is responsible for coordinating the safe and efficient delivery of essential police services to the community. It is a direct link between reporting parties and officers in the field.

Records Division

The Records Division is responsible for maintaining the security and confidentiality of all police reports and citations. Records staff work around the clock as the gatekeepers of all reports, conducting thorough quality control functions to ensure that reports are in compliance with the California Department of Justice and the FBI. This division also includes Front Desk personnel, who are responsible for taking and releasing crime and incident reports through walk-in visits or telephone calls to the Department, in addition to reviewing reports that have been filed online. As the face of the Department and first point of contact for much of the public, Front Desk personnel act as liaisons between the public and Department staff, and for other City departments.

Youth Services Unit

The Youth Services Unit (YSU) is comprised of experts in dealing with school threats and investigates graffiti-related crimes. The unit also assists the Garden Grove Unified School District (GGUSD) by maintaining a presence on 64 different elementary, intermediate, and high school campuses. The Department's current partnership with GGUSD has three support service dogs that service all GGUSD site locations. The program pairs a School Resource Officer with a support service canine to provide an extra layer of social-emotional and de-escalation support for students dealing with anxiety, heightened emotions or behaviors, and other instances of trauma or tragedy.

Property and Evidence

The Property and Evidence Unit (P&E) is responsible for receiving, documenting, storing, and maintaining all property and evidence seized by patrol and investigative personnel until the case has been cleared through the courts or otherwise closed. This unit maintains all items in accordance with strict State and Federal chain-of-custody mandates, and tracks and makes available these items available for court, investigators, and other law enforcement agencies when necessary. P&E staff also facilitates the disposition of all items when cases are adjudicated.

Community Impact Unit

The mission of the Community Impact Unit (CIU) is to seek solutions to a variety of community based issues and crimes. CIU directly addresses community issues as they arise by using a multilevel approach including enforcement, community outreach, and working with other police and City personnel. The unit also conducts surveillance, handles criminal investigations, prepares search warrants, and applies directed enforcement efforts in response to crime trends.

FY 2023-25 Accomplishments

- Made necessary security improvements at the main building and other support buildings, including enhanced access control and expanded surveillance coverage.
- Brought Police Officer staffing levels to full capacity, filled all full-time positions for Records Division and Community Services Officers, and filled all but two vacancies in Communications Division.
- Continued addressing the homelessness problem by working in collaboration with the Special Resource Team, patrol, specialized units, Be Well, etc.
- Continued working with Axon personnel on the integration of the new RMS system.
- Continued working with City staff in planning for a new state-of-the-art Police Department building to improve the services provided to the community. The project remains on track, with the Police Department expected to move into the fully functional facility in 2026.
- Identified crime trends and created solutions using partnerships with outside resources, specialized units, and patrol by utilizing problem solving models. After several months of zero-tolerance enforcement in two specific crime triangles, officers began to see a decrease in the number of transient encampments in the focus areas and experienced a reduction in calls for service.
- Increased interaction with youth in our community through Teen Citizen Academy, Chief's Advisory Council, and the Explorer program.

FY 2025-27 Goals

- Provide excellent customer service by answering 95% of 9-1-1 calls within 15 seconds.
- Implement an online reporting and request system, thus increasing the ways in which community members can file a report.
- Continue building our relationship with the community by hosting and participating in activities, such as Coffee with a Cop, Shop with a Cop, Read Across America, and other events.
- Increase presence at GGUSD schools through educational presentations and police services at school events.
- Continue addressing homelessness by advancing the current relationships with outside entities, such as Be Well, Caltrans, CHP, etc., and working jointly with the Navigation Center to ensure efficient operations.
- Implement a drone (Unmanned Aircraft Systems) program to enhance both public safety and officer safety by providing aerial support during a variety of situations.
- Continue to increase presence on social media platforms.
- Review and update all Police Department manuals.
- Identify employee development and leadership training programs for future leaders.
- Continue working with the City on the transitioning and opening of the new Public Safety Building.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category					
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Salaries and Wages	\$ 68,319,464	\$ 76,836,400	\$ 76,804,130	\$ 80,114,578	
Contractual Services	3,411,062	4,325,900	6,435,814	6,440,314	
Commodities	1,193,426	1,218,700	1,133,700	1,135,000	
Fixed Charges	5,897,907	6,704,700	7,203,393	7,200,659	
Capital Outlay	345,231	-	-	-	
Total	\$ 79,167,090	\$ 89,085,700	\$ 91,577,037	\$ 94,890,551	

Expenditures by Funding Category

Expenditures by Fund Type					
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
General Fund	\$ 76,598,518	\$ 85,738,000	\$ 87,861,084	\$ 91,155,734	
Other Governmental Funds	2,242,135	2,735,700	3,103,919	3,125,517	
Internal Service Funds	314,338	600,000	600,034	597,300	
Water Utility Funds	6,000	6,000	6,000	6,000	
Sanitary District	6,100	6,000	6,000	6,000	
Total	\$ 79,167,090	\$ 89,085,700	\$ 91,577,037	\$ 94,890,551	

Expenditures by Division

Expenditures by Division					
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Police Management	\$ 3,464,350	\$ 3,632,100	\$ 3,750,049	\$ 3,799,429	
Community Policing Bureau	47,197,593	52,849,100	52,026,719	54,031,726	
Admin Services Bureau	6,881,155	7,554,900	8,483,748	8,709,798	
Support Services Bureau	21,623,992	25,049,600	27,316,521	28,349,598	
Total	\$ 79,167,090	\$ 89,085,700	\$ 91,577,037	\$ 94,890,551	

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Public Safety	Percentage of 9-1-1 Calls Answered Within 15 Seconds	99.60%	90%	95%	95%
Public Safety	Average Response Time (In Minutes) for Calls for Service	5:09	5:00	5:00	5:00
Homelessness	Homeless Outreach - Police Personnel Assigned to Special Resources Team	7	7	7	7
Homelessness	Homeless Outreach Contacts	4,966	4,000	4,000	4,000
Public Safety	Community Engagement Events	185	190	195	200
Public Safety	Police Youth Participation in the Explorer Program	29	30	35	35
Public Safety	Bearcat Deployments	21	30	30	30
Public Safety	Flock Assisted Arrests	82	200	200	200
Public Safety	Drone Deployments	–	90	90	90
Public Safety	Cell Phone Distracted Driving Citations	681	700	750	800

Fire

Effective August 16, 2019, City Fire and Emergency Medical services are provided through contract with the Orange County Fire Authority (OCFA)

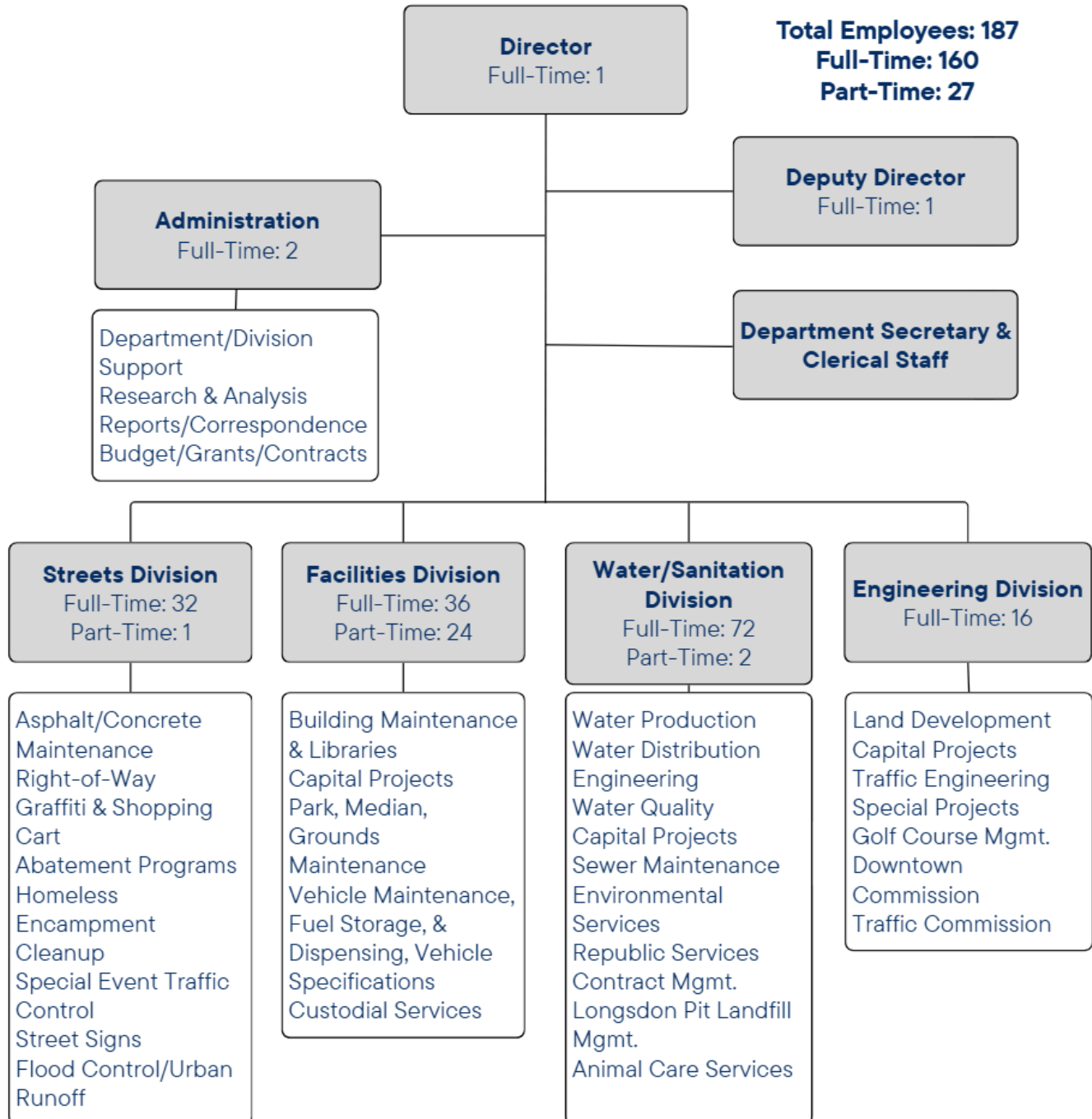
Budget Tables

Expenditures by Division

Expenditures by Division					
Division		Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Fire Protection Services	\$	31,604,001	\$ 33,667,500	\$ 35,235,900	\$ 36,797,500
Total	\$	31,604,001	\$ 33,667,500	\$ 35,235,900	\$ 36,797,500

Public Works

The mission of the Public Works Department is to preserve and enhance the health, safety, and environment of the community of Garden Grove through a team effort and responsible use of public resources.



Division Summaries

Administration

The Administrative Division provides leadership, coordination, and support for the Public Works Department. It includes the Public Works Director, Deputy Director, and administrative personnel who oversee department operations, planning, and budgeting.

Key Responsibilities:

- Department Oversight – Manages facilities, utilities (water, sewer, refuse), streets, environmental safety, and engineering, including supervision of division managers to ensure efficient operations.
- Budget & Financial Management – Prepares and administers the department's operating and capital improvement budgets, assists in City budget planning, and collaborates with the Finance Director to recommend utility rates.
- Public & Government Relations – Represents the City in City Council meetings, public forums, and government agencies, serving as the liaison to water districts, Orange County Transportation Authority, California Integrated Waste Management Board, and other infrastructure-related entities.
- Development Coordination – Works alongside the Community Development Director and Economic Development Director to support city development projects, including approval, permitting, and completion.
- Administrative Support – Manages secretarial and clerical staff functions, including handling public service requests, processing work orders and purchase orders, and providing administrative support to supervisors.

The Administrative Division plays a vital role in the strategic management, financial planning, and daily operations of the Public Works Department, ensuring efficient service delivery to the community.

Water Services

The Water Services Division manages essential services related to water, sewer, refuse, and environmental operations to ensure the City's infrastructure remains reliable, safe, and compliant with regulations. It oversees the following areas:

- Water Operations – Maintains and operates the city's water supply system, including wells, reservoirs, imported water connections, distribution pipelines, fire hydrants, water meters, and meter reading.
- Environmental Operations – Oversees inspection programs to ensure compliance with NPDES/Stormwater permit regulations and Waste Discharge Requirements for fats, oils, and grease (FOG) management.
- Sewer Operations – Managed by the Garden Grove Sanitary District, a subsidiary of the City, this section operates and maintains sewer lift stations and connections.
- Refuse Operations – Also under the Garden Grove Sanitary District, this section oversees the City's franchise contract with Republic Services for trash and recycling collection and maintains the abandoned Longsdon Pit landfill.

The Water Services Division plays a vital role in delivering clean water, protecting environmental quality, and managing waste and sewer services for the community.

Engineering

The Engineering Division manages infrastructure improvements, traffic systems, and land redevelopment to enhance the City's safety, mobility, and long-term growth. It oversees three key sections:

- Capital Improvement Section – Plans, designs, and oversees construction for the Five-Year Capital Improvement Plan, focusing on arterial and residential street rehabilitation and storm drainage projects.
- Traffic Engineering Section – Maintains, operates, and redesigns all City traffic signals. This section also conducts traffic engineering studies, ensures compliance with regulations, and assesses the impact of redevelopment projects on traffic flow.

- Land Development Section – Manages engineering aspects of redevelopment projects, including issuing conditions of approval, enforcing subdivision regulations, reviewing street and grading permits, and ensuring compliance with environmental requirements.

The Engineering Division plays a crucial role in maintaining and improving City infrastructure, optimizing traffic management, and supporting responsible urban development.

Facilities

The Facilities Division is responsible for maintaining City-owned buildings, parks, vehicles, and public spaces to ensure they remain safe, functional, and well-kept. It oversees four key sections:

- Building Maintenance Section – Maintains more than 30 City-owned buildings and parks, including planning and executing the Facilities Asset Capital Improvement Program.
- Parks and Grounds Maintenance Section – Cares for City parks, recreation areas, and street medians by handling landscaping, fertilizing, and mulching functions.
- Fleet Maintenance Section – Manages the acquisition, replacement, and upkeep of all City vehicles and equipment, including implementing the state-mandated transition to an electrified fleet.
- Custodial Section – Ensures all City facilities are clean and well-maintained.

The Facilities Division plays a vital role in keeping public spaces and assets in excellent condition for residents and City operations.

Streets Maintenance

The Streets Maintenance Division ensures the safety, functionality, and upkeep of City streets, trees, flood control systems, and animal care services. It oversees three key sections:

- Streets Maintenance Section – Handles asphalt and concrete repairs, including residential slurry seal projects, sidewalk replacements, resurfacing of parking lots and alleys, winterization paving, crack sealing, and pothole repairs. This section also manages homeless encampment cleanups, graffiti removal, sidewalk cleanups, special event traffic control setup, and shopping cart abatement.
- Trees & Flood Control Section – Maintains approximately 16,000 City trees, including all tree trimming, tree plantings and removal, inspects flood control channels, and clears debris from catch basins to help prevent flooding.
- Animal Care Services Section – Ensures public safety and animal welfare by investigating animal cruelty cases, processing animal impoundments, managing the Return-To-Field cat program, and conducting field operations.

The Streets Maintenance Division plays a crucial role in maintaining City infrastructure, managing environmental concerns, and ensuring the well-being of both residents and animals.

FY 2023-25 Accomplishments

Water Services

- The Water Services Division successfully completed various work orders. The following are approximate counts: meter replacements (200), meter leaks (650), main breaks, ADU-New Water Installations (100), service breaks (150), gate valve replacements (75), hydrant replacements.
- The Sanitation Section inspected approximately 2,900 out of 9,700 manholes; completed closed circuit television (CCTV) work for 47,068 linear feet of sewer line, and approximately 1,209,900 linear feet of cleaning.
- The Sanitation Section diverted 22 possible sewer system overflows and completed the cleaning of 620 hot spots.
- The Water Engineering Section completed the Woodbury Road and Anabel Avenue Water Improvement Project and the SCADA Implementation Project – FP2 Pressure Monitoring Upgrade.
- The City's Environmental Services Section was audited by the Santa Ana Regional Water Quality Control Board for its storm water program. No deficiencies were found or violations were issued.
- For solid waste, the City concluded its implementation of Senate Bill (SB 1383), AB 341 and 1826 – requirement for diversion of organic waste for all residential and commercial properties.
- Public Works held a series of Community Clean Up events in conjunction with Republic Services.

Engineering

- The Engineering Division's Capital Improvements Section rehabilitated approximately eighteen (18) arterial and residential street segments citywide.
- The Engineering Division's Land Development Section oversaw the planning and construction of approximately thirty-one (31) private, residential and commercial development projects.

Facilities

- The City conducted a Facilities Condition Assessment for City-owned buildings, and the following are ongoing and/or completed capital projects: Tibor Rubin Library, Chapman Branch Library, Amphitheatre Roof Replacements, HVAC replacements at the Courtyard Center, City Hall Electrical Building Connections for Emergency Generator and Electrical Panel Improvements.
- The Vehicle Maintenance Section closed approximately 1,800 work orders (800 for Public Safety, 1,000 for Public Works/City Hall vehicles and equipment).

Streets Maintenance

- The Streets Division's Animal Care Services Section processed and dispatched approximately 4,283 calls for service.
- A total of 2,312 tons of trash and debris were removed by street sweeping operations.
- The Street Sweeping Section, in conjunction with the Police Department, enforced approximately 38,317 street sweeping and parking violations.
- The Streets Maintenance Section rehabilitated approximately fifty (50) residential streets throughout the City.
- The Streets Maintenance Section completed the removal and replacement of 5,329 linear feet of concrete curb and gutter and 33,208 square feet of sidewalks and driveway aprons.
- The Streets Maintenance Section completed critical repairs to the Valley View Flood Control Channel, Belgrave Flood Control Channel and Emerald Channel.
- The Trees Maintenance Section completed 1,665 total service requests; trimmed 2,741 trees and removed 142 dead or diseased trees; and also planted 500 trees.
- The Flood Control Maintenance Section cleared approximately 1,096 catch basins, installed 59 new catch basin screen devices and cleaned major storm channels, removing more than 15 tons of trash and debris.

FY 2025-27 Goals

- Ensure Water Quality and Regulatory Compliance — Support water reliability and safety by monitoring regulatory changes, advancing PFAS treatment facility design and construction, and maintaining water system infrastructure. Ensure operational accuracy through ongoing water meter testing and system upgrades.
- Deliver Major Capital Infrastructure Investments — Implement the \$156 million Five-Year Capital Improvement Program, focusing on street rehabilitation, storm drainage, and utility upgrades. Meet annual project delivery targets and track capital expenditures to enhance infrastructure, stimulate economic growth, and improve public safety.
- Modernize Infrastructure Management Systems - Expand GIS and web-based asset management tools and programs for real-time tracking of infrastructure conditions, service requests, and maintenance activities to enable data-driven planning and reduce reactive work.
- Strengthen Organizational Capacity and Operational Resilience — Develop internal talent through mentorship, cross-training, and leadership development to support succession planning. Maintain high-quality services across all divisions despite resource constraints, and enhance public outreach to keep the community informed.
- Promote Workplace Safety and Community Well-being — Advance the Injury and Illness Prevention Program through continuous safety training and field inspections.

Department Budget Tables - Non-Utility

Expenditures by Budget Category

Expenditures by Budget Category					
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Salaries and Wages	\$ 14,290,279	\$ 19,094,600	\$ 17,065,296	\$ 17,826,365	
Contractual Services	16,241,468	7,915,315	10,283,265	10,283,265	
Commodities	3,352,083	2,759,400	2,802,682	2,802,682	
Fixed Charges	3,300,409	4,072,700	3,498,243	3,505,843	
Capital Outlay	16,993,576	27,408,700	31,278,600	19,395,000	
Total	\$ 54,177,814	\$ 61,250,715	\$ 64,928,086	\$ 53,813,155	

Expenditures by Funding Category

Expenditures by Fund Type					
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
General Fund	\$ 27,905,079	\$ 25,451,150	\$ 20,072,666	\$ 20,830,943	
Other Governmental Funds	16,577,901	24,236,165	29,079,814	19,140,049	
Internal Service Funds	5,431,223	8,759,900	11,016,423	9,010,006	
Water Utility Funds	1,101,528	1,237,000	1,403,789	1,443,677	
Sanitary District	902,664	1,059,300	992,394	1,025,480	
Other Enterprise Funds	2,259,418	507,200	2,363,000	2,363,000	
Total	\$ 54,177,814	\$ 61,250,715	\$ 64,928,086	\$ 53,813,155	

Expenditures by Division

Expenditures by Division					
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Administration	\$ 1,922,827	\$ 2,490,200	\$ 2,125,956	\$ 2,167,784	
Engineering	27,213,190	28,199,665	32,930,150	22,990,756	
Facilities	12,211,330	17,441,500	18,464,527	16,687,476	
Street and Trees	12,830,467	13,119,350	11,407,453	11,967,139	
Total	\$ 54,177,814	\$ 61,250,715	\$ 64,928,086	\$ 53,813,155	

Department Budget Tables - Utility

Expenditures by Budget Category

Expenditures by Budget Category				
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Salaries and Wages	\$ 11,073,721	\$ 13,888,800	\$ 13,185,280	\$ 13,736,526
Contractual Services	6,782,564	13,727,400	7,066,100	7,036,184
Commodities	2,410,337	8,427,200	2,253,500	2,253,500
Fixed Charges	137,349	11,445,200	11,557,698	11,630,698
Capital Outlay	8,613,773	39,435,200	18,117,100	16,800,000
Reimbursements	14,227,462	18,522,800	18,763,924	19,008,186
Total	\$ 43,245,205	\$ 105,446,600	\$ 70,943,602	\$ 70,465,094

Expenditures by Funding Category

Expenditures by Fund Type				
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
General Fund	\$ -	\$ 217,800	\$ 200,326	\$ 208,848
Other Governmental Funds	226,087	1,150,600	308,100	308,100
Water Utility Funds	34,596,329	69,473,900	51,927,480	49,501,753
Sanitary District	8,422,789	34,604,300	18,507,696	20,446,393
Total	\$ 43,245,205	\$ 105,446,600	\$ 70,943,602	\$ 70,465,094

Expenditures by Division

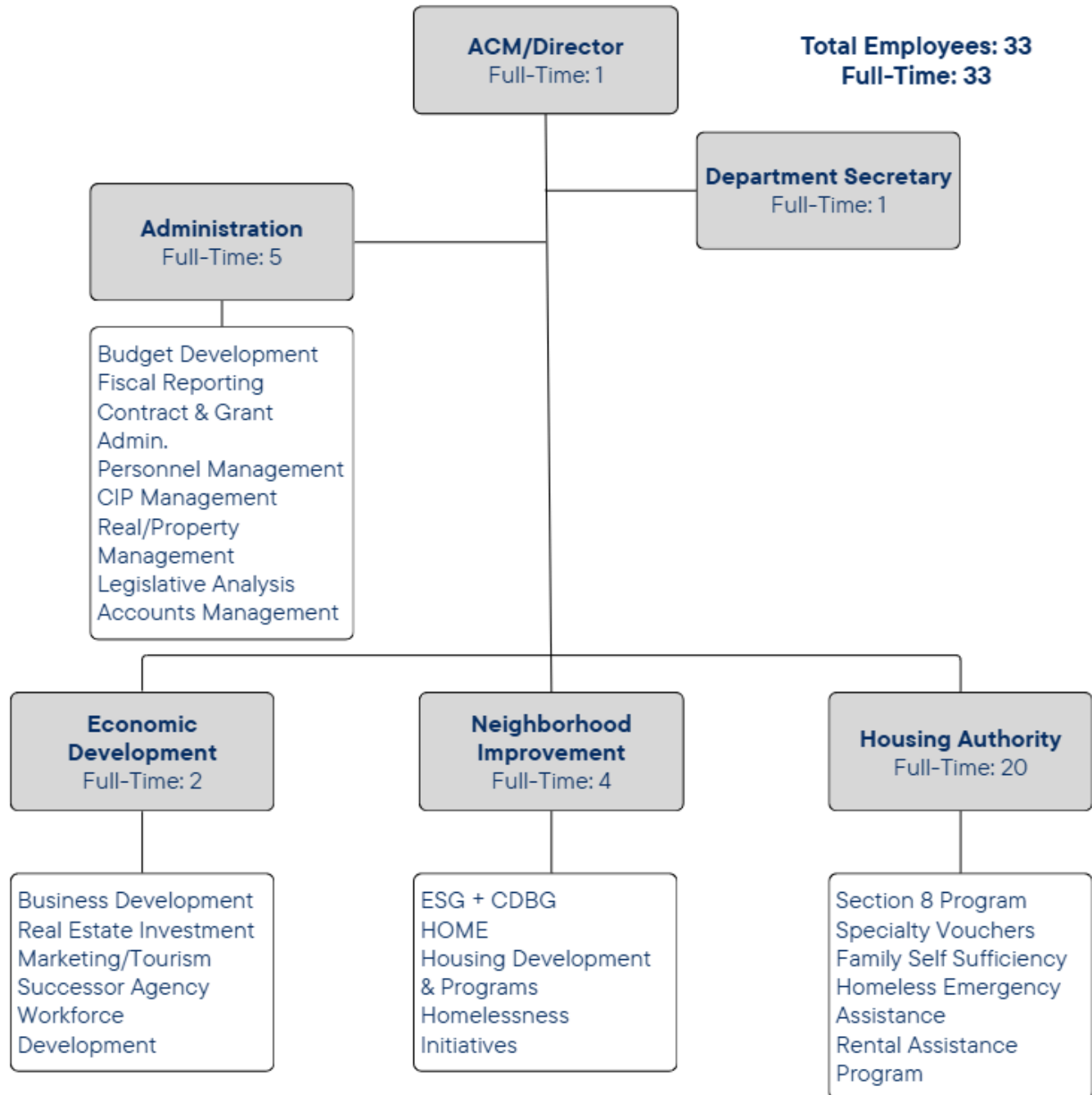
Expenditures by Division				
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Water Operations	\$ 34,596,329	\$ 69,524,800	\$ 51,850,035	\$ 49,420,700
Sewer Operations	6,844,176	32,764,800	16,476,379	18,429,016
Refuse Operations	1,804,700	3,157,000	2,617,188	2,615,378
Total	\$ 43,245,205	\$ 105,446,600	\$ 70,943,602	\$ 70,465,094

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Infrastructure	Engineering Division's Capital Projects Completed	9	8	8	8
Infrastructure	Engineering Division's Capital Projects Expenditure	\$15,187,340	\$16,155,000	\$13,350,000	\$13,200,000
Infrastructure	Design of New PFAS Treatment Facilities (Well 22, 26, 27)	0%	50%	100%	N/A
Infrastructure	Construction of New PFAS Treatment Facilities (Well 22, 26, 27)	0%	0%	1%	50%
Infrastructure	Sewer Line Cleaning of Hot Spot Areas (Linear Feet)	996'	996'	996'	996'
Infrastructure	Water Meter Accuracy Testing (No. of Testings)	110	100	100	100

Economic Development and Housing

The mission of the Economic Development and Housing Department is to drive sustainable economic growth to enhance community prosperity and leverage public funds to enable housing security.



Division Summaries

Administration

The Administration Division supports the Assistant City Manager and the department in ensuring effective and efficient operations. Led by the Senior Administrative Officer, the Division's team of analysts provides technical expertise across all program areas, including budget development and oversight, fiscal analysis and reporting, contract and grant administration, procurement, and accounts management. The Division also handles legislative analysis, personnel management, and real property management, overseeing the sale, lease, and maintenance of new City-owned properties. Additionally, it manages facilities, utilities, and capital improvement projects, ensuring that departmental operations and projects are executed efficiently and in alignment with organizational goals.

Office of Economic Development

The Office of Economic Development aims to drive sustainable economic growth, enhance community prosperity, and elevate Garden Grove's position as a premier destination for residents, businesses, and visitors. By fostering strategic partnerships, promoting innovative development, and celebrating cultural diversity, the division aims to cultivate a thriving local economy that benefits all members of the community.

Neighborhood Improvement

The Neighborhood Improvement Division provides programs and services designed to improve Garden Grove neighborhoods, both commercial and residential. With funding from the U.S. Department of Housing and Urban Development and the State of California Department of Housing and Community Development, the division offers a variety of housing resources and public services for Garden Grove's low-income residents.

Housing Authority

The Housing Authority Division operates under federal grants received from the U.S. Department of Housing and Urban Development to administer rental assistance programs and serve the needs of low-income residents. The division collaborates with community partners, local government agencies, and developers to promote inclusive housing solutions, enhance the quality of life for residents, and support the overall goals of affordable housing availability in the area.

FY 2023-25 Accomplishments

Administration

- The Central Cities Navigation Center (CCNC) was completed and began operations in June 2024, serving as a transitional and emergency facility providing vital support services for individuals experiencing homelessness.
- Through collaboration with a local eagle scout, the City installed eight pet waste stations at the Medal of Honor Bike and Pedestrian Trail in August 2023.
- The City purchased the Euclid Building, a five-story office building and parking facility located at 12966 Euclid Street, to support future growth and prepare for the Civic Center Master Plan. Since acquisition in August 2023, the City successfully increased the occupancy rate from 62% to 84%.
- In January 2024, the completion of the Bicycle Corridor Improvement Project (BCIP) delivered 15 miles of infrastructure improvements throughout five major corridors within the City. The BCIP marks a significant step in enhancing safety and accessibility for all road users in the Garden Grove community.
- In April 2024, the City relaunched the Foods of Garden Grove (FoGG) initiative to showcase the City's diverse cuisines and support local businesses through community engagement. The relaunch paved the way for the City's inaugural food tasting event, Foods of Garden Grove Live, held in October 2024.
- In December 2024, Phases 1 and 2 of the Caltrans Fencing Improvement Project (CFIP) were completed. The project installed fencing, gates, rocks, gravel, vines, landscaping, and slope paving at 14 locations, including underpasses along the 22 Freeway, to deter homeless encampments and enhance the area's security and appearance.
- In February 2025, the City of Garden Grove successfully acquired 12381 Harbor Boulevard, a 7,841-square-foot parcel in the Grove District. Adjacent to four other city-owned lots, this purchase for \$858,888 creates a larger, contiguous site that enhances development potential, improves the streetscape, and strengthens connectivity among major destinations such as the Great Wolf Lodge, the upcoming Nickelodeon Hotel, and the Site-C Mixed-Use Development.

Office of Economic Development

- In October 2023, Home2 Suites by Hilton celebrated its grand opening in the Grove District. The five-story hotel offers 124 rooms, 100 parking spaces, and resort amenities, and enhances the City's hospitality scene.
- In February 2024, the Orchard Grove Affordable Housing Project closed escrow, securing a \$3,646,000 rehabilitation loan for substantial improvements. This agreement ensures the preservation of 59 affordable housing units with expiring covenants and extends the covenants on 18 existing units until 2079.
- Brookhurst Place Phase II is currently underway with the construction of Building 2, which includes 112 new apartment homes. Located in OC Koreatown, this mixed-use development aims to enrich the community and enhance the City's landscape.
- On January 24, 2024, the Stuart Drive Permanent Supportive Housing Development was completed, which is the first permanent supportive housing development in the City. The development provides eight disabled homeless individuals with permanent rental housing with wrap around supportive services.
- Phase I of the Civic Center Revitalization—a two-phase development project featuring a new public safety facility, parking structure, and redesigned Civic Center Park—is currently under construction following the groundbreaking in May 2024.
- In FY 2023-24, Cottage Industries welcomed Smoke Queen BBQ, a unique smokehouse blending American barbecue with Asian flavors, and EcoNow, Orange County's first zero-waste and refillery shop promoting sustainable living and community education.
- In January 2025, City staff began the Business Retention and Expansion (BRE) program designed to support local businesses, strengthen the economy, and promote job growth. Through monthly business visits, the City aims to build relationships with business leadership, identify business needs, and provide targeted support to help Garden Grove businesses grow and stay rooted in the community.

Neighborhood Improvement

Advanced community well-being through coordinated programs that address housing, homelessness, economic development, tenant protections, public health, and infrastructure, demonstrating the City's commitment to inclusive and impactful service delivery.

- Assisted 5,071 individuals through the Be Well OC Mobile Response Team in FY 2023-24, with a projected 5,600 to be served in FY 2024-25. Additionally, provided outreach to 462 individuals through the Street Medicine Program, with 690 projected in the next fiscal year. Delivered meals to 223 seniors through Meals on Wheels, with 190 more expected to be served.
- Provided emergency shelter to 97 homeless individuals, conducted street outreach to 93, and delivered rental housing and support services to 12 homeless households and 12 at-risk households through the Rapid Rehousing and Homeless Prevention Programs.
- Supported one home buyer through the First-Time Homebuyer Program and plans to assist eight more in FY 2024-25. Provided home rehabilitation services to 21 households and roofing assistance to two homeowners, with 20 and 4 more projected to be assisted, respectively.
- Provided landlord mediation and legal counseling to 318 tenants in FY 2023-24 through the Fair Housing Foundation, with 190 additional tenants expected to receive assistance in FY 2024-25.
- Created or retained 14 jobs for low-income residents through the JOBS 1st Program. Launched the MicroBiz Program to support 11 microenterprises with technical and financial assistance. Offered business expansion support to 22 home-based childcare providers through the Boost Program, with 12 more to be assisted in FY 2024-25.
- Completed two street improvement projects on Marchand Avenue and Josephine Street, benefiting 4,265 residents. One additional street improvement project is underway, projected to assist 2,335 residents in FY 2024-25.
- City staff developed a new 5-Year Homelessness Strategy (July 2020 – June 2025) to guide efforts to increase housing security for the unhoused. Goals and objectives were debuted to City Council on March 11, 2025 and staff finalized the document during Q2 with the final 2025-2030 Homelessness Strategy approved by City Council on June 24, 2025.
- The HUD 5-Year Consolidated Plan is a comprehensive planning document required by the U.S. Department of Housing and Urban Development (HUD) for jurisdictions that receive federal funding through programs such as Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG). It outlines the community's strategic vision for housing and community development over a five-year period. The plan identifies local housing needs, homelessness concerns, economic development goals, and non-housing community development priorities. The City's 2025-2030 Consolidated Plan was approved by City Council on April 22, 2025.

Housing Authority

- Through the Homeless Emergency Assistance and Rental Transition Program, the City was able to provide rental assistance and supportive services to 33 homeless and at-risk households in FY 2023-24 and is projected to assist another ten households in FY 2024-25.
- The Garden Grove Housing Authority assisted approximately 2,253 low-income households through the Section 8 Rental Assistance Program in FY 2023-24 in disadvantaged CDBG areas/census tracts.
- The Section 8 Management Assessment Program (SEMAP) evaluates PHA performance in 14 key areas of the Section 8 program through annual assessments. The City's Housing Authority has consistently achieved the status of "High Performing Agency" since 2022 and expects to maintain the status in FY 2024-25 by conducting self-audits, random file sampling, and accurate HUD reporting.
- In June 2024, the City's Housing Authority successfully obtained \$1.4M in HUD set-aside funds to address the shortfall in Housing Assistance Payments (HAP) due to the rising rent costs, preventing program terminations for families.
- On April 9, 2025, the Garden Grove Housing Authority convened a Family Self-Sufficiency Program Coordinating Committee (PCC) meeting with the Buena Clinton Youth and Family Center, H. Louis Lake Senior Center, and Magnolia Park Family Resource Center. The meeting strengthened partnerships among local agencies, fostered collaboration, and aligned resources to support residents of all ages through programs that promote safety, well-being, and self-sufficiency.

FY 2025-27 Goals

- Facilitate job creation and working capital investments through business development initiatives.
- Attract real estate investors and developers in targeted sectors, particularly in tourism and hospitality, manufacturing, healthcare, and housing.
- Address critical infrastructure and public facility needs in disinvested communities.
- Increase access to affordable housing.
- Enhance service delivery to improve outcomes for those experiencing homelessness.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category				
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Salaries and Wages	\$ 4,933,479	\$ 6,413,818	\$ 6,062,828	\$ 6,336,066
Contractual Services	6,801,604	19,560,300	6,294,100	6,296,100
Commodities	125,980	91,000	96,200	99,200
Fixed Charges	58,021,433	69,266,400	63,948,870	63,855,273
Capital Outlay	29,837,632	151,273,100	2,561,000	550,000
Total	\$ 99,720,128	\$ 246,604,618	\$ 78,962,998	\$ 77,136,639

Expenditures by Funding Category

Expenditures by Fund Type				
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
General Fund	\$ 21,524,450	\$ 12,202,400	\$ 6,058,049	\$ 6,122,897
Other Governmental Funds	24,027,347	171,032,600	13,772,113	11,815,392
Water Utility Funds	43,787	86,900	76,294	79,928
Sanitary District	43,461	228,700	76,294	79,928
Housing Authority	52,581,259	51,151,918	51,028,211	51,175,092
Successor Agency	1,499,824	11,902,100	7,952,037	7,863,402
Total	\$ 99,720,128	\$ 246,604,618	\$ 78,962,998	\$ 77,136,639

Expenditures by Division

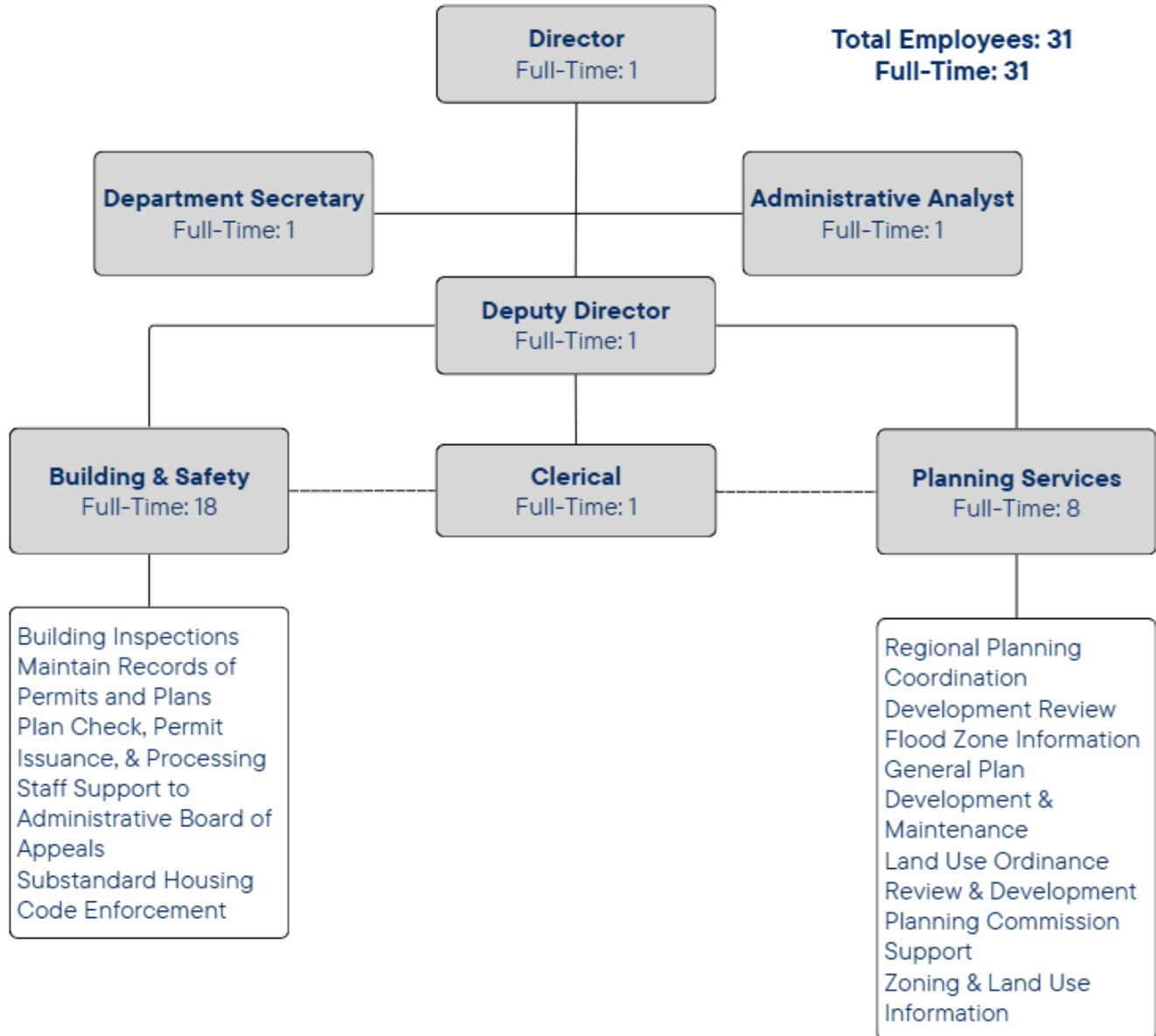
Expenditures by Division				
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Admin/Real Property	\$ 27,172,232	\$ 21,388,318	\$ 6,666,257	\$ 4,726,979
Econ Development	12,560,768	163,618,200	13,673,964	13,595,370
Neighborhood Improvement	7,152,720	10,569,700	7,968,886	8,021,183
Housing Authority	52,834,407	51,028,400	50,653,891	50,793,107
Total	\$ 99,720,128	\$ 246,604,618	\$ 78,962,998	\$ 77,136,639

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Good Governance	Transient Occupancy Tax (TOT) Revenue	\$28M	\$30M	\$32M	\$34M
Good Governance	Vehicle Rebate Program (VRP) Applications Processed	2,836	3,000	3,150	3,300
Good Governance	Foods of Garden Grove (FoGG) Social Impressions	97,572 Impressions	120,000 Impressions	130,000 Impressions	140,000 Impressions
Good Governance	Media Metrics	2,276 Followers	11,000 Followers	12,000 Followers	13,000 Followers
Good Governance	New Commercial Businesses Established or Attracted	590	620	650	680
Cultural Diversity	Brick-and-mortar businesses that have started operations in Garden Grove.				
Good Governance	Euclid Building Tenant Occupancy Rate	70%	75%	80%	85%
Good Governance	Number of Individuals Assisted through Be Well OC	5,071	5,250	5,500	5,750
Good Governance	Number of Small Businesses Approved for the MicroBiz Program	N/A	11	15	15
Good Governance	Number of Participants in the BOOST Program (for Home Daycare Providers)	22	12	15	15
Good Governance	Number of Households Retained through the HEART Program. Measurement of the program's effectiveness in providing lasting housing solutions and support services	33	30	30	30
Good Governance	Number of Households Supported by the First-Time Home Buyer Program	1	8	5	5

Community Development

The mission of the Community Development Department is to provide quality services through creativity and collaboration that ensures Garden Grove is a thoughtfully planned, safely built, and well-maintained community.



Division Summaries

Administration

The Administration Division oversees the department's budget and accounting, contract and grant administration, information technology, and personnel.

Building & Safety

The Building & Safety Division oversees Permitting, Inspections, and Code Enforcement to ensure compliance with State and local building regulations, protecting life, health, property, and public welfare. It regulates building design and construction in Garden Grove and partners with the community to enforce the municipal code, promoting a safe and welcoming city.

Planning Services

The Planning Services Division administers the City's zoning and land use codes, and helps residents and business owners create a positive environment while preserving and enhancing the appearance of the City.

FY 2023-25 Accomplishments

Administration

In FY 2023-25, additional positions were funded for the Community Development Department. Through FY 2023-25, Administration filled vacancies to boost productivity and response time.

- In June 2023, the department was awarded the California Automated Permit Processing Program (CalAPP) from the California Energy Commission. CalAPP funds focus on streamlining solar permits by allowing residents, contractors, and developers to obtain same day solar permits.
- In September 2023, the SB 2 (Building Homes and Jobs Act) Planning Grants Program was completed. Grant funds covered the development of the City's Housing Element, Density Bonus Ordinance, and a UCI Housing Study.
- In October 2023, the Local Early Action Planning (LEAP) Grant Program was completed. LEAP funded the development of Focused Zoning Amendment (FZA), Focused General Plan Update and Zoning Amendments (FGPUZA), Safety Element update, Environmental Justice Element update, and the implementation and integration of new electronic permitting software and online plan routing to assist with streamlining and expediting processes for Accessory Dwelling Unit (ADU) review.
- In November 2023, the City signed a Letter of Commitment with the Orange County Council of Governments (OCCOG) to continue the collaboration with OCCOG and formally join OCCOG's coalition to secure the United States Environmental Protection Agency (EPA) Brownfield Assessment Grant funding. In May 2024, OCCOG was awarded \$1.5 million dollars by the EPA to conduct grant activities. Grant activities will be aimed at cleaning up contaminated sites and promoting a vibrant community through development.
- From April 2024 through June 2024, the department completed a three month multi-language awareness campaign, highlighting information and services available in Planning, Building & Safety, and Code Enforcement, titled "Plan, Build, Beautify."
- In fall 2024, the department completed the Tobacco Law Enforcement Grant Program Cycle 2 (awarded 2021). The grant provided funding for a tobacco code enforcement officer to assist in educating businesses on tobacco laws and inspect businesses for tobacco licenses. In October 2024, the department was awarded the Tobacco Grant Program Cycle 2024-25. Grant activities include business inspections, undercover operations, and citing violators. The grant provides funding for a tobacco code enforcement officer and operational materials.
- In FY 2023-25, the department completed multiple Request for Proposals (RFP), including for environmental consultants, on-call planning services, and a developmental fee study consultant.
- In January 2025, the department successfully gained City Council approval of an update of planning and building fees to ensure the full cost of services is recovered by the City. It is estimated that the updated fees will generate an additional \$1.7M to the General Fund beginning in FY 2025-26.

Building & Safety

- In February 2023, the Building & Safety Division transitioned to a new permitting system, GGReady. GGReady allows for individuals to apply for building permits online. Individuals can also receive electronic plan review and schedule inspections through GGReady.
- In November 2023, the City Council passed Ordinance No. 2945, which amends Chapter 6.44 of Title 6 of the Garden Grove Municipal Code pertaining to the regulation of the sale of tobacco products. The amendment reflects changes in State law concerning tobacco sales and expressly prohibits the sale of tobacco products to persons under 21 years of age, the sale of tobacco products through vending machines, and the sale of flavored tobacco products.
- In June 2024, the Code Enforcement Unit revamped its Volunteer Program. The program allows interested individuals to gain valuable code enforcement experience by assisting Code Enforcement Officers by providing field observations and documentation.
- In July 2024, the Code Enforcement Unit restructured case assignments and returned to an area designation system, assigning an officer to one of five specific areas. This change brings numerous benefits, including fostering familiarity between officers and their designated areas, which allows for preventive enforcement in known problem zones, and ensuring a more even distribution of cases among officers.

- In FY 2023-25, the Code Enforcement Unit increased community outreach through various forms. Staff held presentations through various mediums, including presentations to City Council, television, radio, social media, and community events. Code Enforcement also revamped its web page to be more informative and user-friendly. Informative flyers were created in multiple languages to address frequently asked questions.
- In FY 2023-25, the Code Enforcement Unit increased its presence by expanding to seven day coverage, including evening hours. This allowed Code Enforcement to respond to the increase of unpermitted sidewalk vending. Furthermore, Code Enforcement placed an emphasis on addressing the blight and nuisances associated with vacant lots and buildings. Code Enforcement reformed its procedures to better track vacant lots and buildings, while providing shorter and stricter deadlines to address any ongoing code violations.

Planning Services

- In December 2023, the City of Garden Grove's 2021-2029 Housing Element for the 6th Regional Housing Needs Allocation (RHNA) Cycle was certified by the California Department of Housing and Community Development (HCD). The Housing Element included policies and programs to plan for 19,168 housing units to accommodate population, employment, and household growth in the region.
- In December 2023, the Planning Commission approved a Conditional Use Permit (CUP) authorizing the construction and operation of a new police headquarter facility along with adoption of the corresponding environmental document at 11201 Acacia Parkway. This milestone was achieved following extensive planning coordination and public involvement. As part of the outreach efforts, an open house was held in December 2023, offering community members the opportunity to receive an update on the building design, community survey results, and project milestones.
- In June 2024, the Planning Service Division completed Regional Early Action Planning (REAP) grant activities. REAP offered technical assistance to local jurisdictions in promoting housing and sustainable development. Grant activities included the streamlining of Accessory Dwelling Unit (ADU) production through pre-approved plans. The City received architectural drawings for studio, one, two, and three bedroom unit design options that range in size from 447 square feet to 1,000 square feet.
- In July 2024, the Planning Service Division received distinguished honors during the 2024 Planning Awards from the American Planning Association (APA) local Orange Section and the statewide California Chapter. The division earned first place (Award of Excellence) locally and second place (Award of Merit) at the state level in two award categories, Planning Agency Award and Hard-Won Victories Award.

FY 2025-27 Goals

- Continue implementing the goals and programs outlined in the 2021-2029 Housing Element to ensure progress toward meeting the City's Regional Housing Needs Allocation (RHNA) obligation, and supporting the development of diverse and affordable housing for all community members.
- Conduct an annual review of the City's General Plan and zoning code, and make necessary amendments to address community needs and ensure regulatory compliance.
- Implement a new project management system in the Planning Services Division to streamline workflows, enhance efficiency, and improve the review and processing of land use applications.
- Reduce processing times for permits by streamlining workflows and adopting new technologies.
- Reduce wait time for scheduling inspections by improving inspector availability, and using online tools to optimize inspection scheduling.
- Streamline intake processes, leverage online reporting systems, and improve case assignment efficiency by reviewing case management software and creating monthly reports for Code Enforcement Unit.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category								
Budget Category	Actual FY2023-24		Revised Budget FY2024-25		Adopted FY2025-26		Adopted FY2026-27	
Salaries and Wages	\$	4,437,132	\$	5,398,400	\$	6,115,376	\$	6,401,580
Contractual Services		2,291,522		1,313,300		1,485,300		1,391,900
Commodities		39,504		249,600		328,500		92,000
Fixed Charges		2,739,411		613,600		655,738		655,735
Total	\$	9,507,568	\$	7,574,900	\$	8,584,914	\$	8,541,215

Expenditures by Funding Category

Expenditures by Fund Type								
Fund Type	Actual FY2023-24		Revised Budget FY2024-25		Adopted FY2025-26		Adopted FY2026-27	
General Fund	\$	6,847,367	\$	7,082,600	\$	7,938,725	\$	8,120,863
Other Governmental Funds		1,246,399		439,000		536,300		305,300
Internal Services Funds		4,822		-		-		-
Water Utility		35,556		53,300		109,862		115,060
Housing Authority		50,932		-		-		-
Sucessor Agency		1,322,492		-		27		(8)
Total	\$	9,507,568	\$	7,574,900	\$	8,584,914	\$	8,541,215

Expenditures by Division

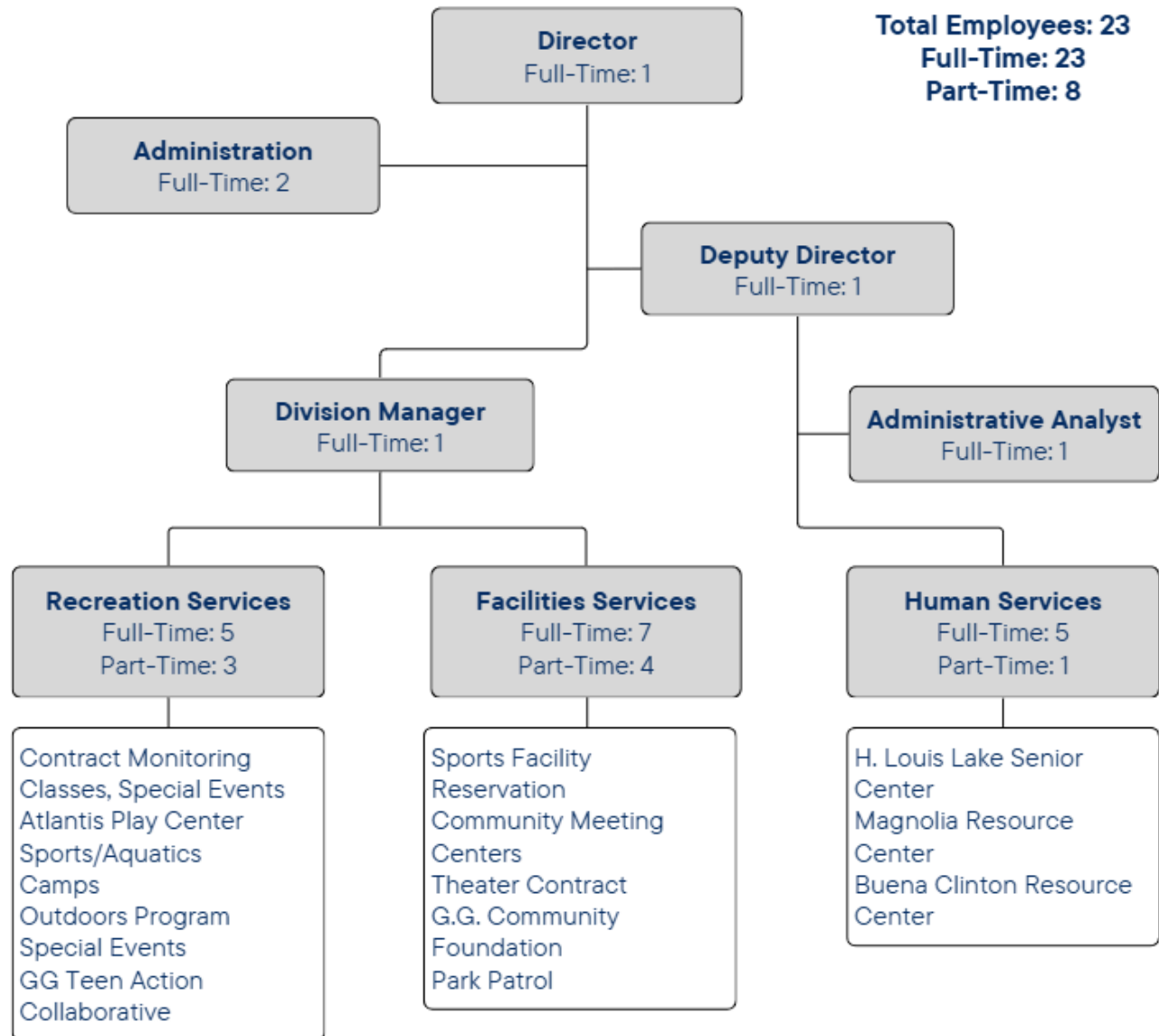
Expenditures by Division								
Division	Actual FY2023-24		Revised Budget FY2024-25		Adopted FY2025-26		Adopted FY2026-27	
Community Development	\$	7,262,755	\$	7,574,900	\$	8,584,887	\$	8,541,223
Economic Development		884,614		-		-		-
Neighborhood Improvement		37,707		-		-		-
Successor Agency		1,322,492		-		27		(8)
Total	\$	9,507,568	\$	7,574,900	\$	8,584,914	\$	8,541,215

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Economic Development & Business Support	Number of Building Permits Issued (This measurement reflects the department's role in supporting new construction)	6,257	6,000	6,000	6,000
Economic Development & Business Support	Number of Inspections Performed (This measurement reflects the department's role in ensuring the safety of new construction)	15,795	15,000	15,000	15,000
Economic Development & Business Support	Average Building Inspection Response Time (Support construction by conducting inspections within 3 business days of request)	7 days	3 days	3 days	3 days
Economic Development & Business Support	Average Review Time for Minor Projects (Support timely development by conducting plan review for minor projects, such as solar and HVAC projects, within 5 business days of receipt)	7 days	5 days	5 days	5 days
Economic Development & Business Support	Average Review Time for Standard Projects (Support timely development by conducting building plan review for commercial, residential, and mixed use within 20 business days of receipt)	27 days	20 days	20 days	20 days
Code Enforcement	Number of Code Enforcement Cases Resolved (This measurement reflects the department's ability to enhance the community by addressing reported Municipal Code violations)	2,442	2,400	2,400	2,400
Code Enforcement	Average Case Resolution Time (Demonstrates commitment to customers by resolving 70% of cases within targeted days)	76 days	65 days	65 days	65 days
Economic Development & Business Support	Number of Entitlement Cases Processed (This measurement reflects the department's role in supporting new development)	41	35	35	35
Economic Development & Business Support	Average Review Time for First Entitlement Submittals (Supports timely entitlement processing by reviewing land use applications for completeness within 30 days of submission)	28 days	30 days	30 days	30 days
Code Enforcement	Community Engagement Outreach Events (Familiarizes the public with Code Enforcement activities and provides property maintenance education)	--	2	3	3

Community Services

The mission of the Community Services Department is to enrich and serve an inclusive, healthy, and vibrant community by innovatively connecting people, parks, and programs.



Division Summaries

Human Services

The Human Services division supports community well-being through various programs. The Buena Clinton Youth and Family Center promotes youth enrichment, community involvement, and safety, and offers a summer camp, after-school program, food and diaper distributions, family events, and a mobile dental clinic. The Magnolia Park Family Resource Center provides family support services, including education, counseling, and youth programs. Both centers coordinate Back-to-School and Holiday Toy drives. The H. Louis Lake Senior Center offers low- and no-cost programs for older adults, focusing on nutrition, transportation, social support, and wellness.

Facilities Services

The Facilities Services division manages operations and reservations for various venues and park spaces across the City. High-use facilities include athletic fields for soccer (indoor and outdoor), football, softball, baseball, roller hockey, tennis, pickleball, and volleyball; two community centers, two park buildings, and nine picnic shelters for private events such as parties, receptions, seminars, and banquets; and two community theaters for concerts and musicals year-round. The division also coordinates rentals for the City's mobile stage (Showmobile) and serves as the primary liaison with the Garden Grove Community Foundation, which organizes the Free Summer Concert Series and The Voice of Garden Grove.

Recreation Services

The Recreation Services division offers activities and programs designed to enrich lives at all ages. These include contract instructor classes, featured in a Parks and Recreation Guide published three times per year; sports programming, including a youth basketball league; aquatics classes, swim lessons, and recreational swim hours; a summer day camp with weekly field trips; a teen action collaborative that provides volunteer and scholarship opportunities; and Atlantis Play Center, a unique enclosed playground available for birthday party rentals. Additionally, the division hosts community events such as Foods of Garden Grove LIVE, Winter in the Grove, Art in the Park, Open Streets, Garden Grove GEMS, Jack o'Lantern Jamboree, Eggscavation, Movies in the Park, and the Summer Concert Series.

FY 2023-25 Accomplishments

- Upgraded the large pavilion and three picnic shelters at Garden Grove Park. Installed new playground equipment for both 2–5 and 5–12 year olds, enhancing recreational opportunities for families.
- Completed significant improvements at Magnolia Park, including a new preschool and school aged playground, new picnic shelter, new exercise equipment, and new fencing surrounding the pool.
- In November 2023, the Civic Center Bridge was renovated. The project included the construction of a new bridge on the west side of the Community Meeting Center, new walkways on the east side, landscaping improvements, and enhanced ADA accessibility throughout the area. The bridge was dedicated in memory of fallen Garden Grove Police Corporal Han Cho.
- The operating system for the Atlantis Park Splash Pad was fully upgraded in 2024, with nearly all major components replaced after the system reached the end of its service life. The splash pad reopened to the public in June 2024.
- Installed new state-of-the-art security cameras at the Community Meeting Center, Senior Center, Buena Clinton Youth and Family Center, and Magnolia Park building, replacing outdated equipment and enhancing overall site safety.
- Conducted a comprehensive, department-wide fee study. As a result, fees were successfully updated across all facilities, parks, and rental services to ensure both cost recovery and regional competitiveness.
- The department served as a liaison for numerous high-profile events including the Strawberry Festival, Tet Festival, West Grove Bike Parades, Flower Street Festival, and many others.
- In a joint initiative with the Economic Development Department, Community Services led the planning and execution of the inaugural, sold-out "Foods of Garden Grove: Live" special event, which welcomed over 4,000 attendees to Village Green Park for a lively evening of food, music, and community celebration. Guests enjoyed tastings from more than 20 local Foods of Garden Grove restaurants, along with live '80s tribute performances. The event highlighted the city's rich culinary diversity and strong sense of community.

Human Services

- Expanded the variety of excursions offered to senior participants at the Senior Center. Outings included Duffy boat rides, Angels Baseball game, Segerstrom events, and other engaging activities.
- In July, Buena Clinton Youth and Family Center hosted its first-ever Lucha Libre event, featuring high-energy matches in a professional outdoor wrestling ring. The culturally rich evening attracted strong community interest and included resource booths connecting families with local services.
- Magnolia Park proudly celebrates its 25th anniversary in 2025, marking decades of service and community impact. In January, the center secured a new three-year grant totaling \$1,050,000, enabling continued delivery of essential programs and services for the community.

Facilities Services

- In 2024, the division secured a new tenant for the football field at Garden Grove Park. The Garden Grove Pop Warner Panthers now rent the field, operate the small building and snack bar, and host practices and games at the park.
- Celebrated the Garden Grove Community Foundation's 25th anniversary with a free concert at the Garden Amp, open to all residents. Due to its success, this event is now held annually every June.
- Installed bistro lighting on the patios of the Courtyard Center to enhance the space's beauty, ambiance, and usability for patrons who rent the facilities. Additionally, the mural artwork on the building's exterior was repainted and expanded onto the west side.

Recreation Services

- Secured sponsorships to fully fund 50 tons of snow for the annual *Winter in the Grove* event. This support allowed for free, unlimited snow slide access for the entire community.

- Partnered with the Weekly Car Show to host a special screening of *Grease* on Main Street. The event paired the classic film with a vintage car show, creating a nostalgic and engaging community experience.
- In partnership with the Garden Grove Community Foundation (GGCF), hosted the inaugural Garden Grove Teen Action Collaboration (GGTAC) Awards Banquet. Five GGTAC participants received a total of \$2,000 in scholarships. GGTAC also held its first Teen Summit—an innovative, one-day mini-conference planned by teens, for teens.
- In summer 2023, the annual Day Camp program was successfully relocated to Edgar Park. This site offers improved logistics, operational efficiency, and provides a safe and accommodating environment for the 60 participating youth.

FY 2025-27 Goals

1. Enhance inclusivity of programs and services through marketing opportunities.
2. Identify opportunities to expand public art through collaborations with the local art community.
3. Continue to utilize the 15-year Parks and Facilities Master Plan as the guiding tool to improve parks, facilities, and amenities.
4. Continue to identify and expand community partnerships that support the well-being of the Garden Grove community.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category					
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Salaries and Wages	\$ 4,810,296	\$ 6,274,100	\$ 7,433,616	\$ 7,802,733	
Contractual Services	2,548,640	1,147,600	1,272,629	1,086,851	
Commodities	160,870	206,400	202,500	202,500	
Fixed Charges	709,532	751,900	1,130,625	1,130,625	
Capital Outlay	22,025	14,532,500	2,545,000	470,000	
Total	\$ 8,251,363	\$ 22,912,500	\$ 12,584,370	\$ 10,692,709	

Expenditures by Funding Category

Expenditures by Fund Type					
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
General Fund	\$ 5,733,084	\$ 7,415,800	\$ 9,104,505	\$ 9,268,604	
Other Governmental Funds	2,518,279	15,496,700	3,479,865	1,424,105	
Total	\$ 8,251,363	\$ 22,912,500	\$ 12,584,370	\$ 10,692,709	

Expenditures by Division

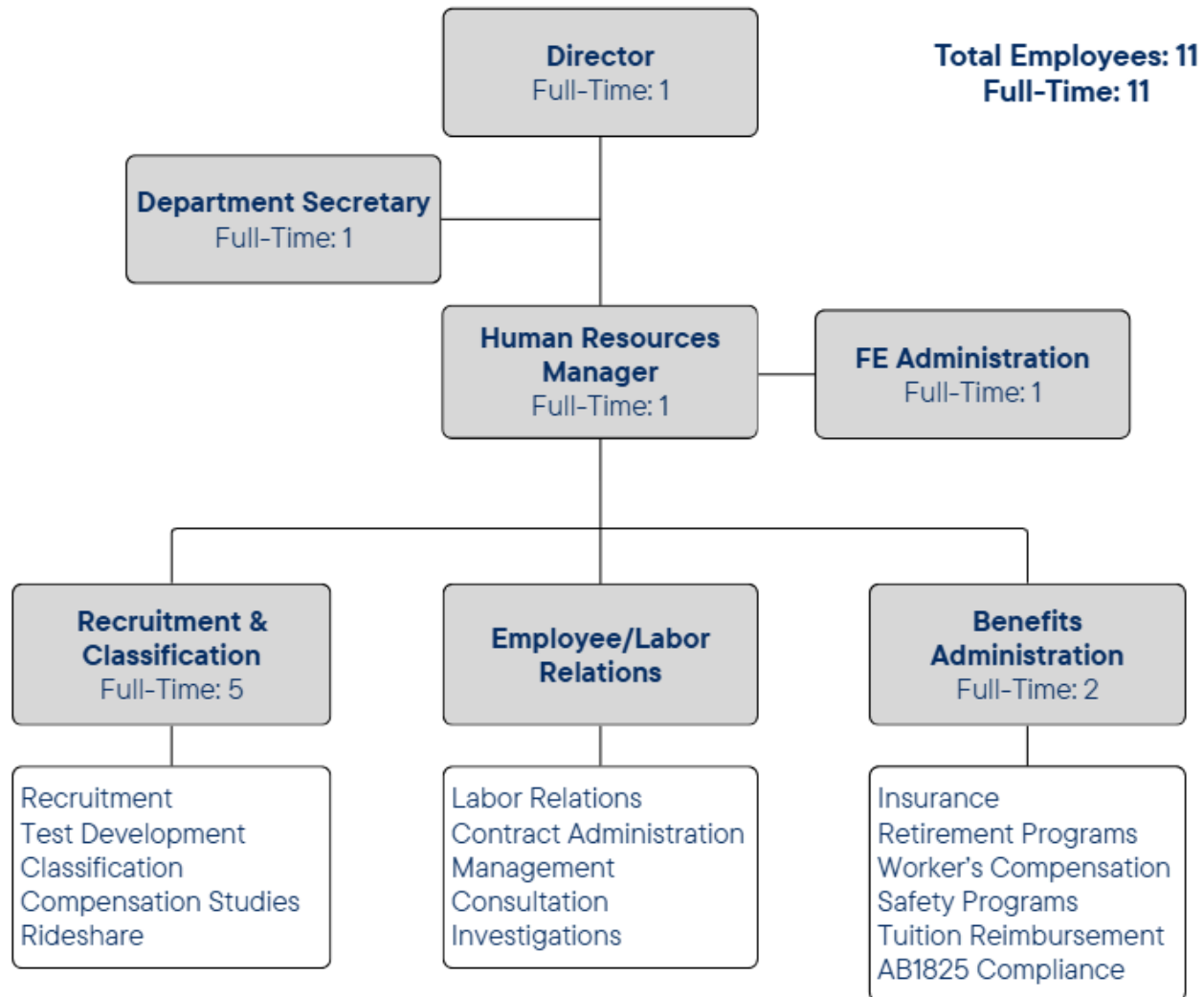
Expenditures by Division					
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
General Management	\$ 3,627,414	\$ 17,583,400	\$ 5,976,336	\$ 4,020,677	
Recreation Services	1,905,372	1,667,200	2,569,461	2,648,295	
Human Services	1,925,730	2,382,400	2,549,708	2,628,704	
Facilities Services	792,847	1,279,500	1,488,865	1,395,033	
Total	\$ 8,251,363	\$ 22,912,500	\$ 12,584,370	\$ 10,692,709	

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Cultural Diversity	Garde Grove Sports and Recreation Center Program Revenue	\$138,135	\$116,375	\$140,000	\$140,000
Cultural Diversity	Garden Grove Teen Action Coalition Volunteer hours	732 Hrs.	714 Hrs.	850 Hrs.	900 Hrs.
Cultural Diversity	Aquatics Program Revenue	\$170,414 Gary Hall, Magnolia Park, & Woodbury Park Pools	\$187,254 Gary Hall & Magnolia Park Pools. Woodbury pool under construction for summer of 2025	\$125,000 Gary Hall & Magnolia Park Pools. Woodbury pool under construction for summer of 2025	\$200,000 Gary Hall, Magnolia Park, & Woodbury Park Pool
Cultural Diversity	City Wide Special Events (#Events/Attendance)	5/10,325	6/13,132	5/14,000	5/15,000
Cultural Diversity	Number of banquet facility rentals	74	71	80	85
Cultural Diversity	Field rental revenue	\$138,936	\$94,035	\$140,000	\$143,000
Cultural Diversity	Number of picnic shelter bookings	184	157	195	205
Cultural Diversity	Number of park building rentals	108	173	165	170
Cultural Diversity	Park building rentals revenue	\$30,848	\$41,367	\$33,000	\$37,000
Homelessness	Provide linkages/referrals and case management services to families and seniors	2,683	2,696	2,700	2,800
Cultural Diversity	Participation in classes/programs for seniors/youth and families (duplicated)	15,170	16,150	14,800	15,000
Cultural Diversity	Food Security/Nutrition meals served	93664	89325	90,00	85,000
Cultural Diversity	Special Events including holiday and Back to school drives	5,287	5,325	5,400	5,500
Cultural Diversity	Counseling / support groups to children, adults, families, seniors	243	255	270	300
Cultural Diversity	Registered Program Participants-unduplicated	1,606	1,620	1,625	1,650

Human Resources

The mission of the Human Resources Department is to provide guidance and support to our diverse community of employees and applicants, and to promote the City of Garden Grove as a great place to work and thrive. Human Resources places an emphasis on fairness and consistency in the recruitment, selection, retention and personal and professional development of the City's most important asset — our employees.



Division Summaries

Benefits Administration

The Benefits Administration division manages employee well-being and workplace safety through various programs. It oversees employee fringe benefits, including health, dental, and vision, leaves, and retirement. The division handles workers' compensation, assisting employees with job-related injuries and claims, and implements safety programs to promote a secure work environment and prevent workplace hazards. Additionally, it manages tuition reimbursement, supporting employees in furthering their education. The division also ensures compliance with all mandated training, including sexual harassment prevention training for all employees.

Employee & Labor Relations

The Employee and Labor Relations division is responsible for fostering positive workplace relationships and ensuring compliance with labor agreements. It manages labor relations, including negotiations and dispute resolution with employee unions. The division oversees contract interpretation and administration, ensuring adherence to collective bargaining agreements and employment policies. It provides management consultation by advising leadership on employee performance, disciplinary actions, and workplace policies. Additionally, it conducts investigations into employee complaints, misconduct, and policy violations to ensure a fair and compliant work environment.

Recruitment & Classification

The Recruitment and Classification division is responsible for recruiting and hiring qualified candidates through effective recruitment strategies, and ensuring fair and valid hiring processes. The division manages the classification and compensation functions, ensuring job descriptions align with organizational needs and industry standards, and conducting compensation studies to maintain competitive and equitable pay structures. Additionally, this unit oversees rideshare programs to promote sustainable commuting options for employees.

FY 2023-25 Accomplishments

Benefits Administration

- Developed system to ensure consistent workers' compensation training is provided to all supervisory staff on an annual basis.
- Completed required reporting to Cal/OSHA.
- Completed required reporting to Office of Self Insurance Plans with new reporting requirements.

Employee & Labor Relations

- Assessed and designed modifications to current Human Resources and Payroll processes and procedures to configure the HR/Payroll module of new ERP system.
- Created comprehensive user instructions and training materials and conducted hands-on training for Department Secretaries processing merit increases and evaluations in FE.
- Negotiated extension of Memorandum of Understanding with Police Officers Association.

Recruitment & Classification

- Completed the 2023 Comprehensive Equity Study and implemented approved recommendations to ensure pay equity and compliance with State minimum wage laws.
- Adjusted hourly wage for part-time classifications of Police Cadet, Police Office Aide, Recreation Specialist, and Recreation Leader to comply with changes in State minimum wage.
- Successfully recruited for and hired several key Central Management positions - Community Development Director, Economic Development Director, and Assistant City Manager.
- Created new Cybersecurity Analyst classification specification and filled the position through an internal recruitment.
- Developed and implemented training for new supervisors to learn and understand the recruitment, selection, and hiring process to fill their vacancies.
- Rolled out merit increase personnel action forms and annual, merit, and probation evaluation workflows in FE.

FY 2025-27 Goals

- Complete the implementation of ERP Personnel Action Form workflows for new hires, leaves, supplemental pays, and separations.
- Review and revise bilingual examinations for Spanish, Korean, and Vietnamese.
- Develop and implement a Department of Transportation random drug testing program for applicable positions.
- Develop and implement a training program to support employee development, including training on leadership, supervision, business writing, diversity, inclusion, implicit bias, and cultural awareness.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category								
Budget Category	Actual FY2023-24		Revised Budget FY2024-25		Adopted FY2025-26		Adopted FY2026-27	
Salaries and Wages	\$	2,930,448	\$	3,592,600	\$	2,235,445	\$	2,340,288
Contractual Services		243,828		720,100		634,300		634,300
Commodities		42,578		205,800		96,200		96,200
Fixed Charges		7,939,939		6,647,800		6,648,293		6,648,293
Total	\$	11,156,793	\$	11,166,300	\$	9,614,238	\$	9,719,081

Expenditures by Funding Category

Expenditures by Fund Type								
Fund Type	Actual FY2023-24		Revised Budget FY2024-25		Adopted FY2025-26		Adopted FY2026-27	
General Fund	\$	1,916,248	\$	2,263,600	\$	2,108,708	\$	2,184,071
Other Governmental Funds		184,640		491,200		240,394		244,024
Internal Service Funds		9,036,055		8,385,700		7,224,717		7,249,115
Water Utility Funds		16,050		22,000		36,619		38,071
Sanitary District		3,800		3,800		3,800		3,800
Total	\$	11,156,793	\$	11,166,300	\$	9,614,238	\$	9,719,081

Expenditures by Division

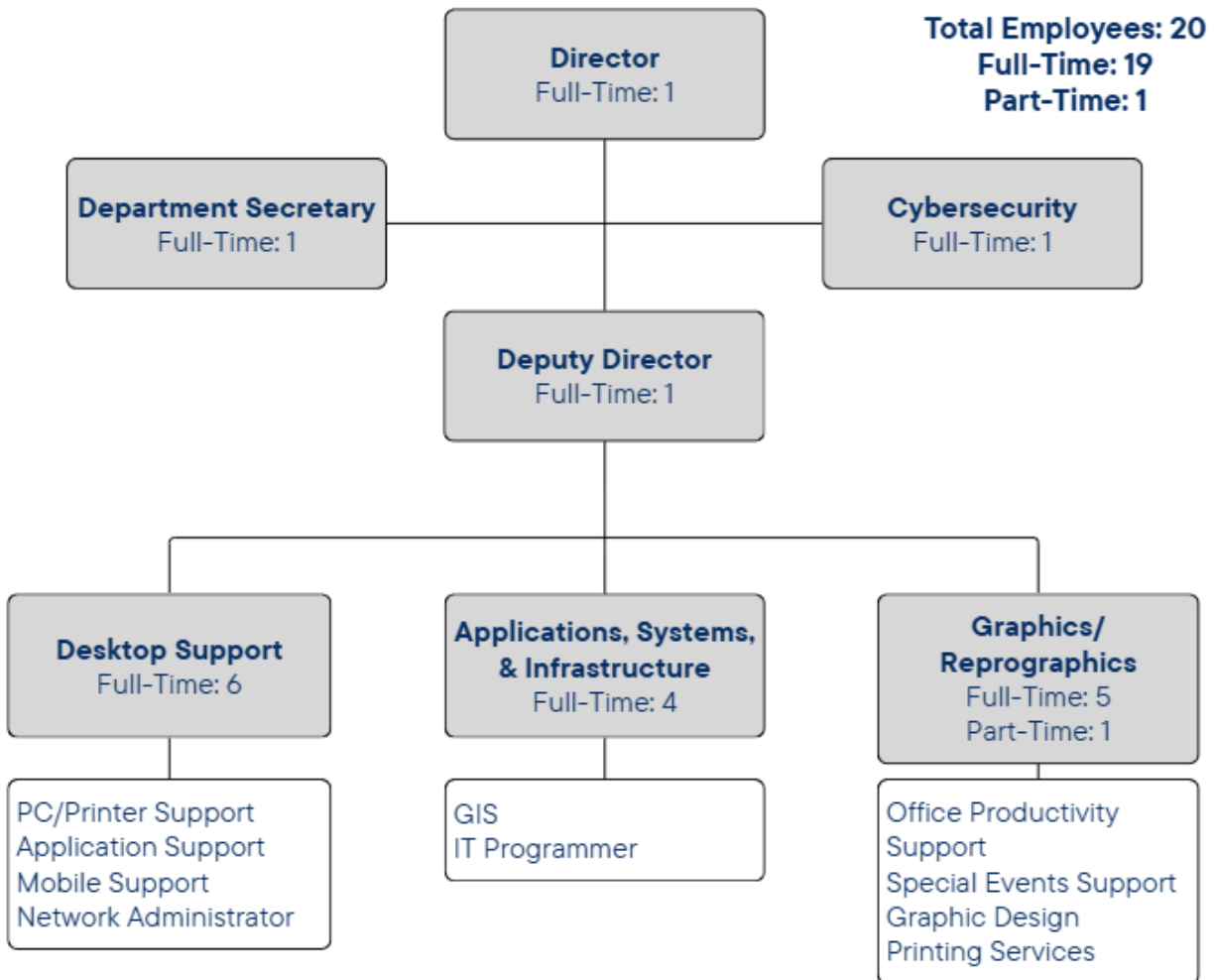
Expenditures by Division							
Division		Actual FY2023-24		Revised Budget FY2024-25		Adopted FY2025-26	Adopted FY2026-27
Human Resources	\$	11,156,793	\$	11,166,300	\$	9,614,238	\$ 9,719,081
Total	\$	11,156,793	\$	11,166,300	\$	9,614,238	\$ 9,719,081

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Good Governance	Total number of recruitments	84	91	90	90
Good Governance	Total number of new hires	90	98	95	95
Good Governance	Total number of promotions	54	81	75	75
Good Governance	Number of Retirements processed	17	20	15	15
Good Governance	Number of full-time resignations processed	20	20	15	15
Cultural Diversity	Number of employees certified for bilingual fluency (Spanish, Korean, Vietnamese)	25	33	30	30
Good Governance	Number of Rideshare participants	75	78	75	75
Good Governance	Number of participants in Rideshare Redemption Program	50	54	50	50
Good Governance	Number of Employee Service Awards	108	81	80	80
Good Governance	Number of active workers' comp cases	292	302	280	280
Good Governance	Number of workers' comp cases closed	58	60	60	60
Baseline: Financial Health and Sustainability	Maintain compliance and accuracy with ACA/PERS requirements of member information and submittal	Yes	Yes	Yes	Yes

Information Technology

The Information Technology Department provides comprehensive support to the entire agency by utilizing a mix of in-house customized software, purchased software, and open-source technology. IT strives to find the optimal solution for each City department while ensuring the security and reliability of the City's data and network infrastructure. The adoption of open source software and in-house programming has enabled IT to offer advanced features, stability, flexibility, and integration with significant cost savings.



Division Summaries

Applications, Systems & Infrastructure

Oversees the City's critical technology foundation, including third-party and internally developed applications, servers, network infrastructure, websites, and geographic information systems.

Desktop Support

Delivers technical assistance and maintenance for desktop computers, laptops, mobile devices, and all endpoints deployed across the City.

Administration & Cybersecurity

Provides administrative support for the Department and leads cybersecurity initiatives to protect municipal systems, networks, and data from emerging threats.

Graphics & Reprographics

Creates professional graphics and documents, offers creative consultation on City initiatives, and manages printing operations, mailroom services, and the municipal fleet of photocopiers.

FY 2023-25 Accomplishments

Policies/ Procedures/ Planning

- Created Privacy Policy

Systems/ PC Technical Support

- New ESRI GIS server
- Purcell building security enhancements
- Updated City Council Chamber equipment
- New computer lab/training room
- New agenda management program
- Samba Active Directory and Windows updates
- Replacement of 286 computers
- Nobel implementation
- Integration of City's mobile app with City website
- Roll out PAF Salary/Evaluation changes
- Lobby kiosk
- Upgrade intranet website
- Extend elastic logging and metric aggregations cloud service to serve as SEIM and EDR
- New cloud-based telephone system
- Zimbra multifactor authentication for supervisors
- Email and collaboration software update
- IT equipment checkout system
- Word Processing/ Graphics
 - Document/ Spreadsheet support:
 - Maintenance of City telephone directory and updates to online directory
 - Creation of electronic forms and paper forms
 - Formatting of manuals for various departments
 - Artwork:
 - Triannual Parks and Recreation guides
 - Recreation Center banners
 - PDAOC program and schedule of events
 - CityWorks publication
 - City calendars
 - Various water bill inserts
 - Employee Service Awards
 - College Graduates' Reception
 - Community Services Volunteer Recognition Dinner
 - Winter in the Grove/ Jack-o-Lantern Jamboree/ Eggscavation
 - Senior Center City events
 - State of the City of Garden Grove program
 - Certificates/ Proclamations/ Recognitions
 - Citizen Academy
 - The Great Shakeout
 - Outdoor Movie Series posters and flyers

Reprographics/ Mailroom

- From July 1, 2023 to December 31, 2024, this division produced:
 - 738,537 color photocopies
 - 1,227,104 black and white photocopies
- City Council packets
- Maintenance of all City copiers
- Bulk scanning of all City copiers
- Print, fold, and stuff business license renewals and notices
- Fold and stuff monthly housing checks
- Print and bind booklets for the Gem Theater
- Print bound copies of the City Budget Book

- Create various sizes of City calendars
- Create various NCR forms for PD and Housing
- Sort and deliver incoming mail/deliveries

FY 2025-27 Goals

1. Replace Datacenter equipment.
2. Support technology outfitting for new PD building and park.
3. Implement cybersecurity technology purchased through COPS (Community Oriented Policing Services) grant.
4. Upgrade existing cloud system.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category					
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Salaries and Wages	\$ 3,752,384	\$ 4,509,700	\$ 4,019,064	\$ 4,200,991	
Contractual Services	419,583	844,500	806,605	818,443	
Commodities	340,746	479,400	679,205	433,968	
Fixed Charges	252,513	212,700	211,138	211,238	
Capital Outlay	11,917	350,000	-	-	
Total	\$ 4,777,144	\$ 6,396,300	\$ 5,716,012	\$ 5,664,640	

Expenditures by Funding Category

Expenditures by Fund Type					
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
General Fund	\$ 556,385	\$ 854,200	\$ 697,385	\$ 723,051	
Other Governmental Funds	-	350,000	-	-	
Internal Services Funds	4,220,760	5,192,100	5,018,627	4,941,589	
Total	\$ 4,777,144	\$ 6,396,300	\$ 5,716,012	\$ 5,664,640	

Expenditures by Division

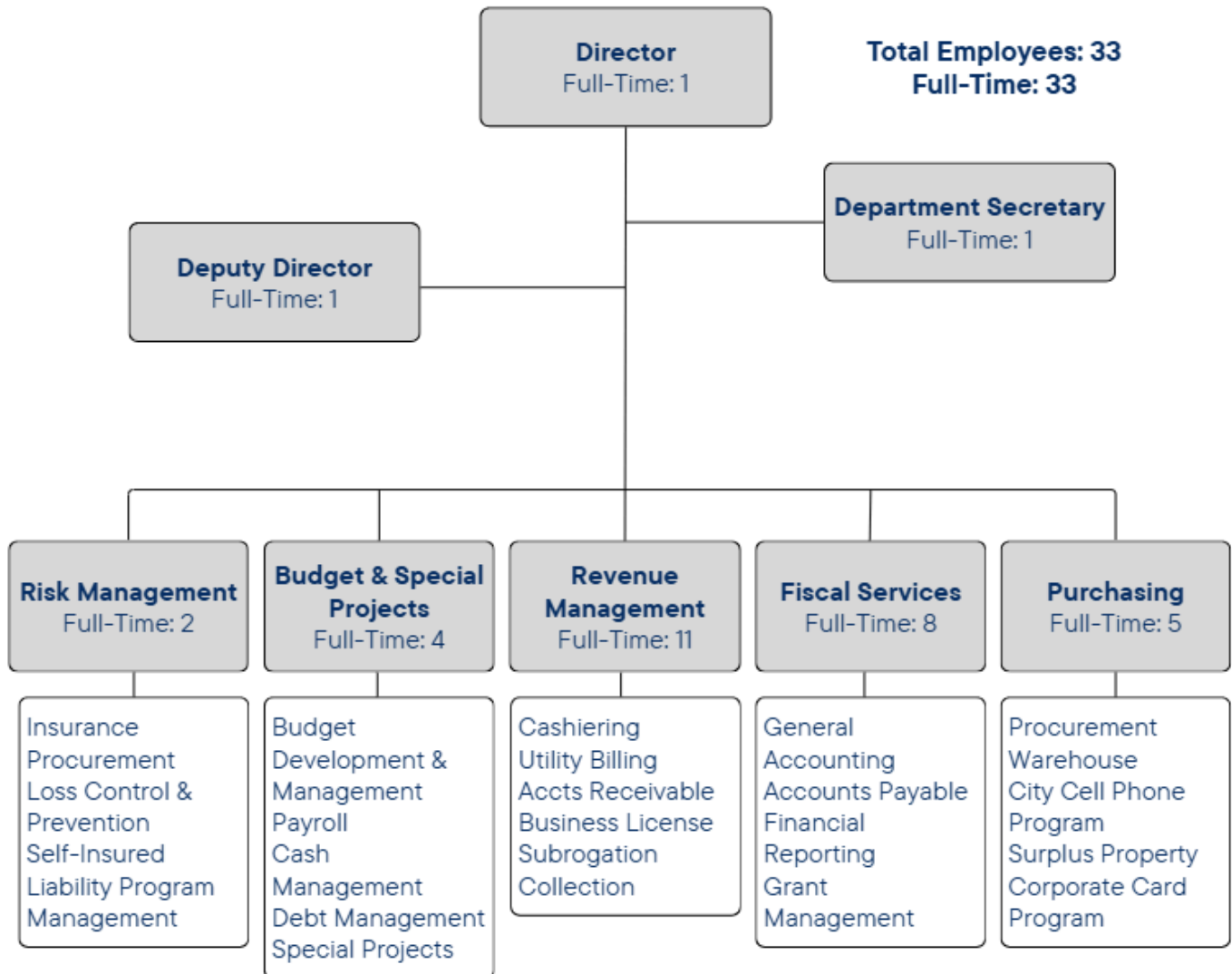
Expenditures by Division					
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27	
Information Technology	\$ 4,777,144	\$ 6,396,300	\$ 5,716,012	\$ 5,664,640	
Total	\$ 4,777,144	\$ 6,396,300	\$ 5,716,012	\$ 5,664,640	

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Baseline: Financial Health and Sustainability	Major Cybersecurity Incidents (Any cybersecurity incident that is reported in the Orange County Register or other major media)	0	0	0	0
Good Governance	IT Support Tickets Resolved/Submitted	98%	98%	98%	98%
Good Governance	Reprographics Impressions (Number of print jobs produced by the division)	326,609	330,000	330,000	330,000
Good Governance	KnowBe4 Organizational Risk Score (Quantifies City's vulnerability to phishing or other cybersecurity attacks; based on City employees' phishing security test response, trainings completed, and other data)	14.4	<20	<20	<20
Good Governance	Number of Devices Managed (Includes desktop computers, laptops, and mobile devices supported by the department)	2,716	2,700	2,700	2,700
Good Governance	Data Managed (Amount of data present in the City's backup system)	96 TB	<110 TB	<121 TB	<133 TB
Good Governance	Network Latency (Average time for data to travel between endpoints in the City's network)	1ms	<1ms	<1ms	<1ms

Finance

The mission of the Finance Department is to promote sound fiscal stewardship through innovative, efficient and effective financial management, and provide timely, accurate, clear and complete information and support to other city departments, citizens, and the community at large while maintaining accountability and preserving public trust.



Division Summaries

Fiscal Services

Fiscal Services Division provides financial management and financial reporting, accounts payable, and general accounting services for the City, consistent with the highest professional standards in accordance with legal requirements and generally accepted accounting principles.

Budget & Special Projects

The Budget Division is responsible for preparing and maintaining the City's operating and capital budgets, and payroll.

Risk Management

Risk Management Division is responsible for insurance procurement, loss control/prevention, and self-insured liability program administration.

Revenue Management

The Revenue Division manages Accounts Receivable, coordinates centralized cashiering, and processes daily deposits for all City revenue, and is responsible for utility billing and collections, Business License Tax administration and collection, Transient Occupancy Tax administration, and Regulatory Permits administration.

Purchasing

The Purchasing Division is responsible for purchasing all goods and services for all City departments and for inventory of materials and supplies for internal customers of the Central Stores Warehouse. The division is also responsible for the City's telecommunication needs, and the disposition of surplus City property/equipment.

FY 2023-25 Accomplishments

- Received an unmodified opinion from the City's independent auditor for the financial statements prepared for fiscal year ending June 30, 2024, and obtained the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for FY 2022-23, the 39th consecutive award in this category.
- In February 2024, the City received its first GFOA Award for Distinguished Budget Presentation for its Fiscal Years 2023 to 2025 biennial budget document.
- In April 2024, the City conducted a credit review with Standard & Poor's Global Rating Agency in conjunction with the issuance of the new Lease Revenue Bonds, and was assigned an "AA" underlying long-term rating, with Stable outlook. The rating report cited several key metrics supporting the score, including strong economy, very strong budgetary performance and flexibility, very strong liquidity, very strong management, and strong institutional framework.
- In June 2024, S&P Global Ratings assigned an 'AA' long-term rating to the Garden Grove Public Finance Authority's \$140 million Series 2024A lease revenue bonds. This rating highlights the City's strong financial position and the effectiveness of its fiscal policies.
- Continued increasing compliance with Business License requirements derived from over 4,000 new Business License applications submitted, and almost 30,000 Business License renewals processed.

FY 2025-27 Goals

- Continue to monitor, report and manage the City's financial position/annual budget.
- Continue to automate processes and strengthen internal controls in all divisions.
- Continue to implement fiscal policies to strengthen financial management and to ensure sustainability.
- Provide training opportunities to professionally grow and develop staff, and actively support, maintain and strengthen collaboration with other City departments.
- Implement active risk management program by monitoring City's risk exposures and developing programs to mitigate risk.
- Finalize a redesigned Business License Renewal form to aid the City's business community with an easier process for their in arrears tax calculations.
- Continue to pursue and implement best practices across the department, while monitoring and adjusting to critical economic indicators.
- Focus on improving customer service to both internal and external customers by promoting transparency and enhancing efficiency.

Department Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category				
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Salaries and Wages	\$ 4,561,724	\$ 6,467,200	\$ 5,759,199	\$ 6,021,799
Contractual Services	3,080,988	2,887,350	2,776,943	2,782,357
Commodities	44,660	179,900	97,900	97,900
Fixed Charges	9,758,058	6,153,200	4,667,504	5,240,004
Total	\$ 17,445,430	\$ 15,687,650	\$ 13,301,546	\$ 14,142,060

Expenditures by Funding Category

Expenditures by Fund Type				
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
General Fund	\$ 3,100,903	\$ 4,484,950	\$ 3,936,506	\$ 4,072,525
Other Governmental Funds	1,024,954	6,800	7,143	7,357
Internal Services Funds	11,531,757	8,897,900	6,957,157	7,575,881
Water Utility	878,297	1,188,200	1,198,116	1,233,456
Saitary District	702,256	954,800	956,046	995,222
Housing Authority	121,634	99,100	184,038	192,089
Sucessor Agency	85,629	55,900	62,540	65,530
Total	\$ 17,445,430	\$ 15,687,650	\$ 13,301,546	\$ 14,142,060

Expenditures by Division

Expenditures by Division				
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Administration	\$ 1,082,242	\$ 1,202,600	\$ 820,967	\$ 847,369
Fiscal Services	1,929,311	1,644,800	1,705,750	1,769,647
Budget	858,365	1,265,850	1,180,377	1,207,014
Risk Management	10,766,822	7,614,100	5,849,580	6,437,354
Revenue	1,867,156	2,567,600	2,443,024	2,542,340
Purchasing	941,534	1,392,700	1,301,848	1,338,336
Total	\$ 17,445,430	\$ 15,687,650	\$ 13,301,546	\$ 14,142,060

Performance Measures

Council Priority	Performance Measure	FY 23-24 Actuals	FY 24-25 Estimated Actuals	FY 25-26 Targets	FY 26-27 Targets
Baseline: Financial Health and Sustainability	Variance of Final Actual Revenue vs. Original Budget (General Fund only)	9%	6%	5%	5%
Baseline: Financial Health and Sustainability	Total Audit Findings during the Financial Auditing Process	0	0	0	0
Baseline: Financial Health and Sustainability	Bond Rating (Indicator of the financial stability of local governments)	Increased two notches to AA+	AA+	AA+	AA+
Economic development/ support of local businesses	Number of Business Licenses (Snapshot of department's key role in collection of business tax revenue to support growth and development in the City)	16,502	16,750	16,850	17,000
Baseline: Financial Health and Sustainability	Number of Days to Publish the Adopted Budget Book (Publication shortly after adoption promotes transparency of the City's financial position)	90	90	60	60

Non-Departmental

Non-Departmental Budget includes debt service payments and utilities for facilities Citywide.

Budget Tables

Expenditures by Budget Category

Expenditures by Budget Category				
Budget Category	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Salaries and Wages	\$ 20,192,289	\$ -	\$ -	\$ -
Contractual Services	38,457	8,029,100	10,009,900	10,113,400
Bond Refunding & Other Financing Items	(17,721,530)	-	-	-
Total	\$ 2,509,216	\$ 8,029,100	\$ 10,009,900	\$ 10,113,400

Expenditures by Funding Category

Expenditures by Fund Type				
Fund Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
General Fund	\$ 22,990,749	\$ 8,029,100	\$ 10,009,900	\$ 10,113,400
Internal Service Funds	351,817	-	-	-
Bond Refunding	(20,833,350)	-	-	-
Total	\$ 2,509,216	\$ 8,029,100	\$ 10,009,900	\$ 10,113,400

Expenditures by Division

Expenditures by Division				
Division	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Non-Departmental	\$ 2,509,216	\$ 8,029,100	\$ 10,009,900	\$ 10,113,400
Total	\$ 2,509,216	\$ 8,029,100	\$ 10,009,900	\$ 10,113,400

OTHER ENTITY BUDGETS

Garden Grove Water Utility

The City of Garden Grove established a municipal water department in 1958 and soon became the primary water retailer within City boundaries. It operated with three sub-systems, the District System, the Dyke System, and the City-Owned System cumulatively serving 29,000 customers.

The oldest and smallest portion, the District System, was acquired from the County of Orange in 1960, serving 6,600 accounts. The City-Owned System, made up of about 10,400 accounts, primarily consisted of facilities donated by sub dividers. The Dyke System, the largest component, had about 12,050 service connections. It was originally built and constructed by the Dyke Water Company, then sold to the City in 1965 to consolidate the various systems in the City of Garden Grove and provide an adequate, reliable water supply.

Today the Utilities Division is part of the Public Works Department and is responsible for maintaining wells, reservoirs, and imported water connections. It also provides ongoing maintenance and repair to the water delivery system.

With a population of over 170,000, the water demand is almost 6.5 billion gallons per year. Garden Grove has 13 active wells with a pumping capacity of over 35,000 gallons per minute strategically located throughout the City. Its reservoirs have a total storage capacity of 53 million gallons. Four import water connections provide the City with a total import capacity of 22,440 gallons per minute.

One of the most important jobs of the water supplier is to make sure that the water received is the safest and most healthful water possible. To accomplish this goal requires recognition of the highest water quality standards, the presence of a comprehensive testing and monitoring program based on these standards, and the vigorous elimination of any nonconforming situations. In Garden Grove, all these elements of quality control receive the highest attention.

Although Garden Grove obtains approximately two-thirds of its water supply from groundwater storage, the import water supply plays an important role in fulfilling the needs of the City's residents and businesses.

Imported water is delivered to Orange County by way of the Colorado River Aqueduct and from Northern California's State Water Project, which are solutions to the problem of supplying water to the semi-arid region of Southern California. However, they cannot supply all of our water needs during serious drought periods. The need to conserve our water has become very important during wet as well as dry years.

In response to EPA regulations for the levels of Perfluorooctanoic Acid (PFOA) and Perfluorooctane Sulfonate (PFOS) found in drinking water, the City is undertaking additional steps to further reduce these chemical levels through methods such as blending water and working with the OCWD to increase monitoring.

The City of Garden Grove has adopted a Water Conservation Ordinance, which identifies stages of conservation based on the projected supply and demand for water by its customers on a daily basis. The City declared Stage 2 Mandatory Conservation-Water Alert conservation level under the City's Water Conservation Program Ordinance in June 2022. This is in response to the Governor declaring the State's drought emergency. The City has been implementing more stringent water restrictions, which has resulted in a significant reduction of water usage by the City. This was accomplished through public education, the removal of turf from City medians and replacement with drought-tolerant plants, offering residential and commercial water conservation rebates, and continuing our leak detection and prevention program. The City also participates in various Basin Management Programs, which allows replenishment of the water basin, thus conserving water.

In 2020, the second tranche of bond money was used to fund the design and construction of additions and improvements to the City's municipal water system. A new water rate study is underway to help evaluate the current financial status of the Water Enterprise Fund, identify future capital improvement project needs, and assess economic impact of future water regulations.

Business Principles

1. Satisfy Bond Covenant conditions under which outstanding water revenue bonds were issued.
2. Enterprise fund should break even, not generate a deficit.
3. In order to operate efficiently, a two (2) month cash flow is required, as well as maintenance of \$500,000 in reserves for contingencies.
4. Preserve replacement sinking fund. Ideal amount of fund should approach 5% of system replacement value.
5. Maintain system and facilities up to regulatory industry standards by adequately funding new Capital Improvement Programs.
6. Continue design and construction of priority capital projects conforming to the annual budget.

Government Regulations

1. Federal and State
 - a. New and stricter water quality mandates.
 - b. New and stricter requirements for NPDES permit.
 - c. New and stricter discharge requirements.
 - d. Comply with new AQMD regulations on natural gas engines.
 - e. Comply with all state and federal water quality standards.
 - f. Continue to implement new State-mandated certification requirements.
 - g. Continue monitoring for unregulated contaminants as required by the EPA.
 - h. Comply with all new State-mandated emergency conservation requirements.
2. Local
 - a. Continue to improve the infrastructure of the distribution system.
 - b. Continue programs to meet the California Urban Water Conservation Council's Best Management Practices.
 - c. Continue to improve the Geographic Information System (GIS) for water systems.
 - d. Prepare a water financial analysis to offset the revenue deficit due to the drought and mandatory conservation.

Water Utility Budget

	Adopted FY2025-26	Adopted FY2026-27
Sources		
Beginning Working Capital*	\$ 48,002,464	\$ 44,674,210
Revenue	51,703,100	56,061,100
Total Sources	99,705,564	100,735,310
Uses		
<u>Operations</u>		
Operations & Maintenance	21,134,130	21,591,944
Purchased Water Supply	18,763,924	19,008,186
Debt Service	2,901,100	2,901,900
Street Repair Charge	877,100	899,100
<i>Total Operational Expenditures</i>	43,676,254	44,401,130
<u>Capital Expenditures</u>	11,355,100	8,300,000
Total Uses	55,031,354	52,701,130
Ending Working Capital	\$ 44,674,210	\$ 48,034,180

*Unaudited estimates. Final FY2024-25 numbers will be released with the city's Annual Comprehensive Financial Report.

Sanitary District

Formed in 1924, the Garden Grove Sanitary District began providing sewer services to an unincorporated area of the County commonly known as Garden Grove. Like the rest of western Orange County, the Garden Grove area underwent a transition from rural agricultural land use to an urban environment of predominantly single-family homes and neighborhood commercial centers during the 1950s and 1960s. The Sanitary District played a significant role in the dramatic development of the region, providing vital sanitary services, in this case before the City incorporated.

In 1993, the City began the process to consolidate sanitation services in the community from two special districts, the Garden Grove Sanitary District and the Midway City Sanitary District, into one provider, the City of Garden Grove. In May 1997, the City officially consolidated its sewer maintenance, refuse collection, and recycling efforts under one organization, the Garden Grove Sanitary District, whose borders were reorganized to be more contiguous with the City limits. The Garden Grove City Council acts as the Board of Directors of the Garden Grove Sanitary District, a subsidiary district of the City of Garden Grove.

Today, the Garden Grove Sanitary District provides sewer maintenance and contracts for refuse collection services with Republic Waste Services of Southern California, LLC. With the assistance of its contractor, the Garden Grove Sanitary District developed and implemented a solid waste diversion plan to meet State diversion goals (AB 939) for the year 2000 and beyond. The plan features three-bin curbside recycling for residential customers, which involves customer separation of green waste, recyclables, and refuse. Traditional trash service is provided to commercial accounts, utilizing large bins with commingled trash, and off-site separation of recyclables at a Material Recovery Facility (MRF).

In 2002, the Santa Ana Regional Water Quality Control Board adopted stringent, new environmental regulations for sewer collection systems known as Waste Discharge Requirements (WDR). The WDR specifically prohibits the discharge of sewage to any natural or man-made water stream or any storm water drainage system, requires the monitoring and reporting of any sanitary sewer overflows, and requires each sewer agency to develop a written sewer system management plan (SSMP) to meet the requirements of the Regional Board. Additionally, the Order required the District to perform a capacity evaluation and condition assessment of its sewer system by July 30, 2005, and September 30, 2005 respectively. This was accomplished as required. However, the assessment identified over \$54 million in capacity and condition deficiencies to the District's structural facilities, which was beyond the District's financial capabilities at that time. As a result, the Garden Grove Sanitary District Board adopted rates for all residential and non-residential customers on September 13, 2005. In February 2012, the Garden Grove Sanitary District Board approved annual inflation rates, based on the Engineering News Record, for a period of five years.

The rates are being used to implement a \$54 million Capital Improvement Program funded by a combination of increased revenue and bond financing. The first tranche of the bond money used for projects completed in the years 2006 and 2010 has been exhausted. The second tranche will be implemented in future fiscal years, if needed. In the meantime, the design and construction of capital improvement projects will be financed with the sewer revenue.

Business Principles

1. Enterprise fund should break even, not operate in a deficit.
2. In order to operate efficiently, a two month cash flow is required, as well as maintenance of \$500,000 in reserves for contingencies.
3. Establish uniform service throughout the district.
4. Develop a replacement sinking fund. Ideal amount of fund should approach 5% of system replacement value.
5. Improve system and facilities up to industry standards by adequately funding new Capital Improvement Programs.
6. Satisfy Debt Covenant conditions under which outstanding Sanitary District debt was issued.
7. Implement the 10-year financial plan.

Government Regulations

1. Federal and State
 - a. New and stricter Sanitary Sewer Management Plan and other requirements.
 - b. Comply with new AQMD regulations on three lift station backup generators and one portable by-pass pump system.
 - c. Comply with waste diversion goals of AB 939 (50% Diversion), AB 341 (Commercial Recycling) AB 1826 (Commercial Organics Recycling) and SB 1383 (Short-Lived Climate Pollutants: Methane Emissions).
2. Local
 - a. Comply with all State and Federal sanitary sewer and solid waste requirements.
 - b. Implement fat, oil and grease control program.
 - c. Comply with all components of the Waste Discharge Requirements.

Sewer Budget

		Adopted FY2025-26		Adopted FY2026-27
Sources				
Beginning Working Capital*	\$	51,668,246	\$	46,177,773
Revenue		12,406,800		12,406,800
Total Sources		64,075,046		58,584,573
Uses				
<u>Operations</u>				
Operations & Maintenance		7,425,473		7,659,006
Contractual Services		2,474,600		2,474,600
Debt Service		1,235,200		1,270,200
<i>Total Operational Expenditures</i>		11,135,273		11,403,806
<u>Capital Expenditures</u>				
CIP Budget Allocation		6,762,000		8,500,000
Total Uses		17,897,273		19,903,806
Ending Working Capital	\$	46,177,773	\$	38,680,767
*Unaudited estimates. Final FY2024-25 numbers will be released with the city's Annual Comprehensive Financial Report.				

Solid Waste Budget

		Adopted FY2025-26		Adopted FY2026-27
Sources				
Beginning Working Capital	\$	24,303,843	\$	25,731,635
Revenue		4,396,200		4,396,200
Total Sources		28,700,043		30,127,835
Uses				
<u>Operations</u>				
Operations & Maintenance	\$	2,968,408	\$	2,987,982
<i>Total Operational Expenditures</i>		2,968,408		2,987,982
<u>Capital Expenditures</u>				
CIP Budget Allocation		-		-
Total Uses		2,968,408		2,987,982
Ending Working Capital	\$	25,731,635	\$	27,139,853
*Unaudited estimates. Final FY2024-25 numbers will be released with the city's Annual Comprehensive Financial Report.				

Successor Agency to the Garden Grove Agency for Community Development

The state of California dissolved all redevelopment agencies across the state effective February 1, 2012. The City of Garden Grove now acts as the Successor Agency to the former Garden Grove Agency for Community Development.

In its role as Successor Agency, the City is now responsible for receiving former tax increment (property taxes) and repaying debt and to make payments for enforceable obligations as approved by the State Department of Finance through the Recognized Obligation Payment Schedule (ROPS). Ultimately, the goal of the Successor Agency is to wind down the affairs of the former Garden Grove Agency for Community Development pursuant to AB 1X 26, AB 1484, and all subsequent dissolution laws.

Recognized Obligation Payment Schedule (ROPS)

	Adopted FY2025-26	Adopted FY2026-27
Administration		
SRDA Administration	\$ 336,404	\$ 350,524
Total Administrative Allowance	336,404	350,524
Obligations		
2014 TARB	2,342,600	2,244,800
2016 TARB	3,493,800	3,491,800
Agency Real Property	29,900	29,900
Brookhurst Triangle DDA	-	-
Housing Fund Deficit	500,000	500,000
Katella Cottage N/P	176,300	176,300
Katella Cottages	56,000	56,000
Limon Legal Fees	50,000	50,000
Site B2 DDA	72,300	72,300
Sycamore Walk DDA	21,200	21,200
Waterpark Hotel DDA	936,100	936,100
Total Obligations	7,678,200	7,578,400
Total	\$ 8,014,604	\$ 7,928,924

Housing Authority

The Garden Grove Housing Authority provides rental subsidies for eligible low-income tenants. The Section 8 Rental Assistance Program is funded by federal grants through the Department of Housing and Urban Development. Qualified families are issued a voucher, which can be used in a privately owned rental unit, provided the unit meets Housing Quality Standards for health and safety. The rental subsidy is based on the tenant's income and family size. The Authority also administers a Family Self-Sufficiency Program, which assists housing participants to achieve economic self-sufficiency through education, training and employment.

Housing Authority Budget

Expenditure Type	Actual FY2023-24	Revised Budget FY2024-25	Adopted FY2025-26	Adopted FY2026-27
Salaries & Wages	\$ 2,620,036	\$ 3,535,418	\$ 3,410,322	\$ 3,561,104
Contractual Services	235,296	314,200	314,200	315,000
Commodities	56,731	64,900	65,100	67,200
Housing Vouchers and Other Expense	49,721,425	47,318,600	47,554,375	47,560,575
City Total	\$ 52,633,489	\$ 51,233,118	\$ 51,343,997	\$ 51,503,879

CAPITAL IMPROVEMENT PLAN

Capital Improvement Plan

The City's Capital Improvement Plan (CIP) consists of long-range (5 year) capital projects approved by the City Council. Capital funds account for the acquisition, construction, maintenance, and rehabilitation of fixed assets or capital projects, such as, land, buildings, streets, curbs, gutters, sidewalks, drainage, water/sewer systems, and equipment. The city's CIP projects are grouped into seven different categories: Street Improvements, Traffic Improvements, Park Improvements, Community & Economic Development Improvements, Facility Improvements, Water Improvements and Sewer Improvements.

Normally, projects are selected based on available funding with the objective of meeting several goals, such as, mitigating and managing risks and contributing to the safety and welfare of the public; protecting and maintaining City assets, facilities and infrastructure; and contributing to the overall quality of life for residents and businesses.

Each capital fund (i.e., Measure M) is an independent cost center with its own revenue and expenditure accounts. The CIP projects are funded by a variety of different funding sources. The majority of the funding derives from grants which may or may not be competitive and fees charged by the city on new development, these include:

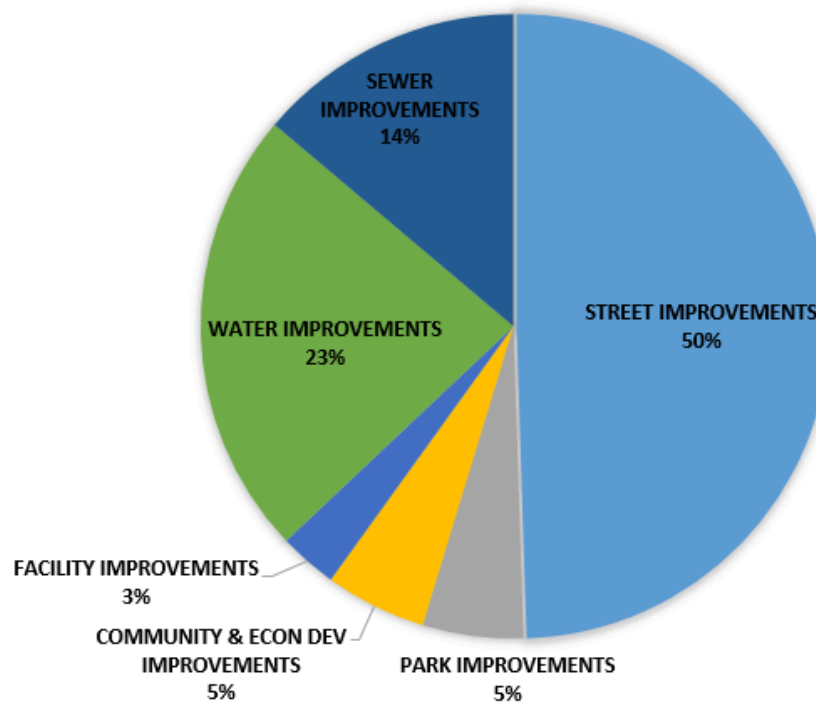
- General Fund;
- Transportation funds, including Measure M and Gas Tax;
- Traffic Mitigation & Red Light Camera Enforcement Funds;
- Federal and state grants;
- Park Fee funds;
- Water Utility Capital Fund; and
- Sewer Capital Fund.

The following table on the next page summarizes the Five-Year CIP expenditures by CIP category. Total CIP appropriations for the five years total \$156.6 million and appropriations for FY 25-26 and FY 26-27, specifically, are \$48.9 million and \$33.4 million, respectively. Detailed projects and their funding amounts and sources are included in the detailed schedule of the CIP.

Five-Year Funding Summary by Category

CIP CATEGORIES	FY 2025-26 Adopted	FY 2026-27 Adopted	FY 2027-28 Plan	FY 2028-29 Plan	FY 2029-30 Plan	TOTAL
STREET IMPROVEMENTS	\$ 24,200,000	\$ 13,900,000	\$ 10,560,223	\$ 9,978,577	\$ 10,240,914	\$ 68,879,713
TRAFFIC IMPROVEMENTS	-	500,000	500,000	500,000	500,000	2,000,000
PARK IMPROVEMENTS	2,545,000	470,000	650,000	50,000	50,000	3,765,000
COMMUNITY & ECON DEV IMPROVEMENTS	2,561,000	550,000	550,000	550,000	550,000	4,761,000
FACILITY IMPROVEMENTS	1,478,600	1,200,000	-	-	-	2,678,600
WATER IMPROVEMENTS	11,355,100	8,300,000	14,500,000	4,500,000	3,500,000	42,155,100
SEWER IMPROVEMENTS	6,762,000	8,500,000	7,100,000	8,500,000	1,500,000	32,362,000
TOTAL	\$ 48,901,700	\$ 33,420,000	\$ 33,860,223	\$ 24,078,577	\$ 16,340,914	\$ 156,601,413

FY2025-26 CIP FUNDING



Five-Year Capital Improvement Plan

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Arterial Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) Harbor/Garden Grove Intersection Improvement	Gas Tax	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	1,500,000
	SB1 Gas Tax	2,425,000	-	-	-	-	2,425,000
	Measure M2	817,900	-	-	-	-	817,900
	Measure M2-CTFP	3,957,100	-	-	-	-	3,957,100
Total Project Cost		8,700,000	-	-	-	-	8,700,000
2) 2025 Arterial Street Rehabilitation Projects	Gas Tax	150,000	-	-	-	-	150,000
	Gas Tax (SB1)	6,900,000	-	-	-	-	6,900,000
	Drainage Fees	300,000	-	-	-	-	300,000
	Measure M2	6,300,000	-	-	-	-	6,300,000
Total Project Cost		13,650,000	-	-	-	-	13,650,000
3) Residential Overlay Program	Gas Tax	150,000	-	-	-	-	150,000
Total Project Cost		150,000	-	-	-	-	150,000
4) 2026 Arterial Street Rehabilitation Projects	Gas Tax	-	1,200,000	-	-	-	1,200,000
	Gas Tax (SB1)	-	3,400,000	-	-	-	3,400,000
	Gas Tax	-	900,000	-	-	-	900,000
	Traffic Mitigation	-	700,000	-	-	-	700,000
	Drainage Fees	-	500,000	-	-	-	500,000
	Measure M2	-	3,900,000	-	-	-	3,900,000
Total Project Cost		-	10,600,000	-	-	-	10,600,000
5) Arterial Rehabilitation Program	General Fund	-	-	-	-	-	-
	Gas Tax	-	-	1,025,884	1,056,661	1,088,360	3,170,905
	Gas Tax (SB1)	-	-	3,747,196	2,998,179	3,088,124	9,833,499
	Measure M2	-	-	3,523,143	3,628,837	3,737,702	10,889,682
Total Project Cost		-	-	8,296,223	7,683,677	7,914,187	23,894,086
Total Arterial Street Improvements		\$ 22,500,000	\$ 10,600,000	\$ 8,296,223	\$ 7,683,677	\$ 7,914,187	\$ 56,994,086

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Residential Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) Residential Overlay Program	Gas Tax	\$ 1,000,000	\$ 1,000,000	\$ 1,030,000	\$ 1,060,900	\$ 1,092,727	5,183,627
	CDBG	-	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
Total Project Cost		1,000,000	2,000,000	2,030,000	2,060,900	2,092,727	9,183,627
2) Concrete Replacement Capital	General Fund	-	300,000	234,000	234,000	234,000	1,002,000
Total Project Cost		-	300,000	234,000	234,000	234,000	1,002,000
3) 2025 Residential Street Rehabilitation Project	CDBG	700,000	-	-	-	-	700,000
Total Project Cost		700,000	-	-	-	-	700,000
4) Lampson Avenue Storm Drain Improvements	Gas Tax (SB1)	-	1,000,000	-	-	-	1,000,000
Total Project Cost		-	1,000,000	-	-	-	1,000,000
Total Residential Street Improvements		\$ 1,700,000	\$ 3,300,000	\$ 2,264,000	\$ 2,294,900	\$ 2,326,727	\$ 11,885,627

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Traffic Improvements							
1) Intersection Safety Improvements	Traffic Mitigation Fees	-	500,000	500,000	500,000	500,000	2,000,000
Total Project Cost		-	500,000	500,000	500,000	500,000	2,000,000
Total Traffic Improvements		-	500,000	500,000	500,000	500,000	2,000,000

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Park Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) Woodbury Park Expansion and Renovation	Citywide Park Fee	\$ 500,000	\$ -	\$ -	\$ -	\$ -	500,000
Total Project Cost		500,000	-	-	-	-	500,000
2) Parks Master Plan Improvements	Citywide Park Fee	-	300,000	300,000	-	-	600,000
	Park Fee	925,000	-	300,000	-	-	1,225,000
Total Project Cost		925,000	300,000	600,000	-	-	1,825,000
3) Light Pole Replacement	Park Fee	50,000	50,000	50,000	50,000	50,000	250,000
Total Project Cost		50,000	50,000	50,000	50,000	50,000	250,000
4) Replace Parks Irrigation Systems	Park Fee	120,000	120,000	-	-	-	240,000
Total Project Cost		120,000	-	-	-	-	120,000
5) Pickleball Courts	Citywide Park Fee	950,000	-	-	-	-	-
Total Project Cost		950,000	120,000	-	-	-	1,070,000
Total Park Improvements		\$ 2,545,000	\$ 470,000	\$ 650,000	\$ 50,000	\$ 50,000	\$ 3,765,000

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Economic Development & Housing Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) Purcell Building Rehabilitation	General Fund	\$ 11,000	\$ -	\$ -	\$ -	\$ -	11,000
Total Project Cost		11,000	-	-	-	-	11,000
2) St. Anselm Affordable Housing Project	State Grants	2,000,000	-	-	-	-	2,000,000
Total Project Cost		2,000,000	-	-	-	-	2,000,000
3) HOME Affordable Housing Development	HOME Grant	400,000	400,000	400,000	400,000	400,000	2,000,000
Total Project Cost		400,000	400,000	400,000	400,000	400,000	2,000,000
4) HOME PI Affordable Housing Development	HOME Grant	100,000	100,000	100,000	100,000	100,000	500,000
Total Project Cost		100,000	100,000	100,000	100,000	100,000	500,000
5) HOME PI Admin	HOME Grant	50,000	50,000	50,000	50,000	50,000	250,000
Total Project Cost		50,000	50,000	50,000	50,000	50,000	250,000
Total Economic Development & Housing Improvements		\$ 2,561,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	4,761,000

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Facility Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) FY2025/2026 Facility Capital Replacements	Facility Repl. Fund	\$ 1,208,600	\$ 1,200,000	\$ -	\$ -	\$ -	2,408,600
Total Project Cost		1,208,600	1,200,000	-	-	-	2,408,600
2) Garden Grove Main Library Path of Travel Project	Facility Repl. Fund	170,000	-	-	-	-	170,000
Total Project Cost		170,000	-	-	-	-	170,000
3) City Facility Beautification	General Fund	100,000	-	-	-	-	100,000
Total Project Cost		100,000	-	-	-	-	100,000
Total Facilities Improvements		\$ 1,478,600	\$ 1,200,000	\$ -	\$ -	\$ -	2,678,600

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Water Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) Well 22 Water Treatment Plant	Water	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	2,000,000
2) SCADA- MP- System Wells, PRVs and Import	Water	-	-	1,000,000	1,000,000	-	2,000,000
3) Lampson Reservoir Rehabilitation Project	Water	-	-	5,000,000	-	-	5,000,000
4) SCADA - HP4-5 SCADA - Trask & Westhaven	Water	1,455,100	-	-	-	-	1,455,100
5) SCADA - HP1-3 SCADA - Mag, Lampson, & WGG	Water	200,000	2,300,000	-	-	-	2,500,000
6) Water Improvement Project Woodbury Rd and Taft St	Water	2,000,000	-	-	-	-	2,000,000
7) Water Improvement Project - Bowen St and Blake St	Water	-	250,000	2,500,000	-	-	2,750,000
8) Lampson & Trask Reservoirs Rehab. - Design/Construction	Water	3,000,000	1,000,000	-	-	-	4,000,000
9) Water Transmission Line Study	Water	200,000	-	-	-	-	200,000
10) Water Improvement Project - Jerry Ln and Beta Ave	Water	-	250,000	2,500,000	-	-	2,750,000
11) Water Main Replacement (services, hydrants, meters, valves, etc.)	Water Replacement	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	17,500,000
Total Water Improvements		\$ 11,355,100	\$ 8,300,000	\$ 14,500,000	\$ 4,500,000	\$ 3,500,000	42,155,100

Five-Year Capital Improvement Plan

	Funding Source	Budget FY25-26	Budget FY26-27	Forecast FY27-28	Forecast FY28-29	Forecast FY29-30	Total 5 Year
Sewer Improvements		Year 1	Year 2	Year 3	Year 4	Year 5	
1) Sewer Main Replacement Project 4 & Project 31 (Design & Construction)	Sewer	\$ 2,687,600	\$ -	\$ -	\$ -	\$ -	2,687,600
2) Sewer Rehab Phase II - Sewer Main Replacement - Project 1 & Project 48 & 47	Sewer	274,400	2,500,000	-	-	-	2,774,400
3) Sewer Rehab Phase II - Main Lining and Spot Repair Project 1	Sewer	500,000	2,900,000	-	-	-	3,400,000
4) Sewer Rehab Phase II - Main Lining and Spot Repair Projects 3	Sewer	-	-	300,000	2,500,000	-	2,800,000
5) Sewer Rehab Phase II - Main Lining and Spot Repair Projects 4	Sewer	-	-	300,000	2,500,000	-	2,800,000
6) Sewer Rehab Phase II - Sewer Main Replacement - projects 2	Sewer	-	300,000	3,000,000	-	-	3,300,000
7) Sewer Rehab Phase II - Main Lining and Spot Repair Projects 2	Sewer	-	300,000	2,000,000	2,000,000	-	4,300,000
8) Sewer Main Improvements	Sewer Replacement	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
9) Sewer System Rehabilitation Plan - Phase 3	Sewer	1,000,000	1,000,000	-	-	-	2,000,000
10) Sewer Master Plan	Sewer	800,000	-	-	-	-	800,000
Total Sewer Improvements		\$ 6,762,000	\$ 8,500,000	\$ 7,100,000	\$ 8,500,000	\$ 1,500,000	\$ 32,362,000
Grand Totals		\$ 48,901,700	\$ 33,420,000	\$ 33,860,223	\$ 24,078,577	\$ 16,340,914	\$ 156,601,413

CAPITAL IMPROVEMENT PLAN PROJECT DESCRIPTIONS

Harbor/Garden Grove Intersection



Description:

The project will add a northbound left-turn lane and an eastbound right-turn lane, as well as general widening to substandard lane widths at the intersection of Harbor Boulevard and Garden Grove Boulevard. Improvements will also include a new traffic signal for the widened lanes.

Location:

The City will make improvements to the arterial intersection of Harbor Boulevard and Garden Grove Boulevard.

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Mark Uphus

Project ID: CP1303000

Project Start Date: Summer 2025

Estimated End Date: Spring 2026

Project Funding:

This project is funded by Gas Tax and Measure M2.

Operating Costs:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Gast Tax (2105)	\$ 82,525	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Gas Tax (SB1)	-	2,425,000	-	-	-	-	\$ 2,425,000
Measure M2	-	817,900	-	-	-	-	\$ 817,900
Measure M2-CTFP	29,225	3,957,100	-	-	-	-	\$ 3,957,100
Total	\$ 111,750	\$ 8,700,000	\$ -	\$ -	\$ -	\$ -	\$ 8,700,000

Arterial Street Rehabilitation Projects



Description:

These projects are rehabilitation measures to each arterial street segment to address specific deficiencies within the public right-of-way. Improvements include the replacement of deteriorated asphalt pavement, repair of failed concrete improvements and updates to other improvements as needed to complete the job. Funding for maintenance contracts is also included.

Strategic Priority: Infrastructure

Location:

This project will make repairs to sections of key streets. Streets to be repaired include, but are not limited to, Monarch, Westminster, Commerce, Western, and Lampson. Repairs of sections to major streets include, but are not limited to, Euclid, Chapman, Orangewood and Knott.

Project Information:

Department Responsible: Public Works
 Project Manager: Mark Uphus
 Project ID: CP1442000, CP1505000, & CP1502000
 Project Start Date: Summer 2025
 Estimated End Date: Summer 2026

Project Funding:

This project is funded by Gas Tax, Drainage Fees, Traffic Mitigation and Measure M2.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Gas Tax (2105)	\$ -	\$ 150,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 1,350,000
Gas Tax (SB1)	-	6,900,000	3,400,000	-	-	-	\$ 10,300,000
Gas Tax (2103)	-	-	900,000	-	-	-	\$ 900,000
Traffic Mitigation	-	-	700,000	-	-	-	\$ 700,000
Drainage Fees	-	300,000	500,000	-	-	-	\$ 800,000
Measure M2	-	6,300,000	3,900,000	-	-	-	\$ 10,200,000
Total	\$ -	\$13,650,000	\$ 10,600,000	\$ -	\$ -	\$ -	\$24,250,000

Residential Overlay



Description

This program is an ongoing capital maintenance program that involves the slurry seal of approximately 16.1 miles of lanes of residential and arterial streets citywide.

Location: Citywide

Strategic Priority - Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Raul Leyva

Project ID: N/A

Project Start Date: Ongoing

Estimated End Date: Ongoing

Project Funding:

This project is funded by the Gas Tax and CDBG Funds.

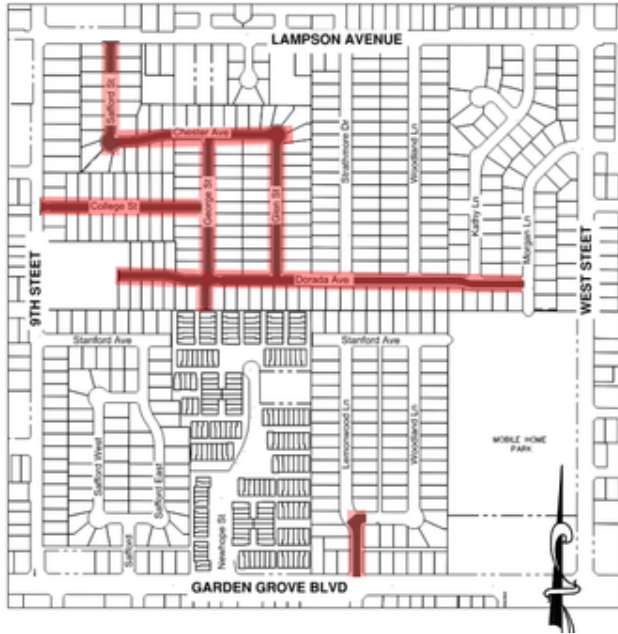
Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Gas Tax (2105)	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Gas Tax (2103)	-	1,000,000	1,000,000	1,030,000	1,060,900	1,092,727	5,183,627
CDBG	-	-	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
Total	\$ -	\$ 1,150,000	\$ 2,000,000	\$ 2,030,000	\$ 2,060,900	\$ 2,092,727	\$ 9,333,627

Prior years' costs are tracked with a different methodology, and cannot be aligned with future cost projections.

Residential Street Rehabilitation Project



Description:

These projects are rehabilitation measures to each residential street segment to address specific deficiencies within the public right-of-way. Improvements include the replacement of deteriorated asphalt pavement, repair of failed concrete improvements and updates to other improvements as needed to complete the job.

Location:

The City will make improvements to residential streets bounded by Ninth, Garden Grove Blvd., West, and Lampson.

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Mark Uphus

Project ID: CP1446000

Project Start Date: Summer 2025

Estimated End Date: Fall 2025

Project Funding:

This project is funded by the Community Development Block Grant (CDBG).

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
CDBG Fund	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000
Total	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000

Lampson Ave. Storm Drain Improvements



Description:

This project will reduce flooding along Lampson Avenue by replacing the deteriorated arch-shaped storm drain pipe at the intersection of Lampson Avenue and Knott Street with new reinforced concrete piping. In addition, storm water catch basins will be added to the south side of Lampson Avenue upstream of Knott Street.

Location:

Lampson Ave. and Knott Ave. to Western

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works
Project Manager: Mark Uphus
Project ID: CP1414000
Project Start Date: Begin Summer 2026
Estimated End Date: TBD

Project Funding:

This project is funded by the Gas Tax Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Gas Tax (SB1)	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Total	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000

Traffic Improvements



Description:

Traffic signal improvements include the installation of new ADA-compliant curb ramps, upgraded traffic signal poles, new signal cabinets, and replacement of outdated conduit and wiring systems. In addition, new video detection and CCTV camera systems are installed to enhance real-time monitoring and improve traffic management. These upgrades also introduce protected left-turn phasing operations, and added illuminated street name signs to improve nighttime visibility.

Location: Citywide

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works
Project Manager: Juan Navarro
Project ID: N/A
Project Start Date: Ongoing
Estimated End Date: Ongoing

Project Funding:

This project is funded by the Traffic Mitigation Fees.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Traffic Mitigation	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000
Total	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000

Prior years' costs are tracked with a different methodology, and cannot be aligned with future cost projections.

Woodbury Park Expansion & Renovation



Description:

Included in the remodel of the 3.3 acre park is the installation of a new walking trail; outdoor fitness equipment; recreational swimming pool; two playground areas; picnic shelters; a skate plaza; basketball courts; lighting; restrooms; and parking lot. Improvements include the 0.5 acre expansion onto property that is currently part of Woodbury Elementary School.

Location:

Woodbury Park is located at 13800 Rosita Place, Garden Grove, CA 92843

Strategic Priority: Infrastructure & Cultural Diversity

Project Information:

Department Responsible: Community Services

Project Manager: Janet Pelayo

Project ID: CP1334285, CP1334286, CP1334284

Project Start Date: Summer 2025

Estimated End Date: Spring 2026

Project Funding:

This project is funded by the Citywide Park Fees fund.

Operating Cost:

There are no additional maintenance costs associated with this project. Maintenance funding is available in the current budget to support these facilities.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Citywide Park Fee	\$ 5,800,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Park Fee	\$ 1,000,000	-	-	-	-	-	-
State Park and Rec	\$ 6,000,000	-	-	-	-	-	-
Total	\$ 12,800,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000

Parks Master Plan Improvements



Description:

These improvements involve the replacement of playgrounds and surface areas of citywide parks. This includes the preparation of conceptual designs for Garden Grove Park additional improvements.

Location:

Improvements for FY25-26 are scheduled for Faylane Park and Pioneer Park. Improvements for FY26-27 are scheduled for Atlantis Park

Strategic Priority: Infrastructure & Cultural Diversity

Project Information:

Department Responsible: Community Services

Project Manager: Janet Pelayo

Project ID: CP1181000

Project Start Date: Ongoing

Estimated End Date: Ongoing

Project Funding:

This project is funded by the Park Fees and Citywide Park Fees funds.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Citywide Park Fee	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ 600,000
Park Fee	-	925,000	-	300,000	-	-	1,225,000
Total	\$ -	\$ 925,000	\$ 300,000	\$ 600,000	\$ -	\$ -	\$ 1,825,000

Light Pole Replacement



Description:

This an ongoing capital improvement program for the replacement of light poles throughout citywide parks and is based on a park assessment.

Location:

Various City Parks as needed based on maintenance assessment.

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Community Services
Project Manager: Janet Pelayo
Project ID: CP1161000
Project Start Date: Ongoing
Estimated End Date: Ongoing

Project Funding:

This project is funded by the Park Fees fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Park Fee	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Total	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000

Prior years' costs are tracked with a different methodology, and cannot be aligned with future cost projections.

Replace Parks Irrigation Systems



Description:

This an ongoing capital improvement program for the replacement of irrigation systems throughout citywide parks and is based on a park assessment.

Location:

Improvements in FY25-26 are scheduled for Eastgate Park, Edgar Park, and Faylane Park. Improvements in FY26-27 are scheduled for Gutosky Park, Magnolia Park, and Westgrove Park.

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Community Services
Project Manager: Janet Pelayo
Project ID: CP1181000
Project Start Date: Summer 2025
Estimated End Date: Spring 2026

Project Funding:

This project is funded by the Park Fees fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Park Fee	\$ -	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ -	\$ 240,000
Total	\$ -	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ -	\$ 240,000

Pickleball Courts



Description:

This project is adding six new Pickleball courts at Garden Grove Park. The scope of work includes professional design, site preparation, and construction along with a fence perimeter installation, sports lighting, and associated hardscape improvements.

Location:

Pickleball courts will be added to Garden Grove Park located at 9301 Westminister Blvd., Garden Grove CA, 92844

Strategic Priority: Infrastructure & Cultural Diversity

Project Information:

Department Responsible: Community Services
Project Manager: Janet Pelayo
Project ID: CP1506000
Project Start Date: Fall 2025
Estimated End Date: Fall 2026

Project Funding:

This project is funded by the Citywide Park Fees fund.

Operating Cost:

Ongoing upkeep of this new facility will be done using existing staff. Long-term maintenance will be completed in accordance with the city's park maintenance schedule.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Citywide Park Fee	\$ -	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000
Total	\$ -	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000

Purcell Building



Description:

Acquisition and rehabilitation of the Purcell Building. The amount appropriated for FY25-26 represents the final allocation needed to fund the total cost for the replacement of HVAC equipment. The Purcell Building is a two-story office building with approximately 16,000 square feet per floor. The property provides office space for City and leased tenants.

Location:

Purcell Building is located at 11277 Garden Grove Boulevard, Garden Grove, CA 92840

Strategic Priority: Infrastructure

Project information:

Department Responsible: Economic Development & Housing

Project Manager:

Project ID: CP1326276

Project Start Date: spring 2026

Estimated End Date: summer 2026

Project Funding:

This project is funded by General Fund.

Operating Cost:

Ongoing maintenance costs were considered when the initial funding for this project was allocated in the FY2023 Budget. No new maintenance costs are associated with this budget allocation.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Citywide Park Fee	\$ -	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000
Total	\$ -	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000

Saint Anselm Affordable Housing Project



Description:

Allocation of state housing and development funds to support the construction of an 81-unit affordable rental housing development. The project will be a 100% senior apartment project with a combination of permanent supportive housing; including units dedicated for chronically homeless seniors and units for income qualified seniors.

Location:

The housing development is to be located at 9373 Larson Avenue and adjacent parcels in Garden Grove's Koreatown neighborhood.

Strategic Priority: Infrastructure, Cultural Diversity, & Homelessness

Project Information:

Department Responsible: Economic Development & Housing
 Project Manager: Timothy Throne
 Project ID: TBD
 Project Start Date: TBD
 Estimated End Date: TBD

Project Funding:

This project is funded by the Permanent Local Housing Allocation State Grant.

Operating Cost:

There are no ongoing operating costs associated with this project.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
State Grant	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Total	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000

Affordable and Permanent Supportive Housing



Description:

Allocation of Housing Investment Partnerships Program (HOME) grant funding for the support of community planning, development, and housing programs and activities directed toward providing decent affordable housing, and addressing the needs of homeless individuals and those at risk of homelessness. Funding will continue to be used for the development of affordable and permanent supportive housing.

Location:

Citywide

Strategic Priority: Infrastructure, Cultural Diversity, & Homelessness

Project Information:

Department Responsible: Economic Development & Housing
 Project Manager: Timothy Throne
 Project ID: TBD
 Project Start Date: Ongoing
 Estimated End Date: Ongoing

Project Funding:

This project is funded by the Home Investment Partnerships Program (HOME) grant.

Operating Cost:

There are no ongoing operating costs associated with this project.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
HOME Grant Development	\$ -	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 2,000,000
HOME Grant PI	-	100,000	100,000	100,000	100,000	100,000	500,000
HOME Grant PI Admin	-	50,000	50,000	50,000	50,000	50,000	250,000
Total	\$ -	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 2,750,000

Facility Capital Replacements



Description:

The scheduled replacement and upgrading of critical building systems in city facilities, including HVAC systems, roofing, electrical components, and mechanical room infrastructure, along with other essential building upgrades to ensure safety, efficiency, and operational reliability.

Location:

Replacement and upgrades will be done at the following facilities: Courtyard Center, City Hall, Community Meeting Center, Municipal Services Center, and the Police Annex.

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Phil Carter

Project ID: N/A

Project Start Date: Ongoing

Estimated End Date: Ongoing

Project Funding:

This project is funded by the Building Structure Rehabilitation — Internal Service Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Facility Replacement Fund	\$ 1,967,400	\$ 1,208,600	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 2,408,600
Total	\$ 1,967,400	\$ 1,208,600	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 2,408,600

Garden Grove Main Library Path of Travel



Description:

This project will add an accessible Americans with Disabilities Act (ADA)-compliant path of travel to the main entrance of the Garden Grove Main Library.

Improvements will ensure all visitors have safe and convenient access to the library.

Location:

Garden Grove Main Library is located at 11200 Stanford Ave., Garden Grove, CA 92840

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Phil Carter

Project ID: CP1511000

Project Start Date: TBD

Estimated End Date: TBD

Project Funding:

This project is funded by the Building Structure Rehabilitation — Internal Service Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Facility Replacement Fund	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ 170,000
Total	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ 170,000

City Facility Beautification - Fire Station 86



Description:

This project involves the reinstallation of the landscaping at Fire Station 86 to restore and enhance the station's exterior grounds, improving both functionality and appearance.

Location:

Fire Station 86 is located at 12232 West Street, Garden Grove, CA 92840

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works
 Project Manager: Phil Carter
 Project ID: CP1512000
 Project Start Date: Fall 2025
 Estimated End Date: Spring 2026

Project Funding:

This project is funded by the General Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
General Fund	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Total	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

Well 22 Water Treatment Plant



Description:

This phase of the project involves acquiring an easement from the local school district to install and operate PFAS (per-and polyfluoroalkyl substances) treatment systems for an existing water well. The easement will enable access and space for the necessary infrastructure to ensure the continued delivery of safe and compliant drinking water.

Location:

Well 22 is located in the west part of the City; 7001 Chapman Avenue, Garden Grove, CA 92845

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works
 Project Manager: Rebecca Li
 Project ID: CP1430000
 Project Start Date: TBD
 Estimated End Date: TBD

Project Funding:

This project is funded by the Water Capital Fund.

Operating Cost:

There are no additional operating costs associated with the acquisition of the easement for this property.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Water Fund	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
Total	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 2,000,000

Supervisory Control & Data Acquisition (SCADA) Improvements



Description:

Upgrade the Supervisory Control and Data Acquisition (SCADA) software and hardware equipment at city reservoirs and booster pump stations. The upgrades will enhance system monitoring, control capabilities, and operational efficiency, improving overall reliability and responsiveness of the water distribution infrastructure.

Location:

Reservoirs and Booster Pump Stations include: Trask, Westhaven, Magnolia, West Garden Grove, and Lampson

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Rebecca Li

Project ID: CP1268010, CP1268288

Project Start Date: Fall 2024

Estimated End Date: Fall 2025

Project Funding:

This project is funded by the Water Capital Fund.

Operating Cost:

This project will improve operational efficiency over the long term. There are no additional operating costs expected.

Sources	Project	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Water Capital Fund	Trask & Westhaven	\$ 650,000	\$ 1,455,100	\$ -	\$ -	\$ -	\$ -	\$ 1,455,100
Water Capital Fund	Magnolia, Lampson & WGG	\$ -	200,000	2,300,000	-	-	-	2,500,000
Total		\$ 650,000	\$ 1,655,100	\$ 2,300,000	\$ -	\$ -	\$ -	\$ 3,955,100

Water Improvement Projects



Description:

Replacement of existing water mains with new PVC pipe. The upgrade is designed to address fire flow deficiencies in the area, improve system capacity, and enhance the overall reliability of the water distribution network. Funding for ongoing capital maintenance costs is included for hydrants, meters, and valves etc

Location:

Water main replacement will take place at the following locations: Woodbury Rd. and Taft Street, Bowen Street and Blake Street, and Jerry Lane and Beta Avenue

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Carina Dan

Project ID: CP1378000, CP1454000, CP1455000, CP1199000

Project Start Date: winter/spring 2026

Estimated End Date: summer/fall2026

Project Funding:

This project is funded by the Water Capital Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Project	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Water Capital Fund	Woodbury Rd. Taft St.	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Water Capital Fund	Bowen St. Blake St.	-	-	250,000	2,500,000	-	-	2,750,000
Water Capital Fund	Jerry Ln. Beta Ave.	-	-	250,000	2,500,000	-	-	2,750,000
Water Replacement Fund	Ongoing Maint. Repl.	-	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	17,500,000
Total		\$ 2,000,000	\$ 5,500,000	\$ 4,000,000	\$ 8,500,000	\$ 3,500,000	\$ 3,500,000	\$ 25,000,000

Reservoirs Rehabilitation Projects



Description:

Phase II Reservoir Rehabilitation Project consists of engineering and design services to generate specifications, plans, and other necessary construction documents for the recommended repairs and rehabilitation of the four (4) partially buried reservoirs, two at the Lampson Site and two at the Task Site.

Location:

Lampson and Trask Reservoirs

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: Liyan Jin

Project ID: CP1328000

Project Start Date: Spring 2026 (construction begins)

Estimated End Date: TBD

Project Funding:

This project is funded by the Water Capital Fund.

Operating Cost:

This is the design and planning phase of the project. There are no additional operating or maintenance costs associated with this phase.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Water Capital Fund	\$ 4,655,000	\$ 3,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
Total	\$ 4,655,000	\$ 3,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 4,000,000

Water Transmission Line Study



Description:

The project utilizes outside consultants to conduct a water line transmission study as part of a larger Water System Master Plan. The study analyzes the system's capacity, identifies areas for improvement, and ensures infrastructure meets current and future needs.

Location:

Citywide

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works

Project Manager: TBD

Project ID: CP1337000

Project Start Date: TBD

Estimated End Date: TBD

Project Funding:

This project is funded by the Water Capital Fund.

Operating Cost:

This study may result in changes to the department's maintenance plan. There are no additional ongoing costs at this time.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Water Capital Fund	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Total	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000

Sewer Main Replacement & Improvements



Description:

Replacement of aging or damaged sections of the underground sewer pipes that carry wastewater from homes and businesses to treatment facilities. This involves replacing existing pipelines, manholes, and sewer laterals (pipes connecting individual properties to the main sewer line).

Location:

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works
Project Manager: Jiyan Lin
Project ID: CP1329000 & CP1098000
Project Start Date: Ongoing
Estimated End Date: Ongoing

Project Funding:

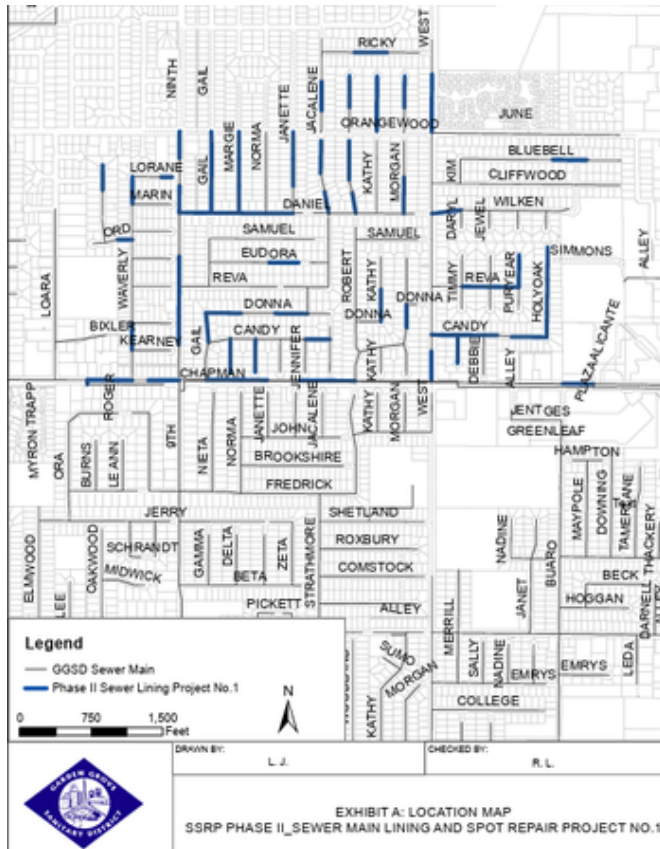
This project is funded by the Sewer Capital Fund and Sewer Replacement Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Sewer Capital Fund	\$ 7,067,600	\$ 2,687,600	\$ -	\$ -	\$ -	\$ -	\$ 2,687,600
Sewer Replacement Fund	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 7,500,000
Total	\$ 7,067,600	\$ 4,187,600	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$10,187,600

Sewer Rehabilitation



Project Information:

Department Responsible: Public Works

Project Manager: Liyan Jin

Project ID: CP1363000, CP1364000, CP1418000, CP1419000, CP1420000

Project Start Date: ongoing

Estimated End Date: ongoing

Description:

Sewer Replacement projects make improvements to defective sewer pipe within the City. Main Lining and Spot Repair projects consist of rehabilitating linear feet of sewer using UV-Cured Glass Reinforced Plastic cured-in-place liner in addition to spot repairs, sewer lateral reinstatements and top hat sewer lateral seals. Sewer System Rehabilitation includes an assessment of Phase 3 of the sanitation system which involves cleaning and CCTV inspection.

Location:

Major streets for these projects include; Newhope St., Trask Ave., Garden Grove Blvd., Euclid St., Harbor Blvd., Katella Ave., & Chapman Ave.

Strategic Priority: Infrastructure

Project Funding:

These projects are funded by the Sewer Capital Fund.

Operating Cost:

There are no additional maintenance costs associated with this improvement/rehabilitation of existing facilities. Ongoing maintenance costs are included in the existing operating budget.

Sources	Project	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Sewer Capital Fund	Projects 1, 2, 47, & 48 (sewer raplacement)	\$ -	\$ 274,400	\$ 2,800,000	\$ -	\$ -	\$ -	\$ 3,074,400
Sewer Capital Fund	Projects 1, & 2 (main lining & spot repair)	-	500,000	3,200,000	300,000	-	-	4,000,000
Sewer Capital Fund	Sewer System Rehabilitation Plan	-	1,000,000	1,000,000	-	-	-	2,000,000
Total		\$ -	\$ 1,774,400	\$ 7,000,000	\$ 300,000	\$ -	\$ -	\$ 9,074,400

Sewer Master Plan



Description:

The City's long-term strategic document that assesses the current state and future needs of the City's sewer system, outlines a plan for repairs, replacements, and upgrades, and provides a financial basis for capital improvement projects,

Location:

N/A

Strategic Priority: Infrastructure

Project Information:

Department Responsible: Public Works
Project Manager: Rebecca Li
Project ID: CP1421000
Project Start Date: Ongoing
Estimated End Date: Ongoing

Project Funding:

This project is funded by the Sewer Capital Fund.

Operating Cost:

This study may result in changes to the department's maintenance plan. There are no additional ongoing costs at this time.

Sources	Prior Years	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total 5 Year
Sewer Capital Fund	\$ 800,000	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Total	\$ 800,000	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000

APPENDIX

Financial Planning, Policies & Guidelines

The City is committed to meeting the community's service-level expectations while also ensuring long-term financial stability. To ensure both goals are met, the city has developed formal policies and adhered to long-standing guidelines to focus on its long-term financial planning. This focus has led the city to adopt some key strategies to provide long-term stability such as: seeking new revenue enhancements and economic development opportunities, implementing innovative practices to the City's operations, refinancing existing debt, adjusting water rates to keep pace with increasing expenditures, and partnering with the Orange County Fire Authority (OCFA) to provide Fire protection services.



The information in the following section is based on longstanding City policies, practices, and recommendations developed by various government finance associations including the International City and County Managers Association (ICMA), Government Finance Officers Association (GFOA) and California Society of Municipal Finance Officers (CSMFO).

Budget Policies and Guidelines

It is the City's commitment and intention to adhere to the following budget policies and guidelines:

- City staff will strive to present, on a biannual basis, a balanced budget (ongoing operating revenues match ongoing operating expenditures) to the City Council for adoption;
- The City will avoid budgetary practices that balance current expenditures by shifting costs to future years, such as deferring expenses, advancing future revenues, or refinancing short-term debt;
- Budgetary and accounting procedures will conform to Generally Accepted Accounting Principles (GAAP);
- The City is committed to maintaining a General Fund reserve of at least 16.7% (equivalent to two months of adopted operating revenues), with a long-term goal of reaching 30% overtime, in accordance with Garden Grove General Fund Reserve Policy;
- The budget will include sufficient funding to meet all pension obligations in accordance with CalPERS contractual requirements;
- The City will maintain a budgetary control system to assist staff with adhering to the budget guidelines;
- The City will regularly monitor departmental expenditures against approved budget appropriations;
- All requests for City Council action which have a fiscal impact on the City or its various funds must be reviewed by the Finance Department before being placed on the City Council agenda; and

Revenue Guidelines

- Staff will estimate City annual revenues by an objective, conservative and analytical process;
- Staff will prepare revenue projections and a financial forecast as part of its long-term financial planning; The City will strive to establish user charges and fees in order to recover the cost of providing the services to reflect the impact of inflation and other cost increases.

Council Policies

Garden Grove City Council has also adopted a number of policies that govern the City's financial practices. Summaries of these policies are listed below. Full versions can be found at ggcity.org in the [City Council Policy Manual](#).

General Fund Reserve Policy (200-07, adopted 12/17/19)

Requires the city to maintain an unassigned fund balance of at least 16.7% (or two-months' worth) of adopted operating revenues with a goal of reaching 30% over time in the General Fund. Given the City's revenue base and its volatility during economic downturns, the 16.7% is considered the minimum level necessary to maintain the City's credit worthiness and to adequately provide for sharp declines in operating revenues, sustain General Fund operations, and/or to offset budget deficits whether structural in nature or not;

Debt Management Policy (200-06, amended 4/09/2024)

The Debt Management Policy establishes the parameters within which debt may be issued and administered by the City of Garden Grove (the "City") and its component units (including, Successor Agency, Sanitary District, Housing Authority and the Garden Grove Public Financing Authority. The Policy was adopted to comply with Government Code Section 8855(i) and to:

- Maintain the City's sound financial position;
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses;
- Protect the City's credit-worthiness; and
- Ensure that the City's debt is consistent with the City's planning goals and objectives and capital improvement program or budget, as applicable.

The Policy also establishes purposes for which debt may be issued, outlines the different types of debt that may be issued, defines both long-term and short-term debt, and specifies the conditions under which the City may issue either long-term or short-term debt as well as financings on behalf of other entities.

Pension Funding Policy (200-08, adopted 8/13/19)

The City Council established a systematic and disciplined method to accumulate resources to be used towards funding pension liability and future benefit payments, and to provide reasonable assurance that the cost of pension benefits will be funded in an equitable and sustainable manner. In order to ensure the funding of pension benefits is sustainable, the City complies with the following:

- The City shall establish a plan to pay down its pension liabilities and/or stabilize future contribution rates.
- Pension fund contributions shall have the same budget priority as other personnel costs such as salaries and benefits.
- Actuarially Determined Contribution (ADC) shall be obtained annually and serve as the basis for pension fund contributions to the respective plans.
- The ADC should be calculated in a manner that fully funds the long-term costs of promised benefits, while balancing the goals of:
 - Keeping contributions relatively stable; and
 - Equitably allocating the costs over the employees' period of active service.
- The City shall continue to contribute a minimum of 100% of the ADC annually to the respective plans.
- Changes in net pension liabilities, each plan's funded status, and other related ratios shall be communicated to the public annually through the publication of the City's Comprehensive Annual Financial Report.
- Pension benefit increases that require a CalPERS contract amendment should not be recommended nor approved until the pension plan reaches 100% funded status.

Investment Policy (200-09, amended 10/13/20)

The intent of the Investment Policy is to define the parameters within which funds are to be managed. The City will invest public funds in a manner that will provide in priority order, maximum security, adequate liquidity and sufficient yield, while meeting the daily cash flow demands of the City and conforming to California Government Code Section 53600, et seq., and related statutes and regulations governing the investment of public funds. The investment objectives are the following:

1. **Safety** - The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. Safety of principal is the foremost objective of the investment program. City investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The City shall select only those investments that are considered very safe. The City shall not engage in speculation. The City shall diversify its investments by investing funds among a variety of securities and financial institutions offering independent returns.
2. **Liquidity** - Liquidity is the ability to change an investment into its cash equivalent on short notice at its prevailing market value. The funds in the City's portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrently with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio will maintain a liquidity buffer and invest primarily in securities with active secondary and resale markets.
3. **Yield** - Yield is the potential dollar earnings that an investment can provide; it is also referred to as the rate of return. The City's portfolio shall be designed to attain a return on investments through economic cycles, taking into account investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives.

The Investment Policy applies to all fund types (i.e., governmental, proprietary and fiduciary) except for the investment of bond proceeds, which are governed by the appropriate bond documents, and any pension or other funds held in a trust that have a separate investment policy. The Policy outlines the authorized and suitable investments for the City. The Finance Department staff, with assistance from the City's investment advisor, analyze the portfolio and act to maximize earnings while safeguarding assets and maintaining liquidity. On an annual basis, staff conducts an evaluation of the City's Policy to determine compliance with applicable federal and state regulations and with industry standards and best practices to determine if any enhancements or newly adopted rules and regulations are required to be incorporated within the Policy. Based on these regular staff evaluations annual updates and revisions to the investment policy may be recommended.

Purchasing Policies (200-10, amended 6/23/20)

A Purchasing Manual has been prepared to cover the City's Purchasing Policies and to provide guidance and training for the procurement of all equipment, materials, supplies and services needed by departments within the City. This manual outlines the steps of each type of procurement process from beginning to the end. The Purchasing Division is responsible for managing the informal and formal bidding process, processing of all purchase requisitions, developing and reviewing contracts, and the administration of the credit card and cell phone programs.

The Purchasing Manual was created to serve as a reference tool for departments in translating needs into tangible items and services. The purpose of this manual is to provide the necessary guidance for staff to obtain needed products and services as directed by the Municipal Code, Ordinances and Resolutions, Administrative Regulations, and State and Federal Regulations.

In addition to outlining the basic purchasing processes and threshold limits, the Purchasing Manual also provides detailed information on the informal and formal bidding processes, insurance requirements and the Central Stores Warehouse operations.

It shall be the policy of the City to fully comply with and make purchases or expenditures pursuant to the Purchasing Manual.

Infrastructure Funding Policy (200-12, adopted 6/22/21)

The Infrastructure Funding Policy sets a framework for policy standards and provides direction to systematically address the infrastructure deficit. It calls out several critical fiscal and asset planning or management practices to be developed over the next few years, including a Capital Replacement Reserves Policy, asset management plans for each major infrastructure type, and a comprehensive infrastructure plan.

Capital Asset Renewal and Replacement Reserves Policy (200-13, adopted 6/28/22)

The purpose of the Capital Asset Renewal and Replacement Reserves Policy is to ensure adequate funding for the renewal and replacement of the City's capital assets to protect the public investment and achieve the assets' maximum useful life. The Policy is intended to promote proactive financial management by increasing awareness of the ongoing need for capital replacement and encouraging long-term capital planning.

Enterprise Fund Business Principles:

The City maintains a set of business principles for managing its enterprise fund operations. These principles are that enterprise funds should break even and not operate in a deficit; maintain a two (2) month cash flow is required, as well as maintenance of \$500,000 in reserves for contingencies; and maintain systems and facilities up to industry standards by adequately funding new Capital Improvement Programs; develop and maintain sinking funds of 5% of infrastructure replacement value; satisfy all Debt Covenant conditions under which department is issued.

Financial Practices and Guidelines

The following financial practices articulate the premises of guidelines for which the City adheres to on various financial transactions the City may enter into during the course of its day-to-day operations.

- The accounting system will maintain the City's financial records on a basis consistent with Generally Accepted Accounting Principles (GAAP) applicable to local government along with adherence to the current GFOA and CSMFO best practices if applicable;
- Financial Reports will be generated, on a monthly basis detailing the City's Revenues and Expenditures for both a summary and detail basis;
- The Comprehensive Annual Financial Report (CAFR) will be prepared at the end of each fiscal year to account for the City's financial transactions for the year;
- In accordance with state law, an independent firm will perform an annual audit of the financial statements of the City and will publicly issue an opinion therein.



Basis of Budgeting & Accounting

Measurement Focus, Basis of Accounting, and Financial Statement (from ACFR):

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Grant funds received before the revenue recognition criteria have been met are reported as unearned revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as in accrual accounting. However, debt service expenditures are recorded only when payment is due. Property taxes, franchise taxes, licenses, revenues from other agencies and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the government.

Basis of Budgeting

Garden Grove develops its budget using a modified accrual basis, consistent with accounting. Under this approach, revenues are recognized when they are measurable and available to finance expenditures of the current period. Expenditures are budgeted when they are expected to be incurred, with the following exceptions for capital expenses, depreciation, and debt principle payments for utility and internal service funds, Capital Improvement Plan, and personnel costs:

- Capital expenses and debt principle payments for utility and internal service funds are recorded as assets and liability on an accounting basis, but shown as expenditures on a budgetary basis;
- Depreciation of capital assets and amortization of various deferred charges are recorded on an accounting basis only. These charges are not reflected in the budget;
- Principal payments on long-term debt in the utility funds and internal service funds are applied to reduce outstanding liability on the accounting basis but are shown as expenses on the budgetary basis;
- Capital Improvement Plan are budgeted by project life cycle. While estimates are made for annual expenses, actual timing may differ from budgeted amounts; and
- Personnel costs are budgeted for all authorized positions, including vacancies, to allow for hiring throughout the year. On the accounting side, costs are recorded only for filled positions.

Additionally, other differences exist between the accounting and budgetary basis of reporting:

- Continued/Carryover appropriation represent the previously budgeted funds unexpended at the end of the applicable budget period. Carryover requests approved by City Council are added to the City's current budget period but are not included in the budget document or original budget submission to City Council;
- Encumbrances are shown as expenditures or reservations of fund balance by budget but only actual expenditures are recorded by accounting; and
- Interfund transfers are shown as revenues or expenditures for budget purposes, but are reported as other financing sources and uses for accounting.

Fund Balance Descriptions

The City generates fund balance (or accumulation of operating surpluses) during years when revenues exceed expenditures. There are five major fund balance categories that the Governmental Accounting Standards Board ("GASB") created in its GASB 54 pronouncement: Nonspendable, Restricted, Committed, Assigned and Unassigned.

Nonspendable

Amounts not in spendable form or are legally or contractually required to be maintained intact. Examples include: inventory, notes and loans, prepaid items and/or advances.

Restricted

Portions of the fund balance are externally imposed by grantors, contributors or laws or regulations of state or federal governments or imposed by law through constitutional provisions or enabling legislation. Examples include: federal and state grants for a specific purpose and/or restricted donations or contributions.

Committed

Amounts are constrained to specific purposes by a government itself, using its highest level of decision-making authority (City Council), and remains binding unless removed in the same manner. Examples include: Capital projects and/or contractual obligations.

Assigned

Amounts a government intends to use for a specific purpose but are neither restricted nor committed; intent can be expressed by the governing body, or by an official or body to which the governing body delegates the authority. Examples include: Economic Contingency Reserve, Unfunded Liability Reserve, Equipment Replacement Fund, Employee Benefits Fund and/or Insurance/Risk Management Reserve.

Unassigned

Amounts available for any governmental purpose.

It is the City's policy to maintain an unassigned fund balance of at least 16.7% of adopted operating revenues with a goal of reaching 30% over time in the General Fund. Given the City's revenue base and its volatility during economic downturns, the 30% target is considered necessary to maintain the City's credit worthiness and to adequately provide for sharp declines in operating revenues, sustain General Fund operations, and/or to offset budget deficits, whether structural in nature or not.

BUDGET RESOLUTIONS

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9931-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
ADOPTING THE CITY'S BUDGET FOR FISCAL YEARS 2025-26 AND 2026-27

WHEREAS, the City Council of the City of Garden Grove has carefully reviewed and considered the proposed Operating and Capital Improvement Budgets for Fiscal Years 2025–26 and 2026–27; and

WHEREAS, the City Council is responsible under the laws of the State of California for the administration and financial oversight of various special assessment districts; and

WHEREAS, public hearings and legal review of each special assessment district's proposed budget for Fiscal Year 2025–26 have been conducted as required by state law; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Garden Grove hereby authorizes the City Manager to expend funds on behalf of the City in accordance with the requirements of applicable grant programs, the laws of the State of California, and the ordinances of the City of Garden Grove, in the amounts of \$408,842,806 for Fiscal Year 2025–26 and \$399,433,693 for Fiscal Year 2026–27, from new appropriations and reserved fund balances.

BE IT FURTHER RESOLVED that these appropriated amounts shall be drawn from the estimated revenues and available fund balances of the following funds, in accordance with state law and ordinances of the City for Fiscal Years 2025–26 and 2026–27.

FUND	PROPOSED FY 2025-26	PROPOSED FY 2026-27
111 - GENERAL FUND	\$ 188,436,477	\$ 194,840,048
113 - ECON DEVELOPMENT	\$ 662,925	\$ 672,968
117 - ACCESSIBILITY COMPLIANCE CASp	\$ 291,000	\$ 60,000
202 - FORFEIT/SEISURE- FED	\$ 105,000	\$ 105,000
203 - FORFEIT/SEISURE- STATE	\$ 40,000	\$ 40,000
204 - PUB SAFETY/PROP 172	\$ 740,225	\$ 760,773
205 - POLICE-SLESF	\$ 191,400	\$ 191,400
206 - GAS TAX 2106/2107	\$ 1,534,736	\$ 1,601,954
207 - GAS TAX 2105	\$ 1,866,278	\$ 1,268,929
208 - GAS TAX RM & REHAB	\$ 9,795,512	\$ 4,891,031
209 - GAS TAX 2103	\$ 1,310,160	\$ 2,223,806
211 - TRAFFIC MITG FEE	\$ -	\$ 1,200,000
212 - DEVELOPMT AGRMT FEE	\$ 288,800	\$ 288,800
213 - CULTURAL ARTS FEE	\$ 110,202	\$ 110,328

Garden Grove City Council
Resolution No. 9931-25
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FUND		PROPOSED FY 2025-26	PROPOSED FY 2026-27
214	- PARK FEE	\$ 1,095,000	\$ 170,000
215	- DRAINAGE FEE	\$ 300,000	\$ 500,000
216	- CITYWIDE PARK FEES	\$ 1,450,000	\$ 300,000
217	- G G CABLE CORP	\$ 491,515	\$ 508,451
218	- STREET LIGHTING	\$ 1,267,438	\$ 1,278,197
219	- PARK MAINT ASSMT DIST	\$ 727,243	\$ 752,627
220	- PARKING DIST MAINT	\$ 3,500	\$ 3,500
221	- MAIN ST ASSMT DIST	\$ 47,582	\$ 47,582
222	- AQMD(AB 2766)	\$ 269,098	\$ 273,844
223	- CALHOME	\$ 500,000	\$ 500,000
225	- CDBG	\$ 2,168,324	\$ 2,490,119
227	- EMERGENCY SHELTER	\$ 184,443	\$ 185,000
230	- JAG	\$ 65,100	\$ 65,100
231	- OTS-POLICE	\$ 330,000	\$ 330,000
232	- POST REIMBURSEMENT	\$ 50,014	\$ 50,014
233	- STATE GRANTS	\$ 6,449,560	\$ 4,456,103
234	- FACT	\$ 350,000	\$ 350,000
236	- CA DEPT OF CONSERV	\$ 44,000	\$ 44,000
237	- CAL RECYCLE	\$ 244,100	\$ 244,100
238	- USED OIL	\$ 20,000	\$ 20,000
239	- COUNTY CSVC GRANTS	\$ 68,614	\$ 72,045
242	- FEDERAL GRANTS	\$ 25,000	\$ 25,000
244	- GARDEN GROVE TID *	\$ 4,010,800	\$ 4,010,800
246	- M2 LOCAL FAIRSHARE	\$ 7,599,337	\$ 4,402,656
248	- MEASURE M2-CTFP	\$ 4,197,100	\$ 250,000
249	- HOME	\$ 1,186,370	\$ 1,190,931
260	- TRI-CITY NAVIGATION CENTER	\$ 1,219,200	\$ 1,219,200
501	- HSG SUCCESSOR AGENCY	\$ 634,155	\$ 639,765
502	- HSG AUTH-CC PROPTS	\$ 37,000	\$ 37,000
601	- WATER OPERATIONS	\$ 42,223,686	\$ 42,948,561
602	- WATER CAPITAL	\$ 7,855,100	\$ 4,800,000
603	- WATER REPLACEMENT	\$ 4,952,562	\$ 4,952,562
630	- SEWER OPERATIONS	\$ 10,140,970	\$ 10,409,507
631	- SEWER CAPITAL	\$ 5,262,000	\$ 7,000,000
632	- SEWER REPLACEMENT	\$ 2,494,300	\$ 2,494,300
660	- REFUSE	\$ 2,968,404	\$ 2,987,980
671	- GOLF COURSE	\$ 120,000	\$ 120,000
672	- GOLF COURSE WWGM	\$ 2,243,000	\$ 2,243,000

Garden Grove City Council
Resolution No. 9931-25
Page 3

FUND	PROPOSED FY 2025-26	PROPOSED FY 2026-27
681 - HSG AUTH SEC8-ADMIN	\$ 4,358,695	\$ 4,518,580
682 - HSG AUTH SEC8-HAP	\$ 46,985,300	\$ 46,985,300
701 - WORKERS COMP	\$ 7,224,717	\$ 7,249,116
702 - FLEET MANAGEMENT	\$ 9,637,819	\$ 7,810,009
704 - INFORMATION SYSTEMS	\$ 5,098,153	\$ 5,025,089
705 - WAREHOUSE OPERATION	\$ 649,948	\$ 674,705
706 - TELECOMMUNICATIONS	\$ 398,924	\$ 401,974
707 - RISK MANAGEMENT	\$ 5,828,759	\$ 6,415,697
708 - COMMUNICATION REPLMNT	\$ 600,034	\$ 597,300
709 - BUILDING REHABILITATION	\$ 1,378,600	\$ 1,200,000
811 - SUCCESSOR RDA	\$ 8,014,627	\$ 7,928,942
Total	<u>\$ 408,842,806</u>	<u>\$ 399,433,693</u>

* Includes transfer amount of \$858,400 as shown below:

	PROPOSED FY 2025-26	PROPOSED FY 2026-27
<u>TRANSFER OUT</u>		
244 - GARDEN GROVE TID	\$ 858,400	\$ 858,400
TOTAL TRANSFER OUT	<u>\$ 858,400</u>	<u>\$ 858,400</u>
<u>TRANSFER IN</u>		
113 - ECON DEVELOPMENT	\$ 56,200	\$ 56,200
114 - TID TRANSIT	802,200	802,200
TOTAL TRANSFER IN	<u>\$ 858,400</u>	<u>\$ 858,400</u>

Garden Grove City Council
Resolution No. 9931-25
Page 4

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
MAYOR

/s/ LIZABETH VASQUEZ
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on June 10, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:	(7)	BRIETIGAM, NGUYEN, TRAN, MUÑETON, ARESTEGUI, DOVINH, KLOPFENSTEIN
NOES:	COUNCIL MEMBERS:	(0)	NONE
ABSENT:	COUNCIL MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
CITY CLERK

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9933-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
REAPPROPRIATING CERTAIN FISCAL YEAR 2024-25 PROJECT BALANCES AND
ENCUMBRANCES TO FISCAL YEAR 2025-26**

WHEREAS, the City Council has reviewed the estimated revenues, expenditures, and fund balances for Fiscal Year 2024–25, as projected through the end of the fiscal year, and has given careful consideration to the year-end close of appropriations; and

WHEREAS, the City Council has reviewed and thoroughly considered the proposed budgets for Fiscal Year 2025–26; and

WHEREAS, certain capital projects and programs initiated in Fiscal Year 2024–25 or in prior years require continued appropriations in order to be completed; and

WHEREAS, unexpended balances for these projects are anticipated to remain available as of June 30, 2025; and

WHEREAS, certain purchase orders issued in Fiscal Year 2024–25 are expected to have encumbered balances as of June 30, 2025.

NOW, THEREFORE, BE IT RESOLVED that the uncommitted and unexpended balances for certain projects as of June 30, 2025, be re-appropriated as of the close of the fiscal year as determined by the Finance Director, to Fiscal Year 2025-26 for continuing projects within the respective funds.

BE IT FURTHER RESOLVED that the encumbered balances of purchase orders outstanding as of June 30, 2025, be re-appropriated to Fiscal Year 2025-26 within those same funds.

Garden Grove City Council
Resolution No. 9933-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
MAYOR

/s/ LIZABETH VASQUEZ
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on June 10, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:	(7)	BRIETIGAM, NGUYEN, TRAN, MUÑETON, ARESTEGUI, DOVINH, KLOPFENSTEIN
NOES:	COUNCIL MEMBERS:	(0)	NONE
ABSENT:	COUNCIL MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
CITY CLERK

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9932-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE REVISING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2024-25, AND ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-26

WHEREAS, Chapter 1205 of the Statutes of 1980, effective January 1, 1981, implemented Article XIII B of the California Constitution, which establishes an annual appropriations limit for local governments; and

WHEREAS, Proposition 111, approved by the voters in 1990, amended Article XIII B to modify the factors used in calculating the annual appropriations limit, allowing local jurisdictions to use a combination of population change and either the change in California per capita personal income or the change in the local assessment roll due to non-residential new construction; and

WHEREAS, the City Council previously adopted an appropriations limit for Fiscal Year 2024-25 by Resolution No. 9859-24; and

WHEREAS, the City's independent auditor, in a report dated December 30, 2024, identified a variance in the calculation of the Fiscal Year 2023-24 appropriations limit, resulting in an under-calculation of \$1,869,422; and

WHEREAS, based on the auditor's recalculation, it is necessary to revise the appropriations limit for Fiscal Year 2024-25 accordingly.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Garden Grove hereby revises the appropriations limit for Fiscal Year 2024-25 to \$198,777,152, as detailed in Exhibit "A" attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED that the appropriations limit for Fiscal Year 2025-26 is established at \$211,936,200, and the appropriation subject to limitation is \$114,606,751, as shown in Exhibit "B" attached hereto and incorporated herein by reference.

Garden Grove City Council
Resolution No. 9932-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
MAYOR

/s/ LIZABETH VASQUEZ
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on June 10, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:	(7)	BRIETIGAM, NGUYEN, TRAN, MUÑETON, ARESTEGUI, DOVINH, KLOPFENSTEIN
NOES:	COUNCIL MEMBERS:	(0)	NONE
ABSENT:	COUNCIL MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
CITY CLERK

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO. 3828-25

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY
DISTRICT ADOPTING BUDGETS FOR FISCAL YEAR 2025-26 AND
FISCAL YEAR 2026-27

WHEREAS, the Garden Grove Sanitary District (GGSD) has given careful consideration to the adoption of the Budget for Fiscal Year 2025-26 and Fiscal Year 2026-27.

NOW, THEREFORE, BE IT RESOLVED that the General Manager is hereby authorized to expend in accordance with laws of the State of California on behalf of the Garden Grove Sanitary District an amount of \$20,865,674 for Fiscal Year 2025-26 and \$22,891,787 for Fiscal Year 2026-27 from new appropriations for the planned activities shown below:

<u>Expenditures</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
Sewer	\$ 17,897,270	\$ 19,903,807
Refuse	2,968,404	2,987,980
Total Expenditure	<u>\$ 20,865,674</u>	<u>\$ 22,891,787</u>

BE IT FURTHER RESOLVED that the total of \$20,865,700 for Fiscal Year 2025-26 and \$22,891,800 for Fiscal Year 2026-27, which the General Manager is authorized to expend in accordance with the Laws of the State of California shall be appropriated from the following funds:

<u>Funding</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
Fund 630 - Sewer Operations	\$ 10,140,970	\$ 10,409,507
Fund 631 - Sewer Capital	5,262,000	7,000,000
Fund 632 - Sewer Replacement	2,494,300	2,494,300
Fund 660 - Refuse	2,968,404	2,987,980
Total Funding	<u>\$ 20,865,674</u>	<u>\$ 22,891,787</u>

Garden Grove Sanitary District
Resolution No. 3828-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
PRESIDENT

/s/ LIZABETH VASQUEZ
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, Secretary of the Garden Grove Sanitary District, do hereby certify that the foregoing Resolution was duly adopted by the Board of the Garden Grove Sanitary District at a meeting held on the 10th day of June 2025, by the following vote:

AYES:	MEMBERS:	(7)	BRIETIGAM, NGUYEN, DOVINH, MUÑETON, ARESTEGUI, TRAN, KLOPFENSTEIN
NOES:	MEMBERS:	(0)	NONE
ABSENT:	MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
SECRETARY

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO. 3830-25

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY
DISTRICT REAPPROPRIATING CERTAIN FISCAL YEAR 2024-25
PROJECT BALANCES AND ENCUMBRANCES FOR THE FISCAL YEAR 2025-26**

WHEREAS, the Garden Grove Sanitary District Board of Directors has reviewed the estimated Fiscal Year 2024-25 Revenues, Expenditures and Fund Balances as projected to the end of the fiscal year, and has given careful consideration to the closing of appropriations for Fiscal Year 2024-25;

WHEREAS, the Garden Grove Sanitary District Board of Directors has reviewed and given careful consideration of the recommended Fiscal Year 2025-26 budgets;

WHEREAS, certain projects begun in Fiscal Year 2024-25 or prior fiscal years require continuing appropriations to complete the projects;

WHEREAS, unexpended balances of Fiscal Year 2024-25 or prior fiscal years are estimated to be available within these certain projects by the close of the fiscal year ending on June 30, 2025; and

WHEREAS, certain purchase orders are estimated to have encumbered balances by the close of the fiscal year ending on June 30, 2025.

NOW, THEREFORE, BE IT RESOLVED that the uncommitted, unexpended balances of appropriations for certain projects as of the close of the fiscal year ending on June 30, 2025 be appropriated, in the amount as determined by the Finance Director, to the Reserve for continuing projects within their respective funds, and that the amount be re-appropriated for Fiscal Year 2025-26 from the Reserve for continuing projects within the respective funds.

BE IT FURTHER RESOLVED that the encumbered balances of purchase orders as of the close of the fiscal year ending June 30, 2025, be appropriated to the Reserve for encumbrances within the respective funds and that the amount of the encumbered balances be reappropriated for Fiscal Year 2025-26 from the Reserve for the encumbrances within the respective funds.

Garden Grove Sanitary District
Resolution No. 3830-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
PRESIDENT

/s/ LIZABETH VASQUEZ
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, Secretary of the Garden Grove Sanitary District, do hereby certify that the foregoing Resolution was duly adopted by the Board of the Garden Grove Sanitary District at a meeting held on the 10th day of June 2025, by the following vote:

AYES:	MEMBERS:	(7)	BRIETIGAM, NGUYEN, DOVINH, MUÑETON, ARESTEGUI, TRAN, KLOPFENSTEIN
NOES:	MEMBERS:	(0)	NONE
ABSENT:	MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
SECRETARY

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO. 3829-25

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN
GROVE SANITARY DISTRICT REVISING THE APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2024-25, AND ESTABLISHING THE
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-26**

WHEREAS, Chapter 1205 of the Statutes of 1980, effective January 1, 1981, implemented Article XIII B of the California Constitution, which establishes an annual appropriations limit for local governments; and

WHEREAS, Proposition 111, approved by the voters in 1990, amended Article XIII B to modify the factors used in calculating the annual appropriations limit, allowing local jurisdictions to use a combination of population change and either the change in California per capita personal income or the change in the local assessment roll due to non-residential new construction; and

WHEREAS, the Board previously adopted an appropriations limit for Fiscal Year 2024-25 by Resolution No. 3825-24; and

WHEREAS, the District's independent auditor, in a report dated December 30, 2024, identified a variance in the calculation of the Fiscal Year 2023-24 appropriations limit, resulting in an under-calculation of \$170,121; and

WHEREAS, based on the auditor's recalculation, it is necessary to revise the appropriations limit for Fiscal Year 2024-25 accordingly.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Garden Grove Sanitary District hereby revises the appropriations limit for Fiscal Year 2024-25 to \$18,089,116, as detailed in Exhibit "A" attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED that the appropriations limit for Fiscal Year 2025-26 is established at \$19,286,615, as shown in Exhibit "B" attached hereto and incorporated herein by reference.

Garden Grove Sanitary District
Resolution No. 3829-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
PRESIDENT

/s/ LIZABETH VASQUEZ
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, Secretary of the Garden Grove Sanitary District, do hereby certify that the foregoing Resolution was duly adopted by the Board of the Garden Grove Sanitary District at a meeting held on the 10th day of June 2025, by the following vote:

AYES:	MEMBERS:	(7)	BRIETIGAM, NGUYEN, DOVINH, MUÑETON, ARESTEGUI, TRAN, KLOPFENSTEIN
NOES:	MEMBERS:	(0)	NONE
ABSENT:	MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
SECRETARY

GARDEN GROVE HOUSING AUTHORITY

RESOLUTION NO. 188-25

A RESOLUTION OF THE GARDEN GROVE HOUSING AUTHORITY
ADOPTING BUDGETS FOR FISCAL YEAR 2025-26 AND FISCAL YEAR 2026-27

WHEREAS, the Garden Grove Housing Authority has given careful consideration to the adoption of the Budget for Fiscal Year 2025-26 and Fiscal Year 2026-27.

NOW, THEREFORE, BE IT RESOLVED that the Director is hereby authorized to expend in accordance with Section 34200, et seq., of the Health and Safety Code of the State of California on behalf of the Garden Grove Housing Authority an amount of \$51,343,995 for Fiscal Year 2025-26 and \$51,503,880 for Fiscal Year 2026-27 from new appropriations for the planned activities shown below:

<u>Expenditures</u>	FY 2025-26	FY 2026-27
Administration	\$ 4,358,695	\$ 4,518,580
Housing Assistance Program Portability	4,765,000	4,765,000
Housing Assistance Payments	<u>42,220,300</u>	<u>42,220,300</u>
TOTAL EXPENDITURES	<u>\$ 51,343,995</u>	<u>\$ 51,503,880</u>

BE IT FURTHER RESOLVED by the Garden Grove Housing Authority that the total of \$51,344,000 for Fiscal Year 2025-26 and \$51,503,900 for Fiscal Year 2026-27 which the Director is authorized to expend in accordance with the laws of the State of California shall be appropriated from the following funds for the Fiscal Year 2025-26 and Fiscal Year 2026-27.

<u>Funding</u>	FY 2025-26	FY 2026-27
Housing Authority-Sec8 Admin (681)	4,358,695	4,518,580
Housing Authority (682)	<u>46,985,300</u>	<u>46,985,300</u>
TOTAL FUNDING	<u>\$51,343,995</u>	<u>\$51,503,880</u>

Garden Grove Housing Authority
Resolution No. 188-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ GEORGE S. BRIETIGAM
CHAIR

/s/ LIZABETH VASQUEZ, CMC
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, Secretary of the Garden Grove Housing Authority, do hereby certify that the foregoing Resolution was duly adopted by the Garden Grove Housing Authority at a meeting held on June 10, 2025, by the following vote:

AYES:	COMMISSIONERS:	(9)	ARESTEGUI, BECKLES, KLOPFENSTEIN, MUÑETON, P. NGUYEN, T. NGUYEN, TRAN, DOVINH, BRIETIGAM
NOES:	COMMISSIONERS:	(0)	NONE
ABSENT:	COMMISSIONERS:	(0)	NONE

/s/ LIZABETH VASQUEZ, CMC
SECRETARY

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO. 78-25

A RESOLUTION OF THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY
TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT ADOPTING
BUDGETS FOR FISCAL YEAR 2025-26 AND FISCAL YEAR 2026-27

WHEREAS, The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development has given careful consideration to the adoption of the budgets for Fiscal Year 2025-26 and Fiscal Year 2026-27; and

NOW, THEREFORE, BE IT RESOLVED that the Director is hereby authorized to expend in accordance with Section 33606 of the Health and Safety Code of the State of California on behalf of The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development an amount of \$8,014,627 for Fiscal Year 2025-26 and \$7,928,942 for Fiscal Year 2026-27 from new appropriations and reserved fund balances for the planned activities shown below:

<u>Expenditures</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>
Administrative Allowance	\$ 336,427	\$ 350,542
Recognized Obligation Payments	<u>7,678,200</u>	<u>7,578,400</u>
Total Expenditures	<u>\$ 8,014,627</u>	<u>\$ 7,928,942</u>

BE IT FURTHER RESOLVED by The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development that expenditures pursuant to this Successor Agency budget are subject to compliance with the requirements of ABx1 26.

Garden Grove Successor Agency
Resolution No. 78-25
Page 2

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
CHAIR

/s/ LIZABETH VASQUEZ
SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, Secretary of the Garden Grove Successor Agency, do hereby certify that the foregoing Resolution was duly adopted by the Successor Agency, at a meeting held on the 10th day of June 2025, by the following vote:

AYES:	MEMBERS:	(7)	BRIETIGAM, NGUYEN, TRAN, DOVINH, ARESTEGUI, MUÑETON, KLOPFENSTEIN
NOES:	MEMBERS:	(0)	NONE
ABSENT:	MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
SECRETARY

Long-Term Debt Obligations

Long-Term Debt Obligations

Local governments typically issue debt to finance non-operating items such as the construction costs of capital projects. Prudent debt management requires these capital investments in infrastructure improvements, public buildings, and other facilities to be scheduled properly so as not to overload the City's debt service capacity. Bond issues are carefully sized, structured, and timed to take advantage of favorable market conditions while ensuring that the City maintains its strong credit profile.

The City considers the use of debt financing primarily for capital projects when the project's useful life is expected to equal or exceed the term of the financing, or otherwise comply with federal tax law requirements. Debt is issued only when resources are identified that are sufficient to fund the debt service requirements without compromising operational needs or fiscal stability.

Types of Debt and Strategic Use

The City may issue general obligation bonds, revenue bonds, or other financing instruments, depending on the nature of the project and the revenue source available to repay the debt. General obligation bonds are backed by the City's taxing authority, while revenue bonds are secured by dedicated project revenues, such as water or sewer fees. By carefully selecting the type of debt, the City seeks to match financing terms with project benefits while minimizing the impact on the operating budget.

Debt Management Objectives

Debt management is a strategic initiative, particularly because capital budgets tend to be larger than operating budgets. The City's strategy emphasizes balancing sources of debt funding, constraining overall bonded indebtedness, and ensuring adequate investment in essential capital facilities. This approach helps maintain Garden Grove as a desirable location for residents, businesses, and investors, while protecting the City's long-term financial health.

Legal Debt Limit and Fiscal Prudence

California Government Code Section 43605 establishes a debt limit for the City at 15% of the gross assessed value of all real and personal property within the City. Since this Code was enacted when assessed valuation was based on 25% of market value, the effective debt limit is now calculated at one-fourth of that amount, or 3.75%. For detailed information on current General Fund debt service levels as a percentage of the budget and the City's position relative to the State's legal debt margin, refer to the Annual Comprehensive Financial Report (ACFR), Statistical Section.

Risk Management and Long-Term Planning

The City actively monitors interest rate trends, economic conditions, and projected revenue streams to minimize borrowing costs and reduce fiscal risk. Contingency planning ensures that unforeseen events, such as economic downturns or natural disasters, do not jeopardize the City's ability to meet debt service obligations. Long-term debt planning is coordinated with the City's Capital Improvement Program (CIP) to ensure that infrastructure investments are sustainable and consistent with strategic priorities.

The schedules in the following pages demonstrate the City's debt service payments for the five currently outstanding debt issuances, providing transparency and accountability regarding the City's long-term financial obligations.

Lease Revenue Bonds, Series 2024A
GG Public Financing Authority
Civic Center Revitalization Fund (504)
Bond Rating: AA
Bond Issuance: \$140,000,000

FISCAL YEAR	DATE	BEG PRINCIPAL BALANCE	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	END PRINCIPAL BALANCE
						140,000,000.00
25/26	10/1/2025			3,261,275.00	3,261,275.00	
	4/1/2026	136,245,000.00	2,230,000.00	3,261,275.00	5,491,275.00	136,015,000.00
26/27	10/1/2026			3,205,525.00	3,205,525.00	
	4/1/2027	136,015,000.00	2,345,000.00	3,205,525.00	5,550,525.00	133,670,000.00
27/28	10/1/2027			3,146,900.00	3,146,900.00	
	4/1/2028	133,670,000.00	2,460,000.00	3,146,900.00	5,606,900.00	131,210,000.00
28/29	10/1/2028			3,085,400.00	3,085,400.00	
	4/1/2029	131,210,000.00	2,585,000.00	3,085,400.00	5,670,400.00	128,625,000.00
29/30	10/1/2029			3,020,775.00	3,020,775.00	
	4/1/2030	128,625,000.00	2,710,000.00	3,020,775.00	5,730,775.00	125,915,000.00
30/31	10/1/2030			2,953,025.00	2,953,025.00	
	4/1/2031	125,915,000.00	2,845,000.00	2,953,025.00	5,798,025.00	123,070,000.00
31/32	10/1/2031			2,881,900.00	2,881,900.00	
	4/1/2032	123,070,000.00	2,990,000.00	2,881,900.00	5,871,900.00	120,080,000.00
32/33	10/1/2032			2,807,150.00	2,807,150.00	
	4/1/2033	120,080,000.00	3,140,000.00	2,807,150.00	5,947,150.00	116,940,000.00
33/34	10/1/2033			2,728,650.00	2,728,650.00	
	4/1/2034	116,940,000.00	3,295,000.00	2,728,650.00	6,023,650.00	113,645,000.00
34/35	10/1/2034			2,646,275.00	2,646,275.00	
	4/1/2035	113,645,000.00	3,460,000.00	2,646,275.00	6,106,275.00	110,185,000.00
35/36	10/1/2035			2,559,775.00	2,559,775.00	
	4/1/2036	110,185,000.00	3,635,000.00	2,559,775.00	6,194,775.00	106,550,000.00
36/37	10/1/2036			2,468,900.00	2,468,900.00	
	4/1/2037	106,550,000.00	3,815,000.00	2,468,900.00	6,283,900.00	102,735,000.00
37/38	10/1/2037			2,373,525.00	2,373,525.00	
	4/1/2038	102,735,000.00	4,005,000.00	2,373,525.00	6,378,525.00	98,730,000.00
38/39	10/1/2038			2,273,400.00	2,273,400.00	
	4/1/2039	98,730,000.00	4,205,000.00	2,273,400.00	6,478,400.00	94,525,000.00
39/40	10/1/2039			2,168,275.00	2,168,275.00	
	4/1/2040	94,525,000.00	4,415,000.00	2,168,275.00	6,583,275.00	90,110,000.00
40/41	10/1/2040			2,057,900.00	2,057,900.00	
	4/1/2041	90,110,000.00	4,640,000.00	2,057,900.00	6,697,900.00	85,470,000.00
41/42	10/1/2041			1,941,900.00	1,941,900.00	
	4/1/2042	85,470,000.00	4,870,000.00	1,941,900.00	6,811,900.00	80,600,000.00
42/43	10/1/2042			1,820,150.00	1,820,150.00	
	4/1/2043	80,600,000.00	5,115,000.00	1,820,150.00	6,935,150.00	75,485,000.00
43/44	10/1/2043			1,692,275.00	1,692,275.00	
	4/1/2044	75,485,000.00	5,370,000.00	1,692,275.00	7,062,275.00	70,115,000.00
44/45	10/1/2044			1,558,025.00	1,558,025.00	
	4/1/2045	70,115,000.00	5,635,000.00	1,558,025.00	7,193,025.00	64,480,000.00
45/46	10/1/2045			1,417,150.00	1,417,150.00	
	4/1/2046	64,480,000.00	5,920,000.00	1,417,150.00	7,337,150.00	58,560,000.00
46/47	10/1/2046			1,269,150.00	1,269,150.00	
	4/1/2047	58,560,000.00	6,215,000.00	1,269,150.00	7,484,150.00	52,345,000.00
47/48	10/1/2047			1,113,775.00	1,113,775.00	
	4/1/2048	52,345,000.00	6,525,000.00	1,113,775.00	7,638,775.00	45,820,000.00
48/49	10/1/2048			950,650.00	950,650.00	
	4/1/2049	45,820,000.00	6,850,000.00	950,650.00	7,800,650.00	38,970,000.00
49/50	10/1/2049			779,400.00	779,400.00	
	4/1/2050	38,970,000.00	7,195,000.00	779,400.00	7,974,400.00	31,775,000.00
50/51	10/1/2050			635,500.00	635,500.00	
	4/1/2051	31,775,000.00	7,485,000.00	635,500.00	8,120,500.00	24,290,000.00
51/52	10/1/2051			485,800.00	485,800.00	
	4/1/2052	24,290,000.00	7,780,000.00	485,800.00	8,265,800.00	16,510,000.00
52/53	10/1/2052			330,200.00	330,200.00	
	4/1/2053	16,510,000.00	8,095,000.00	330,200.00	8,425,200.00	8,415,000.00
53/54	10/1/2053			168,300.00	168,300.00	
	4/1/2054	-	8,415,000.00	168,300.00	8,583,300.00	-
			138,245,000.00	115,601,850.00	253,846,850.00	

**Debt Service payments reflect payments from FY 25-26 through maturity*

2024A Lease Revenue Bonds – Civic Center Revitalization Project

On June 10, 2025, the Garden Grove Public Financing Authority issued \$140,000,000 in Lease Revenue Bonds, Series 2024A, to finance the Civic Center Revitalization Project. The project encompasses the construction of a 90,000-square-foot public safety facility and a new parking structure, along with the reconfiguration of the 2.8-acre Civic Center Park site. The bonds were issued with a 30-year term, reflecting the long-term nature of the improvements being financed. The proceeds will be allocated to various components of the project, including construction, design, and related infrastructure enhancements. The issuance aligns with the City's strategic objectives to invest in civic infrastructure that supports community growth and resilience.

Principal payments for the 2024A Lease Revenue Bonds are scheduled annually, with interest payable semiannually. The specific interest rates and payment schedules are detailed in the bond issuance documents. The City anticipates that the revitalized Civic Center will not only improve service delivery but also stimulate economic development in the surrounding area.

Water Revenue Bonds, Series 2020A
GG Public Financing Authority
Water Utility Fund (601)
Bond Rating: AA+
Bond Issuance: \$23,220,000

FISCAL YEAR	DATE	BEG PRINCIPAL BALANCE	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	END PRINCIPAL BALANCE
FY26	12/15/2025	20,990,000.00	960,000.00	378,887.50	1,338,887.50	20,030,000.00
	6/15/2026			359,687.50	359,687.50	
FY27	12/15/2026	20,030,000.00	1,000,000.00	359,687.50	1,359,687.50	19,030,000.00
	6/15/2027			339,687.50	339,687.50	
FY28	12/15/2027	19,030,000.00	1,035,000.00	339,687.50	1,374,687.50	17,995,000.00
	6/15/2028			318,987.50	318,987.50	
FY29	12/15/2028	17,995,000.00	1,080,000.00	318,987.50	1,398,987.50	16,915,000.00
	6/15/2029			297,387.50	297,387.50	
FY30	12/15/2029	16,915,000.00	1,115,000.00	297,387.50	1,412,387.50	15,800,000.00
	6/15/2030			275,087.50	275,087.50	
FY31	12/15/2030	15,800,000.00	1,160,000.00	275,087.50	1,435,087.50	14,640,000.00
	6/15/2031			251,887.50	251,887.50	
FY32	12/15/2031	14,640,000.00	500,000.00	251,887.50	751,887.50	14,140,000.00
	6/15/2032			241,887.50	241,887.50	
FY33	12/15/2032	14,140,000.00	525,000.00	241,887.50	766,887.50	13,615,000.00
	6/15/2033			231,387.50	231,387.50	
FY34	12/15/2033	13,615,000.00	545,000.00	231,387.50	776,387.50	13,070,000.00
	6/15/2034			220,487.50	220,487.50	
FY35	12/15/2034	13,070,000.00	570,000.00	220,487.50	790,487.50	12,500,000.00
	6/15/2035			211,937.50	211,937.50	
FY36	12/15/2035	12,500,000.00	585,000.00	211,937.50	796,937.50	11,915,000.00
	6/15/2036			203,162.50	203,162.50	
FY37	12/15/2036	11,915,000.00	605,000.00	203,162.50	808,162.50	11,310,000.00
	6/15/2037			191,062.50	191,062.50	
FY38	12/15/2037	11,310,000.00	625,000.00	191,062.50	816,062.50	10,685,000.00
	6/15/2038			178,562.50	178,562.50	
FY39	12/15/2038	10,685,000.00	650,000.00	178,562.50	828,562.50	10,035,000.00
	6/15/2039			165,562.50	165,562.50	
FY40	12/15/2039	10,035,000.00	675,000.00	165,562.50	840,562.50	9,360,000.00
	6/15/2040			152,062.50	152,062.50	
FY41	12/15/2040	9,360,000.00	705,000.00	152,062.50	857,062.50	8,655,000.00
	6/15/2041			137,962.50	137,962.50	
FY42	12/15/2041	8,655,000.00	735,000.00	137,962.50	872,962.50	7,920,000.00
	6/15/2042			123,262.50	123,262.50	
FY43	12/15/2042	7,920,000.00	760,000.00	123,262.50	883,262.50	7,160,000.00
	6/15/2043			108,062.50	108,062.50	
FY44	12/15/2043	7,160,000.00	795,000.00	108,062.50	903,062.50	6,365,000.00
	6/15/2044			92,162.50	92,162.50	
FY45	12/15/2044	6,365,000.00	825,000.00	92,162.50	917,162.50	5,540,000.00
	6/15/2045			75,662.50	75,662.50	
FY46	12/15/2045	5,540,000.00	855,000.00	75,662.50	930,662.50	4,685,000.00
	6/15/2046			58,562.50	58,562.50	
FY47	12/15/2046	4,685,000.00	890,000.00	58,562.50	948,562.50	3,795,000.00
	6/15/2047			47,437.50	47,437.50	
FY48	12/15/2047	3,795,000.00	915,000.00	47,437.50	962,437.50	2,880,000.00
	6/15/2048			36,000.00	36,000.00	
FY49	12/15/2048	2,880,000.00	935,000.00	36,000.00	971,000.00	1,945,000.00
	6/15/2049			24,312.50	24,312.50	
FY50	12/15/2049	1,945,000.00	960,000.00	24,312.50	984,312.50	985,000.00
	6/15/2050			12,312.50	12,312.50	
FY51	12/15/2050	985,000.00	985,000.00	12,312.50	997,312.50	-
TOTAL			20,990,000.00	9,088,037.50	30,078,037.50	

**Debt Service payments reflect payments from FY 25-26 through maturity*

2020A Revenue Bonds - Water Utility Enterprise Fund

\$23,220,000 Refunding Revenue Bonds, Series 2020 were issued on November 3, 2020, for the advance refunding of the remaining outstanding balance of the previously issued \$16,625,000 Water Revenue Bonds, Series 2010. The refunding was undertaken to reduce the City's total debt service payments over the next 10 years by \$2.7 million. The net proceeds of \$15.6 million will be used to finance the acquisition, expansion, construction, and improvement of certain additional water facilities of the water system of the City. Principal payments for 2020 Revenue Bonds range from \$420,000 to \$1,160,000 and are due annually each December 15 through fiscal year 2051. Interest is payable semiannually on June 15 and December 15, at rates ranging from 3.0% to 4.0% over the life of the bonds. The refunding resulted in a net present value saving of \$1.63 million, or 15.3% of the refunded bonds.

2017 Sewer Revenue Bonds
Sewer Fund (630)
Bond Rating: AA+
Bond Issuance: \$15,970,000

FISCAL YEAR	DATE	BEG PRIN BAL	PRINCIPAL	INTEREST	Total PMT	END PRIN BAL
FY26	12/15/25	10,510,000.00		224,687.50	224,687.50	10,510,000.00
FY26	06/15/26	10,510,000.00	750,000.00	224,687.50	974,687.50	9,760,000.00
FY27	12/15/26	9,760,000.00		205,937.50	205,937.50	9,760,000.00
FY27	06/15/27	9,760,000.00	785,000.00	205,937.50	990,937.50	8,975,000.00
FY28	12/15/27	8,975,000.00		186,312.50	186,312.50	8,975,000.00
FY28	06/15/28	8,975,000.00	825,000.00	186,312.50	1,011,312.50	8,150,000.00
FY29	12/15/28	8,150,000.00		165,687.50	165,687.50	8,150,000.00
FY29	06/15/29	8,150,000.00	870,000.00	165,687.50	1,035,687.50	7,280,000.00
FY30	12/15/29	7,280,000.00		143,937.50	143,937.50	7,280,000.00
FY30	06/15/30	7,280,000.00	910,000.00	143,937.50	1,053,937.50	6,370,000.00
FY31	12/15/30	6,370,000.00		121,187.50	121,187.50	6,370,000.00
FY31	06/15/31	6,370,000.00	960,000.00	121,187.50	1,081,187.50	5,410,000.00
FY32	12/15/31	5,410,000.00		97,187.50	97,187.50	5,410,000.00
FY32	06/15/32	5,410,000.00	1,005,000.00	97,187.50	1,102,187.50	4,405,000.00
FY33	12/15/32	4,405,000.00		77,087.50	77,087.50	4,405,000.00
FY33	06/15/33	4,405,000.00	1,045,000.00	77,087.50	1,122,087.50	3,360,000.00
FY34	12/15/33	3,360,000.00		58,800.00	58,800.00	3,360,000.00
FY34	06/15/34	3,360,000.00	1,080,000.00	58,800.00	1,138,800.00	2,280,000.00
FY35	12/15/34	2,280,000.00		39,900.00	39,900.00	2,280,000.00
FY35	06/15/35	2,280,000.00	1,120,000.00	39,900.00	1,159,900.00	1,160,000.00
FY36	12/15/35	1,160,000.00		20,300.00	20,300.00	1,160,000.00
FY36	06/15/36	1,160,000.00	1,160,000.00	20,300.00	1,180,300.00	-
TOTAL			10,510,000.00	2,682,050.00	13,192,050.00	

**Debt Service payments reflect payments from FY 25-26 through maturity*

2017 Refunding Sewer Revenue Bond – Sewage Collection

On March 1, 2017, the Garden Grove Sanitary District issued \$15,970,000 in bonds to provide funds to refinance the District's obligations to the 2006 Sewer Revenue Certificate of Participation. The Certificates were issued to finance the rehabilitation, replacement and improvement of the wastewater collection system of the Garden Grove Sanitation District. The 2017 Bonds are due in annual principal installments of \$615,000 to \$1,160,000 beginning June 15, 2017 through 2036. Interest rates range from 2.0% to 5.0% and is payable semiannually on June 15 and December 15. The net proceeds of the bond issue were used to provide for the prepayment of the 2006 Certificates. The reacquisition price was less than the net carrying amount of the old debt by \$206,922. This amount is being reflected as a deferred inflow of resources and amortized over the life of the refunding debt.

Successor Agency to the Garden Grove Agency for Community Development
 Garden Grove Community Project
 Tax Allocation Bonds, Issue of 2016
 Successor Agency Fund (811)
 Bond Rating: AA
 Bond Issuance: \$36,540,000

FISCAL YEAR	Payment Due Date	BEG PRINCIPAL BALANCE	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	END PRINCIPAL BALANCE
FY26	10/01/25	26,185,000	2,380,000.00	586,625	2,966,625	23,805,000
FY26	04/01/26	23,805,000	-	527,125	527,125	23,805,000
FY27	10/01/26	23,805,000	2,500,000.00	527,125	3,027,125	21,305,000
FY27	04/01/27	21,305,000	-	464,625	464,625	21,305,000
FY28	10/01/27	21,305,000	2,625,000.00	464,625	3,089,625	18,680,000
FY28	04/01/28	18,680,000	-	399,000	399,000	18,680,000
FY29	10/01/28	18,680,000	2,755,000.00	399,000	3,154,000	15,925,000
FY29	04/01/29	15,925,000	-	330,125	330,125	15,925,000
FY30	10/01/29	15,925,000	2,895,000.00	330,125	3,225,125	13,030,000
FY30	04/01/30	13,030,000	-	257,750	257,750	13,030,000
FY31	10/01/30	13,030,000	3,040,000.00	257,750	3,297,750	9,990,000
FY31	04/01/31	9,990,000	-	181,750	181,750	9,990,000
FY32	10/01/31	9,990,000	3,190,000.00	181,750	3,371,750	6,800,000
FY32	04/01/32	6,800,000	-	102,000	102,000	6,800,000
FY33	10/01/32	6,800,000	3,350,000.00	102,000	3,452,000	3,450,000
FY33	04/01/33	3,450,000	-	51,750	51,750	3,450,000
FY34	10/01/33	3,450,000	3,450,000.00	51,750	3,501,750	-
TOTAL			26,185,000.00	5,214,875	31,399,875	

**Debt Service payments reflect payments from FY 25-26 through maturity*

Tax Allocation Bonds Issue of 2016

\$36,540,000 Tax allocation bonds were issued on March 17, 2016. The SRDA issued the "2016 Bonds" in the aggregate principal amount necessary to provide net proceeds of \$36,540,000 to fund the Water Park Hotel pursuant to the first amended and restated disposition and development agreement dated April 13, 2010. The bonds are due in annual principal installments of \$1,975,000 to \$3,450,000. Interest on the bonds will be payable semiannually each April 1 and October 1, commencing October 1, 2016. The rates ranging from 1.0% to 5.0%. The "2016 Bonds" will be payable on a parity with the debt service on the 2014 Bonds to the extent set forth in the 2016 Bond Indenture.

2014 TARB
Successor Agency Fund (811)
Bond Rating: AA
Bond Issuance: \$38,810,000

FISCAL YEAR	DATE	BEG PRINCIPAL BALANCE	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL PAYMENT	END PRINCIPAL BALANCE
FY26	10/01/25	8,730,000.00	1,955,000.00	218,250.00	2,173,250.00	6,775,000.00
FY26	04/01/26	6,775,000.00		169,375.00	169,375.00	6,775,000.00
FY27	10/01/26	6,775,000.00	1,955,000.00	169,375.00	2,124,375.00	4,820,000.00
FY27	04/01/27	4,820,000.00		120,500.00	120,500.00	4,820,000.00
FY28	10/01/27	4,820,000.00	1,610,000.00	120,500.00	1,730,500.00	3,210,000.00
FY28	04/01/28	3,210,000.00		80,250.00	80,250.00	3,210,000.00
FY29	10/01/28	3,210,000.00	1,580,000.00	80,250.00	1,660,250.00	1,630,000.00
FY29	04/01/29	1,630,000.00		40,750.00	40,750.00	1,630,000.00
FY30	10/01/29	1,630,000.00	1,630,000.00	40,750.00	1,670,750.00	-
TOTAL			8,730,000.00	1,040,000.00	9,770,000.00	

**Debt Service payments reflect payments from FY 25-26 through maturity*

Tax Allocation Refunding Bonds Issue of 2014

\$38,810,000 Tax allocation refunding bonds were issued on July 16, 2014. The bonds were issued for the purpose of refunding the Garden Grove Agency for Community Development's previously issued \$57,025,000 community project tax allocation refunding bonds, Series 2003. Proceeds of the Series 2014 bonds will also be used (i) to fund a debt service reserve fund for the 2014 Bonds and (ii) to pay costs incurred in connection with the issuance, sale, and delivery of the 2014 Bonds. Principal payments ranging from \$1,580,000 to \$3,330,000 are due annually through the year 2029. Interest is due semi-annually on October 1 and April 1, at rates ranging from 1.0% to 5.0%.

**City of Garden Grove
FY 2025-27 Budget
Overnight Conferences, Training, and Seminars**

*Staff attendance at the discretion of the department director.

City Manager's Office

ACCOC Advocacy Trip	Association of California Cities - Orange County
Cal Cities Annual Conference and Expo	
Cal Cities City Manager Training	
Cal Cities City Managers Conference/Training	
CalPELRA Annual Conference	California Public Employers Labor Relations Association
CCAC Annual Conference/ New Laws & Elections	City Clerks Association of California
ICMA Annual Conference	International County/City Management Association
ICSC Recon	International Council of Shopping Centers
ICSC Western Division	International Council of Shopping Centers
Legislative Day of Advocacy - GG Chamber	
LOCC New Laws and Elections	League of California Cities
NALEO Annual Conference	National Association of Latino Elected and Appointed Officials
National Association of Broadcasters Convention	
SCAG Regional Conference and General Assembly	Southern California Association of Governments
United States Conference of Mayors	

Community Development

AEP	Association of Environmental Professionals
APA Conference	American Planning Association
CACEO Annual Conference	California Association of Code Enforcement Officers
CALBO Leadership Academy	California Building Officials
CAL CASp Seminar/ Annual Summit	Certified Access Specialist Certification
CEQA & GIS	California Environmental Quality Act; GIS: Geographical Information System
CTI	CALBO Training Institute
IAPMO	International Association of Plumbing and Mechanical Officials
ICC Annual Conference	International Code Council
NFPA	National Fire Protection Association
Open Streets National Summit/CicLAvia	

Community Services

CPRS	California Park and Recreation Society
NRPA	National Recreation and Park Association

Economic Development and Housing

ALIS	American Lodging Investment Summit
CA Housing and Community Development	
CAHA	California Association of Housing Authorities
CALED	California Association for Local Economic Development
FSS	Family Self-Sufficiency
HUD Regulatory Training	Housing and Urban Development
IAMC	Industrial Asset Management Council
ICSC Las Vegas	International Council of Shopping Centers
ICSC Western Division	International Council of Shopping Centers
IEDC	International Economic Development Council
NAHRO	National Association of Housing & Redevelopment Officials
NAHRO/ HUD	National Association of Housing & Redevelopment Officials
Outlook Forum	
ULI	Urban Land Institute

Finance

CALPERS	California Public Employees Retirement System
CAPPO	California Assoc. of Public Procurement Officials, Inc.
CentralSquare Users Conference	
CMRTA Annual Conference	California Municipal Revenue and Tax Association Annual Conference
CROA	California Revenue Officers Association
CSMFO	California Society of Municipal Finance Officers

GFOA (Various Training)
PARMA
PRIMA

Government Finance Officers Association
Public Agency Risk Management Association
Public Risk Management Association

Human Resources

CALPELRA Annual Conference
CALPERS Educational Forum
CSUF Leadership Academy
LCW Legal Conference
NAGDCA
NeoGov Annual Conference
NPERLA
PARMA
PASMA Meetings

California Public Employers Labor Relations Association Annual Conference
California Public Employee Retirement System Annual Educational Forum
California State University at Fullerton
Liebert Cassidy Whitmore
National Association of Government Defined Contribution Administrators

National Public Employer Labor Relations Association
Public Agency Risk Management Association
Public Agency Safety Management Association Meetings

Information Technology

CentralSquare Users Conference
DCON
Digital Forensics Basics and Hands On
FOSS4G
ISC2 Security Conference
MISAC
PMP
RSA Conference

Drupal Conference

Free and Open Source Software for Geospatial
International Information System Security Certification Consortium
Management Information Systems and Academic Computing
Project Management Professional
Rivest Shamir Adleman (Cybersecurity conference)

Police

Basic Motor School
CAHN
CalChiefs
CALEA
CalNENA
CALRO
CAPE
CATO
CCPOA
CHIA
CNOA
Commercial Enforcement
CPTED/ Advanced CPTED
CRIA
Crime Intel Analyst Association
CVSA Training
FARA
Government Social Media Training
GSM
Heartland Law Enforcement Training Institute
HITS
IACP
ICAC
Impaired Driving Summit
LEIU Training
Motor Training School
Non-POST Training
OCCSA
OTS Traffic Safety Law Enforcement Forum
Peer Support Conference
POST Reimbursable Classes
Southern California Gang Conference
Special Events Seminar
Spillman Users Conference

California Association of Hostage Negotiators
California Chiefs and Sheriffs Association
Commission on Accreditation in Law Enforcement
California National Emergency Number Association
California Association of Labor Relations Officers
California Association for Property & Evidence
California Association of Tactical Officer
California Crime Prevention Officers Association
California Homicide Investigators Association
California Narcotics Officers Association

Crime Prevention Through Environmental Design
California Robbery Investigators Association

Computer Voice Stress Analysis
False Alarm Reduction Association

Government Social Media Conference

Handler Instruction and Training Seminar
International Association of Chiefs of Police
Internet Crimes Against Children

Law Enforcement Intelligence Unit Training

Peace Officers Standards Training
OC Chiefs and Sheriffs Association
California Office of Traffic Safety

Peace Officers Standards Training Classes

SWAT Training
TOC
UTAC

Public Works

AWWA/WEF Utility
CONEXPO - CON/AGG
CRRRA
CWEA
Humane Pro
ISA/TRAQ
LOCC
NSPE Conference
San Diego Humane Law Academy
State Humane Association
SWA of North America
Urban and Community Forestry Society
WCISA
World of Asphalt

Special Weapons And Tactics Training
Talk Public Relations Conference
Unmanned Tactical Application Conference for the UAS (Unmanned Aerial S

American Water Works Association/Water Environment Federation
Construction Expo - Concrete/Aggregate
California Resource Recovery Association
California Water Environment Association

International Society of Arboriculture/Tree Risk Assessment Qualification
League of California Cities
National Society of Professional Engineers

Solid Waste Association of North America

Western Chapter International Society of Arboriculture

Glossary

Accrual Basis Accounting – A basis of accounting in which revenues and expenditures are recorded at the time they are earned or incurred as opposed to when cash is received or spent. For example, in accrual accounting, revenue which was earned in December but not collected until January is recorded as revenue in December rather than January.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

ACFR: Annual Comprehensive Financial Report — A detailed report of an organization's financial activities and performance over the fiscal year.

Adopted Budget: Budget amounts approved by City Council and the budget document which consolidates all operating and capital appropriations.

Amended Budget: Revision or modification made to an original budget to reflect changes in revenue and expenditures, often occurring after the initial budget has been approved.

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assets: Items owned by an organization that have economic value, such as cash, investments, property, and equipment.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Balanced Budget: The budget is balanced when proposed expenditures are equal to or less than the proposed revenues.

Base Budget: the previous year's budget with zero percent increase, before any in-year or future year budget changes.

Biennial Budget: Financial budget plan that sets spending and revenue limits for a government for a two-year period.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time.

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost.

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets).

Capital Expenditure: An expenditure wherein funds are used to buy a fixed asset or to add to the value of an existing fixed asset.

Capital Project: An active or proposed expenditure incurred to acquire, improve, or construct land, buildings, roads, engineering structures, machinery and equipment.

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Flow: The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

Cash Management: The process of monitoring the ebb and flow of money in and out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Defeasance: The pay-down of debt by setting aside asset/funding in a fund

Depreciation: The method of allocating the cost of tangible or physical assets over the useful life of the assets.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery — direct, indirect, and capital costs — are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equity: The residual interest in the assets of an organization after deducting liabilities, representing the owners' stake in the business.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Financial Statements: Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

Fiscal Year: The 12-month period for which an organization plans the use of its funds, typically not the same as the calendar year.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Full-Time Equivalent (FTE): A measurement of staff; FTE is the ratio of the number of paid hours during a period for staff divided by the number of working hours in that period that would be worked by a regular full-time employee.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

Fund Balance: The difference between a fund's assets and liabilities. For a given year, on a budgetary basis, the beginning fund balance plus estimated revenue less budgeted expenditures equals ending fund balance.

GAAP: Generally Accepted Accounting Principles - Standard accounting principles, standards, and procedures that companies use to compile their financial statements.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Grant: An amount of money or resources for a specified purpose granted by an outside agency or individual, usually with an expected set of deliverables and reporting requirements.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Internal Controls: Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

Internal Service Funds: Funds that account for the financing of goods and services provided primarily by one city department to other city departments or agencies, or to other governments, on a cost-reimbursement basis.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Liabilities: Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Net Income: The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Measures: A quantitative measure that allows the city to determine the degree to which specified performance results are met.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Funds: Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenues: Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Special Revenue Funds: Account for activities supported by revenues that are received or set aside for a specific purpose that are legally restricted.

Strategic Goal: Strategic Goals represent a combination of organizational and citywide goals for our community.

Supplemental Appropriation: The Council may make additional expenditure appropriations by ordinance during the fiscal year for unanticipated costs.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Transfer of Appropriations: The Council may by resolution transfer any unencumbered appropriation, balance or portion thereof from one fund to another.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

User Fees: The payment of a fee for direct receipt of a public service by the person benefiting from the service.