Written materials relating to an item on this agenda that are distributed to the Measure O Citizen Oversight Committee within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection on the City of Oxnard website. The Measure O Citizen Oversight agenda is available on the City of Oxnard website 7 days prior to regular meetings, at www.oxnard.org/city-meeting

CITY OF OXNARD CALIFORNIA

AGENDA

MEASURE O CITIZEN OVERSIGHT COMMITTEE

Council Chambers, 305 West Third Street
Thursday, April 28, 2022
Regular Meeting - 5:30 P.M.

Zoom details to call-in for public comment during a meeting:
https://us06web.zoom.us/j/81446627733?pwd=Y29ITkQwei81U2FwS1Z0Mk9SRnlsZz09

1. **Dial Phone Number: (888) 475-4499**
2. **Enter Meeting ID: 814 4662 7733**
3. **Passcode: 361145**

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom calling in steps listed above. Once the Chair calls for public speakers, press *9 to raise your hand to inform the Recording Secretary you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room.

Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE: Submit a speaker card to the Clerk.

2. EMAILING COMMENTS OR REQUESTS TO SPEAK BEFORE THE MEETING

   a. Submit a request to speak by no later than 4:00 p.m. on the day of the meeting by emailing Luly.lopez@oxnard.org.

   b. Submit an email to Luly.Lopez@oxnard.org no later than 4:00 p.m. on the day of the meeting (please indicate the agenda item number in the subject line). All email correspondence will be forwarded to the Measure O Citizen Oversight Committee prior to the start of the meeting and made part of the legislative record.

3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING

   a. To provide public comment during the meeting dial (888) 475-4499 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting. When the Chair announces the particular item on the agenda you want to speak on, press *9 to raise your hand while in the zoom waiting room. Once called on, press *6 to unmute your phone.

b. Public comments on agenda items shall be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

A. ROLL CALL, POSTING OF THE AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

A person may address the Committee only on matters not appearing on the agenda and within the subject matter jurisdiction of the Committee. The presiding officer may limit public comments to three minutes per person. If there are more speakers than can be accommodated during fifteen minutes, additional speakers will be given an opportunity to speak at the end of the meeting. The Committee cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the staff for administrative action or scheduled on a subsequent agenda for discussion.

C. APPROVAL OF MINUTES

1. SUBJECT: Approval of the minutes from January 27, 2022.
   RECOMMENDATION: That the Committee approve the minutes.

D. PRESENTATIONS/REPORTS

1. SUBJECT: Selection of Chair and Vice Chair.
   RECOMMENDATION: That the Measure O Citizen Oversight Committee appoint a Chair and Vice Chair each for a one year term.

   (There is no presentation regarding this item.)
   Contact Person: Shiri Klima, Deputy City Manager Phone: 805-385-7430

2. SUBJECT: City's Annual Comprehensive Financial Report (ACFR) Update.
   RECOMMENDATION: That the Measure O Citizen Oversight Committee receive and file this report.

   (There is no presentation regarding this item.)
   Contact Person: Shiri Klima, Deputy City Manager Phone: 805-385-7430

3. SUBJECT: Schedule for Weaning Off Measure O, Part II.
   RECOMMENDATION: That the Measure O Citizen Oversight Committee recommend to the City Council a Measure O weaning schedule.
   Contact Person: Shiri Klima, Deputy City Manager Phone: 805-385-7430

E. FUTURE AGENDA ITEMS

F. Adjournment to Thursday, July 20, 2022 at 5:30 p.m.

ITEM NO. C-1

MINUTES

Measure O Citizen Oversight Committee
Regular Meeting
January 27, 2022

A. ROLL CALL

At 5:31 p.m., the virtual zoom meeting of the Measure O Citizen Oversight Committee convened. Commissioners Ruby Durias; Nancy Lindholm; Steven Nash; Len Shulman and Christopher Taccone were present. Commissioners Deirdre Frank; Joseph Munoz and Daniel Pinedo were absent. Chair Lindholm presided and called the meeting to order. Staff members present were: Shiri Klima, Deputy City Manager; Betsy George, Chief Financial Officer; Eden Casareno with Eadie + Payne and Luly A. López, Recording Secretary.

B. PLEDGE OF ALLEGIANCE

Saluted the flag.

C. PUBLIC COMMENTS

There were no public comments.

D. APPROVAL OF MINUTES

1. SUBJECT: Approval of minutes of October 28, 2021.
   RECOMMENDATION: Approve.
   ACTION: It was moved by Commissioner Shulman, seconded by Commissioner Durias, to approve the recommended action as presented.
   VOTE: Commissioners Lindholm, Nash, Shulman, Taccone and Durias. The motion carried 5-0-3. Commissioners Frank, Munoz and Pinedo were absent.

E. PRESENTATION/REPORTS

1. SUBJECT: Independent Annual Financial Audit.
   RECOMMENDATION: Receive and file the report.
   DISCUSSION: The Deputy City Manager introduced Eden Casareno with Eadie + Payne who reviewed the Independent Annual Financial Audit report for Fiscal Year ending June 30, 2021. On December 30, 2021 the audit was completed and it contained a "Clean Opinion" which is the highest level of opinion an auditor can provide. Ms. Casareno stated that there was an increase of $3 million in sales tax for Fiscal Year 2021 compared to Fiscal Year 2020. Ms. Casareno also stated that there was a $1.6 million transfer that was not budgeted related to the Infrastructure Use Fee.

Discussion ensued among the Commissioners and staff regarding the $1.6 million transfer out related to the Infrastructure Use Fee.
ACTION: No action was required.

At 5:45 p.m. Commissioner Munoz was present.

2. SUBJECT: Update on Status and Accomplishments of Current Measure O Projects.
   RECOMMENDATION: Receive and file the report.
   DISCUSSION: The Deputy City Manager presented the status and accomplishments of current Measure O projects. Discussion ensued among the Commissioners and staff regarding recreational programs and the intelligent transportation system program.
   ACTION: No action was required.

F. FUTURE AGENDA ITEMS

The Committee would like staff to bring back information on:
1) details on transfer of $1.6 million related to Infrastructure Use Fee;
2) election of Chair and Vice Chair;
3) discussion on weaning off process; and
4) clarification on when we stop collecting Measure O sales tax.

G. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Lindholm adjourned the meeting at 6:09 p.m.

Luly A. López, Recording Secretary

Nancy Lindholm, Chair

CITY OF OXNARD CALIFORNIA

MEASURE O CITIZEN OVERSIGHT COMMITTEE
AGENDA REPORT

ITEM NO. D-1

DATE: April 28, 2022

TO: Measure O Citizen Oversight Committee

FROM: Shiri Klima, Deputy City Manager

SUBJECT: Selection of Chair and Vice Chair

RECOMMENDATION

That the Measure O Citizen Oversight Committee appoint a Chair and Vice Chair each for a one year term.

(There is no presentation regarding this item.)

DISCUSSION

The City of Oxnard Measure O Half-Cent Sales Tax Citizen Oversight Committee (COC) Guidelines state: "The COC shall select a Chair and Vice Chair from the members, each of whom shall serve a one (1) year term. Elections will be conducted every year." The duties of the Chair will be to call meetings, set agendas and preside over meetings. The duties of the Vice Chair will be to perform the Chair's duties in his or her absence. Staff recommends the Committee select a Chair and Vice Chair to serve for the coming year.

CITY OF OXNARD CALIFORNIA

MEASURE O CITIZEN OVERSIGHT COMMITTEE
AGENDA REPORT

ITEM NO. D-2

DATE: April 28, 2022

TO: Measure O Citizen Oversight Committee

FROM: Shiri Klima, Deputy City Manager

SUBJECT: ACFR Update

RECOMMENDATION

That the Measure O Citizen Oversight Committee receive and file this report.

(There is no presentation regarding this item.)

DISCUSSION

At the Measure O Committee meeting on January 27, 2022, Eden Casareno from Eadie + Payne, LLP (E+P) delivered a presentation on the City's Fiscal Year 2020-21 annual financial statement audit along with Measure O Fund information as of and for the year ended June 30, 2021. Upon Chair Lindholm's question regarding an unbudgeted $1.6M transfer out of the Measure O fund, Ms. Casareno explained that this was a transfer out to reimburse partially the Infrastructure Use Fee (IUF) to the utilities. Ms. Casareno's response was consistent with the City's Annual Comprehensive Financial Report (ACFR), which showed a budget to actual variance in the Measure O FY2020-21 transfers of $1,617,985 that was related to IUF reimbursement made by the Measure O fund. However, the ACFR contained an error related to Measure O transfers.

On January 28, 2022, City staff reviewed the City's 2021 ACFR and discovered the error in the Supplementary Information Section. Specifically, pages 158 through 162 of the report contained an incorrect classification of an interfund transfer between the General Fund (101) and the Measure O Fund (104). The error only existed in the creation of the reports provided in the ACFR's Supplementary Information Section. The actual interfund transfer transactions and the City's accounting records are correct. The principal portion of a repayment by the General Fund of a loan from Measure O was mistakenly reported as a transfer related to IUF reimbursement. Attached to this staff report are E+P's letter and the CFO's explanation of the error.

The ACFR has been corrected. This follow-up was provided to the Measure O Citizen Oversight Committee by email from staff dated February 3, 2022. It was also included in the staff report that went to the City Council on February 15, 2022.

ATTACHMENTS

1. Letter from E+P re Measure O ACFR Correction
2. CFO's memo re Measure O ACFR Correction

EADIE PAYNE LLP

expect quality.

Eadie Payne, LLP
3880 Lemon St., Ste. 300
Riverside, CA 92501

P.O. Box 1529
Riverside, CA 92502-1529

Office: 951-241-7800
www.eadiepaynellp.com

February 1, 2022

Alexander Nguyen
City Manager
City of Oxnard
Oxnard, CA

Dear Mr. Nguyen,

I received the memo from the City's CFO re: Misreporting of Measure O Transfers and Restatement FY 2010-21 Annual Comprehensive Financial Report. I completely agree with the CFO's explanation and we're working to make the correction of the following financial statements included in the ACFR.

- Combining statements of revenues, expenditures and changes in fund balances – General Fund Group
- General Fund – 101- General Fund Budgetary Comparison Schedule
- General Fund – 104 – Half Cent Sales Tax Budgetary Comparison Schedule

We will be reprinting the ACFR FYE 6/30/2021 in paper and electronically.

We thank the Oversight Committee, the Assistant City Manager and the CFO for catching our error and enabling the City to make the correction.

Sincerely,

Eden C Casareno

Eden C. Casareno
Partner

MEMO

CITY OF OXNARD CALIFORNIA

January 31, 2022

TO: Alexander Nguyen, City Manager
Shiri Klima, Deputy City Manager

FROM: Betsy George, Chief Financial Officer

SUBJECT: **Mis-Reporting of Measure O Transfers and Restatement FY 2020-21 Annual Comprehensive Financial Report**

At the Measure O Committee meeting on January 27, 2022, Eden Casareno, from the City's external independent auditing firm Eadie + Payne, delivered a presentation on the City's Fiscal Year 2020-21 annual financial statement audit along with Measure O Fund information as of and for the year ended June 30, 2021. The information contained in the presentation and the budget to actual variance explanation Ms. Casareno provided was consistent with the City's Annual Comprehensive Financial Report (ACFR). However, the ACFR contains an error related to Measure O transfers. Therefore, while Ms Casareno's statement that the budget to actual variance in the Measure O FY2020-21 transfers of $1,617,985 was related to Infrastructure Use Fee (IUF) reimbursement made by the Measure O fund was consist with the ACFR, it was not a correct variance explanation.

The amount in question, $1,617,985, is the principal portion of a payment made by the General Fund (101) for a loan from the Measure O Fund (104).

Annual Payment Schedule Measure 'O' Loan to General Fund				
Due Date	Payment	Principal	Interest	Balance
			$0	$16,000,000
6/30/2016	$1,875,688	$1,395,688	$480,000	$14,604,312
6/30/2017	$1,875,688	$1,437,559	$438,129	$13,166,753
6/30/2018	$1,875,688	$1,480,686	$395,003	$11,686,068
6/30/2019	$1,875,688	$1,525,106	$350,582	$10,160,962
6/30/2020	$1,875,688	$1,570,859	$304,829	$8,590,102
6/30/2021	$1,875,688	**$1,617,985**	$257,703	$6,972,117
6/30/2022	$1,875,688	$1,666,525	$209,164	$5,305,593
6/30/2023	$1,875,688	$1,716,520	$159,168	$3,589,072
6/30/2024	$1,875,688	$1,768,016	$107,672	$1,821,056
6/30/2025	$1,875,688	$1,821,056	$54,632	$0

This amount was incorrectly categorized in the Supplemental Information section of City's ACFR as Reimbursement of IUF Fees (see attached excerpt pages 158 through 162). In all supporting schedules and in the City's financial system (HTE) the amount is correctly recorded and labeled as Interfund Transfer Offset. The error in the June 30, 2021 ACFR was not discovered during staff's review of the report. The principal portion of the debt payment should have been reported in the Principal line under Debt Service as highlighted in the attached ACFR excerpts. The consolidated General Fund financial statements presented in the Financial Section of the City's ACFR are correctly stated. The error occurred only within the Statistical Section in the break-out of the General Fund Group.

I am working with Eadie + Payne to correct the error and re-issue the City's ACFR. The restated and correct report is expected to be completed and ready for distribution by February 8, 2022. In the meantime, the June 30, 2021 ACFR has been pulled from the City's website and the six individuals who received a bound hard copy version of the report will be notified of the pending correction. Those notifications have already begun.

For your reference, also attached, is the corrected version of the Measure O Fund Budgetary Comparison Schedule (page 162 of the ACFR). You can see that the $1,617,085 has been correctly classified in to the Principal line item and that the overall results have not been impacted. Net change in Fund Balance remains $293,440 and Ending Fund Balance is $18,314,275.

Lastly, and also for your refence, is the schedule for IUF reimbursements to the City's utility funds. The impact of entire amount due is recorded in the June 30, 2021 financial statements. A lump sum amount of $5,000,000 was paid from the General Fund in June 2021. The remaining payments are made on a quarterly basis. This payment schedule complies with the court order used on June 14, 2021. No moneys have or will come from the Measure O Fund to make these reimbursements.

		2020-21	**2021-22**	**2022-23**	**2023-24**
General Fund Payments		(5,000,000)	(5,000,000)	(10,000,000)	(9,470,697)
Street Fund Payments			(7,000,000)		
Water	15,505,406	2,125,735	5,101,763	4,251,470	4,026,438
WasteWater	10,929,598	1,498,408	3,596,180	2,996,816	2,838,194
Enviromental Resoucres	10,035,693	1,375,857	3,302,057	2,751,714	2,606,065
Total	**$36,470,697**				

CITY OF OXNARD
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND GROUP

FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND			
	101 - General Fund	104 - Half Cent Sales Tax	105 - Street Maintenance	641 - Performing Arts Center
REVENUES				
Taxes	$ 126,827,163	$ 17,404,320	$ -	$ -
Licenses and permits	3,967,887	-	-	-
Intergovernmental	6,128,181	-	-	-
Charges for services	15,963,993	-	2,040,000	12,889
Fines and forfeitures	1,852,220	-	-	-
Interest on investments	312,031	35,581	-	-
Special assessments	64,923	-	-	-
Miscellaneous	2,375,654	(52,774)	18,455	-
Total Revenues	157,492,052	17,387,127	2,058,455	12,889
EXPENDITURES				
Current				
General government	15,528,903	891,595	-	-
Public safety	84,962,447	8,413,399	-	-
Transportation	4,878,410	506,714	765,749	-
Community development	10,076,369	1,137,637	-	-
Culture, leisure and libraries	16,562,904	1,127,970	-	38,328
Capital Outlay	769,753	268,213	3,628,095	-
Debt Service				
Principal	GF s/b $0.0 → 1,617,985	(797,985) ← MO s/b $820,000		-
Interest and fiscal charges	257,703	243,832	-	-
Total Expenditures	134,654,474	11,791,375	4,393,844	38,328
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	22,837,578	5,595,752	(2,335,389)	(25,439)
OTHER FINANCING SOURCES (USES)				
Reimbursement of IUF fees	GF s/b ($29,470,697) → (27,852,712)	MO s/b $0.0 (1,617,985)	(7,000,000)	-
Transfers to Golf Course Fund	-	-	-	-
Transfers in	2,050,086	(1,413,002)	-	-
Transfers out	(5,103,343)	(2,271,325)	-	31,253
Total Other Financing Sources (Uses)	(30,905,969)	(5,302,312)	(7,000,000)	31,253
NET CHANGE IN FUND BALANCES	(8,068,391)	293,440	(9,335,389)	5,814
FUND BALANCES, JULY 1, AS PREVIOUSLY STATED	4,679,311	18,020,835	13,917,604	1,877
PRIOR-PERIOD ADJUSTMENT	-	-	-	-
FUND BALANCES, JULY 1, AS RESTATED	4,679,311	18,020,835	13,917,604	1,877
FUND BALANCES, JUNE 30	$ (3,389,080)	$ 18,314,275	$ 4,582,215	$ 7,691

* Other funds include: General Fund Carryover (102), Oxnard Police Department (OPD) Training (103), Stormwater Management (114), Payroll Clearing Trust (542), Carnegie Art Trust (543), Housing Payroll Trust (545), City Artworks Trust (546), City Corps Trust (555), and Contributions/Donations Trust (571).

GENERAL FUND			
651 - Golf Course	Other*	Total	
			REVENUES
$ -	$ -	$ 144,231,483	Taxes
-	-	3,967,887	Licenses and permits
-	44,053	6,172,234	Intergovernmental
-	-	18,016,882	Charges for services
-	-	1,852,220	Fines and forfeitures
-	-	347,612	Interest on investments
-	427,321	492,244	Special assessments
-	268,471	2,609,806	Miscellaneous
-	739,845	177,690,368	**Total Revenues**
			EXPENDITURES
			Current
-	80,507	16,501,005	General government
-	111,316	93,487,162	Public safety
-	-	6,150,873	Transportation
-	1,332,143	12,546,149	Community development
-	5,278	17,734,480	Culture, leisure and libraries
-	131,360	4,797,421	**Capital Outlay**
			Debt Service
-	-	820,000	Principal
-	-	501,535	Interest and fiscal charges
-	1,660,604	152,538,625	**Total Expenditures**
-	(920,759)	25,151,743	**EXCESS OF REVENUES OVER (UNDER) EXPENDITURES**
			OTHER FINANCING SOURCES (USES)
-	-	(36,470,697)	Reimbursement of IUF fees
(1,236,347)	-	(1,236,347)	Transfers to Golf Course Fund
-	971,919	1,609,003	Transfers in
-	6,188	(7,337,227)	Transfers out
(1,236,347)	978,107	(43,435,268)	**Total Other Financing Sources (Uses)**
(1,236,347)	57,348	(18,283,525)	**NET CHANGE IN FUND BALANCES**
1,236,347	484,530	38,340,504	**FUND BALANCES, JULY 1, AS PREVIOUSLY STATED**
-	(208,913)	(208,913)	**PRIOR-PERIOD ADJUSTMENT**
1,236,347	275,617	38,131,591	**FUND BALANCES, JULY 1, AS RESTATED**
$ -	$ 332,965	$ 19,848,066	**FUND BALANCES, JUNE 30**

CITY OF OXNARD, CALIFORNIA
GENERAL FUND - 101 - GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Property	$ 61,113,742	$ 61,113,742	$ 61,260,103	$ 146,361
Sales	29,914,872	29,914,872	50,519,063	20,604,191
Transient occupancy	4,786,000	4,786,000	4,267,463	(518,537)
Business license (net of refund)	5,904,500	5,904,500	5,964,716	60,216
Franchise	3,843,679	3,843,679	3,904,884	61,205
Other taxes	706,539	706,539	910,934	204,395
Licenses and permits	2,667,651	3,020,561	3,967,887	947,326
Intergovernmental	2,101,011	2,101,011	6,128,181	4,027,170
Charges for services	14,868,918	15,760,918	15,963,993	203,075
Fines and forfeitures	2,932,504	2,932,504	1,852,220	(1,080,284)
Interest on investments	290,000	290,000	312,031	22,031
Special assessments	70,000	70,000	64,923	(5,077)
Miscellaneous	2,358,430	3,319,295	2,375,654	(943,641)
Total Revenues	131,557,846	133,763,621	157,492,052	23,728,431
EXPENDITURES				
General Government				
Legislative				
City Council	508,611	566,615	513,299	53,316
City Clerk	739,444	776,154	770,197	5,957
Administrative and Support Services				
Billing and licensing	1,104,601	1,104,136	970,792	133,344
City Manager	1,832,082	1,815,964	1,858,639	(42,675)
City Attorney	2,019,589	2,109,711	2,090,155	19,556
Finance	5,064,125	5,406,488	5,486,612	(80,124)
Human resources	2,738,046	2,730,506	2,670,839	59,667
Nondepartmental	3,515,023	1,996,454	1,168,370	828,084
Public Safety				
Police	62,841,663	62,232,638	60,859,256	1,373,382
Fire	20,253,248	22,579,389	24,103,191	(1,523,802)
Transportation systems	5,188,000	5,212,056	4,878,410	333,646
Community Development				
Development services	9,223,904	11,285,177	9,481,346	1,803,831
Economic development and tourism service	70,766	77,766	70,686	7,080
Housing services	376,303	392,926	448,568	(55,642)
Community service	81,493	81,331	75,769	5,562
Culture, leisure and libraries				
Recreation services	6,427,223	6,384,235	5,445,338	938,897
Park and public grounds	7,436,445	7,493,766	7,330,324	163,442
Library services	3,964,490	3,955,309	3,787,242	168,067
Capital outlay	-	656,351	769,753	(113,402)
Principal	1,509,519	1,509,519	1,617,985	(108,466)
Interest and fiscal charges	257,703	257,703	257,703	-
Total Expenditures	135,152,278	138,624,194	134,654,474	3,969,720
EXCESS OF REVENUES OVER EXPENDITURES	(3,594,432)	(4,860,573)	22,837,578	27,698,151

s/b $0.0 s/b $1,509,519

GENERAL FUND - 101 - GENERAL FUND (Continued)
BUDGETARY COMPARISON SCHEDULE

s/b ($29,470,697)   s/b ($24,470,697)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
OTHER FINANCING SOURCES (USES)				
Reimbursement of IUF Fees	$ -	$ (5,000,000)	$ (27,852,712)	$ (22,852,712)
Transfers in	1,713,671	1,713,671	2,050,086	336,415
Transfers out	(5,558,954)	(5,901,791)	(5,103,343)	798,448
Net Other Financing Sources (Uses)	(3,845,283)	(9,188,120)	(30,905,969)	(21,717,849)
NET CHANGE IN FUND BALANCES	(7,439,715)	(14,048,693)	(8,068,391)	5,980,302
FUND BALANCES, JULY 1	4,679,311	4,679,311	4,679,311	-
FUND BALANCES, JUNE 30	$ (2,760,404)	$ (9,369,382)	$ (3,389,080)	$ 5,980,302

CITY OF OXNARD, CALIFORNIA
GENERAL FUND - 104 - HALF CENT SALES TAX
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	$ 13,179,000	$ 13,179,000	$ 17,404,320	$ 4,225,320
Interest on investments	183,051	183,051	35,581	(147,470)
Miscellaneous	-	-	(52,774)	(52,774)
Total Revenues	13,362,051	13,362,051	17,387,127	4,025,076
EXPENDITURES				
General Government				
Administrative and Support Services				
City Manager	57,329	41,873	41,873	-
Information Technology	883,897	838,220	838,220	-
Nondepartmental	20,161	11,506	11,502	4
Public Safety				
Police	3,250,543	3,194,749	3,194,749	-
Fire	4,632,418	5,352,843	5,218,650	134,193
Transportation systems	519,384	506,716	506,714	2
Community Development				
Development services	287,185	288,828	243,829	44,999
Housing services	1,103,547	2,440,514	893,808	1,546,706
Culture, leisure and libraries				
Recreation services	554,486	355,571	349,908	5,663
Park and public grounds	801,274	742,294	733,614	8,680
Library services	55,534	45,449	44,448	1,001
Capital outlay	174,980	2,758,873	268,213	2,490,660
Principal	(797,985)	(797,985)	(797,985)	-
Interest and fiscal charges	276,266	251,759	243,832	7,927
Total Expenditures	11,819,019	16,031,210	11,791,375	4,239,835
EXCESS OF REVENUES OVER EXPENDITURES	1,543,032	(2,669,159)	5,595,752	8,264,911
			s/b $820,000	s/b ($1,617,958)
			s/b $0.0	
OTHER FINANCING SOURCES (USES)				
Reimbursement of IUF fees	-	-	(1,617,985)	(1,617,985)
Transfers in	(1,514,671)	(1,413,002)	(1,413,002)	-
Transfers out	(2,271,327)	(2,271,327)	(2,271,325)	2
Net Other Financing Sources (Uses)	(3,785,998)	(3,684,329)	(5,302,312)	(1,617,983)
NET CHANGE IN FUND BALANCES	(2,242,966)	(6,353,488)	293,440	6,646,928
FUND BALANCES, JULY 1	18,020,835	18,020,835	18,020,835	-
FUND BALANCES, JUNE 30	$ 15,777,869	$ 11,667,347	$ 18,314,275	$ 6,646,928

CITY OF OXNARD, CALIFORNIA
GENERAL FUND - 104 - HALF CENT SALES TAX
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

CORRECTED

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	$13,179,000	$13,179,000	$17,404,320	$ 4,225,320
Interest on investments	183,051	183,051	35,581	(147,470)
Miscellaneous	-	-	(52,774)	(52,774)
Total Revenues	13,362,051	13,362,051	17,387,127	4,025,076
EXPENDITURES				
General Government				
Administrative and Support Services				
City Manager	57,329	41,873	41,873	-
Information Technology	883,897	838,220	838,220	-
Nondepartmental	20,161	11,506	11,502	4
Public Safety				
Police	3,250,543	3,194,749	3,194,749	-
Fire	4,632,418	5,352,843	5,218,650	134,193
Transportation systems	519,384	506,716	506,714	2
Community Development				
Development services	287,185	288,828	243,829	44,999
Housing services	1,103,547	2,440,514	893,808	1,546,706
Culture, leisure and libraries				
Recreation services	554,486	355,571	349,908	5,663
Park and public grounds	801,274	742,294	733,614	8,680
Library services	55,534	45,449	44,448	1,001
Capital outlay	174,980	2,758,873	268,213	2,490,660
Principal	(797,985)	(797,985)	820,000	(1,617,985)
Interest and fiscal charges	276,266	251,759	243,832	7,927
Total Expenditures	11,819,019	16,031,210	13,409,360	2,621,850
EXCESS OF REVENUES OVER EXPENDITURES	1,543,032	(2,669,159)	3,977,767	6,646,926
OTHER FINANCING SOURCES (USES)				
Transfers in	(1,514,671)	(1,413,002)	(1,413,002)	-
Transfers out	(2,271,327)	(2,271,327)	(2,271,325)	2
Net Other Financing Sources (Uses)	(3,785,998)	(3,684,329)	(3,684,327)	2
NET CHANGE IN FUND BALANCES	(2,242,966)	(6,353,488)	293,440	6,646,928
FUND BALANCES, JULY 1	18,020,835	18,020,835	18,020,835	-
FUND BALANCES, JUNE 30	$15,777,869	$11,667,347	$18,314,275	$6,646,928

CITY OF OXNARD, CALIFORNIA
GENERAL FUND - 101 - GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

CORRECTED

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Property	$61,113,742	$61,113,742	$61,260,103	$146,361
Sales	29,914,872	29,914,872	50,519,063	20,604,191
Transient occupancy	4,786,000	4,786,000	4,267,463	(518,537)
Business license (net of refund)	5,904,500	5,904,500	5,964,716	60,216
Franchise	3,843,679	3,843,679	3,904,884	61,205
Other taxes	706,539	706,539	910,934	204,395
Licenses and permits	2,667,651	3,020,561	3,967,887	947,326
Intergovernmental	2,101,011	2,101,011	6,128,181	4,027,170
Charges for services	14,868,918	15,760,918	15,963,993	203,075
Fines and forfeitures	2,932,504	2,932,504	1,852,220	(1,080,284)
Interest on investments	290,000	290,000	312,031	22,031
Special assessments	70,000	70,000	64,923	(5,077)
Miscellaneous	2,358,430	3,319,295	2,375,654	(943,641)
Total Revenues	131,557,846	133,763,621	157,492,052	23,728,431
EXPENDITURES				
General Government				
Legislative				
City Council	508,611	566,615	513,299	53,316
City Clerk	739,444	776,154	770,197	5,957
Administrative and Support Services				
Billing and licensing	1,104,601	1,104,136	970,792	133,344
City Manager	1,832,082	1,815,964	1,858,639	(42,675)
City Attorney	2,019,589	2,109,711	2,090,155	19,556
Finance	5,064,125	5,406,488	5,486,612	(80,124)
Human resources	2,738,046	2,730,506	2,670,839	59,667
Nondepartmental	3,515,023	1,996,454	1,168,370	828,084
Public Safety				
Police	62,841,663	62,232,638	60,859,256	1,373,382
Fire	20,253,248	22,579,389	24,103,191	(1,523,802)
Transportation systems	5,188,000	5,212,056	4,878,410	333,646
Community Development				
Development services	9,223,904	11,285,177	9,481,346	1,803,831
Economic development and tourism se	70,766	77,766	70,686	7,080
Housing services	376,303	392,926	448,568	(55,642)
Community service	81,493	81,331	75,769	5,562
Culture, leisure and libraries				
Recreation services	6,427,223	6,384,235	5,445,338	938,897
Park and public grounds	7,436,445	7,493,766	7,330,324	163,442
Library services	3,964,490	3,955,309	3,787,242	168,067
Capital outlay	-	656,351	769,753	(113,402)
Principal	1,509,519	1,509,519	-	1,509,519
Interest and fiscal charges	257,703	257,703	257,703	-
Total Expenditures	135,152,278	138,624,194	133,036,489	5,587,705
EXCESS OF REVENUES OVER EXPENDITURES	(3,594,432)	(4,860,573)	24,455,563	29,316,136

GENERAL FUND - 101 - GENERAL FUND (Continued)
BUDGETARY COMPARISON SCHEDULE

CORRECTED

OTHER FINANCING SOURCES (USES)	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Reimbursement of IUF Fees	$-	$(5,000,000)	$(29,470,697)	$(24,470,697)
Transfers in	1,713,671	1,713,671	2,050,086	336,415
Transfers out	(5,558,954)	(5,901,791)	(5,103,343)	798,448
Net Other Financing Sources (Uses)	(3,845,283)	(9,188,120)	(32,523,954)	(23,335,834)
NET CHANGE IN FUND BALANCES	(7,439,715)	(14,048,693)	(8,068,391)	5,980,302
FUND BALANCES, JULY 1	4,679,311	4,679,311	4,679,311	-
FUND BALANCES, JUNE 30	$(2,760,404)	$(9,369,382)	$(3,389,080)	$5,980,302

CITY OF OXNARD CALIFORNIA

MEASURE O CITIZEN OVERSIGHT COMMITTEE
AGENDA REPORT

ITEM NO. D-3

DATE: April 28, 2022

TO: Measure O Citizen Oversight Committee

FROM: Shiri Klima, Deputy City Manager

SUBJECT: Schedule for Weaning Off Measure O, Part II

RECOMMENDATION

That the Measure O Citizen Oversight Committee recommend to the City Council a Measure O weaning schedule.

BACKGROUND

On January 23, 2020, at the Measure O Citizen Oversight Committee meeting, staff explained that since Measure O will terminate in 2029 and we are past its midpoint, it was time to begin weaning ourselves off that stream of revenue, meaning implementing savings, reabsorptions (into the General Fund or other funds), reductions, and if necessary, cuts to programs. There were two stated purposes to weaning. First, in order to ensure the City can cover debt payments due past the sales tax's sunset (for the Fire Station 8 lease), the City needed to build up the fund balance in the few years before the sunset date. Second, at Measure O's termination, all ongoing programs would have to be moved to another funding source, so the weaning effort was intended to make that reabsorption process smoother.

On July 22, 2021, at the Oversight Committee meeting, staff reported that the Covid-related recession impacted the Measure O half-cent sales tax revenue much less than staff predicted a year ago. Cumulatively from FY 2020-21 through FY 2028-29, Measure O would likely bring in $17 million more than staff anticipated a year prior. Though the concern about accumulating enough funds to cover debt payments due past the sales tax's sunset had waned, the Oversight Committee gave staff direction to continue to wean gradually to transition all ongoing programs to the General Fund by the time Measure O terminates, assuming such programs should transition.

On October 28, 2021, staff came before the Oversight Committee with suggestions for how to approach the weaning process. We reduced the Measure O weaning programs list to only those that are active and ongoing, meaning they receive additional Measure O funding every fiscal year (as opposed to one-time programs). Then, we removed the five debt programs as well as the Measure O annual audit because those would continue to be paid by Measure O. That left 24 programs that needed to be weaned. Please refer to that staff report for the names and FY21-22 costs of those 24 programs.

At the October 28, 2021, meeting, staff explained that, assuming we are using all eight remaining years (from FY21-22 to FY28-29), that means we ought to target $1.8 million in reabsorptions per year. Staff then presented four possible weaning scenarios: weaning public safety first, weaning streets last, weaning full time equivalent (FTE) positions first, and weaning across all four Measure O categories. For details on these scenarios, please reference that staff report. The Oversight Committee discussed the options and eventually voted 6-0 for Option 5, which the Committee created: wean public safety FTEs first, then the rest of the FTEs, and have the entire weaning schedule completed in a four-year timeframe.

DISCUSSION

Staff has spent some time researching Option 5 and wishes to return to the Oversight Committee with additional considerations and a sixth weaning schedule option. Most relevantly, staff has concerns about the four-year weaning schedule. While we understand the Committee's interest in moving all the programs onto the General Fund, and especially with moving the FTEs to the General Fund, doing so this aggressively will utilize a lot of the General Fund sooner than expected. Recall that just a few years ago, before the voters of Oxnard approved Measure E, this City was in structural debt; now much of the General Fund (including Measure E) are used for critical repairs and maintenance around the City, so we do not want to use up over $14 million dollars of the General Fund on Measure O programs prematurely. At the same time, transferring these programs out of Measure O very fast will leave the Measure O fund balance high. We do not want to add new ongoing programs to Measure O just as we are trying to wean, so we would be left trying to find extra one-time uses for Measure O. In other words, weaning too aggressively has unintended consequences. Since we are nearing the end of FY21-22, staff now recommends a seven-year weaning schedule.

(Please note this seven-year schedule depends on the outcome of the Measure N lawsuit. Recall that Measure N set certain targets for the City's pavement condition index (PCI) by certain dates, and if those benchmarks were not reached by those dates, Measure O was set to expire early. For example, Measure N stated by September 30, 2024, if the City did not reach a PCI of 70, Measure O would expire on March 31, 2025. Similarly, by September 30, 2026, if the City did not reach a PCI of 75, Measure O would expire on March 31, 2027. On August 2, 2021, Judge Walsh issued his Statement of Decision in the City's challenge to Measure N, which invalidated Measure N. However, Aaron Starr has appealed the decision. Thus, since the matter has not been resolved, it is still possible that Measure O will terminate early, which would of course affect the City's weaning schedule. If that occurs, staff will return to adjust the weaning schedule.)

Additionally, rather than trying to wean a particular dollar amount per year, staff now proposes weaning entire programs; this means every year's weaning amount is not equivalent to other years, but the programs stay intact and are weaned entirely. So, for example, Option 6 states that in FY22-23, the City weans all $4,758,918 of Fire Station 8 operations such that the General Fund reabsorbs it. (See attachment. This item is in green.) In FY23-24, Measure O continues to not spend $4,758,918 of Fire Station 8 operations because this item was already reabsorbed into the General Fund (which is why the green is box appears in future fiscal years) and also Enhancing Community Policing ($3,581,381) and the Homeless Program ($1,103,547). (The latter two items appear on the attachment in blue.)

Staff also returns to you with a plan of what we propose the Measure O funding be used for as the current programs are weaned off in the next few years. So, for example, Option 6 states that in FY22-23, the City transfers all $4,758,918 of Fire Station 8 operations to the General Fund, and in exchange, we propose $2,250,000 of Measure O funding be spent on citywide alleyway resurfacing, $450,000 be spent fixing the Library's wifi, $300,000 be spent on IT Equipment Refreshes/Upgrades, and $1,750,000 be prepaid on the Station 8 bonds (on top of the required annual payment of $1.35 million). (In the attachment, the proposed new spending for Measure O dollars is in white.) In FY23-24, as we shift Enhancing Community Policing ($3,581,381) and the Homeless Program ($1,103,547) from Measure O to the General Fund, staff recommends investing another $2,250,000 in Measure O funds toward Citywide Alleyway Resurfacing and prepaying another $7,225,000 on the Station 8 bonds, which pays down all the debt on Station 8. Paying down this debt early saves the City $2 million.

Other than the timeframe (seven years rather than four) and transferring entire programs rather than a target dollar amount per year, staff attempted to capture the Committee's recommendation. So, we would wean public safety FTEs first (in years 1 through 3), then the rest of the FTEs (in year 4), and finally programs without FTEs. We kindly request that you review Option 6 and provide feedback. Once we have your recommendation, staff will go to Council for consideration of a weaning schedule.

ATTACHMENT

Weaning Schedule – Option 6

FY 22-23		FTEs	FY 23-24		FTEs	FY 24-25		FTEs	FY 25-26		FTEs	FY 26-27		FTEs	FY 27-28		FTEs	FY 28-29		FTEs
FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0	FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0	FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0	FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0	FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0	FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0	FIRE STATION 8 OPERATIONS - MO2201	(4,758,918)	21.0
Citywide Alleyway Resurfacing (215709)	2,250,000		ENHANCE COMMUNITY POLICE (MO2101)	(3,581,381)	16.0	ENHANCE COMMUNITY POLICE (MO2101)	(3,581,381)	16.0	ENHANCE COMMUNITY POLICE (MO2101)	(3,581,381)	16.0	ENHANCE COMMUNITY POLICE (MO2101)	(3,581,381)	16.0	ENHANCE COMMUNITY POLICE (MO2101)	(3,581,381)	16.0	ENHANCE COMMUNITY POLICE (MO2101)	(3,581,381)	16.0
IT Equip Refresh/Upgrades	300,000		HOMELESS PROGRAM (MO5101)	(1,103,547)		HOMELESS PROGRAM (MO5101)	(1,103,547)		HOMELESS PROGRAM (MO5101)	(1,103,547)		HOMELESS PROGRAM (MO5101)	(1,103,547)		HOMELESS PROGRAM (MO5101)	(1,103,547)		HOMELESS PROGRAM (MO5101)	(1,103,547)	
Station 8 Bonds (2014)	1,750,000		Station 8 Bonds (2014)	7,225,000		CAD/RMS OPERATIONAL (MO2102)	(886,654)	3.0	CAD/RMS OPERATIONAL (MO2102)	(886,654)	3.0	CAD/RMS OPERATIONAL (MO2102)	(886,654)	3.0	CAD/RMS OPERATIONAL (MO2102)	(886,654)	3.0	CAD/RMS OPERATIONAL (MO2102)	(886,654)	3.0
Library WiFi	450,000		Citywide Alleyway Resurfacing (215709)	2,250,000		Various Library Programs	(81,315)	0.5	Various Library Programs	(81,315)	0.5	Various Library Programs	(81,315)	0.5	Various Library Programs	(81,315)	0.5	Various Library Programs	(81,315)	0.5
						Public Restroom Improvments	1,000,000		ITS ANNUAL MAINTENANCE (MO3101)	(35,121)		ITS ANNUAL MAINTENANCE (MO3101)	(35,121)		ITS ANNUAL MAINTENANCE (MO3101)	(35,121)		ITS ANNUAL MAINTENANCE (MO3101)	(35,121)	
						Citywide Alleyway Resurfacing (215709)	2,250,000		PRESCHOOL TO YOU (MO5508)	(159,036)	1.0	PRESCHOOL TO YOU (MO5508)	(159,036)	1.0	PRESCHOOL TO YOU (MO5508)	(159,036)	1.0	PRESCHOOL TO YOU (MO5508)	(159,036)	1.0
						2014 Lease Revenue Street Bond	7,210,000		COLLEGE PARK MEAS.O MAINT (MO5701)	(753,908)	4.25	COLLEGE PARK MEAS.O MAINT (MO5701)	(753,908)	4.25	COLLEGE PARK MEAS.O MAINT (MO5701)	(753,908)	4.25	COLLEGE PARK MEAS.O MAINT (MO5701)	(753,908)	4.25
									Playground Replacement (225704)	4,500,000		EAST VILLAGE PARK OP MAIN (MO5702)	(83,039)	0.75	EAST VILLAGE PARK OP MAIN (MO5702)	(83,039)	0.75	EAST VILLAGE PARK OP MAIN (MO5702)	(83,039)	0.75
									Citywide Alleyway Resurfacing (215709)	2,250,000		SAFE HOMES SAFE FAMILY (MO4301)	(311,837)	2.5	SAFE HOMES SAFE FAMILY (MO4301)	(311,837)	2.5	SAFE HOMES SAFE FAMILY (MO4301)	(311,837)	2.5
									Tsumas Creek Drainage and Linear Park Construction	3,600,000		PAL OPERATIONAL (MO5504)	(187,320)	1.0	PAL OPERATIONAL (MO5504)	(187,320)	1.0	PAL OPERATIONAL (MO5504)	(187,320)	1.0
									Wilson Senior Center: Tenant Improvement	1,000,000		BofA LEASE - SAFTEY EQUIP (MO2108, MO2207, MO2208)	(317,289)		BofA LEASE - SAFTEY EQUIP (MO2108, MO2207, MO2208)	(317,289)		BofA LEASE - SAFTEY EQUIP (MO2108, MO2207, MO2208)	(317,289)	
									Bike Path (Cooper to 2nd Street (223107)	1,000,000		FIRE ADVANCED LIFE SUPPORT (MO2209)	(136,000)		FIRE ADVANCED LIFE SUPPORT (MO2209)	(136,000)		FIRE ADVANCED LIFE SUPPORT (MO2209)	(136,000)	
									PAL Facility Rehabilitaion (205501)	2,000,000		COLLEGE PARK PROGRAMS MO (MO5506)	(115,000)		COLLEGE PARK PROGRAMS MO (MO5506)	(115,000)		COLLEGE PARK PROGRAMS MO (MO5506)	(115,000)	

	FY 22-23	FTEs	FY 23-24	FTEs	FY 24-25	FTEs	FY 25-26	FTEs	FY 26-27		FTEs	FY 27-28		FTEs	FY 28-29		FTEs
									SPANISH LANG INTP-CC MTG (MO1401)	(57,604)		SPANISH LANG INTP-CC MTG (MO1401)	(57,604)		SPANISH LANG INTP-CC MTG (MO1401)	(57,604)	
									Playground Replacement (225704)	4,500,000		CITI CORPS TOWNKEEPER (MO5507)	(1,321,263)		CITI CORPS TOWNKEEPER (MO5507)	(1,321,263)	
									Citywide Alleyway Resurfacing (215709)	2,250,000		Existing CIP TBD	17,000,000		SPANISH LANG INTP-CC MTG (MO1401)	(57,604)	
									Tsumas Creek Drainage and Linear Park Construction	4,000,000					RECREATION SVCS (MO5513)	(85,735)	
									Existing CIP TBD	4,750,000					OXNARD AFTERSCHOOL (MO5514)	(107,673)	
															Remaining Rec/CCS Programs	(101,124)	
															ORMOND BEACH ENHANCEMENT (14IN02)	(14,418)	
															Existing CIP TBD	17,250,000	
Fiscal Year Swap	(8,918)	21.0	31,154	16.0	48,185	3.5	(44,949)	5.25		(103,038)	4.25		75,699	0.0		(40,855)	0.0
Cumulative Swap	(8,918)	21.0	22,236	37.0	70,421	40.5	25,472	45.75		(77,566)	50.00		(1,867)	50.0		(42,722)	50.00