Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE

Council Chambers, 305 West Third Street
May 24, 2022
Regular Meeting - 5:00 to 6:30 PM

Zoom details to call-in for public comment during a meeting:

1. **Dial Phone Number: (888) 475-4499**
2. **Enter Meeting ID: 867 4673 4777**
3. **Passcode: 088347**

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 Mayor calls for public speakers, press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room.

The public may view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at Youtube.com/oxnardnews. 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 City Clerk.

2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING

   a. Submit a request to speak by no later than 3 p.m. on the day of the meeting by using the form available at **www.oxnard.org/citymeetings**.
   b. Submit an email to **cityclerk@oxnard.org** no later than 3 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the City Council prior to the start of the meeting and made part of the legislative record.
   c. Contact the City Clerk's Office at (805) 385-7803 to submit your request.

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 Mayor 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 will 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.

Detailed participation instructions can be found at www.oxnard.org/city-meetings.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Presentation / Committee Discussion / Public Comment)

* The City has filed pre-election and post-election lawsuits regarding the validity of Measure M.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. After 30 minutes, if all speakers have not had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. The legislative body 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 City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

C. CONSENT AGENDA

1. City Clerk Department
   SUBJECT: Approval of Minutes.
   RECOMMENDATION: That the Finance & Governance Committee approve the minutes of the May 10, 2022 regular meeting as presented.
   Legislative Body: Finance & Governance Committee
   Contact: Rose Chaparro, (805) 385-7805

D. REPORTS

1. Finance Department
   SUBJECT: 2021 Single Audit Report and Update on the Corrective Action Plan (CAP). (10/5/5)
   RECOMMENDATION: That the Finance and Governance Committee receive the 2021 Single Audit Report from the audit firm Eadie + Payne, and an update on the Corrective Action Plan (CAP) from staff, and give authorization to forward both presentations to City Council.

   Eadie + Pyne presentation will be live per consultant's request.

   Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/GABQpOgUEME
   Contact: Betsy George, (805) 200-5400

2. Finance Department
   SUBJECT: Annual Delegation of Investment Authority. (0/5/5)
   RECOMMENDATION: That the Finance and Governance Committee recommend the City Council adopt a resolution delegating investment authority to the City Treasurer for FY 2022-23.

   Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/cVxn06KIYfM
   Contact: Betsy George, (805) 200-5400

3. City Manager Department
   SUBJECT: Updates to Citizen Advisory Group (CAG) Bylaws and Efforts to Develop Effective and Efficient Processes for CAGs. (0/5/10)

RECOMMENDATION: That the Finance and Governance Committee:

1. Receive a report on proposed changes to the Citizen Advisory Group (CAG) Bylaws for the following CAGs: Community Relations Commission, Cultural Arts Commission, Commission on Homelessness, Library Board, Parks, Recreation and Community Services Commission, and the Senior Services Commission; and
2. Recommend that the City Council adopt a resolution:
    a. Establishing uniform CAG bylaws; and
    b. Repealing previous CAG bylaws.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/gWFsYRxiPY8
Contact: Ashley Golden, (805) 385-7478

4. Billing and Licensing Department
SUBJECT: Agreement with Infosend, Inc. for Utility Bill and Business Tax Form Printing, Inserting and Mailing Services. (0/10/10)
RECOMMENDATION: That Finance and Governance Committee recommend that City Council approve and authorize the Mayor to execute a three-year agreement with Infosend, Inc. for utility bill and business tax form printing, inserting and mailing services in an amount not to exceed $996,534 to commence on July 1, 2022, through June 30, 2025.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/FfuM708sFKw
Contact: Eden Alomeri, (805) 385-7811

5. Finance Department
SUBJECT: Increase of $100,000 to the Not to Exceed (NTE) Amount for Amazon Business. (0/5/5)
RECOMMENDATION: The Finance and Governance Committee recommend that City Council ratify the City's not to exceed limit for Amazon Business by adding $100,000 (for a new total of $300,000) for the continued purchase of products through June 30, 2022.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/5dIaxKbax7o
Contact: Betsy George, (805) 200-5400

6. Housing Department
SUBJECT: Housing Authority Low Rent Public Housing and Housing Choice Voucher Program Budgets for Fiscal Year 2022-23. (0/5/5)
RECOMMENDATION: That the Finance and Governance Committee recommend that the Board of Commissioners of the Housing Authority of the City of Oxnard:

1. Adopt a resolution approving the recommended $6,872,555 operating budget for the Low Rent Public Housing Program for Fiscal Year 22-23, as presented for each project area, and approve and authorize the use of $575,652 of unrestricted cash to fund the projected deficit; and

2. Adopt a resolution approving the recommended $25,112,313 operating budget for the Housing Choice Voucher Program for Fiscal Year 22-23 and approve and authorize the use of

$285,349 of unrestricted cash to fund the projected deficit.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/17Whjhw7cc8
Contact: Emilio Ramirez, (805) 385-8094

7. Housing Department
SUBJECT: Housing Authority Investment Policy. (0/5/0)
RECOMMENDATION: That the Finance and Governance Committee recommend that the Board of Commissioners of the Housing Authority of the City of Oxnard adopt a resolution adopting an investment policy for the Housing Authority of the City of Oxnard for FY 2022-2023.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/86GwqleBRAI
Contact: Emilio Ramirez, (805) 385-8094

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

CONSENT AGENDA
AGENDA ITEM NO. C.1

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Finance & Governance Committee approve the minutes of the May 10, 2022 regular meeting as presented.

BACKGROUND

Approval of Minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 05 10 2022 Finance & Governance

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
MAY 10, 2022

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:04 p.m., Chair John C. Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Member Gabriela Basua, Member Gabriel (Gabe) Teran, and Chair John C. Zaragoza were present in person.

Staff members present in person were Alexander Nguyen, City Manager; Ashley Golden, Assistant City Manager; Shiri Klima, Deputy City Manager; Stephen M. Fischer, City Attorney; Kenneth Rozell, Chief Assistant City Attorney; Steve Naveau, Human Resources Director; Mike More, Human Resources Risk Manager; Jason Benites, Police Chief;
Michael Wolfe, Public Works Director; Steve Howlett, Assistant Public Works Director; Eric L. Storrie, Special Districts Manager; Vyto Adomaitis, Community Development Director; Helen Miller, IT Director; and Rose Chaparro, City Clerk were also present.

Staff members that participated via videoconference were Christian Sprunger, Assistant Vice President at NHA Advisors; Craig Hill, Managing Principal at NHA Advisors and Amanda Welker, Financial Analyst, NBS Local Government Consultants.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (None received.)

C. CONSENT AGENDA

1. City Clerk Department
   SUBJECT: Approval of Minutes.
   RECOMMENDATION: That the Finance & Governance Committee approve the minutes of the April 26, 2022 regular meeting as presented.

It was moved by Member Basua, seconded by Member Teran, to approve the Information/Consent item as presented. VOTE: Basua, Teran and Zaragoza voted in favor; the motion carried 3-0.

D. REPORTS

1. Human Resources Department
   SUBJECT: Agreement for Workers' Compensation Claims Administration and Adjustment Services. (0/5/5)
   RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council approve and authorize the Mayor to execute Agreement No. A-8455 with CorVel Enterprise Comp., Inc., in an amount not to exceed $1,515,000 for a 5-year term for workers' compensation claims administration and adjustment services.

Mike More, Human Resources Risk Manager, presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

2. Finance Department
SUBJECT: Resolution of City Council and Oxnard Financing Authority Approving the Issuance of Up to $19,200,000 in Principal of 2022 Local Obligation Revenue Refunding Bonds to Refund the Series 2012 Bonds. (10/5/5)
RECOMMENDATION: That the Finance and Governance Committee recommend City Council and City of Oxnard Financing Authority Board approve and authorize the following:

    1. Resolution of the City Council of the City of Oxnard approving a first amendment to local agency financing documents and the execution of certain certificates relating to the issuance by the City of Oxnard Financing Authority of refunding revenue bonds for the purpose of refunding its outstanding Series 2012 Bonds.
    2. Resolution of the Board of Directors of the City of Oxnard financing authority authorizing the sale, issuance, and delivery of not more than $19,200,000 in principal amount of Local Obligation Revenue Refunding Bonds (Special District Bond) and approving certain documents and authorizing certain actions in connection thereith.

Shiri Klima, Deputy City Manager introduced Christian Sprunger from NHA Advisors, who presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

3. Information Technology Department
SUBJECT: Second Amendment to Superion CentralSquare Software License Agreement A-8011. (0/10/5)
RECOMMENDATION: That the Finance and Governance Committee recommend that City Council approve and authorize the Mayor to execute a second amendment to Software License Agreement A-8011 with Superion LLC, a CentralSquare Company, in the amount of $340,627 for a new not-to-exceed agreement amount of $1,458,505 for information technology software and services.

Helen Miller, IT Director presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

4. Finance Department
SUBJECT: Introduction to FY 2022-23 Proposed Operating Budget. (0/20/20)
RECOMMENDATION: That the Finance and Governance Committee recommend that City Council and Housing Authority Board conduct a public hearing on the Fiscal Year (FY) 2022-23 proposed budget on June 7, 2022, for the City of Oxnard and Oxnard Housing Authority and provide

staff direction regarding any adjustments to the proposed budget, in preparation for final budget adoption on June 21, 2022.

Shiri Klima, Deputy City Manager answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

5. Public Works Department
SUBJECT: Fiscal Year 2022-23 Landscape Maintenance Districts Initiation of Proceedings, Declaration of Intention to Levy and Collect Assessments, and Scheduling of Public Hearing. (0/5/5)
RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council acting as the legislative body of the City of Oxnard's landscape maintenance districts (LMDs):

1. Adopt a resolution initiating proceedings for the annual levy and collection of assessments for Fiscal Year 2022-23 within the City's LMDs; and

2. Adopt a resolution declaring intention to levy and collect assessments for Fiscal Year 2022-23 within the City's LMDs pursuant to the Landscaping and Lighting Act of 1972.

Michael Wolfe, Public Works Director was available to answer the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Basua, *seconded by Member Teran,* to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

6. Public Works Department
SUBJECT: Fiscal Year 2022-23 Special Tax Levy for Community Facility Districts No. 1, 2, 3, 4, 5 and 2000-3. (0/10/10)
RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council acting as the legislative body for Community Facilities Districts (CFD) No. 1, 2, 3, 4, 5 and 2000-3:

1. Adopt a resolution setting a special tax rate within CFD No. 1 (Westport at Mandalay Bay) for Fiscal Year 2022-23;

2. Adopt a resolution setting a special tax rate within CFD No. 2 (Westport at Mandalay Bay) for Fiscal Year 2022-23;

3. Adopt a resolution setting a special tax rate within CFD No. 3 (Seabridge at Mandalay Bay) for Fiscal Year 2022-23;

4. Adopt a resolution setting a special tax rate within CFD No. 4 (Seabridge at Mandalay Bay) for Fiscal Year 2022-23;

5. Adopt a resolution setting a special tax rate within CFD No. 5 (Riverpark) for Fiscal Year 2022-23;

6. Adopt a resolution setting a special tax rate within CFD No. 2000-3 (Oxnard Boulevard/Highway 101 Interchange) for Fiscal Year 2022-23; and

7. Authorize the Public Works Director, or designee, to execute an agreement for Billing of Direct Assessments with the Ventura County Auditor-Controller to provide the service of placement of direct assessments on the Ventura County Secured Tax Roll.

Michael Wolfe, Public Works Director, introduced Amanda Welker, Financial Analyst, NBS Local Government Consultants, who presented and answered the Committee's questions. Eric L. Storrie, Special Districts Manager was also available to answer questions. Public comments were received from Tai Hartley and Manuel Herrera. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS (No requests were made.)

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 6:07 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Chair

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.1

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Betsy George, Chief Financial Officer, (805) 200-5400, betsy.george@oxnard.org

SUBJECT: 2021 Single Audit Report and Update on the Corrective Action Plan (CAP). (10/5/5)

RECOMMENDATION

That the Finance and Governance Committee receive the 2021 Single Audit Report from the audit firm Eadie + Payne, and an update on the Corrective Action Plan (CAP) from staff, and give authorization to forward both presentations to City Council.

Eadie + Pyne presentation will be live per consultant's request.

Please click the following link to view the required Measure M pre-recorded presentation video:
https://youtu.be/GABQpOgUEME

BACKGROUND

The City's annual audit for FY 2014-15 produced 111 single-audit findings. These findings primarily concerned the City's policies and procedures (or lack thereof) for accounting and financial management. During the FY 2015-16 audit, there were an additional five audit findings. For FY 2016-17, an additional 19 audit findings occurred, of which nine were repeat findings from the two prior audits. For FY 2017-18, an additional 37 audit findings occurred, of which 13 were repeat findings from the prior three audits. For FY 2018-19, there were an additional 11 findings, of which three were repeat findings from the prior four audits totaling 183 findings through FY 2018-19. For FY 2019-20, there was one additional audit finding, for Information Technology General Controls, which was communicated to City Council via a separate confidential written report due to its sensitive nature.

For FY 2020-21, there is one new finding for accounting and financial management and only 2 earlier audit findings remain unresolved. There are no material weaknesses.

In order to correct the various accounting and financial management audit findings, the City was required to produce a Corrective Action Plan (CAP). This plan, updated annually, addresses all unresolved findings and the steps and timeline to correct them.

After the 2015 and 2016 single audits were released simultaneously by Eadie + Payne in the spring of 2017, staff in the Finance Department and other departments began to address the first 111 audit findings. During the remainder of 2017 and throughout 2018, they made significant progress in executing the CAP and addressing the findings. More than 30 material weaknesses were resolved.

In the meantime, however, new audit findings continued to pile up -- 67 more, as recapped above. Therefore, at the beginning of 2019 staff created a detailed audit scorecard, and began presenting it to the Finance & Governance Committee, and to City Council, every six months.

In October 2020, staff provided an update of the audit scorecard to the Finance & Governance Committee (and, later, to City Council) indicating that the total number of unresolved, unique (non-repeat) findings, at that time, was 16.

In the last update from staff in December 2021, the total of unresolved unique findings was 5.

As shown on the new audit scorecard (slide 5 of the accompanying PowerPoint presentation), of the 186 total audit findings (of which 159 were unique, non-repeat), only three remain outstanding. Slide 7 lists them. Two remain from prior year's audits and one new finding from the most recent 2020-21 audit, which was performed in March and April 2022.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Eadie+Payne, Jennifer Hiraoka, Senior Manager Internal Controls/Acting Controller

ATTACHMENTS
1. FY 20-21 Issued Single Audit Report
2. 5.24.22 FGC E+P Presentation on the 2021 Single Audit Report
3. 5.24.22 FGC Staff Presentation: Update on Corrective Action Plan

CITY OF
OXNARD
CALIFORNIA

SINGLE AUDIT REPORT

FISCAL YEAR ENDED JUNE 30, 2021

CITY OF OXNARD
CONTENTS
JUNE 30, 2021

EADIE PAYNE LLP

expect quality.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable City Council
City of Oxnard
Oxnard, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxnard, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2021. Our report includes a reference to other auditors who audited the financial statements of Oxnard Housing Authority, as described in our report on the City's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eadie and Payne LLP

Riverside, California
December 30, 2021

EADIE PAYNE LLP

expect quality.

Eadie Payne, LLP

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The Honorable City Council
City of Oxnard
Oxnard, California

Report on Compliance for Each Major Federal Program

We have audited City of Oxnard's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs for the year ended June 30, 2021. The City's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Oxnard Housing Authority, which expended $26,990,557 in Federal awards during the year ended June 30, 2021. Our audit, described below, did not include the operations of the Oxnard Housing Authority, because it engaged other auditors to perform an audit in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-001 through 2021-002. Our opinion on each major federal program is not modified with respect to these matters.

The City’s response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a

Federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-001 through 2021-002 that we consider to be significant deficiencies.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 30, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of Federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of Federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eadie and Payne LLP

Riverside, California
April 15, 2022

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CITY OF OXNARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Program Identification Number	Total Program Expenditures	Total Amount Provided to Subrecipients
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Direct Program				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-06-0534	$ 1,022,702	$ 59,771
		B-19-MC-06-0534	647,804	-
		B-18-MC-06-0534	273,418	-
		B-17-MC-06-0534	297,637	670
		B-16-MC-06-0534	204,801	3,751
COVID-19 Community Development Block Grants CARES Act	14.218	B-20-MW-06-0534	744,459	127,770
			3,190,821	191,962
Total CDBG - Entitlement Grants Cluster			3,190,821	191,962
Direct Program				
Emergency Solutions Grants Program	14.231	E-20-MC-06-0534	87,947	80,000
		E-19-MC-06-0534	120,593	114,063
COVID-19 Emergency Solutions Grants - CARES Act	14.231	E-20-MW-06-0534	1,255,967	1,234,249
			1,464,507	1,428,312
Direct Program				
HOME Investment Partnership Program	14.239	M-19-MC-06-0526	156,667	-
		M-17-MC-06-0526	100,397	-
			257,064	-
Total U.S. Department of Housing and Urban Development			**4,912,392**	**1,620,274**
U.S. Department of Homeland Security				
Passed through the County of Ventura				
Homeland Security Grant Program	97.067	2019-0035	15,902	-
		2018-0054	2,285	-
		2018-0054	2,574	-
		2018-0054	31,294	-
			52,055	-
Passed through the County of Ventura				
Emergency Management Performance Grant	97.042	2019-0003	5,520	-
			5,520	-
Passed through the California Office of Emergency Services				
Hazard Mitigation Grant - Emergency Backup Generator at Oxnard Shores	97.039	HMGP #4407-431-079R	20,385	-
		HMGP#4344-460-120R	1,451	-
			21,836	-
Direct Program				
Assistance to Firefighters Grant FY19	97.044	EMW-2019-FG-09826	178,006	71,461
		EMW-2019-FG-09714	12,002	-
		EMW-2018-FO-03109	284,157	-
			474,165	71,461
Passed through the California Office of Emergency Services				
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA 4482-DR-CA-COVID-19 Pandemic	43,864	-
			43,864	-
Total U.S. Department of Homeland Security			**597,440**	**71,461**

See accompanying notes to Schedule of Expenditures of Federal Awards and Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards required by the Uniform Guidance.

CITY OF OXNARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Program Identification Number	Total Program Expenditures	Total Amount Provided to Subrecipients
U.S. Department of Justice				
Direct Program				
Equitable Sharing Program	16.922	CA0560400-NCIC	86,817	-
			86,817	-
Direct Program				
Edward Byrne Justice Assistance Grant (JAG)	16.738	2020-DJ-BX-0781	3,316	-
		2017-DJ-BX-0957	5,101	-
		2018-DJ-BX-0852	13,171	11,206
			21,588	11,206
Passed through the County of Ventura Sheriff Department				
FY19 Edward Byrne Justice Assistance Grant (JAG)	16.738	BSCC 655-19	6,974	-
			6,974	-
			28,562	11,206
Direct Program				
COVID-19 FY2020 Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-0321	59,161	-
			59,161	-
Total U.S. Department of Justice			**174,540**	**11,206**
U.S. Department of Transportation				
Highway Planning and Construction Cluster				
Passed through the State of California Department of Transportation				
Rice Ave. & 5th Street Grade Separation	20.205	STPL-5129(084)	-	-
Bicycle Facilities in Northeast Specific Plan	20.205	CML-5129 (086)	41	-
C Street Bicycle Facilities	20.205	CML-5129 (087)	1,476	-
Westside of Rose Ave. Between Auto Ctr. & E. Collins	20.205	CML-5129 (079)	2,385	-
Northside Vta Blvd. Between Balboa & Rose Avenue	20.205	CML-5129 (078)	8,369	-
Channel Island Blvd over Mandalay Bay - Bridge	20.205	BHLS-5129(069)	-	-
Channel Island Blvd over Edison Canal - Bridge	20.205	BHLS-5129(070)	-	-
Cross Walk Beacon Phase II	20.205	CML-5129(091)	-	-
Traffic Signal Various Locations	20.205	HSIPL 5129 (093)	62,666	-
Vineyard Av Resurf PW 16-12	20.205	FERSTPL-5129(092)	-	-
Oxnard Blvd Bike Lane 2017	20.205	ATPCML-5129(090)	30,533	-
City Wide Signal Mod	20.205	HSIPL 5129 (095)	70,343	-
			175,813	-
Total Highway Planning and Construction Cluster			175,813	-
Passed through the California Department of Transportation, Division of Rail and Mass Transportation (DRMT)				
Railroad Development Rice Ave & 5th Street Grade Separation	20.314	69A36518500220STECA/ 75A0501	1,914	-
			1,914	-
Highway Safety Cluster				
Passed through the State of California Office of Traffic Safety				
OTS Pedestrain & Bicycle Safety Program-2020	20.600	PS21024	10,910	-
OTS Traffic Enforcement - 2021	20.600	PT21094	79,216	-
OTS Traffic Enforcement - 2020	20.600	PT20098	42,405	-
Total Highway Safety Cluster			132,531	-
Passed through the State of California Office of Traffic Safety				
OTS Traffic Enforcement - 2021	20.608	PT21094	146,797	-
FY2020 Minimum Penalties for Repeat Offender for Driving While Intoxicated	20.608	PT20098	115,230	-
			262,027	-
Passed through the State of California Office of Traffic Safety				
OTS Child Passenger Safty - 2020	20.616	OP21013	6,405	
OTS Traffic Enforcement - 2021	20.616	PT21094	35,349	-
			41,754	-
Total U.S. Department of Transportation			**614,039**	-

See accompanying notes to Schedule of Expenditures of Federal Awards and Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards required by the Uniform Guidance.

CITY OF OXNARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Program Identification Number	Total Program Expenditures	Total Amount Provided to Subrecipients
Corporation for National and Community Service				
Direct Program				
Retired and Senior Volunteer Program FY19-20	94.002	19SRPCA007	21,391	
Retired and Senior Volunteer Program FY20-21	94.002	19SRPCA007	65,089	-
Total Corporation for National and Community Service			**86,480**	**-**
U.S. Department of Health and Human Services				
Aging Cluster				
Passed through the County of Ventura Area Agency on Aging				
Special Programs for the Aging, Senior Nutrition Services	93.045	3500FY20-05	172,884	-
Total Aging Cluster			172,884	-
Total U.S. Department of Health and Human Services			**172,884**	**-**
Total Direct Program			5,640,603	1,702,941
Total Pass Through			917,172	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 6,557,775**	**$ 1,702,941**

See accompanying notes to Schedule of Expenditures of Federal Awards and Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards required by the Uniform Guidance.

1. **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal awards (Schedule) includes the Federal award activity of City of Oxnard (City) under programs of the Federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City. It does not include the Federal award activity of Oxnard Housing Authority, a blended component unit of the City, which expended $26,990,557 in Federal awards.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. **INDIRECT COST RATE**

The City has not elected to use the 10% de minimis indirect cost rate.

4. **RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

Amounts reported in the Schedule agree, in all material respects, with amounts reported in the basic financial statements of the City of Oxnard. The following presents a reconciliation of Federal expenditures to those reported in the financial statements:

	AMOUNT
Total expenditures per the schedule of expenditures of federal awards	$ 6,557,775
Add: Expenditures of nonfederal awards	221,081,383
TOTAL GOVERNMENTAL FUNDS EXPENDITURES PER THE FINANCIAL STATEMENTS	$ 227,639,158

5. **FEDERALLY-FUNDED LOANS**

The City administers loans, primarily forgivable loans, made from funds provided by the following Federal programs for the year ended June 30, 2021:

FEDERAL PROGRAMS	LOANS OUTSTANDING
Community Development Block Grants (CFDA #14.218)	$ 3,807,569
HOME Investment Partnership Program (CFDA #14.239)	10,770,657

CITY OF OXNARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	*Unmodified*			
Internal control over financial reporting:				
• Material weaknesses identified?		Yes	x	No
• Significant deficiencies identified?		Yes	x	None reported
Noncompliance material to financial statements noted:		Yes	x	No

Federal Awards

Internal control over major programs:				
Material weaknesses identified?		Yes	x	No
Significant deficiences identified?	x	Yes		None reported
Type of auditor's report issued on compliance for major programs:	*Unmodified*			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	x	Yes		No

Identification of major programs:

CFDA No.	Name of Federal Program or Cluster
14.218	CDBG-Entitlement Grants Cluster
14.231	Emergency Solutions Grants Program

Dollar threshold used to distinguish between type A and type B programs:	$750,000			
Auditee qualified as low-risk auditee?	x	Yes		No

CITY OF OXNARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2021

INDEX

CURRENT YEAR

PRIOR YEAR

CITY OF OXNARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

FINDINGS AND QUESTIONED COSTS – MAJOR PROGRAMS

2021-001 – Indirect Cost Allocation (SD)

CFDA Title and Number: 14.218 - Community Block Grants
Name of Federal Agency: Department of Housing and Urban Development
Internal Control over Compliance: Allowable Cost

Criteria: 2 CFR Part 200.414 requires that governmental entities support indirect costs with a cost allocation plan or an indirect cost proposal prepared in accordance with the Uniform Guidance. 2 CFR Part 200 Appendices III-VII contain the requirements for the development and submission of indirect cost rate proposals and cost allocation plans. A non-Federal entity that has never received a negotiated indirect cost rate, may elect to charge a de minimis rate of 10% of modified total direct costs.

Condition: The City does not have a cost allocation plan or an indirect cost proposal prepared in accordance with the Uniform Guidance. The City has not elected to use the 10% de minimis rate either. The City charged $22,573 of liability insurance costs to Fund 285 based on a City cost allocation plan.

Cause: The City has not completed the indirect cost study that will comply with requirements of the Uniform Guidance for indirect cost.

Effect or Potential Effect: Indirect costs charged to the CDBG program may not eligible for reimbursement.

Questioned Cost: None, since the amount charged was less than 10% of the total cost.

Repeat of a Prior-Year Finding: 2017-005

Recommendation: The City should complete the central service cost allocation plan (as indicated in the Corrective Action for prior year finding 2017-005). It should include the cost allocation plan for indirect costs, including liability insurance, as required by Uniform Guidance.

City's Response 2021: The City continues making progress on developing the central service cost allocation plan that will include a cost allocation method for indirect costs, such as liability insurance, in accordance with OMB's Uniform Guidance.

Planned Implementation Date: The central service cost allocation plan will be completed by September 2022 and will be implemented with the FY 23-24 budget.

Responsible Person: Jim Costello, Financial Analyst III; Beth Vo, Assistant CFO

(SD – Significant Deficiency)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

2021-002 – CDBG HUD Findings (SD)

CFDA Title and Number: 14.218 - Community Block Grants
Name of Federal Agency: Department of Housing and Urban Development
Internal Control over Compliance: Allowable Cost

Criteria: Recipients of CDBG grants are required to be in compliance with all requirements imposed by the U.S. Department of Housing and Urban Development at all times.

Condition: The City received fifteen findings and two concerns from the U.S. Department of Housing and Urban Development as part of the Fiscal Year 2021 Remote Monitoring Report for the Community Development Block Grant (CDBG) Program. HUD conducted the remote monitoring in order to assess the City's performance and compliance with applicable requirements. This report covered grants B-18-MC-06-0534 and B-19-MC-06-0534 for $2,502,719 and $2,516,091, respectively.

A finding is a deficiency in program performance based on a violation of a statutory or regulatory requirement. A concern is a deficiency in program performance that is not based on a statutory or regulatory requirement but is brought to the City's attention.

The following summarizes the findings:

1) Fair Housing Eligibility – The City did not provide sufficient documentation to support a subrecipient's eligibility and national objective.
2) Fire Station Equipment and Vehicles – Fire station generators is an ineligible use of CDBG funds.
3) Citywide Homebuyer Loan Program – The City provided all participants a standard loan of $30,000 instead of limiting the amount of the loan to 50% of the required down payment as specified in CDBG regulations.
4) Conflict of Interest – The City provided a homeowner loan to a City employee and there was no evidence that the City determined whether a conflict of interest existed.
5) Time and Activity Sheets – The City did not provide documentation associating staff costs charged to specific CDBG program with eligible housing activities carried out.
6) Lead-Based Paint – The City's rehabilitation program relies solely on a form signed by the City inspector indicating that the home was built after 1978 to determine when a property requires lead-based paint inspection, assessment and correction.
7) Procurement Written Policies and Procedures – The City's purchasing policy manual did not address if cost plus a percentage of cost and percentage of construction cost methods of contracting were prohibited.
8) Procurement History – The City's documentation was not sufficient to detail the procurement history to identify the rationale for the method of procurement, the selection of contract type, contract selection or reject, or the basis for the cost or price of the contract.
9) Procurement Procedures for Housing Services Programs and Fire Department – The City did not have policies to guarantee that environmental consultants are procured for based on qualifications. There was no evidence provided for the procurement of select fire department equipment and vehicles.

(SD – Significant Deficiency)

10) Financial Standards -- HUD was unable to determine the account codes assigned to specific CDBG activities, CFDA title and grant number within the City's accounting records. Without these, HUD was unable to identify the source and application of the CDBG award.
11) Source Documentation – Source documentation did not support all expenditure costs of select vouchers reviewed.
12) Record Retention and Access Policy – The City's record retention and access policy did not comply with 2 CFR Part 200 requirements.
13) Protected Personally Identifiable (PII) Information – The City did not provide written documentation to support an internal control self-assessment nor measures to safeguard PII information.
14) Audit Costs – HUD was unable to determine if measures are in place to ensure HUD awards are charged no more than a reasonably proportionate share of the audit costs.
15) Equipment Records – The City's equipment records do not comply with all requirements of 2 CFR Part 200.

Cause: The deficiencies were attributed by HUD to various causes including:

- Not having updated policies and procedures for the CDBG programs
- The procurement policies and procedures needing to be revised to comply with 2 CFR Part 200
- Not having the appropriate accounting codes to keep track of CDBG costs by activity/program/grant number
- Not keeping complete documentation to support costs charged to CDBG.

Effect or Potential Effect: Various

Questioned Cost: None for current year. For prior years: $470,000 for Finding #2; $5,137.16 for Finding #11

Context: The U.S. Department of Housing and Urban Development conducted a routine monitoring assessment over a selection of CDBG grants administered by the City during program years 2018 and 2019, and determined that the City had fifteen findings which would require corrective actions, and two concerns for which they provided recommended actions.

Repeat of a Prior-Year Finding: No.

Recommendation: We recommend that the City continue to follow up with the U.S. Department of Housing and Urban Development in order to sufficiently meet the required corrective action plan.

City's Response 2021: The City continues to follow up with the U.S. Department of Housing and Urban Development (HUD) in order to sufficiently complete its Corrective Action Plan detailed in the City's response to Fiscal Year 2021 Remote Auditing letter to HUD dated February 8, 2022.

Planned Implementation Date: Corrective Action completion dates vary by finding, with all Corrective Actions to be completed by May 9, 2022.

Responsible Person: Andrea Palmer, Grants Manager

CITY OF OXNARD
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

2017-005 - Indirect Cost (SD)

CFDA Title and Number: 14.218 - Community Block Grants
Name of Federal Agency: Department of Housing and Urban Development
Internal Control over Compliance: Allowable Cost

Criteria: 2 CFR Part 200.414 requires that governmental entities support indirect costs with a cost allocation plan or an indirect cost proposal prepared in accordance with the Uniform Guidance. 2 CFR Part 200 Appendices III-VII contain the requirements for the development and submission of indirect cost rate proposals and cost allocation plans. A non-Federal entity that has never received a negotiated indirect cost rate, may elect to charge a de minimis rate of 10% of modified total direct costs.

Condition: The City does not have a cost allocation plan or an indirect cost proposal prepared in accordance with the Uniform Guidance. The City has not elected to use the 10% de minimis rate either. The City charged in fiscal year 2016-2017 $76,912 of indirect costs to Fund 285 based on a City cost allocation plan.

Cause: The Finance Department was not aware of the requirements of the Uniform Guidance for indirect cost, and allocated cost to CDBG and posted the entry without consulting the grants administrator.

Effect or Potential Effect: Any indirect costs charged to the CDBG program are not eligible for reimbursement.

Questioned Cost: None

Context: The Housing Department discovered the error and did not claim reimbursement for the amount. The amount was not included in the Schedule of Expenditures of Federal Awards.

Repeat of a Prior-Year Finding: 2015-060

Recommendation: The City should complete the central service cost allocation plan (as indicated in the Corrective Action for prior year finding 2017-005). It should include the cost allocation plan for indirect costs, including liability insurance, as required by Uniform Guidance.

City's Response 2021: The City continues making progress on developing the central service cost allocation plan that will include a cost allocation method for indirect costs, such as liability insurance, in accordance with OMB's Uniform Guidance.

Planned Implementation Date: The central service cost allocation plan will be completed by September 2022 and will be implemented with the FY 23-24 budget.

Responsible Person: Jim Costello, Financial Analyst III; Beth Vo, Assistant CFO

(SD – Significant Deficiency)

SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)

FINDINGS AND QUESTIONED COSTS - FINANCIAL STATEMENTS

2020-001 – Information Technology (IT) General Controls (SD)

Criteria: IT general controls (ITGC) are basic controls applied to IT systems. The objectives of ITGC are to ensure the integrity of data and processes that the IT systems support. ITGC have a pervasive effect on the City's system of internal control over financial reporting.

Condition: We evaluated the design and implementation of ITGCs and noted 12 findings. We communicated such findings to the IT Department. Because those findings reveal vulnerabilities to, or otherwise increase the potential for an attack on, the information technology systems of the City, the details of the findings will not be published in this document. They will, however, be communicated to the City Council via a separate confidential written report.

Repeat of a Prior-Year Finding: 5 out of 12 were repeat findings

Recommendation: Our recommendations will be communicated to the City Council via a separate confidential written report.

City's Response: The City's corrective action plan will be communicated to the City Council via a separate confidential written report. The auditors will follow up on the City's implementation of its corrective action plan in the next audit.

EP's Comment 2021: In progress

2018-015 – Lease Agreements (SD)

Criteria: The City routinely enters into lease agreements. Lease agreements should be identified and evaluated by the Finance Department to determine proper accounting and ensure that they are properly reported in the City's financial reports.

Finding: The City has not implemented a process to identify and evaluate all lease agreements. In March 2018, the City entered into two capital lease agreements in the amount of $5 million each, however the transaction was only recorded in September 2018 during audit fieldwork. In addition, one of the agreements was misclassified under the Wastewater Fund; instead of Environmental Resource Fund.

Cause: The Finance Department does not have a process to identify and evaluate all lease agreements.

Effect or Potential Effect: Misstatement of assets and liabilities.

Repeat of a Prior-Year Finding: 2015-074

(SD – Significant Deficiency)

Recommendation: Assign a member of the Finance Department who has sufficient knowledge and skills to identify and evaluate all lease agreements to ensure that they are properly reported in the financial statements and related disclosures. Communication should be made with those entering into agreements. The process should be documented in writing.

EP's Comment 2021: Complete.

2018-016 - Pension Plans (SD)

Criteria: The City has four separate pension plans covering certain groups of employees.

The calculation of the City's net pension liability, deferred inflows and outflows of resources and pension expense is based to a large extent on the census data provided by the City to the actuaries. The City should review the census data and correct any errors on an annual basis.

Condition: Census data used by CalPERS and PARS to calculate the net pension liability was not reviewed. Discrepancies in demographic and compensation data were noted in current year as well as in prior years.

Cause: The City does not have a process in place to review the CalPERS and PARS census data.

Effect or Potential Effect: Potential misstatement of the net pension liability, deferred inflows and outflows of resources related to pension, and pension expense.

Repeat of a Prior-Year Finding: 2015-092

Recommendation: Review the census data used by actuaries in calculating the net pension liability and ensure that discrepancies are investigated and resolved appropriately.

EP's Comment 2021: Complete.

2018-018 – 2018-037 –Information Technology (IT) General Controls (SD)

Criteria: IT general controls (ITGC) are basic controls applied to IT systems. The objectives of ITGC are to ensure the integrity of data and processes that the IT systems support. ITGC have a pervasive effect on the City's system of internal control over financial reporting.

Condition: We evaluated the design and implementation of ITGCs and noted 20 findings. We communicated such findings to the IT department. Because those findings reveal vulnerabilities to, or otherwise increase the potential for an attack on, information technology systems of the City, the details of the findings will not be published in this document. They will however be communicated to the City Council via a separate confidential written report.

Repeat of a Prior-Year Finding: No

Recommendation: Our recommendations will be communicated to the City Council via a separate confidential written report.

(SD – Significant Deficiency)

SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)

City's Response 2021: The City's corrective action plan will be communicated to the City Council via a separate confidential written report. The auditors will follow-up on the City's implementation of its corrective action plan in the next audit.

EP's Comment 2021: In progress.

2017-016 - Information Technology General Controls (SD)

Criteria: The City should establish and implement comprehensive data security controls to protect sensitive data, mitigate risks to confidentiality, and ensure the integrity and availability of data in the City's information systems.

Condition: We found deficiencies in data security controls. We communicated such findings to the IT department. Because those findings reveal vulnerabilities to, or otherwise increase the potential for an attack on, information technology systems of the City, the details of the findings will not be published in this document. They will however be communicated to the City Council via a separate confidential written report.

Recommendation: Our recommendations will be communicated to the City Council via a separate confidential written report.

City's Response 2021: The City's corrective action plan will be communicated to the City Council via a separate confidential written report. The auditors will follow-up on the City's implementation of its corrective action plan in the next audit.

EP's Comment 2021: In progress.

2015-068 - Notes Receivable (SD)

Finding: There are no procedures in place to collect payments from developers based on residual revenues.

Recommendation: Policies and procedures must be developed and implemented to collect payments from developers based on residual revenues.

EP's Comment 2021: Complete.

(SD – Significant Deficiency)

CITY OF
OXNARD
CALIFORNIA

Single Audit Report for
Fiscal Year Ended June 30, 2021

Finance and Governance Committee
May 24, 2022

EADIE PAYNE LLP

AGENDA

1 Introduction

2 Schedule of Expenditures of Federal Awards (SEFA)

3 Internal Control Findings

Introduction

1

- Single Audit Report
  - Internal Control Report Required by *Government Auditing Standards*
  - Report on Compliance for Each Major Program
  - Report on Internal Control on Internal Control over Compliance
  - Report on the Schedule of Expenditures of Federal Awards

CITY OF OXNARD CALIFORNIA

EADIE PAYNE

Schedule of Expenditures of Federal Awards (SEFA)

2

• Total Expenditures	$6.56M
• Major Programs	2
• Total Programs	18

Internal Control Findings

3

- Findings Categories
  - Material weakness (MW) – none
  - Significant deficiency (SD) -- 3
    - New finding – 1
    - Prior year findings -- 2

CITY OF OXNARD CALIFORNIA

EADIE PAYNE LLP

THANK YOU!

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EADIE PAYNE LLP

expect quality.

2021 SINGLE AUDIT REPORT AND UPDATE ON THE CORRECTIVE ACTION PLAN

Presentation to Finance and Governance Committee

Betsy George, Chief Financial Officer
Jennifer Hiraoka, Senior Manager Internal Controls

May 24, 2022

CITY OF OXNARD CALIFORNIA

RECOMMENDATION

2

That Finance & Governance Committee receive the 2021 Single Audit Report from the audit firm Eadie + Payne, and update on the Corrective Action Plan (CAP) from staff, and give authorization to forward both presentations to City Council.

AGENDA

- Status of Corrective Action Plan
- Continued progress

CAP STATUS DEFINITIONS

Complete – Auditors have tested and determined that corrective action for the finding has been effectively implemented

To Be Tested – Policies and Procedures (P&P) approved (if applicable), training completed and corrective action ready for auditors to test during the next single audit

P&P Draft – P&P drafted but not yet approved by CFO and/or training not yet provided.

In Progress – Staff has taken steps towards implementation, but not yet drafted P&P or completed training

Not Started – Staff has not initiated mitigations, implemented resolutions or provided training

Passed/No Longer Required – Staff disagrees with the finding and/or auditors have determined corrective action is no longer required

FY 2021 SINGLE AUDIT RESULTED IN ONE ADDITIONAL FINDING, 2 PREVIOUS FINDINGS REMAIN UNRESOLVED – NO MATERIAL WEAKNESSES

5

FINDINGS STATUS (2015-2021) (as of April '22)	MATERIAL WEAKNESS	SIGNIFICANT DEFICIENCY	Non-Compliance	Best Practice	TOTAL
TOTAL Findings	72	78	17	19	186
Repeat Findings	*(7)*	*(12)*	*(4)*	*(4)*	*(27)*
TOTAL Unique Findings	65	66	13	15	159
COMPLETE	63	60	7	12	142
Passed / No Longer Required	2	3	6	3	14
TO BE TESTED	0	0	0	0	0
P&P DRAFT	0	0	0	0	0
IN PROGRESS	0	3	0	0	3
NOT STARTED	0	0	0	0	0
TOTAL Unresolved Findings	0	3	0	0	3

CORRECTIVE ACTION PLAN STATUS THROUGH OCTOBER 2021

6

FINDINGS STATUS (2015-2020) (as of October '21)	MATERIAL WEAKNESS	SIGNIFICANT DEFICIENCY	Non-Compliance	Best Practice	TOTAL
TOTAL Findings	72	76	17	19	184
Repeat Findings	*(7)*	*(11)*	*(4)*	*(4)*	*(26)*
TOTAL Unique Findings	65	65	13	15	158
COMPLETE	63	57	7	12	139
Passed / No Longer Required	2	3	6	3	14
TO BE TESTED	0	3	0	0	3
P&P DRAFT	0	0	0	0	0
IN PROGRESS	0	2	0	0	2
NOT STARTED	0	0	0	0	0
TOTAL Unresolved Unique Findings	0	5	0	0	5

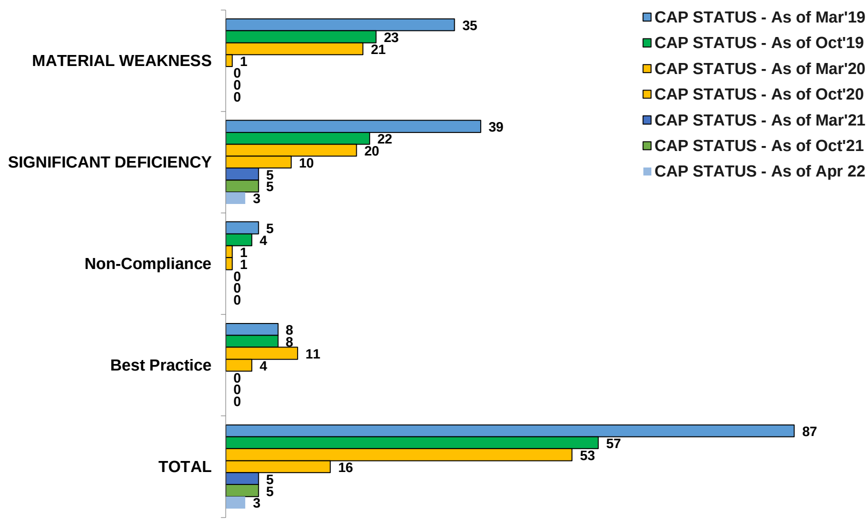
REMAINING AUDIT FINDINGS

The three (3) outstanding remaining findings:

- CDBG HUD Findings [Housing Department]
- Update to Indirect Cost Allocation Plan [Finance Department]
- Information Technology (IT) General Controls [IT Department]

HISTORY OF PROGRESS

COUNT OF UNRESOLVED* FINDINGS 2015-2021



*Includes all unique findings excluding "Complete" or "Passed/No Longer Required" status

PROGRESS CONTINUES

- New Controller started April 18, 2022
- All nine Internal Control Integrated Framework (ICIF) Policies adopted as of December 2021
- On-going Training
  - Staff
  - Finance and Governance Committee serving as audit committee
- ERP implementation project on-going
  - Numerous financial and process controls to be enhanced in conjunction with Munis implementation (go-live October 2022)

RECOMMENDATION

That Finance & Governance Committee receive the 2021 Single Audit Report from the audit firm Eadie + Payne, and update on the Corrective Action Plan (CAP) from staff, and give authorization to forward both presentations to City Council.

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.2

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Betsy George, Chief Financial Officer, (805) 200-5400, betsy.george@oxnard.org

SUBJECT: Annual Delegation of Investment Authority. (0/5/5)

RECOMMENDATION

That the Finance and Governance Committee recommend the City Council adopt a resolution delegating investment authority to the City Treasurer for FY 2022-23.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/cVxn06KIYfM

BACKGROUND

Government Code section 53607 authorizes the City Council to delegate its authority to invest or to reinvest City funds, or to sell or exchange securities so purchased, for a one-year period to the City Treasurer. The Council may also renew this delegation of authority each year. On September 15, 1992, the City Council adopted Resolution No. 10,455, delegating to the City Treasurer the authority to invest and to reinvest surplus City funds in short-term public investments and securities. The attached resolution renews the City Treasurer's investment authority pursuant to Resolution No. 10,455 and Government Code section 53607.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Betsy George, Chief Financial Officer

ATTACHMENTS

1. FY 22-23 Treasurer's Investment Authority Delegation
2. 5.24.22 FGC - FY 22-23 Annual Delegation of Investment Authority Presentation v.2

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD DELEGATING INVESTMENT AUTHORITY TO THE CITY TREASURER

WHEREAS, on September 15, 1992, the City Council adopted Resolution No. 10,455, delegating to the City Treasurer the authority to invest and reinvest City funds; and

WHEREAS, effective January 1, 1997, Government Code section 53607 was amended to provide the authority of the City Council to invest or to reinvest City funds, or to sell or exchange securities so purchased, may be delegated for a one-year period by the Council to the City Treasurer, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires; and

WHEREAS, it remains the intention of the City Council to delegate such authority to the City Treasurer.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to delegate to the City Treasurer the authority to invest and to reinvest City funds, and to sell and exchange securities so purchased, thereby reaffirming such delegation of authority contained in Resolution No. 10,455, for a one-year period.

PASSED AND ADOPTED this 7th day of June, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____
John C. Zaragoza, Mayor

ATTEST:

____
Rose Chaparro, City Clerk

APPROVED AS TO FORM:

____
Stephen M. Fischer, City Attorney

ANNUAL DELEGATION OF INVESTMENT AUTHORITY

Presentation to Finance & Governance Committee
Betsy George, Chief Financial Officer
May 24, 2022

CITY OF OXNARD CALIFORNIA

RECOMMENDATION

That the Finance and Governance Committee recommend the City Council adopt a resolution delegating investment authority to the City Treasurer for FY 2022-23.

INVESTMENT AUTHORIZATION RESOLUTION

3

- Gov. Code section 53607,stipulates that the City Council has may delegate for a one-year period to the City Treasurer the authority to invest or reinvest funds of a local agency; or to sell or exchange securities
- Resolution No. 10,455 (September 15, 1992) delegated to the City Treasurer the authority to invest and to reinvest surplus City funds in short-term public investments and securities
- The proposed resolution renews the investment authority to the City Treasurer pursuant to Resolution No. 10,455

RECOMMENDATION

4

That the Finance and Governance Committee recommend the City Council adopt a resolution delegating investment authority to the City Treasurer for FY 2022-23.

CITY OF OXNARD CALIFORNIA

QUESTIONS

5

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.3

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Ashley Golden, Assistant City Manager, (805) 385-7478, ashley.golden@oxnard.org

SUBJECT: Updates to Citizen Advisory Group (CAG) Bylaws and Efforts to Develop Effective and Efficient Processes for CAGs. (0/5/10)

RECOMMENDATION

That the Finance and Governance Committee:

1. Receive a report on proposed changes to the Citizen Advisory Group (CAG) Bylaws for the following CAGs: Community Relations Commission, Cultural Arts Commission, Commission on Homelessness, Library Board, Parks, Recreation and Community Services Commission, and the Senior Services Commission; and
2. Recommend that the City Council adopt a resolution:
    a. Establishing uniform CAG bylaws; and
    b. Repealing previous CAG bylaws.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/gWFsYRxiPY8

BACKGROUND

Article II Division 2 of the Oxnard City Code pertains to citizen advisory groups ("CAG"). A CAG is a Board, Commission or Committee that advises the City Council on various important city matters, performs certain delegated functions, and to which the City Council appoints interested volunteers. City Code Section 2-30 through 2-41 regulates: applications, meeting locations, notices/minutes, absences, removal of a member, coordination between the City Council and CAG, appointments, background checks, eligibility, rules of procedure, audio recordings, and designation of a secretary. On May 7, 2019, City Council approved an amendment to Article II Division 2 of the Oxnard City Code to update the resignation by absence section and established a district residency requirement for appointed Commissioners.

In 2019, the City Manager's Office began meeting with the CAG Chairs from the Community Relations Commission, Cultural Arts Commission, Commission on Homelessness, Parks, Recreation and Community Commission, and Senior Services Commission. The Library Board has been inactive since February 2019 and therefore an appointed representative was not available to participate; however, the Library Board liaison, a staff member, was informed of the meeting outcomes. The purpose of these meetings was to:

1) Develop effective and efficient processes to make volunteer time valuable; and

2) Create uniform Bylaws, Agendas, and Reports to Council.

In 2019 three meetings were held between city staff and the CAG Chairs to advance these efforts (July 18 , September 25, and December 19). These meetings focused on creating uniform bylaws to ensure clear direction, fairness, and ease of learning if CAG members move between CAGs. Prior to this effort, each CAG had their own bylaws, and in some cases those bylaws may have conflicted with the City Code. The City Attorney's office drafted bylaws that were presented to the CAG Chairs, who then provided recommendations for changes. The bylaws include: membership, officers/duties, meetings, absences, coordination with the City Council, rules of order, and amendments. Topics that are covered by both the City Code and the bylaws (ie. coordination with the Council) are consistent. The bylaws have an annual review built in so that any concerns throughout the next year can be addressed.

After the Chairs were supportive of the draft bylaws, each CAG Chair was directed to take the revised bylaws back to their respective CAG for review and approval. The bylaws were presented to each Commission in 2020 for review and approval. Each Commission discussed and approved the bylaws as a whole on the dates below:

- Parks, Recreation & Community Services Commission: January 22, 2020
- Commission on Homelessness: February 3, 2020
- Cultural Arts Commission: February 5, 2020
- Senior Services Commission: November 10, 2020
- Community Relations Commission: November 16, 2020

While the CAGs scheduled the bylaws before each Commission for their review and consideration, staff worked on a goal setting workshop and continued to work with the chairs on identifying accomplishments. On March 3, 2020, a goal-setting workshop was led by Senior Services Commission Chair, Alice Sweetland, and staff liaison, Renee Rakestraw. During this workshop, CAG Chairs reviewed the goal setting process and came out of the meeting with a better understanding of what types of goals are achievable and should be set for their respective CAG. Due to COVID-19, all CAG activities were halted and City efforts turned to responding to the pandemic.

DISCUSSION

The bylaws revisions include the following:

1. Replacing the word "appoint" with **elect** for the selection of the Chairperson and Vice-Chairperson;
2. Expanding special meeting circumstances to include the need to vote on an urgency item and for the purpose of having an annual retreat;
3. Requiring that an annual meeting must occur in January, and defining the requirements for canceling a scheduled meeting;
4. Replacing the word “committee” with **commission**;
5. Adding additional criteria to dissolve an ad hoc committee after its purpose is complete;
6. Modifying the requirements for calling a special meeting;
7. Expanding the time for a commissioner to notify staff of their absence to 60 minutes prior to the meeting; and
8. Updating the quorum requirement language to be consistent with the Oxnard City Code.

Since the initial discussion and approval of Bylaws in 2020, some of the CAGs have elected new Chairs. On March 14, 2022, the City Manager’s Office met with the current Chair of each CAG to review the approved bylaws before they were presented to Council. With the concurrence of the current CAG chairs, the version of the bylaws presented for approval in Attachment 1 is different from those that were approved by the CAGs in

2020. The bylaws in Attachment 1 have amended Article V, Section C to be consistent with Oxnard City Code Section 2-39 and state that “a majority of the commission positions filled at the time of the meeting shall constitute a quorum for the transaction of business.” The version approved by the CAGs in 2020 stated that “four members of the Commission shall constitute a quorum for the transaction of business.” CAG Chairs remained supportive of the proposed bylaws.

If adopted, the resolution repeals the current CAG bylaws for the Community Relations Commission, the Cultural Arts Commission, the Commission on Homelessness, the Senior Services Commission, the Library Board, and the Parks, Recreation and Community Services Commission.

Next Steps:
The City Manager's office will resume meetings with the CAG Chairs to unify the Commission agendas and reports, and improve the processes and training to provide for the effectiveness of the CAGs.

Staff will also work with CAG Liaisons and Chairs to provide support and assistance to ensure the discussion items during the meetings are focused and supportive of their powers and duties, which are defined by the City Code. The Powers and Duties outline the function of each CAG and will help guide the Chair and Liaison as they focus on goal setting and discussion items moving forward.

Powers and Duties of the CAGs:

- The Community Relations Commission analyzes, defines and investigates matters involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit.
- The Cultural Arts Commission advises on all matters related to cultural arts, including public art, in the City.
- The Commission on Homelessness advises regarding all matters pertaining to homelessness in the City.
- The Parks, Recreation and Community Services Commission is concerned with all matters pertaining to the parks, recreation and community services activities in the City.
- The Senior Services Commission analyzes, defines and investigates issues and the needs of senior citizens in the City.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Samantha Shapiro, Project Manager

ATTACHMENTS

1. Draft Resolution with Uniform CAG Bylaws
2. Updates to Citizen Advisory Group Bylaws and Efforts to Support Success of CAGs Presentation (1)

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD ESTABLISHING UNIFORM BYLAWS FOR VARIOUS CITIZEN ADVISORY GROUPS AND REPEALING EXISTING BYLAWS OF THOSE GROUPS

WHEREAS, the City Council has established Citizen Advisory Groups ("CAGs") that make recommendations to the City Council on matters within the subject matter jurisdiction of those CAGs; and

WHEREAS, each CAG has their own bylaws establishing powers and duties; and

WHEREAS, in 2019, City staff began meeting with the CAG Chairs from the Community Relations Commission, Cultural Arts Commission, Commission on Homelessness, Parks, Recreation and Community Commission, and Senior Services Commission to discuss amendments to their various bylaws; and

WHEREAS, three meetings were held in 2019 on July 18 (official kick off meeting with the CAG Chairs), September 17 (internal meeting with CAG staff liaisons), and December 19 to discuss changes to the CAG bylaws; and

WHEREAS, these meetings covered discussing uniform bylaws, Commission agendas, Commission goal setting, Commission reports to Council, the role of the CAGs and staff liaison, and resources available to the CAGs; and

WHEREAS, the goal of updating the bylaws was to provide uniformity across all CAGs to ensure clear direction, fairness, ease of learning if CAG members move between CAGs, and to address CAG officers and their duties, secretary and staff liaison duties, meetings and quorums, and absences; and

WHEREAS, the uniform bylaws were presented to the CAGs in 2020 for review and approval, and the CAGs discussed and approved the bylaws as a whole on the dates below:

- Community Relations Commission: November 16, 2020
- Cultural Arts Commission: February 5, 2020
- Commission on Homelessness: February 3, 2020
- Parks, Recreation & Community Services Commission: January 22, 2020
- Senior Services Commission: November 10, 2020; and

WHEREAS, the City Council wishes to adopt uniform CAG bylaws, and repeal existing bylaws of those CAGs.

NOW, THEREFORE, the City Council of the City of Oxnard resolves as follows:

Section 1. The uniform CAG bylaws, attached hereto as **Exhibit 1** and incorporated herein by reference, are adopted.

Section 2. Existing bylaws for the following CAGs are hereby repealed: Community Relations Commission, Cultural Arts Commission, Commission on Homelessness, Library Board, Parks, Recreation & Community Services Commission, and the Senior Services Commission

PASSED AND ADOPTED THIS ______ day of ________________, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____
John C. Zaragoza, Mayor

ATTEST:

____

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

____

Stephen M. Fischer, City Attorney

EXHIBIT 1

[On the Page to Follow]

EXHIBIT 1
Citizen Advisory Groups ("CAG") Bylaws

BYLAWS FOR CITIZEN ADVISORY GROUPS AS PROVIDED IN CHAPTER 2, ARTICLE II OF THE OXNARD CITY CODE

Article I
Application

The following bylaws shall apply to the following City of Oxnard Citizen Advisory Groups ("CAGs"): Senior Services Commission, Community Relations Commission, Library Board, Parks and Recreation and Community Services Commission, Commission on Homelessness, and Cultural Arts Commission.

Throughout these bylaws, "Commission" refers to each individual CAG.

Article II
Powers and Duties

The powers and duties, eligibility and qualifications of each Commission shall be established in the Oxnard City Code.

Article III
Membership

A. Each Commission shall consist of seven members appointed by the Mayor, with the approval of the City Council.

B. Each Commissioner shall successfully undergo the City's formal background check procedures prior to appointment to serve on a Commission.

C. The term of a member of a Commission shall be established in the Oxnard City Code.

D. In the event of a vacancy, the City Council shall appoint a replacement to complete the term of the member creating the vacancy.

Article IV
Officers

A. Each Commission shall elect a Chairperson and Vice-Chairperson (the "Officers").

B. At an annual meeting, scheduled in January of each year, the Officers shall be elected by a majority of the Commission members present. The Officers shall serve a one-year term.

C. The duties of the Officers shall be as follows:

1. Chairperson – (a) To preside at all meetings of the Commission; (b) To call special meetings with concurrence from the Staff Liaison; (c) Sign approved meeting minutes; and (d) Prepare, submit, and present an annual report of activities of the Commission to the City Council.
    i. Special Meetings shall be limited to the following circumstances:
        1. The regular meeting cannot be held that month because it lands on a holiday;
        2. The time or location of the meeting is different from its regular meeting time/location;
        3. The meeting must be rescheduled due to a lack of quorum;
        4. The Commission must vote on an urgency item. An urgency item is one in which the Commission's direction is vital to the City Council's decision, and the Commission cannot consider the item at a regularly scheduled Commission meeting, before the City Council considers the item, without violating the City's Sunshine Ordinance; or
        5. For the purpose of having an annual retreat.

2. Vice-Chairperson – To perform the duties of the Chairperson in the event of his/her absence, resignation or inability to perform the duties of office.

D. Secretary and Staff Liaison.

1. Each Commission shall have a secretary and a staff liaison. The Secretary and Staff Liaison may be the same person.

2. The Secretary shall have the following duties at all Commission meetings: (a) Attend; (b) Keep minutes; (c) Assist the Chairperson and Staff Liaison in

preparing agendas; (d) Prepare and distribute agendas and agenda packets; (e) Ensure agendas are prepared and noticed in accordance with the City's Sunshine Ordinance; (f) Ensure agendas are reviewed and approved by the City Attorney's Office prior to posting; (g) Maintain attendance records; and (h) Provide the City Clerk an attendance list within 24 hours of a Commission meeting.

3. The Liaison shall have the following duties: (a) Attend; (b) Prepare agendas in collaboration with the Chairperson; (c) Coordinate presentations on behalf of the Commission; and (d) Communicate the Commission's concerns to the City Manager or other staff when necessary.

Article V
Meetings/Quorum

A. The Commission shall conduct regular meetings once each month. The exact dates, time and location of the meetings shall be determined by a vote of the Commission at the annual meeting in January. The Staff Liaison may cancel a scheduled meeting, with concurrence from the Chairperson, if the Commission does not have any business to consider at that meeting.

B. Meetings shall be public and shall be conducted in a publicly owned building with adequate space for members of the public to attend the meetings.

C. A majority of the commission positions filled at the time of a meeting shall constitute a quorum for the transaction of business.

D. The Commission may establish Ad Hoc, but not Standing Committees. An Ad Hoc Committee is:
i. Comprised solely of members of the Commission; and
ii. Consists of less than a quorum of the Commission ; and
iii. Has a defined purpose and time frame to accomplish that purpose;
iv. Is dissolved after the purpose is complete; and
v.Is solely advisory.

E. A majority of the Commission or the Chairperson may call a Special Meeting with the concurrence of the Staff Liaison.

Article VI
Absences

A. If any member of the Commission has three or more consecutive unexcused absences, or is absent, excused or unexcused, for more than half of the meetings in a calendar year, the member shall be deemed to have resigned from the Commission.

B. If a commissioner is going be absent, the commissioner shall notify the Secretary no less than sixty minutes prior to the start time of a meeting. Failure to do so shall be deemed an unexcused absence.

C. An absence may be deemed excused for the following reasons: sickness/illness, an emergency beyond the commissioner's control, observance of a religious holiday or a medical appointment that cannot be rescheduled.

D. The Secretary shall notify the City Clerk in writing of any such consecutive absences. The member shall be deemed to have resigned from the Commission on the date that the City Clerk receives notice from the Secretary.

E. Should any member be absent without good cause for more than three consecutive meetings, the Secretary shall immediately inform the City Clerk of such fact. Effective on the date of receipt of such notice by the City Clerk, such member shall be deemed to have resigned from the Commission.

Article VII
Coordination with City Council

The Staff Liaison shall as soon as possible inform the City Council, through the City Manager, of recommendations made by the Commission. The Staff Liaison shall inform the Commission on the status of the recommendations as warranted.

Article VIII
Rules of Order

Rosenberg's Rules of order shall constitute the parliamentary authority for the meetings.

Article IX
Amendments

A. Once per year, each Commission shall review these bylaws, and make recommendations to their respective Chairpersons.

B. The Chairpersons of each Commission shall convene once per year with the City Clerk, City Manager and City Attorney to review and approve, if desired, the recommended changes to these bylaws.

C. The City Council shall approve amendments to these bylaws.

Article X
Effective Date

These bylaws shall go into effect upon approval by City Council.

Updates to Citizen Advisory Group (CAG) Bylaws and Efforts to Develop Effective and Efficient Processes for CAGs

Finance and Governance Committee

May 24, 2022

Samantha Shapiro, Project Manager

CITY OF OXNARD CALIFORNIA

RECOMMENDATION

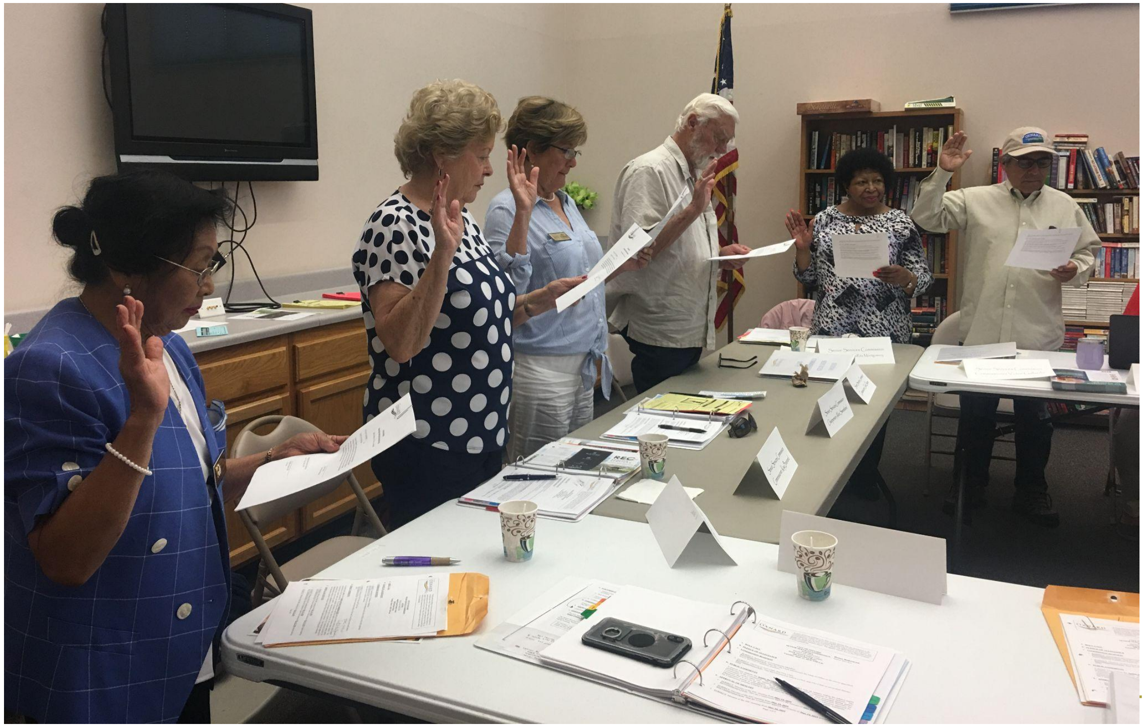
That the Finance and Governance Committee:

1. Receive a report on proposed changes to the Citizen Advisory Group (CAG) Bylaws for the following CAGs: Community Relations Commission, Cultural Arts Commission, Commission on Homelessness, Library Board, Parks, Recreation and Community Services Commission, and the Senior Services Commission; and
2. Recommend that the City Council adopt a resolution:
   a. Establishing uniform CAG bylaws; and
   b. Repealing previous CAG bylaws.

BACKGROUND

In 2019, the City Manager's Office began meeting with the CAG chairs with a purpose to:

1) Develop effective and efficient processes to make volunteer time valuable; and
2) Create uniform Bylaws, Agendas, and Reports to Council.



Senior Services Commissioners taking their oath of office

Each Commission approved the bylaws as a whole on the dates below:

- Senior Services Commission: November 10, 2020
- Community Relations Commission: November 16, 2020
- Commission on Homelessness: February 3, 2020
- Cultural Arts Commission: February 5, 2020
- Parks, Recreation & Community Services Commission: January 22, 2020

Residents participating in "Meet Up Clean Up", a program through Oxnard Recreation/Community Services

On March 3, 2020, Senior Services Commission Chair Alice Sweetland and Staff Liaison Renee Rakestraw led a goal-setting workshop. This provided CAG chairs with a better understanding of what types of goals are achievable and should be set for their respective CAG.

Community Relations Commission (2018)

The Bylaws revisions include:

- Expanding special meeting circumstances and requirements for calling a special meeting
- Requiring an annual meeting be held in January each year
- Dissolution of an ad hoc committee once its purpose is met
- Expanding time for a commissioner to notify staff of their absence
- Updating the quorum requirement language to be consistent with Oxnard City Code

On March 14, 2022, the City Manager's Office met with the current Chair of each CAG to review the proposed bylaws. The CAG Chairs remained supportive of the proposed bylaws.

City Manager's office will resume meetings with CAG Chairs to unify the Commission agendas and reports, and improve the processes and training to provide for the effectiveness of CAGs.

"Growth" by Mauricio Ramirez, located at 305 W. Third Street as part of the Downtown Mural Project through the Cultural Arts Division & Cultural Arts Commission

THE END

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.4

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Eden Alomeri, Billing and Licensing Director, (805) 385-7811, eden.alomeri@oxnard.org

SUBJECT: Agreement with Infosend, Inc. for Utility Bill and Business Tax Form Printing, Inserting and Mailing Services. (0/10/10)

RECOMMENDATION

That Finance and Governance Committee recommend that City Council approve and authorize the Mayor to execute a three-year agreement with Infosend, Inc. for utility bill and business tax form printing, inserting and mailing services in an amount not to exceed $996,534 to commence on July 1, 2022, through June 30, 2025.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/FfuM708sFKw

BACKGROUND

The Department of Billing and Licensing creates the charges for water, wastewater and solid waste services delivered to customers within the City and in selected surrounding areas. Utility bills are mailed daily Monday through Thursday to approximately 45,000 customers each month. The department also sends out notices of business tax renewals to approximately 12,000 individuals and establishments who conduct business or are based within the City. Approximately 1,000 business tax renewal forms and 1,000 business tax certificates are mailed out each month. Infosend, Inc. is currently performing the printing, inserting and mailing services for the City. The agreement with Infosend, Inc. expires on June 30, 2022.

DISCUSSION

On February 15, 2022, the Department of Billing and Licensing launched a request for proposals (RFP) for utility bill and business tax form printing and mailing services. Five respondents submitted their proposals, and each proposal was evaluated and rated based on price, performance, location, quality of work and experience. Based on this, staff recommends awarding the agreement to Infosend, Inc.

The lowest price was offered by Sebis Direct Inc. Sebis does not have a USPS detached mail unit inside its facility, so it will need to transport our bills to the nearest USPS office daily. The vendor is also located in Illinois. The combination of these two facts will make it such that the mailing of the bills will take between three to seven days to arrive at our customers' mailboxes. The second lowest proposal came from Infosend, Inc., which is located in Anaheim, California, and has a USPS Detached Mail Unit facility located inside its facility. Thus, it will only take two to three days for the bills to reach the customers. Staff believes this is a critical difference in services offered.

Second, the City has used Infosend for the past decade, and the various City departments who use the inserts as a way of disseminating information usually outsource the printing of inserts to local printers (e.g., Custom Printing in Oxnard). The local printers deliver the boxes of inserts in person to Infosend at no charge or ship the boxes to Anaheim. Shipping inserts to Illinois will incur the City more expense, though we do not know how this expense will compare with the difference of $2,000 per year between Sebis and Infosend.

Third, Sebis did not provide a response to some of the questions in our RFP, and its three references did not respond to our calls. In contrast, Infosend has been a business partner of the City since July 2012. They consistently provide high quality products and exceptional service using state-of-the-art equipment. Infosend specializes in supporting over 550 public agency clients nationwide. They distribute more than 240 million printed and electronic documents annually.

Finally, Infosend has been through over 100 successful Tyler implementations. Some of these conversions were with former Central Square clients who converted to the Tyler system. The City's Utility Billing and Business Licensing systems are scheduled to convert to Tyler system in the next few years, and having a vendor with this experience will be invaluable. For all the reasons stated above, staff recommends Council award the contract to Infosend.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

The total cost of the three-year agreement with Infosend, Inc. amounts to $996,534. The Fiscal Year 22-23 estimated cost of this agreement is $316,109. The Fiscal Year 22-23 recommended budget will include $19,144 from the General Fund ($7,394, account 101-1203-801-8209 and $11,750, account 101-1203-801-8101) and $296,965 from the proposed Utility Billing Fund ($58,865, account 725-1211-852-8216 and $238,100, account 725-1211-856-8101). Funding for the remaining contract amount in future years will be included in the recommended budgets of each fiscal year.

Prepared by: Armida Monares, Treasury Supervisor

ATTACHMENTS

1. A-8467 Infosend, Inc.
2. A-8467 Power Point Presentation 2022

AGREEMENT FOR TRADE SERVICES
COVER PAGE

(1) Agreement Start Date: July 1, 2022

(2) Vendor: Infosend, Inc.

(3) Services: Utility Bill and Business Tax form Printing, Inserting and Mailing Services

(4) Schedule of Services: Monday to Friday 8am – 5pm

- See Scope of Services Exhibit-A and Rate and Costs Exhibit-B, which is attached hereto and incorporated herein.

(5) Agreement Ending Date: June 30, 2025

(6) Total Agreement Amount: $ 996,534

(7) City's Project Manager: Armida Monares, Billing & Licensing Supervisor

(8) Vendor's Project Manager: Matt Schmidt, Chief Operating Officer

(9) Insurance Coverage: INS-A

(10) What wages are required for this Project?

☑ Living wage but not prevailing wages, in which case: Section 20(a) through (d) and the Living Wage Policy Exhibit are incorporated and are required; but Section 20(e) and the Prevailing Wage Exhibit are not incorporated and are not required.

☐ Prevailing wages but not living wage, in which case: Section 20(e) and the Prevailing Wages Exhibit are incorporated and are required; but Section 20(a) through (d) and the Living Wage Policy Exhibit are not incorporated and are not required.

☐ Both living wage and prevailing wages, in which case Section 20, the Living Wage Policy Exhibit, and the Prevailing Wages Exhibit are incorporated and required.

☐ Neither living wage nor prevailing wages, in which case Section 20, the Living Wage Policy Exhibit, and the Prevailing Wages Exhibit are <u>not</u> incorporated and are <u>not</u> required.

(11) Addresses for Notice:

FOR VENDOR: 4240 E La Palma Ave,
Anaheim, CA 92807
Attn: Russ Rezai, President

FOR CITY: 214 South C Street, Oxnard, CA 93030
Attn: Armida Monares, Billing & Licensing Supervisor

(12) Contact Emails:

Matt.s@infosend.com

armida.monares@oxnard.org

VENDOR'S PROJECT MANAGER:
Matt Schmidt, Chief Operating Officer

CITY'S PROJECT MANAGER:
Armida Monares, Billing & Licensing Supervisor

The Agreement for Trade Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

χ Scope of Services Exhibit
χ Rates and Costs Exhibit
χ Living Wage Policy Exhibit
χ Insurance Exhibit (INS-C)

AGREEMENT FOR TRADE SERVICES

THIS AGREEMENT FOR TRADE SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Vendor" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Vendor shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Vendor shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.

2. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.

3. Compensation. For the Services performed during the term of this Agreement, City shall pay Vendor an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in the Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in the Rates and Costs Exhibit shall be in effect through the end of this Agreement unless otherwise stated therein.

4. Invoices. Vendor shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement. Invoices may be emailed to: invoices@oxnard.org.

5. Most Favored Nation. Throughout the term of the Agreement, in the event Vendor provides the Services having terms more favorable than this Agreement to any person or entity other than City, Vendor shall notify City within 10 calendar days of signing the other contract, or if there is no other contract, of finalizing that deal or providing any services, whichever occurs first in time. In that notice, Vendor shall offer City to amend this Agreement to reflect such more favorable terms into this Agreement without any contingency to amend any other provision of this Agreement.

6. Acceptance of Payment. Vendor's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Vendor for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Vendor for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor and its employees, agents and subcontractors. Vendor shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Vendor or materials or products provided to City by Vendor, Vendor shall pay the sales tax. City shall not reimburse Vendor for sales taxes paid by Vendor.

7. Non-binding Terms. Any terms and conditions that are typed, printed, or otherwise included in any Vendor invoice rendered pursuant to this Agreement shall be deemed to be solely for the convenience of the parties. No such term or condition shall be binding upon City, and no action by City (including, without limitation, the payment of any such invoice in whole or in part) shall be construed as binding City with respect to any such term or condition, unless the specific term or condition has been previously agreed to by Vendor and City in this Agreement or in a binding amendment thereto.

8. Non-Appropriation of Funds. Payments to be made to Vendor by City for the Services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted and unencumbered appropriation of City. In the event City does not appropriate sufficient funds for payment of the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the

conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

9. Coordination of Services. The Services shall be coordinated with the person in the position listed in "(7) City's Project Manager" on the Cover Page, subject to the direction of the City Manager or Department Director. Vendor hereby designates the person in the position listed in "(8) Vendor's Project Manager" on the Cover Page as the person responsible for the Services who shall coordinate with City's Project Manager in making binding decisions in line with this Agreement on behalf of Vendor.

10. Personnel. Vendor represents that it has or shall secure at its own expense all personnel required to perform the Services. Vendor shall make reasonable efforts to maintain the continuity of Vendor's staff who are assigned to perform the Services. Vendor may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Vendor be responsible for its associates and subcontractors' labor, advice or materials provided in furtherance of providing the Services. Should any of Vendor's employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City's Project Manager, in the process of providing the Services or any portion thereof, the City's Project Manager may notify the Vendor's Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

11. Additional Work. City may request additional specified work under this Agreement. The City's Project Manager must authorize all such work in writing before commencement. Vendor shall perform such work, and City shall pay for such additional work, in accordance with the Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Vendor shall submit a quote for all additional work, which the City's Project Manager must approve in writing by before any such work may commence. The City shall compensate Vendor for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Vendor did not obtain the City's Project Manager's written approval before work commenced, as determined by the City's Project Manager in his or her sole discretion.

12. Advertising and Publicity. Vendor shall not use the name of or refer to City directly or indirectly in any advertisement, news release, or professional or trade publication without prior written approval from the City Manager. This Section shall survive the termination of this Agreement.

13. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials: used by Vendor in preparing its billings to City as a condition precedent to any payment to Vendor; or for other purposes relating to the Agreement. Vendor will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of $10,000, the State Auditor may examine and audit Vendor for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Vendor shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement or until an audit has been completed and accepted by City, whichever occurs later. Vendor shall maintain all such records in City or to promptly reimburse City for all reasonable costs incurred in conducting the audit at a location other than in City, including but not limited to expenses for personnel, salaries, private auditor, travel, lodging, meals and overhead. Vendor shall include a copy of this Section in all contracts with its subcontractors, and Vendor shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

14. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 calendar days' prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 15 calendar days from the date of the notice. Vendor may terminate this Agreement at any time, with or without cause and without penalty, upon 30 calendar days' prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 30 calendar days from the date of notice and only if all assignments accepted by Vendor have been completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Vendor, City shall pay Vendor compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Vendor receive an amount exceeding that which would have been paid to Vendor for

the full performance of the Services. If City pays for any materials, City shall be entitled to the title and possession of such.

15. Hold Harmless, Defense and Indemnity.

To the fullest extent permitted by law, Vendor shall immediately defend, indemnify, and hold harmless City, its legislative and advisory bodies, and the City's officials, directors, officers, employees, and agents (the "Indemnitees") from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with Vendor's performance of this Agreement or Vendor's failure to comply with any of its obligations contained in this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Vendor's obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section 15 are the result of the sole active negligence or sole willful misconduct of any of the Indemnitees.

a. The duty to defend is a separate and distinct obligation from Vendor's duty to indemnify. Vendor shall be obligated to defend in all legal, equitable, administrative, or special proceedings with counsel approved by the City Attorney immediately upon tender to Vendor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of negligence or willful misconduct by any of the Indemnitees shall not relieve Vendor from its separate and distinct obligation to defend the Indemnitees. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes the obligation to provide independent defense counsel if Vendor asserts that liability is caused in whole or in part by the negligence or willful misconduct of the Indemnitees. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of any of the Indemnitees, Vendor may submit a claim to City for reimbursement of reasonable attorneys' fees and defense costs.

b. The review, acceptance or approval of Vendor's work or work product by any of the Indemnitees shall not affect, relieve or reduce Vendor's indemnification or defense obligations. This Section 15 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 15 shall not be restricted by and do not affect the provisions of this Agreement relating to insurance.

16. Insurance. Vendor shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverages. Such insurance must be issued by a company satisfactory to the Risk Manager. Vendor shall, before performance of any Services pursuant to this Agreement, file with the Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Vendor is a material element of this Agreement. Vendor's failure to maintain or renew insurance coverages or to provide renewal evidence may be considered a material breach of this Agreement.

17. Documents and Materials.

a. All final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data, photographs, specifications, information, images, video files, media, or other deliverables prepared, created, drawn, calculated, photographed or developed by Vendor pursuant to this Agreement ("Documents and Materials") shall be the property without restriction or limitation upon its use, duplication or dissemination by the City. All Documents and Materials shall be considered "works made for hire," and all Documents and Materials and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of the City without restriction or limitation upon their use, duplication or dissemination by the City. Vendor shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Vendor hereby assigns to the City all ownership and any and all intellectual property rights to the Documents and Materials that are not otherwise vested in the City pursuant to this Section 17.

b. Vendor shall deliver all Documents and Materials to City's Project Manager upon completion of the Services or termination of this Agreement without additional cost or expense to the City. Additionally, anytime at City's request, City shall be entitled to possession of, and Vendor shall furnish to City's Project Manager within 10 calendar days, any or all of the Documents and Materials without additional cost or expense to the City. In both situations, if Vendor prepares Documents and Materials on a computer, Vendor shall provide City with said Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Vendor may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination these Documents and Materials for any purpose other than for the Services provided to the City pursuant to this Agreement.

c. Any substantive modification of the Documents and Materials by City staff or any use of the completed Documents and Materials for other City projects, or any use of uncompleted Documents and Materials, without the written consent of Vendor, shall be at City's sole risk and without liability or legal exposure to Vendor.

d. Vendor warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Documents and Materials, and that the City has full legal title to and the right to use, duplicate or disseminate the Documents and Materials. Vendor shall defend, indemnify and hold Indemnitees harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Documents and Materials is violating federal, state or local laws, any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Vendor shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Documents and Materials. In the event the use of any of the Documents and Materials by the City is held to constitute an infringement and the use of any of the same is enjoined, Vendor, at its own expense, shall: secure for City the right to continue using the Documents and Materials by suspension of any injunction, or by procuring a license or licenses for City; or modify the Documents and Materials so that they become non-infringing while remaining in compliance with the requirements of this Agreement.

e. This Section 17 shall survive the termination of this Agreement.

18. Confidentiality of Information.

a. For the purposes of this Agreement, "Confidential Information" means all information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Vendor or is developed by Vendor in whole or in part at the City's expense.

b. All Documents and Materials shall be considered Confidential Information and shall not be reproduced, transmitted, disclosed or used by the Vendor without the written consent of the City, except as may be necessary for Vendor to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Vendor at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Vendor, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Vendor and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Vendor shall immediately provide City with written notice and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

d. Vendor shall use reasonable care to protect the Confidential Information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Vendor. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages. The parties acknowledge that Confidential Information is valuable and unique and that disclosure of the Confidential Information in breach of this Agreement may result in irreparable injury to the City.

e. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any Confidential Information disclosed under this Agreement or for any business decisions made by Vendor in reliance on any Confidential Information disclosed under this Agreement.

f. This Section 18 shall survive the termination of this Agreement.

19. Independent Contractor. Vendor is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Vendor or any of its employees, except as stated in this Agreement. Vendor has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Vendor, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Vendor wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Vendor from rendering any services for Vendor's own account or to any other person or entity as Vendor in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Vendor shall perform for the City. Except as City's Project Manager specifies in writing, Vendor and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Vendor and its employees are not employees of City. Vendor and its employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, and health, life, dental, long-term disability and workers' compensation insurance benefits. Vendor shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Vendor agrees to pay all required taxes on amounts paid to Vendor under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Vendor shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Vendor's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Vendor under this Agreement any amount due to City from Vendor as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section.

20. Wages. If the first option is selected in response to (10) on the Cover Page and, thus, the payment of living wage is required, only this paragraph and subsections (a) through (d) of this Section 20 shall apply. If the second option is selected in response to (10) on the Cover Page and, thus, the payment of prevailing wages (and related Labor Code provisions) is required, only this paragraph and subsection (e) of this Section 20 shall apply. If the third option is selected in response to (10) on the Cover Page and, thus, both the payment of living wage and prevailing wages (and related Labor Code provisions) is required, this paragraph and subsections (a) through (e) shall apply, meaning Vendor shall compensate all of its employees providing services to City in accordance with both the City's Living Wage Policy and State-required prevailing wages. In the event of a conflict between the City's Living Wage Policy and State-required prevailing wages, the higher of the two shall prevail. If the fourth option is selected in response to (10) on the Cover Page and, thus, neither the payment of living wage nor prevailing wages (and related Labor Code provisions) is required, no part of this Section 20 shall apply.

If either the first or third option is selected in response to (10) on the Cover Page, Vendor shall compensate any employee of Vendor who provides Services to the City under this Agreement in accordance with the Living Wage Policy Exhibit, which is attached hereto and incorporated herein by this reference. While this Agreement is in effect, Vendor shall pay such employee no less than $16.89 per hour for each hour that such employee provides services under this Agreement. This hourly rate shall be adjusted on July 1, 2022, and each July 1 thereafter, according to the percentage change in the Consumer Price Index, all items, prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers (CPI-U), index base 1982-84=100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

a. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002, and effective October 1, 2002.

b. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

c. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of $500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

d. If either the second or third option is selected in response to (10) on the Cover Page, in accordance with Labor Code Section 1770 *et seq*., the Project is a "public work." The Vendor shall pay wages in accordance with the determination of the Director of the Department of Industrial Relations ("DIR") regarding the prevailing rate of per diem wages. Copies of those rates are on file with the Public Works Director and are available to any interested party upon request. The Vendor shall post a copy of the DIR's determination of the prevailing rate of per diem wages at the job site. The Vendor shall comply with all provisions of the Prevailing Wage Exhibit, which is attached hereto and incorporated herein by this reference.

21. Nondiscriminatory Employment. Vendor shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language, physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Vendor understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Vendor shall be responsible for such subcontractor's compliance with this Section.

22. Vendor's Representations. Vendor represents, covenants and guarantees that: a) Vendor is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent Vendor's full performance under this Agreement; c) to the extent required by the standard of practice, Vendor has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

23. Compliance with Laws. In performing the Services under this Agreement, Vendor shall comply with all applicable laws, ordinances and regulations. Before performing the Services under this Agreement, Vendor shall obtain all required licenses and permits, including a City business tax certificate.

24. Conflict of Interest. If, in performing the Services set forth in this Agreement, Vendor makes, or participates in, a "governmental decision" as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Vendor shall be subject to City's

conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Vendor's personnel providing the Services set forth in this Agreement. Furthermore, Vendor shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Vendor "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Vendor has been retained pursuant to this Agreement.

25. Fictitious Name. If Vendor has a fictitious name, Vendor shall submit to City a new Fictitious Business Name Statement approved by any California county before Vendor's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.

26. Non-Assignability. Vendor shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Vendor shall hold harmless, defend and indemnify Indemnitees regarding all Claims arising from or relating to any unauthorized assignment.

27. Protection of Services. Vendor shall continuously maintain adequate protection of all of Vendor's work from damage and shall protect the City's property from any and all injury or loss arising in connection with this Agreement. Vendor shall take all necessary precaution for the safety of employees on the job and shall comply with all applicable provisions of federal, State and municipal safety laws and building codes to prevent accidents or injury to persons on, about or adjacent to any premises where the Services are being performed.

28. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Vendor.

29. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.

30. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.

31. Force Majeure. Neither City nor Vendor shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.

32. Authority. Any person executing this Agreement on behalf of Vendor warrants and represents that s/he has the authority to execute this Agreement on behalf of Vendor and to bind it to the performance of these obligations.

33. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.

34. Cumulative Remedies. All rights and remedies of City herein shall be in addition to all other rights and remedies available at law or in equity, including, without limitation, specific performance for the enforcement of this Agreement, and temporary and permanent injunctive relief.

35. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Vendor regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.

36. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.

37. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Vendor constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Vendor, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

38. Attorneys' Fees. The prevailing party shall be entitled to recover reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney's Office) and expenses, including investigation fees and expert witness fees, in addition to any other relieve to which that party may be entitled, in any legal action or other proceeding, including an action for declaratory relief, for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement.

39. Notice. Except as otherwise required by law, a notice or communication authorized or required by this Agreement shall be in writing and shall be deemed received—on (a) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (b) on the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(11) Addresses for Notice" on the Cover Page or to such other address as one party may notify the other in writing.

40. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same agreement. A signed copy of this Agreement transmitted by email to either of City or Vendor's Project Managers' emails listed in "(12) Contact Emails" on the Cover Page or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

41. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as "(1) Agreement Start Date" on the Cover Page.

CITY OF OXNARD

______________________ ____________

☐ John C. Zaragoza, Mayor[1] Date
☐ Alexander Nguyen, City Manager
☐ Jennifer Yates, Purchasing Manager
☐ Patricia Garcia, Buyer

ATTEST:

______________________ ____________

Rose Chaparro, City Clerk Date
(only if Mayor signs)

APPROVED AS TO FORM:

______________________ ____________

Stephen M. Fischer, City Attorney (always required) Date

INFOSEND, INC

____________________________ ____________

Russ Rezai, President [2] Date

____________________________ ____________

Roxanna Weil, Secretary Date

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[1] The City Council must authorize and the Mayor must sign any agreement over $200,000 annually. The City Manager may authorize and sign any agreement over $100,000 but up to $200,000 annually. The Purchasing Manager may authorize and sign any agreement up to $100,000 annually. A Buyer may authorize and sign any agreement up to $25,000 annually.

[2] The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President <u>and</u> of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.

SCOPE OF SERVICES

EXHIBIT A

1. Vendor is a “Full Service" vendor capable of providing all services requested with no subcontracting of any portions of the projects, including presorting, artwork, programming, etc.
2. Vendor has a backup plan for disaster recovery and business continuity.
3. Vendors production facility, where forms will be printed and mailed, is located within the State of California.
4. Vendor is responsible for procuring and warehousing forms and envelopes in anticipation of printing needs at no cost.
5. Vendor will allow City representatives to view the production facility before selection of final vendor and/or during production of statements after the contract is awarded. This includes the possibility of a test run of a full file of bills with a City representative at the vendor’s production facility.
6. Vendor has the capability to allow search and view of sample statements before and after mailing.
7. All work shall be done at a location that provides security and supervision from start to finish, including a well-defined quality control assurance program.
8. Vendor has the ability to handle a high-volume production on a daily basis.
9. All functions must be handled start to finish on the same premise, including in house presorting.
10. Bill to the City will include at minimum the following information presented on a monthly invoice:

a. Detailed cost of print, fold, insert, meter, sort of regular bills.
b. Detailed cost of print, fold, insert, meter, sort of delinquent notices.
c. Detailed cost of print, fold, insert, meter, sort of final accounts: 1st notices.
d. Detailed cost of print, fold, insert, meter, sort of final accounts: 2nd notices.
e. Detailed cost of print, fold, insert, meter, sort of business tax certificate renewal notices.
f. Detailed cost of print, fold, insert, meter, sort of business tax certificate delinquent notices.
g. Detailed cost of print, fold, insert, meter, sort of business tax certificate final notices.
h. Detailed cost of print, fold, insert, meter, sort of business tax certificates.
i. Cost of house holding certain statements.
j. Detailed cost of print, fold, insert of additional materials handled such as inserts.
k. Postage
j. Other charges

PRINTING

1. Vendor is able to print same or better level of detail as current forms.
2. Vendor is able to print variable data in black, black plus one spot color, black plus multiple spot colors, or in full color (CMYK).
3. Vendor has ability to MICR/OCR laser print.
4. Vendor is capable of providing a graphical presentation of the water consumption data comparing usage for the last two 12-month periods.
5. Vendor is capable of printing standard 3 of 9 barcoding.
6. Vendor has multiple page and selective inserting capabilities (at least 5 inserts).
7. Vendor is able to laser image onto cut sheet paper.

8. Vendor is able to print in color advertisement on pre-designated area of the statement.
9. Vendor is able to print in color messages on pre-designated area of the statement.
10. Vendor is able to print on the back of utility bill the instructions on how to pay at 7-Eleven including the logos and barcode compatible with the 7-Eleven store system.
11. Imaging resolution used in printing is 600 DPI or better.
12. Vendor is able to preprint forms, envelopes, and fliers (if necessary).
13. Vendor is able to warehouse preprinted forms (if necessary) in climate controlled facility for use at specified time.

MAILING

1. Vendor is able to mail daily (4 days per week) runs of approximately 3,000 per day and twice this quantity two times per month.
2. Vendor is able to mail monthly runs of approximately 875 business tax certificates and 1,210 business tax certificate renewal notices.
3. Turnaround: vendor is able to guarantee next-day printing and delivery to bulk mail center if file is delivered and approved by 5 PM.
4. Vendor has capability to CASS/PAVE/NCOA certify mail piece to obtain the lowest possible postage rate.
5. Vendor will mail via presort First Class mail to maximize postal discount.
6. Vendor is able to sort to the carrier route level.
7. Vendor will use the USPS full service Intelligent Mail Barcode for all outgoing mail pieces. Vendor must pass on $0.003 discount per mail piece applied by the USPS for all full service IMB barcoded mail pieces.
8. Vendor will presort to conform to latest USPS notification.
9. Vendor will include zip+4 barcoding on all outgoing mail.
10. Vendor is able to provide proof of delivery to the USPS on an as requested basis.
11. Vendor will pre-pay for postage on agency's behalf and bill agency for actual postage used on a monthly basis.
12. There will be one utility bill, one return envelope and at least one insert (if any) per envelope.
13. There will be one business tax certificate renewal notice, one return envelope and at least one insert (if any) per envelope.
14. There will be one business tax certificate per envelope.
15. Multiple statements to the same owner and mailing address will be matched and hand inserted in the appropriate size envelope, metered first-class separately and delivered to the USPS at the same time as other bills are delivered.
16. City of Oxnard utility bills will be sorted separately and delivered via courier to the City designated person/location.
17. Certain business tax certificates (under a predefined code) will be sorted separately and delivered via e-mail in PDF format to the City-designated person/location.

INSERTING

1. Vendor is able to print inserts and meet the following requirements:
    a. Average Quantity: 40.000 Utility Bills and 2,085 Business Tax forms per month
    b. Frequency: Minimum of one insert per mail piece.
    c. Artwork: CRA
    d. Halftones: One per insert (optional)

    e. Fold: To fit #10 envelopes
    f. Pricing: Per thousand
2. Vendor is able to receive and accept for mailing drop-shipped inserts.
3. Vendor is able to accept inserts of different weight of paper, paper size and type of fold, etc.

TECHNOLOGY/HARDWARE

1. Vendor has ability to accept upgrades to current customer billing system
2. Vendor will provide a password secure/secure directory.
3. Vendor will provide one password per customer/vendor controlled-no unauthorized access.
4. Vendor will provide an emergency backup plan for production and has the ability to duplicate all machinery to avoid an out of service situation.
5. At a minimum, vendor is capable of accepting, receiving data during 24 hours in the following methods:
a. Electronic
b. CD and/or Flash Drive
c. Asynchronous transmission
6. Vendor has the capability to distinguish unique types of bills and business tax forms and use the appropriate color ink assigned to each type of forms:
Regular Bill
Regular Delinquent
1st Final Notice
2nd Final Notice
Business Tax Certificate Renewal Notices
Business Tax Certificate Delinquent Notices
Business Tax Certificate Final Notices
Business Tax Certificates
7. Vendor is able to perform Intelligent/Selective inserting based on unique type or other parameters provided in the data. Types might include but are not limited to the following examples:
    a. Cycle/Route
    b. Customer type (residential/commercial)
    c. Zip Code
    d. Business Classification Code
    e. Business Rate Code
8. Vendor has the ability to archive the data for viewing bills on-line or for use at a later time, if needed.

ADDITIONAL SERVICES

1. Vendor is capable of archiving bills for viewing and approval prior to sending file to production.
2. Vendor is capable of archiving bills for viewing bills on-line.
3. Vendor will serve as a resource expert regarding USPS postal regulations.
4. Vendor will serve as a resource for solution-based recommendations regarding technological change(s).
5. Vendor has scanner/imaging capability.

ARTWORK

All artwork, layouts, plates, negatives, proofs, and all data discs, i.e., CD, DVD, etc., will become property of the City of Oxnard.

Initial and Ongoing, Professional Services Fees		
One-Time Implementation Fee Includes all phases of the project prior to the production phase: initial programming, testing, and implementation.	$NO COST CURRENTLY IMPLEMENTED	One-Time Fee
Professional Services Charges For requested programming changes after initial implementation.	$160.00	Per Hour

Cost of Materials		
White Paper Stock Cost 8.5x11", white 24 pound paper stock. Vendor must be able to provide a micro-perforation on all 1-page statements and on the first page of each multiple page set. The additional pages of the multiple page sets must not have a perforation. The paper cost charged to City of Oxnard for all pages must be the same for simplicity sake.	$0.017	Per Sheet
Blank Outgoing Envelope Cost Double window #10 envelope with security tint. Double window #10 envelope with security tint (30% post-consumer recycled) Eco-envelope or reusable	 $0.022 $No Bid* $No Bid*	 Per Envelope Per Envelope Per Envelope
B1ank Return Envelope Cost Single window #9 envelope with security tint.	 $0.019 $No Bid*	 Per Envelope Per Envelope

Single window #9 envelope with security tint (30% post-consumer recycled)		
Flat Envelope Cost Applies only to multi-page bills that do not fit in the standard double window #10 envelope.	$0.171	Per Envelope

Service Fees		
Existing Format: Per Page Utiilify Bill and Delinquent Notice Service Fee (excluding materials) approx.50,000 per month Includes file transmission, data processing, duplex **black** plus **blue** printing of variable data, mail preparation (folding, inserting a 1-page bill and the return envelope into an outgoing envelope), and delivery to the USPS. Additional pages priced at the same service fee. Vendors must price this option out.	Print Services $0.054 Data Processing $0.01	Per Page Per Record
Alternate Utility Bill and Delinquent Notice Format A: Same as existing format, except: Duplex **black plus two spot colors of agency's choosing.** Vendors can optionally quote this alternative format to give agency the ability to highlight key data in colors other than black. The additional colors that will be used will be setup during implementation and stay constant until agency requests a change. If you cannot provide this format type "Not Available" in the price area.	Print Services $0.054 Data Processing $0.01	Per Page Per Record
Alternate Utility Bill and Delinquent Notice Format B: same as existing format, except: Duplex **full color (CMYK)** printing of variable data. Vendors can optionally quote this alternative format to give agency the ability to create a fully dynamic bill design that can support multiple colors and the dynamic printing of logos and photos in full color. If you cannot provide this format type "Not Available" in the price area.	Print Services $0.064 Data Processing $0.01	Per Page Per Record
Handwork Fee For householding when there are too many pages to be inserted by machine. For example, if multiple bills are grouped together into one envelope or box to reduce the average per page postage amount. These high page count sets can either be inserted into a #10 envelope, flat 9x12" envelope or a box.	$0.40 $0.17	Per#10 Package Per Flat Envelope or Box
Optional Marketing Insert Fee Charge for inserting client-provided marketing insert. For example: Newsletter.	$0.01	Per Additional Insert

Optional Move Update Service Fees NCOALink or ACS service.	$0.35	Per Reported Change
Optional Archive Fee Images must be stored in PDF format for 24 months.	$0.018	Per Archived PDF

U. Project Cost: Data Processing, Printing, and Mailing for Business Tax Forms

Initial and Ongoing Professional Services Fees		
One-Time Implementation Fee Includes all phases of the project prior to the production phase: initial programming, testing, and implementation.	$NO COST CURRENTLY IMPLEMENTED	One-Time Fee
Professional Services Charges For requested programming changes after initial implementation.	$160.00	Per Hour

Cost of Materials		
White Paper Stock Cost 8.5x11", white 24 pound paper stock, no perforation. The paper cost charged to the City of Oxnard for all pages must be the same for simplicity sake.	$0.017	Per Sheet
Business License #10 Custom Envelope Single Window Outgoing - Est volume 875/month. These envelopes include City Logo on upper left hand corner with a clear film. Single window #10 envelope with a clear film. Single window #10 envelope with a clear film (30% post-consumer recycled) Eco-envelope or reusable	$0.050 $No Bid* $No Bid*	Per Envelope Per Envelope Per Envelope
Business License Alternate #10 Custom Envelope Single Window Outgoing- Est Volume 1,210/month. "Business Tax Certificate Renewal Enclosed - Open Immediately" printed on front of #10 envelope. These envelopes include City Logo on upper left hand corner with a clear film. Single window #1O envelope with a clear film. Single window #10 envelope with a clear film (30% post-consumer recycled) Eco-envelope or reusable	$0.05 $No Bid* $No Bid*	Per Envelope Per Envelope Per Envelope
Business License #9 Custom Courtesy Reply Envelope - Est Volume 1,210/month These envelopes include City Logo on the upper left hand corner with the City's return address.	$0.047	Per Envelope

#9 envelope (30% post-consumer recycled)	$No Bid*	Per Envelope
Flat Envelope Cost Applies only to multi-page bills that do not fit in the standard double window #10 envelope.	$0.17	Per Envelope

Service Fees		
Business Tax Certificate - Est Volume 875/month Price includes black ink and blue simplex printing from Postscript file	Print Services $0.100 Data Processing $0.01	PerPage Per Record
Business Tax Certificate Renewal Notices - Est Volume 860/month & **Business Tax Certificate Delinquent Notices - Est Volume 225/month** Price includes black ink duplex printing from a **Postscript** file. Mail pieces normally have 2 pages. Price is per page	Print Services $0.100 Data Processing $0.01	Per Page Per Record
Business Tax Certificate Final Notices - Est Volume 125/month Price includes black ink simplex printing from a **Postscript** file	Print Services $0.100 Data Processing $0.01	Per Page Per Record
Handwork Fee For householding when there are too many pages to be inserted by machine. For example, if multiple forms are grouped together into one envelope or box to reduce the average per page postage amount. These high page count sets can be inserted into a #10 envelope or flat 9x12" envelope.	$0.373 $0.17	Per #10 Package Per Flat Envelope
Optional Marketing Insert Fee Charge for inserting client-provided marketing insert. For example: Newsletter.	$0.01	Per Additional Insert
Optional Move Update Service Fees NCOALink or ACS service.	$0.35	Per Reported Change

***No Bid on recycled & reusable envelopes at this time due to current unreliable sourcing.**

EBPP Item or Function	east	Description/ Explanation
Set Up & Implementation: EBPP portal and payment configuration	$0.00 Waived	
Option One: Price to Load all AGENCY bills into system and store for 24 months	$0.02	All documents
Price charged per enrolled customer per month	$0.05	Per enrolled user
Price charged to send bill to AGENCY customer via email	$0.00 - Included	
Price per payment initiated via the EBPP system	$0.28	CC/ACH. Interchange additional at pass-through cost.
Monthly Maintenance/Support Costs	$299.00	EBPP only
Programming charges per hour	$160.00	After go-live
Please see detailed EBPP pricing options on the following page		

InfoSend Electronic Payments and Presentment Pricing

convenience fee pricing or hybrid (ACH free to pay, CC with convenience fee) for the City u

Multi-Channel Payments	
Bank Account (ACH)	**$0.28 per payment**
Credit Card (CC) Interchange: Pass-through	**$0.28 per payment**

Above fees cover payment initiation through all channels hosted by InfoSend.
All Payment Processing fees will be assessed by a registered ISO of TSYS and included in a merchant statement. All pricing is based on "Client Volume Assumptions" listed and excludes applicable sales tax.

Online BillPay Platform	
Online BillPay Setup Fee	WAIVED ($4995.00 value)
Monthly Maintenance	$299.00
Per eBill Loaded	$0.02
Per Enrolled Customer Fee	$0.05

IVR Platform (Optional)	
IVR Setup Fee	WAIVED ($1995.00 value)
Second Language Recording Setup Fee (Optional)	$550.00
Monthly Maintenance	$199.00
IVR Per Call Fee	$0.23

SMS Platform (Optional)	
SMS Setup Fee	WAIVED ($995.00 value)
Monthly Maintenance	WAIVED
SMS Per Text Fee	$0.03

Misc. Payment Fees	
ACH Return Fee	$3.50
Chargeback Fee	$20.00
In-Person Virtual Terminal Payments	Included (Must purchase device separately)

Online Banking Payment Consolidation (Optional)	
Setup Fee	WAIVED ($995.00 value)
Per Bank Payment Fee	$0.13
Per Rejected Payment Fee	$0.07
Per Reversal (Optional)	$3.00

Outbound Notifications (Optional)	
Setup Fee	WAIVED ($995.00 value)
Monthly Minimum (for 3000 IVR Minutes and SMS Messages)	$99.00
Per IVR Minute after Minimum	$0.10
Per SMS after Minimum	$0.10

INSURANCE EXHIBIT – EXHIBIT C

Evidence of Insurance

Client#: 581763 INFOSENDI

ACORD **CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY): 2/02/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Marsh & McLennan Agency LLC
Marsh & McLennan Ins. Agency LLC
1 Polaris Way #300
Aliso Viejo, CA 92656

CONTACT NAME: Rocio Gutierrez
PHONE (A/C, No, Ext): 949 900-1780 FAX (A/C, No):
E-MAIL ADDRESS: rocio.gutierrez@marshmma.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Federal Insurance Company	20281
INSURER B: CompWest Insurance Company	12177
INSURER C: Underwriters at Lloyd's London	555555
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
InfoSend, Inc.
4240 E La Palma Avenue
Anaheim, CA 92807

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY; CLAIMS-MADE; X OCCUR; GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY; PRO-JECT; LOC; OTHER			36031149	02/01/2022	02/01/2023	EACH OCCURRENCE	$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
							MED EXP (Any one person)	$10,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
							PRODUCTS - COMP/OP AGG	$2,000,000
								$
A	AUTOMOBILE LIABILITY; X ANY AUTO; OWNED AUTOS ONLY; SCHEDULED AUTOS; X HIRED AUTOS ONLY; X NON-OWNED AUTOS ONLY			73587120	02/01/2022	02/01/2023	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB; X OCCUR; EXCESS LIAB; CLAIMS-MADE; DED; RETENTION $			79896856	02/01/2022	02/01/2023	EACH OCCURRENCE	$5,000,000
							AGGREGATE	$5,000,000
								$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N; ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y (Mandatory in NH); If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WCV5504862* WCV6217250** *CA/OR/AZ/GA **FL/TX/IL	02/01/2022 02/01/2022	02/01/2023 02/01/2023	X PER STATUTE; OTH-ER	
							E.L. EACH ACCIDENT	$1,000,000
							E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
C	*Prof Liab /Cyber			TRICE01743	02/01/2022	02/01/2023	$5,000,000 Agg. /Claim	
C	*Retro 12/01/06						$100,000 Retention	
A	Crime			68054862	02/01/2022	02/01/2023	$300,000 /$5,000 Ret.	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Oxnard, its City Council, officers, employees and volunteers as additional insureds with regards to General Liability and Auto Liability per attached endorsement. Primary and Non-Contributory Wording applies per attached endorsement. Waiver of Subrogation applies to Workers Compensation per attached endorsement in favor of City of Oxnard,its City Council, officers, employees, agents and volunteers per attached endorsement.

CERTIFICATE HOLDER
City of Oxnard Insurance
Compliance
PO Box 100085 - OX
Duluth, GA 30096-0000

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03) 1 of 1 The ACORD name and logo are registered marks of ACORD
#S9285747/M9285467 WORQG

LIVING WAGE POLICY EXHIBIT

The Living Wage Policy of the City of Oxnard is hereby adopted by the City Council on July 9, 2002 to be effective October 1, 2002.

1. Pursuant to this Living Wage Policy, Vendor shall pay those employees who provide services to the City under contract:

(a) Effective October 1, 2002, at least $9.00 an hour for the time during which the employee is providing services to the City;

(b) Effective July 1, 2003, at least $9.25 an hour for the time during which the employee is providing services to the City and 32 hours of paid leave per every calendar year in which an employee provides services to the City;

(c) Effective July 1, 2004, at least $10.59 an hour for the time during which the employee is providing services to the City and 64 hours of paid leave per every calendar year in which an employee provides services to the City; and

(d) Effective July 1, 2005, at least $12.22 an hour for the time during which the employee is providing services to the City and 96 hours of paid leave per every calendar year in which an employee provides services to the City.

2. The hourly rates established in Section 1 shall be adjusted July 1, 2006 and, each July 1 thereafter, according to the percentage change since July 1, 2005 in the Consumer Price Index prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers.

3. A service contractor executing a service contract with the City for which the City will pay the contractor $25,000 or more during the contract term shall be subject to the Living Wage Policy.

4. A service contractor executing more than one service contract with the City, and the combined monetary total of the payments by the City pursuant to such contracts is $25,000 or more for the combined contract terms shall be subject to the Living Wage Policy.

5. This Living Wage Policy shall not govern the following types of contracts for: (a) the purchase, rental or lease of goods, products, equipment, supplies or other personal property; (b) public works projects as defined in State or local law; and (c) professional services.

6. This Living Wage Policy shall not govern the following service contractors: (a) nonprofit entities organized under IRS Code section 501(c)(3); (b) public entities such as cities, counties, special districts, states and the federal government; and (c) businesses employing fewer than five persons.

7. The City Attorney is directed to include in all standard trade services contracts and all contracts involving unique trade services, the language set forth in **Exhibit 1** attached hereto and incorporated herein by this reference.

8. If Vendor fails to comply with this Living Wage Policy, the City Manager is directed to terminate the subject service contract immediately and to impose appropriate fines and penalties as set forth in the service contract.

9. The City Manager and the City Attorney are responsible for the administration and enforcement, respectively, of the Living Wage Policy. If an employee of a service contractor governed by the Living Wage Policy concludes that he/she has been retaliated against for the exercise of rights under the Living Wage Policy, the employee should contact the City Manager at 385-7430.

10. The City Manager shall reasonably cooperate with representatives of the Ventura County Living Wage Coalition to ensure the effective administration and enforcement of the Living Wage Policy.

11. This Living Wage Policy may be changed only by City Council and only after a duly noticed public hearing.

12. The City Manager is directed to ensure that the City Council will review the Living Wage Policy as part of the FY 2003-2004/05 budget process.

Exhibit 1

Living Wage Policy

Pursuant to the Living Wage Policy adopted July 9, 2002 by the City Council and effective October 1, 2002, the City Manager and City Attorney are directed to include the following language in all standard trade services contracts and all unique trade services contracts governed by the Living Wage Policy.

A. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as the Living Wage Policy Exhibit. While this Agreement is in effect, Vendor shall pay such employee no less than $16.89 per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

B. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by City Council on July 9, 2002 and effective October 1, 2002.

C. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

D. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of $500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

CITY OF OXNARD LIVING WAGE REQUIREMENTS
EFFECTIVE JULY 1, 2021

42. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit 1. While this Agreement is in effect, Vendor shall pay such employee no less than **$16.89 per hour** for each hour that such employee provides services under this Agreement. **This hourly rate shall be adjusted on July 1, 2022, and each July 1 thereafter, according to the percentage change in the Consumer Price Index**, all items, prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers (CPI-U), index base 1982-84=100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

a. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002 and effective October 1, 2002.

b. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

c. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of $500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

d. The foregoing requirements are restated on page 5 of the Agreement for Trade Services.

AGREEMENT WITH INFOSEND, INC. FOR UTILITY BILL AND BUSINESS TAX FORM PRINTING, INSERTING AND MAILING SERVICES

Finance and Governance Committee

Armida Monares, Billing and Licensing Supervisor
May 24, 2022

CITY OF OXNARD CALIFORNIA

RECOMMENDATION

That Finance and Governance Committee recommend that City Council approve and authorize the Mayor to execute a three-year agreement with Infosend, Inc. for utility bill and business tax form printing, inserting and mailing services in an amount not to exceed $996,534 to commence on July 1, 2022, through June 30, 2025.

BACKGROUND

- Dept. of Billing and Licensing mails monthly:
  - 45,000 utility bills
  - 1,000 business tax renewals
  - 1,000 business tax certificates

Current agreement expires on June 30, 2022

DISCUSSION

- Feb. 15, 2022 – RFP was launched
- 5 respondents
- Lowest bid – Sebis Direct, Inc.
- Second lowest bid – Infosend, Inc

COMPARISON

	SEBIS DIRECT, INC.	INFOSEND, INC.
USPS Detached Mail Unit	None	Inside the facility
Location	Bedford, IL	Anaheim, CA
Mail Delivery	3-7 days	2-3 days
Partnership with Oxnard	None	Doing business with City for 10 years
Delivery of Inserts	Ship to IL will incur shipping cost	Ship to Anaheim for free
Response to RFP	Incomplete	Complete
Quality of service	Unknown	Consitently providing exceptional service to Oxnard
Clientele	250 in healthcare,utility,insurance, etc.	550 public agencies nationwide
No. of employees	56	170
Tyler Implementation	Unknown	Over 100 successful implementation
Cost	$2,000 cheaper per year	

FINANCIAL IMPACT

- FY 22-23 $316,109
- FY 23-24 $331,915
- FY 24-25 $348,510

- TOTAL $996,534

Distribution:

- Fund 101: $ 60,352
- Fund 725: $936,182

RECOMMENDATION

That Finance and Governance Committee recommend that City Council approve and authorize the Mayor to execute a three-year agreement with Infosend, Inc. for utility bill and business tax form printing, inserting and mailing services in an amount not to exceed $996,534 to commence on July 1, 2022, through June 30, 2025.

CITY OF OXNARD CALIFORNIA

QUESTIONS

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.5

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Betsy George, Chief Financial Officer, (805) 200-5400, betsy.george@oxnard.org

SUBJECT: Increase of $100,000 to the Not to Exceed (NTE) Amount for Amazon Business. (0/5/5)

RECOMMENDATION

The Finance and Governance Committee recommend that City Council ratify the City's not to exceed limit for Amazon Business by adding $100,000 (for a new total of $300,000) for the continued purchase of products through June 30, 2022.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/5dIaxKbax7o

BACKGROUND

Cooperative agreements are a tool the City of Oxnard utilizes, as do many other public agencies in California, in order to satisfy the competitive requirements in public procurement. These agreements have been bid and awarded in accordance with local, state and, in many instances, federal laws that govern public procurement, and now other public agencies like the City are invited to utilize the terms and conditions of purchase. On January 29, 2017, the City, through a cooperative agreement with OMINA Partners (formerly US Communities, National IPA), entered into a contract with Amazon Business (Amazon) titled “Online Marketplace for the Purchase of Products and Services.”

DISCUSSION

The City has one Amazon Business account with 116 users. Maintaining one main account with Amazon helps the City of Oxnard:

- Have access to over ten million more products with special business pricing
- Simplify procurement and obtain needed goods faster with no shipping charges
- Manage budgets, set spending limits, and set workflow approvals prior to placing orders
- Make use of a new Amazon Business feature to drive purchases to local vendors, minority, veteran, women-owned businesses, etc. and report on this spend

As of May 10, 2022, the City has spent $252,048 this fiscal year. The not to exceed (NTE) limit for this fiscal year was $200,000, so staff is requesting ratification to expand the NTE limit for FY21-22 to $300,000. Doing so would cover the overage and allow staff to procure a few final items this fiscal year.

Though the overage of spending in part due to COVID-19 related expenses on cleaning and safety supplies in addition to social distancing supplies to allow staff to hold meetings virtually, staff should have been monitoring the Amazon Business purchases and come to Council for a higher NTE amount before we exceeded our limit. Going forward, Purchasing staff will more closely monitor such citywide contracts such that we proactively come to Council before a NTE limit is reached. The new Tyler Munis ERP system will allow us to run better reports to keep track of this. The new ERP will also not allow an invoice to be paid on a contract beyond the NTE limit. Finally, Purchasing will reach out to the top spenders on the Amazon account to see if any of their purchases can be acquired through existing or new City contracts.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There are sufficient appropriations in each department's FY 2021-22 approved budget.

Prepared by: Jennifer Yates, Purchasing Manager

ATTACHMENTS

1. Finance and Governance Committee- 5-24-22, Item D.5

Increase of $100,000 to the Not to Exceed (NTE) Amount for Amazon Business

Finance and Governance Committee

Jennifer Yates, Purchasing Manager
May 24, 2022

CITY OF OXNARD CALIFORNIA

RECOMMENDATION

The Finance and Governance Committee recommend that City Council ratify the City's not to exceed limit for Amazon Business by adding $100,000 (for a new total of $300,000) for the continued purchase of products through June 30, 2022.

BACKGROUND

- Cooperative agreements are tools the City of Oxnard utilizes, as do many other public agencies in order to satisfy the competitive requirements in public procurement.

- January 29, 2017, the City of Oxnard, through a cooperative agreement with OMINA Partners entered into a contract with Amazon Business (Amazon) titled "Online Marketplace for the Purchase of Products and Services."

DISCUSSION

- The City has Amazon Business account with 116 users.

- Maintaining one account helps the City of Oxnard:
  - Have access to over ten million more products with special business pricing.
  - Simplify procurement and obtain needed goods faster with no shipping charges.
  - Manage budgets, set spending limits, set workflow approval prior to placing orders.
  - Make use of a new Amazon Business feature to drive purchases to local vendors, minority, veteran, women owned businesses, etc. and report on this spend.

DISCUSSION CONTINUED

- As of May 10, 2022 the City has spent $252,048 this fiscal year with Amazon Business.

- The not to exceed (NTE) limit for this fiscal year was $200,000, so staff is requesting ratification to expand the NTE for FY21-22 to $300,000.

- Though the overage of spending in part due to COVID-19 related expenses on cleaning and safety supplies in addition to social distancing supplies, staff should have been monitoring the Amazon Business purchases and come to Council for a higher NTE amount before we exceeded our limit.

DISCUSSION

- Going forward, Purchasing staff will more closely monitor such citywide contracts such that we proactively come to Council before a NTE limit is reached.
- The new Tyler Munis ERP system will allow us to run better reports to keep track of the NTE limit.
- The new ERP will also not allow an invoice to be paid on a contract beyond the NTE limit.
- Finally, Purchasing will reach out to the top spenders on the Amazon account to see if any of their purchases can be acquired through existing or new City contracts.

RECOMMENDATION

That the Finance and Governance Committee recommend City Council approve a not to exceed amount of $300,000 to Amazon Business for the continued purchase of the online marketplace for the purchase of products through June 30, 2022.

CITY OF OXNARD CALIFORNIA

Questions

CITY OF OXNARD CALIFORNIA	**FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT** **REPORTS AGENDA ITEM NO. D.6**

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: Housing Authority Low Rent Public Housing and Housing Choice Voucher Program Budgets for Fiscal Year 2022-23. (0/5/5)

RECOMMENDATION

That the Finance and Governance Committee recommend that the Board of Commissioners of the Housing Authority of the City of Oxnard:

1. Adopt a resolution approving the recommended $6,872,555 operating budget for the Low Rent Public Housing Program for Fiscal Year 22-23, as presented for each project area, and approve and authorize the use of $575,652 of unrestricted cash to fund the projected deficit; and

2. Adopt a resolution approving the recommended $25,112,313 operating budget for the Housing Choice Voucher Program for Fiscal Year 22-23 and approve and authorize the use of $285,349 of unrestricted cash to fund the projected deficit.

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/17Whjhw7cc8

BACKGROUND

The Department of Housing and Urban Development requires that project-based budgets be approved by the Board prior to the start of the fiscal year. The Low Rent Public Housing Program project-based budget pertains exclusively to the 520 public housing units that are owned and operated by the Housing Authority of the City of Oxnard. The recommended operating budget for all public housing projects is $6,872,555. Of this amount, $1,240,124 consists of indirect administrative costs which HUD categorizes as the Central Office Cost Center. The operating budgets, if adopted as recommended, would result in a deficit of $256,503 for the Central Office Cost Center, and the combined project sites have a deficit of $319,149 totaling $575,652.

The Low Rent Public Housing Program is funded primarily with two sources of income: tenant rental income and operating subsidy HUD. The amount of operating subsidy received is based upon a HUD determined formula, which considers the estimated costs to run each Public Housing development and reduces that by the amount of tenant rental income received by each development. The Central Office Cost Center operates on HUD's determined fee revenue generated from public housing including a management fee, a bookkeeping fee, and an asset management fee.

The Housing Choice Voucher budget pertains exclusively to the 1,890 Housing Choice Vouchers administered by the Housing Authority of the City of Oxnard. The recommended operating budget of $25,112,313 consists of two parts including the housing assistance payments to property owners to subsidize rent and the administrative fees used to operate the administration of the Housing Choice Voucher program. The housing assistance payment portion of the program is anticipated to be approximately $22,313,056 for rental subsidies passed directly through the Housing Authority of the City of Oxnard from HUD to the private landlords in the community. The administrative operations are estimated to be $2,799,257 which will result in a deficit of $285,349.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

As of April 30, 2022, the Housing Authority of the City of Oxnard’s Central Office Cost Center Unrestricted Cash and Investments are approximately $1,200,000 or 97% of annual indirect administrative operating costs. It is anticipated that the Housing Authority of the City of Oxnard will require the use of approximately $256,503 in Central Office Cost Center cash reserves in Fiscal Year 22-23. This will leave a balance of $943,497 in the Central Office Cost Center Unrestricted Cash and Investments funds. This amount represents 76% of the Public Housing Program’s annual operating indirect administrative costs.

As of April 30, 2022, the public housing projects had in excess of $9 million in Unrestricted Cash and Investments. It is anticipated that the public housing projects will require the use of $319,149 of cash reserves. These funds are restricted in the sense that they cannot be used to fund deficits of the Central Office Cost Center, nor can they be used to fund the Housing Choice Voucher program’s deficit.

As of April 30, 2022, the Housing Choice Voucher Program’s Unrestricted Cash and Investments are $1,500,000 or 56% of annual operating costs. It is anticipated that the Oxnard Housing Authority will require the use of approximately $285,349 of these funds in Fiscal Year 22-23. This will leave a balance of $1,214,651 which represents 43% of the annual operating costs.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

1. Low Rent Public Housing Budget
2. Low Rent Public Housing FY 2023 Budget Resolution (1) (2)
3. Section 8 Housing Choice Voucher Budget
4. Section 8 FY 2023 Budget Resolution (2)
5. HUD Form 52574
6. OHA FY 2022-23 Budget Presentation

OXNARD HOUSING AUTHORITY

LOW RENT PUBLIC HOUSING

Proposed FY 2023 Budget

	311	312	313	314	315	317	318	cocc	Total
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Revenue & Expenses									
INCOME									
TENANT INCOME									
Rental Income									
Tenant Rent	0.00	1,201,320.00	818,508.00	963,624.00	208,008.00	1,127,288.00	414,432.00	0.00	4,733,180.00
Total Rental Income	0.00	1,201,320.00	818,508.00	963,624.00	208,008.00	1,127,288.00	414,432.00	0.00	4,733,180.00
Other Tenant Income									
Laundry and Vending	0.00	0.00	0.00	0.00	1,747.00	0.00	5,870.00	0.00	7,617.00
Maintenance Charge	0.00	1,442.00	298.00	4,547.00	629.00	1,872.00	2,351.00	0.00	11,139.00
Cable Charges	0.00	13,356.00	9,349.00	13,356.00	6,678.00	13,356.00	13,356.00	0.00	69,451.00
Total Other Tenant Income	0.00	14,798.00	9,647.00	17,903.00	9,054.00	15,228.00	21,577.00	0.00	88,207.00
NET TENANT INCOME	0.00	1,216,118.00	828,155.00	981,527.00	217,062.00	1,142,516.00	436,009.00	0.00	4,821,387.00
GRANT INCOME									
HUD PHA Operating Grants/Subsidy	2,120.00	1,471.00	1,030.00	1,472.00	160,175.00	1,473.00	256,248.00	0.00	423,989.00
TOTAL GRANT INCOME	2,120.00	1,471.00	1,030.00	1,472.00	160,175.00	1,473.00	256,248.00	0.00	423,989.00
OTHER INCOME									
Investment Income-Unrestricted	1,088.00	5,286.00	4,443.00	5,141.00	1,832.00	4,094.00	3,439.00	6,462.00	31,785.00
Investment Income-Restricted	0.00	0.00	0.00	0.00	0.00	4,144.00	0.00	0.00	4,144.00
Management Fee Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	766,032.00	766,032.00
Asset Mgmt Fee Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	62,400.00	62,400.00
Bookkeeping Fee Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45,866.00	45,866.00
IT Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,303.00	23,303.00
FFS income - outside party	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,651.00	18,651.00
IT Fees - outside party	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,800.00	4,800.00
Non-Dwelling Rental Income	7,000.00	0.00	0.00	30,836.00	0.00	0.00	0.00	56,070.00	93,906.00
Misc Other Income	0.00	217.00	140.00	94.00	42.00	37.00	73.00	37.00	640.00
TOTAL OTHER INCOME	8,088.00	5,503.00	4,583.00	36,071.00	1,874.00	8,275.00	3,512.00	983,621.00	1,051,527.00
TOTAL INCOME	10,208.00	1,223,092.00	833,768.00	1,019,070.00	379,111.00	1,152,264.00	695,769.00	983,621.00	6,296,903.00
EXPENSES									
ADMINISTRATIVE									
Administrative Salaries									
Administrative Salaries	0.00	111,288.00	79,187.00	113,060.00	52,955.00	114,445.00	99,978.00	651,434.00	1,222,347.00

OXNARD HOUSING AUTHORITY

LOW RENT PUBLIC HOUSING

Proposed FY 2023 Budget

	311 Budget	312 Budget	313 Budget	314 Budget	315 Budget	317 Budget	318 Budget	cocc Budget	Total Budget
Administrative Temp Help	0.00	0.00	0.00	0.00	15,600.00	0.00	31,200.00	0.00	46,800.00
Add'l Compensation - OT	0.00	2,379.00	241.00	456.00	183.00	522.00	227.00	0.00	4,008.00
Employee Benefit Contribution-Admin	0.00	77,765.00	58,114.00	78,645.00	36,857.00	99,074.00	64,759.00	371,445.00	786,659.00
Total Administrative Salaries	0.00	191,432.00	137,542.00	192,161.00	105,595.00	214,041.00	196,164.00	1,022,879.00	2,059,814.00
Legal Expense									
Court Costs	0.00	0.00	0.00	0.00	164.00	0.00	98.00	0.00	262.00
Criminal Background Checks	0.00	116.00	46.00	89.00	116.00	66.00	232.00	0.00	665.00
Tenant Screening	0.00	503.00	600.00	1,273.00	76.00	1,177.00	171.00	0.00	3,800.00
Total Legal Expense	0.00	619.00	646.00	1,362.00	356.00	1,243.00	501.00	0.00	4,727.00
Other Admin Expenses									
Staff Training	0.00	204.00	145.00	65.00	8.00	104.00	116.00	360.00	1,002.00
Auditing Fees	0.00	2,515.00	1,761.00	2,515.00	1,258.00	2,518.00	2,515.00	431.00	13,513.00
Management Fee	0.00	114,190.00	79,933.00	114,190.00	57,095.00	114,191.00	114,190.00	0.00	593,789.00
Asset Management Fees	0.00	12,000.00	8,400.00	12,000.00	6,000.00	12,000.00	12,000.00	0.00	62,400.00
Bookkeeping Fees	0.00	8,820.00	6,174.00	8,820.00	4,410.00	8,822.00	8,820.00	0.00	45,866.00
Professional Services	0.00	0.00	0.00	0.00	0.00	1,013.00	0.00	0.00	1,013.00
Total Other Admin Expenses	0.00	137,729.00	96,413.00	137,590.00	68,771.00	138,648.00	137,641.00	791.00	717,583.00
Miscellaneous Admin Expenses									
Membership and Fees	0.00	80.00	56.00	80.00	40.00	82.00	80.00	1,148.00	1,566.00
Publications	0.00	67.00	47.00	67.00	33.00	72.00	67.00	0.00	353.00
Advertising	0.00	389.00	272.00	389.00	194.00	392.00	389.00	183.00	2,208.00
Office Supplies	0.00	249.00	175.00	224.00	94.00	225.00	209.00	702.00	1,878.00
Fuel-Administrative	0.00	112.00	92.00	127.00	93.00	273.00	163.00	1,103.00	1,963.00
City Overhead	753.00	7,625.00	7,090.00	13,265.00	4,989.00	14,665.00	6,954.00	27,504.00	82,845.00
Telephone	0.00	1,813.00	1,269.00	1,634.00	4,311.00	1,441.00	4,725.00	4,086.00	19,279.00
Postage	0.00	717.00	390.00	774.00	195.00	731.00	302.00	1,388.00	4,497.00
Paper	0.00	234.00	141.00	154.00	66.00	170.00	133.00	1,397.00	2,295.00
Copiers	0.00	1,578.00	1,102.00	1,575.00	683.00	1,560.00	1,371.00	1,708.00	9,577.00
Printer Supplies/Services	0.00	561.00	376.00	490.00	436.00	476.00	616.00	1,083.00	4,038.00
Misc Computer Equipment	0.00	1,634.00	1,158.00	224.00	26.00	681.00	192.00	3,065.00	6,980.00
Internet	0.00	966.00	676.00	1,044.00	1,478.00	1,000.00	1,478.00	2,701.00	9,343.00
Software/Maintenance Fees	0.00	4,956.00	3,469.00	5,390.00	2,695.00	5,400.00	5,406.00	9,074.00	36,390.00
Cell Phones/Pagers	20.00	401.00	367.00	903.00	335.00	837.00	509.00	2,887.00	6,259.00
Small Office Equipment	0.00	47.00	33.00	56.00	21.00	58.00	42.00	45.00	302.00
Bank Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,615.00	12,615.00
Cable Charges	0.00	13,356.00	9,349.00	13,356.00	6,678.00	13,356.00	13,356.00	0.00	69,451.00
Other Misc Admin Expenses	0.00	84.00	59.00	88.00	33.00	94.00	47.00	429.00	834.00
Storage	209.00	104.00	73.00	248.00	38.00	179.00	49.00	437.00	1,337.00
Total Miscellaneous Admin Expenses	982.00	34,973.00	26,194.00	40,088.00	22,438.00	41,692.00	36,088.00	71,555.00	274,010.00

OXNARD HOUSING AUTHORITY

LOW RENT PUBLIC HOUSING

Proposed FY 2023 Budget

	311 Budget	312 Budget	313 Budget	314 Budget	315 Budget	317 Budget	318 Budget	cocc Budget	Total Budget
TOTAL ADMINISTRATIVE EXPENSES	982.00	364,753.00	260,795.00	371,201.00	197,160.00	395,624.00	370,394.00	1,095,225.00	3,056,134.00
TENANT SERVICES									
Resident Council	0.00	1,411.00	955.00	1,368.00	712.00	1,240.00	1,397.00	0.00	7,083.00
Other Tenant Svcs.-OHA	0.00	940.00	637.00	912.00	475.00	825.00	931.00	0.00	4,720.00
Tenant Services Contract Costs	0.00	713.00	501.00	3,600.00	2,400.00	3,000.00	2,400.00	0.00	12,614.00
TOTAL TENANT SERVICES EXPENSES	0.00	3,064.00	2,093.00	5,880.00	3,587.00	5,065.00	4,728.00	0.00	24,417.00
UTILITIES									
Water	0.00	60,332.00	54,593.00	62,017.00	11,763.00	62,372.00	22,128.00	2,765.00	275,970.00
Electricity	4,206.00	9,110.00	9,884.00	19,523.00	49,593.00	17,960.00	71,855.00	21,732.00	203,863.00
Electricity-Vacant Units	0.00	139.00	331.00	2,454.00	0.00	744.00	0.00	0.00	3,668.00
Gas	0.00	1,006.00	705.00	1,236.00	14,856.00	1,181.00	34,487.00	751.00	54,222.00
Gas-Vacant Units	0.00	136.00	197.00	349.00	0.00	684.00	0.00	0.00	1,366.00
Garbage/Trash Removal	0.00	37,749.00	45,843.00	48,636.00	5,629.00	54,457.00	9,150.00	2,366.00	203,830.00
Dump Expense	116.00	1,103.00	1,177.00	1,495.00	99.00	1,431.00	285.00	27.00	5,733.00
Sewer	0.00	51,718.00	39,765.00	45,807.00	11,705.00	46,324.00	24,311.00	1,073.00	220,703.00
TOTAL UTILITY EXPENSES	4,322.00	161,293.00	152,495.00	181,517.00	93,645.00	185,153.00	162,216.00	28,714.00	969,355.00
MAINTENANCE AND OPERATIONS									
General Maint Expense									
Maintenance Salaries	0.00	44,568.00	38,604.00	93,822.00	28,652.00	80,950.00	57,304.00	4,608.00	348,508.00
Maintenance Labor-Grounds	14,004.00	21,777.00	31,035.00	64,574.00	18,495.00	65,106.00	28,376.00	17,743.00	261,110.00
Maint-On Call Service	0.00	2,284.00	1,598.00	2,284.00	1,141.00	2,497.00	2,075.00	0.00	11,879.00
Maintenance - Temporary Labor	2,502.00	13,163.00	5,117.00	9,694.00	19,147.00	4,492.00	16,602.00	732.00	71,449.00
Maintenance OT	0.00	8,401.00	3,869.00	5,564.00	5,598.00	8,598.00	10,571.00	1,885.00	44,486.00
Employee Benefits Contribution-Maint.	8,520.00	48,145.00	49,563.00	110,859.00	32,836.00	119,111.00	60,662.00	16,909.00	446,605.00
Maintenance Uniforms	118.00	400.00	300.00	500.00	325.00	500.00	510.00	450.00	3,103.00
Vehicle Gas, Oil, Grease	92.00	2,367.00	2,452.00	4,502.00	300.00	6,923.00	2,697.00	7,281.00	26,614.00
Total General Maint Expense	25,236.00	141,105.00	132,538.00	291,799.00	106,494.00	288,177.00	178,797.00	49,608.00	1,213,754.00
Materials									
Supplies-Paint	0.00	2,072.00	1,139.00	2,451.00	1,632.00	2,533.00	2,599.00	155.00	12,581.00
Supplies-Grounds	0.00	216.00	175.00	1,203.00	209.00	341.00	1,513.00	110.00	3,767.00
Supplies-Appliance	0.00	14,239.00	11,669.00	12,895.00	7,509.00	7,459.00	11,070.00	0.00	64,841.00
Supplies-Plumbing	0.00	7,519.00	8,550.00	22,946.00	5,058.00	7,326.00	14,725.00	33.00	66,157.00
Supplies-Electrical	0.00	6,577.00	5,888.00	14,345.00	3,144.00	6,809.00	9,801.00	960.00	47,524.00
Supplies-Building Repairs	0.00	3,187.00	2,097.00	6,353.00	1,944.00	4,606.00	11,840.00	39.00	30,066.00
Supplies-Windows	0.00	1,423.00	376.00	3,673.00	1,270.00	47.00	177.00	0.00	6,966.00
Supplies-Locks	0.00	370.00	273.00	1,618.00	993.00	524.00	1,086.00	1,087.00	5,951.00

OXNARD HOUSING AUTHORITY

LOW RENT PUBLIC HOUSING

Proposed FY 2023 Budget

	311	312	313	314	315	317	318	cocc	Total
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Supplies-Janitorial/Cleaning	0.00	532.00	382.00	1,472.00	220.00	588.00	1,739.00	1,097.00	6,030.00
Supplies-Safety	50.00	1,680.00	908.00	1,830.00	483.00	921.00	1,202.00	582.00	7,656.00
Tools and Equipment	30.00	694.00	490.00	1,365.00	437.00	553.00	1,344.00	0.00	4,913.00
Grounds Tools and Equipment	0.00	129.00	126.00	282.00	41.00	1,449.00	139.00	10.00	2,176.00
COVID 19	0.00	739.00	535.00	365.00	635.00	206.00	827.00	213.00	3,520.00
Total Materials	80.00	39,377.00	32,608.00	70,798.00	23,575.00	33,362.00	58,062.00	4,286.00	262,148.00
Contract Costs									
Contract-Fire Alarm/Extinguisher	12.00	1,772.00	1,676.00	4,724.00	6,117.00	3,072.00	7,062.00	1,054.00	25,489.00
Contract-Building Repairs-Misc	0.00	1,100.00	3,800.00	7,596.00	0.00	5,307.00	0.00	0.00	17,803.00
Contract-Unit Turnaround	0.00	1,000.00	333.00	1,440.00	0.00	801.00	933.00	0.00	4,507.00
Contract-Painting	0.00	187,000.00	130,530.00	0.00	0.00	0.00	0.00	0.00	317,530.00
Contract-Electrical	0.00	0.00	0.00	440.00	2,119.00	0.00	0.00	0.00	2,559.00
Contract-Pest Control	0.00	1,593.00	2,243.00	1,552.00	6,818.00	3,478.00	17,380.00	0.00	33,064.00
Contract-Floor Covering	0.00	0.00	0.00	20,247.00	5,320.00	0.00	5,320.00	0.00	30,887.00
Contract-Grounds	0.00	767.00	0.00	0.00	0.00	0.00	333.00	0.00	1,100.00
Contract-Janitorial/Cleaning	0.00	3,725.00	2,524.00	10,507.00	9,821.00	3,192.00	10,273.00	9,700.00	49,742.00
Contract-Plumbing	0.00	2,245.00	629.00	2,631.00	4,574.00	4,957.00	6,183.00	0.00	21,219.00
Contract-HVAC	11.00	791.00	538.00	1,310.00	2,853.00	4,923.00	8,440.00	8,140.00	27,006.00
Contract-Vehicle Maintenance	90.00	1,595.00	1,384.00	3,069.00	764.00	2,574.00	937.00	4,103.00	14,516.00
Contract-Equipment Rental	0.00	0.00	16.00	16.00	0.00	17.00	39.00	0.00	88.00
Contract-Equipment Repair	0.00	1,378.00	965.00	572.00	533.00	534.00	455.00	87.00	4,524.00
Contract-Elevator Maintenance	0.00	0.00	0.00	0.00	16,441.00	0.00	5,282.00	2,004.00	23,727.00
Contract-Alarm Monitoring	229.00	1,733.00	1,213.00	2,456.00	881.00	1,523.00	1,609.00	1,349.00	10,993.00
Contract-Tree Trimming	0.00	1,268.00	1,490.00	9,082.00	0.00	2,501.00	0.00	3,333.00	17,674.00
Contract-IT Contracts	38.00	2,677.00	2,221.00	3,751.00	3,626.00	3,905.00	7,085.00	0.00	23,303.00
Contract Costs-Other	0.00	1,908.00	1,335.00	1,908.00	953.00	1,912.00	1,908.00	0.00	9,924.00
Total Contract Costs	380.00	210,552.00	150,897.00	71,301.00	60,820.00	38,696.00	73,239.00	29,770.00	635,655.00
TOTAL MAINTENANCE EXPENSE	25,696.00	391,034.00	316,043.00	433,898.00	190,889.00	360,235.00	310,098.00	83,664.00	2,111,557.00
GENERAL EXPENSES									
WC Insurance	1,025.00	5,195.00	5,339.00	11,937.00	3,631.00	11,050.00	6,606.00	14,666.00	59,449.00
Auto Insurance	1,301.00	6,911.00	6,027.00	12,444.00	5,586.00	10,838.00	8,664.00	12,594.00	64,365.00
Property Insurance	0.00	41,034.00	37,646.00	48,589.00	28,115.00	44,566.00	50,360.00	3,249.00	253,559.00
General Liability Insurance	1,364.00	4,950.00	3,471.00	5,905.00	1,816.00	4,895.00	3,583.00	581.00	26,565.00
Fidelity Insurance	0.00	215.00	150.00	215.00	107.00	216.00	215.00	61.00	1,179.00
City-Umbrella Policy	1,146.00	4,158.00	2,916.00	4,960.00	1,526.00	4,110.00	3,010.00	488.00	22,314.00
Broker Fees	187.00	2,859.00	2,542.00	3,615.00	1,919.00	3,261.00	3,383.00	882.00	18,648.00
Cyber Liability Insurance	832.00	349.00	246.00	443.00	262.00	409.00	440.00	0.00	2,981.00
Payments in Lieu of Taxes	0.00	10,209.00	6,940.00	11,437.00	11,329.00	7,422.00	27,675.00	0.00	75,012.00

OXNARD HOUSING AUTHORITY

LOW RENT PUBLIC HOUSING

Proposed FY 2023 Budget

	311	312	313	314	315	317	318	cocc	Total
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Bad Debt-Tenant Rents	1,760.00	2,000.00	1,500.00	4,000.00	1,000.00	5,500.00	2,000.00	0.00	17,760.00
Security/Law Enforcement	7,558.00	22,627.00	15,839.00	22,627.00	4,953.00	22,628.00	0.00	0.00	96,232.00
TOTAL GENERAL EXPENSES	15,173.00	100,507.00	82,616.00	126,172.00	60,244.00	114,895.00	105,936.00	32,521.00	638,064.00
HOUSING ASSISTANCE PAYMENTS									
PH Tenant URP	0.00	204.00	48.00	1,224.00	0.00	612.00	0.00	0.00	2,088.00
PH FSS Escrow Payments	0.00	21,428.00	6,132.00	29,796.00	0.00	13,584.00	0.00	0.00	70,940.00
TOTAL HOUSING ASSISTANCE PAYMENTS	0.00	21,632.00	6,180.00	31,020.00	0.00	14,196.00	0.00	0.00	73,028.00
TOTAL EXPENSES	46,173.00	1,042,283.00	820,222.00	1,149,688.00	545,525.00	1,075,168.00	953,372.00	1,240,124.00	6,872,555.00
NET INCOME	**-35,965.00**	**180809.00**	**13,546.00**	**-130,618.00**	**-166,414.00**	**77,096.00**	**-257,603.00**	**-256,503.00**	**-575,652.00**

HOUSING AUTHORITY OF THE CITY OF OXNARD

RESOLUTION NO.______

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF OXNARD APPROVING AND ADOPTING THE LOW RENT PUBLIC HOUSING PROGRAM OPERATING BUDGET FOR FISCAL YEAR 2023

WHEREAS, the Housing Authority of the City of Oxnard (Authority) has prepared the Low Rent Public Housing Program Operating Budgets now totaling $6,872,555 for the fiscal year 2023; and

WHEREAS, the budgeted expenditures are necessary for the efficient and economical operation of the Authority for the purpose of serving low-income families; and

WHEREAS, the budget for the fiscal year 2023 indicates a source of funding adequate to cover all proposed expenditures; and

WHEREAS, the budgeted rental charges and expenditures will be consistent with the provisions of law and the Annual Contribution Contract; and

WHEREAS, the United States Department of Housing and Urban Development (HUD) requires the Authority to certify that no Authority employee is serving in a variety of positions which will exceed a 100% allocation of their time.

NOW THEREFORE, the Board of Commissioners of the Housing Authority of the City of Oxnard hereby resolves:

1. That the Low Rent Public Housing Program Operating Budgets (Operating Budgets) for the fiscal year 2023 totaling $6,872,555 on file at the Housing Department and incorporated full herein by this reference is approved and adopted.

2. That no Authority employee reflected in the Operating Budgets is serving in a variety of positions which will exceed 100% allocation of their time.

PASSED AND ADOPTED on this ______ day of _______, 2022 by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
John C. Zaragoza, Chairperson

ATTEST:

APPROVED AS TO FORM:

____
Rose Chaparro, Secretary Designate

____
Stephen Fischer, General Counsel

OXNARD HOUSING AUTHORITY

SECTION 8 HOUSING CHOICE VOUCHER

PROPOSED FY 2023 BUDGET

	Administrative Budget	Housing Assistance Payment Budget	Total Budget
Revenue & Expenses			
INCOME			
GRANT INCOME			
HAP Income		22,300,000.00	22,300,000.00
Adm Fee Income	2,335,334.00		2,335,334.00
Port-In Adm Fee	13,584.00		13,584.00
Port-In HAP	147,756.00		147,756.00
TOTAL GRANT INCOME	2,496,674.00	22,300,000.00	24,796,674.00
OTHER INCOME			
Investment Income-Unrestricted	4,178.00		4,178.00
Fraud Recovery-Adm Fee	13,056.00		13,056.00
Fraud Recovery-HAP		13,056.00	13,056.00
TOTAL OTHER INCOME	17,234.00	13,056.00	30,290.00
TOTAL INCOME	2,513,908.00	22,313,056.00	24,826,964.00
EXPENSES			
ADMINISTRATIVE			
Administrative Salaries			
Administrative Salaries	1,336,898.00		1,336,898.00
Administrative Temp Help	53,040.00		53,040.00
Add'l Compensation - OT	17,079.00		17,079.00
Employee Benefit Contribution-Admin	870,951.00		870,951.00
Total Administrative Salaries	2,277,968.00		2,277,968.00
Legal Expense			
Criminal Background Checks	8,421.00		8,421.00
Tenant Screening	18,326.00		18,326.00
General Legal Expense	1,707.00		1,707.00
Total Legal Expense	28,454.00		28,454.00
Other Admin Expenses			
Staff Training	3,376.00		3,376.00
Travel	1,564.00		1,564.00
Auditing Fees	34,500.00		34,500.00
Port-Out Adm Fee Paid	23,875.00		23,875.00
Total Other Admin Expenses	63,315.00		63,315.00
Miscellaneous Admin Expenses			
Membership and Fees	2,984.00		2,984.00
Publications	1,620.00		1,620.00
Advertising	2,623.00		2,623.00
Office Supplies	3,300.00		3,300.00
Fuel-Administrative	2,465.00		2,465.00

OXNARD HOUSING AUTHORITY

SECTION 8 HOUSING CHOICE VOUCHER

PROPOSED FY 2023 BUDGET

	Administrative Budget	Housing Assistance Payment Budget	Total Budget
City Overhead	55,434.00		55,434.00
Telephone	6,576.00		6,576.00
Postage	18,000.00		18,000.00
Paper	2,270.00		2,270.00
Copiers	3,512.00		3,512.00
Printer Supplies/Services	3,448.00		3,448.00
Misc Computer Equipment	4,073.00		4,073.00
Internet	2,137.00		2,137.00
Software/Maintenance Fees	52,000.00		52,000.00
Cell Phones/Pagers	2,604.00		2,604.00
Small Office Equipment	1,025.00		1,025.00
Bank Fees	7,715.00		7,715.00
Other Misc Admin Expenses	645.00		645.00
Storage	12,990.00		12,990.00
Total Miscellaneous Admin Expenses	185,421.00		185,421.00
TOTAL ADMINISTRATIVE EXPENSES	2,555,158.00		2,555,158.00
UTILITIES			
Water	604.00		604.00
Electricity	10,934.00		10,934.00
Gas	1,066.00		1,066.00
Garbage/Trash Removal	771.00		771.00
Sewer	289.00		289.00
TOTAL UTILITY EXPENSES	13,664.00		13,664.00
MAINTENANCE AND OPERATIONS			
General Maint Expense			
Maintenance Salaries	1,104.00		1,104.00
Maintenance Labor-Grounds	9,192.00		9,192.00
Maintenance OT	164.00		164.00
Employee Benefits Contribution-Maint.	6,524.00		6,524.00
Maintenance Uniforms	300.00		300.00
Vehicle Gas, Oil, Grease	280.00		280.00
Total General Maint Expense	17,564.00		17,564.00
Materials			
Supplies-Paint	18.00		18.00
Supplies-Grounds	114.00		114.00
Supplies-Plumbing	147.00		147.00
Supplies-Electrical	317.00		317.00
Supplies-Building Repairs	111.00		111.00
Supplies-Locks	45.00		45.00
Supplies-Janitorial/Cleaning	1,428.00		1,428.00
Supplies-Safety	645.00		645.00
Tools and Equipment	19.00		19.00
Grounds Tools and Equipment	16.00		16.00

OXNARD HOUSING AUTHORITY

SECTION 8 HOUSING CHOICE VOUCHER

PROPOSED FY 2023 BUDGET

	Administrative Budget	Housing Assistance Payment Budget	Total Budget
COVID 19	510.00		510.00
Total Materials	3,370.00		3,370.00
Contract Costs			
Contract-Fire Alarm/Extinguisher	118.00		118.00
Contract-Janitorial/Cleaning	8,800.00		8,800.00
Contract-HVAC	2,833.00		2,833.00
Contract-Vehicle Maintenance	1,875.00		1,875.00
Contract-Alarm Monitoring	652.00		652.00
Contract-Tree Trimming	233.00		233.00
Total Contract Costs	14,511.00		14,511.00
TOTAL MAINTENANCE EXPENSE	35,445.00		35,445.00
GENERAL EXPENSES			
WC Insurance	7,552.00		7,552.00
Auto Insurance	4,952.00		4,952.00
Property Insurance	1,491.00		1,491.00
General Liability Insurance	9,315.00		9,315.00
Fidelity Insurance	61.00		61.00
City-Umbrella Policy	7,825.00		7,825.00
Broker Fees	1,235.00		1,235.00
Cyber Liability Insurance	7,268.00		7,268.00
Security/Law Enforcement	7,535.00		7,535.00
Port-In HAP Expense	147,756.00		147,756.00
TOTAL GENERAL EXPENSES	194,990.00		194,990.00
HOUSING ASSISTANCE PAYMENTS			
Housing Assistance Payments		21,746,412.00	21,746,412.00
HCV Tenant URP		24,588.00	24,588.00
Port-Out HAP		422,056.00	422,056.00
HCV FSS Escrow Payments		120,000.00	120,000.00
TOTAL HOUSING ASSISTANCE PAYMENTS		22,313,056.00	22,313,056.00
TOTAL EXPENSES	2,799,257.00	22,313,056.00	25,112,313.00
NET INCOME	**-285,349.00**	0.00	**-285,349.00**

HOUSING AUTHORITY OF THE CITY OF OXNARD

RESOLUTION NO. _________

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF OXNARD APPROVING AND ADOPTING THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM OPERATING BUDGET FOR FISCAL YEAR 2023

WHEREAS, the Housing Authority of the City of Oxnard (Authority) has prepared a Section 8 Housing Choice Voucher Program Operating Budget of $25,112,313 for the fiscal year 2023; and

WHEREAS, the budgeted expenditures are necessary for the efficient and economical operation of the Authority for the purpose of serving low-income families; and

WHEREAS, the budget for the fiscal year 2023 indicates a source of funding adequate to cover all proposed expenditures; and

WHEREAS, the budgeted expenditures will be consistent with the provisions of law and the Annual Contribution Contract; and

WHEREAS, the United States Department of Housing and Urban Development (HUD) requires the Authority to certify that no Authority employee is serving in a variety of positions which will exceed a 100% allocation of their time.

NOW THEREFORE, the Board of Commissioners of the Housing Authority of the City of Oxnard hereby resolves:

1. That the Section 8 Housing Choice Voucher Program Operating Budget (Operating Budget) for the fiscal year 2023 totaling $25,112,313 available on file at the Housing Department and incorporated in full herein by this reference is approved and adopted.

2. That no Authority employee reflected in the Operating Budget is serving in a variety of positions which will exceed 100% allocation of their time.

PASSED AND ADOPTED on this _______ day of ____________, 2022 by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
John C. Zaragoza, Chairperson

ATTEST:

APPROVED AS TO FORM:

____
Rose Chaparro, Secretary Designate

____
Stephen Fischer, General Counsel

PHA Board Resolution
Approving Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 06/30/2022)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: City of Oxnard Housing Authority PHA Code: CA031

PHA Fiscal Year Beginning: July 1, 2022 Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

		DATE
☒	Operating Budget approved by Board resolution on:	06/30/2022
☐	Operating Budget submitted to HUD, if applicable, on:	
☐	Operating Budget revision approved by Board resolution on:	
☐	Operating Budget revision submitted to HUD, if applicable, on:	

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name:	Signature:	Date:
John C. Zaragoza		

Oxnard Housing Authority

Fiscal Year 2022-2023 Budget

Finance and Governance Committee

Emilio Ramirez, Housing Director
May 24, 2022

CITY OF OXNARD CALIFORNIA

FY 2023 Public Housing Budget

1. HUD regulations required program budgets to be approved and submitted prior to July 1
2. Each project area is funded, accounted for and budgeted separately according to Asset Management Provisions
3. Overall program budget recommended is $6,872,555
4. A HUD formula establishes the estimated costs to run each public housing complex – called the "project expense level (PEL)"
5. PEL – prior year tenant rent + utility expenses = ~subsidy eligibility
6. Eligible subsidy amount is prorated based upon Congressional Appropriations on a calendar year basis
7. FY 2023 budgets are based upon 95% of subsidy as CY 2022 funding levels are unknown at this time.

Asset Management Projects ("AMPs")

Project 31-1	• Colonia Village
Project 31-2	• Felicia Court
Project 31-3	• Colonia Road
Project 31-4	• Pleasant Valley
Project 31-5	• Plaza Vista
Project 31-7 (scattered sites)	• 1: Cuesta Del Mar, 2: Althea, 3: Concord, 4: Fashion Park, 5: Fremont, 6: Hill St.
Project 31-8	• Palm Vista

FY 2023 Public Housing Budget

Public Housing Income

Description	Total FY22 Budget	Total FY23 Budget	Increase (Decrease)
Tenant Rent	4,528,824	4,733,180	204,356
Operating subsidy	897,324	423,989	(473,335)
Management Fees	825,000	921,052	96,052
Other Income	220,827	218,682	(2,145)
Total Income	6,471,975	6,296,903	(175,072)

Public Housing Expenses

Description	Total FY22 Budget	Total FY23 Budget	Increase (Decrease)
Admin Exp	3,205,733	3,056,134	(149,599)
Tenant Svc Exp	27,607	24,417	(3,190)
Utility Expense	952,300	969,355	17,055
Maintenance Exp	2,274,925	2,111,557	(163,368)
General Expense	606,038	638,064	32,026
Other Expenses	108,708	73,028	(35,680)
Total Expenses	7,175,311	6,872,555	(302,756)

FY 2023 Housing Choice Voucher Budget

1. Housing Choice Voucher (HCV) program is responsible for providing housing assistance payments to up to 1,890 families (1773 ongoing, 40 Mainstream vouchers and 77 VASH vouchers)

2. The HCV program is comprised of 2 components – housing assistance payments ("HAP") to landlords and administration

3. HAP portion of the budget is $22,313,056

4. HUD directs housing authorities to lease as many units as they can with the funding they are provided

5. HAP funding levels are subject to annual Congressional appropriations

FY 2023 Housing Choice Voucher Budget

1. Administrative funding is the amount the OHA receives to administer the HCV program
2. Eligibility is based upon the number of vouchers leased and a HUD established fee per unit leased
3. Total national eligibility is compared to funding available through Congressional appropriations and funding is prorated accordingly
4. The estimated FY 2022 administrative fee funding proration is at 85.8% of eligibility

FY 2023 Housing Choice Voucher Budget

Description	HCV Budget 2022	HAP Budget 2023	Increase (Decrease)
HAP Income	$22,441,492	$22,313,056	$(128,436)
HAP Expenses	22,441,492	22,313,056	(128,436)
Net HAP Income	0	0	0
Admin Income	2,136,083	2,513,908	377,825
Admin Personnel	2,240,191	2,277,968	37,777
Other Admin Exp	251,297	277,190	25,893
Util & Maint Exp	48,910	49,109	199
Gen & Other Exp	146,952	194,990	48,038
Total Expenses	2,687,350	2,799,257	111,907
Total Income (Deficit)	(551,267)	(285,349)	265,918

FY 2023 Housing Choice Voucher Budget

Description	HCV Budget 2022	HCV Budget 2023	Increase (Decrease)
HCV Income	24,577,575	24,826,964	249,389
HCV Expenses	25,128,842	25,112,313	(16,529)
Net HCV Income	**(551,267)**	**(285,349)**	**265,918**

Financial Impact

1. Requires $256,503 in COCC cash reserves where the approximate reserve balance is $1,200,000
2. Requires $319,149 in the Low Rent Public Housing program cash reserves where the reserve balance $9,000,000
3. Requires $285,349 in the Housing Choice Voucher program cash reserves where the current reserve balance $1,500,000

Recommendations

That the Board of Commissioners of the Oxnard Housing Authority:

1. Adopt a resolution approving and adopting the recommended $6,872,555 operating budget for the Low Rent Public Housing Program for fiscal year 2023, as presented for each project area, and approve and authorize the use of $575,652 of unrestricted cash to fund the projected deficit.
2. Adopt a resolution approving and adopting the recommended $25,112,313 operating budget for the Housing Choice Voucher Program for fiscal year 2023 and approve and authorize the use of $285,349 of unrestricted cash to fund the projected deficit.

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.7

DATE: May 24, 2022

TO: Finance & Governance Committee

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: Housing Authority Investment Policy. (0/5/0)

RECOMMENDATION

That the Finance and Governance Committee recommend that the Board of Commissioners of the Housing Authority of the City of Oxnard adopt a resolution adopting an investment policy for the Housing Authority of the City of Oxnard for FY 2022-2023.

Please click the following link to view the required Measure M pre-recorded presentation video:
https://youtu.be/86GwqleBRAI

BACKGROUND

On June 1, 2021, the Authority adopted an Investment Policy. The law requires the Housing Authority of the City of Oxnard to adopt an investment policy each year. The Housing Authority of the City of Oxnard is bound by State law, as is the City of Oxnard, but has further constraints imposed by the federal government involving the investment of funds. The investment policy governs investment of funds, including funds on deposit. The Department of Housing and Urban Development has defined "funds on deposit" as comprised of:

1. Funds for current transactions
2. Capital or development funds
3. Funds exceeding daily requirements
4. Operation reserve funds

In recent history, the Housing Authority of the City of Oxnard has invested excess cash utilizing a combination of in-house efforts and an outside agent (State of California Local Agency Investment Fund), which is permitted by Housing and Urban Development and State law. Staff is recommending this practice be continued through FY 2022-2023 because it is a safe, cost effective and successful program. Additionally, should any further eligible investment opportunities arise, staff will investigate and pursue as appropriate.

This investment policy insures prudent investing, and adequate reporting of investment results and position to the Authority and public. It also provides for periodic reporting and annual approval.

Safety is assured by adherence to Housing and Urban Development approved investments. The restriction placed on allowable investment provides a degree of diversification to assure that potential loss on individual investments does not compromise the remainder of the portfolio. The Housing Authority of the City of Oxnard is not permitted to invest in instruments, except those authorized by Housing and Urban Development.

Liquidity is addressed by Housing and Urban Development to assure the Housing Authority of the City of Oxnard is able to meet its operating requirements on a daily basis.

The final objective is earnings. The portfolio shall be designed to provide a reasonable rate of return throughout budgetary and economic cycles, considering the investment risk constraints and the cash flow characteristics of the portfolio.

The investment policy includes a delegation of authority from the Housing Authority of the City of Oxnard to an Investment Committee consisting of the Housing Director, Housing Finance Officer and Housing Accountant. This action continues to formalize procedures, which have been in place for a number of years.

The adoption of this Investment Policy will not affect the operations of the Authority to any material extent. The investment policy does not contain any material alterations in policy or procedures of the Housing Authority of the City of Oxnard. The investment policy satisfies requirements of State law combined with Housing and Urban Development's existing requirements.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

1. OHA Investment Resolution
2. Investment Policy
3. Investment Guideline FY 22-23
4. Investment Policy Presentation

HOUSING AUTHORITY OF THE CITY OF OXNARD

RESOLUTION NO.

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF OXNARD APPROVING ADOPTION OF AN INVESTMENT POLICY AND INVESTMENT PORTFOLIO GUIDELINES FOR THE HOUSING AUTHORITY OF THE CITY OF OXNARD FOR FISCAL YEAR 2022-2023

WHEREAS, the U. S. Department of Housing & Urban Development has established requirements governing cash management and approved investment instruments for certain funds under the control of public housing authorities (HUD Notice PIH 2002-13); and

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code Section 53600.6); and

WHEREAS, the legislative body of the Housing Authority may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of U.S. Department of Housing & Urban Development Notice PIH 2002-13 and California Government Code sections 5922 and 53601; and

WHEREAS, the Housing Finance Officer of the Housing Authority of the City of Oxnard (Authority) is required to annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Authority at a public meeting [California Government Code Section 53646(a)]; and

WHEREAS, the Board of Commissioners of the Authority ("Commission") determines that the policy of the Authority is to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Authority and conforming to all statutes governing the investment of Authority funds.

NOW THEREFORE, the Commission hereby adopts the Investment Policy of the Housing Authority of the City of Oxnard, which is attached hereto as Attachment A and incorporated herein by this reference. The Commission also adopts the Investment Portfolio Guidelines dated July 1, 2022, which are attached hereto as Attachment B and incorporated herein by this reference.

PASSED AND ADOPTED on this ______ day of _________, 2022 by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

John C. Zaragoza, Chairperson

ATTEST:

APPROVED AS TO FORM:

Rose Chaparro, Secretary-Designate

Stephen Fischer, General Counsel

Attachment A

Investment Policy of the Housing Authority of the City of Oxnard

Attachment B

Investment Portfolio Guidelines

INVESTMENT POLICY OF THE HOUSING AUTHORITY OF THE CITY OF OXNARD

1.0 INTRODUCTION

This policy is intended to provide guidance for the investing of surplus cash of the Housing Authority of the City of Oxnard (Authority). The U.S. Department of Housing and Urban Development (HUD) has established requirements governing cash management and approved investment instruments for certain funds under the control of Public Housing Authorities. The Legislature of the State of California (CGC53600.6) has declared that the deposit and investment of funds by officials and local agencies is an issue of statewide concern. The Board of Commissioners of the Authority (Board) may invest surplus moneys not required for the immediate necessities of the Authority in accordance with the provisions of HUD Notice PIH 2002-13 and California Government Code Sections 5922 and 53607. The authority of the Board to invest or to reinvest funds, or to sell or exchange securities so purchased, may be delegated for a one-year period by the Board to the Housing Finance Officer of the Authority, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the Board. Subject to review, the Board may renew the delegation of authority pursuant to this section each year. The Housing Finance Officer of the Authority shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto shall be considered by the Board at a public meeting. The policy of the Authority is to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Authority and conforming to all statutes governing the investment of Authority funds.

2.0 SCOPE

This investment policy applies to the Authority's pooled investment fund, which encompasses all money under the direct oversight of the Housing Finance Officer. These include the Public Housing Funds, Section 8 Voucher Funds, Grant Funds and the Central Fund. This policy is generally applicable to bond proceeds with consideration given to specific provisions of each issuance. Reports of the investment of bond proceeds are issued periodically by the Trustee and are not included in the Housing Finance Officer's quarterly report of the pooled investment fund. The employee's retirement and deferred compensation funds are also not included.

3.0 PRUDENCE

Investments shall be made with foresight and care -- under circumstances then prevailing -- which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

3.1 The standard of prudence to be used by investment officials shall be the 'prudent person' standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligences shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

The Authority's cash management system is designed to accurately monitor and forecast revenues and expenditures thus enabling the Housing Finance Officer to invest funds to the fullest extent possible. The Housing Finance Officer shall maintain a portfolio, which accomplishes the primary objectives of safety, liquidity, and yield (in that order of priority).

4.1 Safety: According to HUD Notice PIH 2002-13, safety is achieved through adherence to the list of permitted investments which are backed by the full faith and credit of, or a guarantee of principal and interest by, the U. S. Government, a Government agency or issued by a Government sponsored agency, coupled with an appropriate maturity date.

4.2 Liquidity: All investments must be capable of being liquidated on one day's notice.

4.3 Yield: The Authority should strive to achieve the highest yield consistent with the objectives of the Investment Policy.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from Section 401 (E) of the HUD/PHA Annual Contributions Contract and California Government Code Sections 53607, et seq. Management responsibility for the investment program is hereby delegated to the Housing Finance Officer, who shall establish written procedures for the operation of the investment program consistent with Section 12.2 of this investment policy. Procedures should include references to: safekeeping, PSA repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Housing Finance Officer. The Housing Finance Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of the investment committee. The Housing Finance Officer is a trustee and a fiduciary subject to the prudent investor standard. The other housing staff with signatory authority on Authority checking and other accounts is the Housing Director.

6.0 ETHICS AND CONFLICTS OF INTEREST

The Housing Finance Officer shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. The Housing Finance Officer is governed by the Political Reform Act of 1974 regarding disclosure of material financial interests.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Housing Finance Officer shall transact business only with banks, savings and loans, securities dealers and approved State and county investment pools.

7.1 Authorization: The Authority may conduct business with major registered broker/dealers and with dealers designated Primary by the Federal Reserve provided all the following criteria are met. Broker/Dealers must: 1) have offices located in the State of California, 2) be adequately capitalized, 3) locate markets for securities appropriate to the Authority needs, and 4) agree to abide by the conditions set forth in the Authority's Investment Policy and be among the authorized institutions approved by the City Treasurer.

7.2 Certification: Before engaging in investment transactions with a broker/dealer, the Housing Finance

Officer shall have received from said firm a signed certification that the responsible party from that firm has reviewed the Authority's Investment Policy. The Certification shall also state that the firm understands the policy and intends to present investment recommendations and transactions to the Authority that are appropriate under the terms and conditions of the Investment Policy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

HUD Notice PIH 2002-13 states an Authority should compare the return of an 'in house' cash management program with a program managed by an agent. It also states the Authority may contract with an approved governmental unit such as a State agency established for this purpose, such as a Local Agency Investment Fund (LAIF). The Notice also sets forth the following HUD-approved investments. The types of HUD-approved investments may change from time to time. It is the responsibility of the Housing Finance Officer to stay informed of the latest California Government Code and HUD-approved investments. HUD approved investments may be further limited by California Government Code Section 53607.

8.1 U.S. Treasury Bills, Notes and Bonds

8.2 Obligations issued by Agency or Instrumentality of the U.S. Government.

8.3 State or Municipal Depository Funds, such as LAIF, or pooled cash investment funds managed by County Treasurers.

8.4 Insured Demand and Savings Deposits, provided that deposits in excess of the insured amounts must be 100% collateralized by securities listed in 8.1 or 8.2 above.

8.5 Insured Money Market Deposit Accounts, provided that deposits in excess of the insured amount must be 100% collateralized by securities listed in 8.1 or 8.2 above.

8.6 Insured Super NOW Accounts, provided that deposits in excess of the insured amount must be 100% collateralized by Securities listed in 8.1 or 8.2 above.

8.7 Negotiable Certificates of Deposit issued by Federally or state-chartered banks or associations. Not more than 30% of surplus funds can be invested in certificates of deposit.

8.8 Repurchase/Reverse Repurchase Agreements of any securities authorized by this section (See special limits and qualifications in HUD Notice PIH 1999-48, and CGC 53607).

8.9 Sweep Accounts that are 100% collateralized by securities listed in 8.1 or 8.2 above.

8.10 Shares of beneficial interest issued by diversified management companies (money market mutual funds) investing in the securities and obligations authorized by this section. Such Funds must carry the highest rating of at least two national rating agencies. Not more than 20% of surplus funds can be invested in money market mutual funds.

8.11 Funds held under the terms of a Trust Indenture or other contract or agreement, including the HUD/PHA Annual Contributions Contract, may be invested according to the provisions of those indentures or contracts.

8.12 Principal only STRIPS.

8.13 Any other investment security authorized under the provisions of HUD Notice PIH 2002-13.

8.14 Prohibit securities that take the form of inverse floaters, range notes, mortgage-backed interest-only strips and floating-rate investments without a floor.

9.0 COLLATERAL

Collateral requirements are addressed in HUD Notice PIH 2002-13 as well as California Government Code Section 53652. All Certificates of Deposits must be collateralized by US Treasury Obligations. Collateral must be held by a third party, and valued on a monthly basis.

10.0 SAFEKEEPING AND CUSTODY

Security transactions entered into by the Authority shall be conducted on a delivery-versus-payment (DVP) basis. Securities of duration exceeding 30 days to maturity shall be held by a third-party custodian designated by the Housing Finance Officer. Evidence of account for each time deposit will be held in the Housing Authority safe.

11.0 DIVERSIFICATION

In an effort to reduce portfolio risk while attaining market average rates, the Authority's portfolio will be suitably diversified by type and institution.

11.1 With the exception of U. S. Treasury securities and authorized pools, no more than 50 percent of the total portfolio will be invested in a single security type. Investments are further limited by specific language relating to each investment type as stated in Section 8 of this Policy.

11.2 To the extent possible, the Housing Finance Officer will attempt to match investments with anticipated cash flow requirements. Operating reserve funds may not be invested in securities exceeding five years (maturity of such investments should coincide as nearly as practicable with expected use of funds).

12.0 INTERNAL CONTROLS

A system of internal controls will be maintained to assure compliance with Federal and State regulations, Housing Commission direction, and prudent cash management procedures.

12.1 Investment Review Committee: The Housing Director, Housing Finance Officer, and Housing Accountant are the members of the Investment Review Committee tasked with quarterly review of procedures and adherence to this Investment Policy.

12.2 Investment Portfolio Guidelines: Guidelines have been established for procedures within the Housing Finance Officer's office to assure internal investment controls and a segregation of responsibilities of investment functions. (Attachment No. 2)

12.3 Annual Audit: The Authority portfolio is included in the Independent Auditors' scope of examination during testing of the Authority's financial management at the annual audit.

13.0 REPORTING

The Housing Finance Officer shall provide investment information to the Housing Commission.

13.1 Periodic Reports: The Housing Finance Officer will provide detailed reports of the investments in the pooled investment fund portfolio on a quarterly basis to the Housing Commission. Within thirty days of the end of each quarter, these reports will be provided with such additional information as market pricing. Summarized reports from Trustees regarding investments of bond proceeds will be provided as they become available.

13.2 Annual Report: This Investment Policy will be presented annually, following the close of the fiscal year, to the Housing Commission for approval. Each of the four quarterly reports, which are submitted to the commission as briefing reports, will provide a detailed report of the current status of the portfolio.

HOUSING AUTHORITY OF THE CITY OF OXNARD
INVESTMENT PORTFOLIO GUIDELINES
July 1, 2022

1) **INTRODUCTION**. These guidelines are established to direct and control investment activities in such a manner to assure that the goals established in the Investment Policy are attained.

2) **GENERAL FACTORS**. Several factors must be considered in preparation for effective portfolio management.

   a) **Cash Forecast.** The projected cash flow of the Authority shall be prepared annually, and updated as required throughout the year. A close working relationship with Authority Divisions having a significant impact on cash flow is maintained to maximize the efficiency of the Investment Program.

   b) **Pooled Cash.** Whenever practical, the Authority cash will be consolidated into one bank account and invested on a pooled concept basis. Interest earnings are allocated according to the average daily balances specific to fund ledger balances. No Authority bank account may be opened without the knowledge and consent of the Housing Finance Officer.

   c) **Authorized Institution.** A list of institutions that meet the criteria of the Investment Policy and have been authorized by the Housing Finance Officer to do business with the Authority will be established, maintained and regularly updated. Investment transactions will be executed only with approved broker/dealers, banks, and savings and loans.

3) **INVESTMENT PROCEDURES**. The Housing Finance Officer has developed internal investment procedures to provide for effective cash management. Segregation of responsibilities is maintained to assure an adequate system of internal control over the investment function.

   a) **Investment Transactions**. The Housing Finance Officer will authorize investment transactions. In her absence, the Housing Director will execute transactions as prescribed by the Housing Finance Officer prior to her absence.

   b) **Wire Transfers.** The Authority will use pre-formatted wire transfers to restrict the transfer of funds to pre-authorized accounts only. All wire transfers require an initiator plus an approval by an authorized employee.

   c) **Safekeeping.** Securities purchased from broker/dealers (on which maturity is greater than 30 days) shall be held in third party safekeeping. All purchases will be on a delivery versus-payment basis. Evidences of accounts for certificates of deposit will be issued in the Authority name and held in Housing Finance Officer's safe.

4) **INVESTMENT CRITERIA**. All investments will be made in compliance with Federal, State, and Local laws governing the investment of Authority funds, and in accordance with the Authority's Investment Policy.

   a) **Maturity of Investment.** Investments longer than one year may be made if consistent with the Authority cash flow needs and related intent of holding until maturity. Securities may be sold prior to maturity for cash flow purposes or to otherwise enhance the portfolio. If the rating of any depository declines to an unacceptable level prior to the maturity of an investment of Authority funds, the investment will be matured at the earliest possible convenience. If the rating drops below the allowable level of any one of the rating services, the investment will be sold if no significant loss of principal is involved. The Housing Finance Officer will determine such sales.

b) **Certificate of Deposit Evaluation.** Time Certificates of Deposit shall be evaluated in terms of FDIC coverage. For deposits in excess of the insured maximum of $100,000, approved collateral shall be required at the percentage above market value as specified by HUD Notice PIH 2002-13 and CGC Section 53652 and 53651.

5) **INTERNAL CONTROL OF INVESTMENTS**. Investment transactions are controlled through distribution of responsibilities within the Housing Finance Officer's office by the following procedures:

a) The Housing Finance Officer initiates each investment transaction.

b) A journal entry detailing the investment is prepared by the Housing Accountant and approved by the Housing Finance Officer.

c) The journal entry entered on a cash balance spread sheet by the Housing Accountant.

d) At month end the book balances, maintained by the Housing Accountant, must balance with the portfolio balance maintained independently by the Housing Accountant.

Oxnard Housing Authority

Investment Policy

Finance and Governance Committee

Emilio Ramirez, Housing Director
May 24, 2022

CITY OF OXNARD CALIFORNIA

Background

On June 1, 2021, the Authority adopted an Investment Policy. The law requires the Authority to adopt an Investment Policy each year. The Authority is bound by State law, as is the City, but has further constraints imposed by the federal government involving the investment of Authority funds. The investment policy governs investment of funds, including funds on deposit. The Department of Housing and Urban Development (“HUD”) has defined ‘funds on deposit’ as comprised of:

1. Funds for current transactions
2. Capital or development funds
3. Funds exceeding daily requirements
4. Operation reserve funds

Recommendations

That the Finance and Governance Committee recommend that the Board of Commissioners of the Housing Authority of the City of Oxnard ("Authority") adopt a resolution adopting an investment policy for the Housing Authority of the City of Oxnard for FY 2022-2023.