



MEASURE E

**FUNDING FOR SERVICES LIKE OXNARD 911 SAFETY, MEDICAL
RESPONSE, FINANCIAL RECOVERY AND ACCOUNTABILITY MEASURE**

September 15, 2020



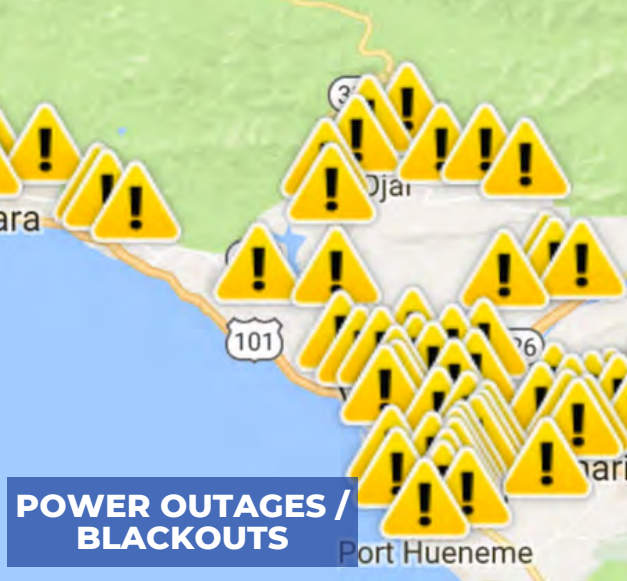
MEASURE E

FUNDING FOR SERVICES LIKE OXNARD 911 SAFETY/MEDICAL RESPONSE, FINANCIAL RECOVERY/ACCOUNTABILITY MEASURE

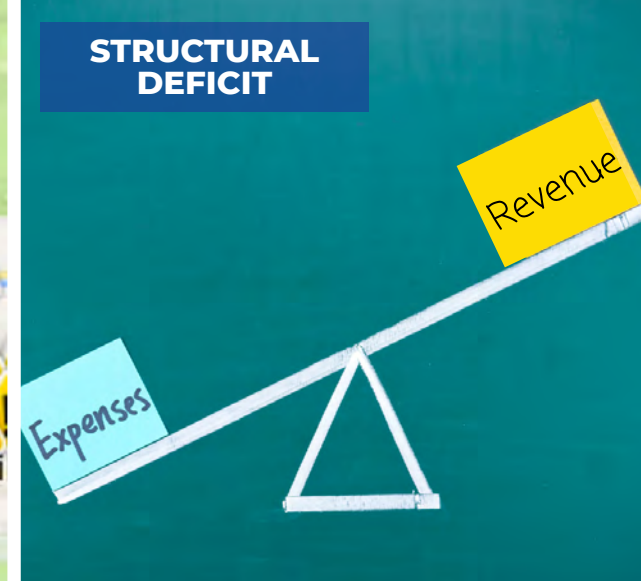
Shall an ordinance establishing 1 ½¢ sales tax to help maintain 911 emergency response times, natural disaster, public health/emergency preparedness; fund fire stations; address homelessness; attract /retain local businesses /jobs; keep public areas safe/clean; aid Oxnard's long-term financial stability; fund general services/infrastructure; requiring annual audits, public disclosure of all spending; providing \$40,000,000 annually until ended by voters, used only for Oxnard, be adopted?

YES

NO



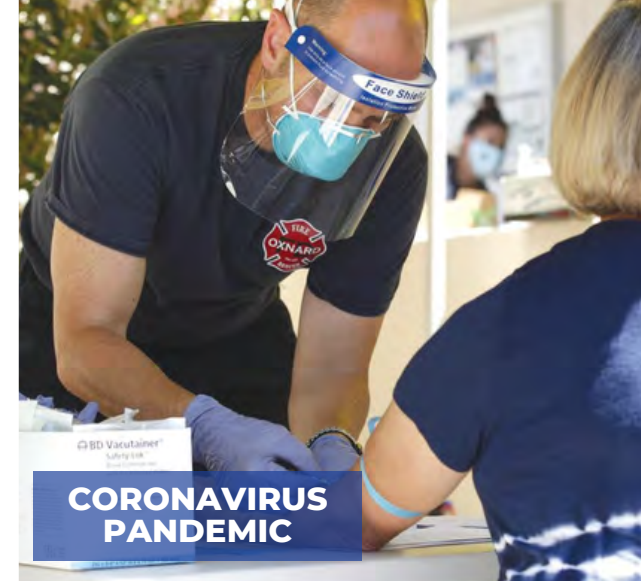
**POWER OUTAGES /
BLACKOUTS**



**STRUCTURAL
DEFICIT**



FIRES



**CORONAVIRUS
PANDEMIC**



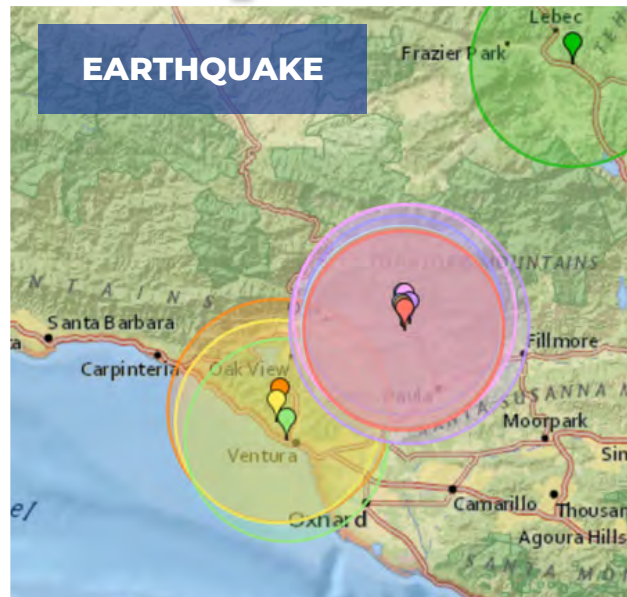
Fiscal Sustainability in the City in an Era of Multiple Emergencies



**HOMELESS
CRISIS**



**CA HOUSING
CRISIS**



EARTHQUAKE



RECESSION

Pre- and Post-Pandemic Budget Impacts

WARNING: Estimates subject to changes

**FY 2019-2020
PROJECTED
-\$2M
GENERAL FUND
OPERATING DEFICIT**

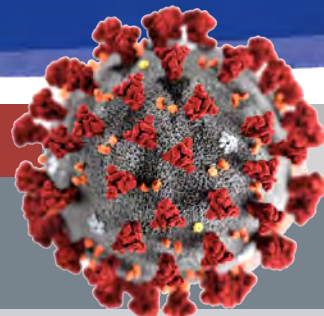
**PRE-
PANDEMIC**



STABILITY

FY 2019-2020

- Made tough choices
- \$5.3 million in permanent, ongoing budget cuts
- Staff prepared to propose a "status quo" budget for Fiscal Year 2020-2021



**CORONAVIRUS
BUDGET IMPACTS**

FY 2019-2020

-\$8.4M

LOSS IN REVENUE

FY 2020-2021

-\$8.1M

LOSS IN REVENUE



RECESSION

FY 2019-2020

- Coronavirus craters City revenues
- Halts all progress



RECOVERY

FY 2020-2021

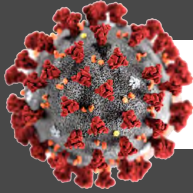
- Projected revenue losses continue
- Many unknowns
- Use of General Fund reserves

**POST-
PANDEMIC**



BUDGET SUSTAINABILITY

- Fully staffed public safety services
- Properly maintained medians and trees
- Properly maintained parks
- Maintain 911 emergency response times
- Timely road maintenance
- Improving ability to respond quickly to natural disasters



CORONAVIRUS: STAFFING IMPACTS

Oxnard PD's patrol staffing is so critically low that a COVID-19 outbreak would cause nearly a one for one O.T. shift for every absence

SHIFT 1



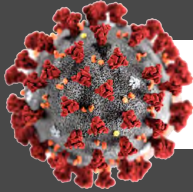
SHIFT 2



SHIFT 3



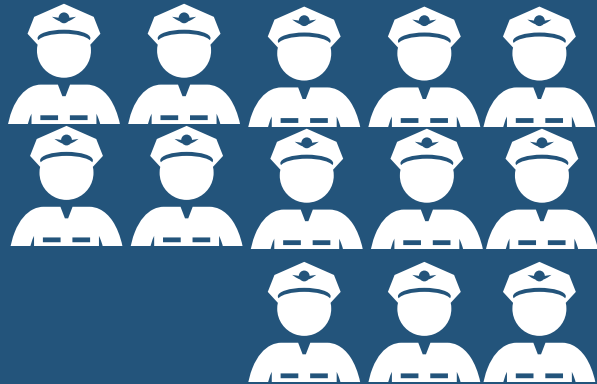
Public Welfare, Health & Safety



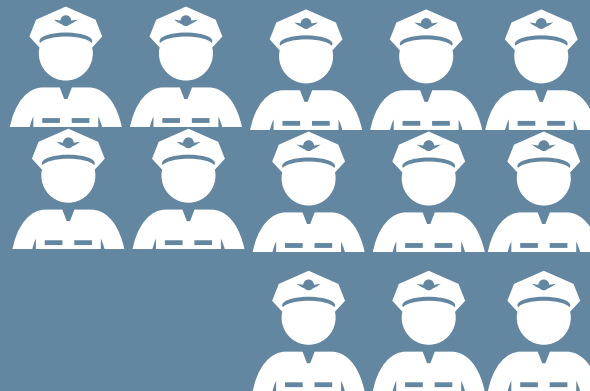
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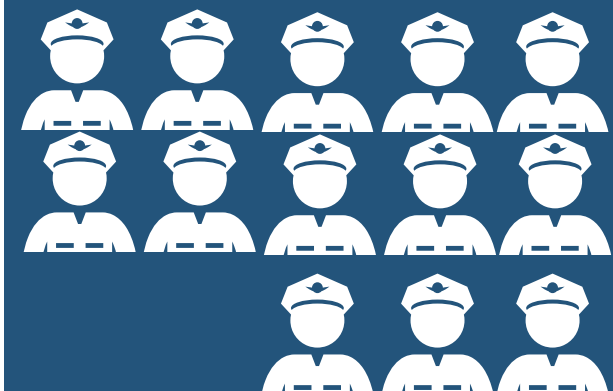
SHIFT 1



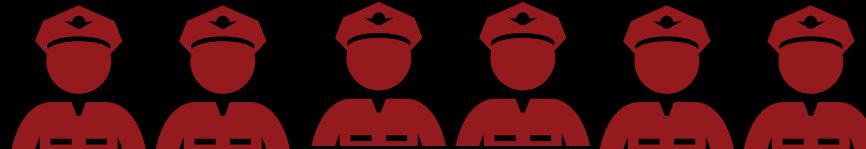
SHIFT 2



SHIFT 3



Coronavirus Two Week Quarantine



Year-Over-Year Budget Cuts: 2015 - 2020

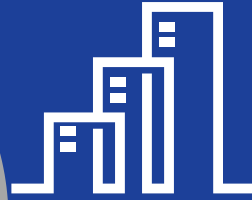
CULTURAL &
COMMUNITY SERVICES



PUBLIC WORKS/
GENERAL SERVICES



COMMUNITY
DEVELOPMENT



TREASURER



CITY ATTORNEY



HUMAN RESOURCES



POLICE



FIRE



CITY MANAGER



HOUSING



FINANCE



CITY CLERK



Budget Forecast - General Fund

Budget Forecast - General Fund

Draft as of 6.22.20

<i>General Fund (\$ in Million)</i>	FY 2019-20 Pre-COVID Estimated Year-End	FY 2019-20 Estimated Year-End POST-COVID	FY20-21 PROPOSED BUDGET	FY21-22 PROJECTED	FY22-23 PROJECTED	FY23-24 PROJECTED	FY24-25 PROJECTED
Property Tax	59.1	57.0	61.2	62.2	63.8	65.7	67.7
Sales Tax	33.2	29.8	29.9	31.1	32.6	34.0	35.4
Other Revenue	48.1	45.3	43.8	43.4	44.1	44.9	45.7
Total Revenue	140.5	132.0	135.0	136.7	140.6	144.6	148.8
% Change of Revenue			2%	1%	3%	3%	3%
Staff (exclude Pension)	87.6	87.6	87.6	90.8	94.1	97.7	101.3
Pension	15.3	15.3	15.2	16.7	17.9	19.1	20.2
Other O&M	33.4	33.4	32.0	31.2	32.0	32.8	33.6
Debt Service	6.2	6.2	6.1	6.0	6.0	6.0	6.1
Total Expenditures	142.4	142.4	140.8	144.7	150.1	155.5	161.2
% Change of Expense			-1%	3%	4%	4%	4%
Net Annual Operating	(2.0)	(10.4)	(5.8)	(7.9)	(9.5)	(10.9)	(12.3)
Beginning Balance	19.6	19.6	9.2	3.4	3.4	3.4	3.4
MO Anticipated Deficit Transfer				(.5)	(1.5)	(1.0)	(.7)
Required Budget Cuts to sustain \$3.4M reserve				(8.5)	(10.9)	(11.9)	(13.0)
Ending Balance	17.6	9.2	3.4	3.4	3.4	3.4	3.4
Projected Operating Reserve	12.4%	6.5%	2.4%	2.3%	2.2%	2.2%	2.1%
Reserve Target	17.1	17.1	16.9	17.4	18.0	18.7	19.3
Above/ (Below) Reserve Target	.5	(7.9)	(13.5)	(14.0)	(14.6)	(15.3)	(16.0)

Budget Forecast - Measure O

Budget Forecast - Measure O

Draft as of 6.22.20

Measure O (\$ in Million)	FY19-20					
	DEPARTMENT					
	YEAR-END	FY20/21				
	ESTIMATE (Post City Council Update)	DEPARTMENT PROPOSED BUDGET	FY21-22 PROJECTED	FY22-23 PROJECTED	FY23-24 PROJECTED	FY24-25 PROJECTED
Sales Tax	13.5	13.2	14.4	15.0	15.7	16.3
Other Revenue	2.1	2.1	1.9	1.9	1.9	1.9
Total Revenue	15.5	15.2	16.2	16.9	17.6	18.2
% Change of Revenue		-2%	6%	4%	4%	4%
Personnel	8.5	8.3	8.6	8.9	9.3	9.7
Debt Service	3.8	3.6	3.6	3.7	3.4	3.2
Other O&M	7.5	5.5	5.6	5.7	5.8	5.9
Capital Equipment & Projects	1.5	.1	.1	.1	.1	.1
Total Expenditures	21.3	17.5	17.9	18.4	18.6	18.9
% Change of Expense		-18%	2%	3%	1%	2%
Net Annual Operating	(5.8)	(2.2)	(1.7)	(1.5)	(1.0)	(.7)
Beginning Balance	12.3	6.5	1.2	(.0)	(.0)	(.0)
Estimated Multi-year Projects Carryover		3.1				
Required Budget Cut or General Fund Subsidy to avoid negative ending balance			.5	1.5	1.0	.7
Ending Balance	6.5	1.2	(.0)	(.0)	(.0)	(.0)

Fiscal Sustainability Factors

Expenses > Revenue

- Staff Salaries/Benefits
- Pensions
- Supplies/Equipment
- Debt Service



Economic Development

- Enhance Business Revenue



COMPETITION

- Talent
- Businesses
- Residents

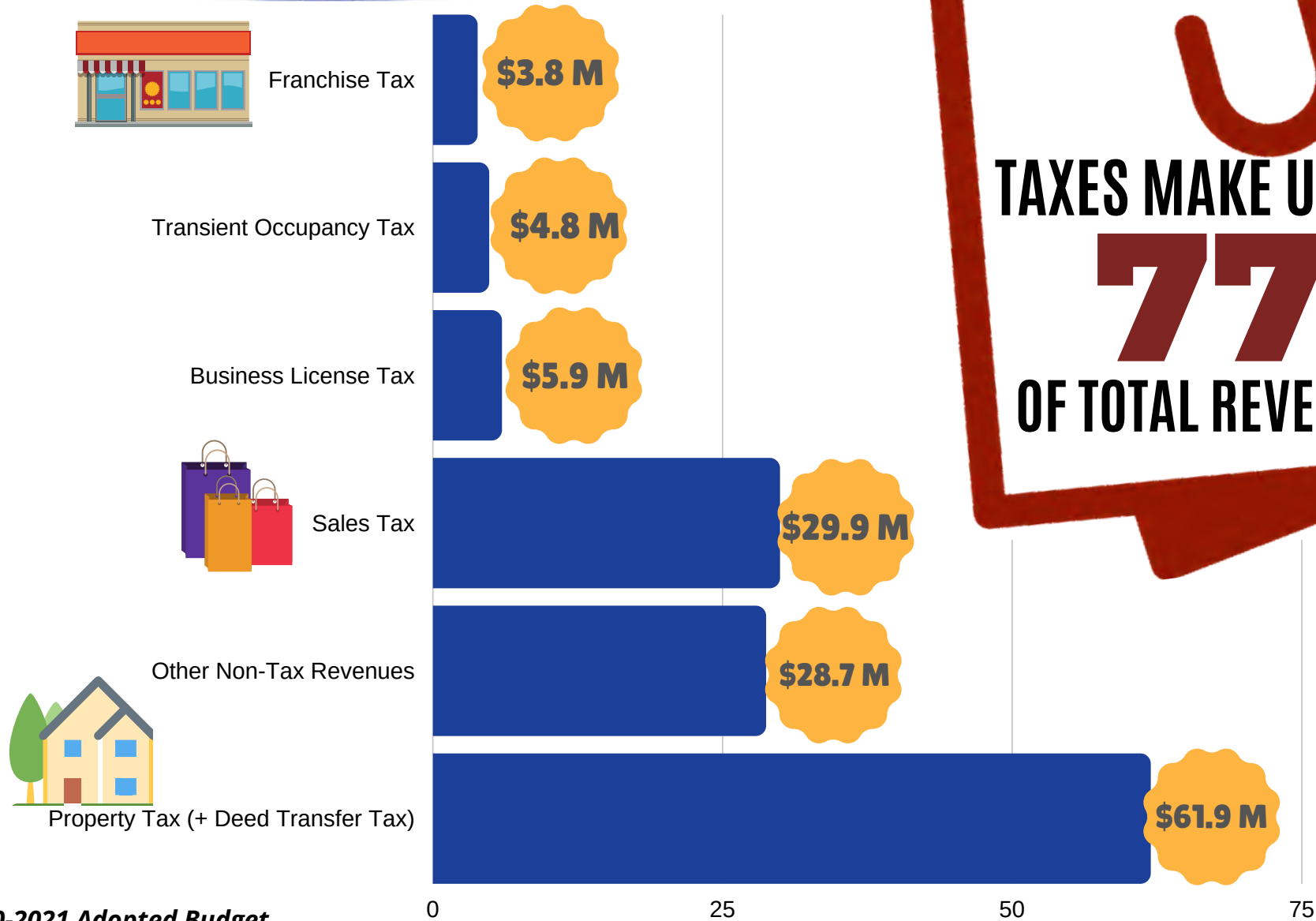


Right Size Tax Revenue



Deepen Cuts

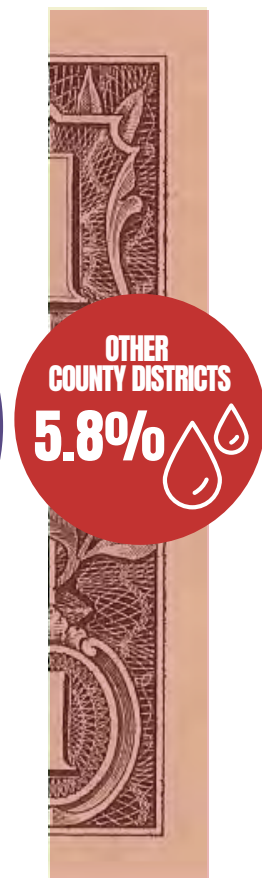
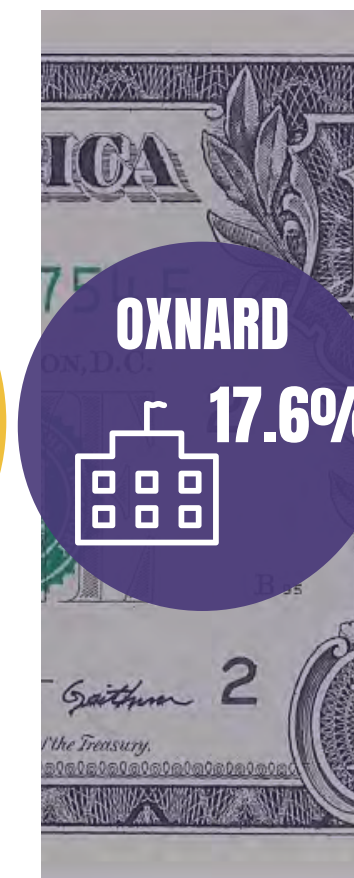
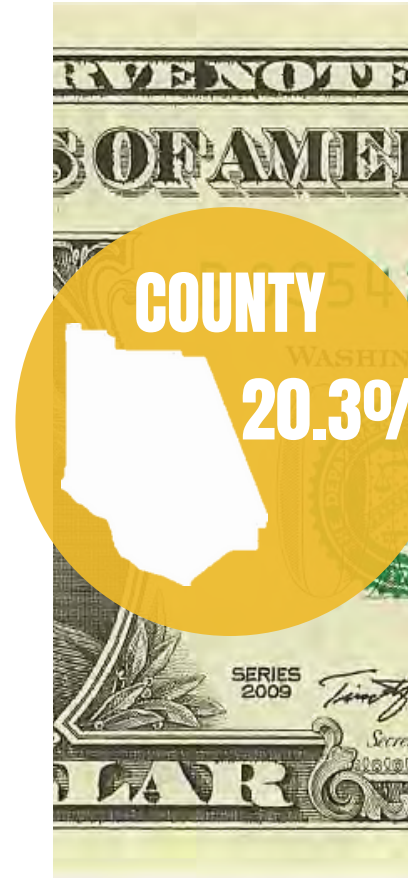
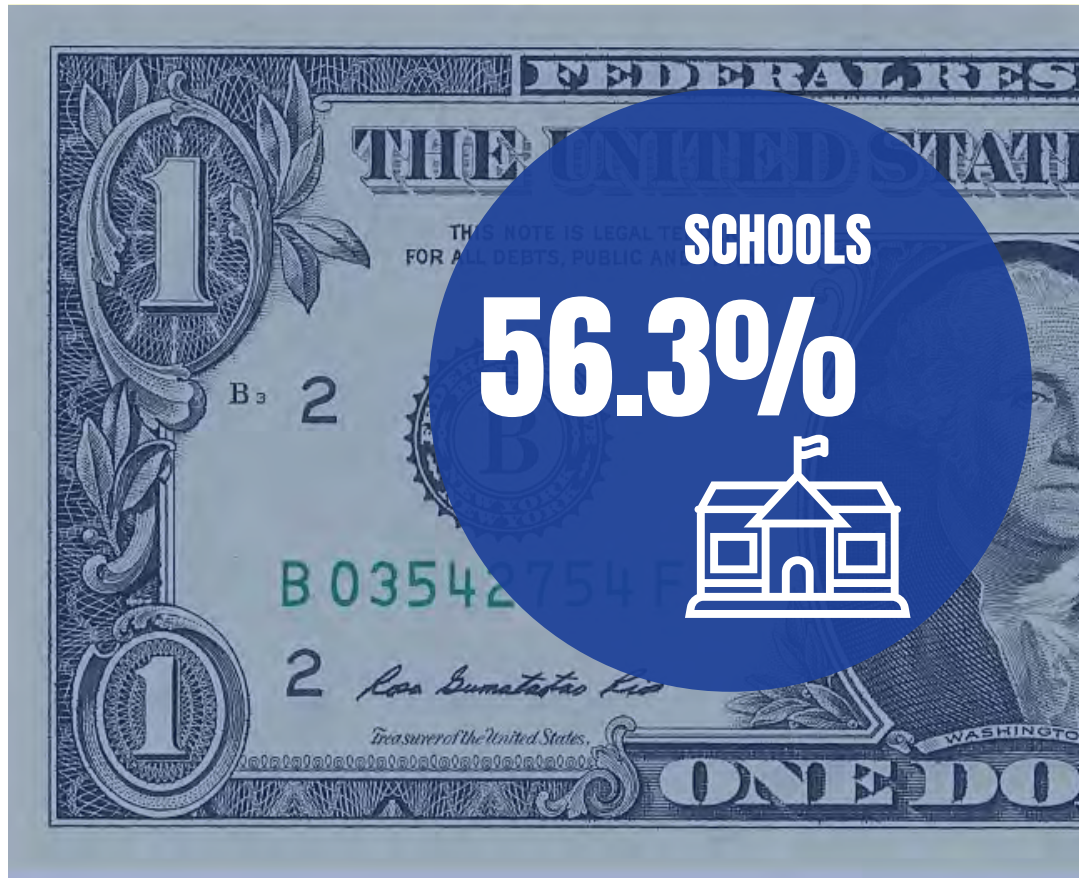
How Local Government is Funded



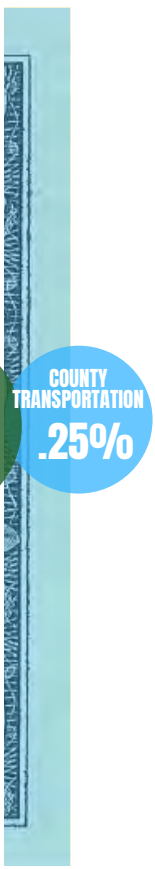
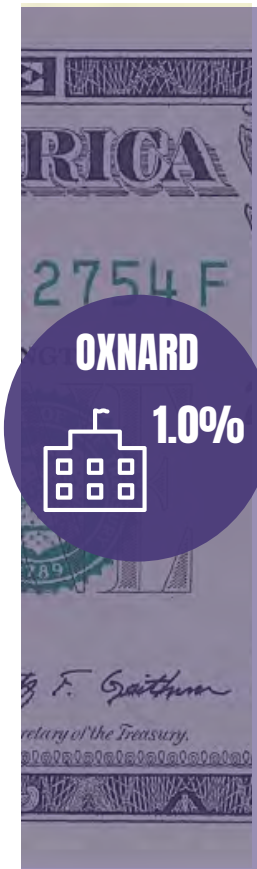
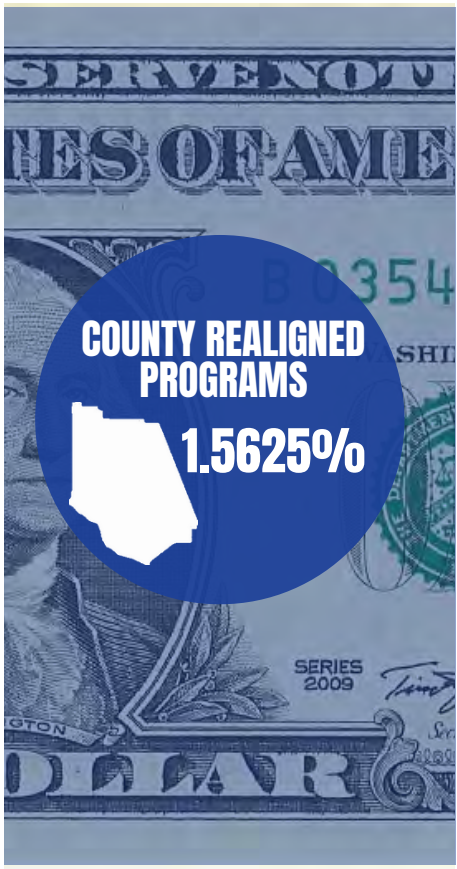
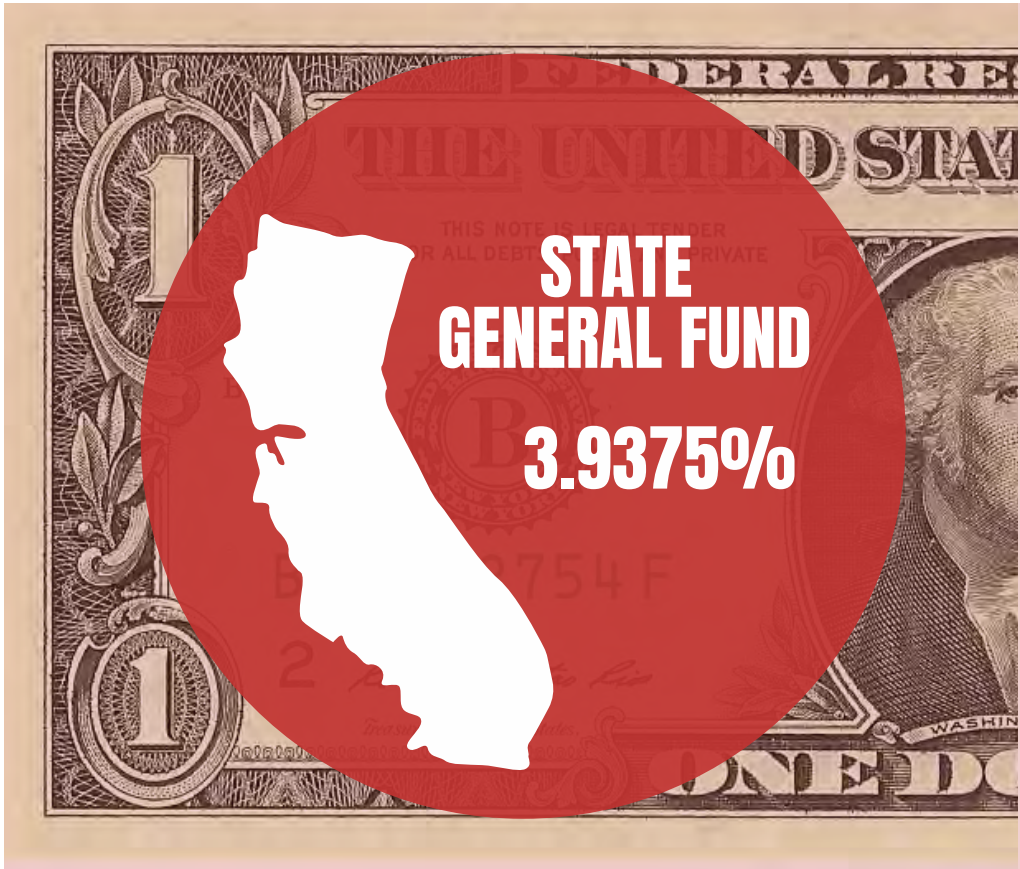
TAXES MAKE UP
77%
OF TOTAL REVENUES

**PUBLIC
VS.
PRIVATE**

WHERE DO YOUR PROPERTY TAXES GO IN OXNARD?



WHERE DO YOUR
SALES TAXES
CURRENTLY GO IN OXNARD?



**Funding SOLELY
for use in Oxnard**

ALLOWABLE SALES TAX RATES



State of California

Tax Brackets for All Incorporated Cities

Maximum is 10.25

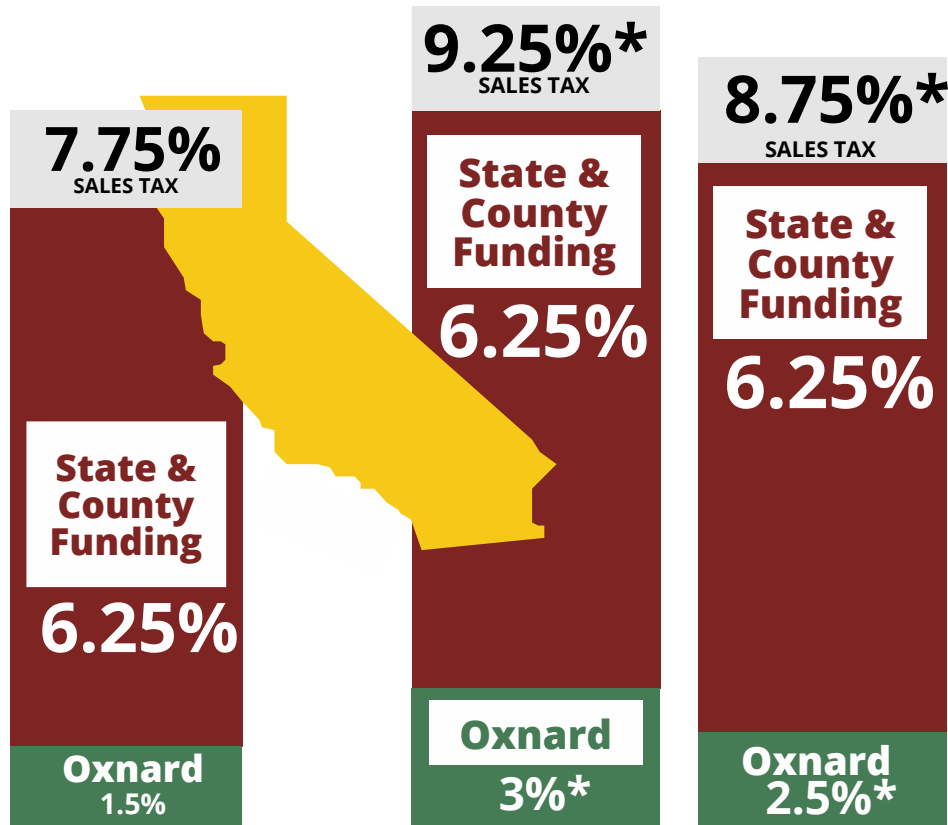
10.00 +	42 cities
9.00 +	127 cities
8.00 +	133 cities
7.25 +	180 cities

Minimum is 7.25

Where would Measure E money go?

Measure E funds will remain local for Oxnard

Oxnard currently receives only 1.5% of sales tax revenues



*Will change to 8.75% when Measure O expires and the City will receive 2.5%

- Measure E funds would help keep Oxnard self-reliant in the event of any future medical or catastrophic emergency
- Measure E funds cannot be taken by the County, State or Federal governments
- Measure E funds can only be used for and by the City of Oxnard, and contribute to the General Fund



**FREQUENTLY
ASKED QUESTIONS
REGARDING**

MEASURE E

Why do we need a higher sales tax than Thousand Oaks or Camarillo?



INCORPORATION		
1903	1964	1964
POPULATION		
208,881	126,813	69,888
MEDIAN HOME VALUE		
\$427,900	\$695,400	\$578,100
TAXABLE PROPERTY VALUE		
\$96,536 per capita	\$240,061 per capita	\$187,634 per capita
SALES TAX		
1.5% generates \$232 per capita	1% generates \$247 per capita	1% generates \$219 per capita

Proposed Measure E Spending

The City Manager
would recommend
the following
spending priorities
to the City Council:

MAINTAINING 911 SAFETY/ EMERGENCY RESPONSE



- Maintain 911 emergency response times
- Maintain fire protection services
- Restore and possibly increase paramedic squads

RESTORING LANDSCAPING SERVICES



- Proper maintenance of parkways and medians
- Proper tree trimming cycle
- Proper watering & maintenance of parks

SECURING LONG-TERM FINANCIAL SUSTAINABILITY



- Replenish the City's financial reserves
- Improve financial accountability & expand transparency
- Improve the City's ability to be self-sufficient and respond quickly and efficiently to natural disasters such as earthquakes and wildfires

KEEPING PUBLIC SPACES CLEAN AND SAFE



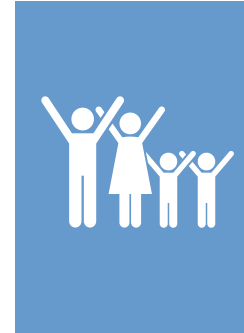
- Proper maintenance of City parks and public spaces
- Restore Neighborhood Police program
- Increase homeless intervention

RETAINING & ATTRACTING LOCAL BUSINESSES & JOBS



- Create new Zócalo in South Oxnard
- Renovate 4th St. between Downtown and train station

RESTORING YOUTH AND SENIORS PROGRAMS



- Restore youth and senior programs
- Build the Council-approved new Senior Center
- Renovate the multi-service center at Camino del Sol
- Reopen the Carnegie Art Museum

RESTORING CITY INFRASTRUCTURE



- Restore proper street paving cycle
- Maintain alleys
- Repair seawalls

ADDRESSING HOMELESSNESS



- Increase ability to address homelessness in Oxnard
- Help families and residents in transition
- Fund enforcement programs to help get people off of streets and parks and into appropriate housing and support programs

RECOVERY AND RELIEF



- Improve public health emergency preparedness
- Prepare for emergencies like the COVID-19 outbreak through work with community health service providers

Example of Likely Cuts With No Measure E



Close Library Branches



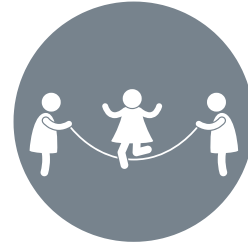
Reduce Library Reference Materials



Close Main Library



Cut Seniors Programs



Cut Youth Programs



Staff Eliminations in Multiple Departments



Cut Economic Development



Reduce City Corps Program by 50%



Reduce Animal Shelter Services by 50%



Eliminate Graffiti Action Program



Reduce Street Lighting by 20%



Cut Parks Maintenance



Reduce Stormwater Activities by 30%



Reduce Trees Watering by Another 30% and Further Reduce Trimming



Reduce Parks Watering by Another 30%



Reduce Fleet Maintenance by 10%



Reduce Facilities Maintenance by 10%



Brown Out Fire Station

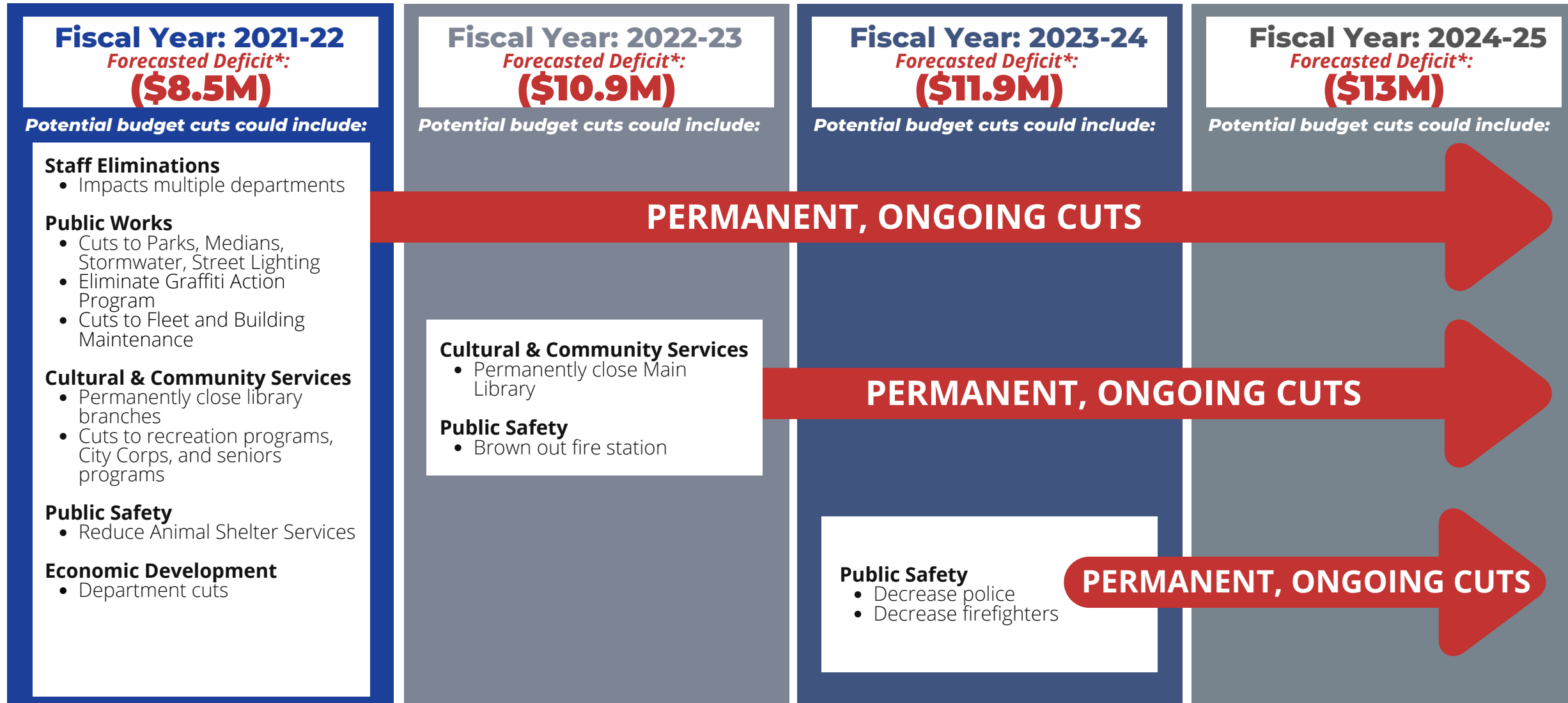


Decrease Police



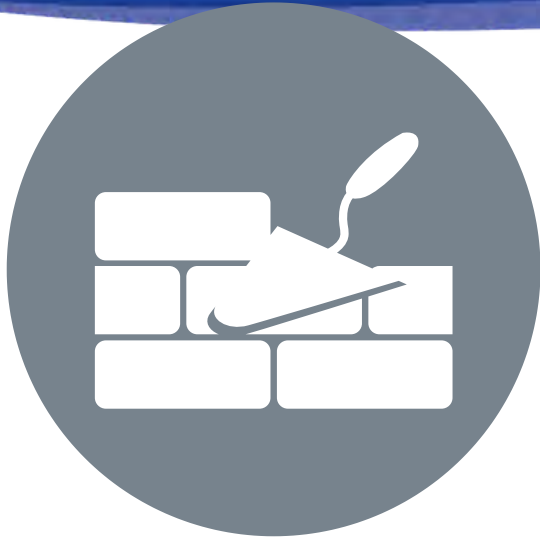
Decrease Firefighters

Example of Likely City Manager Budget Recommendations



This includes **only 3.7% (\$5.1M) in the City's reserves. City's reserve policy is 12% (\$17.7M). **This is not good.***

Example of Items in Front of Us with No Funding



Seawalls



Harbor Water Quality



Alleyways



Senior Center



Zócalo



**Increased Homeless
Intervention**

Will the City misspend Measure E like it did with Measure O?

MEASURE O TIMELINE

2008



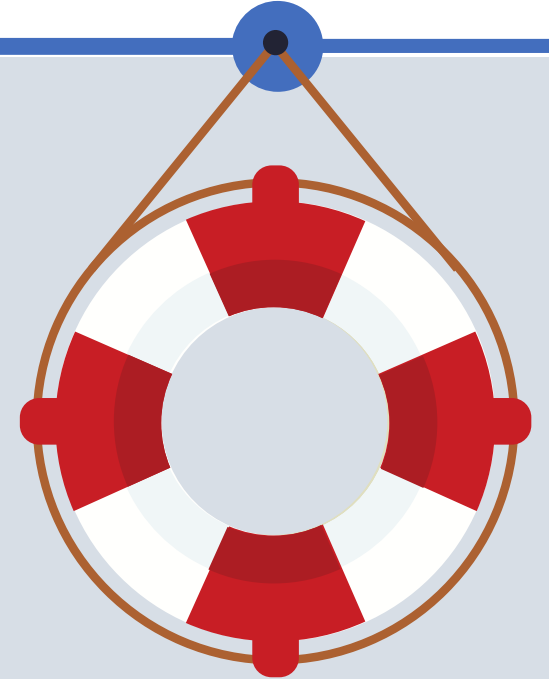
Measure O 1/2 cent sales tax passes during economic recession, offering enhanced City services

2009



City impacted by economic recession

2010



Measure O becomes a life preserver for the City

Will the City misspend Measure E like it did with Measure O?

FISCAL YEAR 2018-19

Measure O Funds of \$17.8M were spent on the following Council-approved priorities:



FIRE DEPARTMENT

Paid for staff; an advanced life support and paramedic program to enhance medical emergency services; handheld radios and emergency equipment; and the operation of Fire Station 8

Positions Funded: 21 firefighters

Total Spent: \$6 million



COMMUNITY DEVELOPMENT SERVICES

Paid for the Safe Homes, Safe Families relocation program and staff costs including funding a Code Compliance Inspector; also paid for support staff for the City's Local Coastal Program update

Total Spent: \$187,000



PUBLIC WORKS

Paid for projects including dead tree removal; maintenance of College Park and East Village Park; water quality testing and analysis for the Channel Islands Harbor; tree trimming & maintenance services; purchase of two turf lawn mowers; various parks improvements; enhancement activities at Ormond Beach wetlands; and street repairs

Total Spent: \$3.9 million



CULTURAL & COMMUNITY SERVICES

Paid for a portion of the after school & other recreation/City Corps programs; Police Activities League (PAL) recreation programs; Senior Nutrition Program; Pre-school to You program; Wi-Fi at public libraries; Homework Center at Main Library; Special Needs Program; and a one-time PACC subsidy payment

Total Spent: \$2.3 million



HOUSING

Paid for the start-up & operational costs for a year-round 24-hour homeless shelter facility with medical referrals, social services and mental health services, along with bridge and permanent housing

Total Spent: \$396,000



CITY MANAGER

Paid for the funding for Spanish language interpretation and translation services at City Council meetings; also includes the one-time appropriation for a Downtown Market Study to identify future development potential downtown

Total Spent: \$78,000



POLICE DEPARTMENT

Paid for staff, purchase of new police dispatch consoles, and license plate readers

Positions funded: 16 police officers

Total Spent: \$3.7 million



INFORMATION TECHNOLOGY

Paid for the City's emergency 911 computer aided dispatch system (CAD) and police records management (RMS) systems

Total Spent: \$1 million



NON-DEPARTMENTAL

Paid for the Measure O audit and elevator project for City Hall Building 305 which brought elevator up to modern building standards and into compliance with current ADA requirements and State code

Total Spent: \$245,000

Visit www.oxnard.org/finances for more information about Measure O

Can the City be trusted with increased revenue?

Reforms & Improvements

1 Enacted Sunshine Ordinance	2 Enacted City Council/Committee System	3 Streamlined Permit Review Process	4 Ending Golf Course Subsidy	5 Ending PACC Subsidy	6 Museum Closure	7 S&P Outlook from Stable to Positive	8 Bond Savings \$400K /yr	9 PUC Underground Credits \$1.7M	10 1st Audit without new material weaknesses since 2014
11 Sakioka Farms across finish line	12 Initiated Oxnard Employee Pipeline	13 Decrease Homeless Point in Time Count	14 Decrease Violent Crime - 4 Years Running	15 Completed Wastewater Treatment Plant Emergency Repairs	16 Enacted Homeless Camping Ordinance	17 STR Policy Approved	18 Development Impact Fee Updated	19 Campus Park Grant	20 Oxnard Power Plant Dismantling Trust Fund \$25M

Can the City be trusted with increased revenue?

CITY'S IMPROVED FINANCIAL MANAGEMENT

FINANCE EXECUTIVE LEADERSHIP TEAM

Immediate, tangible results from **new CFO and Assistant CFO** hired in 2019

AUDIT

City achieved **no new "material weaknesses"** for the first time since 2014



GAS TAX BONDS

Secured **\$400K** in savings every year through bond refinancing



IMPROVED BOND OUTLOOK



S&P **revised its outlook** from "stable" to **"positive"** and affirmed its existing **"A" issuer credit rating**

AUDITOR LETTER

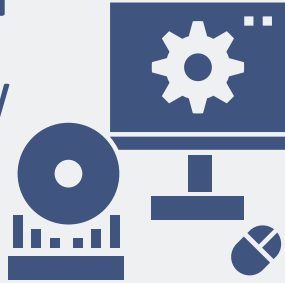
City's auditor issued **"Letter of Encouragement"** noting **City's significant progress addressing prior financial issues** and rebuilding, recovering & reconnecting with the community



How is the City increasing financial transparency?

MAJOR SOFTWARE CHANGE

Council approved a new enterprise software system that will **replace the system installed in the the '80s** and will increase transparency and minimize human error for many City operations



FINANCIAL TRANSPARENCY

Launched a **new financial portal** that provides the community with tools to learn more about the City's finances and access reports

MEASURE B

The Oxnard Government Accountability and Ethics Act was approved by voters to institutionalize **good governance and financial transparency**



www.oxnard.org/finances



Why doesn't the City focus on Economic Development instead of raising taxes?

ECONOMIC DEVELOPMENT

PUC CREDIT SALE

Council approved the sale of unused power line underground funds for a total of **\$1.77 million**



BILLBOARDS

Four permits filed for billboards, which if approved will net the City an estimated **\$550K minimum per year**



CANNABIS

Council approved the Manufacturing & Distribution of Cannabis. In 2021, **Manufacturing revenue** is estimated to be **\$75K** and **Distribution revenue** is estimated at **\$40k**



(Both estimates are 50% of annual estimate)

SOUTH OXNARD

Efforts to form a Community Benefits District for the **Saviers Rd. corridor**



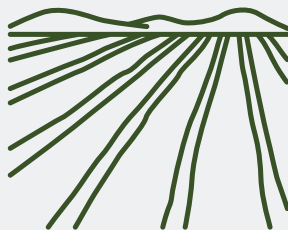
DOWNTOWN

Made significant progress addressing the development of Downtown Oxnard prior to the pandemic



SAKIOKA FARMS

Finalized the development agreement and map after eight years



FEES

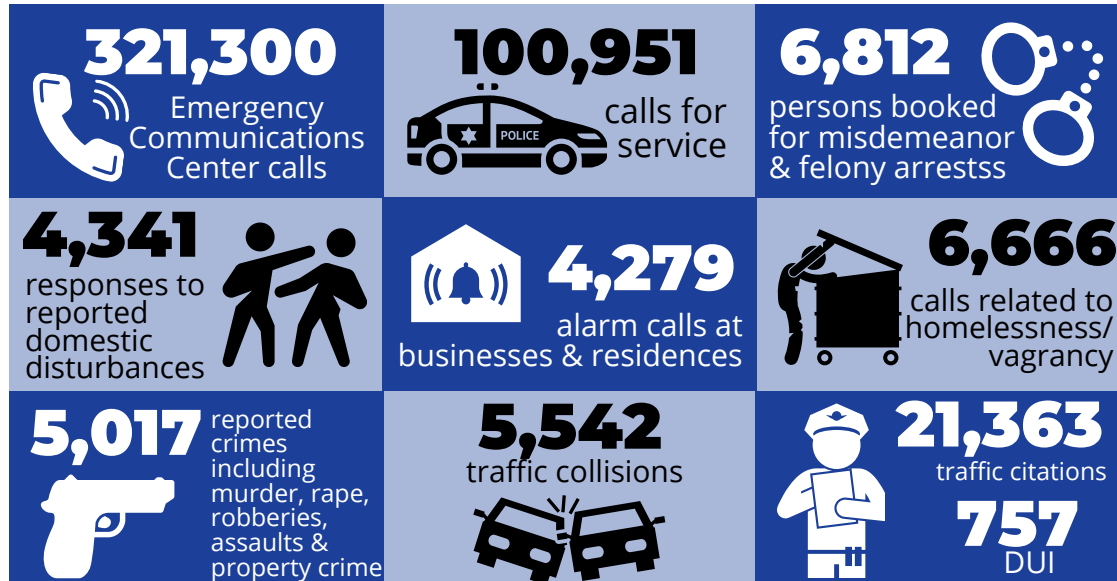
Council approved updated development impact fees, some of which haven't been updated since 1972



2019 BY THE NUMBERS

Your Tax Dollars at Work

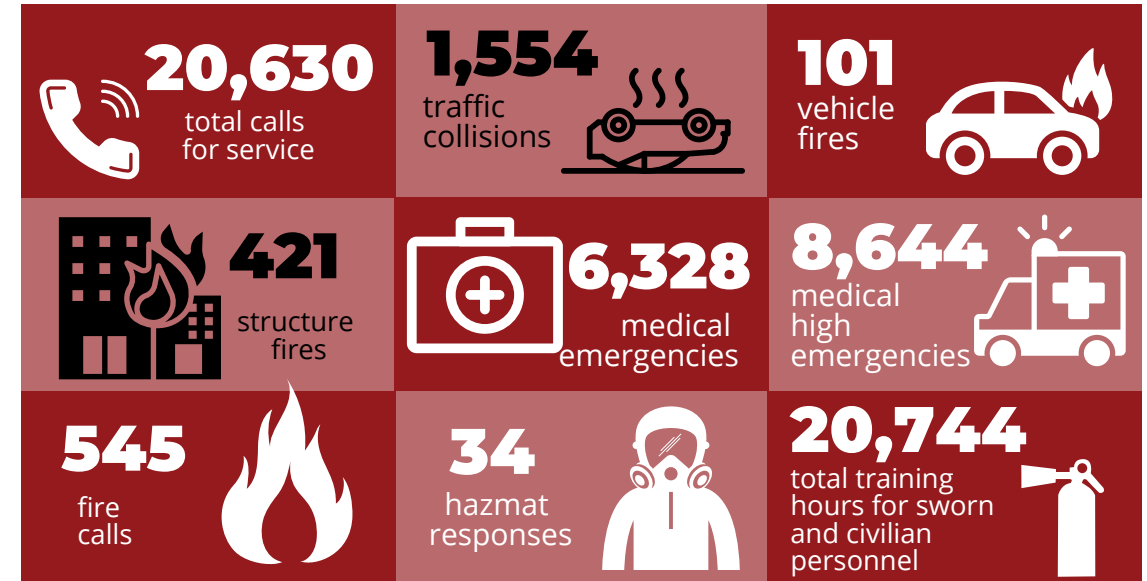
OXNARD POLICE DEPARTMENT



OXNARD CULTURAL & COMMUNITY SERVICES



OXNARD FIRE DEPARTMENT



OXNARD PUBLIC WORKS



ADDRESSING THE **HOUSING CRISIS**



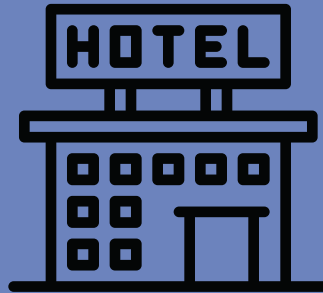
OXNARD HOUSING DEPARTMENT

110 beds
56 housing units



Oxnard's
Comprehensive
Homeless
Solutions
Center

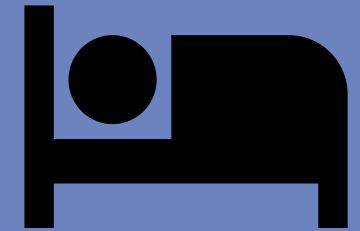
70
Rooms



to shelter 70 -140
homeless through
Project HomeKey

58

previously homeless
persons placed in
housing



454

number of homeless
individuals that were
provided services by
Mercy House and
Salvation Army

How would a higher sales tax impact lower income residents and those who are unemployed?

WHAT IS NOT TAXED IN CALIFORNIA

COMMON ITEMS EXEMPT FROM SALES TAX



GROCERIES



PRESCRIPTION
DRUGS



UTILITIES



PLANTS OR SEEDS
USED FOR FOOD



PACKAGED
FOOD/SNACKS

How would a higher sales tax impact lower income residents and those who are unemployed?

CONSEQUENCES OF BUDGET CUTS

CULTURAL & COMMUNITY SERVICES



REDUCED FUNDING

- Library Services



REDUCED FUNDING

- City Corps
- Youth Programming & Sports



REDUCED FUNDING

- Seniors

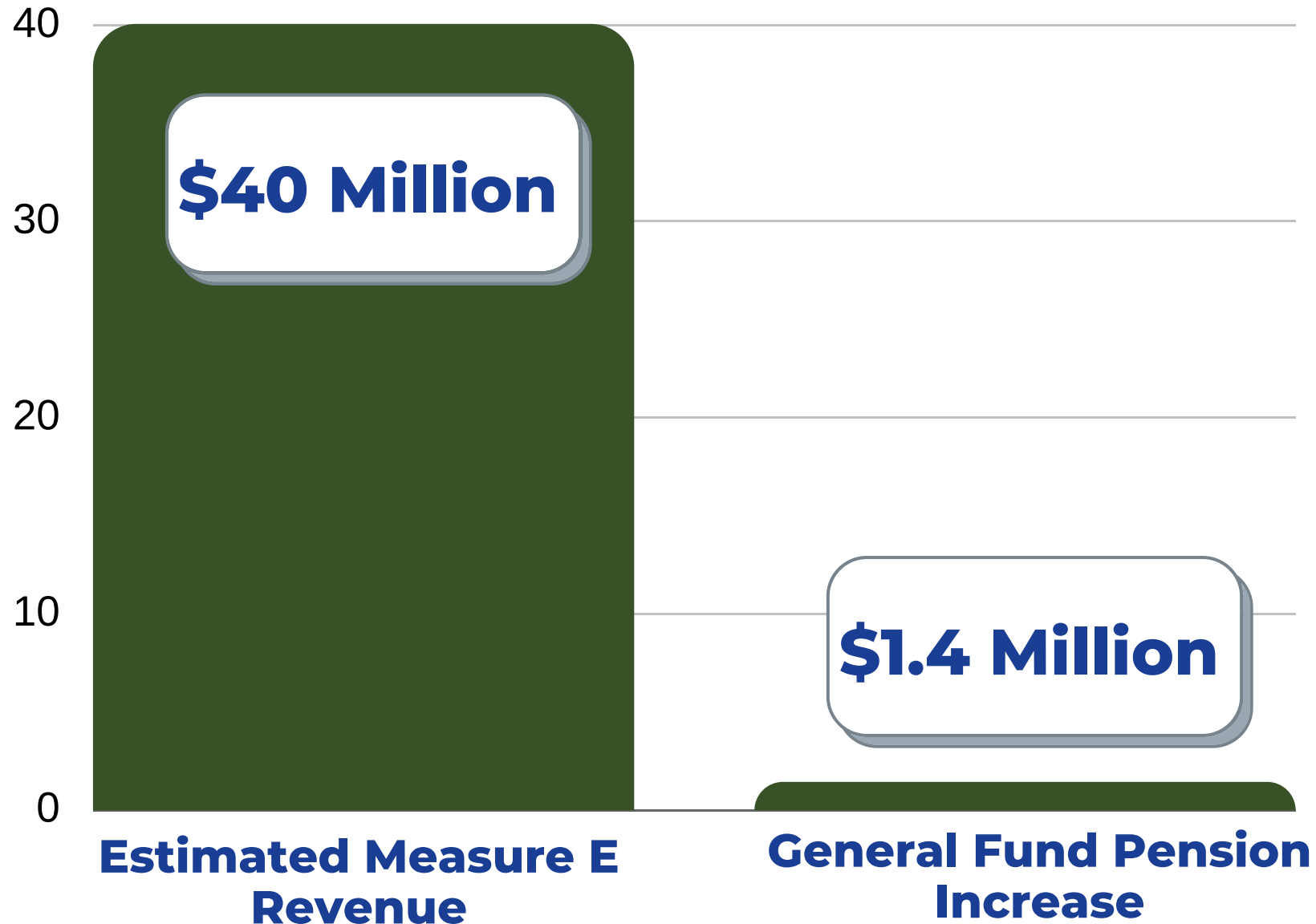


CLOSED CARNEGIE ART MUSEUM

- Netted \$522,000 in savings

OVER \$5 MILLION IN REDUCTIONS SINCE 2015

Is the sales tax just going towards pension obligations?



Will Measure E address the City's street repairs?

Public Works *Streets & Alleys Maintenance*



1,032

Miles of Lanes

453 miles of streets
=
1,032 miles of lanes

FUNDING SOURCES

- Gas Tax
- General Fund (Measure O)



650

Miles of Sidewalk

FUNDING SOURCES

- Gas Tax
- General Fund (Measure O)



70

Miles of Alleys

FUNDING SOURCE

- General Fund (Measure O)

Will Measure E address the City's street repairs?

Public Works *Streets & Alleys Maintenance*



63

Current Oxnard
Streets & Alleys PCI



- Score of 1 - 100
- 0 = Worst, 100 = Best

FY 2020-2021
Approved CIP Budget

\$9.7M

What would it cost the City annually for improvements?

70
PCI

\$18M/yr.
to achieve by 2028

80
PCI

Approximately
\$38.4M/yr.
to achieve by 2028

What are the Measure E oversight provisions?

MEASURE E

ACCOUNTABILITY AND TRANSPARENCY PROTECTIONS

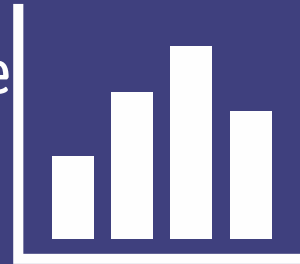
INDEPENDENT AUDITS

Annual audits will be performed on Measure E



OVERSIGHT

Regular review by the City Council Finance & Governance Committee



ALL AVAILABLE ONLINE

Public disclosure of all spending and audits will all be available on the City website



Why doesn't Measure E sunset?

Budget Forecast - General Fund

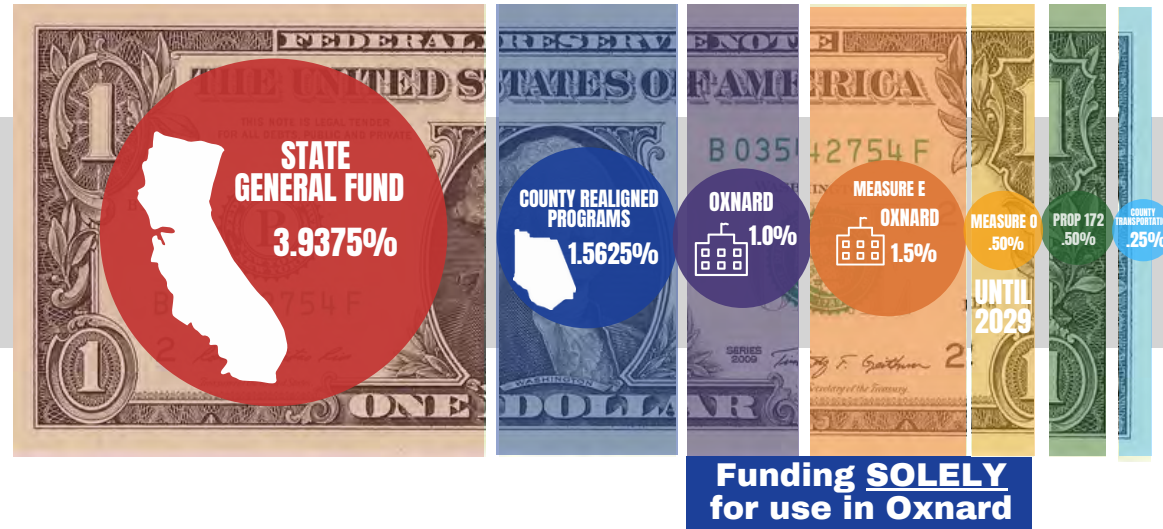
Draft as of 6.22.20

<i>General Fund (\$ in Million)</i>	FY 2019-20 Pre-COVID Estimated Year-End	FY 2019-20 Estimated Year-End POST-COVID	FY20-21 PROPOSED BUDGET	FY21-22 PROJECTED	FY22-23 PROJECTED	FY23-24 PROJECTED	FY24-25 PROJECTED
Property Tax	59.1	57.0	61.2	62.2	63.8	65.7	67.7
Sales Tax	33.2	29.8	29.9	31.1	32.6	34.0	35.4
Other Revenue	48.1	45.3	43.8	43.4	44.1	44.9	45.7
Total Revenue	140.5	132.0	135.0	136.7	140.6	144.6	148.8
% Change of Revenue			2%	1%	3%	3%	3%
Staff (exclude Pension)	87.6	87.6	87.6	90.8	94.1	97.7	101.3
Pension	15.3	15.3	15.2	16.7	17.9	19.1	20.2
Other O&M	33.4	33.4	32.0	31.2	32.0	32.8	33.6
Debt Service	6.2	6.2	6.1	6.0	6.0	6.0	6.1
Total Expenditures	142.4	142.4	140.8	144.7	150.1	155.5	161.2
% Change of Expense			-1%	3%	4%	4%	4%
Net Annual Operating	(2.0)	(10.4)	(5.8)	(7.9)	(9.5)	(10.9)	(12.3)
Beginning Balance	19.6	19.6	9.2	3.4	3.4	3.4	3.4
MO Anticipated Deficit Transfer				(.5)	(1.5)	(1.0)	(.7)
Required Budget Cuts to sustain \$3.4M reserve				(8.5)	(10.9)	(11.9)	(13.0)
Ending Balance	17.6	9.2	3.4	3.4	3.4	3.4	3.4
Projected Operating Reserve	12.4%	6.5%	2.4%	2.3%	2.2%	2.2%	2.1%
Reserve Target	17.1	17.1	16.9	17.4	18.0	18.7	19.3
Above/ (Below) Reserve Target	.5	(7.9)	(13.5)	(14.0)	(14.6)	(15.3)	(16.0)

If Measure E is Approved by Voters

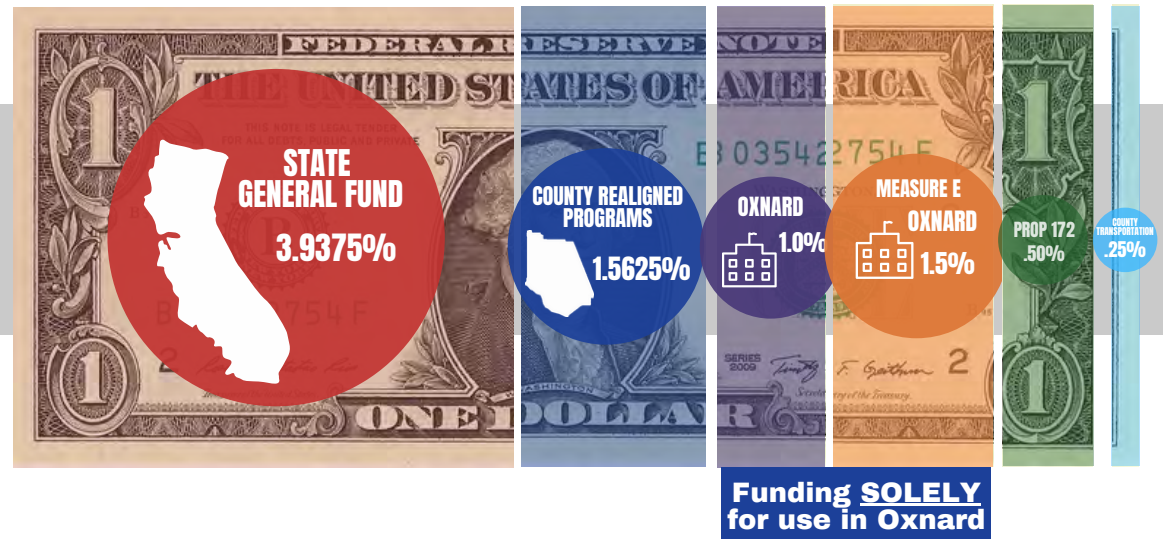
2021 - 2029

9.25%



Beyond 2029

8.75%



ALLOWABLE SALES TAX RATES



State of California

Tax Brackets for All Incorporated Cities

Maximum is 10.25

10.00 +	42 cities
9.00 +	127 cities
8.00 +	133 cities
7.25 +	180 cities

← **OXNARD**

Minimum is 7.25

More Voter Information

- For more information about Oxnard's Municipal Election or Measure E, visit: www.oxnard.org/MeasureE
- For more information on voting procedures or mail-in ballots visit the Ventura County Registrar of Voters at: recorder.countyofventura.org/elections
- The City does not advocate a yes or no vote on Measure E
- This presentation is provided for informational purposes only

