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City of Oxnard Adopts Surplus Budget; Will Use \$20M of Surplus To Pay Down Long-Term Debt and \$9.5M to Bolster Reserve Fund

OXNARD, Calif. – The Oxnard City Council and Housing Authority adopted a Fiscal Year 2024-25 Operating and Capital Improvement Budget of \$761.7 million on June 18, 2024, which includes the General Fund group, landscape maintenance and community facilities district funds, special revenue funds, assessment district funds, enterprise funds, and internal service funds.

“Thanks to the policy direction of our Council and the hard work of City staff, we’re delivering a positive, balanced budget that will continue the restoration of infrastructure such as paving our streets and alleys and investing in community services throughout Oxnard,” said Mayor John C. Zaragoza. “We’re also supporting Oxnard’s long-term financial sustainability by using one-time surplus funds to make a significant payment towards long-term debt.”

In 2019, Oxnard faced a \$9.2 million structural budget deficit. Thanks to the voters’ approval of Measure E, the policy direction of the City Council, and implementation by City leadership, the City has made significant progress improving its long-term financial sustainability.

Since 2021, the City’s annual budgets have incrementally restored services by maintaining adequate public safety, improving street paving cycles, enhancing cybersecurity, and ensuring financial stability.

However, progress has been slowed by challenges such as an unreliable supply chain, inflation, a competitive labor market, and more Aaron Starr litigation, which eliminated an important bonding tool used by cities, counties, and states for major multigenerational public projects like restoring roads and building City facilities like senior centers. Consequently, the City Council has been cash-funding multi-million dollar infrastructure projects that would otherwise be financed through bonds. Despite such challenges, this budget provides for the continuation of the City Council’s priorities to restore services and programs that Oxnard’s community needs and deserves.

The City has benefited from increased sales tax revenues, notably from the Amazon Fulfillment Center in Oxnard, and higher interest income on the City’s cash and investment balances due to elevated federal interest rates. Additionally, the City has received over \$60 million in federal aid under the Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act (ARPA) legislation, bolstering funding for various projects and programs that would otherwise rely on General Funds. These factors are expected to generate a one-time budget surplus of approximately \$35 million by the conclusion of Fiscal Year 2023-2024.

For more information on the City’s annual budget, visit www.oxnard.gov/budget.

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