

**AGENDA FOR THE MEETING
OF THE MEASURE I CITIZENS' OVERSIGHT BOARD
MARCH 29, 2018 – 6:30 P.M.
CONFERENCE ROOM 1, CITY HALL, 13700 LA MIRADA BOULEVARD,
LA MIRADA, CALIFORNIA 90638**

in compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting or other services offered by this City, please call (562) 943-0131 and contact the City Clerk's office or the Human Resources Department. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

All cell phones, pagers and other audible electronic devices should be in their off or silent position while the meeting is in session.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

**Chairman Lee Olsen
Vice Chairman Scott Watkins
Hal Malkin
Philip Massey
David Morfin**

ACTION ITEMS

1. **MEETING MINUTES** – It is recommended the Oversight Board approve the minutes of the meeting of December 7, 2017.

REVIEW AND DISCUSSION

2. **CALIFORNIA STATE BOARD OF EQUALIZATION TAX DISTRIBUTION UPDATE** – It is recommended the Oversight Board receive and file the report.
3. **ORAL REPORT ON THE CITY'S CAPITAL IMPROVEMENT PROJECTS** – It is recommended the Oversight Board review and discuss the Capital Improvement Projects update.

PUBLIC COMMENT


(Any information or materials provided during Public Comments are recorded in the minutes and are subject to public disclosure under the Public Records Act. The speaker is requested, but is not required, to orally state or register his or her name and/or address on the sheet located at the podium, for purposes of recording the information accurately in the minutes.)

BOARD MEMBER REPORTS

ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.

Dated this 22nd day of March 2018.



Anne Haraksin, City Clerk

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UNAPPROVED

**MINUTES OF THE MEETING OF THE
MEASURE I CITIZENS' OVERSIGHT BOARD
December 7, 2017**

The meeting was called to order at 6:30 p.m. in Conference Room 1, 13700 La Mirada Boulevard, La Mirada, California. Responding to roll call were Board Members Hal Malkin, Philip Massey, and David Morfin, Vice Chairman Scott Watkins and Chairman Lee Olsen. Also present were City Manager Jeff Boynton, Public Works Director Mark Stowell, and Senior Accountant Melissa Pascual.

CALL TO ORDER

Chairman Olsen called the meeting to order.

PLEDGE OF ALLEGIANCE

Chairman Olsen led the pledge of allegiance.

ROLL CALL

City Manager Boynton conducted roll call.

ACTION ITEMS

1. APPROVAL OF MINUTES

Member Malkin motioned and Member Massey seconded to approve the Minutes from the September 7, 2017 meeting.

MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:

**AYES: Members Malkin, Massey, Morfin, Vice Chairman Watkins, and
Chairman Olsen**

NOES: None

ABSENT: None

ABSTAIN: None

REVIEW AND DISCUSSION

**2. CALIFORNIA STATE BOARD OF EQUALIZATION TAX DISTRIBUTION
UPDATE**

Senior Accountant Melissa Pascual reported on payments received by the State Board of Equalization (SBOE) and Measure I expenditures. Ms. Pascual said \$1,607,423 was received by the City for Fiscal Year 2017-18.

Ms. Pascual said expenditures totaling \$2,936,542 were transferred out for Neighborhood Infrastructure Improvement Phases 3 and 4, and planning and design work for Phase 5. The current Fiscal Year 2017-18 fund balance is \$9,875,585.

Members reviewed and discussed the California State Board of Equalization tax distribution update and Measure I financial information.

Member Massey motioned and Member Malkin seconded to receive and file the California State Board of Equalization Tax Distribution Update report.

MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:

AYES: Members Malkin, Massey, Morfin, Vice Chairman Watkins, and Chairman Olsen

NOES: None

ABSENT: None

ABSTAIN: None

3. ORAL REPORT ON THE CITY'S CAPITAL IMPROVEMENT PROJECTS

Public Works Director Stowell provided an update of Measure I funded and other Capital Improvement Projects being completed in La Mirada.

Members asked questions and provided comments about the Santa Gertrudes Wall project, median landscaping renovations, and Measure I neighborhood improvements.

PUBLIC COMMENT

None.

BOARD MEMBER REPORTS

Board members reported on various items of interest.

ADJOURNMENT

The meeting was adjourned at 7:04 p.m.

ATTEST:



Jeff Boynton, City Manager

Lee Olsen, Chairman

REVIEW AND DISCUSSION

Measure I Citizens' Oversight Board
March 29, 2018

TO: Chairman and Oversight Board Members

FROM: Jeff Boynton, City Manager

ORIGINATED BY: Melissa Pascual, Senior Accountant

SUBJECT: CALIFORNIA STATE BOARD OF EQUALIZATION TAX DISTRIBUTION UPDATE

BACKGROUND

At the January 22, 2013 City Council meeting, the City Council adopted Resolution No. 13-05 establishing the Measure I Citizens' Oversight Board. The role of the Oversight Board is to review and report on the revenues and expenditures of Measure I funds; review financial audits and reports; monitor the City's progress on the planning, engineering, and construction of infrastructure projects; and issue an Annual Report.

FINDINGS

This report provides information as of March 22, 2018. Attachment "A" includes information on the State Board of Equalization's payments to the City (revenues) and Measure I-related expenditures. Measure I has generated a total of \$3.96 million in revenues to date for Fiscal Year 2017-2018. This figure represents two quarters of revenues received for the year.

During this reporting period, expenditures in the amount of \$5.68 million were transferred out for the Neighborhood Phases III and IV projects, and planning and design for Phase V. The current Fiscal Year 2017-18 fund balance is \$9.49 million. The statements provided by the State Board of Equalization are included in Attachment "B".

The Measure I transactions and use tax will expire at the end of the day on March 31, 2018. Due to the timing of revenues collected by the State Board of Equalization, the final payment of Measure I revenues is expected in June of 2018.

RECOMMENDED ACTION

It is recommended the Oversight Board receive and file the report.

ATTACHMENT A

CITY OF LA MIRADA
BALANCE SHEET-MEASURE I
AS OF MARCH 31, 2018

ASSETS:	
CASH	<u>\$ 9,487,332</u>
TOTAL ASSETS	<u>\$ 9,487,332</u>

FUND BALANCE:	
ASSIGNED FOR CAPITAL PROJECTS	<u>\$ 9,487,332</u>

CITY OF LA MIRADA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 MEASURE I
 AS OF MARCH 31, 2018

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	AS OF 3/31/2018
REVENUES						
MEASURE I TRANSACTIONS AND USE TAX	\$ 1,524,783	\$ 4,456,406	\$ 5,793,139	\$ 5,743,911	\$ 6,384,905	\$ 3,961,849
EXPENDITURES						
TRANSFERS OUT-CAPITAL PROJ. (C1049)- GENERAL MEASURE I ENG.	-	147,800	3,778	104,844	-	-
TRANSFERS OUT-CAPITAL PROJ. (C1059)- PHASE I	-	-	4,336,719	44,547	-	-
TRANSFERS OUT-CAPITAL PROJ. (C1058)- PHASE II	-	-	148,380	4,490,350	31,560	-
TRANSFERS OUT-CAPITAL PROJ. (C1064)- PHASE III	-	-	-	212,685	2,803,109	4,200,803
TRANSFERS OUT-CAPITAL PROJ. (C1068)- STORM DRAIN REPAIR PROGRAM	-	-	-	5,588	575	74,354
TRANSFERS OUT-CAPITAL PROJ. (C1069)- MEASURE I PHASE IV	-	-	-	-	58,764	1,117,458
TRANSFERS OUT-CAPITAL PROJ.(C1070)- OLIVE BRANCH DRIVE PAVEMENT	-	-	-	-	309,742	313
TRANSFERS OUT-CAPITAL PROJ.(C1071)- MEASURE I PHASE V	-	-	-	-	-	286,294
	-	147,800	4,488,877	4,858,014	3,203,750	5,679,221
NET CHANGE IN FUND BALANCE	1,524,783	4,308,606	1,304,262	885,898	3,181,155	(1,717,372)
FUND BALANCE, BEGINNING OF YEAR	-	1,524,783	5,833,389	7,137,651	8,023,549	11,204,704
FUND BALANCE, END OF YEAR	\$ 1,524,783	\$ 5,833,389	\$ 7,137,651	\$ 8,023,549	\$ 11,204,704	\$ 9,487,332

(A)

(A) Ending fund balance was revised since the September 2017 Measure I meeting

00110-4120.5 MEASURE I SALES TAX REVENUE

YEAR	PER	EFF DATE	AMOUNT	VDR NAME/ITEM DESC	COMMENTS
2018	1	7/31/2017	426,600.00	'BOARD OF EQUALIZATION	JULY SALES TAX
2018	1	7/31/2017	(426,600.00)	REVERSE FY 16/170 ACCRUAL	
2018	2	8/30/2017	568,800.00	'BOARD OF EQUALIZATION	AUGUST SALES TAX
2018	2	8/30/2017	(568,800.00)	REVERSE FY 16/170 ACCRUAL	
2018	3	9/30/2017	637,223.22	'BOARD OF EQUALIZATION	SEPTEMBER SALES TAX
2018	4	10/31/2017	415,800.00	'BOARD OF EQUALIZATION	OCTOBER SALES TAX
2018	5	11/30/2017	554,400.00	'BOARD OF EQUALIZATION	NOVEMBER SALES TAX
2018	6	12/31/2018	742,973.35	'BOARD OF EQUALIZATION	DECEMBER SALES TAX
2018	7	1/31/2018	466,800.00	'BOARD OF EQUALIZATION	JANUARY SALES TAX
2018	8	2/28/2018	622,400.00	'BOARD OF EQUALIZATION	FEBRUARY SALES TAX
2018	9	3/31/2018	522,252.69	'BOARD OF EQUALIZATION	MARCH SALES TAX

3,961,849.26

MENTIAL STREET PHASE III

11/1/2017	2,147.55	COUNTY OF ORANGE	3569147
8/28/2017	26,460.00	ENGINEERING	3568445
10/2/2017	18,450.00	ENGINEERING	3568801
10/13/2017	18,870.00	ENGINEERING	3568965
1/2/2018	15,180.00	ENGINEERING	3569686
1/16/2018	8,295.00	ENGINEERING	3569846
2/5/2018	7,770.00	ENGINEERING	3570045
3/5/2018	3,000.00	ENGINEERING	3570399
08/28/2017	18,936.25	GEO-ADVANTEC	3568452
10/02/2017	11,850.00	GEO-ADVANTEC	3568807
11/01/2017	4,190.00	GEO-ADVANTEC	3569162
08/14/2017	2,230.00	KABBARA	3568273
10/13/2017	12,024.50	KABBARA	3568990
11/20/2017	2,849.00	KABBARA	
2/5/2018	6,927.00	KABBARA	3570063
8/28/2017	1,510,652.28	R.J. NOBLE	3568500
10/02/2017	674,284.35	R.J. NOBLE	3568849
10/13/2017	118,802.25	R.J. NOBLE	3569033
11/28/2017	687,518.84	R.J. NOBLE	3569534
1/2/2018	486,073.55	R.J. NOBLE	3569743
2/5/2018	342,273.82	R.J. NOBLE	3570102
7/31/2017	222,019.08	RJ NOBLE- ADJUSTMENT FOR BUENA PARK	

BUENA PARK PORTION WAS LOWER THAN PREVIOUSLY ANTICIPATED. BUENA PARK PORTION WAS \$144,981, PREVIOUSLY ESTIMATED AT \$367,000.

4,200,803.47

DRAIN REPAIR PROGRAM

10/13/2017	3,250.00	MIKE PRLICH	3569012
11/20/2017	3,250.00	MIKE PRLICH	3569355
1/16/2018	28,700.00	MIKE PRLICH	3569887
2/5/2018	29,855.00	SANCON ENGINEERING	3570110
2/5/2018	9,068.51	SANCON ENGINEERING	3570110
2/20/2018	230.00	WOLFE ENGINEERING	3570325
	<u>74,353.51</u>		

MEASURE I PHASE IV

08/28/2017	2,217.50	ANDERSONPENNA	3568410
10/02/2017	8,002.50	ANDERSONPENNA	3568772
11/01/2017	1,850.00	ANDERSONPENNA	3569135
11/28/2017	8,694.00	ANDERSONPENNA	3569459
1/16/2018	5,016.00	ANDERSONPENNA	3569821
2/5/2018	3,785.00	ANDERSONPENNA	3570013
3/5/2018	1,702.00	ANDERSONPENNA	3570381
11/01/2017	542.00	GEO-ADVANTEC	3569162
1/2/2018	3,118.00	GEO-ADVANTEC	3569693
1/16/2018	872.00	GEO-ADVANTEC	3569851
1/16/2018	7,079.00	GEO-ADVANTEC	3569851
2/5/2018	1,067.50	GEO-ADVANTEC	3570051
2/5/2018	5,495.00	GEO-ADVANTEC	3570051
3/5/2018	3,206.00	GEO-ADVANTEC	3570406
11/20/2017	191,554.44	SEQUEL CONTRACTORS,	3569381
11/28/2017	187,091.57	SEQUEL CONTRACTORS,	3569539
1/2/2018	276,462.83	SEQUEL CONTRACTORS,	3569750
2/5/2018	84,993.17	SEQUEL CONTRACTORS,	3570113
2/20/2018	265,853.94	SEQUEL CONTRACTORS,	3570304
10/02/2017	1,120.36	ZUMAR INDUSTRIES	3568877
1/2/2018	14,700.00	ENGINEERING	3569686
1/16/2018	2,235.00	ENGINEERING	3569846
1/16/2018	9,330.00	ENGINEERING	3569846
2/5/2018	7,800.00	ENGINEERING	3570045
2/5/2018	7,530.00	ENGINEERING	3570045
3/5/2018	10,380.00	ENGINEERING	3570399
3/5/2018	4,860.00	ENGINEERING	3570399
3/5/2018	900.00	ENGINEERING	3570399
	<u>1,117,457.81</u>		

BRANCH DRIVE PAVEMENT

8/28/2017	6,300.00	DOUG MARTIN	3568441
8/31/2017	(6,300.00)	REVERSE PRIOR YEAR ACCRUAL	
11/28/2017	<u>312.50</u>	CNC ENGINEERING	3569474
	<u>312.50</u>		

MEASURE I PHASE V

10/13/2017	15,735.00	HARRIS AND ASSOCIATES	3568979
11/20/2017	65,254.50	HARRIS AND ASSOCIATES	3569327
1/16/2018	182,937.00	HARRIS AND ASSOCIATES	3569857
2/20/2018	10,577.00	HARRIS AND ASSOCIATES	3570238
3/16/2018	<u>11,790.00</u>	HARRIS AND ASSOCIATES	
	<u>286,293.50</u>		
	<u>5,679,220.79</u>		

Attachment B

Local Jurisdiction Statement of Tax Distribution

308 Date: For the periods shown below
12/15/2017

**Payee: CITY OF LA MIRADA TRANS &
USE/DEPUTY CITY MANAGER**

Total Due	3rd Qtr 17	1,671,773.35
Prior Credits		0.00
Prior Advances	3rd Qtr 17	-1,386,000.00
Cost of Admin		-9,600.00
Balance	3rd Qtr 17	276,173.35
Current Advance	Oct 2017	466,800.00
Total Payment (by EFT)		742,973.35

Attachment B

Local Jurisdiction Statement of Tax Distribution

308 Date: For the periods shown below
01/16/2018

**Payee: CITY OF LA MIRADA TRANS &
USE/DEPUTY CITY MANAGER**

Current	Nov 2017	466,800.00
Advance		
Prior Credits		0.00

Total Payment (by EFT) 466,800.00

If you have questions regarding this statement,
please contact CDTFA-Local Revenue and
Allocation Unit at 916-324-3000.

[Back to Query Page](#)

Attachment B

Local Jurisdiction Statement of Tax Distribution

308 Date: For the periods shown below
02/16/2018

**Payee: CITY OF LA MIRADA TRANS &
USE/DEPUTY CITY MANAGER**

Current	Dec 2017	622,400.00
Advance		
Prior Credits		0.00

Total Payment (by EFT) 622,400.00

If you have questions regarding this statement,
please contact CDTFA-Local Revenue and
Allocation Unit at 916-324-3000.

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Attachment B

Local Jurisdiction Statement of Tax Distribution

308 Date: For the periods shown below
03/16/2018

**Payee: CITY OF LA MIRADA TRANS &
USE/DEPUTY CITY MANAGER**

Total Due	4th Qtr 17	1,686,052.69
Prior Credits		0.00
Prior Advances	4th Qtr 17	-1,556,000.00
Cost of Admin		-9,600.00
<hr/>		
Balance	4th Qtr 17	120,452.69
Current Advance	Jan 2018	401,800.00
<hr/>		
Total Payment (by EFT)		522,252.69
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Q3 2017



City of La Mirada Sales Tax *Update*

Fourth Quarter Receipts for Third Quarter Sales (July - September 2017)

La Mirada In Brief

Receipts for La Mirada's July through September sales were 8.6% higher than the same quarter one year ago.

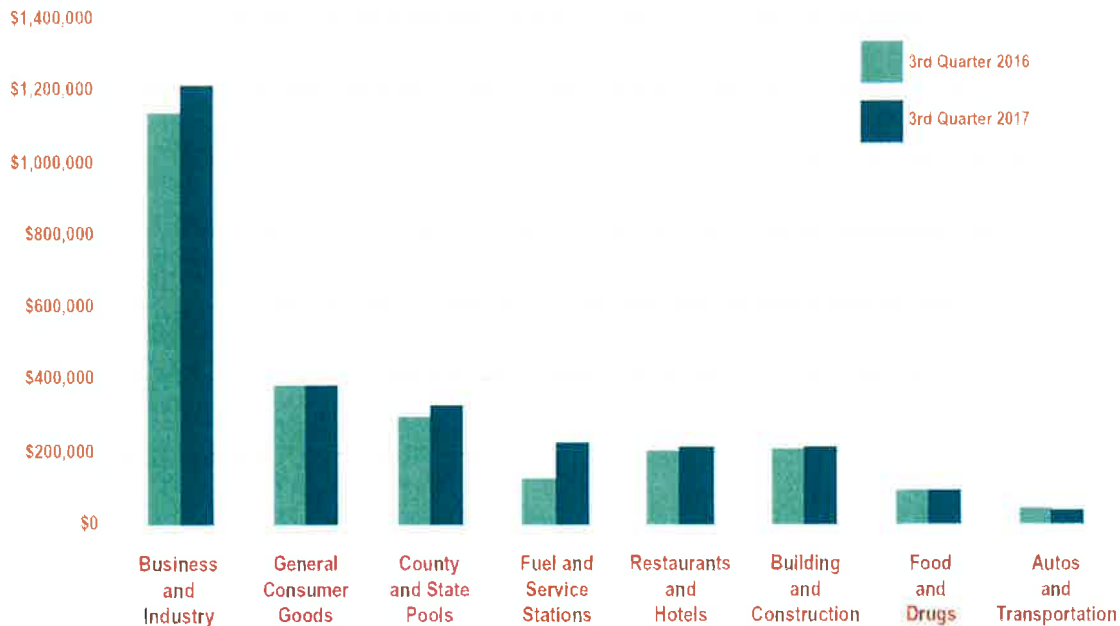
Solid results from several categories of business to business sales plus a reporting aberration that spiked postings from service stations were major factors for the increase. Recent additions that contributed to gains from restaurants and the larger allocation from the countywide use tax pool were also factors.

A prior business closeout flattened receipts from consumer goods while adjustments that affected one or both quarters depressed results from quick-service eateries, light industrial/printers and the automotive group.

In addition to the amounts discussed above, proceeds from local Measure I totaled \$1,671,773, an 11.5% increase from the same quarter of 2016.

Adjusted for reporting anomalies, taxable sales for all of Los Angeles County and the Southern California region as a whole rose 3.1% over the same period.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

Ahern Rentals	Marshalls
Amada America	Pivot Interiors
Arco AM PM	Shabuya
Bet Plant Services	Siemens Water Technologies
Camping World	Smith & Nephew
Chevron	Spinart
CVS Pharmacy	Staples Fulfillment Center
Eagle High Reach Equipment	Stater Bros
Forest Plywood	Tomarco Contractor Specialties
Georgia Pacific Corrugated III	US Foodservice
Home Depot	Walmart Neighborhood Market
In N Out Burgers	
Living Spaces	
Mack Volvo GMC Truck Sales	

REVENUE COMPARISON

Two Quarters – Fiscal Year To Date

	2016-17	2017-18
Point-of-Sale	\$4,631,215	\$4,679,080
County Pool	658,938	641,961
State Pool	1,608	669
Gross Receipts	\$5,291,761	\$5,321,709
Measure I	\$3,076,262	\$3,324,797

Statewide Trends

After factoring for accounting anomalies, local government's one-cent share of statewide sales and use tax from July through September sales was 3.6% higher than 2016's summer quarter.

Rising fuel prices, increased demand for building-construction materials and the continuing acceleration in online shopping for merchandise shipped from out-of-state that is expanding receipts from the countywide use tax allocation pools were the primary contributors to the overall increase.

This quarter marked the anticipated leveling off of auto sales while agriculture and transit-related purchases helped boost otherwise tepid gains in business-industrial receipts. Restaurant sales exhibited healthy overall gains of 3.5% although growth rates are slowing from previous quarters.

Receipts from consumer goods sold by brick and mortar stores were up 0.7% over the previous year while revenues from online purchases grew 13.3%.

Cannabis Taxation

A 15% excise tax on retail cannabis and cannabis products along with a cultivation tax and sales tax on recreational uses take effect on January 1, 2018.

Significant sales tax revenues are not expected until late 2018-19 as retail start-ups comply with lengthy state and local permitting processes. Although sales of medicinal cannabis became exempt in 2016 for purchasers with a state issued Medical Marijuana ID card, jurisdictions with dispensaries continue to receive sales tax from that source as most patients prefer to use a note from their physicians.

Some decline in revenues from medical dispensaries are expected as users' transition to new purchase options and because of lower prices caused by anticipated overproduction and the six month window that suppliers have to sell existing inventory grown under previous regulations.

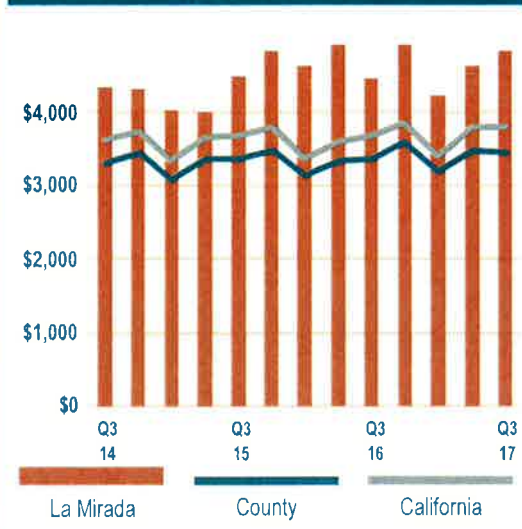
Sales Tax and Natural Disasters

The recent firestorm tragedies have raised questions on potential bumps in sales tax revenues from reconstruction and recovery activities.

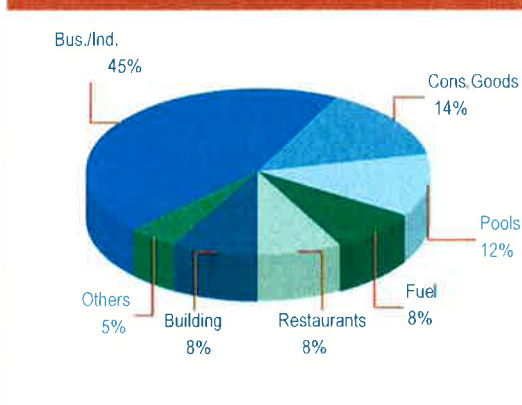
HdL analyzed the sales tax data from the 1991 Oakland Hills, 2003 San Diego Cedar and 2007 San Diego Witch fires which involved the combined loss of over 7,700 structures. Surprisingly, there were no identifiable gains in construction and auto-related purchases within the impacted areas during the five years after each event with receipts following normal economic cycles experienced by the state as a whole.

Further analysis suggests that though the individual losses are catastrophic, purchases of replacement items are a small fraction of the impacted area's total spending and is often spread to other jurisdictions where disaster victims relocate. Tax receipts from construction spending are defused over time because of lengthy claims and permitting processes that cause up to 40% of disaster victims to relocate leaving vacant lots that are not immediately redeveloped.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP
La Mirada This Quarter



LA MIRADA TOP 15 BUSINESS TYPES

Business Type	*In thousands of dollars			
	La Mirada Q3 '17*	Change	County Change	HdL State Change
Building Materials	167.0	-0.8%	3.3%	5.6%
Casual Dining	77.5	10.3%	3.3%	2.6%
Contractors	— CONFIDENTIAL —	—	14.0%	6.5%
Electrical Equipment	58.2	41.3%	-4.7%	-6.6%
Food Service Equip./Supplies	— CONFIDENTIAL —	—	13.2%	10.6%
Fulfillment Centers	— CONFIDENTIAL —	—	1.6%	43.3%
Grocery Stores	56.6	-2.0%	0.2%	0.6%
Heavy Industrial	165.8	38.0%	-5.4%	6.2%
Home Furnishings	— CONFIDENTIAL —	—	3.8%	1.0%
Light Industrial/Printers	65.7	-3.1%	-5.2%	-4.7%
Office Supplies/Furniture	— CONFIDENTIAL —	—	13.1%	-1.8%
Quick-Service Restaurants	104.3	-2.5%	3.7%	4.8%
Repair Shop/Equip. Rentals	98.2	5.6%	-2.2%	8.1%
Service Stations	226.5	81.8%	6.8%	9.2%
Trailers/Auto Parts	— CONFIDENTIAL —	—	8.9%	-10.8%
Total All Accounts	2,386.3	8.2%	3.2%	4.1%
County & State Pool Allocation	330.7	11.8%	6.7%	4.8%
Gross Receipts	2,717.0	8.6%	3.6%	4.2%



CITY OF LA MIRADA MEASURE I

SALES, USE AND TRANSACTIONS TAX RECEIPTS

Effective from 4/1/2013 to 3/31/2018, Rate 1%

ADJUSTED FOR
ERRORS IN DATA

Major Industry Groups	4Q 2016			1Q 2017			2Q 2017			3Q 2017		
	Sales / Use Tax	Transactions Tax	Ratio	Sales / Use Tax	Transactions Tax	Ratio	Sales / Use Tax	Transactions Tax	Ratio	Sales / Use Tax	Transactions Tax	Ratio
Autos And Transportation	38,175	264,507	692.9%	44,631	276,099	618.6%	49,693	263,817	530.9%	52,121	295,268	566.5%
Building And Construction	212,516	191,206	90.0%	195,656	179,902	91.9%	205,863	198,802	96.6%	219,054	274,423	125.3%
Business And Industry	1,305,309	538,272	41.2%	1,113,910	366,131	32.9%	1,144,587	490,355	42.8%	1,188,442	423,649	35.6%
Food And Drugs	97,878	98,425	100.6%	88,831	89,251	100.5%	94,819	95,251	100.5%	92,005	95,810	104.1%
Fuel And Service Stations	120,766	143,465	118.8%	122,593	146,884	119.8%	127,281	158,487	124.5%	226,559	157,066	69.3%
General Consumer Goods	433,402	261,846	60.4%	354,962	212,332	59.8%	386,281	205,197	53.1%	383,314	222,242	58.0%
Restaurants And Hotels	191,847	193,226	100.7%	186,226	188,153	101.0%	214,083	220,239	102.9%	210,624	216,095	102.6%
Transfers & Unidentified	150	725	484.2%	0	92	0.0%	0	1	0.0%	0	12	0.0%
Total All Businesses	2,400,044	1,691,671	70.5%	2,106,810	1,458,843	69.2%	2,222,607	1,632,149	73.4%	2,372,121	1,684,565	71.0%
State and County Pools	356,633	0		288,848	0		320,248	0		336,837	0	
Gross Receipts	2,756,677	1,691,671	61.4%	2,395,658	1,458,843	60.9%	2,542,855	1,632,149	64.2%	2,708,958	1,684,565	62.2%
SBOE Admin	-32,093	-9,580		-31,080	-9,570		-30,275	-9,600		-31,380	-9,600	
Total	2,724,584	1,682,091	61.7%	2,364,578	1,449,273	61.3%	2,512,580	1,622,549	64.6%	2,677,578	1,674,965	62.6%



MOSS, LEVY & HARTZHEIM LLP

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENTS AND ON
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON MEASURE I REVENUES AND
EXPENDITURES**

To the Citizens' Oversight Board
City of La Mirada, California

Report on Compliance for Measure I

We have audited the compliance of the Measure I Fund of the City of La Mirada (the "City") with the types of compliance requirements described in the Measure I ballot passed on November 6, 2012 for the fiscal year ended June 30, 2017.

Management's Responsibility

Management is responsible for compliance with the requirements of Measure I.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with the requirements of Measure I based on our audit. 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 Measure I. Those standards and Measure I 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 the Measure I Fund of the City. 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. However, our audit does not provide a legal determination of the City's compliance.

Opinion

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the Measure I Fund for the fiscal year ended June 30, 2017.

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 the Measure I Fund to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, 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 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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on the Measure I Revenues and Expenditures

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of La Mirada as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 8, 2017, which contained an unmodified opinion 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 report on Measure I Revenues and Expenditures is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subject 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 report on Measure I Revenues and Expenditures is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 Measure I. Accordingly, this report is not suitable for any other purpose.



Moss, Levy & Hartzheim, LLP
Culver City, California
December 8, 2017

CITY OF LA MIRADA

STATEMENT OF REVENUES AND EXPENDITURES
MEASURE I
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Revenues:	
Measure I sales tax	\$ 6,384,906
Expenditures:	
Capital Improvement Projects	3,203,750
Current year Excess (deficiency) of revenues over (under) expenditures	3,181,156
Prior year Excess (deficiency) of revenues over (under) expenditures	8,023,551
Ending Excess (deficiency) of revenues over (under) expenditures	\$ 11,204,707

Subject to the Comments in the Independent Auditor's Compliance Report.