



CITY OF LA MIRADA CALIFORNIA



Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2018



CITY OF LA MIRADA

DEDICATED TO SERVICE
FISCAL YEAR ENDED JUNE 30, 2018

City Council

Lawrence P. Mowles, Mayor
Steve De Ruse, Mayor Pro Tem
Ed Eng, Councilmember
John Lewis, Councilmember
Andrew Sarega, Councilmember

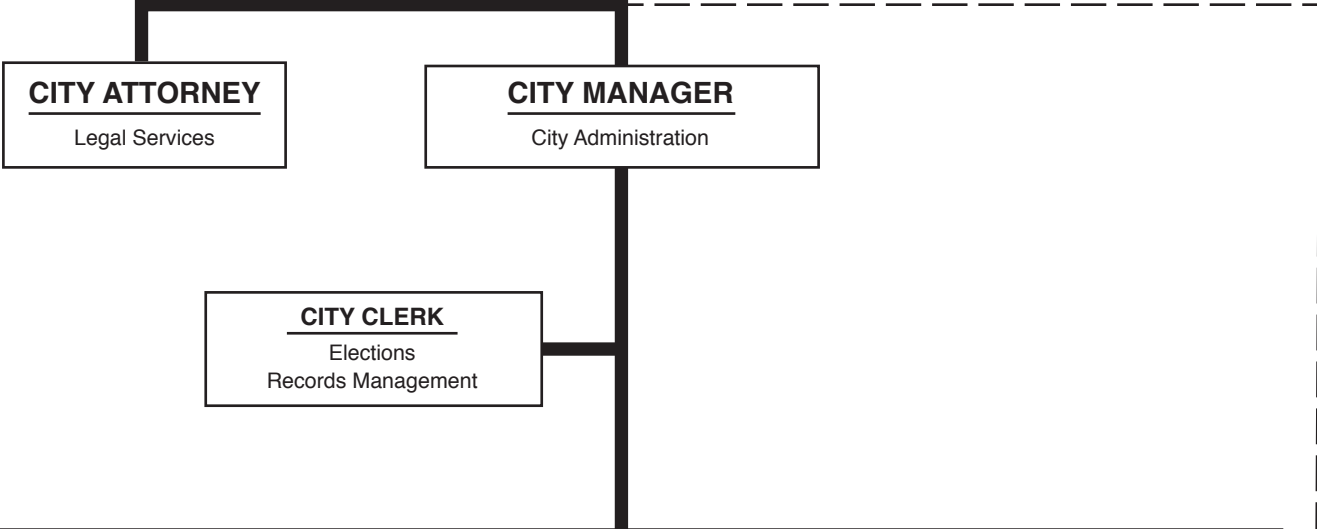
Prepared by:
Melissa Pascual, Finance Manager
Judy G. Quiñonez, Senior Accountant

CITIZENS OF LA MIRADA



Organization Chart

CITY COUNCIL
SUCCESSOR AGENCY
OF THE FORMER RDA



<p>Administration</p> <ul style="list-style-type: none"> Legislation Communications Special Projects Economic Development Commissions and Advisory Councils Housing Community Revitalization 	<p>Administrative Services</p> <ul style="list-style-type: none"> Business License Finance Information Technology Investments Human Resources Risk Management Support Services 	<p>Community Development</p> <ul style="list-style-type: none"> Building & Safety CDBG Program Management CDBG Rehabilitation Planning 	<p>Community Services</p> <ul style="list-style-type: none"> Aquatics Community Events Facilities Management Family Services Recreation Senior Services Youth Services Transit Administration 	<p>Public Safety</p> <ul style="list-style-type: none"> Alcohol & Narcotics Enforcement Community Safety Programs Emergency Preparedness Code Enforcement General Law Enforcement Traffic Law Enforcement 	<p>Public Works</p> <ul style="list-style-type: none"> Air & Water Resource Management Capital Projects General Maintenance Mechanical/Fleet Medians/Panels Parks Public Facilities Streets and Right-of-Way Refuse & Recycling 	<p>Theatre for the Performing Arts</p> <ul style="list-style-type: none"> Administration Presentations Productions Rentals Resident Groups
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- Community Services Commission
- Planning Commission
- Public Safety Commission
- Community Foundation
- Historical Preservation Advisory Council
- Senior Council
- Youth Council

KEY Elected Council Appointed Programs

CITY OF LA MIRADA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2018

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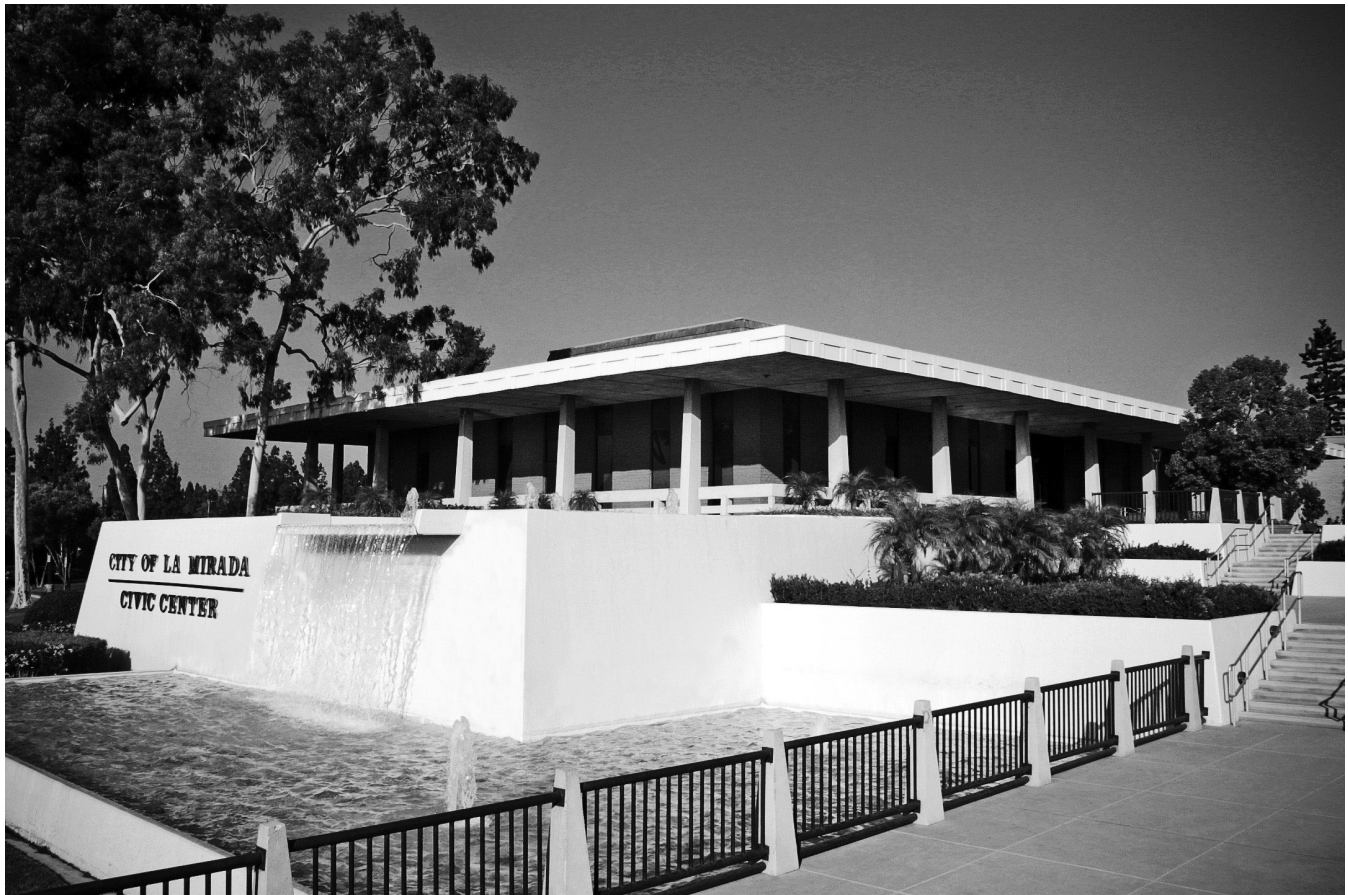
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INTRODUCTORY SECTION



CITY OF LA MIRADA

DEDICATED TO SERVICE

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December 19, 2018

TO THE CITIZENS, HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL OF THE CITY OF LA MIRADA:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2018. This report is prepared in accordance with local and state laws requiring that financial statements be presented in conformity with accounting principles generally accepted in the United States of America, as well as the opinion of Moss, Levy and Hartzheim, LLP, an independent firm of licensed certified public accountants. This financial report includes the La Mirada Public Financing Authority, the La Mirada Housing Successor, the La Mirada Theatre for the Performing Arts Foundation, and the La Mirada Parking Authority. We believe the data, as measured by the financial activities of the various funds and the appropriate disclosures, enables the reader to gain maximum understanding of the City's financial activities. In accordance with the Governmental Accounting Standards Board, management is required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with that document. The City's MD&A can be found immediately following the Independent Auditor's Report.

Responsibility for the accuracy and completeness of the data and fairness of presentation, including all disclosures, rests with the City. We believe that the data as presented is accurate in all material aspects, and is presented in a manner designed to fairly set forth the financial position and results of operations of the City of La Mirada.

BACKGROUND AND SERVICES PROVIDED

The City of La Mirada is located 17 miles southeast of downtown Los Angeles in Los Angeles County and bordering Orange County. A five member City Council operating under the Council-Manager form of government governs the City. The City of La Mirada was incorporated on March 23, 1960.

The City covers 7.8 square miles and has an estimated population of 50,000. Major industry groups in the area include automobile and transportation, building and construction, business and industry, food and drugs, fuel and service stations, general consumer goods, and restaurants and hotels.

The City continues to offer many advantages to its residents: a variety of single-family housing, excellent parks and recreational facilities, a low crime rate, and quality

programs and services. La Mirada places a strong emphasis on City beautification, with well-maintained parkways, streets, and parks. The La Mirada Theatre for the Performing Arts is one of the finest in Southern California, featuring plays, musicals, and children's productions. City officials and staff embody La Mirada's motto of being "Dedicated to Service."

The City provides a full range of municipal services to the community through a combination of directly provided and contracted services. Services include legislative, administrative and support services, planning and building, economic and community development, public works, community services, theatre, and public safety (excluding fire, which is provided by the Los Angeles County Consolidated Fire Protection District). The City contracts with Los Angeles County for law enforcement services, animal control, building and safety, traffic and engineering, and probation services.

First established as a movie house, La Mirada Theatre for the Performing Arts was purchased by the City of La Mirada and converted to a live performance venue in 1977 after residents encouraged its purchase and renovation. Since that time, the Theatre has operated as one of the City's departments. Today, the Theatre features a variety of productions, presentations, and rental activities. The facility and its programming provide unique cultural and entertainment opportunities. The Theatre adds value for local residents, enhances the community's quality of life, and promotes economic development within La Mirada and the region.

Splash! La Mirada Regional Aquatics Center is located on 18-acres on the western edge of La Mirada Regional Park. Splash! is an exciting, family-oriented destination providing fun and fitness for all. Splash! features slides, spray areas, play structures, a zero depth beach entry, a flowing river channel, and numerous shade structures. A 50-meter pool and a 25-yard pool suitable for the community's competitive and instructional needs, as well as a warm-water spa for therapeutic purposes, are also offered.

Dial-a-Ride transportation service is provided in La Mirada through a contract with MV Transportation, Inc. Eco-friendly buses provide curb-to-curb service in the community and offer convenient connections to other transit systems. Patrons enjoy easy access to surrounding communities, as well as direct connections to regional rail service via Metrolink and Metro Green Line. Rides to work, medical appointments, shopping, school, recreation, and other locations are available.

The La Mirada Library is operated by the County of Los Angeles Public Library system and features an extensive reference system used to assist patrons with informational queries. The La Mirada Library recently underwent a complete interior renovation.

BUDGETARY CONTROLS

The annual budget serves as the foundation for the City's financial planning and

control. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriations budget approved by the City Council. Activities of the General Fund, Special Revenue Funds, Internal Service Funds, Fiduciary Funds, Debt Service Funds and Capital Projects Funds are included in the annual appropriations budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. The City Manager is authorized to transfer budgeted amounts within funds as deemed necessary in order to meet the City's needs; however, revisions that alter the total budget must be approved by the City Council. Encumbrances may be re-appropriated as part of the following year's budget.

LOCAL ECONOMY AND ECONOMIC OUTLOOK

While California's housing market continues to grow, it has slowed in comparison to past years. The slowdown is largely due to rising home values and interest rates. The average 30-year fixed mortgage interest rate is 4.7 percent. Even with the slowdown, The City's median home price in Los Angeles County rose 2.4 percent to \$583,300 as of November 2018. The increasing property values have had a positive impact on the General Fund, accounting for an additional \$284,000 in property tax revenue for Fiscal Year 2017-18. However, the California Association of Realtors is predicting a slower, weaker housing market in 2019 due partly to reduced affordability.

The City's unemployment rate was 3.6 percent, which compares favorably to 4.7 percent for Los Angeles County and 4.0 percent for the State of California. Labor markets are at full employment and wages are on the rise. The City's three largest employers are Biola University, US Food Service and the Norwalk-La Mirada Unified School District, and they continue to be stable employers.

Inflation pressures presently remain contained. The Consumer Price Index for the Los Angeles-Riverside-Orange County metropolitan area was up just 2.5 percent as of October 2018, not seasonally adjusted.

At the local level, growth has been stable. La Mirada's sales tax base is largely reliant upon companies engaged in business-to-business sales and several larger retailers. Any relocation of major sales tax producers to or from La Mirada will impact sales tax revenue.

The City's local transactions and use tax expired on March 31, 2018. This funding source was a beneficial tool for addressing the City's infrastructure needs. The City was able to complete four phases of neighborhood street improvements. An additional phase will be constructed using the remaining Measure I funds. In the absence of Measure I, the City will explore other funding sources to address future capital needs.

The City adopted a balanced budget for Fiscal Year 2017-18 using a conservative approach to forecasting revenues and maintaining expenditures. The City's property

tax and sales tax revenues performed better than expected primarily due to conservative forecasting and strong sales, and other revenue sources performed as projected, if not slightly better. The budget maintained public safety services and infrastructure projects at a high level of importance. Costs were maintained by using a combination of City staff and contracted services, and by taking advantage of economies of scale. These efforts resulted in an ending General Fund unassigned fund balance of \$37 million.

A growing concern is CalPERS' continuous methodology changes, which impact the City's pension costs. The discount rate will be lowered from 7.5% to 7.00% by Fiscal Year 2020-21. The City anticipates that its total CalPERS annual payments, including the fixed dollar amount of the unfunded liability, will increase from \$1.36 million to \$2.6 million by 2023.

Though hopeful that the economy continues to steadily grow, the City will remain conservative in its revenue forecasts, contain costs and mitigate rising pension costs, while maintaining essential services for the community. We will continue to explore ways to stimulate the local economy by contacting companies wishing to expand, vigorously pursuing economic development opportunities, and continuing the beautification projects throughout La Mirada.

MAJOR INITIATIVES

The City has recently undertaken efforts to upgrade its infrastructure to current public works standards. Pavement rehabilitation, replacement of damaged curb, gutter and sidewalk, upgrades to existing and new curb access ramps, and storm drain improvements have been completed in five neighborhoods. Measure I Phase IV improvements were completed by summer of 2018 and Measure I Phase V is designed with construction to begin in FY 2018-19. Additional improvements include upgrades to traffic signals, new park playgrounds, and other facility enhancements.

LONG TERM FINANCIAL PLANNING

The City has maintained its conservative financial approach while providing quality programs, services and facilities. The City's financial position continues to be stable. The City maintains its strong financial position based on the following guidelines:

- The City's conservative fiscal philosophy calls for providing quality municipal services at a level consistent with available resources.
- The City has a tradition of operating on a balanced budget.
- The City delivers services through City employees and contracts with private companies and other governmental agencies, which has allowed greater flexibility in managing these services.
- The City maintains a healthy cash reserve for unexpected events.
- The City communicates to its citizens the need to temper demand for services against available resources.
- The City supports and encourages a strong, viable business community.

- The City supports and encourages citizen volunteerism to reduce dependence on City provided services.

Municipal services are routinely evaluated to ensure residential and business needs are served efficiently. Growth in demand for City services presents the City with significant challenges. To maintain the current high level of service, the City will continue to explore ways to operate more efficiently, control costs, and enhance its revenue base while planning to meet future infrastructure needs.

GFOA CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of La Mirada for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe this current Comprehensive Annual Financial Report again meets the Certificate of Achievement Program's requirements, and we are submitting the report to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The continued dedicated and efficient service of the Administrative Services staff is appreciated by all levels of City management. Our independent auditors, Moss, Levy and Hartzheim, LLP, provided expertise and advice in preparing an outstanding financial report this past year.

The preparation of the Comprehensive Annual Financial Report in a timely basis was made possible by the entire Administrative Services Department. Staff members are appreciated for their contributions made in the preparation of this report. Credit must also be given to the City Council and the City's executive management team for their support for maintaining the highest standards of professionalism in the management of the City of La Mirada.

Respectfully submitted,



Jeff Boynton
City Manager



Melissa Pascual
Finance Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

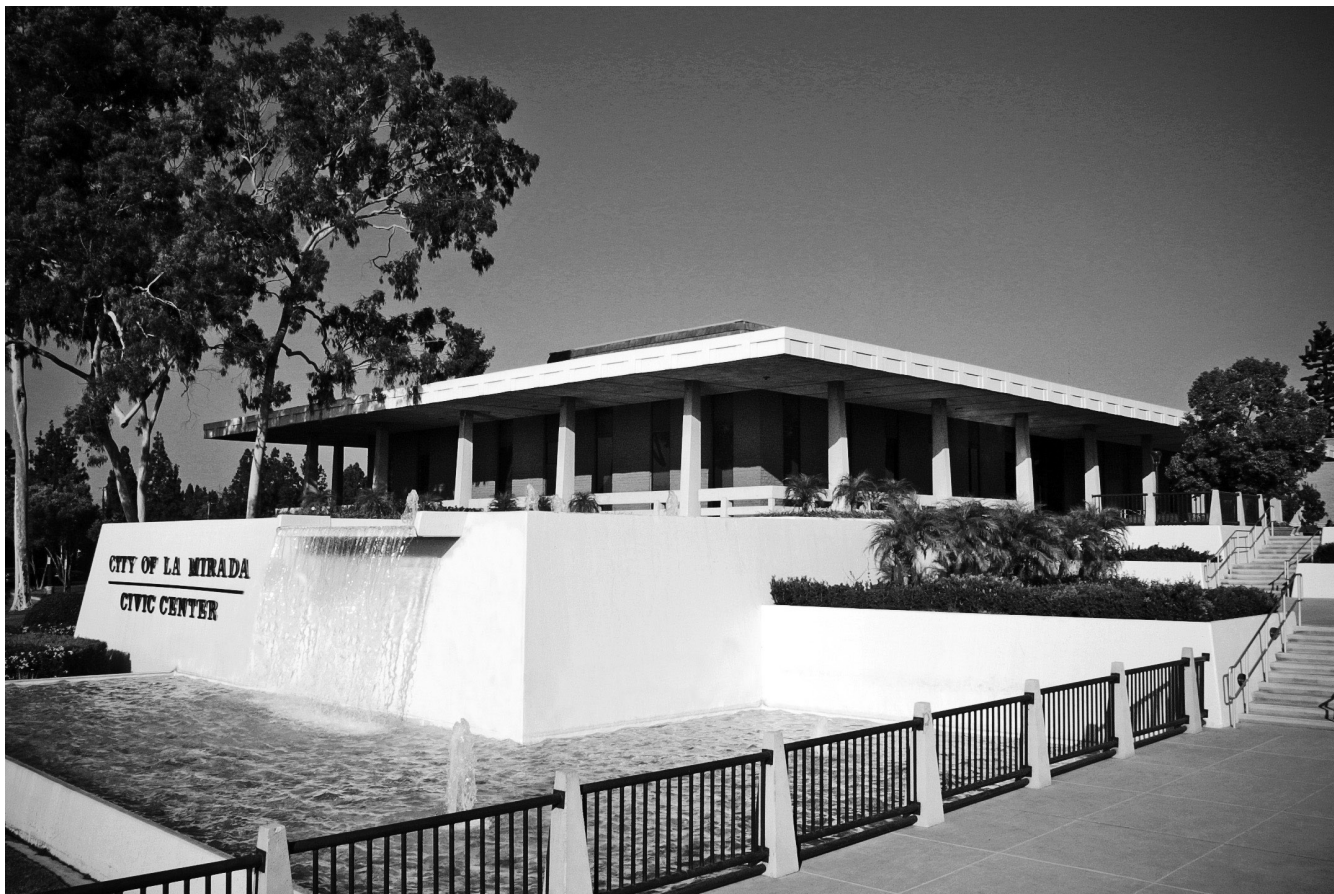
**City of La Mirada
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Honorable Mayor and Members
of the City of La Mirada
La Mirada, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of La Mirada, California (City) as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements effective July 1, 2017, the City adopted provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 15, the budgetary comparison schedules for the General Fund and the Low and Moderate Housing Special Revenue Fund, the Schedules of Proportionate Share of the Net Pension Liability, the Schedules of Pension Plan Contributions, the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Changes in the Net OPEB Liability and Related Ratios, and Schedule of Other Postemployment Benefit Plan Contributions on pages 75 through 83 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Combining Financial Statements and Budgetary Comparison Schedules of the Non-major Governmental Funds, Budgetary Schedule for the major Capital Improvement Capital Project Fund and the Statistical Section listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

Combining Non-major Fund Financial Statements, Budgetary Comparison Schedules of the Non-major Governmental Funds and Budgetary Comparison Schedule of the Major Capital Improvement Capital Project Fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 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 Combining Financial Statements, Budgetary Comparison Schedules of the Non-major Governmental Funds, and the Budgetary Comparison Schedule of the Major Capital Improvement Capital project Fund are fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Moss, Levy & Hartzheim, LLP
Culver City, California
December 5, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) provides an overview of the financial performance of the City of La Mirada for the Fiscal Year ended June 30, 2018. This MD&A should be read in conjunction with the transmittal letter in the introductory section of this report and with the City's financial statements, which follow this discussion.

FINANCIAL HIGHLIGHTS

Government-Wide

- The City's total assets exceeded its liabilities at the close of the 2017-18 fiscal year by \$196.80 million (net position). Of this amount, \$110.68 million is net investment in capital assets; \$8.59 million is restricted for public works; \$6.47 million is restricted for capital projects; \$18.13 million is restricted for low and moderate income housing; \$1.78 million is restricted for public safety and leisure and cultural; and \$51.14 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$20.95 million from the prior fiscal year. Total revenues and expenditures, were \$50.45 million and \$65.17 million, respectively, including an extraordinary loss of \$24.82 million. Of the total revenues, program revenues were \$16.49 million. Program revenues are separated into three categories: charges for services at \$11.84 million, operating contributions and grants at \$0.86 million, and capital contributions and grants at \$3.79 million. In addition, the net position reflects a prior period restatement of \$6.22 million.

Fund Level

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$86.96 million, a decrease of \$23.81 million in comparison with the prior fiscal year. This is due to an extraordinary loss in the amount of \$24.82 million.
- The State of California Department of Finance determined the \$24.82 million loan between the City and the Successor Agency to the former Redevelopment Agency was not approved for reinstatement. The loan was written-off in Fiscal Year 2017-18.
- Due to the implementation of Government Accounting Standards Board (GASB) Statement No. 75, there was a prior period adjustment in the amount of \$6.22 million to reflect the net Other Post Employee Benefits (OPEB) asset of \$5 million. The City prefunded the OPEB liability in a Section 115 Irrevocable Trust

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

administered by the CalPERS California Employers' Retiree Benefit Trust (CERBT) program.

- The unassigned fund balance for the General Fund was \$36.15 million or 111.84 percent of the total General Fund expenditures.
- During the fiscal year, the City's General Fund revenues were greater than the final budget by \$800,472 and General Fund expenditures were \$8.48 million less than budget. This results in the total positive budget and actual variance of \$9.28 million in the General Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the City of La Mirada's basic financial statements comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances using the full accrual method of accounting, in a manner similar to a private-sector business. Under the full accrual method of accounting, transactions are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, assets, liabilities, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g. uncollected revenues and accrued but unpaid interest expense).

The Statement of Net Position presents information on all of the City's assets and liabilities, including capital assets and long-term liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or declining.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. Functional activities are highlighted in this statement, whereby direct and indirect function costs are shown net of related program revenue. This statement shows the extent to which the various functions depend on general taxes and non-program revenues for support.

Both of these government-wide financial statements report information on all of the activities of the primary government. Governmental activities are supported by taxes and intergovernmental revenues. All fiduciary activities are reported only in the fund financial statements and are excluded from government-wide financial statements. The

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

governmental activities of the City include general government, public safety, community development, leisure and cultural, and public works.

The government-wide financial statements include the City, Financing Authority, Parking Authority, La Mirada Theatre for the Performing Arts Foundation, and the Housing Successor. The statements can be found on pages 16 and 17 of this report.

Fund Financial Statements

The fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as a fiscal and accounting entity with a self-balancing set of accounts, established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City has three types of fund financial statements:

Governmental Funds: Governmental funds statements tell how general government services such as public safety, public works, community development, and leisure and cultural were financed in the short term as well as what remains for future spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.

The City maintains nineteen individual governmental funds for financial purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Low and Moderate Housing Fund, and Capital Improvement Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General Fund, Special Revenue Funds, Capital Projects Fund and Debt Service Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

Proprietary Funds: Proprietary funds are generally used to account for services for which the City charges customers, including outside customers and internal units of City departments. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. Proprietary funds are used to report the same functions presented as governmental activities in the government-wide financial statements.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Fiduciary Funds: Fiduciary fund statements are used to account for assets held by the City in trustee or custodial capacity for individuals, private organizations, other governments, and/or other funds. Fiduciary funds are not reflected in the City-wide financial statements because the resources of these funds are not available to support the City’s programs. Accordingly, only assets and liabilities and changes in assets and liabilities are reported for these funds. The assets and liabilities of the former Redevelopment Agency were transferred to a private-purpose trust fund. The Fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. The notes are on pages 29 to 74 of this report.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements provide long-term and short-term information about the City’s overall financial condition. This analysis addresses the financial statements of the City as a whole.

TABLE 1
NET POSITION
For the Fiscal Year Ended June 30, 2018

	Governmental Activities	
	Fiscal Year	
	2017	2018
Assets		
Current & other assets	136,870,223	109,821,059
Capital assets	109,873,245	119,567,728
Total assets	246,743,468	229,388,787
Deferred Outflows of Resources	4,211,083	5,512,409
Total Assets and Deferred Outflows of Resources	250,954,551	234,901,196
Liabilities		
Long-term debt liabilities	22,826,092	24,145,796
Other liabilities	8,300,702	10,761,961
Total liabilities	31,126,794	34,907,757
Deferred Inflows of Resources	2,089,119	3,202,081
Total Liabilities and Deferred Inflows of Resources	33,215,913	38,109,838
Net Position		
Net investment in capital assets	100,334,511	110,678,984
Restricted	34,605,983	34,968,925
Unrestricted	82,798,144	51,143,449
Total Net Position	217,738,638	196,791,358

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Net position over time may serve as a useful indicator of a government's financial position. Additionally, the government-wide financial statements provide short and long-term information about the City's overall financial condition. At the close of Fiscal Year 2017-18, assets exceeded liabilities by \$196.79 million, a net decrease of \$20.94 million. The primary reasons for the net decrease in net position are as follows:

The State of California Department of Finance determined the \$24.82 million loan between the City and the Successor Agency to the former Redevelopment Agency was not approved for reinstatement, resulting in an extraordinary loss for Fiscal Year 2017-18.

Due to the implementation of GASB Statement No. 75, the City's net OPEB asset was restated to \$5 million, resulting in a prior period adjustment of \$6.22 million.

Capital assets had a net increase of \$10.34 million as a result of capital assets addition. There are a number of capital projects that are under construction such as Measure I Phases III and IV, a number of traffic signal improvements, and park projects.

The City's governmental activities had total bonded debt and long-term liabilities of \$24.15 million, which is a net increase of \$1.32 million. The City's net pension liability increased \$1.83 million to \$14.46 million, \$13.01 million for CalPERS, and \$1.45 million for PARS.

Changes in deferred outflows and inflows of resources related to pension and OPEB liabilities as a result of changes in assumptions, employer proportions and net differences between projected and actual earnings on plan investments (See Note 8 and Note 11).

The largest portion of the City's net position (56.24 percent) reflects its net investment in capital assets (ie. land, buildings, improvements other than buildings, equipment, intangible assets, infrastructure and construction in progress). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. While the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves usually are not used to liquidate these liabilities.

A portion of the City's net position (17.77 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$51.14 million) may be used to meet the government's ongoing obligations to citizens and creditors.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

**TABLE 2
CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2018**

	Governmental Activities	
	Fiscal Year	
	2017	2018
REVENUES		
Program Revenues:		
Charges for services	11,726,442	11,844,299
Operating grants and contributions	853,969	857,651
Capital grants and contributions	7,066,852	3,790,629
General Revenues:		
Property taxes	11,237,676	11,828,869
Sales and use tax	16,374,977	15,560,083
Transient occupancy tax	1,543,509	1,408,898
Franchise taxes	2,795,690	3,025,456
Other taxes	325,734	336,664
Intergovernmental	22,238	26,021
Use of money and property	716,025	1,605,189
Miscellaneous	167,174	165,279
Total revenues	52,830,286	50,449,038
EXPENSES		
Governmental Activities:		
General government	4,269,803	5,500,199
Public safety	9,918,822	10,243,673
Community development	1,604,363	1,695,533
Public works	10,226,731	8,432,866
Leisure and cultural	16,851,879	14,246,995
Interest on long-term debt	239,259	228,533
Extraordinary loss (see Note 1)	-	24,828,264
Total expenses	43,110,857	65,176,063
Excess (deficit) before transfers	9,719,429	(14,727,025)
INCREASE IN NET POSITION	9,719,429	(14,727,025)
Net position - beginning	208,019,209	217,738,638
Restatement of net position	-	(6,220,255)
Net position - ending	217,738,638	196,791,358

The City’s net position decreased \$20.94 million during the fiscal year due largely to the loan with the Successor Agency and OPEB asset restatement.

The City’s revenues totaled \$50.45 million for Fiscal Year 2017-18 in comparison to \$52.83 million from the previous year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Splash! La Mirada Regional Aquatics Center and the La Mirada Theatre for the Performing Arts continued to have successful seasons. Over 400,000 visitors and a number of athletic groups came to Splash! making it a popular community destination. The 2017-18 theatre season featured five professional plays and musicals, including *South Pacific* and *Newsies*. Fiscal Year 2017-18 marked the Theatre's 40th anniversary with a special performance by the legendary Mr. Tony Bennett.

The net change in contributions and grants is attributed to the timing of grant funded capital projects. The City received \$4.2 million from the County of Los Angeles to renovate one of the County's libraries, located in the City of La Mirada. The project was completed in Fiscal Year 2016-17.

The City's property tax revenue continues to be a stable revenue source. La Mirada's taxable assessed value has increased over the last ten years from \$5 billion to \$6.34 billion.

The City's transaction and use tax (Measure I) expired March 31, 2018, generating over \$29 million since it became effective April 1, 2013. These funds were used towards multiple phases of residential street improvements.

The City's franchise revenue consists of a percentage of gross revenue for cable, refuse, water, electricity, gas and oil which showed growth in all categories.

The City's investment portfolio is actively managed, and maturing or lower yielding investments are reinvested with higher yielding investments. The portfolio has an average yield of 2.41 percent.

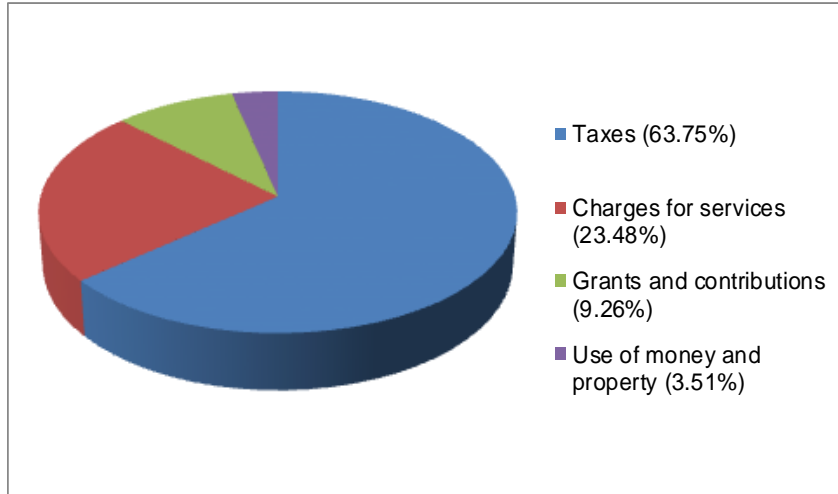
City expenses, including the extraordinary loss, for the fiscal year totaled \$65.17 million, in comparison to \$43.11 million from the previous year.

The increase in general government expenses is due to the City's general liability insurance for Fiscal Year 2017-18 and depreciable fixed assets.

FY 2017-18 TOTAL REVENUES BY SOURCES

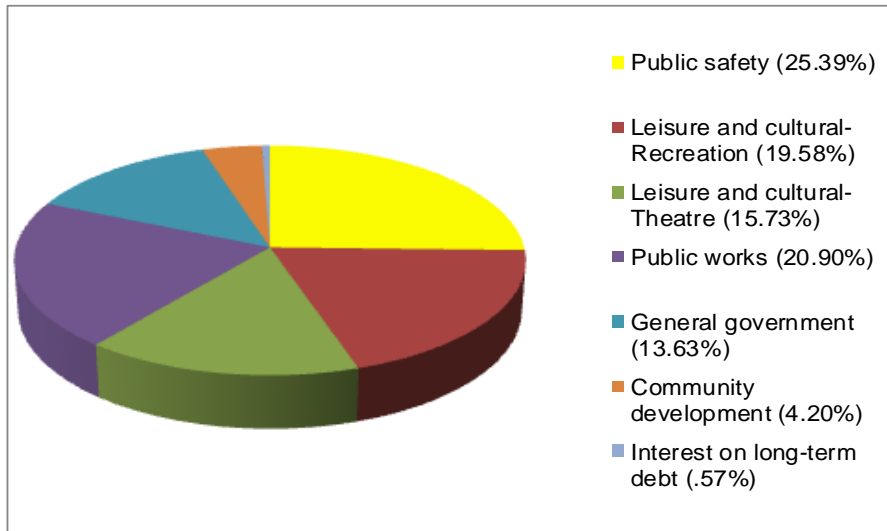
The revenue sources from governmental activities presented in the preceding table are illustrated in a pie chart below to show the percentage relationship of these revenues to each other, as well as their impact on the City's total resources.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)



The City’s revenues totaled \$50.45 million for Fiscal Year 2017-18. Of the City’s total revenues, \$32.16 million (63.75 percent) were received from taxes, \$11.84 million (23.48 percent) were derived from charges for services, \$4.67 million (9.26 percent) were derived from grants and contribution, and \$1.78 million (3.51 percent) were derived from use of money and property.

FY 2017-18 TOTAL EXPENSES



The City’s expenses in connection with its governmental activities are categorized by function: \$10.24 million (25.39 percent) public safety, \$14.25 million (35.31 percent) leisure and cultural, \$8.43 million (20.90 percent) public works, \$5.5 million (13.63 percent) general government, \$1.70 million (4.20 percent) community development and \$228,533 (.57 percent) interest on long-term debt.

EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

Table 3 presents the cost of each of the City’s five largest programs-general government, public safety, community development, public works, and leisure and

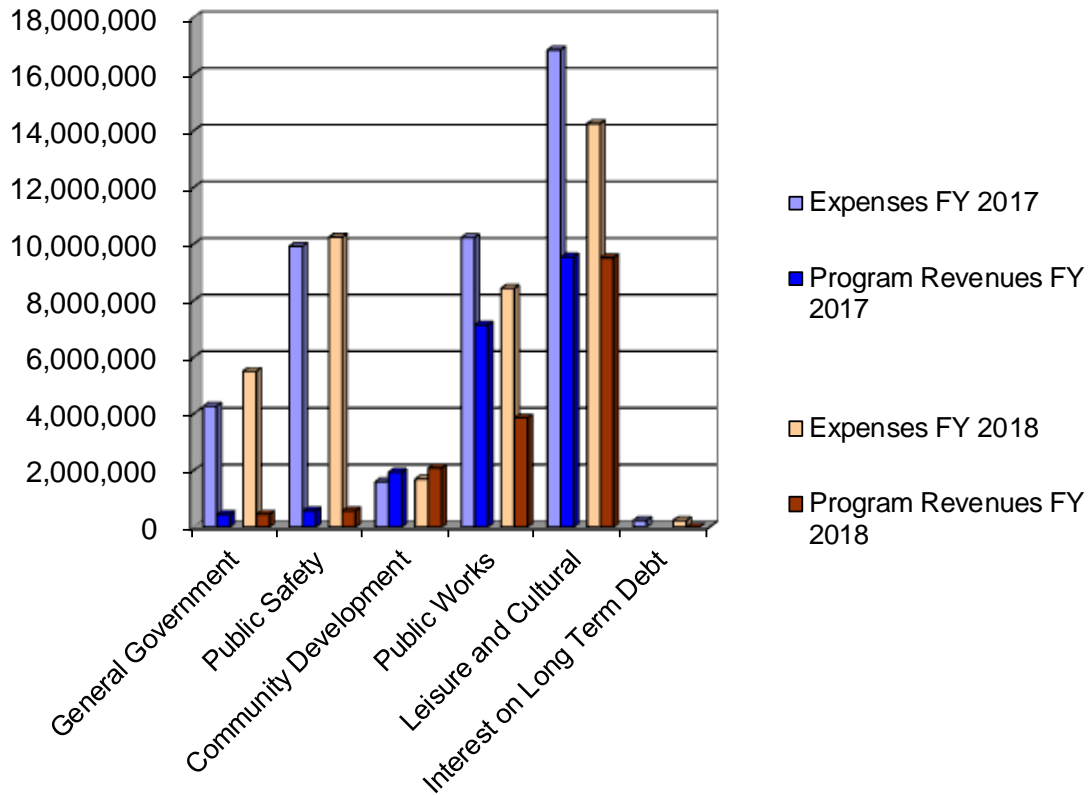
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

cultural, as well as each program’s net cost (total cost less revenues generated by the activities).

**TABLE 3
NET COST OF GOVERNMENTAL ACTIVITIES
For the Fiscal Year Ended June 30, 2018**

	Total Cost of Services		Net Cost of Services	
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2017 (in millions)	Fiscal Year 2018
Governmental Activities:				
General Government	4,269,803	5,500,199	3.8	5.0
Public Safety	9,918,822	10,243,673	9.3	9.7
Community Development	1,604,363	1,695,533	(0.3)	(0.4)
Public Works	10,226,731	8,432,866	3.1	4.6
Leisure and Cultural	16,851,879	14,246,995	7.3	4.7
Interest on Long Term Debt	239,259	228,533	0.2	0.2
Total	43,110,857	40,347,799	23.5	23.9

The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions. It is typical for governmental programs to be subsidized by General Fund revenues, as the program revenues are generally not adequate to finance the governmental programs.



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The general government, public safety, public works, and leisure and cultural activities receive limited program revenue and are primarily funded from the general revenues of the City.

FINANCIAL ANALYSIS OF THE FUND STATEMENTS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds- The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of June 30, 2018, the City's governmental funds reported combined fund balances of \$86.96 million, a decrease of \$23.82 million. Of this amount, \$52.16 million constitutes *unrestricted fund balance*, comprised of \$6.625 million as *committed fund balance*, and \$9.39 million as *assigned fund balance*. *Committed fund balance* represents resources constrained by limitations imposed at the highest level of decision making that requires formal action at the same level to remove. *Assigned fund balance* describes the portion of fund balance that reflects its intended use of resources. As of June 30, the *unassigned fund balance* was \$36.15 million. Please refer to Note 1 to basic financial statements for additional detail.

Below is an analysis of the City's governmental fund activities:

Fund Balance	FY 2016-17	FY 2017-18	VARIANCE
General Fund	\$ 77,183,385	\$ 53,116,920	\$(24,066,465)
Low and Moderate Housing	17,077,739	17,130,927	53,188
Capital Improvement	6,400,299	6,470,325	70,026
Other Governmental Funds	10,113,847	10,238,851	125,004
Total Fund Balance	<u>\$ 110,775,270</u>	<u>\$ 86,957,023</u>	<u>\$(23,818,247)</u>

The General Fund is the chief operating fund of the City. The fund balance of the City's General Fund decreased \$24.07 million during the fiscal year due largely to the write-off of the loan between the City and the former Redevelopment Agency.

Low and Moderate Housing increased \$53,188 due to interest received from the loan agreement with Grayville Limited Partnership for the 122-unit affordable senior housing project and a number of rehabilitation loan payoffs.

The Capital Projects Fund increased \$70,026 due to interest allocated to the fund.

Proprietary Funds – The City's proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its employee benefits and equipment replacement. As of June 30, 2018, the unrestricted net position of the internal service funds was a deficit of \$1.46 million due to the unfunded pension liability and the restated OPEB asset in accordance with GASB 75. The services provided by the internal service funds have been allocated to governmental functions, based on user percentages, in the government-wide financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund expenditures were \$8.48 million less than the final budget due to City-wide efforts to reduce costs and transfers out to Capital Improvement Project Fund. The City budgets transfers out to the Capital Projects Fund with the expectation that planning and construction will be completed within the fiscal year.

CAPITAL ASSETS

The City's investment in capital assets for its governmental activities amounts to \$119.57 million (net of accumulated depreciation). This investment in capital assets includes: land, construction in progress, land improvements, buildings and structures, machinery and equipment, automotive equipment, infrastructure, and intangible assets.

TABLE 4
CAPITAL ASSETS, NET OF DEPRECIATION
For the Fiscal Year Ended June 30, 2018

DESCRIPTION	FY 2016-17	FY 2017-18
Land and easements	4,540,989	4,540,989
Construction in progress	3,789,675	16,944,507
Land improvements	30,292,518	28,590,166
Buildings and structures	51,119,376	49,675,175
Machinery and equipment	2,013,540	1,923,268
Automotive equipment	211,486	219,396
Infrastructure	<u>17,905,661</u>	<u>17,674,227</u>
	109,873,245	119,567,728

Larger projects are funded and completed over several fiscal years. Funding will come from current available bond proceeds, current fund balances, and projected revenues. The most significant projects include Residential Street Rehab Phase III and IV and a number of traffic signal upgrades. More detailed information is included in Note 3 to the financial statements.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

LONG-TERM DEBT

As of June 30, 2018, the City had \$9.80 million in long-term debt outstanding. The indebtedness of the former Redevelopment Agency in the amount of \$67.58 million was transferred to the Successor Agency. All of the Tax Allocation Bonds are insured. Detailed information is included in Notes 7 and 13 of the financial statements. The City had no significant changes in its credit ratings during the fiscal year.

OUTSTANDING DEBT

For the Fiscal Year Ended June 30, 2018

	Governmental Activities	
	Fiscal Year	
	2017	2018
Lease Revenue Bonds*	9,491,629	8,904,605
Capital Lease Payable	47,105	137,584
Compensated Absences	648,605	753,882
Total	10,187,339	9,796,071

* includes bond premium

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The City of La Mirada is located in the Los Angeles-Long Beach-Santa Ana Area MSA labor market. Non-farm employment constitutes 86.5 percent of the work force, mostly comprised of transportation and utilities (15.86 percent), education and health services (14 percent), professional and business services (13.4 percent), leisure and hospitality (9.8 percent), manufacturing (7.7 percent), and financial activities (5 percent).

Property values in La Mirada have grown by more than 5.5 percent during the past year according to a recent report by the Los Angeles County Assessor’s Office.

La Mirada’s assessed value is \$6,690,574,916, an increase of \$350 million. The increase in value is attributed primarily to the Assessor’s adjustment pursuant to Proposition 13. The new figures were part of the 2018/19 Assessment Roll recently released by the Assessor’s Office.

The local housing market has also remained strong. The median sale price of a single family home in La Mirada was \$581,000 as of September 2018. This represents a \$15,000 (2.65 percent) increase in median sale price from 2017.

The City’s 2018-19 budget projections take into account the historical trends and current economic factors. Taxes are conservatively forecasted with property and sales tax showing an upward trend. La Mirada’s sales tax base is largely reliant upon companies engaged in business-to-business sales and several larger retailers. Any relocation of major sales tax producers to or from La Mirada will impact sales tax revenue.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Overall General Fund operations continue to be relatively flat with services delivered by a very lean staffing complement and minimal funds budgeted for contingencies. The City continues to provide basic services using a mix of City staff and third party contracts. The budget provides public safety services at a high level, maintains most City programs at levels expected by the public, and schedules an ambitious slate of capital improvement projects.

The budget may be amended, as necessary, to respond to changing conditions to ensure the City's ongoing fiscal stability. Questions or requests for information regarding the City of La Mirada's 2018-19 adopted budget should be sent to the Finance Manager.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of La Mirada's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or for additional financial information, should be addressed to the Finance Manager, City of La Mirada, 13700 La Mirada Boulevard, La Mirada, California 90638.





Basic Financial Statements

CITY OF LA MIRADA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
Assets:	
Cash and investments	\$ 85,769,194
Receivables:	
Accounts	196,867
Taxes	2,833,995
Notes and loans	6,200,437
Accrued interest	369,980
Advances to Successor Agency of Former RDA	5,799,671
Prepaid costs	1,232,154
Due from Successor Agency Trust Fund	1,560,907
Due from other governments	832,454
Restricted assets:	
Cash and investments	19,623
Cash and investments with fiscal agents	14,107
Net OPEB asset	4,991,670
Capital assets not being depreciated	21,485,496
Capital assets, net of depreciation	98,082,232
Total Assets	229,388,787
Deferred Outflow of Resources:	
Deferred pension related items	4,976,434
Deferred OPEB related items	499,770
Deferred loss on debt refunding	36,205
Total Deferred Outflow of Resources	5,512,409
Total Assets and Deferred Outflows of Resources	234,901,196
Liabilities:	
Accounts payable	4,842,949
Accrued liabilities	848,772
Accrued interest	52,409
Unearned revenue	1,997,329
Deposits payable	2,971,657
Due to other governments	36,820
Due to the Successor Agency	7,025
Noncurrent liabilities:	
Net pension liability	14,471,965
Due within one year	565,172
Due in more than one year	9,113,659
Total Liabilities	34,907,757
Deferred Inflow of Resources:	
Deferred pension related items	1,866,885
Deferred OPEB related items	1,335,196
Total Deferred Inflow of Resources	3,202,081
Total Liabilities and Deferred Inflows of Resources	38,109,838
Net Position:	
Net investment in capital assets	110,678,984
Restricted for:	
Public works	8,591,912
Public safety	363,194
Capital projects	6,470,325
Leisure and cultural	1,416,463
Low and moderate housing	18,127,031
Unrestricted	51,143,449
Total Net Position	\$ 196,791,358

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental activities:					
General government	\$ 5,500,199	\$ 250,908	\$ 203,974	\$ -	\$ (5,045,317)
Public safety	10,243,673	436,244	139,416	-	(9,668,013)
Community development	1,695,533	1,904,314	183,618	-	392,399
Leisure and cultural	14,246,995	9,252,833	236,760	28,736	(4,728,666)
Public works	8,432,866	-	93,883	3,761,893	(4,577,090)
Interest on long-term debt	228,533	-	-	-	(228,533)
Total governmental activities	\$ 40,347,799	\$ 11,844,299	\$ 857,651	\$ 3,790,629	(23,855,220)

General revenues:

Taxes:	
Property taxes, levied for general purposes	11,828,869
Transient occupancy tax	1,408,898
Sales taxes	15,560,083
Business licenses taxes	336,664
Franchise taxes	3,025,456
Motor vehicle in lieu - unrestricted	26,021
Use of money and property	1,605,189
Other	165,279
Total general revenue	33,956,459
Change in net position before extraordinary item	10,101,239
Extraordinary loss on write off of advances from Successor Agency	(24,828,264)
Change in net position	(14,727,025)
Net position, beginning of fiscal year	217,738,638
Prior period adjustment	(6,220,255)
Net position, beginning of fiscal year, as restated	211,518,383
Net position, end of fiscal year	\$ 196,791,358

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Special Revenue Fund Low and Moderate Housing	Capital Project Fund Capital Improvement
Assets:			
Pooled cash and investments	\$ 56,321,968	\$ 4,639,020	\$ 9,033,501
Receivables:			
Accounts	196,867	-	-
Taxes	2,729,220	-	-
Notes and loans	65,979	5,298,306	-
Accrued interest	281,554	-	40,654
Prepaid costs	933,879	-	-
Due from other governments	195,336	-	-
Due from the Successor Agency	-	1,560,907	-
Due from other funds	73,960	-	2,429,376
Advances to Successor Agency	-	5,799,671	-
Restricted assets:			
Cash and investments	19,623	-	-
Cash and investments with fiscal agents	-	-	-
Total assets	\$ 60,818,386	\$ 17,297,904	\$ 11,503,531
Liabilities:			
Accounts payable	\$ 2,553,987	\$ -	\$ 2,220,396
Accrued liabilities	387,437	-	404,746
Unearned revenue	1,821,076	-	-
Deposits payable	563,593	-	2,408,064
Due to other governments	-	-	-
Due to the Successor Agency	-	7,025	-
Due to other funds	2,109,396	-	-
Total liabilities	7,435,489	7,025	5,033,206
Deferred inflows of resources:			
Unavailable revenues	265,977	159,952	-
Total deferred inflows of resources	265,977	159,952	-
Fund balances:			
Nonspendable:			
Prepaid costs	933,879	-	-
Restricted for:			
Public safety	-	-	-
Leisure and cultural	19,623	-	-
Public works	-	-	-
Capital projects	-	-	6,470,325
Debt service	-	-	-
Low and Moderate Housing	-	17,130,927	-
Committed to:			
Economic uncertainty	6,625,000	-	-
Assigned to:			
Capital projects	5,887,298	-	-
Pension stabilization trust	3,500,000	-	-
Unassigned	36,151,120	-	-
Total fund balances	53,116,920	17,130,927	6,470,325
Total liabilities, deferred inflows of resources, and fund balances	\$ 60,818,386	\$ 17,297,904	\$ 11,503,531

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Other Governmental Funds	Total Governmental Funds
Assets:		
Pooled cash and investments	\$ 10,309,313	\$ 80,303,802
Receivables:		
Accounts	-	196,867
Taxes	104,775	2,833,995
Notes and loans	836,152	6,200,437
Accrued interest	43,155	365,363
Prepaid costs	42,477	976,356
Due from other governments	637,118	832,454
Due from the Successor Agency	-	1,560,907
Due from other funds	210,609	2,713,945
Advances to Successor Agency	-	5,799,671
Restricted assets:		
Cash and investments	-	19,623
Cash and investments with fiscal agents	32	32
Total assets	\$ 12,183,631	\$ 101,803,452
Liabilities:		
Accounts payable	\$ 63,597	\$ 4,837,980
Accrued liabilities	1,239	793,422
Unearned revenue	176,253	1,997,329
Deposits payable	-	2,971,657
Due to other governments	36,820	36,820
Due to the Successor Agency	-	7,025
Due to other funds	675,128	2,784,524
Total liabilities	953,037	13,428,757
Deferred inflows of resources:		
Unavailable revenues	991,743	1,417,672
Total deferred inflows of resources	991,743	1,417,672
Fund balances:		
Nonspendable:		
Prepaid costs	42,477	976,356
Restricted for:		
Public safety	207,603	207,603
Leisure and cultural	1,396,840	1,416,463
Public works	8,591,912	8,591,912
Capital projects	-	6,470,325
Debt service	19	19
Low and Moderate Housing	-	17,130,927
Committed to:		
Economic uncertainty	-	6,625,000
Assigned to:		
Capital projects	-	5,887,298
Pension stabilization trust	-	3,500,000
Unassigned	-	36,151,120
Total fund balances	10,238,851	86,957,023
Total liabilities, deferred inflows of resources, and fund balances	\$ 12,183,631	\$ 101,803,452

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Fund balances of governmental funds \$ 86,957,023

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of depreciation have not been included as financial resources in governmental fund activity.

Capital assets, governmental funds	\$ 170,707,355	
Capital assets, internal service funds	4,721,365	
Accumulated depreciation	<u>(55,860,992)</u>	119,567,728

This issuance of long-term (e.g., bonds, leases, compensated absences) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and deferral on loss of refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Premium on lease revenue bonds	\$ (929,605)	
Lease revenue bonds	(7,975,000)	
Leases payable	(20,344)	
Compensated absences	<u>(753,882)</u>	(9,678,831)

Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds. (52,409)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 1,417,672

Certain amounts on debt refundings are expensed as incurred in the governmental funds. The deferred gain or loss on refunding is capitalized and amortized over the life of the debt. 36,205

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and employee benefits, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position, not including capital assets noted above (1,456,030)

Net position of governmental activities \$ 196,791,358

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General	Special Revenue Fund Low and Moderate Housing	Capital Projects Funds Capital Improvement
Revenues:			
Taxes	\$ 26,794,246	\$ -	\$ -
Licenses and permits	1,749,347	-	-
Intergovernmental	5,074,412	-	193,518
Charges for services	9,668,431	-	-
Use of money and property	582,033	77,290	70,026
Fines and forfeitures	392,532	-	-
Miscellaneous	115,443	-	49,836
Total revenues	44,376,444	77,290	313,380
Expenditures:			
Current:			
General government	4,089,825	-	-
Public safety	8,682,899	-	-
Community development	1,141,896	24,102	-
Leisure and cultural	11,953,416	-	-
Public works	6,455,289	-	-
Capital outlay	-	-	14,946,592
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	32,323,325	24,102	14,946,592
Excess (deficiency) of revenues over (under) expenditures	12,053,119	53,188	(14,633,212)
Other financing sources (uses):			
Transfers in	590,175	-	14,703,238
Transfers out	(11,881,495)	-	-
Total other financing sources (uses)	(11,291,320)	-	14,703,238
Net change in fund balances before Extraordinary items	761,799	53,188	70,026
Extraordinary item:			
Write off of advances from Successor Agency	(24,828,264)	-	-
Net change in fund balances	(24,066,465)	53,188	70,026
Fund balances, beginning of fiscal year	77,183,385	17,077,739	6,400,299
Fund balances, end of fiscal year	\$ 53,116,920	\$ 17,130,927	\$ 6,470,325

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:		
Taxes	\$ 2,790,403	\$ 29,584,649
Licenses and permits	-	1,749,347
Intergovernmental	2,660,726	7,928,656
Charges for services	-	9,668,431
Use of money and property	159,493	888,842
Fines and forfeitures	-	392,532
Miscellaneous	-	165,279
Total revenues	<u>5,610,622</u>	<u>50,377,736</u>
Expenditures:		
Current:		
General government	-	4,089,825
Public safety	54,917	8,737,816
Community development	132,586	1,298,584
Leisure and cultural	940,826	12,894,242
Public works	33,667	6,488,956
Capital outlay	-	14,946,592
Debt service:		
Principal retirement	505,000	505,000
Interest and fiscal charges	336,594	336,594
Total expenditures	<u>2,003,590</u>	<u>49,297,609</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,607,032</u>	<u>1,080,127</u>
Other financing sources (uses):		
Transfers in	1,639,503	16,932,916
Transfers out	(5,121,531)	(17,003,026)
Total other financing sources (uses)	<u>(3,482,028)</u>	<u>(70,110)</u>
Net change in fund balances before Extraordinary items	125,004	1,010,017
Extraordinary item:		
Write off of advances from Successor Agency	-	(24,828,264)
Net change in fund balances	125,004	(23,818,247)
Fund balances, beginning of fiscal year	<u>10,113,847</u>	<u>110,775,270</u>
Fund balances, end of fiscal year	<u>\$ 10,238,851</u>	<u>\$ 86,957,023</u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds \$ 1,010,017

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlay exceeded depreciation in the current period.

Capital outlay	\$ 14,619,578	
Depreciation	<u>(4,477,797)</u>	10,141,781

Losses on disposition charged to expense		(462,753)
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Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on bonds	\$ 505,000	
Amortization of premiums on bonds	82,024	
Amortization of loss on debt refundings	(3,194)	
Capital lease payments	<u>26,761</u>	610,591

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		2,470
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Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(105,277)
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Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		57,137
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Internal service funds are used by management to charge the costs of certain activities, such as equipment management and employee benefits, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental funds.		<u>(1,152,727)</u>
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Change in net position of governmental activities		<u>\$ 10,101,239</u>
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See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

COMBINING STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2018

	<u>Governmental Activities - Internal Service Funds</u>
Assets:	
Current:	
Cash and investments	\$ 5,465,392
Receivables:	
Accounts	-
Accrued interest	4,617
Prepaid costs	255,798
Due from other funds	70,579
Restricted:	
Cash and investments with fiscal agents	14,075
Total Current Assets	<u>5,810,461</u>
Noncurrent:	
Net OPEB asset	4,991,670
Capital assets, net of accumulated depreciation	616,913
Total Noncurrent Assets	<u>5,608,583</u>
Total Assets	<u>11,419,044</u>
Deferred Outflow of Resources:	
Deferred pension related items	4,976,434
Deferred OPEB related items	499,770
Total Deferred Outflow of Resources	<u>5,476,204</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 16,895,248</u>
Liabilities:	
Current:	
Accounts payable	4,969
Accrued liabilities	55,350
Total Current Liabilities	<u>60,319</u>
Noncurrent:	
Net pension liability	14,471,965
Total Noncurrent Liabilities	<u>14,471,965</u>
Total Liabilities	<u>14,532,284</u>
Deferred Inflow of Resources:	
Deferred pension related items	1,866,885
Deferred OPEB related items	1,335,196
Total Deferred Inflow of Resources	<u>3,202,081</u>
Net Position:	
Investment in capital assets	616,913
Unrestricted	(1,456,030)
Total Net Position	<u>(839,117)</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 16,895,248</u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Governmental Activities - Internal Service Fund</u>
Operating Revenues:	
Sales and service charges	\$ 3,980,009
Total Operating Revenues	<u>3,980,009</u>
Operating Expenses	
Administration and general	5,065,279
Depreciation expense	<u>151,732</u>
Total Operating Expenses	<u>5,217,011</u>
Operating Income (Loss)	<u>(1,237,002)</u>
Nonoperating Revenues (Expenses)	
Interest revenue	<u>14,165</u>
Total Nonoperating Revenues (Expenses)	<u>14,165</u>
Income (Loss) Before Transfers	(1,222,837)
Transfers In	<u>70,110</u>
Changes in Net Position	(1,152,727)
Net Position:	
Beginning of Fiscal Year	6,533,865
Prior Period Restatement	<u>(6,220,255)</u>
Beginning of Fiscal Year, restated	<u>313,610</u>
End of Fiscal Year	<u>\$ (839,117)</u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 3,980,025
Cash paid to employees for services	(4,493,922)
Net Cash Provided (Used) by Operating Activities	(513,897)
Cash Flows from Non-Capital Financing Activities:	
Cash transferred in	70,110
Loan to other funds	(17,310)
Net Cash Provided (Used) by Non-Capital Financing Activities	52,800
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	(187,187)
Net Cash Provided (Used) by Capital and Related Financing Activities	(187,187)
Cash Flows from Investing Activities:	
Interest received	10,958
Net Cash Provided (Used) by Investing Activities	10,958
Net Increase (Decrease) in Cash and Cash Equivalents	(637,326)
Cash and Cash Equivalents at Beginning of Fiscal Year	6,116,793
Cash and Cash Equivalents at End of Fiscal Year	\$ 5,479,467
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ (1,237,002)
Adjustment to reconcile operating income (loss) net cash provided (used) by operating activities:	
Depreciation	151,732
(Increase) decrease in accounts receivable	16
(Increase) decrease in prepaid expense	(70,878)
(Increase) decrease in Net OPEB asset	(1,393,746)
(Increase) decrease in deferred outflows of pension related items	(804,750)
(Increase) decrease in deferred outflows of OPEB related items	(121,400)
Increase (decrease) in accounts payable	3,176
Increase (decrease) in accrued liabilities	12,781
Increase (decrease) in pension liability	1,833,212
Increase (decrease) in deferred inflows of pension related items	(222,234)
Increase (decrease) in deferred inflows of OPEB related items	1,335,196
Total Adjustments	723,105
Net Cash Provided (Used) by Operating Activities	\$ (513,897)

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUND
 JUNE 30, 2018

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
Assets:	
Cash and investments	\$ 8,307,807
Receivables:	
Taxes	23,340
Accrued interest	21,543
Due from the City of La Mirada	7,025
Restricted funds:	
Cash and investments with fiscal agents	<u>2,502,160</u>
Total Assets	<u>10,861,875</u>
 Deferred Outflow of Resources:	
Deferred loss on refunding	<u>63,872</u>
 Liabilities:	
Current liabilities:	
Accounts payable	268,353
Interest payable	733,553
Due to other governments	11,996
Due to the City of La Mirada	1,560,907
Long-term liabilities:	
Due in one year	4,320,498
Due in more than one year	<u>63,255,221</u>
Total Liabilities	<u>70,150,528</u>
 Net Position (Deficit):	
Held in trust for other purposes	<u>(59,224,781)</u>
Total Net Position (Deficit)	<u>\$ (59,224,781)</u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR FISCAL YEAR ENDED JUNE 30, 2018

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 7,597,425
Interest and change in fair value of investments	<u>390,156</u>
Total Additions	<u>7,987,581</u>
Deductions:	
Administrative expenses	235,700
Contractual services	2,659,180
Interest expense	<u>2,990,963</u>
Total Deductions	<u>5,885,843</u>
Changes in Net Position before extraordinary items	2,101,738
Extraordinary items:	
Write off of advances to the City	<u>24,828,264</u>
Changes in Net Position	26,930,002
Net Position (Deficit) - Beginning of Fiscal Year	<u>(86,154,783)</u>
Net Position (Deficit) - End of Fiscal Year	<u>\$ (59,224,781)</u>

See Accompanying Notes to Financial Statements.

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of La Mirada (City) was incorporated March 23, 1960, under the General Laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: public safety (police), highway and streets, leisure and cultural, public improvements, planning and zoning, and general administrative services.

The City of La Mirada is a reporting entity which includes the following component units:

- La Mirada Public Financing Authority
- La Mirada Parking Authority
- La Mirada Housing Successor Agency
- La Mirada Theatre for the Performing Arts Foundation

The City has considered all potential component units. As required by generally accepted accounting principles, the financial statements of the City of La Mirada include the financial activities of the City, La Mirada Public Financing, La Mirada Parking Authority, Housing Successor, and the La Mirada Theatre for the Performing Arts Foundation. The City is considered to be financially accountable for an organization if the City's governing body is substantially the same as the component unit's governing body, and there is a financial benefit or burden relationship between the City and component unit, or the City has operation responsibility for a component unit. The financial statements of the City and component units are blended. Blended component units, although legally separate entities, are part of the City's operations; data from these units are combined with data of the primary government.

The City formed the La Mirada Public Financing Authority on August 8, 1989, for the purpose of acquiring and financing the acquisition of public capital improvements necessary for the operation of the City or former Redevelopment Agency. City Council serves as the government body. City management has the same operational responsibility for this component unit as it does for the City. Debts issued through the La Mirada Public Financing Authority are expected to be repaid with City resources.

The City formed the La Mirada Parking Authority on July 26, 2016, for the purpose of providing for the continued existence of the La Mirada Public Financing Authority after the Successor Agency to the La Mirada Redevelopment Agency terminates its existence. The City Council will be the Board of Directors of the Parking Authority.

The City of La Mirada Housing Successor was established on February 14, 2012, as the territorial jurisdiction of the former Redevelopment Agency. The Housing Authority retained the housing assets and functions previously performed by the former Redevelopment Agency. City Council serves as the governing Board for the Housing Authority. City management has the same operational responsibility for the Housing Authority as it does for the City.

The City formed the La Mirada Theatre for the Performing Arts Foundation on March 9, 1998, to promote cultural and educational programs for the people of Southern California and to promote activities related to the La Mirada Theatre for the Performing Arts. City management has the same operational responsibility for the Theatre for the Performing Arts Foundation as it does for the City.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government.

For the most part, the effect of interfund activity has been removed from these statements. Governmental activities that are normally supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All fiduciary activities are reported only in the fund financial statements and are excluded from government-wide financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All fiduciary activities are reported only in the fund financial statements and are excluded from the government-wide financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary, and private-purpose trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year from which the taxes are levied. Revenue from grants, entitlements and donations are recognized in the fiscal year from which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they are measurable and available as net current assets. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources susceptible to accrual are property, sales, transient occupancy taxes, other taxes, investment income, court fines, and capital project financing sources. Primary sources not susceptible to accrual are licenses and permits and charges for current services. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on long-term debt, which is recognized when due.

The City reports the following major funds: Governmental Funds:

- The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

- The Low and Moderate Housing Fund was established to account for the assets of the former Redevelopment Agency's Low and Moderate Housing Fund. The purpose of the fund is to assist the City in financing the acquisition and construction of low and moderate income housing projects within the City.
- The Capital Improvement Fund was established to account for all of the City public improvement projects. Funding is provided by general and special revenue funds.

Additionally, the City reports the following fund types:

- Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purpose.
- The Debt Service Fund is used to account for financial resources that are being accumulated for principal and interest maturing in future years on the Finance Authority's Lease Revenue Bonds.
- Internal Service Funds account for employee benefits and replacement of equipment provided to other departments of the government, on a cost reimbursement basis.
- The Private-Purpose Trust Fund is used to account for the assets and liabilities of the former redevelopment agency and the allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former redevelopment agency are paid in full and assets have been liquidated.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Internal Service Funds are charges to customers for sales and services. Operating expenses for Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources as needed.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. All cash and investments are held in the City's cash management pool. Therefore, all cash and investments in the Proprietary Funds are considered cash and cash equivalents.

Restricted Cash and Investments

The City's restricted cash and investment consist of on demand bank accounts utilized to hold donations made to the La Mirada Theatre Arts Foundation to benefit the La Mirada Theatre and escrow accounts utilized to hold retention payments for contractors of the City.

Investments

Investments for the City as well as for its component units are stated at fair value (the value at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the purchases method in both government-wide and fund financial statements, and using the consumption method in the proprietary funds.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure used in the operation of the governmental funds, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such capital assets are valued at historical cost or estimated historical costs if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value at date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Depreciation of all exhaustible capital assets is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives and capitalization thresholds are as follows:

<u>Capital Asset Type</u>	<u>Useful Lives</u>	<u>Capitalization Threshold</u>
Building and Improvements	50 years	\$5,000
Furniture and Equipment	5-20 years	5,000
Vehicles	5-15 years	5,000
Infrastructure	20-50 years	5,000 - 25,000
Construction in Progress	N/A	5,000 - 25,000
Intangible Assets	Indefinite	25,000

Deferred Outflows/Inflows of Resources

The City reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position or fund balance by the government that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position or fund balance by the government that is applicable to a future period.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual; it must be both measurable and available to finance expenditures of the current fiscal year. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal year, then the assets must be offset by a corresponding deferred inflow of resources. This type of deferred inflow is unique to governmental funds, since it is tied to the modified accrual basis of accounting, which is only used in connection with governmental funds.

Occasionally, the City refunds some of its existing debt. When this occurs, the difference between the funds required to retire (reacquisition price of) the refunded debt and the net carrying amount of refunded debt results in a deferred amount on refunding. If there is an excess of the reacquisition price of refunded debt over its net carrying amount, it is treated as a deferred outflow of resources (a deferred loss on refunding). If there is an excess net carrying value amount of refunded debt over its reacquisition price, it is treated as a deferred inflow of resources (a deferred gain on refunding).

The City contributed to the California Public Employees' Retirement Systems (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. Changes in Net Pension Liability (NPL) attributable to experience gains/losses, assumption changes, and differences between projected and actual earnings on investments not recognized in expense during the current reporting period are accounted for as deferred inflows and outflows of resources. Changes in the employer's proportion of the collective NPL since the last measurement date, then any effect on the employer's proportionate share of the collective NPL, collective deferred outflow of resources, or collective deferred inflow of resources not recognized in expense is reported as a deferred item. In addition, any difference between actual employer contributions and the employer's proportionate share of the total of all contributions from all employers not recognized in expense must be reported as a deferred item.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used for the defined benefit pension plan.

Valuation Date (VD)	June 30, 2016
Measurement Date (MD)	June 30, 2017
Measurement Period (MP)	July 1, 2017 to June 30, 2018

The following timeframes are used for the Public Agency Retirement System (PARS).

Valuation Date (VD)	June 30, 2017
Measurement Date (MD)	June 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information with certain defined timeframes. For this report, the following time frames were used:

Valuation Date (VD) June 30, 2017

Measurement Date (MD) June 30, 2017

Compensated Absences

In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the City's policy to liquidate any unpaid compensated absences at June 30 from future resources rather than currently available financial resources. Accordingly, the entire unpaid liability for governmental funds is recorded as a long-term liability in the applicable funds.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Extraordinary Item

The California Department of Finance (DOF) did not approve the Oversight Board (OB) Resolution No. OB-27 which re-established a loan agreement relating to the former redevelopment projects as an enforceable obligation. As a result, certain amounts recorded as advances from the Successor Agency to the General Fund and Low and Moderate Housing Fund may not be repaid. While the City and OB continue to seek payment of the disallowed amounts, the City recorded an allowance for doubtful advances and extraordinary loss of \$24,828,264 in the General Fund. The Successor Agency Trust accordingly recorded an extraordinary gain of \$24,828,264.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1, and are payable in two installments on December 10 and April 10. The County of Los Angeles bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when received except at year-end when property taxes received within 60 days are accrued as revenue. The County is permitted by state law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property-assessed value no more than 2% per year. The City of La Mirada as a no/low property tax City does not levy property taxes from its residents, but receives an allocation from the County of Los Angeles based on the City's assessed valuation and a proportionate share for maintenance and operations of the Southeast Park and Recreation District.

Fund Equity

The City Manager authorizes assigned amounts for specific purposes pursuant to the fund balance policy-making powers granted to him, which was established by the governing body in a resolution.

In the fund financial statements, governmental funds report the following fund balance classification:

Nonspendable - include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - include amounts that are constrained on the use of resources by either (a) external creditors, granters, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed - include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by Resolution. The City established Resolution No. 13-15 as the City's Economic Uncertainty Policy. The policy commits a minimum of 20 percent of General Fund operating expenditures.

Assigned - include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City assigned the following as assigned balances

1. The balance of the transactions and use tax (Measure I) for future capital improvement projects
2. \$3.5 million to establish a Pension Stabilization Trust

Unassigned - include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Effect of New Accounting Standards

During the fiscal year ended June 30, 2018, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

Governmental Accounting Standards Board Statement No. 75

GASB has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" which was effective for fiscal years beginning after June 15, 2017. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). Please see Note #11 for further details.

Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements.

Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 88	"Certain Disclosures related to Debt, including Direct Borrowings and Direct Placements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 89	"Accounting for Interest Cost incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interests"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 2: Cash and Investments

Cash and Investments

As of June 30, 2018, cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Position - Governmental activities	\$ 85,769,194
Statement of Net Position - Restricted cash	19,623
Statement of Net Position - Cash and investments with Fiscal Agent	14,107
Statement of Net Position - Fiduciary fund	8,307,807
Statement of Net Position - Fiduciary Fund - Cash and Investments with Fiscal Agent	<u>2,502,160</u>
Total Cash and Investments	<u>\$ 96,612,891</u>

Cash and investments as of June 30, 2018 consist of the following:

Cash on hand	\$ 8,800
Demand deposits	21,602,750
Investments	<u>75,001,341</u>
Total Cash and Investments	<u>\$ 96,612,891</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest Income from cash and investments with fiscal agents is credited directly to the related fund.

Deposits

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a fair value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an Agent of Depository has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by California Agents of Depository is considered to be held for, and in the name of, the local governmental agency.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 2: Cash and Investments (Continued)

Investments

Under provisions of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Securities issued by the US Treasury
- Securities issued and fully guaranteed as to payment by the US Government
- Bankers Acceptances with a maturity of 180 days or less
- Federally insured time deposits with a maturity of 180 days or less
- Bank deposits (non-negotiable certificates of deposit) with a maturity of 180 days or less
- Negotiable certificates of deposit with a maturity of two years or less
- Repurchase Agreements with a maturity of 30 days or less
- Commercial Paper with a maturity of 270 days or less
- State of California Local Agency Investment Fund (LAIF)
- Corporate medium term notes (5-yr maturity or less) of domestic Corporations or Depository Institutions
- Mortgage pass-through securities and asset-backed securities with a maturity of five years or less
- Money market mutual funds
- Supranationals (5 year maturity or less) International Bank for Reconstruction or Inter-American Development Bank

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shared.

GASB Statement No. 31

The City adopted GASB Statement of No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

Note 2: Cash and Investments (Continued)

Credit Risk

The City's investment policy limits investments in medium term notes (MTNs) to those rated in the top three rating categories by two of the three largest nationally recognized rating services at time of purchase. As of June 30, 2018, the City's investment in medium term notes were rated "A2" or higher by Moody's. As of June 30, 2018, the City's investments in Federal Agency Securities, FDIC insured U.S. Corporate Notes, and money market fund were rated "Aaa" by Moody's. All securities were investment grade and were legal under State and City law. Investments in U.S. government securities including U.S. Treasuries are not considered to have credit risk; therefore, their credit quality is not disclosed. The City's investment in the external investment pool is unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2018, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions on the maximum percentage it can invest in a single type of investment with any one issuer. No more than 5% of the total portfolio may be invested in securities of any single issuer, other than the U.S. Government, its agencies and instrumentalities. As of June 30, 2018, the City is in compliance with the restrictions of its investment policy.

In addition, GASB 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2018, investments in Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and Federal Home Loan Bank represented 5.7%, 11.7%, and 10%, respectively of the City's total investment value. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that the City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 2: Cash and Investments (Continued)

As of June 30, 2018, the City had the following investments and original maturities:

	Rating S&P/Moody's	Investment Maturities				Fair Value
		6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	
Local Agency Investment Fund	N/R	\$ 20,780,409	\$ -	\$ -	\$ -	\$ 20,780,409
Money Market	AAA/Aaa	57,395	-	-	-	57,395
Medium Term Notes	AA+-A-/Aaa-A3	729,511	1,529,476	3,206,598	6,805,644	12,271,229
Commercial Paper	A-1/P-1	3,046,003	-	-	-	3,046,003
US Treasury Notes	N/A	-	2,086,148	6,824,711	5,935,364	14,846,223
Federal National Mortgage Assoc.	AA+/Aaa	1,098,781	1,319,778	2,687,337	4,026,610	9,132,506
Federal Home Loan Mortgage Corp.	AA+/Aaa	-	472,354	2,065,517	501,013	3,038,884
Federal Home Loan Bank	AA+/Aaa	648,675	596,969	4,045,232	789,457	6,080,333
Federal Farm Credit Bank	AA+/Aaa	-	-	494,059	-	494,059
Negotiable Certificate of Deposit	AA+/Aaa	1,499,987	-	-	-	1,499,987
SupraNational	AAA/Aaa	-	-	-	1,252,153	1,252,153
Investments with Fiscal Agents						
Money Market	N/R	2,502,160	-	-	-	2,502,160
		<u>\$ 30,362,921</u>	<u>\$ 6,004,725</u>	<u>\$ 19,323,454</u>	<u>\$ 19,310,241</u>	<u>\$ 75,001,341</u>

Fair Value Measurements

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The Pool has the following recurring fair value measurements as of June 30, 2018:

Investment Type	Totals 6/30/18	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities:				
US Treasury Notes	\$ 14,846,223	\$ -	\$ 14,846,223	\$ -
Medium Term Notes	12,271,229	-	12,271,229	-
US Government Agency Securities	18,745,782	-	18,745,782	-
Commercial Paper	3,046,003	-	3,046,003	-
Negotiable Certificates of Deposit	1,499,987	-	1,499,987	-
Money Market Funds	2,559,555	2,559,555	-	-
SupraNational	1,252,153	1,252,153	-	-
Total Investments at Fair Value	54,220,932	3,811,708	50,409,224	-
Investments measured at amortized cost:				
LAIF	20,780,409	-	-	-
Total Pooled and Directed Investments	<u>\$ 75,001,341</u>	<u>\$ 3,811,708</u>	<u>\$ 50,409,224</u>	<u>\$ -</u>

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 2: Cash and Investments (Continued)

Treasury securities, Federal Agriculture Mortgage Corporation, Federal Farm Credit Bank Bonds, Federal Home Loan Banks, Federal Home Loan Mortgage Corporate Notes and Federal National Mortgage Association Notes categorized as Level 2 are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

Note 3: Capital Assets

Changes in Capital Assets

The City has reported all capital assets including its infrastructure in the Government-Wide Statement of Net Position. A summary of changes in City capital assets is as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land and easements	\$ 4,540,989	\$ -	\$ -	\$ -	\$ 4,540,989
Construction in progress	3,789,675	13,667,602	(432,301)	(80,469)	16,944,507
Total capital assets, not being depreciated	8,330,664	13,667,602	(432,301)	(80,469)	21,485,496
Capital assets, being depreciated:					
Land improvements	38,741,855	-	-	-	38,741,855
Buildings and Structures	70,811,073	-	(70,818)	-	70,740,255
Machinery and equipment	5,369,756	175,193	(216,754)	80,469	5,408,664
Automobile equipment	2,863,570	100,812	(63,607)	-	2,900,775
Infrastructure	31,479,103	843,160	-	-	32,322,263
Intangible Assets	3,829,412	-	-	-	3,829,412
Total capital assets, being depreciated	153,094,769	1,119,165	(351,179)	80,469	153,943,224
Less accumulated depreciation for:					
Land improvements	(8,449,337)	(1,702,352)	-	-	(10,151,689)
Buildings and Structures	(19,691,697)	(1,413,749)	40,366	-	(21,065,080)
Machinery and equipment	(3,356,216)	(345,934)	216,754	-	(3,485,396)
Automobile equipment	(2,652,084)	(92,902)	63,607	-	(2,681,379)
Infrastructure	(13,573,444)	(1,074,592)	-	-	(14,648,036)
Intangible Assets	(3,829,412)	-	-	-	(3,829,412)
Total accumulated depreciation	(51,552,190)	(4,629,529)	320,727	-	(55,860,992)
Total capital assets, being depreciated, net	101,542,579	(3,510,364)	(30,452)	80,469	98,082,232
Governmental activities capital assets, net	\$ 109,873,243	\$ 10,157,238	\$ (462,753)	\$ -	\$ 119,567,728

Depreciation expense was charged to the following functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 665,059
Community Development	339,399
Public Safety	1,394,640
Public Works	1,341,578
Leisure and Culture	888,853
Total	\$ 4,629,529

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 4: Notes and Loans Receivable

As of June 30, 2018, loans receivable consisted of the following:

General Fund:	
Arterial Block Wall Loan Program	\$ 65,979
Low and Moderate Housing:	
Rehabilitation Loans:	
HIP Loans	3,105,467
DPAP Loans	95,058
Promissory Loans:	
Grayville Limited Partnership Loan	1,219,262
Condominium Loans	878,519
Housing and Community Development:	
HIP Loans	836,152
Total	<u>\$ 6,200,437</u>

Home Improvement Program (HIP) is a home assistance program for low to moderate-income La Mirada homeowners used to correct violations and repair deteriorating conditions in their homes. The assistance is provided through an emergency grant of up to \$5,000. The maximum low-interest deferred loan available to residents at 3% annual simple interest is \$30,000 with the City Manager having the authorization to approve a maximum loan of \$40,000 under special conditions. Effective July 2015, the maximum loan under special conditions was increased to \$85,000. The loan is secured by a deed of trust and does not need to be repaid until the property is sold, refinanced, no longer owner-occupied, or ownership transferred. At that time, the loan and interest is due and payable. Loans of \$3,941,619 were outstanding as of June 30, 2018.

Down Payment Assistance Program (DPAP) is a deferred loan of up to 10% of the home purchase price at 3% simple interest for low to moderate-income first time homebuyers used to purchase a single-family detached home in the City of La Mirada. Loans of \$95,058 were outstanding as of June 30, 2018.

On November 7, 2000, the Agency entered into a loan agreement with Grayville Limited Partnership in connection with the development of a 122-unit affordable senior housing project. The loan amount is \$847,064, and bearing non-compounding simple interest at the rate of 3% annually. No payments shall be due until the fifteenth anniversary date of the note. The payments shall be interest only payments in the amount of \$25,412. Any amounts of interest not paid when due shall accrue with interest at the rate of 8% annually. All outstanding principal and any unpaid interest accrued thereon shall be due and payable in full upon expiration of the term. The loan shall mature and all outstanding principal and accrued interest thereon shall be due and payable the sooner of forty years or the date of maturity of the permanent loan. The balance at June 30, 2018, including accrued interest of \$372,198, is \$1,219,262.

The note receivables of \$878,519 are a second trust deed on condominiums. The loan is paid off when the loan recipient sells the condo. On that date, the interest is then calculated. There is no established interest as it is considered a contingent deferred interest which is dependent on a variety of factors. As of June 30, 2018 there are five (5) outstanding loans.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 4: Notes and Loans Receivable (Continued)

On March 8, 2016, the City issued a home improvement loan program to assist homeowners with repairing block walls that face major streets. Through the Arterial Block Wall Loan Program, funding is available to qualifying homeowners whose block walls are damaged or in danger of failing. Low interest loans between \$15,000 and \$30,000 are available for eligible homeowners. As of June 30, 2018, five loans were issued in the amount of \$65,979.

Note 5: Advances to Successor Agency of Former RDA

As of June 30, 2018, the Advances to the Successor Agency of the former Redevelopment Agency (RDA) consist of a \$5,799,671 advance for the SERAF payment.

Note 6: Interfund Receivables, Payables, and Transfers

a. Due To/From Other Funds

<u>Receivable Funds</u>	<u>Payable Funds</u>	
General Fund	Non-major governmental	\$ 73,960
Capital Improvement	General Fund	1,957,760
	Non-major governmental	<u>471,616</u>
		<u>2,429,376</u>
Non-major governmental	General Fund	81,900
	Non-major governmental	<u>128,709</u>
		210,609
Internal service	General Fund	69,736
	Non-major governmental	<u>843</u>
		<u>70,579</u>
Total		<u>\$ 2,784,524</u>

Due To/From amounts were short-term receivables and payables in order to cover negative cash balances, capital improvement projects, and benefit accrual.

b. Transfers In/Out

	<u>Transfers Out</u>		
	General Fund	Nonmajor Governmental	Total
Transfers In:			
General Fund	\$ -	\$ 590,175	\$ 590,175
Capital Improvement	10,913,767	3,789,470	14,703,237
Nonmajor Governmental	967,728	671,775	1,639,503
Nonmajor ISF	-	70,110	70,110
Total	<u>\$ 11,881,495</u>	<u>\$ 5,121,530</u>	<u>\$ 17,003,025</u>

Interfund Transfers from the General Fund were used to fund operations of Nonmajor funds, debt service activity and capital improvement expenditures.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 7: Long-Term Debt

a. Governmental Activities:

The following is a summary of the changes in the governmental funds long-term debt, for the year ended June 30, 2018:

	Balance			Balance	Due Within
	July 1, 2017	Additions	Deletions	June 30, 2018	One Year
Governmental Activities:					
Lease Revenue Bonds	\$ 8,480,000	\$ -	\$ (505,000)	\$ 7,975,000	\$ 520,000
Leases Payable	47,105	121,282	(30,803)	137,584	11,495
Compensated Absences	648,605	168,215	(62,938)	753,882	33,677
Total	<u>\$ 9,175,710</u>	<u>\$ 289,497</u>	<u>\$ (598,741)</u>	8,866,466	<u>\$ 565,172</u>
Plus:					
Bond premium				<u>929,605</u>	
				<u>\$ 9,796,071</u>	

Lease Revenue Bonds

\$8,970,000 Lease Revenue Refunding Bonds, Series 2016

On April 26, 2016 the La Mirada Public Financing Authority issued \$8,970,000 of Lease Revenue Refunding Bonds Series 2016 to refinance the 2006 Lease Revenue Bonds in the amount on \$10,785,000 and pay costs of issuance. The proceeds for the bond along with an original issue premium and funds on hand from the 2006 issue are being used to pay the costs of issue and fund an escrow agent to refund the 2006 bonds.

The 2016 Series bonds are Secured bonds maturing each May beginning on May 1, 2017 and ending on September 15, 2029. The bonds carry interest ranging from 2.00% to 5.00%. The outstanding balance as of June 30, 2018 is \$7,975,000. Revenue pledged for the repayment of the bonds is from base rented payments pursuant to a sublease between the City and the Financing Authority.

Lease Revenue Bonds

The City will realize a total reduction in debt service over the life of the bonds in the amount of \$3,157,160 resulting in an economic gain on net present value savings in the amount of \$1,664,644.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 7: Long-Term Debt (Continued)

The minimum future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 520,000	\$ 321,444	\$ 841,444
2020	545,000	300,644	845,644
2021	565,000	278,844	843,844
2022	590,000	250,594	840,594
2023	620,000	221,094	841,094
2024-2028	3,525,000	688,976	4,213,976
2029-2030	1,610,000	80,347	1,690,347
Totals	<u>\$ 7,975,000</u>	<u>\$ 2,141,943</u>	<u>\$ 10,116,943</u>

Leases Payable

On December 4, 2015, the City entered into a non-interest bearing five-year lease with LDI Color Toolbox for \$21,784. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$11,257.

On February 27, 2013, the City entered into a non-interest bearing five-year lease with LDI Color Toolbox for \$78,388. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$0.

On August 8, 2013, the City entered into a non-interest bearing five-year lease with LDI Color Toolbox for \$23,149. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$1,156.

On July 7, 2014, the City entered into a non-interest bearing five-year lease with LDI Color Toolbox for \$8,890. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$2,075.

On August 12, 2014, the City entered into a non-interest bearing five-year lease with Pitney Bowes for \$9,064. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$2,266.

On December 29, 2014, the City entered into a non-interest bearing five-year lease with Pitney Bowes for \$11,962. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$3,590.

On March 26, 2018, the City entered into a non-interest bearing five-year lease with Xerox Financial Services LLC for \$121,282. The General Fund services the lease obligation. At June 30, 2018, the outstanding balance on the lease was \$117,240.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 7: Long-Term Debt (Continued)

At June 30, 2018, the annual requirements to repay the outstanding indebtedness were as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2019	35,751
2020	30,559
2021	26,802
2022	24,256
2023	20,216
Total payments	137,584
Less amounts representing interest	-
Outstanding principal	<u>\$ 137,584</u>

Compensated Absences

The City's policies relating to compensated absences are described in Note 1 of the Notes to Financial Statements. This liability will be paid in future years from future resources, typically from the General Fund.

\$753,882

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans

a. Defined Benefit Pension Plan

Summary of changes in deferred outflows of resources related to pensions, net pension liabilities, deferred inflows of resources related to pensions, and pension expenses for governmental activities for the fiscal year ended June 30, 2018 are as follows:

	Governmental Activities
Deferred outflows of resources	
Pension contributions after measurement date	
CalPERS	\$ 987,552
Difference in projected and actual earnings on pension investments	
CalPERS	492,281
PARS	44,315
Subtotal	536,596
Difference in expected and actual experience	
CalPERS	17,543
PARS	62,787
Subtotal	80,330
Changes in assumptions	
CalPERS	2,176,704
PARS	968,933
Subtotal	3,145,637
Changes in employer's proportion	
CalPERS	226,319
Total deferred outflows of resources	\$ 4,976,434
Net pension liabilities	
CalPERS	\$ 13,016,350
PARS	1,455,615
Total net pension liabilities	\$ 14,471,965
Deferred inflows of resources	
Difference in expected and actual experience	
CalPERS	\$ 251,339
Differences between the employer's contributions and the employer's proportionate share of contributions	
CalPERS	1,017,519
Changes in employer's proportion	
CalPERS	432,051
Changes in assumptions	
CalPERS	165,976
Total deferred outflows of resources	\$ 1,866,885
Pension Expense	
CalPERS	\$ 1,411,435
PARS	815,091
Total net pension liabilities	\$ 2,226,526

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans (Continued)

General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City of La Mirada's Miscellaneous Employee Pension Plans, cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous Tier I - Classic	Miscellaneous Tier II - Classic	Miscellaneous Tier II - Classic New	Miscellaneous - PEPRA
Hire date	Prior to October 22, 2012	On or after October 22, 2012 to June 30, 2017	On or after July 1, 2017	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - 63+	50 - 63+	50 - 63+	52 - 67+
Monthly benefits, as a % of eligible compensation	1.426% - 2.418% one-year final compensation	1.426% - 2.418% three-year final compensation	1.426% - 2.418% three-year final compensation	1.000% - 2.500% three-year final compensation
Required employee contribution rates*	7.00%	7.00%	7.00%	6.25%
Required employer contribution rates	8.921%	8.418%	8.418%	6.533%

* The City pays the 7.00% employee contribution for "Classic" employees.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2018, the contributions recognized as a reduction to the net pension liability for the plan was \$864,552.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

The City of La Mirada reported net pension liabilities for its proportionate shares of the net pension liability of the plan, as of June 30, 2018 the balance was \$13,016,350.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2017, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2017 and 2018, was as follows:

	Plan Net Pension Liability/(Asset)
Balance at: 6/30/2017	\$ 11,103,437
Balance at: 6/30/2018	<u>13,016,350</u>
Net Changes during 2017-18	<u>\$ (1,912,913)</u>

For the fiscal year ended June 30, 2018, the City recognized pension expense of \$1,411,435. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 987,552	\$ -
Differences between expected and actual experience	17,543	(251,339)
Changes in assumption	2,176,704	(165,976)
Net differences between projected and actual earnings on pension plan investments	492,281	
Difference between the employer's contributions and the employer's proportionate share of contributions		(1,017,519)
Changes in employer's proportion	226,319	(432,051)
Total	\$ 3,900,399	\$ (1,866,885)

\$987,552 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	\$ (257,837)
2020	992,757
2021	603,318
2022	(292,276)
Totals	\$ 1,045,962

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities was determined by rolling forward the total pension liability determined in the June 30, 2016 actuarial valuation to June 30, 2017. The June 30, 2017 total pension liability was based on the following assumptions:

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans (Continued)

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50 % Net of Pension Plan Investment and Administrative Expenses; includes Inflation Derived using CalPERS' Membership Data for all Funds
Mortality Rate Table (1)	
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more detail on this table, please refer to the April 2014 CalPERS Experience Study and Review of Actuarial Assumptions report.

Other significant actuarial assumptions used in the June 30, 2016 valuations were based on results of the actuarial experience study for the period from 1997-2011.

Changes of Assumptions

In fiscal year 2016-17, the financial reporting discount rate for the PERF C was lowered from 7.65 percent to 7.15 percent. Deferred outflows of resources for changes of assumptions presented in the Schedule of Collective Pension Amounts represents the unamortized portion of this assumption change.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of the discount rate for the public agency plans (including PERF C), the amortization and smoothing periods adopted by the Board in 2013 were used. For the Plan, the crossover test was performed for a miscellaneous agent plan and a safety agent selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results can be found on the CalPERS' website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans (Continued)

Discount Rate (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set to equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class can be found in CalPERS Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0	0.80	2.27
Inflation Sensitive	6.0	0.60	1.39
Private Equity	12.0	6.60	6.63
Real Estate	11.0	2.80	5.21
Infrastructure and Forestland	3.0	3.90	5.36
Liquidity	2.0	(0.40)	(0.90)

- (1) An expected inflation of 2.5% used for this period
- (2) An expected inflation of 3.0% used for this period

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability of the Plan, calculated using the discount rate of 7.15%, as well as what the City's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.15%) or 1% point higher (8.15%) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Plan's Net Pension Liability/(Assets)	\$20,191,387	\$13,016,350	\$7,073,856

Note 8: Pension Plans (Continued)

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

b. Defined Contribution Plan

In accordance with the Federal Omnibus Budget Reconciliation Act of 1990, the City provides pension benefits for all of its hourly employees through a defined contribution plan provided and administered by Nationwide Insurance. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All hourly employees are eligible to participate from the date of employment. Federal legislation requires contribution of at least 7.5% to a retirement plan. The plan is established by City ordinance. The City contributes 2.5% of the employee's salary as deferred compensation. Additionally, employees contribute 5.0% of salary towards this program on a pre-tax basis. The City's contribution for each employee (and interest earned by the accounts) is fully vested immediately.

For the fiscal year ended June 30, 2018, the City's payroll covered by the plan was \$3,290,017. The City made employer contributions of \$82,721 (2.5% of current covered payroll), and employees contributed \$164,501 (5% of current covered payroll).

c. Public Agency Retirement System (PARS)

Plan Description, Benefits Provided and Employees Covered

Effective February 2001, the City of La Mirada entered into a single-employer agreement with Public Agency Retirement System (PARS) for a retirement enhancement plan. The membership as of June 30, 2018 included 59 active participants and 36 retirees. The plan does not issue separately audited financial statements.

PARS provides an offset to CalPERS benefit for a maximum of 3% retirement benefit (combined CalPERS and PARS). Upon retirement at age 55, for full-time employees hired before July 1, 2011, the plan provides the employees with up to 1% times their years of service with the City times their highest annual salary. Eligibility requires 5 years of continual service, and retirement from the City and CalPERS concurrently at age 55 or greater for Classic members.

For City Council members elected or appointed before July 1, 2011, eligibility is defined as reaching age 55, completing 12 years of continual service, and retiring concurrently from both the City and CalPERS.

Note 8: Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined by an independent pension actuary using information furnished by the City and by PARS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2018 (the measurement date), the employer's contribution rate is 9.42% of annual payroll, and no contributions were made by the employees. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the City to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2018 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2017 and the June 30, 2018 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	6.50%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	6.50%
Cost of Living Adjustments	2.00%
Mortality	Consistent with non-industrial rates used to value the Miscellaneous CalPERS Pension Plan
Retirement	Retirement rates of 20% per year for ages 55 to 69 and 100% at ages 70 and up
Maximum Benefits and Salary	Final compensation is subject to IRC 401(a)(17) limitations
Beneficiaries	85% of participants are assumed to have an eligible spouse or domestic partner. Beneficiaries are assumed to be the same age as participant.

Discount Rate

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The best estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per actuarial investment consulting practice as of June 30, 2018.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

Note 8: Pension Plans (Continued)

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
Cash	BAML 3 Month T-Bills	2.72%	0.31%	0.31%
Core Fixed Income	Barclays Aggregate	36.61%	2.14%	2.02%
Broad US Equities	Russell 3000	44.13%	4.59%	3.32%
Developed Foreign Equities	MSCI EAFE	10.52%	5.52%	3.91%
Emerging Market Equities	MSCI Emerging Markets	4.36%	7.82%	4.59%
US REITs	FTSE NAREIT Equity REIT	1.66%	5.04%	3.27%
Assumed Inflation - Mean			2.32%	2.30%
Assumed Inflation - Standard Deviation			1.85%	1.85%
Portfolio Real Mean Return			3.82%	3.30%
Portfolio Nominal Mean Return			6.14%	5.68%
Portfolio Standard Deviation				10.10%
Long-Term Expected Rate of Return				6.50%

A blended discount rate is generally required to be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate will often require that the actuary perform complex projects of future benefit payments and asset values. Alternative evaluations of projected solvency are allowed, if such evaluation can reliably be made.

Pension Plan Fiduciary Net Position

The following table shows the changes in net pension liability recognized over the measurement period.

	Total Pension Liability (a)	Increase (Decrease) Plan Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance as of June 30, 2017	\$ 10,525,618	\$ 8,990,302	\$ 1,535,316
Changes for the year:			
Service Cost	265,910		265,910
Interest on the Total Pension Liability	660,712		689,114
Benefit Payments	(471,645)	(471,645)	
Employer Contributions		432,747	(432,747)
Net Investment Income		662,945	(662,945)
Administrative Expenses		(18,625)	18,625
Effect of economic/demographic gain or losses	42,341		42,341
Balance as of June 30, 2018	\$ 11,051,338	\$ 9,595,724	\$ 1,455,614

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Pension Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City of La Mirada, calculated using the discount rate of 6.50%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1% point lower (5.50%) or 1% point higher (7.50%) than the current rate.

	Discount Rate -1% 5.50%	Current Discount Rate 6.50%	Discount Rate 1% 7.50%
Net Pension Liability	<u>\$ 3,019,244</u>	<u>\$ 1,455,614</u>	<u>\$ 80,515</u>

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of the start of the measurement period, July 1, 2017, the net pension liability was \$1,535,316. For the measurement period ending June 30, 2018, the City of La Mirada incurred a pension expense of \$815,091 for the Plan. As of the measurement date, June 30, 2018, the net pension liability is \$1,455,614.

As of June 30, 2018, the City reported deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between expected and actual experience	\$ 62,787	\$ -
Changes of assumptions	968,933	
Net difference between projected and actual earning	44,315	
Total	<u>\$ 1,076,035</u>	<u>\$ -</u>

The amount above reflects the net difference between the projected and actual earnings of the pension plan investment.

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year ended June 30,	Deferred Outflows of Resources
2019	\$ 423,973
2020	349,480
2021	222,915
2022	62,374
2023	17,293

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 9: Liability, Workers' Compensation, and Purchased Insurance

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of La Mirada is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <http://cjpia.org/protection/coverage-programs>.

Note 9: Liability, Workers' Compensation, and Purchased Insurance (Continued)

Primary Workers' Compensation

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2017-18 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of La Mirada participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of La Mirada. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of La Mirada participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of La Mirada property is currently insured according to a schedule of covered property submitted by the City of La Mirada to the Authority. City of La Mirada property currently has all-risk property insurance protection in the amount of \$96,011,085. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance

The City of La Mirada purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of La Mirada property currently has earthquake protection in the amount of \$14,553,786. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

The City of La Mirada purchases crime insurance coverage in the amount of \$5,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

Note 9: Liability, Workers' Compensation, and Purchased Insurance (Continued)

Special Event Tenant User Liability Insurance

The City of La Mirada further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of La Mirada according to a schedule. The City of La Mirada then pays for the insurance. The insurance is facilitated by the Authority.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2017-18.

Note 10: Transportation Development Act

The City contracts out with MV Transportation for Dial-A-Ride services.

Note 11: Other Postemployment Benefits Plan

At June 30, 2018, net OPEB asset and related deferred outflows of resources and inflows are as follows:

	Governmental Activities
Net OPEB assets:	<u>\$ 4,991,670</u>
Total net OPEB assets	<u>\$ 4,991,670</u>
Deferred outflows of resources:	
Changes in assumption	\$ 205,150
Contributions made subsequent to the measurement date	<u>294,620</u>
Total deferred outflows of resources	<u>\$ 499,770</u>
Deferred inflows of resources:	
Differences between expected and actual experiences	\$ 1,212,300
Net difference between projected and actual earnings on investments	<u>122,896</u>
Total deferred inflows of resources	<u>\$ 1,335,196</u>

Description

The City's retiree healthcare plan (Plan) is provided through CalPERS under the Public Employees' Medical and Hospital Care Act. The Plan is an agent multiple-employer defined benefit healthcare program administered by CalPERS for all full-time employees. The City maintains the same healthcare plans for its retirees as for its active employees. However, the City does not contribute towards the cost of dental and vision benefits for its retirees.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 11: Other Postemployment Benefits Plan (Continued)

Description (Continued)

The City established a Section 115 Trust with the California Employer's Benefit Trust (CERBT) Fund to prefund future retiree benefits.

The City provides employees that retire directly from the City, at a minimum age of 50, with a lifetime subsidy for medical insurance premiums for themselves and their spouses. The subsidy begins at 50% coverage with 10 years' service with the City as well as an additional 5% subsidy for each additional year of service to 100% coverage at 20 years. For employees hired prior to June 1, 2004, the City pays 100% based solely on CalPERS retirement. These retirees are also entitled to cover other dependents in addition to their spouse.

A separate financial report is not prepared for the Plan. CalPERS issues a publicly available entity-wide financial report that includes certain financial statements and required supplementary information pertaining to CERBT. This report may be obtained by writing to CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

As of the June 30, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	76
Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitled to, but not yet receiving benefits	-
	<hr/>
Total	133

Contributions

The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The current annual contribution for each retired employee first hired after June 1, 2004, shall not exceed the amount of \$1,257 (\$1,300 effective January 1, 2018 and \$1,350 effective January 1, 2019). For the measurement period ended June 30, 2017, \$378,370 was paid directly to CalPERS for retiree health insurance.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuation dated June 30, 2017.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 11: Other Postemployment Benefits Plan (Continued)

Actuarial assumptions

The total OPEB asset in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:	
Discount Rate	6.50%
Inflation	2.75%
Salary Increases	3.25% per annum, in aggregate
Investment Rate of Return	6.50%
Mortality Rate*	2014 CalPERS Active Mortality for Miscellaneous Employees
Pre-Retirement Turnover**	2009 CalPERS Turnover for Miscellaneous Employees
Healthcare Trend Rate	5.00%

Notes:

* The mortality assumptions are based on the 2014 CalPERS Active Mortality for Miscellaneous Employees and the 2014 CalPERS Retiree Mortality for Miscellaneous Employees tables created by CalPERS. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

** The retirement assumptions are based on the 2009 CalPERS 2.0% @55 Rates for Miscellaneous Employees and the 2009 CalPERS 2.0% @60 Rates for Miscellaneous Employees tables created by CalPERS. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that the City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 11: Other Postemployment Benefits Plan (Continued)

Changes in the OPEB Liability

Changes in Net OPEB Liability as of June 30, 2017			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2017**	\$ 15,985,672	\$ 19,583,596	\$ (3,597,924)
Service Cost	554,685	-	554,685
Interest	1,053,382	-	1,053,382
Employer Contributions	-	378,370	(378,370)
Employee Contributions	-	-	-
Actual Investment Income	-	1,416,774	(1,416,774)
Administrative Expense	-	(10,305)	10,305
Benefit Payments	(668,968)	(668,968)	-
Other	(1,216,974)	-	(1,216,974)
Net Change during 2016-17	(277,875)	1,115,871	(1,393,746)
Balance at June 30, 2017***	\$ 15,707,797	\$ 20,699,467	\$ (4,991,670)

Notes:

** Roll back balance at June 30, 2016 from Measurement date June 30, 2017.

*** As of Measurement date June 30, 2017.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ending June 30, 2017:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net OPEB Liability/(Asset)	\$ (2,796,677)	\$ (4,991,670)	\$ (6,725,110)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2017:

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability/(Asset)	\$ (6,869,213)	\$ (4,991,670)	\$ (2,383,840)

Recognition of Deferred Outflows and Deferred Inflows of Resources and OPEB expense

For the fiscal year ended June 30, 2018, the City recognized OPEB expense of \$114,670. At June 30, 2018, the following City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 11: Other Postemployment Benefits Plan (Continued)

Recognition of Deferred Outflows and Deferred Inflows of Resources and OPEB expense (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumption	\$ 205,150	\$ -
Differences between expected and actual experience	-	1,212,300
Net difference between projected and actual earnings on investments	-	122,896
Contributions made subsequent to the measurement date	294,620	-
Total	\$ 499,770	\$ 1,335,196

\$294,620 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2019. Other amounts reported as deferred inflows and outflows of resources will be recognized in the OPEB expense as follows:

For the Fiscal Year Ending June 30,	Recognized Net Deferred Outflows (Inflows) of Resources
2019	\$ (240,548)
2020	(240,548)
2021	(240,548)
2022	(240,548)
2023	(167,854)
Thereafter	-
Total	\$ (1,130,046)

Note 12: Commitments

On December 1, 2013, the City entered into a sales tax sharing agreement with Living Spaces Furniture LLC. The City will rebate an amount equal to one half-percent of taxable sales in an amount not to exceed a total of \$3 million over the 10-year term. During the fiscal year ended June 30, 2018 the City rebated \$524,736 in sales taxes.

The following material construction commitments existed at June 30, 2018:

Project Name	Contract Amount	Expenditures to date as of June 30, 2018	Remaining Commitments
Measure I Phase IV	\$ 5,880,139	\$ 5,022,733	\$ 857,406
Traffic Signal Upgrade- La Mirada Blvd Corridor	1,086,249	1,065,902	20,347

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency

The California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of La Mirada that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On September 13, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 11-34.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

a. Cash and Investments

As of June 30, 2018, cash and investments were reported in the accompanying financial statements as follows:

Cash and Investments	\$ 8,307,807
Cash and Investments with fiscal agent	<u>2,502,160</u>
Total Cash and Investments	<u>\$ 10,809,967</u>
Demand deposits	\$ 4,251,451
Investments	<u>6,558,516</u>
Total Cash and Investments	<u>\$ 10,809,967</u>

Deposits

The California Government Code requires California banks and savings and loan associations to secure the Successor Agency's deposits by pledging government securities with a fair value of 110% of a Successor Agency's deposits. California law also allows financial institutions to secure Successor Agency deposits by pledging first trust deed mortgage notes having a value of 150% of a Successor Agency's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an Agent of Depository has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by California Agents of Depository is considered to be held for, and in the name of, the local governmental agency.

Investments

Under provisions of the Successor Agency's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Securities issued by the US Treasury
- Securities issued and fully guaranteed as to payment by the US Government
- Bankers Acceptances with a maturity of 180 days or less
- Federally insured time deposits with a maturity of 180 days or less.
- Bank deposits (non-negotiable certificates of deposit) with a maturity of 180 days or less.
- Negotiable certificates of deposit with a maturity of two years or less.
- Repurchase Agreements with a maturity of 30 days or less.
- Commercial Paper with a maturity of 270 days or less.
- State of California Local Agency Investment Fund (LAIF)
- Corporate medium term notes (5-yr maturity or less) of domestic Corporations or Depository Institutions.
- Mortgage pass-through securities and asset-backed securities with a maturity of five years or less.
- Money market mutual funds.

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the Successor Agency's investment policy.

Investments in State Investment Pool

The Successor Agency is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shared.

GASB Statement No. 31

The Successor Agency adopted GASB Statement of No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the Successor Agency reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Credit Risk

The Successor Agency's investment policy limits investments in medium term notes (MTNs) to those rated in the top three rating categories by two of the three largest nationally recognized rating services at time of purchase. As of June 30, 2018, the Successor Agency's investments in Federal Agency Securities, FDIC insured U.S. Corporate Notes, and money market fund were rated "Aaa" by Moody's. All securities were investment grade and were legal under State and Successor Agency law. Investments in U.S. government securities including U.S. Treasuries are not considered to have credit risk; therefore, their credit quality is not disclosed. The Successor Agency's investment in external investment pool is unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2018, none of the Successor Agency's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The Successor Agency's investment policy imposes restrictions on the maximum percentage it can invest in a single type of investment with any one issuer. No more than 5% of the total portfolio may be invested in securities of any single issuer, other than the U.S. Government, its agencies and instrumentalities. As of June 30, 2018, the Successor Agency is in compliance with the restrictions of its investment policy.

In addition, GASB 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2018, no single issuer investment consisted more than 5% of the Successor Agency's total investment value. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

The Successor Agency's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Successor Agency's investment policy states that the Successor Agency's investment portfolio will not directly invest in securities maturing in more than five years. The Successor Agency has elected to use the segmented time distribution method of disclosure for its interest rate risk. As of June 30, 2018, the Successor Agency had the following investments and original maturities:

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

	Rating S&P/Moody's	Investment Maturities					Fair Value
		6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	More Than 5 years	
Local Agency Investment Fund	NR	\$ 4,540,164	\$ -	\$ -	\$ -	\$ -	\$ 4,540,164
Investments with Fiscal Agent: Money Market	NR	2,018,352	-	-	-	-	2,018,352
		<u>\$ 6,558,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,558,516</u>

Investment in LAIF is measured at amortized cost and therefore is not subject to the fair value measurement requirement of GASB No. 72. Money Market funds are subject to the fair value measurement requirements of GASB No. 72 and are measured as Level 1.

b. Long-Term Debt

The following is a summary of the changes in the Successor Agency debt for the year ending June 30, 2018:

	Outstanding			Outstanding June 30, 2018	Due Within One Year
	July 1, 2017	Additions	Deletions		
Fiduciary Activities					
Successor Agency of the Former RDA					
Advances from the City	\$ 30,627,935	\$ -	\$ 24,828,264	\$ 5,799,671	\$ -
Tax Allocation Bonds					
2005 Series A	4,565,000	-	205,000	4,360,000	215,000
2006 Series A	5,897,713	-	872,750	5,024,963	470,498
Accretion of 2006 Bond Series A	5,714,233	453,831	-	6,168,064	-
2010 Refunding Series A	7,085,000	-	495,000	6,590,000	515,000
2010 Taxable Housing, Series B	7,000,000	-	-	7,000,000	-
2014 Series A	17,845,000	-	1,350,000	16,495,000	2,315,000
2014 Series B	6,820,000	-	790,000	6,030,000	805,000
Loan Payable	7,407,831	518,548	-	7,926,379	-
Totals	<u>\$ 92,962,712</u>	<u>\$ 972,379</u>	<u>\$ 28,541,014</u>	65,394,077	<u>\$ 4,320,498</u>
		Plus - Bond Premium		2,269,803	
		Less - Bond Discount		(88,161)	
				<u>\$ 67,575,719</u>	

*Additions of \$453,831 relates to Tax Allocation Bonds accretion of interest.

Advances from the City

The advances from the City net of write off consist of a \$5,799,671 advance for the Supplemental Educational Revenue Augmentation Fund (SERAF) payment. At June 30, 2018 the total outstanding balance is \$5,799,671. These loans bear zero interest. Repayments received by the City, shall first be used to retire any outstanding amounts borrowed and owed to the Low Mod Housing Fund of the former redevelopment agency for purposes of SERAF and shall be distributed to the Low and Moderate Income Housing Asset Fund.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Tax Allocation Bonds:

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$66,219,610 with annual debt service requirements as indicated below. For the current fiscal year, the total property tax revenue recognized by the City and Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$7,597,425 and the debt service obligation on the bonds were \$5,770,142.

\$6,510,000 2005 Tax Allocation Refunding Bonds, Series A:

<u>Auth/Issued</u>	<u>Description</u>	<u>Principal</u>	<u>Date</u>	<u>Rate</u>
\$ 6,510,000	Serial	\$ 165,000	2006	3.00%
		1,200,000	2024	4.375%

The Successor Agency has pledged a portion of future tax increment revenues to repay \$6,510,000 in tax allocation bonds issued in May 2005. The bonds were issued to finance redevelopment activities within or of benefit to the project area. The bonds are payable solely from tax increment revenues. At June 30, 2018, the total principal and interest requirement for the bonds is \$5,268,212 (\$4,360,000 principal, \$908,212 interest), payable semiannually through August 2024.

\$ 4,360,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>2005 Tax Allocation Refunding</u> <u>Bonds, Series A</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2019	\$ 215,000	\$ 183,545	\$ 398,545
2020	225,000	174,604	399,604
2021	235,000	165,028	400,028
2022	240,000	154,994	394,994
2023	1,100,000	126,244	1,226,244
2024-2025	2,345,000	103,797	2,448,797
Totals	\$ 4,360,000	\$ 908,212	\$ 5,268,212

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

\$9,609,007 2006 Tax Allocation Bonds, Series A:

<u>Auth/Issued</u>	<u>Description</u>	<u>Initial Principal</u>	<u>Final Maturity</u>	<u>Date</u>	<u>Rate</u>
\$ 9,609,007	Capital	\$ 244,563	\$ 560,000	2013	4.00%
	Appreciation	1,766,067	4,230,000	2028	4.60%
	Serial Bonds				

The Successor Agency has pledged a portion of future tax increment revenues to repay \$9,609,007 in tax allocation bonds issued in February of 2006. The bonds were issued to finance redevelopment activities within or of benefit to the project area. The bonds are payable solely from tax increment revenues. Total principal and interest requirement for the bonds is \$18,900,000 (\$12,864,305 principal, \$6,035,695 interest), payable semiannually through August 2028.

The bonds are not subject to redemption prior to maturity. Capital Appreciation Bonds shall compound in accreted value from date of delivery. For the fiscal year ended June 30, 2018, the accreted amount of interest for the bond was \$0. The reserves are fully funded. The outstanding balance at June 30, 2018, is \$15,145,000, which includes initial bond and the accreted value of \$5,024,963 and \$6,168,064, respectively.

\$11,193,027

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018 including interest, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>2006 Tax Allocation Bonds, Series A</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2019	\$ 512,285	\$ 2,715	\$ 515,000
2020	533,259	26,741	560,000
2021	510,015	49,985	560,000
2022	488,056	71,944	560,000
2023	470,267	94,733	565,000
2024-2028	7,858,832	3,226,168	11,085,000
2029-2030	820,313	479,687	1,300,000
Totals	<u>\$ 11,193,027</u>	<u>\$ 3,951,973</u>	<u>\$ 15,145,000</u>

\$10,370,000 2010 Tax Allocation Refunding Bonds, Series A

<u>Auth/Issued</u>	<u>Description</u>	<u>Principal</u>	<u>Date</u>	<u>Rate</u>
\$ 8,515,000	Serial	\$ 410,000	2010	2.00%
		680,000	2025	4.50%
1,855,000	Term	1,855,000	2028	5.00%

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

During fiscal year 2009-2010, the 2010 Tax Allocation Refunding Series A bonds were issued to refund the 1998 Special Tax Bonds. The bonds are payable solely from tax increment revenue generated as a result of redevelopment activities. The reserves were fully funded. At June 30, 2018, the total principal and interest requirement for the bonds is \$8,309,735 (\$6,590,000 principal, \$1,719,735 interest).

\$ 6,590,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

Fiscal Year Ending June 30,	2010 RDA Tax Allocation Refunding Bonds, Series A		Totals
	Principal	Interest	
2019	\$ 515,000	\$ 280,525	\$ 795,525
2020	535,000	260,169	795,169
2021	555,000	238,369	793,369
2022	575,000	215,409	790,409
2023	600,000	190,950	790,950
2024-2028	3,410,000	524,313	3,934,313
2029-2030	400,000	10,000	410,000
Totals	<u>\$ 6,590,000</u>	<u>\$ 1,719,735</u>	<u>\$ 8,309,735</u>

\$7,00,000 2010 Housing Tax Allocation Bonds, Series B

Auth/Issued	Description	Principal	Date	Rate
\$ 7,000,000	Term	\$ 7,000,000	2025-2029	7.00

During fiscal year 2009-2010, the 2010 Housing Tax Allocation Series B Bonds were issued to fund low and moderate income housing activities of the Agency. The bonds are payable solely from and secured by a pledge of certain tax increment revenues generated as a result of redevelopment activities. The reserves are fully funded. At June 30, 2018, the total principal and interest requirement for the bonds is \$11,449,550 (\$7,000,000 principal, \$4,449,550 interest).

\$ 7,000,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Fiscal Year Ending June 30,	2010 RDA Taxable Housing T/A Bonds, Series B		Totals
	Principal	Interest	
2019	\$ -	\$ 490,000	\$ 490,000
2020	-	490,000	490,000
2021	-	490,000	490,000
2022	-	490,000	490,000
2023	-	490,000	490,000
2024-2028	5,350,000	1,905,050	7,255,050
2029-2030	1,650,000	94,500	1,744,500
Totals	\$ 7,000,000	\$ 4,449,550	\$ 11,449,550

\$20,555,000 2014 Subordinate Tax Allocation Refunding Bonds, Series A

Auth/Issued	Description	Principal	Date	Rate
\$ 20,255,000	Serial	\$ 1,325,000/ 2,285,000	2015 2024	4.00% 5.50%

The Successor Agency has pledged a portion of future tax increment revenues to repay \$20,555,000 in tax allocation refunding bonds issued in October 2015. The bonds were issued to refinance the obligations of the Successor Agency for the 2001 Tax Allocation Refunding Bonds, Series A, 2003 Housing Tax Allocation Bonds, Series A, and the 2004 Tax Allocation Bonds, Series A. In addition, the bonds were used to finance additional redevelopment activities. The bonds are payable solely from tax increment revenue generated as a result of redevelopment activities. At June 30, 2018, the total principal and interest requirements for the bonds is \$19,326,125 (\$16,495,000 principal, \$2,831,125 interest), payable semiannually through August 2024.

\$16,495,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

Fiscal Year Ending June 30,	2014 Subordinate Tax Allocation Refunding Bonds, Series A		Totals
	Principal	Interest	
2019	\$ 2,315,000	\$ 766,875	\$ 3,081,875
2020	2,435,000	648,125	3,083,125
2021	2,550,000	523,500	3,073,500
2022	2,680,000	392,750	3,072,750
2023	2,060,000	274,250	2,334,250
2024-2025	4,455,000	225,625	4,680,625
Totals	\$ 16,495,000	\$ 2,831,125	\$ 19,326,125

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

\$8,425,000 2014 Subordinate Taxable Tax Allocation Refunding Bonds, Series B:

<u>Auth/Issued</u>	<u>Description</u>	<u>Principal</u>	<u>Date</u>	<u>Rate</u>
\$ 8,425,000	Serial	\$ 820,000	2015	0.56%
		935,000	2024	3.63%

The Successor Agency has pledged a portion of future tax increment revenues to repay \$8,425,000 in tax allocation refunding bonds issued in October 2015. The bonds were issued to refinance the obligations of the Successor Agency for the 2003 Taxable Housing Tax Allocation Bonds, Series B. In addition, the bonds were used to finance additional redevelopment activities. The bonds are payable solely from tax increment revenue generated as a result of redevelopment activities. At June 30, 2018, the total principal and interest requirements for the bonds is \$6,720,988 (\$6,030,000 principal, \$690,988 interest), payable semiannually through August 2024.

\$6,030,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>2014 Subordinate Taxable Tax Allocation Refunding Bonds, Series B</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2019	\$ 805,000	\$ 163,523	\$ 968,523
2020	815,000	147,782	962,782
2021	835,000	128,493	963,493
2022	855,000	105,615	960,615
2023	880,000	79,107	959,107
2024-2025	1,840,000	66,468	1,906,468
Totals	\$ 6,030,000	\$ 690,988	\$ 6,720,988

On April 11, 1989, the La Mirada Redevelopment Agency entered into an agreement with the County of Los Angeles pertaining to the reimbursement of tax increment funds for its Industrial-Commercial Redevelopment Project Area. The Agreement allows for a County loan of tax increment funds to the Agency at an annual interest rate of 7%. The current fiscal year had loan additions of \$484,624. The Agency's share of tax increment revenue was \$49,662,368 as of June 30, 2018. Repayment of the loan is due when the Agency's share of tax increment revenue exceeds \$117 million. The outstanding balance as of June 30, 2018, was:

\$ 7,926,379

Note 13: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Standard & Poor's Rating Services Bond Rating

Standard and Poor rated the following bonds were at least A+ as of June 30, 2018:

- 2005 Series A Tax Allocation Refunding Bonds
- 2006 Series A Tax Allocation Bonds
- 2010 Series A Tax Allocation Refunding Bonds
- 2010 Series B Tax Allocation Refunding Bonds
- 2010 Series B Housing Tax Allocation Bonds

c. Insurance

The Successor Agency is covered under the City of La Mirada's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 9.

Note 14: Restatement

As required by GASB 75, the City recorded restatements in the Internal Services Funds in the amount of (\$6,598,625) for the opening OPEB asset, and \$378,370 for OPEB related deferred outflows of resources.





Required Supplementary Information

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 77,183,385	\$ 77,183,385	\$ 77,183,385	\$ -
Resources (Inflows):				
Taxes	26,593,700	26,593,700	26,794,246	200,546
Licenses and permits	1,099,000	1,099,000	1,749,347	650,347
Intergovernmental	4,857,000	4,857,000	5,074,412	217,412
Charges for services	9,576,210	9,576,210	9,668,431	92,221
Use of money and property	835,237	835,237	582,033	(253,204)
Fines and forfeitures	440,000	440,000	392,532	(47,468)
Miscellaneous	160,000	160,000	115,443	(44,557)
Transfers in	605,000	605,000	590,175	(14,825)
Amounts Available for Appropriations	121,349,532	121,349,532	122,150,004	800,472
Charges to Appropriations (Outflow):				
General government	4,099,476	4,099,476	4,089,825	9,651
Public safety	8,926,209	8,926,209	8,682,899	243,310
Community development	1,247,589	1,247,589	1,141,896	105,693
Leisure and cultural	12,657,056	12,657,056	11,953,416	703,640
Public works	7,245,978	7,245,978	6,455,289	790,689
Transfers out	18,507,600	18,507,600	11,881,495	6,626,105
Total Charges to Appropriations	52,683,908	52,683,908	44,204,820	8,479,088
Extraordinary Item:				
Write off of advances from Successor Agency	-	-	(24,828,264)	(24,828,264)
Total Extraordinary Items	-	-	(24,828,264)	(24,828,264)
Budgetary Fund Balance, June 30	\$ 68,665,624	\$ 68,665,624	\$ 53,116,920	\$ (15,548,704)

See Notes to Required Supplementary Information.

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
LOW AND MODERATE HOUSING
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,077,739	\$ 17,077,739	\$ 17,077,739	\$ -
Resources (Inflows):				
Use of money and property	80,000	80,000	77,290	(2,710)
Amounts Available for Appropriations	17,157,739	17,157,739	17,155,029	(2,710)
Charges to Appropriations (Outflow):				
Community development	480	480	24,102	(23,622)
Total Charges to Appropriations	480	480	24,102	(23,622)
Budgetary Fund Balance, June 30	\$ 17,157,259	\$ 17,157,259	\$ 17,130,927	\$ (26,332)

See Notes to Required Supplementary Information

CITY OF LA MIRADA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018**

Budgetary Comparison Information

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During May of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed revenues and expenditures.
2. Public hearings are conducted at City Council meetings to obtain taxpayer comments prior to adoption of the budget in June.
3. Prior to July 1, the budget is legally adopted for all governmental fund types through passage of a resolution.
4. The City Manager is authorized to transfer budget amounts within funds as deemed desirable and necessary in order to meet the City's needs; however, revisions that alter the total expenditures must be approved by the City Council. Formal budgetary integration is employed as a management control device during the year for the governmental type funds. The legal level of control is the fund level.

Budgets for the governmental type funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts presented are as originally adopted and as further amended by the City Council.

CITY OF LA MIRADA

REQUIRED SUPPLEMENTARY INFORMATION
MISCELLANEOUS PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the Net Position	0.13125%	0.12832%	0.12045%	0.12479%
Proportionate Share of the Net Position Liability	\$ 13,016,350	\$ 11,103,437	\$ 8,267,283	\$ 7,765,051
Covered Payroll	\$ 5,389,562	\$ 5,102,239	\$ 4,802,406	\$ 4,816,993
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	241.51%	217.62%	172.15%	167.83%
Plan's Fiduciary Net Position	\$ 39,147,943	\$ 36,727,495	\$ 37,538,806	\$ 37,989,084
Plan's Fiduciary Net Position as a Percentage of Total Pension Liability	73.31%	74.06%	78.40%	81.50%

Notes to Schedule:

Benefit Changes:

None

Changes of Assumptions:

The discount rate changed to 7.15% from 7.65% from 2016 to 2017. For 2018, the discount rate was lowered to 7.10%, the wage growth was increased to 3.75% and inflation was lowered to 2.75%.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown. Measurement period information is shown.

CITY OF LA MIRADA

**REQUIRED SUPPLEMENTARY INFORMATION
MISCELLANEOUS PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 987,552	\$ 864,552	\$ 750,770	\$ 604,216
Contributions in Relation to the Actuarially Determined Contribution	(987,552)	(864,552)	(750,770)	(604,216)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 5,389,562	\$ 5,102,239	\$ 4,802,406	\$ 4,816,993
Contributions as a Percentage of Covered Payroll	18.32%	16.94%	15.63%	12.54%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

Note to Schedule:

Valuation Date:

June 30, 2016

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal
Amortization Method	Level percent of payroll
Asset Valuation Method	Market value
Actuarial Assumptions	
Discount Rate	7.15% (net of administrative expenses)
Projected Salary Increases	Varies by entry age and service.
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75 and an annual production growth of 0.25%

CITY OF LA MIRADA

REQUIRED SUPPLEMENTARY INFORMATION
 LA MIRADA RETIREMENT ENHANCEMENT PLAN
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED
 RATIOS AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	2018	2017	2016	2015
TOTAL PENSION LIABILITY				
Assumption Changes	\$ -	\$ 1,323,347	\$ 279,347	\$ -
Economic/Demographic Gains or Losses	42,341	-	47,779	-
Service Cost	265,910	215,447	209,172	217,403
Interest on Total Pension Liability	689,114	660,712	616,565	603,869
Benefit Payments	(471,645)	(526,357)	(613,081)	(673,354)
Net Change in Total Pension Liability	525,720	1,673,149	539,782	147,918
Total Pension Liability - Beginning	10,525,618	8,852,469	8,312,687	8,164,769
Total Pension Liability - Ending	\$ 11,051,338	\$ 10,525,618	\$ 8,852,469	\$ 8,312,687
PLAN FIDUCIARY NET POSITION				
Benefit Payments	\$ (471,646)	\$ (526,357)	\$ (613,081)	\$ (673,354)
Contributions from the Employer	432,747	591,611	753,471	794,811
Net Investment Income	662,945	965,211	(35,877)	201,561
Administrative Expenses	(18,625)	(22,527)	(24,725)	(28,242)
Net Change in Fiduciary Net Position	605,421	1,007,938	79,788	294,776
Plan Fiduciary Net Position - Beginning	8,990,302	7,982,364	7,902,576	7,607,800
Plan Fiduciary Net Position - Ending	\$ 9,595,723	\$ 8,990,302	\$ 7,982,364	\$ 7,902,576
Plan Net Pension Liability/(Asset) - Ending	\$ 1,455,615	\$ 1,535,316	\$ 870,105	\$ 410,111
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.83%	85.41%	90.17%	95.07%
Covered Payroll	\$ 4,592,516	\$ 4,699,822	\$ 4,562,934	\$ 4,664,599
Net OPEB Liability as a Percentage of Covered Payroll	31.70%	32.67%	19.07%	8.79%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2015. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: Inflation rate decreased from 3% in 2015 to 2.75 % in 2016.

Salary increases were also decreased from 3.85% after 22 years to 3.50% after 30 years.

CITY OF LA MIRADA

**REQUIRED SUPPLEMENTARY INFORMATION
LA MIRADA RETIREMENT ENHANCEMENT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 432,747	\$ 591,611	\$ 753,471	\$ 794,811
Contributions in Relation to the Actuarially Determined Contribution	(432,747)	(591,611)	(753,471)	(794,811)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Accrual Contributions as a Percentage of Actuarial Determined Contribution	100%	100%	100%	100%
Covered Payroll	\$ 4,592,516	\$ 4,699,822	\$ 4,562,934	\$ 4,664,599
Contributions as a Percentage of Covered Payroll	9.42%	12.59%	16.51%	17.04%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

Note to Schedule:

Valuation Date:

June 30, 2017

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	3 years
Asset Valuation Method	None
Inflation	2.75%
Salary Increases	Varies by entry age and service
Investment Rate of Return	6.50%
Retirement Age	Retirement rates of 20% per year for ages 55-69 and 100% at ages 70 and up
Mortality	Consistent with non-industrial rates used to value the Miscellaneous CalPERS Pension Plans

CITY OF LA MIRADA

REQUIRED SUPPLEMENTARY INFORMATION
 LA MIRADA OTHER POSTEMPLOYMENT BENEFIT PLAN
 SCHEDULE OF CHANGE IN NET OPEB LIABILITY AND RELATED RATIOS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	<u>2018</u>
TOTAL OPEB LIABILITY	
Service Cost	\$ 554,685
Interest on the Total OPEB Liability	1,053,382
Changes of Benefit Terms	-
Difference between Expected and Actual Experience	(1,464,863)
Changes of Assumptions	247,889
Benefit Payments	<u>(668,968)</u>
Net Change in Total OPEB Liability	<u>(277,875)</u>
Total OPEB Liability - Beginning	15,985,672
Total OPEB Liability - Ending	<u>\$ 15,707,797</u>
 OPEB FIDUCIARY NET POSITION	
Contributions from the Employer	\$ 378,370
Net Investment Income	1,416,774
Administrative Expenses	(668,968)
Benefit Payments	<u>(10,305)</u>
Net Change in Plan Fiduciary Net Position	<u>1,115,871</u>
Plan Fiduciary Net Position - Beginning	19,583,596
Plan Fiduciary Net Position - Ending	<u>\$ 20,699,467</u>
 Plan Net OPEB Liability - Ending	<u>\$ (4,991,670)</u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u>-31.78%</u>
 Covered-Employee Payroll	\$ 5,389,562
 Net OPEB Liability as a Percentage of Covered-Employee Payroll	-92.62%

Notes to Schedule

Changes in Assumptions:

For fiscal years June 30, 2017 and June 30, 2018, there were no changes in assumptions

(1) Fiscal year 2018 was the first year of implementation, therefore only one year is shown.

CITY OF LA MIRADA

REQUIRED SUPPLEMENTARY INFORMATION
 LA MIRADA OTHER POSTEMPLOYMENT BENEFIT PLAN
 SCHEDULE OF PLAN CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018
Contractually Required Contribution	\$ 294,620
Contributions	(294,620)
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll	\$ 5,225,000
Contributions as a percentage of covered payroll	5.64%

* GASB 75 requires this information for plans funding with OPEB trusts be reported in the employer's Required Supplementary Information for 10 years or as many years as are available upon implementation. Fiscal year 2018 was the 1st year of implementation, therefore only one fiscal year is shown.

Notes to Schedule:

Valuation Date	June 30, 2017
Funding method	Entry Age Normal Cost, level percent of pay
Discount Rate	6.50% as of June 30, 2016 and June 30, 2017
Inflation	2.75% per year
Aggregate payroll increases	3.00% per year
Mortality rate	Based on the expectation that future experience under the plan will be materially consistent with the assumptions utilized in the CalPERS valuation. CalPERS mortality rates are from the 2017 experience study.
Healthcare Tread Rate	An annual healthcare cost trend rate of 6.75% initially reduced by decrements to an ultimate of 4.75% therefore.





Other Supplemental Information

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,400,299	\$ 6,400,299	\$ 6,400,299	\$ -
Resources (Inflows):				
Use of money and property	40,000	40,000	70,026	30,026
Intergovernmental	2,375,000	2,375,000	193,518	(2,181,482)
Miscellaneous	-	-	49,836	49,836
Transfers in	25,928,000	25,928,000	14,703,238	(11,224,762)
Amounts Available for Appropriations	<u>34,743,299</u>	<u>34,743,299</u>	<u>21,416,917</u>	<u>(13,326,382)</u>
Charges to Appropriations (Outflow):				
Capital outlay	28,303,000	28,303,000	14,946,592	13,356,408
Total Charges to Appropriations	<u>28,303,000</u>	<u>28,303,000</u>	<u>14,946,592</u>	<u>13,356,408</u>
Budgetary Fund Balance, June 30	<u>\$ 6,440,299</u>	<u>\$ 6,440,299</u>	<u>\$ 6,470,325</u>	<u>\$ 30,026</u>

DESCRIPTIONS OF NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Special revenue funds are established to account for revenue derived from specific taxes or other earmarked revenue sources (other than for major capital projects that are restricted by law or administrative action to expenditures for specified purposes).

The Gas Tax Fund was established to account for revenues received and expenditures made for general street improvement and maintenance. Financing is provided by the City's share of state gasoline taxes collected under sections 2105, 2106, 2107, and 2107.5 of the Street Highway Code. State law requires that gasoline taxes be established to maintain streets. Gas Tax section 2103 replaced the local streets and road funds cities and counties would have received under Proposition 42 Traffic Congestion Relief Fund.

The Local Transportation Fund was established to account for revenues received and expenditures made for the installation and/or maintenance for bicycle and pedestrian paths. Financing is provided by the State of California under SB 821.

The Transit Fund was established to account for revenues received and expenditures made for transit operation within the City.

The Proposition A Fund was established to account for the Prop A Local Return Funds provided on a population-share basis from the Los Angeles County Metropolitan Transportation Authority (MTA). These funds are derived from the half-cent sales tax approved by Los Angeles County voters. These funds can only be used for transportation services

The Proposition C Fund was established to account for the Prop C Local Return Funds provided on a population-share basis from the Los Angeles County Metropolitan Transportation Authority (MTA). These funds are derived from the half-cent sales tax approved by the Los Angeles County voters. These funds are used for transportation improvement including certain street maintenance.

Measure R Fund (Local Return) was established to account for the half-cent sales tax for Los Angeles County that would finance new transportation projects and programs, and accelerate many of those already in the pipeline, everything from new rail and/or bus rapid transit projects, commuter rail improvements, Metro Rail system improvements, highway projects, improved countywide and local bus operations and local city sponsored transportation improvements. The measure became law January 2, 2009, with the tax taking effect in July 2009 for a period of thirty (30) years.

Measure M Fund (Local Return) was established to account for the half-cent sales tax for transportation projects, known as the "Los Angeles County Traffic Improvement Plan." It is the first sustained source of funding for walking and biking type projects. The rate will increase to one percent on July 1, 2039, when Measure R expires. There is no expiration date for Measure M.

Road Maintenance and Rehabilitation Act 2017 Fund (SB-1)- In April 2017, the governor signed the Road Repair and Accountability Act (the Act) of 2017. The Act will provide additional funding for agencies to use on local streets and roads.

Park Grants Fund was established to account for Prop A (Park and Open Space Grant) and other Park related grants which relate to the service and maintenance of the City's Proposition-funded projects which include the La Mirada Community Gymnasium, La Mirada Activity Center and Frontier Park Community Center.

Air Quality Management Distribution Fund – 40% of the additional vehicle registration fees are collected through the State Vehicle registration process and are passed to the City through the Air Quality Management District on a proportional population basis. These funds are restricted to vehicle emission reduction projects designed to improve air quality.

The Housing and Community Development Fund was established to account for revenues received and expenditures made for community development and housing assistance. Financing is provided under agreement with the County whereby the City is a secondary recipient with funds made available from the U.S. Department of Housing and Urban Development under the Housing and Community Development Acts of 1974 and 1977.

The Used Oil Recycling Grant Fund was established to account for funds awarded by the Department of Resources Recycling and Recovery (Calrecycle).

The Beverage Container Recycling Grant Fund was established to account for grants awarded by the California Department of Resources Recycling and Recovery (Calrecycle) for programs that increase beverage container recycling.

Federal Grants Fund was established to account for Federal Grants received from the Department of Justice and other Federal Agencies.

State Public Safety Grants Fund (The Citizens Option for Public Safety Grant) was established to account for State funding received for the purpose of providing units of local government with funds to underwrite projects to reduce crime and improve public safety.

DEBT SERVICE FUND

The Debt Service Fund was established to account for the debt service payments of the 2006 Lease Revenue Bond and the 2016 Lease Revenue Refunding Bond for the construction of the La Mirada Aquatics Center.

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Gas Tax	Local Transportation	Transit	Proposition A
Assets:				
Pooled cash and investments	\$ 3,174,091	\$ -	\$ 576,052	\$ 2,475,818
Receivables:				
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	14,285	-	2,592	11,141
Prepaid costs	-	-	42,477	-
Due from other governments	-	2,695	427,318	-
Due from other funds	-	-	54,998	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 3,188,376</u>	<u>\$ 2,695</u>	<u>\$ 1,103,437</u>	<u>\$ 2,486,959</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,974	\$ -	\$ 57,222	\$ -
Accrued liabilities	-	-	1,175	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	42,127	2,695	799	54,998
Total Liabilities	<u>44,101</u>	<u>2,695</u>	<u>59,196</u>	<u>54,998</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	42,477	-
Restricted for:				
Public safety	-	-	-	-
Leisure and cultural	-	-	1,001,764	-
Public works	3,144,275	-	-	2,431,961
Debt service	-	-	-	-
Total Fund Balances	<u>3,144,275</u>	<u>-</u>	<u>1,044,241</u>	<u>2,431,961</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,188,376</u>	<u>\$ 2,695</u>	<u>\$ 1,103,437</u>	<u>\$ 2,486,959</u>

(Continued)

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Proposition C	Measure R	Measure M	Road Maintenance and Rehab
Assets:				
Pooled cash and investments	\$ 1,424,891	\$ 1,341,699	\$ 411,208	\$ 185,511
Receivables:				
Taxes	-	-	-	104,775
Notes and loans	-	-	-	-
Accrued interest	6,413	6,038	1,851	835
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 1,431,304</u>	<u>\$ 1,347,737</u>	<u>\$ 413,059</u>	<u>\$ 291,121</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	97,617	283,677	-	-
Total Liabilities	<u>97,617</u>	<u>283,677</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Leisure and cultural	-	-	413,059	-
Public works	1,333,687	1,064,060	-	291,121
Debt service	-	-	-	-
Total Fund Balances	<u>1,333,687</u>	<u>1,064,060</u>	<u>413,059</u>	<u>291,121</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,431,304</u>	<u>\$ 1,347,737</u>	<u>\$ 413,059</u>	<u>\$ 291,121</u>

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Park Grants	Air Quality Management Distribution	Housing and Community Development	Used Oil Recycling Grant
Assets:				
Pooled cash and investments	\$ -	\$ 291,991	\$ 32,115	\$ 26,170
Receivables:				
Taxes	-	-	-	-
Notes and loans	-	-	836,152	-
Accrued interest	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	16,275	4,705	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ -	\$ 308,266	\$ 872,972	\$ 26,170
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,869
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	4,759
Due to other governments	-	-	36,820	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	36,820	7,628
Deferred Inflows of Resources:				
Unavailable revenues	-	-	836,152	-
Total Deferred Inflows of Resources	-	-	836,152	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Leisure and cultural	-	-	-	-
Public works	-	308,266	-	18,542
Debt service	-	-	-	-
Total Fund Balances	-	308,266	-	18,542
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 308,266	\$ 872,972	\$ 26,170

(Continued)

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			Debt Service Fund	Total Governmental Funds
	Beverage Container Recycling	Federal Grants	State Public Safety Grant	Debt Service	
Assets:					
Pooled cash and investments	\$ 141,088	\$ -	\$ 228,679	\$ -	\$ 10,309,313
Receivables:					
Taxes	-	-	-	-	104,775
Notes and loans	-	-	-	-	836,152
Accrued interest	-	-	-	-	43,155
Prepaid costs	-	-	-	-	42,477
Due from other governments	12,531	173,594	-	-	637,118
Due from other funds	-	155,611	-	-	210,609
Restricted assets:					
Cash and investments with fiscal agents	-	-	-	32	32
Total Assets	\$ 153,619	\$ 329,205	\$ 228,679	\$ 32	\$ 12,183,631
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ 1,532	\$ -	\$ -	\$ 63,597
Accrued liabilities	64	-	-	-	1,239
Unearned revenue	153,511	17,983	-	-	176,253
Due to other governments	-	-	-	-	36,820
Due to other funds	44	172,082	21,076	13	675,128
Total Liabilities	153,619	191,597	21,076	13	953,037
Deferred Inflows of Resources:					
Unavailable revenues	-	155,591	-	-	991,743
Total Deferred Inflows of Resources	-	155,591	-	-	991,743
Fund Balances:					
Nonspendable:					
Prepaid costs	-	-	-	-	42,477
Restricted for:					
Public safety	-	-	207,603	-	207,603
Leisure and cultural	-	(17,983)	-	-	1,396,840
Public works	-	-	-	-	8,591,912
Debt service	-	-	-	19	19
Total Fund Balances	-	(17,983)	207,603	19	10,238,851
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 153,619	\$ 329,205	\$ 228,679	\$ 32	\$ 12,183,631

(Continued)

CITY OF LA MIRADA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Gas Tax	Local Transportation	Transit	Proposition A
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 925,929
Intergovernmental	1,038,003	32,334	700,264	-
Use of money and property	50,400	-	10,450	38,236
Total Revenues	1,088,403	32,334	710,714	964,165
Expenditures:				
Current:				
Community development	-	-	-	-
Leisure and cultural	-	-	922,843	-
Public works	1,973	-	-	-
Public safety	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,973	-	922,843	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,086,430	32,334	(212,129)	964,165
Other financing sources (uses):				
Transfers in	-	-	602,668	-
Transfers out	(640,650)	(32,334)	-	(602,668)
Total Other Financing Sources (Uses)	(640,650)	(32,334)	602,668	(602,668)
Net Changes in Fund Balances	445,780	-	390,539	361,497
Fund Balances, Beginning of Fiscal Year	2,698,495	-	653,702	2,070,464
Fund Balances, End of Fiscal Year	\$ 3,144,275	\$ -	\$ 1,044,241	\$ 2,431,961

(Continued)

CITY OF LA MIRADA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Proposition C	Measure R	Measure M	Road Maintenance and Rehab
Revenues:				
Taxes	\$ 767,918	\$ 575,249	\$ 521,307	\$ -
Intergovernmental	-	-	-	289,661
Use of money and property	24,926	29,221	4,767	1,460
Total Revenues	792,844	604,470	526,074	291,121
Expenditures:				
Current:				
Community development	-	-	-	-
Leisure and cultural	-	-	-	-
Public works	-	-	-	-
Public safety	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	792,844	604,470	526,074	291,121
Other financing sources (uses):				
Transfers in	1,665	67,442	-	-
Transfers out	(1,761,037)	(1,452,198)	(113,015)	-
Total Other Financing Sources (Uses)	(1,759,372)	(1,384,756)	(113,015)	-
Net Changes in Fund Balances	(966,528)	(780,286)	413,059	291,121
Fund Balances, Beginning of Fiscal Year	2,300,215	1,844,346	-	-
Fund Balances, End of Fiscal Year	\$ 1,333,687	\$ 1,064,060	\$ 413,059	\$ 291,121

(Continued)

CITY OF LA MIRADA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Park Grants	Air Quality Management Distribution	Housing and Community Development	Used Oil Recycling Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	63,333	183,618	12,570
Use of money and property	-	-	-	-
Total Revenues	-	63,333	183,618	12,570
Expenditures:				
Current:				
Community development	-	-	132,586	-
Leisure and cultural	-	-	-	-
Public works	-	1,144	-	12,570
Public safety	-	-	54,917	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	1,144	187,503	12,570
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	62,189	(3,885)	-
Other financing sources (uses):				
Transfers in	-	27,322	3,885	-
Transfers out	-	(70,110)	-	-
Total Other Financing Sources (Uses)	-	(42,788)	3,885	-
Net Changes in Fund Balances	-	19,401	-	-
Fund Balances, Beginning of Fiscal Year	-	288,865	-	18,542
Fund Balances, End of Fiscal Year	\$ -	\$ 308,266	\$ -	\$ 18,542

(Continued)

CITY OF LA MIRADA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			Debt Service Fund	Total Governmental Funds
	Beverage Container Recycling	Federal Grants	State Public Safety Grant	Debt Service Fund	
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,790,403
Intergovernmental	17,980	183,547	139,416	-	2,660,726
Use of money and property	-	-	-	33	159,493
Total Revenues	17,980	183,547	139,416	33	5,610,622
Expenditures:					
Current:					
Community development	-	-	-	-	132,586
Leisure and cultural	-	17,983	-	-	940,826
Public works	17,980	-	-	-	33,667
Public safety	-	-	-	-	54,917
Debt service:					
Principal retirement	-	-	-	505,000	505,000
Interest and fiscal charges	-	-	-	336,594	336,594
Total Expenditures	17,980	17,983	-	841,594	2,003,590
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	165,564	139,416	(841,561)	3,607,032
Other financing sources (uses):					
Transfers in	-	146,831	-	789,690	1,639,503
Transfers out	-	(330,378)	(119,141)	-	(5,121,531)
Total Other Financing Sources (Uses)	-	(183,547)	(119,141)	789,690	(3,482,028)
Net Changes in Fund Balances	-	(17,983)	20,275	(51,871)	125,004
Fund Balances, Beginning of Fiscal Year	-	-	187,328	51,890	10,113,847
Fund Balances, End of Fiscal Year	\$ -	\$ (17,983)	\$ 207,603	\$ 19	\$ 10,238,851

CITY OF LA MIRADA

BUDGETARY COMPARISON SCHEDULE
 GAS TAX
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,698,495	\$ 2,698,495	\$ 2,698,495	\$ -
Resources (Inflows):				
Intergovernmental	1,103,328	1,103,328	1,038,003	(65,325)
Use of money and property	28,000	28,000	50,400	22,400
Amounts Available for Appropriations	<u>3,829,823</u>	<u>3,829,823</u>	<u>3,786,898</u>	<u>(42,925)</u>
Charges to Appropriations (Outflow):				
Public works	1,300	1,300	1,973	(673)
Transfers out	2,675,000	2,675,000	640,650	2,034,350
Total Charges to Appropriations	<u>2,676,300</u>	<u>2,676,300</u>	<u>642,623</u>	<u>2,033,677</u>
Budgetary Fund Balance, June 30	<u>\$ 1,153,523</u>	<u>\$ 1,153,523</u>	<u>\$ 3,144,275</u>	<u>\$ 1,990,752</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
LOCAL TRANSPORTATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	33,000	33,000	32,334	(666)
Amounts Available for Appropriations	33,000	33,000	32,334	(666)
Charges to Appropriations (Outflow):				
Transfers out	33,000	33,000	32,334	666
Total Charges to Appropriations	33,000	33,000	32,334	666
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
TRANSIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 653,702	\$ 653,702	\$ 653,702	\$ -
Resources (Inflows):				
Intergovernmental	340,965	340,965	700,264	359,299
Use of money and property	6,000	6,000	10,450	4,450
Transfers in	695,543	695,543	602,668	(92,875)
Amounts Available for Appropriations	<u>1,696,210</u>	<u>1,696,210</u>	<u>1,967,084</u>	<u>270,874</u>
Charges to Appropriations (Outflow):				
Leisure and cultural	1,013,867	1,013,867	922,843	91,024
Total Charges to Appropriations	<u>1,013,867</u>	<u>1,013,867</u>	<u>922,843</u>	<u>91,024</u>
Budgetary Fund Balance, June 30	<u>\$ 682,343</u>	<u>\$ 682,343</u>	<u>\$ 1,044,241</u>	<u>\$ 361,898</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,070,464	\$ 2,070,464	\$ 2,070,464	\$ -
Resources (Inflows):				
Taxes	900,000	900,000	925,929	25,929
Use of money and property	16,000	16,000	38,236	22,236
Amounts Available for Appropriations	<u>2,986,464</u>	<u>2,986,464</u>	<u>3,034,629</u>	<u>48,165</u>
Charges to Appropriations (Outflow):				
Transfers out	695,543	695,543	602,668	92,875
Total Charges to Appropriations	<u>695,543</u>	<u>695,543</u>	<u>602,668</u>	<u>92,875</u>
Budgetary Fund Balance, June 30	<u>\$ 2,290,921</u>	<u>\$ 2,290,921</u>	<u>\$ 2,431,961</u>	<u>\$ 141,040</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,300,215	\$ 2,300,215	\$ 2,300,215	\$ -
Resources (Inflows):				
Taxes	760,000	760,000	767,918	7,918
Use of money and property	27,000	27,000	24,926	(2,074)
Transfers in	-	-	1,665	1,665
Amounts Available for Appropriations	<u>3,087,215</u>	<u>3,087,215</u>	<u>3,094,724</u>	<u>7,509</u>
Charges to Appropriations (Outflow):				
Transfers out	<u>2,360,000</u>	<u>2,360,000</u>	<u>1,761,037</u>	<u>598,963</u>
Total Charges to Appropriations	<u>2,360,000</u>	<u>2,360,000</u>	<u>1,761,037</u>	<u>598,963</u>
Budgetary Fund Balance, June 30	<u>\$ 727,215</u>	<u>\$ 727,215</u>	<u>\$ 1,333,687</u>	<u>\$ 606,472</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,844,346	\$ 1,844,346	\$ 1,844,346	\$ -
Resources (Inflows):				
Taxes	575,000	575,000	575,249	249
Use of money and property	30,000	30,000	29,221	(779)
Transfers in	-	-	67,442	67,442
Amounts Available for Appropriations	<u>2,449,346</u>	<u>2,449,346</u>	<u>2,516,258</u>	<u>66,912</u>
Charges to Appropriations (Outflow):				
Transfers out	<u>2,553,000</u>	<u>2,553,000</u>	<u>1,452,198</u>	<u>1,100,802</u>
Total Charges to Appropriations	<u>2,553,000</u>	<u>2,553,000</u>	<u>1,452,198</u>	<u>1,100,802</u>
Budgetary Fund Balance, June 30	<u>\$ (103,654)</u>	<u>\$ (103,654)</u>	<u>\$ 1,064,060</u>	<u>\$ 1,167,714</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
MEASURE M
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Taxes	400,000	400,000	521,307	121,307
Use of money and property	4,000	4,000	4,767	767
Amounts Available for Appropriations	<u>404,000</u>	<u>404,000</u>	<u>526,074</u>	<u>122,074</u>
Charges to Appropriations (Outflow):				
Transfers out	250,000	250,000	113,015	136,985
Total Charges to Appropriations	<u>250,000</u>	<u>250,000</u>	<u>113,015</u>	<u>136,985</u>
Budgetary Fund Balance, June 30	<u>\$ 154,000</u>	<u>\$ 154,000</u>	<u>\$ 413,059</u>	<u>\$ 259,059</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
ROAD MAINTENANCE AND REHAB
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	286,254	286,254	289,661	3,407
Use of money and property	2,863	2,863	1,460	(1,403)
Amounts Available for Appropriations	<u>289,117</u>	<u>289,117</u>	<u>291,121</u>	<u>2,004</u>
Budgetary Fund Balance, June 30	<u>\$ 289,117</u>	<u>\$ 289,117</u>	<u>\$ 291,121</u>	<u>\$ 2,004</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
PARK GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	20,100	20,100	-	(20,100)
Amounts Available for Appropriations	20,100	20,100	-	(20,100)
Budgetary Fund Balance, June 30	<u>\$ 20,100</u>	<u>\$ 20,100</u>	<u>\$ -</u>	<u>\$ (20,100)</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY MANAGEMENT DISTRIBUTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 288,865	\$ 288,865	\$ 288,865	\$ -
Resources (Inflows):				
Intergovernmental	60,000	60,000	63,333	3,333
Transfers in	-	-	27,322	27,322
Amounts Available for Appropriations	<u>348,865</u>	<u>348,865</u>	<u>379,520</u>	<u>30,655</u>
Charges to Appropriations (Outflow):				
Public works	-	-	1,144	(1,144)
Transfers out	72,871	72,871	70,110	2,761
Total Charges to Appropriations	<u>72,871</u>	<u>72,871</u>	<u>71,254</u>	<u>1,617</u>
Budgetary Fund Balance, June 30	<u>\$ 275,994</u>	<u>\$ 275,994</u>	<u>\$ 308,266</u>	<u>\$ 32,272</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
HOUSING AND COMMUNITY DEVELOPMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	529,460	\$ 529,460	183,618	(345,842)
Transfers in	-	-	3,885	3,885
Amounts Available for Appropriations	529,460	529,460	187,503	(341,957)
Charges to Appropriations (Outflow):				
Public safety	62,956	62,956	54,917	8,039
Community development	166,504	166,504	132,586	33,918
Transfers out	300,000	300,000	-	300,000
Total Charges to Appropriations	529,460	529,460	187,503	341,957
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
USED OIL RECYCLING GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 18,542	\$ 18,542	\$ 18,542	\$ -
Resources (Inflows):				
Intergovernmental	16,000	16,000	12,570	(3,430)
Amounts Available for Appropriations	34,542	34,542	31,112	(3,430)
Charges to Appropriations (Outflow):				
Public works	16,000	16,000	12,570	3,430
Total Charges to Appropriations	16,000	16,000	12,570	3,430
Budgetary Fund Balance, June 30	\$ 18,542	\$ 18,542	\$ 18,542	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
BEVERAGE CONTAINER RECYCLING GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	13,000	13,000	17,980	4,980
Amounts Available for Appropriations	<u>13,000</u>	<u>13,000</u>	<u>17,980</u>	<u>4,980</u>
Charges to Appropriations (Outflow):				
Public Works	13,000	13,000	17,980	(4,980)
Total Charges to Appropriations	<u>13,000</u>	<u>13,000</u>	<u>17,980</u>	<u>(4,980)</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	682,000	682,000	183,547	(498,453)
Transfers in	-	-	146,831	146,831
Amounts Available for Appropriations	682,000	682,000	330,378	(351,622)
Charges to Appropriations (Outflow):				
Leisure and cultural	400,000	400,000	17,983	382,017
Transfers out	282,000	282,000	330,378	(48,378)
Total Charges to Appropriations	682,000	682,000	348,361	333,639
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ (17,983)	\$ (17,983)

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
STATE PUBLIC SAFETY GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 187,328	\$ 187,328	\$ 187,328	\$ -
Resources (Inflows):				
Intergovernmental	115,000	115,000	139,416	24,416
Amounts Available for Appropriations	302,328	302,328	326,744	24,416
Charges to Appropriations (Outflow):				
Transfers out	180,000	180,000	119,141	60,859
Total Charges to Appropriations	180,000	180,000	119,141	60,859
Budgetary Fund Balance, June 30	\$ 122,328	\$ 122,328	\$ 207,603	\$ 85,275

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 51,890	\$ 51,890	\$ 51,890	\$ -
Resources (Inflows):				
Use of money and property	-	-	33	33
Transfers in	841,600	841,600	789,690	(51,910)
Amounts Available for Appropriations	893,490	893,490	841,613	(51,877)
Charges to Appropriations (Outflow):				
Principal retirement	505,000	505,000	505,000	-
Interest and fiscal charges	336,600	336,600	336,594	6
Total Charges to Appropriations	841,600	841,600	841,594	6
Budgetary Fund Balance, June 30	\$ 51,890	\$ 51,890	\$ 19	\$ (51,871)

CITY OF LA MIRADA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018

	Employee Benefits	Equipment Replacement	Totals
Assets:			
Current:			
Cash and investments	\$ 1,025,899	\$ 4,439,493	\$ 5,465,392
Receivables:			
Accounts	-	-	-
Accrued interest	4,617	-	4,617
Prepaid costs	255,798	-	255,798
Due from other governments	-	-	-
Due from other funds	70,579	-	70,579
Restricted:			
Cash and investments with fiscal agents	14,075	-	14,075
Total Current Assets	1,370,968	4,439,493	5,810,461
Noncurrent:			
Net OPEB asset	4,991,670	-	4,991,670
Capital assets, net of accumulated depreciation	-	616,913	616,913
Total Noncurrent Assets	4,991,670	616,913	5,608,583
Total Assets	6,362,638	5,056,406	11,419,044
Deferred Outflow of Resources:			
Deferred pension related items	4,976,434	-	4,976,434
Deferred OPEB related items	499,770	-	499,770
Total Deferred Outflow of Resources	5,476,204	-	5,476,204
Total Assets and Deferred Outflows of Resources	\$ 11,838,842	\$ 5,056,406	\$ 16,895,248
Liabilities:			
Current:			
Accounts payable	\$ 4,969	\$ -	\$ 4,969
Accrued liabilities	55,350	-	55,350
Total Current Liabilities	60,319	-	60,319
Noncurrent:			
Net pension liability	14,471,965	-	14,471,965
Total Noncurrent Liabilities	14,471,965	-	14,471,965
Total Liabilities	14,532,284	-	14,532,284
Deferred Inflow of Resources:			
Deferred pension related items	1,866,885	-	1,866,885
Deferred OPEB related items	1,335,196	-	1,335,196
Total Deferred Inflow of Resources	3,202,081	-	3,202,081
Net Position:			
Investment in capital assets	-	616,913	616,913
Unrestricted	(5,895,523)	4,439,493	(1,456,030)
Total Net Position	(5,895,523)	5,056,406	(839,117)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 11,838,842	\$ 5,056,406	\$ 16,895,248

CITY OF LA MIRADA

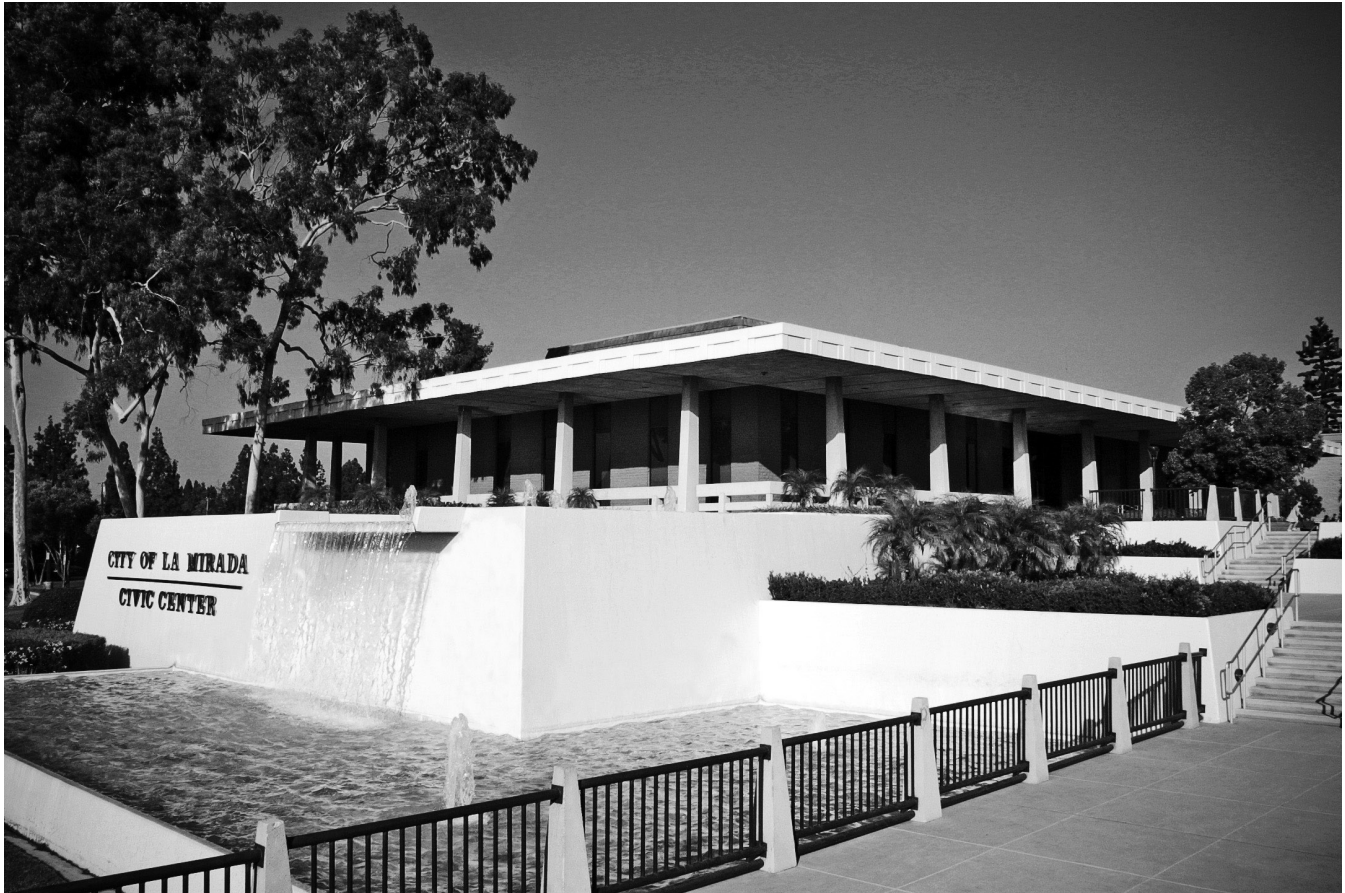
**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Employee Benefits	Equipment Replacement	Totals
Operating Revenues:			
Sales and service charges	\$ 3,980,009	\$ -	\$ 3,980,009
Total Operating Revenues	<u>3,980,009</u>	<u>-</u>	<u>3,980,009</u>
Operating Expenses			
Administration and general	5,065,279	-	5,065,279
Depreciation expense	-	151,732	151,732
Total Operating Expenses	<u>5,065,279</u>	<u>151,732</u>	<u>5,217,011</u>
Operating Income (Loss)	<u>(1,085,270)</u>	<u>(151,732)</u>	<u>(1,237,002)</u>
Nonoperating Revenues (Expenses)			
Interest revenue	14,165	-	14,165
Total Nonoperating Revenues (Expenses)	<u>14,165</u>	<u>-</u>	<u>14,165</u>
Income (Loss) Before Transfers	<u>(1,071,105)</u>	<u>(151,732)</u>	<u>(1,222,837)</u>
Transfers In	-	70,110	70,110
Changes in Net Position	<u>(1,071,105)</u>	<u>(81,622)</u>	<u>(1,152,727)</u>
Net Position:			
Beginning of Fiscal Year	1,395,837	5,138,028	6,533,865
Prior Period Restatement	(6,220,255)	-	(6,220,255)
Beginning of Fiscal Year, restated	<u>(4,824,418)</u>	<u>5,138,028</u>	<u>313,610</u>
End of Fiscal Year	<u>\$ (5,895,523)</u>	<u>\$ 5,056,406</u>	<u>\$ (839,117)</u>

CITY OF LA MIRADA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Employee Benefits	Equipment Replacement	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 3,980,025	\$ -	\$ 3,980,025
Cash paid to employees for services	(4,493,922)	-	(4,493,922)
Net Cash Provided (Used) by Operating Activities	<u>(513,897)</u>	<u>-</u>	<u>(513,897)</u>
Cash Flows from Non-Capital Financing Activities:			
Cash transferred in	-	70,110	70,110
Loan provided to other funds	(17,310)	-	(17,310)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(17,310)</u>	<u>70,110</u>	<u>52,800</u>
Cash Flows from Capital and Related Financing Activities:			
Purchases of capital assets	-	(187,187)	(187,187)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(187,187)</u>	<u>(187,187)</u>
Cash Flows from Investing Activities:			
Interest received	10,958	-	10,958
Net Cash Provided (Used) by Investing Activities	<u>10,958</u>	<u>-</u>	<u>10,958</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(520,249)	(117,077)	(637,326)
Cash and Cash Equivalents at Beginning of Fiscal Year	1,560,223	4,556,570	6,116,793
Cash and Cash Equivalents at End of Fiscal Year	<u>\$ 1,039,974</u>	<u>\$ 4,439,493</u>	<u>\$ 5,479,467</u>
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (1,085,270)	\$ (151,732)	\$ (1,237,002)
Adjustment to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	-	151,732	151,732
(Increase) decrease in accounts receivable	16	-	16
(Increase) decrease in prepaid expense	(70,878)	-	(70,878)
(Increase) decrease in Net OPEB asset	(1,393,746)	-	(1,393,746)
(Increase) decrease in deferred outflows of pension related items	(804,750)	-	(804,750)
(Increase) decrease in deferred outflows of OPEB related items	(121,400)	-	(121,400)
Increase (decrease) in accounts payable	3,176	-	3,176
Increase (decrease) in accrued liabilities	12,781	-	12,781
Increase (decrease) in pension liability	1,833,212	-	1,833,212
Increase (decrease) in deferred inflows of pension related items	(222,234)	-	(222,234)
Increase (decrease) in deferred inflows of OPEB related items	1,335,196	-	1,335,196
Total Adjustments	<u>571,373</u>	<u>151,732</u>	<u>723,105</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (513,897)</u>	<u>\$ -</u>	<u>\$ (513,897)</u>



STATISTICAL SECTION

Statistical Section

This part of the City of La Mirada's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	115
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	125
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	
Debt Capacity	129
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	133
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	137
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the city provides and the activities it performs.	

Schedule 1
City of La Mirada
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental activities					
Net investment in capital assets	\$ 70,256,831	\$ 75,122,496	\$ 78,551,384	\$ 86,393,863	\$ 86,581,992
Restricted	36,422,061	54,395,377	44,396,590	31,821,550	34,083,335
Unrestricted	(36,134,141)	(52,580,668)	(36,970,120)	78,396,007	58,831,878
Total governmental activities net position	<u>\$ 70,544,751</u>	<u>\$ 76,937,205</u>	<u>\$ 85,977,854</u>	<u>\$ 196,611,420</u>	<u>\$ 179,497,205</u>
Business-type activities					
Net investment in capital assets	\$ 3,843,832	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,062,568	-	-	-	-
Total business-type activities net position	<u>\$ 4,906,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total primary government net position	<u>\$ 75,451,151</u>	<u>\$ 76,937,205</u>	<u>\$ 85,977,854</u>	<u>\$ 196,611,420</u>	<u>\$ 179,497,205</u>

Schedule 1
City of La Mirada
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2014	2015	2016	2017	2018
Governmental activities					
Net investment in capital assets	\$ 89,231,607	\$ 92,636,224	\$ 98,459,941	\$ 100,334,511	\$ 110,678,984
Restricted	34,152,613	29,733,496	30,996,348	34,605,983	34,968,925
Unrestricted	70,649,632	72,325,004	78,562,920	82,798,144	51,143,449
Total governmental activities net position	<u>\$ 194,033,852</u>	<u>\$ 194,694,724</u>	<u>\$ 208,019,209</u>	<u>\$ 217,738,638</u>	<u>\$ 196,791,358</u>
Total primary government net position	<u>\$ 194,033,852</u>	<u>\$ 194,694,724</u>	<u>\$ 208,019,209</u>	<u>\$ 217,738,638</u>	<u>\$ 196,791,358</u>

Schedule 2
City of La Mirada
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenses					
Governmental activities:					
General government	\$ 6,798,443	\$ 10,264,609	\$ 7,669,085	\$ 5,520,210	\$ 5,559,670
Public safety	8,860,511	8,703,105	8,297,156	8,334,949	8,855,190
Community development	3,681,116	2,253,928	1,980,295	1,777,873	8,883,197
Leisure and cultural	7,117,230	10,944,535	10,330,598	11,227,411	11,476,686
Public works	8,364,475	8,139,643	6,886,493	8,371,189	7,727,791
Interest on long-term debt	6,604,442	8,596,585	8,500,077	2,375,254	484,884
Total governmental activities expenses	<u>41,426,217</u>	<u>48,902,405</u>	<u>43,663,704</u>	<u>37,606,886</u>	<u>42,987,418</u>
Business-type activities:					
Theatre	4,578,245	-	-	-	-
Total Primary Government Expenses	<u>\$ 46,004,462</u>	<u>\$ 48,902,405</u>	<u>\$ 43,663,704</u>	<u>\$ 37,606,886</u>	<u>\$ 42,987,418</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,641,717	\$ 1,230,312	\$ 985,339	\$ 639,799	\$ 169,930
Public safety	675,202	600,672	709,304	619,303	631,442
Community development	21,788	26,055	46,892	695,572	840,083
Leisure and cultural	2,621,886	5,731,830	6,081,552	7,512,999	7,141,228
Operating grants and contributions	1,943,227	3,572,312	3,661,473	2,644,092	3,589,280
Capital grants and contributions	1,223,358	974,126	1,757,133	6,205,538	55,794
Total governmental activities program revenues	<u>8,127,178</u>	<u>12,135,307</u>	<u>13,241,693</u>	<u>18,317,303</u>	<u>12,427,757</u>
Business-type activities:					
Charges for services:					
Theatre	3,387,148	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	896	-	-	-	-
Total business-type activities program revenues	<u>3,388,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government Program Revenues	<u>\$ 11,515,222</u>	<u>\$ 12,135,307</u>	<u>\$ 13,241,693</u>	<u>\$ 18,317,303</u>	<u>\$ 12,427,757</u>

Schedule 2

City of La Mirada

Changes in Net Position, Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Net (Expense)/Revenue					
Governmental activities	\$ (33,299,039)	\$ (36,767,098)	\$ (30,422,011)	\$ (19,289,583)	\$ (30,559,661)
Business-type activities	(1,190,201)	-	-	-	-
Total primary government net expense	<u>\$ (34,489,240)</u>	<u>\$ (36,767,098)</u>	<u>\$ (30,422,011)</u>	<u>\$ (19,289,583)</u>	<u>\$ (30,559,661)</u>
 General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 19,873,296	\$ 19,313,343	\$ 19,148,372	\$ 12,958,009	\$ 9,661,518
Transient occupancy taxes	724,655	803,425	1,024,679	973,207	1,218,046
Sales taxes	10,474,837	9,270,279	10,296,965	11,709,498	13,572,127
Franchise taxes	1,531,991	2,493,098	2,630,099	2,542,800	2,590,407
Business licenses taxes	357,232	347,448	314,324	303,618	294,963
Other taxes	129,957	437,351	830,124	181,954	199,933
Motor vehicle licenses taxes	171,528	148,048	256,058	25,873	21,415
Use of money and property	3,535,373	5,376,050	4,924,485	3,748,366	963,339
Other	331,648	64,110	37,554	5,000	94,837
Extraordinary gain	-	-	-	97,474,824	(14,879,577)
Transfers	(610,546)	4,906,400	-	-	-
Total governmental activities	<u>36,519,971</u>	<u>43,159,552</u>	<u>39,462,660</u>	<u>129,923,149</u>	<u>13,737,008</u>
Business-type activities:					
Use of money and property	54,649	-	-	-	-
Other	12,388	-	-	-	-
Transfers	610,546	(4,906,400)	-	-	-
Total business-type activities	<u>677,583</u>	<u>(4,906,400)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 37,197,554</u>	<u>\$ 38,253,152</u>	<u>\$ 39,462,660</u>	<u>\$ 129,923,149</u>	<u>\$ 13,737,008</u>
 Change in Net Position					
Governmental activities	\$ 3,220,932	\$ 6,392,454	\$ 9,040,649	\$ 110,633,566	\$ (16,822,653)
Business-type activities	(512,618)	(4,906,400)	-	-	-
Total primary government	<u>\$ 2,708,314</u>	<u>\$ 1,486,054</u>	<u>\$ 9,040,649</u>	<u>\$ 110,633,566</u>	<u>\$ (16,822,653)</u>

Schedule 2
City of La Mirada
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2014	2015	2016	2017	2018
Expenses					
Governmental activities:					
General government	\$ 4,051,569	\$ 4,357,631	\$ 3,837,337	\$ 4,269,803	\$ 5,500,199
Public safety	9,197,072	9,196,201	9,608,429	9,918,822	10,243,673
Community development	1,411,686	1,468,225	1,654,271	1,604,363	1,695,533
Leisure and cultural	11,689,280	12,675,136	12,527,600	16,851,879	14,246,995
Public works	7,655,602	8,911,393	10,474,615	10,226,731	8,432,866
Interest on long-term debt	516,449	497,387	581,770	239,259	228,533
Total governmental activities expenses	<u>\$ 34,521,658</u>	<u>\$ 37,105,973</u>	<u>\$ 38,684,022</u>	<u>\$ 43,110,857</u>	<u>\$ 40,347,799</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 454,754	\$ 380,234	\$ 608,738	\$ 263,146	\$ 250,908
Public safety	622,233	574,620	536,923	451,423	436,244
Community development	1,357,604	1,141,022	1,728,665	1,737,160	1,904,314
Leisure and cultural	7,928,099	8,619,081	9,016,600	9,274,713	9,252,833
Operating contributions and grants	2,658,984	2,274,058	3,840,893	853,969	857,651
Capital contributions and grants	3,254,432	2,798,127	4,894,510	7,066,852	3,790,629
Total governmental activities program revenues	<u>\$ 16,276,106</u>	<u>\$ 15,787,142</u>	<u>\$ 20,626,329</u>	<u>\$ 19,647,263</u>	<u>\$ 16,492,579</u>

Schedule 2
City of La Mirada
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2014	2015	2016	2017	2018
Net (Expense)/Revenue					
Total Governmental activities	\$ (18,245,552)	\$ (21,318,831)	\$ (18,057,693)	\$ (23,463,594)	\$ (23,855,220)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 9,513,978	\$ 10,178,680	\$ 10,752,452	\$ 11,237,676	\$ 11,828,869
Transient occupancy tax	1,366,458	1,500,392	1,690,411	1,543,509	1,408,898
Sales taxes	15,209,182	16,658,358	13,879,537	16,374,977	15,560,083
Franchise taxes	2,723,472	2,767,895	2,786,450	2,795,690	3,025,456
Business licenses taxes	326,759	310,968	332,985	325,734	336,664
Other taxes	140,720	207,778	-	-	-
Motor vehicle in lieu	-	20,685	19,981	22,238	26,021
Use of money and property	979,340	1,040,369	1,280,129	716,025	1,605,189
Other	2,522,290	289,002	423,104	167,174	165,279
Extraordinary gain (loss)	-	-	-	-	(24,828,264)
Total governmental activities	32,782,199	32,974,127	31,165,049	33,183,023	9,128,195
Change in Net Position					
Governmental activities	\$ 14,536,647	\$ 11,655,296	\$ 13,107,356	\$ 9,719,429	\$ (14,727,025)
Total primary government	\$ 14,536,647	\$ 11,655,296	\$ 13,107,356	\$ 9,719,429	\$ (14,727,025)

Schedule 3
City of La Mirada
Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FISCAL YEAR				
	2009	2010	2011	2012	2013
General Fund					
Reserved	\$ 31,653,456	\$ 31,308,820	\$ -	\$ -	\$ -
Nonspendable	-	-	27,834,161	27,633,979	27,601,922
Unreserved	14,703,205	16,959,343	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	6,625,000
Assigned	-	-	-	-	-
Unassigned	-	-	20,693,194	24,253,682	20,143,084
Total General Fund	\$ 46,356,661	\$ 48,268,163	\$ 48,527,355	\$ 51,887,661	\$ 54,370,006
All Other Governmental Funds					
Reserved	\$ 22,030,048	\$ 26,471,271	\$ -	\$ -	\$ -
Unreserved:					
Unreserved, reported in nonmajor:					
Special revenue funds	5,582,174	5,826,119	-	-	-
Capital projects fund	-	(528,436)	-	-	-
Designated for:					
Capital projects	8,809,839	12,566,623	-	-	-
Debt service funds	(23,446,075)	(28,655,632)	-	-	-
Nonspendable	-	-	25,946,094	53,485,934	528,436
Restricted for:					
Community development projects	-	-	9	-	-
Public safety	-	-	102,100	88,693	105,856
Leisure and cultural	-	-	1,918,490	778,849	1,273,031
Public works	-	-	4,350,060	4,554,036	7,397,750
Capital projects	-	-	11,531,958	-	-
Low and Moderate Housing	-	-	-	-	16,809,744
Debt service	-	-	1,076,315	1,076,453	1,077,564
Unassigned	-	-	(29,434,825)	26,561,735	(1,962)
Total all other governmental funds	\$ 12,975,986	\$ 15,679,945	\$ 15,490,201	\$ 86,545,700	\$ 27,190,419

GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions" was effective for periods beginning after June 15, 2010.

Schedule 3
City of La Mirada
Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FISCAL YEAR				
	2014	2015	2016	2017	2018
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	25,775,961	25,282,224	25,184,832	25,340,399	933,879
Unreserved	-	-	-	-	-
Restricted	-	-	-	18,623	19,623
Committed	6,625,000	6,625,000	6,625,000	6,625,000	6,625,000
Assigned	5,833,389	7,137,653	8,023,549	11,204,706	9,387,298
Unassigned	21,178,368	26,239,183	31,630,728	33,994,657	36,151,120
Total General Fund	\$ 59,412,718	\$ 65,284,060	\$ 71,464,109	\$ 77,183,385	\$ 53,116,920
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:					
Unreserved, reported in nonmajor:					
Special revenue funds	-	-	-	-	-
Capital projects fund	-	-	-	-	-
Designated for:					
Capital projects	-	-	-	-	-
Debt service funds	-	-	-	-	-
Nonspendable	57,574	12,818	7,836	47,193	42,477
Restricted for:					
Community development projects	-	-	-	-	-
Public safety	109,725	53,717	103,444	187,328	207,603
Leisure and cultural	1,454,637	1,576,309	601,631	607,169	1,396,840
Public works	5,642,805	6,758,110	8,494,121	9,220,267	8,591,912
Capital projects	3,145,007	3,211,815	4,324,995	6,400,299	6,470,325
Low and Moderate Housing	16,857,726	17,068,977	17,012,205	17,077,739	17,130,927
Debt service	1,051,750	1,051,750	55,523	51,890	19
Unassigned	-	-	-	-	-
Total all other governmental funds	\$ 28,319,224	\$ 29,733,496	\$ 30,599,755	\$ 33,591,885	\$ 33,840,103

GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions" was effective for periods beginning after June 15, 2010.

Schedule 4
City of La Mirada
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FISCAL YEAR				
	2009	2010	2011	2012	2013
Revenues					
Taxes	\$ 33,950,858	\$ 32,972,100	\$ 34,721,315	\$ 29,843,830	\$ 28,767,326
Licenses and permits	526,139	654,882	891,207	745,278	867,388
Intergovernmental	3,000,593	4,085,201	3,439,471	3,381,677	2,768,723
Charges for services	3,029,409	6,058,797	6,253,631	8,153,135	7,314,020
Use of money and property	3,474,698	5,393,378	2,645,372	2,652,528	897,361
Fines and penalties	594,846	555,850	641,179	554,301	560,895
Miscellaneous	232,082	27,602	68,013	19,959	134,195
Contributions	99,925	39,722	28,713	2,386,236	45,409
Total revenues	44,908,550	49,787,532	48,688,901	47,736,944	41,355,317
Expenditures					
Current:					
General government	5,790,740	10,215,234	7,453,971	4,800,297	3,679,288
Public safety	8,133,571	7,950,681	7,481,904	7,521,387	7,506,665
Community development	3,504,888	2,058,652	1,791,027	1,565,395	2,028,689
Leisure and cultural	6,764,774	10,416,447	9,946,396	10,800,649	10,423,318
Public works	7,704,992	7,487,466	6,282,179	7,480,792	6,522,535
Capital outlay	1,344,826	2,212,063	5,634,803	10,234,039	4,608,363
Debt service:					
Interest and fiscal charges	5,981,076	8,576,531	7,636,610	3,146,930	493,108
Principal retirement	2,782,588	2,897,149	2,952,145	2,830,080	470,508
Payments to escrow agent	-	-	-	-	-
Debt issuance costs	-	-	-	-	-
Total expenditures	42,007,455	51,814,223	49,179,035	48,379,569	35,732,474
Excess of revenues over (under) expenditures	2,901,095	(2,026,691)	(490,134)	(642,625)	5,622,843
Other Financing Sources (Uses)					
Long-term debt issued	276,917	17,750,357	322,926	-	-
Premium on long-term debt issued	-	72,994	-	-	-
Discount on long-term debt issued	-	(109,900)	-	-	-
Capital leases	19,503	-	-	11,659	78,300
Notes and loans issued	-	-	-	201,559	-
Contributions from other governments	-	-	-	2,450,210	-
Refunding bonds issued	-	(10,165,000)	-	-	-
Loss on sale of land held for resale	-	-	-	-	(6,835,816)
Transfers in	10,557,520	17,415,717	16,990,767	15,239,592	7,803,854
Transfers out	(10,668,066)	(18,322,016)	(16,754,111)	(15,639,592)	(7,803,854)
Total other financing sources (uses)	185,874	6,642,152	559,582	2,263,428	(6,757,516)
Extraordinary gain/(loss)	-	-	-	20,907,341	(10,475,602)
Net change in fund balances	\$ 3,086,969	\$ 4,615,461	\$ 69,448	\$ 22,528,144	\$ (11,610,275)
Debt service as a percentage of noncapital expenditures	21.54%	23.21%	24.34%	15.66%	3.05%

Schedule 4
City of La Mirada
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FISCAL YEAR				
	2014	2015	2016	2017	2018
Revenues					
Taxes	\$ 31,308,978	\$ 32,878,469	\$ 29,102,576	\$ 29,866,496	\$ 29,584,649
Licenses and permits	1,363,566	1,174,342	1,728,665	1,606,646	1,749,347
Intergovernmental	4,544,490	2,297,352	10,808,767	10,792,661	7,928,656
Charges for services	8,420,887	9,018,482	9,397,012	9,672,274	9,668,431
Use of money and property	930,368	1,001,472	1,280,094	713,604	888,842
Fines and penalties	576,987	522,223	488,483	412,549	392,532
Miscellaneous	2,523,540	289,002	430,463	167,174	165,279
Contributions	50,460	1,093,748	75,499	-	-
Total revenues	49,719,276	48,275,090	53,311,559	53,231,404	50,377,736
Expenditures					
Current:					
General government	2,901,537	3,689,154	3,434,507	3,403,925	4,089,825
Public safety	7,788,347	7,700,751	8,229,995	8,450,901	8,737,816
Community development	1,063,067	1,102,740	1,298,546	1,209,563	1,298,584
Leisure and cultural	10,985,313	11,935,815	11,812,550	12,432,003	12,894,242
Public works	6,268,710	7,633,226	6,371,702	6,181,596	6,488,956
Capital outlay	6,793,685	7,935,054	12,732,374	10,855,245	14,946,592
Debt service:					
Interest and fiscal charges	524,871	506,071	486,471	351,875	336,594
Principal retirement	494,307	516,581	538,078	490,000	505,000
Payments to escrow agent	-	-	10,862,679	-	-
Debt issuance costs	-	-	197,205	-	-
Total expenditures	36,819,837	41,019,392	55,964,107	43,375,108	49,297,609
Excess of revenues over (under) expenditures	12,899,439	7,255,698	(2,652,548)	9,856,296	1,080,127
Other Financing Sources (Uses)					
Long-term debt issued	-	-	8,970,000	-	-
Premium on long-term debt issued	-	-	1,093,653	-	-
Discount on long-term debt issued	-	-	-	-	-
Capital leases	23,149	29,916	21,784	-	-
Notes and loans issued	-	-	-	-	-
Contributions from other governments	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Loss on sale of land held for resale	-	-	-	-	-
Transfers in	10,040,241	11,357,976	12,672,882	12,332,201	16,932,916
Transfers out	(10,166,312)	(11,357,976)	(12,672,882)	(13,477,091)	(17,003,026)
Total other financing sources (uses)	(102,922)	29,916	10,085,437	(1,144,890)	(70,110)
Extraordinary gain/(loss)	-	-	-	-	(24,828,264)
Net change in fund balances	\$ 12,796,517	\$ 7,285,614	\$ 7,432,889	\$ 8,711,406	\$ (23,818,247)
Debt service as a percentage of noncapital expenditures	3.38%	3.09%	2.91%	2.22%	2.43%

	FY 2018
Total expenditures	49,297,609
Less: Capital outlay	14,619,578
Noncapital expenditures	34,678,031
Debt service expenditures	841,594
Percentage of noncapital expenditures	2.43%

**Schedule 5
City of La Mirada
Principal Property Tax Payers
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2018</u>		<u>2009</u>	
	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Duke Realty LP	\$ 106,398,928	1.68%		0.00%
PR 1 La Mirada Industrial California LLC	\$ 68,061,253	1.07%	\$ 45,900,000	0.91%
Price Reit Inc.	\$ 50,323,534	0.79%	\$ 44,044,573	0.87%
USF Propco LLC	\$ 46,402,762	0.73%	\$ 41,000,000	0.81%
Lanting Family LLC	\$ 35,445,000	0.56%		0.00%
Interstate 5 Firestone LLC	\$ 35,284,969	0.56%		0.00%
Dexus Social LLC	\$ 28,409,363	0.45%		0.00%
IDIG Industry Circle	\$ 27,550,000	0.43%		0.00%
Icon Owner Pool 3 West LLC	\$ 27,297,229	0.43%		0.00%
UDR Rosebeach Apartments II LP	\$ 25,890,728	0.41%	\$ 22,889,640	0.45%
AMB AMS Operating Partnership LP			\$ 21,476,359	0.43%
MC and CJA LLC			\$ 27,294,367	0.54%
Packaging Plus LLC			\$ 19,776,362	0.39%
Newage La Mirada Inn LLC			\$ 18,015,729	0.36%
Rohm and Haas Chemicals LLC			\$ 27,270,446	0.54%
Prim Desman Industrial LLC			\$ 18,943,913	0.37%
Top Ten Totals	<u>\$ 451,063,766</u>	<u>7.11%</u>	<u>\$ 286,611,389</u>	<u>5.67%</u>
City Totals	\$ 6,340,151,698		\$ 5,053,220,948	

Source: Hdl Coren & Cone

**Schedule 6
City of La Mirada
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		(A) Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 4,687,593	\$ 4,492,307	95.83%	\$ -	\$4,492,307	95.83%
2010	\$ 4,827,893	\$ 4,370,391	90.52%	\$ -	\$4,370,391	90.52%
2011	\$ 4,674,448	\$ 4,413,468	94.42%	\$ -	\$4,413,468	94.42%
2012	\$ 5,068,156	\$ 4,461,207	88.02%	\$ (15,297)	\$4,445,910	87.72%
2013	\$ 4,997,467	\$ 4,727,993	94.61%	\$ (4,190)	\$4,723,803	94.52%
2014	\$ 5,237,024	\$ 4,986,037	95.21%	\$ (6,816)	\$4,979,221	95.08%
2015	\$ 5,485,943	\$ 5,218,188	95.12%	\$ (15,211)	\$5,202,977	94.84%
2016	\$ 5,693,340	\$ 5,381,848	94.53%	\$ (55,942)	\$5,325,906	93.55%
2017	\$ 5,960,205	\$ 5,591,500	93.81%	\$ (86,050)	\$5,505,450	92.37%
2018	\$ 6,283,335	\$ 5,870,087	93.42%	\$ (9,132)	\$5,860,955	93.28%

The City recorded both secured and unsecured taxes levied

(A) Information provided by Los Angeles County may not clearly identify the year collected.

Sources: Los Angeles County Auditor Controller's Office and Administrative Services Department

**Schedule 7
City of La Mirada
Assessed Value of Taxable Property
Last Ten Fiscal Years**

Category	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Residential	3,588,813,969	3,369,865,912	3,386,246,399	3,485,456,815	3,579,314,818	3,722,151,646	3,890,739,077	4,087,010,722	4,310,895,115	4,482,828,713
Commercial	398,334,425	354,519,136	355,404,910	357,288,157	369,649,074	376,593,364	383,893,153	382,450,287	399,234,596	408,475,461
Industrial	783,794,550	805,287,401	776,816,288	774,546,776	801,823,836	888,676,913	907,057,502	928,076,631	948,919,488	999,278,904
Govt. Owned	3,200,000	3,211,354	3,211,327	3,211,412	3,211,640	3,211,872	3,211,925	3,712,163	4,028,746	4,109,319
Institutional	18,417,330	22,915,720	21,681,628	39,490,637	22,910,095	30,538,714	48,701,228	64,864,826	54,949,319	53,645,277
Miscellaneous	1,070,925	1,092,340	1,089,748	1,097,951	5,174,709	2,714,936	1,775,202	1,765,202	1,559,142	1,231,141
Recreational	19,129,002	21,075,355	20,173,893	18,455,654	18,642,766	17,767,620	21,334,000	18,873,170	18,543,675	18,914,548
Vacant	14,247,306	12,759,275	12,719,290	23,099,290	27,171,951	23,913,447	25,678,576	26,284,199	29,122,840	66,047,203
SBE Nonunitary	557,085	557,085	557,085	619,095	619,095	619,095	619,095	619,095	619,095	1,983,880
Cross Reference	18,301,566	13,088,278	11,852,415	11,426,576	15,206,309	18,613,470	20,953,644	23,448,104	27,240,090	26,241,541
Unsecured	267,354,790	261,972,890	258,867,082	245,221,992	219,396,050	234,724,423	255,810,481	249,606,925	256,846,910	277,395,711
Exempt	[24,807,732]	[25,694,172]	[24,504,373]	[26,049,299]	[25,353,083]	[25,452,004]	[23,244,489]	[35,544,263]	[37,279,968]	[44,620,214]
TOTALS	5,053,220,948	4,866,344,746	4,848,619,805	4,959,914,355	5,063,120,348	5,319,525,500	5,554,773,893	5,786,706,324	6,051,859,016	6,340,151,898
Total Direct Rate	0.36016	0.36673	0.36251	0.36064	0.35616	0.09398	0.09402	0.09405	0.09407	0.09410

Note 1:
Exempt values are not included in Total.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed value data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Data Source: Los Angeles County Assessor 2008/09 - 2017/18 Combined Tax Rolls

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

Prepared On 8/1/2018 By KB

**Schedule 8
City of La Mirada
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Fiscal Year	(1)	(2)	Overlapping Rates (3)			(4)	
	City's Share of 1% Levy per Prop 13	Prop 13 Direct Tax Less City Share of 1%	School District	Community College District	Water District	Total Direct and Overlapping Tax Rates	Total Direct Rate
2009	0.09468	0.90532	0.17138	0.04807	0.00430	1.22375	0.36016
2010	0.09468	0.90532	0.18111	0.06217	0.00430	1.24758	0.36673
2011	0.09468	0.90532	0.18820	0.07874	0.00370	1.27064	0.36251
2012	0.09468	0.90532	0.18650	0.06942	0.00370	1.25962	0.36064
2013	0.09468	0.90532	0.19609	0.07308	0.00350	1.27267	0.35616
2014	0.09468	0.90532	0.19940	0.07098	0.00350	1.27388	0.09398
2015	0.09468	0.90532	0.20465	0.09334	0.00350	1.30149	0.09402
2016	0.09468	0.90532	0.27478	0.09150	0.00350	1.36978	0.09405
2017	0.09468	0.90532	0.27081	0.10391	0.00350	1.37822	0.09407
2018	0.09468	0.90532	0.29389	0.10045	0.00350	1.39784	0.09410

In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

(1) Rate includes City rate (.0671) and La Mirada South East Rec and Park (.0276). City's share of 1% levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.

(2) The Prop 13 rate of 1% includes allocations of .09468 for the City of La Mirada.

(3) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners.

(4) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information and excludes revenues derived from aircraft. Beginning in FY 2013-14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during FY 2012-13. For the purpose of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

The percentages presented in the columns above do not sum across rows.

Excludes Redevelopment Rate

Source: HDL, Coren and Cone and Los Angeles County Assessor

Schedule 9
City of La Mirada
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business Type Activities		*		
	Tax Allocation Bonds	Special Tax Bonds	Notes Payable	Lease Revenue Bonds	Loan Payable	Lease Payable	Lease Payable	Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
2009	\$ 62,100,960	\$10,820,000	\$ -	\$ 13,970,000	\$ 4,232,868	\$ 45,689	\$ 11,075	\$ 91,180,592	6.54%	\$3,254.71
2010	\$ 78,148,202	\$ -	\$ -	\$ 13,565,000	\$ 4,613,225	\$ 16,543	\$ -	\$ 96,342,970	7.09%	\$3,529.82
2011	\$ 76,175,971	\$ -	\$ -	\$ 13,145,000	\$ 4,936,151	\$ 22,470	\$ -	\$ 94,279,592	6.56%	\$3,282.49
2012 (b)	\$ -	\$ -	\$ -	\$ 12,710,000	\$ -	\$ 19,049	\$ -	\$ 12,729,049	0.93%	\$455.09
2013 (b)	\$ -	\$ -	\$ -	\$ 12,255,000	\$ -	\$ 81,841	\$ -	\$ 12,336,841	0.90%	\$439.85
2014 (b)	\$ -	\$ -	\$ -	\$ 11,785,000	\$ -	\$ 80,683	\$ -	\$ 11,865,683	0.87%	\$425.52
2015 (b)	\$ -	\$ -	\$ -	\$ 11,295,000	\$ -	\$ 84,018	\$ -	\$ 11,379,018	0.81%	\$397.79
2016 (b)	\$ -	\$ -	\$ -	\$ 10,063,653	\$ -	\$ 77,724	\$ -	\$ 10,141,377	0.70%	\$348.38
2017 (b)	\$ -	\$ -	\$ -	\$ 9,491,629	\$ -	\$ 47,105	\$ -	\$ 9,538,734	0.67%	\$331.17
2018 (b)	\$ -	\$ -	\$ -	\$ 8,904,605	\$ -	\$ 137,584	\$ -	\$ 9,042,189	0.62%	\$305.71

Notes: * Excludes non-committal debt. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

a) These ratios are calculated using Personal Income and Per Capita Personal Income. (See Schedule 13)

b) The tax allocation bonds of the former redevelopment agency have been transferred to the Successor Agency.

Schedule 10
City of La Mirada
Direct and Overlapping Governmental Activities Debt
June 30, 2018

City Assessed Valuation	\$ 4,384,672,021
Redevelopment Agency Incremental Value	\$ 1,955,479,677
Total 2017-18 Assessed Valuation	<u>\$ 6,340,151,698</u>

	Outstanding Debt 6/30/2018	City Percentage	Estimated Share Overlapping Debt
Overlapping Debt:			
Metropolitan Water District *	\$ 29,354,442	0.3830	\$ 112,428
East Whittier DS 2016 SER A Meas R	19,000,000	5.8480	1,111,120
East Whittier DS 2016 SER A Meas Z	6,000,000	5.8480	350,880
Fullerton Unified HS 2010 Refunding	1,938,625	0.1840	3,567
Fullerton Unified HS 2014 Series B	3,317,433	0.1840	6,104
Fullerton Joint Union HSD DS 2013 Ref Bond	1,665,351	0.1840	3,064
Fullerton Joint Union HSD DS 2014 Series 2015A	3,168,978	0.1840	5,831
Fullerton Joint Union HSD DS 2014 Series 2017	3,980,919	0.1840	7,325
Whittier Union High DS 2008 SER 2009A	480,682	1.9060	9,162
Whittier Union HSD DS 2008 Series 2014B	12,465,000	1.9060	237,583
Whittier Union HSD DS 2008 Series 2015C	67,050,000	1.9060	1,277,973
Whittier Union HSD DS 2015 REF Bonds	65,658,679	1.9060	1,251,454
Cerritos CCD DS 2004 Series 2009C	2,560,000	13.0100	333,056
Cerritos CCD DS 2004 Series 2012D	81,210,988	13.0100	10,565,550
Cerritos CCD DS 2012 Series 2014A	73,900,000	13.0100	9,614,390
Cerritos CCD DS 2014 REF Bonds Series A	77,845,000	13.0100	10,127,635
Cerritos CCD DS 2014 REF Bonds Series B	13,840,000	13.0100	1,800,584
Cerritos CCD DS 2012 Series 2018B	75,000,000	13.0100	9,757,500
N. Orange County CCD 2002 Series 2005 REF	2,431,538	0.1800	4,377
N. Orange County CCD 2014 Series 2016A	1,630,203	0.1800	2,934
Rio Hondo CCD DS 2005 Refunding Bonds	31,650,000	1.2180	385,497
Rio Hondo CCD DS 2004 Series 2008	116,557,824	1.2180	1,419,674
ABC Unified 2003 Refund Bond Series A	27,916,913	4.5230	1,262,682
ABC Unified DS 1997 Series B	7,675,000	4.5230	347,140
Norwalk-La Mirada USD DS 2002 S-05A	39,969,918	42.5420	17,004,003
Norwalk-La Mirada USD DS 2009 REF Bonds	49,298,055	42.5420	20,972,379
Norwalk-La Mirada USD DS 2013 REF Series A	6,130,000	42.5420	2,607,825
Norwalk-La Mirada USD Ds 2014 Ref Bonds	7,760,000	42.5420	3,301,259
Norwalk-La Mirada USD DS 2014 Series A	11,400,000	42.5420	4,849,788
Norwalk-La Mirada USD DS 2015 REF Bonds	78,420,000	42.5420	33,361,436
Total Overlapping Debt	<u>\$ 919,275,548</u>		<u>\$ 132,094,199</u>
City direct debt			(a) <u>9,042,189</u>
Total direct and overlapping debt			<u>\$ 141,136,388</u>

(a) Excluded the former Redevelopment Agency's debt

Notes:

* This fund is a portion of a larger agency, and is responsible for debt in areas outside the City.

This report reflects debt which is repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the City.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Source: HDL Coren and Cone and Los Angeles County Assessor

Schedule 11
 City of La Mirada
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2018

Total assessed value of all real and personal property	\$6,340,151,698
Debt limit percentage	<u>3.75%</u>
Total debt limit	237,755,689
Amount of debt applicable to debt limit	<u>0</u>
Legal debt margin	\$ 237,755,689

Total debt applicable to the limit as a percentage of debt limit 0%

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total debt applicable to the limit as a percentage of debt limit</u>
2009	\$ 189,495,786	0%
2010	\$ 182,487,928	0%
2011	\$ 181,823,243	0%
2012	\$ 185,996,788	0%
2013	\$ 189,867,013	0%
2014	\$ 199,482,206	0%
2015	\$ 208,304,021	0%
2016	\$ 217,001,487	0%
2017	\$ 226,944,713	0%
2018	\$ 237,755,689	0%

Note: California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus, the limit shown is 3.75% is (one-fourth the limit of 15%)

**Schedule 12
City of La Mirada
Pledged-Revenue Coverage
Last Four Fiscal Years**

Tax Increment Bonds				
Fiscal Year	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2009	\$ 14,940,332	\$ 2,380,000	\$ 3,169,091	2.69%
2010	\$ 15,374,000	\$ 1,820,000	\$ 2,768,747	3.35%
2011	\$ 14,787,569	\$ 2,515,000	\$ 3,096,286	2.64%
2012 (A)	-	-	-	-

(A) The redevelopment agency dissolved in January 31, 2012. The liabilities and assets have been transferred to the Successor Agency.

**Schedule 13
City of La Mirada
Demographic and Economic Statistics
June 30, 2018**

General Information

Date of Incorporation	1960
Form of Government	Council/Manager
Area	7.8 square miles
Miles of Streets	128

Demographic and Statistical Information

Population	49,590		
Median Household Income	\$102,429		
Median Age of Population	38.97		
Residential Units	Approx. 15,600		
Registered Voters	Approx. 27,300		
Assessed Valuation	\$6,340,151,698		
Number of Local Businesses	Approx. 1,100		
Unemployment Rate (County)	5.10%	Unemployment Rate (City)	3.60%

Public Safety

Police Protection	Los Angeles County Sheriff Department direct patrol and support services and the La Mirada Community Sheriff's Station
Fire Protection	Los Angeles County Fire Department; Stations 49 and 194 are located in La Mirada

Recreation

Parks	11	Community Center	5
Park Acreage	237	Aquatics Center	1
County Library	1	Community Gym	1

Water Services

Service Provider	Suburban Water Systems, 14,000 customers
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Education

School District	Norwalk-La Mirada Unified School District
Schools	1 High School, 3 Middle Schools, 6 Elementary Schools, 1 adult school
Student Enrollment	Approx. 6,580 (excludes adult school enrollment)
University	Biola University
Student Enrollment	Approx. 5,700

City Employees

Full-Time	79
Part-Time	Approx. 300

Source: City of La Mirada Administrative Services Department and Community Development Department, State of California Employment Development Department, California Department of Finance

Schedule 13
City of La Mirada
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	(1) Population	(3) Personal Income (in thousands)	(3) Per Capita Personal Income	(2) Unemployment Rate
2008	49,741	\$ 1,393,479	\$ 28,015	4.5%
2009	49,761	\$ 1,358,180	\$ 27,294	7.1%
2010	50,015	\$ 1,436,531	\$ 28,722	7.8%
2011	48,697	\$ 1,366,535	\$ 28,062	6.7%
2012	48,930	\$ 1,376,792	\$ 28,138	6.2%
2013	49,178	\$ 1,375,656	\$ 27,973	4.6%
2014	49,198	\$ 1,411,687	\$ 28,694	5.8%
2015	49,639	\$ 1,444,996	\$ 29,110	4.7%
2016	49,434	\$ 1,423,890	\$ 28,803	3.7%
2017	49,590	\$ 1,466,801	\$ 29,578	3.6%

Notes:

- (1) California State Department of Finance
- (2) California Employment Development Department
- (3) HDL Coren and Cone

**Schedule 14
City of La Mirada
Building Valuation
Last Ten Fiscal Years**

(Thousands of Dollars)

	2008-09	2009-10	(a) 2010-11	(a) 2011-12	(a) 2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Residential	5,186	5,994	13,209	20,719	9,207	53,993	10,155	16,781	19,378	16,566
Non-Residential	29,027	10,839	26,885	13,008	39,914	22,051	64,653	87,599	69,339	82,026
	<u>34,213</u>	<u>16,833</u>	<u>40,094</u>	<u>33,727</u>	<u>49,121</u>	<u>76,044</u>	<u>74,808</u>	<u>104,380</u>	<u>88,716</u>	<u>98,592</u>

(a) Figure restated based on updated figures

Source: Building Valuation- County of Los Angeles Public Works Department

**Schedule 15
City of La Mirada
Principal Employers
Current Year and Eight Years Ago**

<u>Employer</u>	<u>2018</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Norwalk-La Mirada Unified School District	3,457	14.00%	543	2.72%
Biola University	1,383	5.60%	1,308	6.54%
US Foodservice	650	2.63%	800	4.00%
City of La Mirada (+)	382	1.55%		
Kindred Hospital	216	0.87%	300	1.50%
Home Depot	180	0.73%		
Makita USA Inc.	169	0.68%		
Bellwood Laundry Linen	167	0.68%		
Mirada Hills Rehabilitation (+)	151	0.61%		
Imperial Convalescent Hospital	123	0.50%		
Staples (Corporate Express)	(A)		550	2.75%
Living Spaces			200	1.00%
Packaging Plus			400	2.00%
Frito Lay	(A)			
Spherion			400	2.00%
Ultimate Event Security			400	2.00%
Kittrich Corporation			300	1.50%
Total	<u>6,878</u>	<u>27.85%</u>	<u>5,201</u>	<u>26.01%</u>

(1) Labor Force 24,700 20,000

(A) Information not available

(1) Total City Labor Force provided by EDD Labor Force Data.

(+) Includes full-time and part-time

Source: MuniServices, LLC

Schedule 16
City of La Mirada
Full-time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government										
Legislative	8	8	7	7	7	6	6	6	6	6
Administration and Support ^(c)	13	11	14	12	11	12	13	13	13	15
Community Development ^(b)	8	8	7	7	3	3	4	3	4	4
Leisure and cultural	17	11	8	8	9	10	9	10	12	12
Public Safety ^(a)	7	2	6	6	8	8	8	8	6	6
Public Works ^(d)	35	36	29	28	28	26	26	30	29	28
Transit ^(e)	2	2	2	2	0	0	0	0	0	0
Theatre	9	7	7	8	7	7	7	7	8	8
Total	99	85	80	78	73	72	73	77	78	79

Source: Administrative Services Department - Annual Budget

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

- (a) The City contracts with LA County Sheriff's for public safety services
- (b) The City contracts with LA County Public Works for building and safety services
- (c) The City contracts with the City of Brea for information technology services
- (d) The City contracts for engineering services
- (e) The City contracts with MV Transit for transit services

Schedule 17
City of La Mirada
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Building permits issued	499	532	659	645	554	716	789	1,052	972	985
Public Safety										
Parking violations	8,833	8,665	7,967	6,254	6,885	6,764	6,823	7,621	6,777	7,223
Traffic violations	8,769	7,478	7,465	7,066	6,160	6,009	4,085	3,557	2,246	2,100
Public Works										
Street resurfacing (miles)	1	1	1	1	1	1	1	1	1	1
Parks and recreation										
Recreation Classes	586	550	552	526	454	362	396	372	365	415
Aquatics Programs	84	93	92	92	94	83	106	93	80	74
Senior Programs	73	114	91	105	114	134	117	122	156	196
Facility Reservations	2,849	4,494	5,475	6,574	6,980	6,174	6,078	7,493	6,456	5,008
Transit										
Total route miles	120,635	133,755	168,303	158,375	180,590	170,010	148,191	154,516	130,091	120,636
Passengers	45,620	47,194	52,630	51,674	53,578	52,001	46,982	51,451	45,443	42,407
Theatre										
Number of productions	121	124	115	128	107	111	110	109	107	106
Number of rentals	160	141	140	121	78	79	77	75	68	92
Number of presentations	19	25	39	43	37	46	43	30	30	30

Sources: Various city departments.

Schedule 18
City of La Mirada
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	128	128	128	128	128	128	128	128	128	128
Playgrounds	7	7	7	7	7	7	7	7	7	7
Traffic signals	46	46	46	46	46	46	46	46	46	46
Parks and athletic fields	11	11	11	11	11	11	11	11	11	11
Park acreage	237	237	237	237	237	237	237	237	237	237
Bridges	24	24	24	24	24	24	24	24	24	24
Buildings	1	1	1	1	1	1	1	1	1	1
Parks and recreation										
Activity Center	1	1	1	1	1	1	1	1	1	1
Gymnasium	1	1	1	1	1	1	1	1	1	1
Aquatics Center	1	1	1	1	1	1	1	1	1	1
Resource Center	1	1	1	1	1	1	1	1	1	1
Community Building- 3 parks	3	3	3	3	3	3	3	3	3	3
Transit—buses	12	12	12	12	12	12	12	10	10	10
Theatre	1	1	1	1	1	1	1	1	1	1

Sources: Various city departments.

Notes: No capital asset indicators are available for the general government