



CITY OF LA MIRADA CALIFORNIA



Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2019



CITY OF LA MIRADA
D E D I C A T E D T O S E R V I C E
FISCAL YEAR ENDED JUNE 30, 2019

City Council

Steve De Ruse, Mayor

John Lewis, Mayor Pro Tem

Ed Eng, Councilmember

Lawrence P. Mowles, Councilmember

Andrew Sarega, Councilmember

Prepared by:

Melissa Pascual, Finance Manager

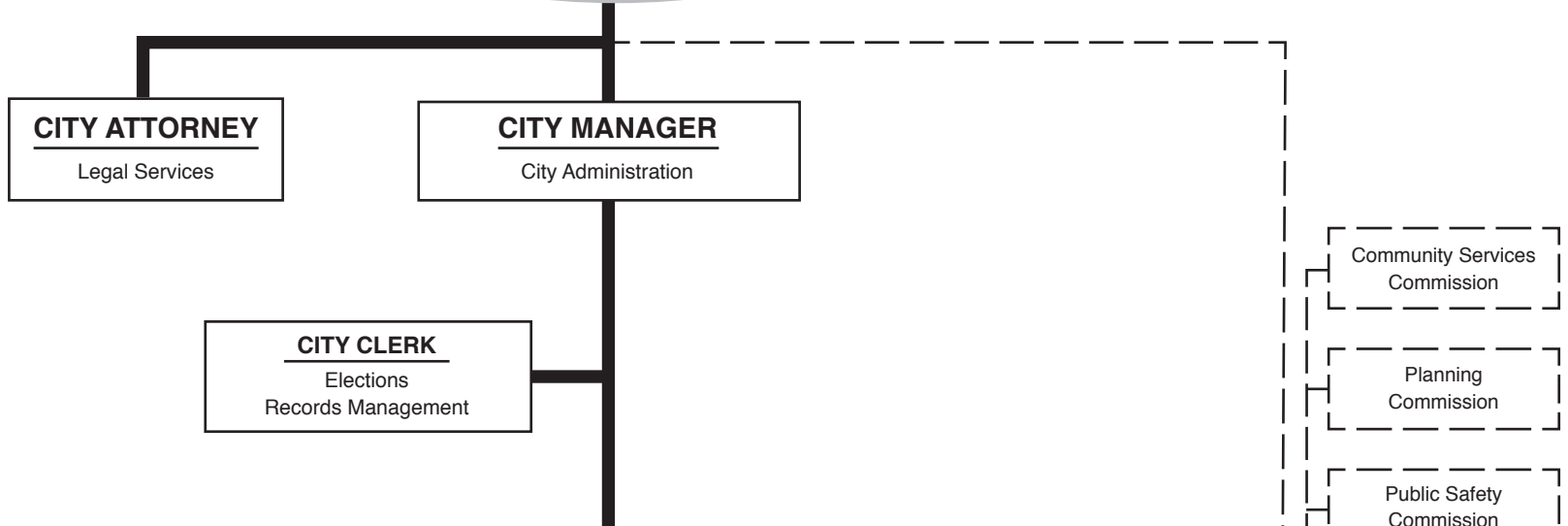
Judy G. Quiñonez, Senior Accountant

CITIZENS OF LA MIRADA




CITY COUNCIL SUCCESSOR AGENCY OF THE FORMER RDA

Organization Chart



Administration Legislation Communications Special Projects Economic Development Commissions and Advisory Councils Housing Community Revitalization CDBG Program Management and Rehabilitation	Administrative Services Business License Finance Information Technology Investments Human Resources Risk Management Support Services	Community Development Building & Safety Planning	Community Services Aquatics Community Events Facilities Management Family Services Recreation Senior Services Youth Services Transit Administration	Public Safety Alcohol & Narcotics Enforcement Community Safety Programs Emergency Preparedness Code Enforcement General Law Enforcement Traffic Law Enforcement	Public Works Air & Water Resource Management Capital Projects General Maintenance Mechanical/Fleet Medians/Panels Parks Public Facilities Streets and Right-of-Way Refuse & Recycling	Theatre for the Performing Arts Administration Presentations Productions Rentals Resident Groups
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KEY Elected  Council Appointed  Programs 

CITY OF LA MIRADA, CALIFORNIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

Page
Number

Elected Officials and Administrative Personnel
 Organizational Chart

INTRODUCTORY SECTION

Letter of Transmittal i
 GFOA Certificate of Achievement vi

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT 1
 MANAGEMENT'S DISCUSSION AND ANALYSIS 3
 BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

Statement of Net Position 17
 Statement of Activities 18

Fund Financial Statements:

Balance Sheet-Governmental Funds 19

Reconciliation of the Balance Sheet of Governmental Funds to the
 Statement of Net Position 21

Statement of Revenues, Expenditures and Changes in Fund Balances-
 Governmental Funds 22

Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities 24

Combining Statement of Net Position- Proprietary Funds 25

Combining Statement of Revenues, Expenses and Changes in Fund Net
 Position- Proprietary Funds 26

Combining Statement of Cash Flows- Proprietary Funds 27

Statement of Fiduciary Net Position- Fiduciary Funds 28

Statement of Changes in Fiduciary Net Position- Fiduciary Funds 29

Notes to Financial Statements 30

CITY OF LA MIRADA, CALIFORNIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

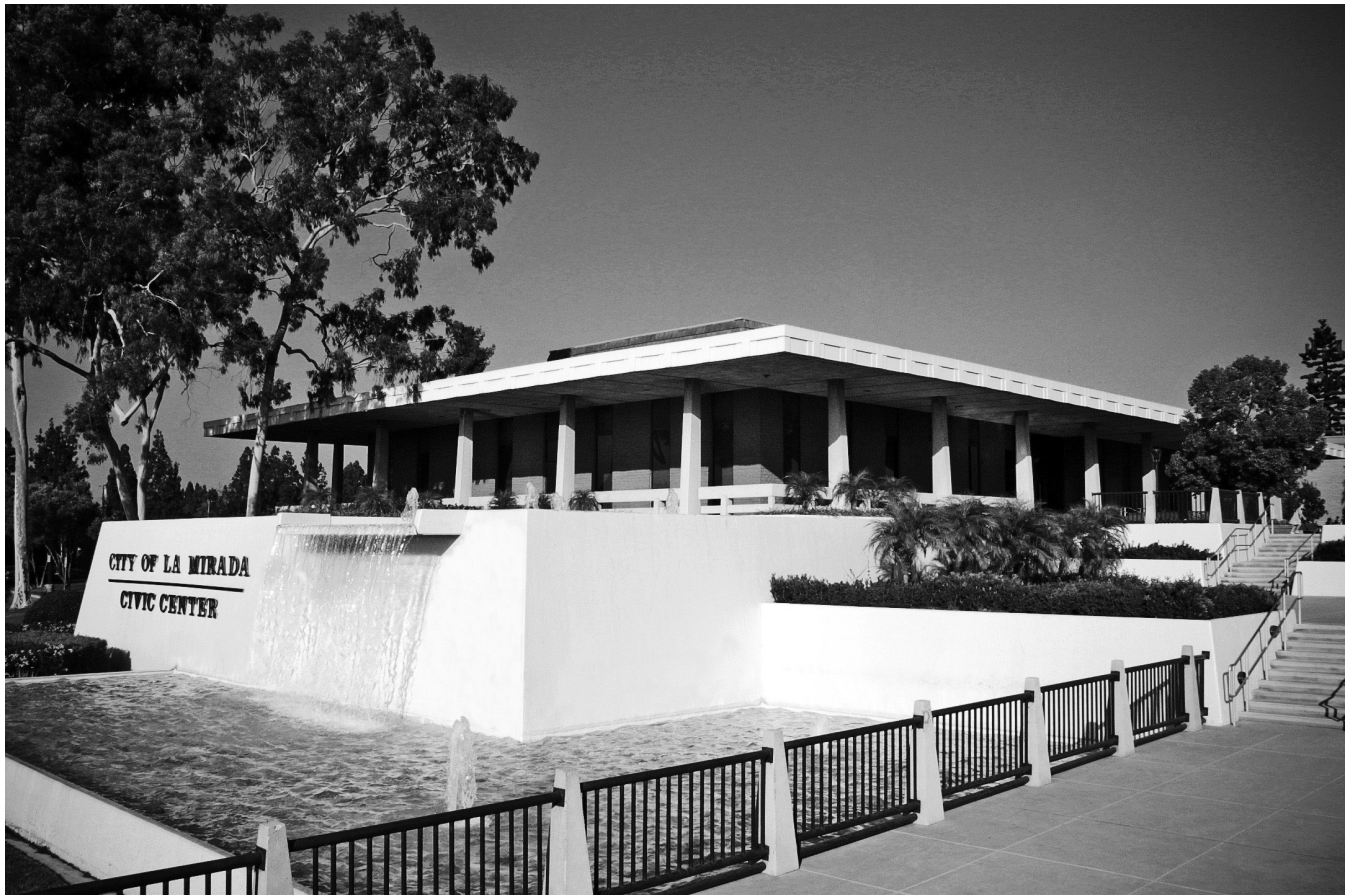
	<u>Page Number</u>
Required Supplementary Information:	
Budgetary Comparison Schedule	
General Fund	76
Low and Moderate Housing	77
Notes to Required Supplementary Information	78
Miscellaneous Plan	
Schedule of Proportionate Share of the Net Pension Liability	79
Schedule of Plan Contributions	80
La Mirada Retirement Enhancement Plan	
Schedule of Changes in Net Pension Liability and Related Ratios	81
Schedule of Plan Contributions	82
La Mirada Other Postemployment Benefit Plan (OPEB)	
Schedule of Changes in Net OPEB Liability and Related Ratios	83
Schedule of Plan Contributions	84
Other Supplemental Information:	
Budgetary Comparison Schedule- Capital Improvement	
Capital Improvement	85
Combining and Individual Fund Statements and Schedules	
Description of Nonmajor Governmental Funds	86
Combining Balance Sheet- Nonmajor Governmental Funds	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances- Nonmajor Governmental Funds	92
Budgetary Comparison Schedules- Special Revenue Fund	
Gas Tax	96
Local Transportation	97
Transit	98
Proposition A	99
Proposition C	100
Measure R	101
Measure M	102
Road Maintenance and Rehab	103
Park Grants	104
Air Quality Management Distribution	105
Housing and Community Development	106
Used Oil Recycling Grant	107
Beverage Container Recycling Grant	108
Federal Grants	109
State Public Safety Grants	110

CITY OF LA MIRADA, CALIFORNIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

	<u>Page Number</u>
Other Supplemental Information (continued):	
Budgetary Comparison Schedules-Debt Service Fund	
Debt Service	111
Combining Statement of Net Position-Internal Service Funds	112
Combining Statement of Revenues, Expenses and Changes in Fund Net Position-Internal Service Funds	113
Combining Statement of Cash Flows-Internal Service Funds	114
STATISTICAL SECTION	115
Net Position by Component, Last Ten Fiscal Years	115
Changes in Net Position, Last Ten Fiscal Years	118
Fund Balance of Governmental Funds, Last Ten Fiscal Years	122
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	124
Principal Property Tax Payers, Current Year and Nine Years Ago	126
Property Tax Levies and Collections, Last Ten Fiscal Years	127
Assessed Value of Taxable Property, Last Ten Fiscal Years	128
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	129
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	130
Direct and Overlapping Governmental Activities Debt, June 30, 2018	131
Legal Debt Margin Information, Last Ten Fiscal Years	132
Pledged-Revenue Coverage, Last Four Fiscal Years	133
Demographic and Economic Statistics	134
Building Valuation, Last Ten Fiscal Years	136
Principal Employers, Current Year and Eight Years Ago	137
Full-Time Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years	138
Operating Indicators by Function/Program, Last Ten Fiscal Years	139
Capital Asset Statistics by Function/Program, Last Ten Fiscal Years	140





INTRODUCTORY SECTION



CITY OF LA MIRADA

DEDICATED TO SERVICE

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La Mirada, California 90637-0828

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December 19, 2019

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, 2019. 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.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the costs of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the financial report is complete and reliable in all material respects.

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 business and industry, transportation, construction, 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 housing options, 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 eastern edge of the La Mirada Civic Center. 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.

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

The nation's economy continues to grow steadily at a moderate pace. Tax revenues are conservatively forecasted showing gradual growth in property tax revenue and sales tax revenue. The Legislative Analyst's Office issued its California's Fiscal Outlook report and continues to remain positive about the state's current progress of building its reserve without new spending increases or tax reductions.

Presently it seems that a recession is unlikely in 2019. However, economic indicators are pointing to an eventual slowdown. California's job growth has slowed each year since 2015. Housing market growth has eased, and relatively flat property values are forecast in much of Southern California for the first time in seven years. Many economists have reason to believe a recession is likely in the near future.

The median home value in Los Angeles County as of October 2019 was approximately \$619,000. The median home price in La Mirada was \$585,000 as of October 2019. The average 30-year fixed rate mortgage is just below 4 percent. The combination of slightly lower home values coupled with slightly lower interest rates may encourage individuals to take advantage of the current housing market. According to the California Association of Realtors and CoreLogic, August 2019 marked the fewest home sales in comparison to past years as "would-be buyers remained priced out and others stayed on the sideline, hesitant to buy near a potential price peak."

The City's unemployment rate is comparable to the State of California and Los Angeles County at nearly 4.5 percent. 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 1.8 percent as of October 2019, not seasonally adjusted.

At the local level, growth has been stable with sales tax revenues exceeding budget estimates. 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 adopted a balanced budget for Fiscal Year 2018-19 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 \$37.43 million.

The City will remain conservative in its revenue forecasts, contain costs and mitigate rising pension costs, and maintain essential services for the community. Efforts will continue 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 four neighborhoods. Measure I Phase V construction is in process and will be completed in FY 2019-20.

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, 2018. 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. Independent auditors, Moss, Levy and Hartzheim, LLP, provided expertise and advice in preparing an outstanding financial report this past year.

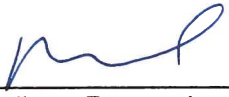
The preparation of the Comprehensive Annual Financial Report in a timely basis was made possible by the entire Administrative Services Department. Staff members are appreciated for their contributions made in the preparation of this report. Credit must also be given to the City Council and the City's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

Respectfully submitted,

CITY OF LA MIRADA



Jeff Boynton
City Manager



Melissa Pascual
Finance Manager



Government Finance Officers Association

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

Presented to

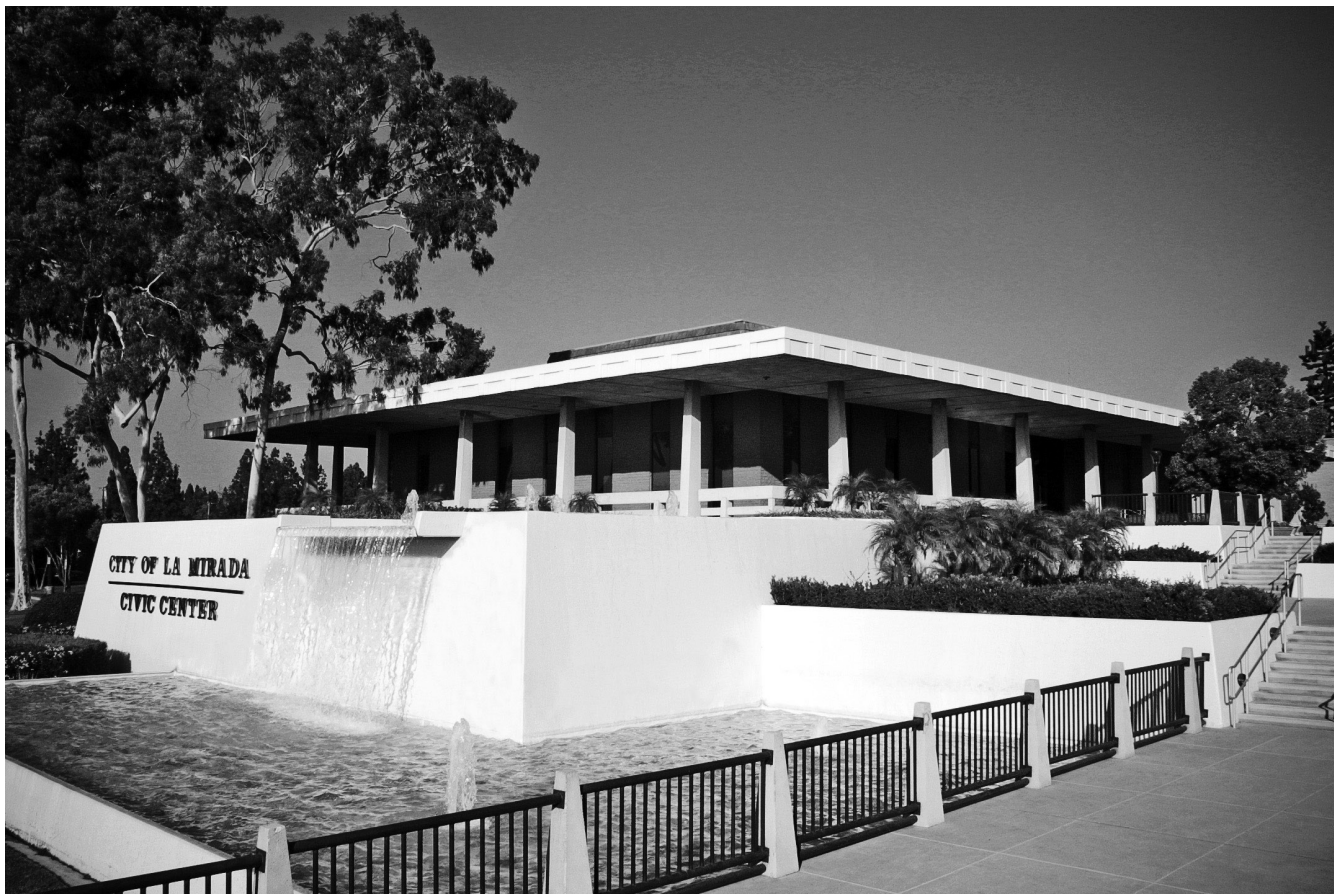
**City of La Mirada
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



MOSS, LEVY & HARTZHEIM LLP

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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, 2019, 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, 2019, 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.

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 16, 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 Post-Employment Benefit Plan Contributions on pages 76 through 84 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.

The 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 and 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 9, 2019, 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

Moss, Levy & Hartzheim, LLP
Culver City, California
December 9, 2019

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, 2019. 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

Long-Term Economic Resource (Government-Wide) Focus

Economic resources are differentiated from financial resources in that economic measurement focus recognizes changes in net position as soon as the event occurs regardless of the timing of related cash flows. Therefore, this measurement focus includes both current spendable resources and fixed non-spendable assets, and long-term claims against these assets. The resulting net position utilizing this measurement focus provides one measure of the City's overall long-term financial condition.

- The assets and deferred outflows of the City exceeded its liabilities at the close of Fiscal Year 2018-19 resulting in a net position of \$205.37 million.
- The City's total net position increased \$8.58 million due to current year operating revenues exceeding total expenditures. The increase is attributed to steady growth in property and sales taxes, and charges for services. Fiscal Year 2017-18 reflected a prior period restatement and a write-off of the City loan with the former Redevelopment Agency.
- The City's non-current liabilities of \$23.32 million primarily include \$14.15 million in pension liabilities and \$8.40 million of outstanding bonded debt and direct borrowings/placements. The outstanding debt was used to finance the acquisition of capital assets and to fund capital improvements.
- Total capital assets, net of depreciation, represent \$119.35 million of the \$241.48 million in total assets. A significant portion of the capital assets have been funded through the Lease Revenue Bond and the City's Measure I funds.

Short-Term Financial Resource (Fund Level) Focus

The financial resources focus measures inflows of current spendable assets. The resulting net difference between current financial assets and current financial liabilities, otherwise known as fund balance (or net working capital in the private sector), is to measure the City's ability to finance activities in the near term.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- As of the close of the current fiscal year, the City's Governmental Funds reported combined ending fund balances of \$91.13 million, an increase of \$4.11 million in comparison with the prior fiscal year. Of the total combined fund balance of \$91.13 million, \$855,306 was non-spendable, \$38.33 million was restricted, \$6.97 million was committed, \$8.09 million was assigned, and \$36.89 million was unassigned.
- The General Fund reported an increase of \$93,350 in fund balance resulting in a total ending fund balance of \$53.28 million. Of the total ending fund balance, \$740,597 was non-spendable, \$48,209 was restricted, \$6.97 million was committed, \$8.09 million was assigned, and \$37.43 million was unassigned. The unassigned balance is available for future appropriations.

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, and any deferred inflow/outflow of resources, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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 the Government-wide Financial Statements. The 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 17 and 18 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 Financial 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 the Governmental Funds and Governmental Activities follow each of the Governmental Funds Financial Statements.

The City maintains 19 individual governmental funds for financial purposes. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds 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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

used to report the same functions presented as Governmental Activities in the Government-wide Financial Statements.

Fiduciary Fund: Fiduciary Fund Financial 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. The fiduciary fund is not reflected in the City-wide financial statements because the resources are not available to support the City's programs. Accordingly, only assets and liabilities and changes in assets and liabilities are reported for this fund. 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 28 and 29 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 30 to 75 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.

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.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

**TABLE 1
NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Governmental Activities	
	Fiscal Year	
	2018	2019
Assets		
Current & other assets	109,821,059	117,296,991
Capital assets	119,567,728	119,350,991
Total assets	229,388,787	236,647,982
Deferred Outflows of Resources	5,512,409	4,836,185
Total Assets and Deferred Outflows of Resources	234,901,196	241,484,167
Liabilities		
Long-term debt liabilities	24,145,796	23,323,639
Other liabilities	10,761,961	10,231,079
Total liabilities	34,907,757	33,554,718
Deferred Inflows of Resources	3,202,081	2,559,274
Total Liabilities and Deferred Inflows of Resources	38,109,838	36,113,992
Net Position		
Net investment in capital assets	110,678,984	110,979,588
Restricted	34,968,925	42,951,512
Unrestricted	51,143,449	51,439,075
Total Net Position	196,791,358	205,370,175

At the close of Fiscal Year 2018-19, assets exceeded liabilities by \$205.37 million, a net increase of \$8.58 million. The primary reasons for the net increase in net position are as follows:

- The City established a Section 115 Pension Stabilization Trust (Trust) to address the City’s unfunded pension liability. The City prefunded \$3.5 million into the Trust.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- A number of infrastructure projects were completed and funded in Fiscal Year 2017-18. Notable projects include Measure I Phases III and IV.
- The City's governmental activities had total bonded debt and long-term liabilities of \$23.32 million, which is a net decrease of \$827,157. The City's net pension liability decreased \$323,400 to \$14.15 million, \$12.82 million for CalPERS, and \$1.33 million for PARS.

The largest portion of the City's net position (54.04 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 (20.91 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$51.44 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, 2019**

	Governmental Activities	
	Fiscal Year 2018	Fiscal Year 2019
REVENUES		
Program Revenues:		
Charges for services	11,844,299	12,372,292
Operating grants and contributions	857,651	1,269,811
Capital grants and contributions	3,790,629	6,219,599
General Revenues:		
Property taxes	11,828,869	12,409,984
Sales and use tax	15,560,083	11,123,367
Transient occupancy tax	1,408,898	1,526,916
Franchise taxes	3,025,456	3,043,023
Other taxes	336,664	357,197
Intergovernmental	26,021	23,804
Use of money and property	1,605,189	3,838,123
Miscellaneous	165,279	132,877
Total revenues	50,449,038	52,316,993
EXPENSES		
Governmental Activities:		
General government	5,500,199	5,199,411
Public safety	10,243,673	10,730,616
Community development	1,695,533	1,821,830
Public works	8,432,866	10,706,760
Leisure and cultural	14,246,995	15,024,825
Interest on long-term debt	228,533	203,471
Total expenses	40,347,799	43,686,913
Change in net position before transfers	10,101,239	8,630,080
Extraordinary loss	(24,828,264)	-
INCREASE IN NET POSITION	(14,727,025)	8,630,080
Net position - beginning	217,738,638	196,791,358
Restatement of net position	(6,220,255)	(51,263)
Net position - ending	196,791,358	205,370,175

The City's revenues totaled \$52.32 million for Fiscal Year 2018-19 in comparison to \$50.45 million from the previous year.

The net change in contributions and grants is attributed to funding received for the Leffingwell Road Rehabilitation Project and the Neff Restoration Phase I Project. In addition, Fiscal Year 2018-19 is the first full fiscal year for Senate Bill (SB) 1 funds.

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

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 \$7 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.

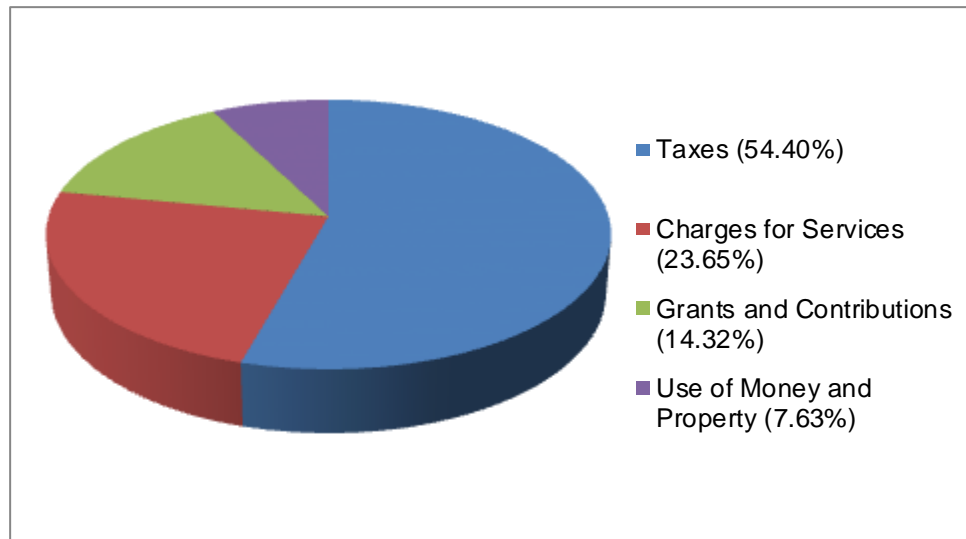
The City’s franchise revenue consists of a percentage of gross revenue for cable, refuse, water, electricity, gas and oil which showed growth in all categories.

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 2.12 percent as of June 30, 2019.

City expenses for the fiscal year totaled \$43.69 million, in comparison to \$40.35 million from the previous year largely due to infrastructure depreciating expense. Notable projects include Measure I Phases III and IV.

FY 2018-19 TOTAL REVENUES BY SOURCES

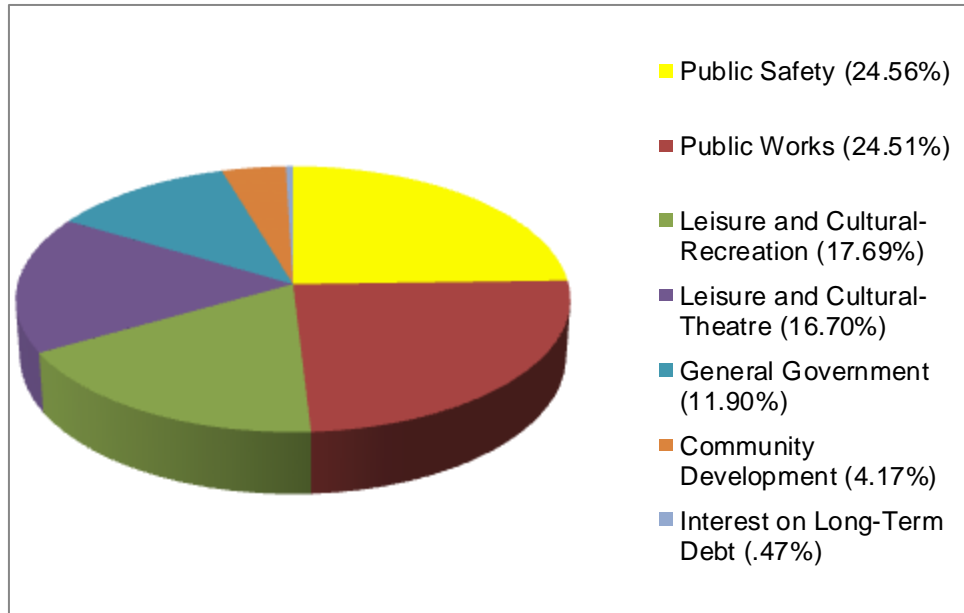
The revenue sources from governmental activities presented in the preceding table are illustrated in a pie chart below to show the percentage relationship of these revenues to each other, as well as their impact on the City’s total resources.



The City’s revenues totaled \$52.32 million for Fiscal Year 2018-19. Of the City’s total revenues, \$28.46 million (54.40 percent) were received from taxes, \$12.37 million (23.65 percent) were derived from charges for services, \$7.49 million (14.32 percent) were derived from grants and contributions, and \$3.99 million (7.63 percent) were derived from use of money and property and other revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FY 2018-19 TOTAL EXPENSES



The City's expenses in connection with its governmental activities are categorized by function: \$10.73 million (24.56 percent) public safety, \$15.02 million (34.39 percent) leisure and cultural, \$10.71 million (24.51 percent) public works, \$5.20 million (11.90 percent) general government, \$1.82 million (4.17 percent) community development and \$203,471 (.47 percent) interest on long-term debt.

EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

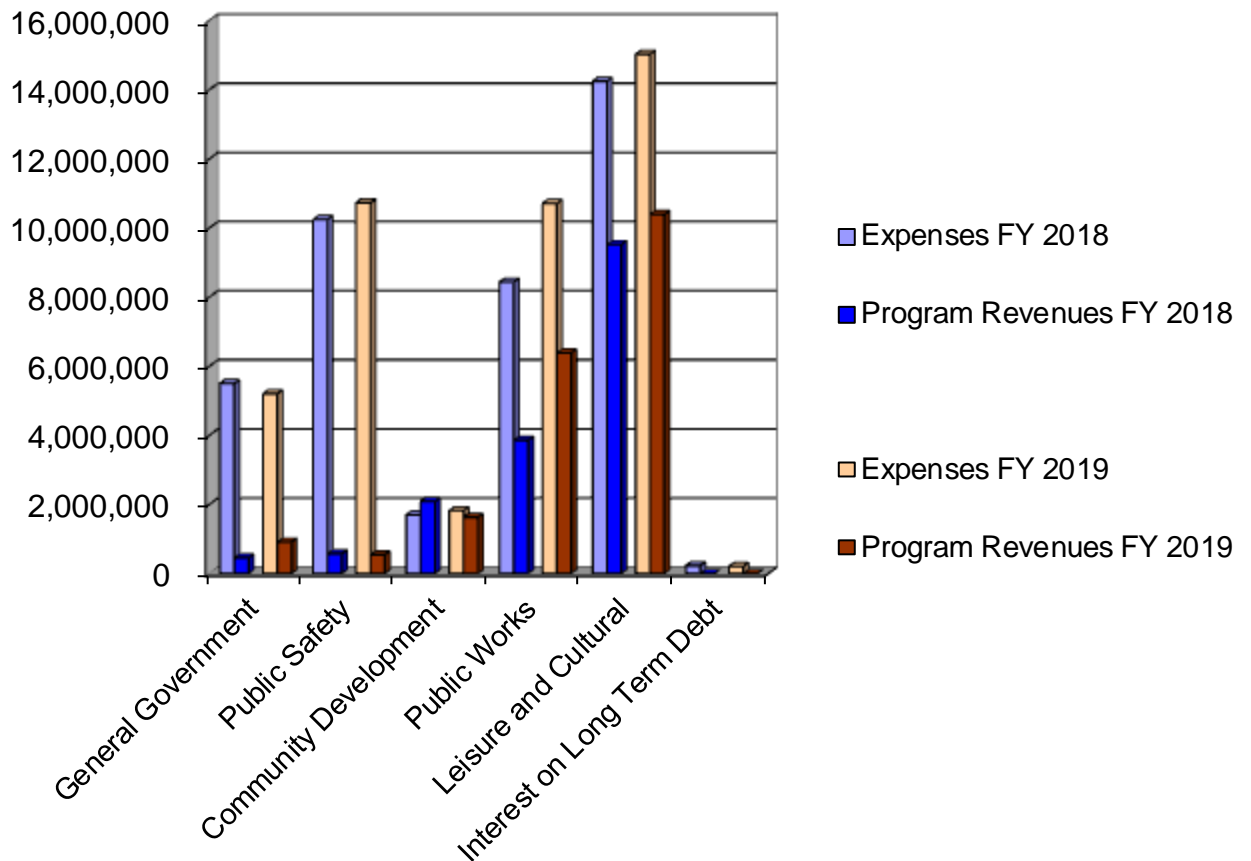
Table 3 presents the cost of each of the City's five largest programs-general government, public safety, community development, public works, and leisure and cultural, as well as each program's net cost (total cost less revenues generated by the activities).

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

**TABLE 3
NET COST OF GOVERNMENTAL ACTIVITIES
For the Fiscal Year Ended June 30, 2019**

	Total Cost of Services		Net Cost of Services	
	Fiscal Year		Fiscal Year	
	2018	2019	2018	2019
Governmental Activities:			(in millions)	
General Government	5,500,199	5,199,411	5.0	4.3
Public Safety	10,243,673	10,730,616	9.7	10.2
Community Development	1,695,533	1,821,830	(0.4)	0.2
Public Works	8,432,866	10,706,760	4.6	4.3
Leisure and Cultural	14,246,995	15,024,825	4.7	4.6
Interest on Long Term Debt	228,533	203,471	0.2	0.2
Total	40,347,799	43,686,913	23.9	23.8

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, and public works 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, 2019, the City's governmental funds reported combined fund balances of \$91.13 million, an increase of \$4.18 million. Of this amount, \$51.95 million constitutes *unrestricted fund balance*, comprised of \$6.97 million as *committed fund balance*, and \$8.09 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 \$36.89 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 2017-18	FY 2018-19	VARIANCE
General Fund	\$ 53,116,920	\$ 53,276,247	\$ 159,327
Low and Moderate Housing	17,130,927	17,016,330	(114,597)
Capital Improvement	6,470,325	9,178,606	2,708,281
Other Governmental Funds	10,238,851	11,661,924	1,423,073
Total Fund Balance	<u>\$ 86,957,023</u>	<u>\$ 91,133,107</u>	<u>\$ 4,176,084</u>

The General Fund is the chief operating fund of the City. The fund balance of the City's General Fund increased \$159,327 during the fiscal year. The non-spendable fund balance of \$740,597 is for prepaid costs. The restricted fund balance of \$48,209 is legally restricted by external parties. The committed fund balance of \$6.97 million is constrained by formal action of the City Council for the City's Economic Uncertainty Policy. The assigned fund balance of \$8.09 million is for future capital improvement projects and additional prefunding for the Pension Stabilization Trust. The unassigned fund balance totals \$37.43 million for Fiscal Year 2018-19.

Low and Moderate Housing decreased \$114,597 due to the write-off of housing loans that were uncollectible.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The Capital Projects Fund increased \$2,708,281. An additional \$2.5 million was transferred in from the General Fund for the construction of the new Splash! Buccaneer Bay attraction. Construction of the new feature will start in Fiscal Year 2019-20.

Proprietary Funds – The City's proprietary funds distinguish operating revenues and expenses from non-operating 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 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, 2019, the unrestricted net position of the internal service funds was a deficit of \$1.07 million due to the unfunded pension liability and the net OPEB asset in accordance with GASBs 68 and 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 \$7.11 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 \$119.35 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, 2019

DESCRIPTION	FY 2017-18	FY 2018-19
Land and easements	4,540,989	4,675,850
Construction in progress	16,944,507	1,784,041
Land improvements	28,590,166	42,109,096
Buildings and structures	49,675,175	48,261,427
Machinery and equipment	1,923,268	2,505,374
Automotive equipment	219,396	449,194
Infrastructure	17,674,227	19,566,009
	<u>119,567,728</u>	<u>119,350,991</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Larger projects are funded and completed over several fiscal years. Funding will come from current available bond proceeds, current fund balances, and projected revenues.

LONG-TERM DEBT

As of June 30, 2019, the City had \$9.18 million in long-term debt outstanding. The indebtedness of the former Redevelopment Agency in the amount of \$63.34 million was previously 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, 2019

	Governmental Activities	
	Fiscal Year	
	2018	2019
Lease Revenue Bonds*	8,904,605	8,302,581
Direct Borrowings/Placements Leases	137,584	101,833
Compensated Absences	753,882	770,660
Total	9,796,071	9,175,074

* 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.

The Fiscal Year 2019-20 budget keeps public safety services at a high level, provides most City programs at levels expected by the public, and sets a robust schedule of capital improvement projects. Revenues are conservatively forecast with modest revenue growth. Major factors expected to impact the Fiscal Year 2019-20 budget include:

- Major policy decisions from the State that impact local governments such as the increased demand to build more affordable housing.
- The City's sales tax base which is largely business-to-business.
- Funding for rising pension rates as a result of assumption changes and pension plan performance.
- Funding for the City's infrastructure needs for roadways and public facilities.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

These, among other factors, were considered in preparing the City of La Mirada's General Fund budget for FY 2019-20, which resulted in budgeted revenues and expenditures of \$40.73 million and \$36.56 million, respectively.

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 2019-20 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, 2019

	<u>Governmental Activities</u>
Assets:	
Cash and investments	\$ 91,257,106
Receivables:	
Accounts	401,292
Taxes	3,154,788
Notes and loans	4,403,007
Accrued interest	426,856
Advances to Successor Agency of Former RDA	5,193,368
Prepaid costs	1,122,560
Due from Successor Agency Trust Fund	1,608,199
Due from other governments	1,104,413
Restricted assets:	
Cash and investments	48,209
Cash and investments with fiscal agents	3,711,471
Net OPEB asset	4,865,722
Capital assets not being depreciated	25,187,529
Capital assets, net of depreciation	<u>94,163,462</u>
Total Assets	<u>236,647,982</u>
Deferred Outflow of Resources:	
Deferred pension related items	4,153,055
Deferred OPEB related items	650,119
Deferred loss on debt refunding	<u>33,011</u>
Total Deferred Outflow of Resources	<u>4,836,185</u>
Total Assets and Deferred Outflows of Resources	<u>241,484,167</u>
Liabilities:	
Accounts payable	3,952,526
Accrued liabilities	877,623
Accrued interest	49,018
Unearned revenue	1,975,196
Deposits payable	3,336,196
Due to other governments	33,495
Due to the Successor Agency	7,025
Noncurrent liabilities:	
Net pension liability	14,148,565
Due within one year	692,569
Due in more than one year	<u>8,482,505</u>
Total Liabilities	<u>33,554,718</u>
Deferred Inflow of Resources:	
Deferred pension related items	1,553,318
Deferred OPEB related items	<u>1,005,956</u>
Total Deferred Inflow of Resources	<u>2,559,274</u>
Total Liabilities and Deferred Inflows of Resources	<u>36,113,992</u>
Net Position:	
Net investment in capital assets	110,979,588
Restricted for:	
Public works	11,294,689
Public safety	117,054
Capital projects	9,178,606
Leisure and cultural	720,128
Low and moderate housing	17,929,564
Pension benefits	3,711,471
Unrestricted	<u>51,439,075</u>
Total Net Position	<u>\$ 205,370,175</u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues		Capital Contributions and Grants	Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Contributions and Grants		
					Governmental Activities
Governmental activities:					
General government	\$ 5,199,411	\$ 288,088	\$ 622,901	\$ -	\$ (4,288,422)
Public safety	10,730,616	398,026	148,747	-	(10,183,843)
Community development	1,821,830	1,632,884	-	-	(188,946)
Leisure and cultural	15,024,825	10,053,294	323,435	12,306	(4,635,790)
Public works	10,706,760	-	174,728	6,207,293	(4,324,739)
Interest on long-term debt	203,471	-	-	-	(203,471)
Total governmental activities	\$ 43,686,913	\$ 12,372,292	\$ 1,269,811	\$ 6,219,599	(23,825,211)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					12,409,984
Transient occupancy tax					1,526,916
Sales taxes					11,123,367
Business licenses taxes					357,197
Franchise taxes					3,043,023
Motor vehicle in lieu - unrestricted					23,804
Use of money and property					3,838,123
Other					132,877
Total general revenue					32,455,291
Change in net position before extraordinary item					8,630,080
Net position, beginning of fiscal year					196,791,358
Prior period adjustment					(51,263)
Net position, beginning of fiscal year, as restated					196,740,095
Net position, end of fiscal year					\$ 205,370,175

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	General	Special Revenue Fund Low and Moderate Housing	Capital Project Fund Capital Improvement
Assets:			
Pooled cash and investments	\$ 54,437,183	\$ 6,731,294	\$ 12,277,285
Receivables:			
Accounts	330,510	68,636	-
Taxes	2,992,489	-	-
Notes and loans	67,915	3,571,707	-
Accrued interest	316,521	-	49,661
Prepaid costs	740,597	-	-
Due from other governments	227,960	-	-
Due from the Successor Agency	-	1,608,199	-
Due from other funds	326,363	-	1,084,110
Advances to Successor Agency	-	5,193,368	-
Restricted assets:			
Cash and investments	48,209	-	-
Cash and investments with fiscal agents	-	-	-
Total assets	\$ 59,487,747	\$ 17,173,204	\$ 13,411,056
Liabilities:			
Accounts payable	\$ 2,761,061	\$ -	\$ 1,051,433
Accrued liabilities	471,370	-	340,136
Unearned revenue	1,827,462	-	-
Deposits payable	495,315	-	2,840,881
Due to other governments	-	-	-
Due to the Successor Agency	-	7,025	-
Due to other funds	656,292	-	-
Total liabilities	6,211,500	7,025	4,232,450
Deferred inflows of resources:			
Unavailable revenues	-	149,849	-
Total deferred inflows of resources	-	149,849	-
Fund balances:			
Nonspendable:			
Prepaid costs	740,597	-	-
Restricted for:			
Public safety	-	-	-
Leisure and cultural	48,209	-	-
Public works	-	-	-
Capital projects	-	-	9,178,606
Debt service	-	-	-
Low and Moderate Housing	-	17,016,330	-
Committed to:			
Economic uncertainty	6,966,503	-	-
Assigned to:			
Capital projects	5,593,954	-	-
Pension stabilization trust	2,500,000	-	-
Unassigned	37,426,984	-	-
Total fund balances	53,276,247	17,016,330	9,178,606
Total liabilities, deferred inflows of resources, and fund balances	\$ 59,487,747	\$ 17,173,204	\$ 13,411,056

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	Other Governmental Funds	Total Governmental Funds
Assets:		
Pooled cash and investments	\$ 12,112,932	\$ 85,558,694
Receivables:		
Accounts	2,146	401,292
Taxes	162,299	3,154,788
Notes and loans	763,385	4,403,007
Accrued interest	57,836	424,018
Prepaid costs	114,709	855,306
Due from other governments	876,453	1,104,413
Due from the Successor Agency	-	1,608,199
Due from other funds	109,592	1,520,065
Advances to Successor Agency	-	5,193,368
Restricted assets:		
Cash and investments	-	48,209
Cash and investments with fiscal agents	28	28
Total assets	\$ 14,199,380	\$ 104,271,387
Liabilities:		
Accounts payable	\$ 116,905	\$ 3,929,399
Accrued liabilities	1,829	813,335
Unearned revenue	147,734	1,975,196
Deposits payable	-	3,336,196
Due to other governments	33,495	33,495
Due to the Successor Agency	-	7,025
Due to other funds	950,822	1,607,114
Total liabilities	1,250,785	11,701,760
Deferred inflows of resources:		
Unavailable revenues	1,286,671	1,436,520
Total deferred inflows of resources	1,286,671	1,436,520
Fund balances:		
Nonspendable:		
Prepaid costs	114,709	855,306
Restricted for:		
Public safety	117,054	117,054
Leisure and cultural	671,919	720,128
Public works	11,294,689	11,294,689
Capital projects	-	9,178,606
Debt service	15	15
Low and Moderate Housing	-	17,016,330
Committed to:		
Economic uncertainty	-	6,966,503
Assigned to:		
Capital projects	-	5,593,954
Pension stabilization trust	-	2,500,000
Unassigned	(536,462)	36,890,522
Total fund balances	11,661,924	91,133,107
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,199,380	\$ 104,271,387

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, 2019

Fund balances of governmental funds	\$	91,133,107
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	\$	175,001,401
Capital assets, internal service funds		4,978,400
Accumulated depreciation		<u>(60,628,810)</u>
		119,350,991
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	\$	(847,581)
Lease revenue bonds		(7,455,000)
Leases payable		(101,833)
Compensated absences		<u>(770,660)</u>
		(9,175,074)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(49,018)
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.		1,436,520
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.		33,011
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		<u>2,640,638</u>
Net position of governmental activities	\$	<u><u>205,370,175</u></u>

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, 2019

	General	Special Revenue Fund Low and Moderate Housing	Capital Projects Funds Capital Improvement
Revenues:			
Taxes	\$ 23,351,241	\$ -	\$ -
Licenses and permits	1,448,976	-	-
Intergovernmental	5,755,951	-	549,036
Charges for services	10,520,523	-	-
Use of money and property	3,130,449	62,436	208,285
Fines and forfeitures	367,195	-	-
Miscellaneous	109,851	-	23,026
Total revenues	44,684,186	62,436	780,347
Expenditures:			
Current:			
General government	4,209,300	-	-
Public safety	9,091,922	-	-
Community development	1,137,879	177,033	-
Leisure and cultural	12,951,988	-	-
Public works	6,601,005	-	-
Capital outlay	-	-	7,116,165
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	33,992,094	177,033	7,116,165
Excess (deficiency) of revenues over (under) expenditures	10,692,092	(114,597)	(6,335,818)
Other financing sources (uses):			
Transfers in	819,139	-	9,078,061
Transfers out	(11,417,881)	-	(33,962)
Total other financing sources (uses)	(10,598,742)	-	9,044,099
Net change in fund balances	93,350	(114,597)	2,708,281
Fund balances, beginning of fiscal year	53,116,920	17,130,927	6,470,325
Prior period adjustment	65,977	-	-
Fund balances, beginning of fiscal year, restated	53,182,897	17,130,927	6,470,325
Fund balances, end of fiscal year	\$ 53,276,247	\$ 17,016,330	\$ 9,178,606

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, 2019

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ 3,128,999	\$ 26,480,240
Licenses and permits	-	1,448,976
Intergovernmental	3,205,227	9,510,214
Charges for services	-	10,520,523
Use of money and property	234,013	3,635,183
Fines and forfeitures	-	367,195
Miscellaneous	-	132,877
Total revenues	6,568,239	52,095,208
Expenditures:		
Current:		
General government	-	4,209,300
Public safety	47,835	9,139,757
Community development	110,525	1,425,437
Leisure and cultural	952,263	13,904,251
Public works	85,982	6,686,987
Capital outlay	-	7,116,165
Debt service:		
Principal retirement	520,000	520,000
Interest and fiscal charges	321,443	321,443
Total expenditures	2,038,048	43,323,340
Excess (deficiency) of revenues over (under) expenditures	4,530,191	8,771,868
Other financing sources (uses):		
Transfers in	1,490,592	11,387,792
Transfers out	(4,597,710)	(16,049,553)
Total other financing sources (uses)	(3,107,118)	(4,661,761)
Net change in fund balances	1,423,073	4,110,107
Fund balances, beginning of fiscal year	10,238,851	86,957,023
Prior period adjustment	-	65,977
Fund balances, beginning of fiscal year, restated	10,238,851	87,023,000
Fund balances, end of fiscal year	\$ 11,661,924	\$ 91,133,107

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, 2019**

Net change in fund balances - total governmental funds \$ 4,110,107

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	\$ 4,670,271	
Depreciation	<u>(5,018,918)</u>	(348,647)

Disposition of assets with loss was no reported within governmental funds however is included as an expense in the Statement of Activities		(173,764)
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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	\$ 520,000	
Amortization of premiums on bonds	82,024	
Amortization of loss on debt refundings	(3,194)	
Capital lease payments	<u>35,751</u>	634,581

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		3,391
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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.		(16,778)
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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.		18,848
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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>4,402,342</u>
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Change in net position of governmental activities		<u><u>\$ 8,630,080</u></u>
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See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

COMBINING STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2019

	Governmental Activities - Internal Service Funds
Assets:	
Current:	
Cash and investments	\$ 5,698,412
Receivables:	
Accrued interest	2,838
Prepaid costs	267,253
Due from other funds	87,049
Restricted:	
Cash and investments with fiscal agents	3,711,443
Total Current Assets	<u>9,766,995</u>
Noncurrent:	
Net OPEB asset	4,865,722
Capital assets, net of accumulated depreciation	922,588
Total Noncurrent Assets	<u>5,788,310</u>
Total Assets	<u>15,555,305</u>
Deferred Outflow of Resources:	
Deferred pension related items	4,153,055
Deferred OPEB related items	650,119
Total Deferred Outflow of Resources	<u>4,803,174</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 20,358,479</u>
Liabilities:	
Current:	
Accounts payable	\$ 23,126
Accrued liabilities	64,288
Total Current Liabilities	<u>87,414</u>
Noncurrent:	
Net pension liability	14,148,565
Total Noncurrent Liabilities	<u>14,148,565</u>
Total Liabilities	<u>14,235,979</u>
Deferred Inflow of Resources:	
Deferred pension related items	1,553,318
Deferred OPEB related items	1,005,956
Total Deferred Inflow of Resources	<u>2,559,274</u>
Net Position:	
Investment in capital assets	922,588
Restricted for pension benefits	3,711,443
Unrestricted	(1,070,805)
Total Net Position	<u>3,563,226</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 20,358,479</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, 2019**

	Governmental Activities - Internal Service Fund
Operating Revenues:	
Sales and service charges	\$ 4,112,180
Total Operating Revenues	<u>4,112,180</u>
Operating Expenses	
Administration and general	4,401,177
Depreciation expense	173,358
Total Operating Expenses	<u>4,574,535</u>
Operating Income (Loss)	<u>(462,355)</u>
Nonoperating Revenues (Expenses)	
Interest revenue	<u>182,244</u>
Total Nonoperating Revenues (Expenses)	<u>182,244</u>
Income (Loss) Before Transfers	(259,418)
Transfers In	4,895,761
Transfers Out	<u>(234,000)</u>
Change in Net Position	4,402,343
Net Position:	
Beginning of Fiscal Year	<u>(839,117)</u>
End of Fiscal Year	<u><u>\$ 3,563,226</u></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, 2019

	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 4,112,180
Cash paid to employees for services	<u>(4,570,271)</u>
Net Cash Provided (Used) by Operating Activities	<u>(458,091)</u>
Cash Flows from Non-Capital Financing Activities:	
Cash transferred in Section 115 Trust for Pension	3,500,000
Cash transferred in	1,395,761
Cash transferred out	(234,000)
Miscellaneous revenue	20,693
Loan to other funds	<u>(16,470)</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>4,665,984</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	<u>(461,528)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(461,528)</u>
Cash Flows from Investing Activities:	
Interest received	<u>184,023</u>
Net Cash Provided (Used) by Investing Activities	<u>184,023</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,930,388
Cash and Cash Equivalents at Beginning of Fiscal Year	<u>5,479,467</u>
Cash and Cash Equivalents at End of Fiscal Year	<u>\$ 9,409,855</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	<u>\$ (462,355)</u>
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	173,358
(Increase) decrease in prepaid expense	(11,455)
(Increase) decrease in Net OPEB asset	125,948
(Increase) decrease in deferred outflows of pension related items	823,379
(Increase) decrease in deferred outflows of OPEB related items	(150,349)
Increase (decrease) in accounts payable	652
Increase (decrease) in accrued liabilities	8,938
Increase (decrease) in pension liability	(323,400)
Increase (decrease) in deferred inflows of pension related items	(313,567)
Increase (decrease) in deferred inflows of OPEB related items	<u>(329,240)</u>
Total Adjustments	<u>4,264</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (458,091)</u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUND
 JUNE 30, 2019

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
Assets:	
Cash and investments	\$ 8,305,674
Receivables:	
Taxes	14,046
Accrued interest	19,936
Due from the City of La Mirada	7,025
Restricted funds:	
Cash and investments with fiscal agents	<u>2,563,333</u>
Total Assets	<u>10,910,014</u>
Deferred Outflow of Resources:	
Deferred loss on refunding	<u>54,747</u>
Liabilities:	
Current liabilities:	
Accounts payable	274,013
Interest payable	674,709
Due to other governments	250
Due to the City of La Mirada	1,608,199
Long-term liabilities:	
Due in one year	4,566,980
Due in more than one year	<u>58,774,950</u>
Total Liabilities	<u>65,899,101</u>
Net Position (Deficit):	
Held in trust for other purposes	<u>(54,934,340)</u>
Total Net Position (Deficit)	<u>\$ (54,934,340)</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, 2019**

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 7,161,725
Interest and change in fair value of investments	<u>421,540</u>
Total Additions	<u>7,583,265</u>
Deductions:	
Administrative expenses	224,350
Contractual services	193,673
Interest expense	<u>2,874,801</u>
Total Deductions	<u>3,292,824</u>
Changes in Net Position	4,290,441
Net Position (Deficit) - Beginning of Fiscal Year	<u>(59,224,781)</u>
Net Position (Deficit) - End of Fiscal Year	<u><u>\$ (54,934,340)</u></u>

See Accompanying Notes to Financial Statements.

CITY OF LA MIRADA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

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. The 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.

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. Resources generated from these assets are to be used for Low and Moderate Income Housing purposes. The primary sources of revenue are from loan repayments generated from the use of the former Redevelopment Agency's Low and Moderate Income Housing funds.
- 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.

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, 2017
Measurement Date (MD)	June 30, 2018
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, 2019

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

Other Post-Employment 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, 2018

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.

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. Additional \$2.5 million to prefund the Pension Stabilization Trust

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

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

Effect of New Accounting Standards

During the fiscal year ended June 30, 2019, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

Governmental Accounting Standards Board Statement No. 88

GASB has issued Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements" which was effective for fiscal years beginning after June 15, 2018. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. Please see Note #7 and #13 for further details.

Future Accounting Pronouncements

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

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. 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.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 2: Cash and Investments

Cash and Investments

As of June 30, 2019, cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Position - Governmental activities	\$ 91,257,119
Statement of Net Position - Restricted cash	49,209
Statement of Net Position - Cash and investments with Fiscal Agent	3,711,471
Statement of Net Position - Fiduciary Fund	8,305,674
Statement of Net Position - Fiduciary Fund - Cash and Investments with Fiscal Agent	<u>2,563,333</u>
Total Cash and Investments	<u>\$ 105,886,806</u>

Cash and investments as of June 30, 2019 consist of the following:

Cash on hand	\$ 9,300
Demand deposits	22,735,880
Investments	<u>83,141,626</u>
Total Cash and Investments	<u>\$ 105,886,806</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.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2019

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 Deferred Compensation Plan

The above investments do not address investment in Deferred Compensation Plan. The Plan's participants and beneficiaries are expected to have different investment objects, time horizons and risk tolerance. To meet these varying investment needs, participants and beneficiaries will be able to direct their account balances among a range of investment options to construct diversified portfolios that reasonably span the risk/return spectrum. Participants and beneficiaries alone bear the risk of investment results from the options and their asset allocation.

Investments in Established Section 115 Trusts

The above investments do not address investments in established Section 115 Trusts. Funds placed in a Section 115 trust are irrevocably committed for the essential government function(s) specified in the applicable trust agreement (e.g., pension obligations). A separate policy is administered by the trust administrator.

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.

Note 2: Cash and Investments (Continued)

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.

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, 2019, the City's investment in medium term notes were rated "A2" or higher by Moody's. As of June 30, 2019, 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, 2019, 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, 2019, 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, 2019, investments in Federal National Mortgage Association, and Federal Home Loan Bank represented 11.2%, and 10.5%, 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.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 2: Cash and Investments (Continued)

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.

As of June 30, 2019, 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	\$ 18,806,966	\$ -	\$ -	\$ -	\$ 18,806,966
Money Market	AAA/Aaa	87,028	-	-	-	87,028
Medium Term Notes	AA+-A-/Aaa-A3	1,499,667	2,169,085	5,991,125	6,312,474	15,972,351
Commercial Paper	A-1/P-1	1,742,671	-	-	-	1,742,671
US Treasury Notes	N/A	1,967,391	1,242,485	8,462,271	4,940,028	16,612,175
Federal National Mortgage Assoc.	AA+/Aaa	-	497,449	3,987,335	4,092,041	8,576,825
Federal Home Loan Mortgage Corp.	AA+/Aaa	648,424	795,432	517,536	621,237	2,582,629
Federal Home Loan Bank	AA+/Aaa	-	299,534	3,855,395	4,192,476	8,347,405
Federal Farm Credit Bank	AA+/Aaa	500,000	-	-	337,297	837,297
Negotiable Certificate of Deposit	AA+/Aaa	2,000,000	-	-	-	2,000,000
SupraNational	AAA/Aaa	-	-	502,658	798,817	1,301,475
Investments with Fiscal Agents						
Money Market	N/R	6,274,804	-	-	-	6,274,804
		<u>\$ 33,526,951</u>	<u>\$ 5,003,985</u>	<u>\$ 23,316,320</u>	<u>\$ 21,294,370</u>	<u>\$ 83,141,626</u>

Fair Value Measurements and Applications

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset:

- Level 1: Investments are quoted prices in active markets for identical assets;
- Level 2: Investments are significant other observable inputs;
- Level 3: Investments are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2019:

Investment Type	Totals 6/30/19	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	\$ 16,612,175	\$ -	\$ 16,612,175	\$ -
Medium Term Notes	15,972,351	-	15,972,351	-
US Government Agency Securities	20,344,156	-	20,344,156	-
Commercial Paper	1,742,671	-	1,742,671	-
Negotiable Certificates of Deposit	2,000,000	-	2,000,000	-
SupraNational	1,301,475	1,301,475	-	-
Total Investments at Fair Value	57,972,828	1,301,475	56,671,353	-
Investments not subjected to the Fair Value Hierarchy:				
LAIIF	18,806,966	-	-	-
Money Market Funds	87,028	-	-	-
Investments with Fiscal Agents				
Money Market Funds	6,274,804	-	-	-
Total Pooled and Directed Investments	\$ 83,141,626	\$ 1,301,475	\$ 56,671,353	\$ -

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 2: Cash and Investments (Continued)

Deposits and withdrawals related to the investments in LAIF and Money Market Funds are made on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, these investments are uncategorized.

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	\$ 134,861	\$ -	\$ -	\$ 4,675,850
Construction in progress	16,944,507	3,646,903	(75,939)	(18,731,430)	1,784,041
Total capital assets, not being depreciated	21,485,496	3,781,764	(75,939)	(18,731,430)	6,459,891
Capital assets, being depreciated:					
Land improvements	38,741,855	892,297	(118,560)	14,815,388	54,330,980
Buildings and Structures	70,740,255	-	-	-	70,740,255
Machinery and equipment	5,408,664	152,723	(60,429)	846,022	6,346,980
Automobile equipment	2,900,775	322,520	(161,570)	-	3,061,725
Infrastructure	32,322,263	-	(181,725)	3,070,020	35,210,558
Intangible Assets	3,829,412	-	-	-	3,829,412
Total capital assets, being depreciated	153,943,224	1,367,540	(522,284)	18,731,430	173,519,910
Less accumulated depreciation for:					
Land improvements	(10,151,689)	(2,132,942)	62,747	-	(12,221,884)
Buildings and Structures	(21,065,080)	(1,413,748)	-	-	(22,478,828)
Machinery and equipment	(3,485,396)	(416,639)	60,429	-	(3,841,606)
Automobile equipment	(2,681,379)	(92,722)	161,570	-	(2,612,531)
Infrastructure	(14,648,036)	(1,136,226)	139,713	-	(15,644,549)
Intangible Assets	(3,829,412)	-	-	-	(3,829,412)
Total accumulated depreciation	(55,860,992)	(5,192,277)	424,459	-	(60,628,810)
Total capital assets, being depreciated, net	98,082,232	(3,824,737)	(97,825)	18,731,430	112,891,100
Governmental activities capital assets, net	\$ 119,567,728	\$ (42,973)	\$ (173,764)	\$ -	\$ 119,350,991

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

Governmental Activities:	
General Government	\$ 742,498
Community Development	384,228
Public Safety	1,599,221
Public Works	1,510,953
Leisure and Culture	955,377
Total	\$ 5,192,277

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 4: Notes and Loans Receivable

As of June 30, 2019, loans receivable consisted of the following:

General Fund:	
Arterial Block Wall Loan Program	\$ 67,915
Low and Moderate Housing:	
Rehabilitation Loans:	
HIP Loans	3,009,156
DPAP Loans	96,929
Promissory Loans:	
Condominium Loans	583,776
Housing and Community Development:	
HIP Loans	<u>763,384</u>
Total	<u>\$ 4,521,160</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 are due and payable. Loans of \$3,772,540 were outstanding as of June 30, 2019.

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 \$96,929 were outstanding as of June 30, 2019.

On February 9, 1999, the City and the former Redevelopment Agency entered into a Disposition and Development Agreement (DDA) with Breezewood Village Senior Housing Limited Partnership (Breezewood) for the acquisition and development of a 122 unit senior housing development, known as Breezewood Village. As permitted under the DDA, Breezewood leased the property to Grayville Limited Partnership. On January 18, 2019, Breezewood remitted \$1,207,064 to repay the former agency loan (\$847,064 plus \$360,000 in interest). The balance as of June 30, 2019 was \$0.

The note receivables of \$583,776 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, 2019, there are four (4) outstanding loans.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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, 2019, five loans were issued in the amount of \$67,915.

Note 5: Advances to Successor Agency of Former RDA

As of June 30, 2019, the Advances to the Successor Agency of the former Redevelopment Agency (RDA) consist of a \$5,193,368 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	Capital Improvement	\$ 570,390
	Internal service	87,050
		<u>657,440</u>
Non-major governmental	General Fund	326,349
	Capital Improvement	513,720
	Non-major governmental	109,592
		<u>949,661</u>
Total		<u>\$ 1,607,101</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>				
	<u>General Fund</u>	<u>Capital Improvement</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Total</u>
Transfers In:					
General Fund	\$ -	\$ 33,962	\$ 785,177	\$ -	\$ 819,139
Capital Improvement	6,070,762	-	2,773,299	234,000	9,078,061
Nonmajor Governmental	847,119	-	643,473	-	1,490,592
Internal Service	4,500,000	-	395,761	-	4,895,761
Total	<u>\$ 11,417,881</u>	<u>\$ 33,962</u>	<u>\$ 4,597,710</u>	<u>\$ 234,000</u>	<u>\$ 16,283,553</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, 2019

Note 7: Long-Term Debt

a. Governmental Activities:

Changes in long-term obligations for the fiscal year ended June 30, 2019, are as follows:

	Balance			Balance		Due Within
	July 1, 2018	Additions	Deletions	June 30, 2019		One Year
Governmental Activities:						
Lease Revenue Bonds	\$ 7,975,000	\$ -	\$ (520,000)	\$ 7,455,000	\$	545,000
Leases from direct borrowings and direct placements	137,584		(35,751)	101,833		30,560
Total	<u>\$ 8,112,584</u>	<u>\$ -</u>	<u>\$ (555,751)</u>	7,556,833		<u>\$ 575,560</u>
Plus:						
Bond premium				847,581		
				<u>\$ 8,404,414</u>		

Debt service requirements on long-term debt at June 30, 2019, are as follows:

Fiscal Year Ending June 30,	Bonds		Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2020	\$ 545,000	\$ 300,644	\$ 30,560	\$ -
2021	565,000	278,844	26,802	-
2022	590,000	250,594	24,256	-
2023	620,000	221,094	20,215	-
2024	650,000	194,444	-	-
2025-2029	3,655,000	559,432	-	-
2030	830,000	15,447	-	-
Totals	<u>\$ 7,455,000</u>	<u>\$ 1,820,499</u>	<u>\$ 101,833</u>	<u>\$ -</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, 2019 is \$7,455,000. Revenue pledged for the repayment of the bonds is from base rented payments pursuant to a sublease between the City and the Financing Authority.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 7: Long-Term Debt (Continued)

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.

The minimum future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	650,000	194,444	844,444
2025-2029	3,655,000	559,432	4,214,432
2030	830,000	15,447	845,447
Totals	<u>\$ 7,455,000</u>	<u>\$ 1,820,499</u>	<u>\$ 9,275,499</u>

Leases from Direct Borrowings and Direct Placements

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, 2019, the outstanding balance on the lease was \$6,901.

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, 2019, the outstanding balance on the lease was \$0.

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, 2019, the outstanding balance on the lease was \$297.

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, 2019, the outstanding balance on the lease was \$453.

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, 2019, the outstanding balance on the lease was \$1,198.

On April 27, 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, 2019, the outstanding balance on the lease was \$92,984.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 7: Long-Term Debt (Continued)

At June 30, 2019, the annual requirements to repay the outstanding indebtedness were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2020	\$ 30,560
2021	26,802
2022	24,256
2023	20,215
Total payments	<u>101,833</u>
Less amounts representing interest	<u>-</u>
Outstanding principal	<u>\$ 101,833</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.

Changes in compensated absences for the fiscal year ended June 30, 2019, are as follows:

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2019</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 753,882	\$ 107,817	\$ (91,039)	\$ 770,660	\$ 34,807

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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, 2019 are as follows:

	Governmental Activities
Deferred outflows of resources	
Pension contributions after measurement date	
CalPERS	\$ 1,173,871
Difference in projected and actual earnings on pension investments	
CalPERS	63,369
Difference in expected and actual experience	
CalPERS	491,785
PARS	48,544
Subtotal	<u>540,329</u>
Changes in assumptions	
CalPERS	1,461,233
PARS	671,186
Subtotal	<u>2,132,419</u>
Changes in employer's proportion	
CalPERS	<u>243,067</u>
Total deferred outflows of resources	<u>\$ 4,153,055</u>
Net pension liabilities	
CalPERS	\$ 12,817,505
PARS	1,331,060
Total net pension liabilities	<u>\$ 14,148,565</u>
Deferred inflows of resources	
Difference in expected and actual experience	
CalPERS	\$ 167,350
PARS	51,731
Subtotal	<u>219,081</u>
Differences between the employer's contributions and the employer's proportionate share of contributions	
CalPERS	66,925
Changes in employer's proportion	
CalPERS	909,192
Changes in assumptions	
CalPERS	358,120
Total deferred outflows of resources	<u>\$ 1,553,318</u>
Pension Expense	
CalPERS	\$ 1,076,802
PARS	815,091
Total pension expense	<u>\$ 1,891,893</u>

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, 2019, 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	9.409%	8.892%	8.892%	6.842%

* The City pays 6.00% of the employee contribution.

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, 2019, the contributions recognized as a reduction to the net pension liability for the plan was \$987,552.

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, 2019 the balance was \$12,817,505.

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, 2019, 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, 2017 rolled forward to June 30, 2018 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, 2018 and 2019, was as follows:

	<u>Plan Net Pension Liability/(Asset)</u>
Balance at: 6/30/2018	\$ 13,016,350
Balance at: 6/30/2019	<u>12,817,505</u>
Net Changes during 2018-19	\$ <u><u>198,845</u></u>

For the fiscal year ended June 30, 2019, the City recognized pension expense of \$1,076,802. At June 30, 2019, 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, 2019

Note 8: Pension Plans (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,173,871	\$ -
Differences between expected and actual experience	491,785	(167,350)
Changes in assumption	1,461,233	(358,120)
Net differences between projected and actual earnings on pension plan investments	63,369	
Difference between the employer's contributions and the employer's proportionate share of contributions	243,067	(66,925)
Changes in employer's proportion		(909,192)
Total	\$ 3,433,325	\$ (1,501,587)

\$1,173,871 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, 2020. 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
2020	\$ 875,905
2021	463,988
2022	(466,741)
2023	(115,285)
Totals	\$ 757,867

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities were determined by rolling forward the total pension liability determined in the June 30, 2017 actuarial valuation to June 30, 2018. The June 30, 2018 total pension liability was based on the following assumptions:

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	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.375 % 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.

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.

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.

Note 8: Pension Plans (Continued)

Discount Rate (Continued)

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, 2018.

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	50.0%	4.80%	5.98%
Global Fixed Income	28.0	1.00	2.62
Inflation Sensitive	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Estate	13.0	3.75	4.93
Liquidity	1.0	0.00	(0.92)

(1) An expected inflation of 2.00% used for this period

(2) An expected inflation of 2.92% 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)	\$20,204,999	\$12,817,505	\$6,719,250

Pension Plan Fiduciary Net Position

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

Note 8: Pension Plans (Continued)

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, 2019, the City's payroll covered by the plan was \$3,311,317. The City made employer contributions of \$83,357 (2.5% of current covered payroll), and employees contributed \$165,566 (5% of current covered payroll).

c. Public Agency Retirement System (PARS)

Plan Description, Benefits Provided and Employees Covered

For employees hired before January 1, 2011, the City of La Mirada entered into a single-employer agreement with Public Agency Retirement System (PARS) for a retirement enhancement plan.

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.

The plan does not issue separately audited financial statements.

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 9.69% 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.

Note 8: Pension Plans (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2019 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2018 total pension liability. The June 30, 2018 and the June 30, 2019 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.

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, 2019.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

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	2.75%	0.71%	0.71%
Core Fixed Income	Barclays Aggregate	36.25%	1.83%	1.73%
Broad US Equities	Russell 3000	46.24%	4.71%	3.52%
Developed Foreign Equities	MSCI EAFE	6.85%	6.06%	4.55%
Emerging Market Equities	MSCI Emerging Markets	5.19%	8.23%	5.43%
US REITs	FTSE NAREIT Equity REIT	2.72%	5.05%	3.42%
Assumed Inflation - Mean			2.21%	2.20%
Assumed Inflation - Standard Deviation			1.65%	1.65%
Portfolio Real Mean Return			3.84%	3.36%
Portfolio Nominal Mean Return			6.05%	5.63%
Portfolio Standard Deviation				9.64%
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, 2018	\$ 11,051,338	\$ 9,595,724	\$ 1,455,614
Changes for the year:			
Service Cost	273,887		273,887
Interest on the Total Pension Liability	720,915		720,915
Benefit Payments	(475,945)	(475,945)	
Employer Contributions		531,374	(531,374)
Net Investment Income		605,029	(605,029)
Administrative Expenses		(17,047)	17,047
Balance as of June 30, 2019	\$ 11,570,195	\$ 10,239,135	\$ 1,331,060

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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>\$ 2,951,821</u>	<u>\$ 1,331,060</u>	<u>\$ (101,347)</u>

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

As of the start of the measurement period, July 1, 2018, the net pension liability was \$1,455,614. For the measurement period ending June 30, 2019, the City of La Mirada incurred a pension expense of \$814,856 for the Plan. As of the measurement date, June 30, 2019, the net pension liability is \$1,331,060.

As of June 30, 2019, 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	\$ 48,544	\$ -
Changes of assumptions	671,186	
Net difference between projected and actual earning		(51,731)
Total	<u>\$ 719,730</u>	<u>\$ (51,731)</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
2020	\$ 353,464
2021	226,899
2022	66,358
2023	21,278

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 2018-19 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 \$99,367,909. 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 \$15,081,423. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

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

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.

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 2018-19.

Note 10: Transportation Development Act

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

Note 11: Other Post-Employment Benefits Plan

At June 30, 2019, net OPEB asset and related deferred outflows of resources and inflows are as follows:

	<u>Governmental Activities</u>
Net OPEB assets:	<u>\$ 4,865,722</u>
Total net OPEB assets	<u>\$ 4,865,722</u>
Deferred outflows of resources:	
Changes in assumption	\$ 333,039
Contributions made subsequent to the measurement date	<u>317,080</u>
Total deferred outflows of resources	<u>\$ 650,119</u>
Deferred inflows of resources:	
Differences between expected and actual experiences	\$ 959,737
Net difference between projected and actual earnings on investments	<u>46,219</u>
Total deferred inflows of resources	<u>\$ 1,005,956</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 11: Other Post-Employment Benefits Plan (Continued)

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.

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.

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	<u>5</u>
Total	<u>138</u>

Contributions

For the measurement period ended June 30, 2018, \$317,080 was paid directly to CalPERS for retiree health insurance, which includes the implicit rate subsidy of \$103,199.

Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuation dated June 30, 2017.

Note 11: Other Post-Employment 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	6.40%
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	6.75%

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 6.40 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, 2019

Note 11: Other Post-Employment Benefits Plan (Continued)

Changes in the OPEB Liability

Changes in Net OPEB Liability as of June 30, 2018 (Measurement Date)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2017**	\$ 15,707,797	\$ 20,699,467	\$ (4,991,670)
Service Cost	523,769	-	523,769
Interest	1,033,398	-	1,033,398
Employer Contributions	-	397,582	(397,582)
Employee Contributions	-	-	-
Actual Investment Income	-	1,278,049	(1,278,049)
Administrative Expense	-	(10,865)	10,865
Benefit Payments	(666,278)	(666,278)	-
Assumption Change	206,176	-	206,176
Other	-	(27,371)	27,371
Net Change during 2017-18	1,097,065	971,117	125,948
Balance at June 30, 2018***	\$ 16,804,862	\$ 21,670,584	\$ (4,865,722)

Notes:

** Roll back balance at June 30, 2017 from Measurement date June 30, 2018.

*** As of Measurement date June 30, 2018.

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, 2018:

	1% Decrease	Current Discount Rate	1% Increase
	5.40%	6.40%	7.40%
Net OPEB Liability/(Asset)	\$ (2,490,464)	\$ (4,865,722)	\$ (6,711,509)

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, 2018:

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability/(Asset)	\$ (6,974,420)	\$ (4,865,722)	\$ (1,893,582)

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

For the fiscal year ended June 30, 2019, the City recognized OPEB expense of \$66,401. At June 30, 2019, 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, 2019

Note 11: Other Post-Employment 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	\$ 333,039	\$ -
Differences between expected and actual experience	-	959,737
Net difference between projected and actual earnings on investments	-	46,219
Contributions made subsequent to the measurement date	317,080	-
Total	\$ 650,119	\$ 1,005,956

\$317,080 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, 2020. 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
2020	\$ (193,512)
2021	(193,512)
2022	(193,512)
2023	(120,817)
2024	28,436
Total	\$ (672,917)

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, 2019 the City rebated \$514,636 in sales taxes.

The following material construction commitments existed at June 30, 2019:

Project Name	Contract Amount	Expenditures to date as of June 30, 2019	Remaining Commitments
Measure I Phase V	\$ 7,932,019	\$ -	\$ 7,932,019
Rosecrans Avenue Corridor	797,433	-	797,433
La Mirada Blvd Corridor	2,614,452	741,250	1,873,202

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

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, 2019, cash and investments were reported in the accompanying financial statements as follows:

Cash and Investments	\$ 8,305,674
Cash and Investments with fiscal agent	<u>2,563,333</u>
Total Cash and Investments	<u>\$ 10,869,007</u>
Demand deposits	\$ 5,185,812
Investments	<u>5,683,195</u>
Total Cash and Investments	<u>\$ 10,869,007</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 Home Loan Bank in San Francisco, California as an Agent of Depository.

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

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 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, 2019, 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, 2019, 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, 2019, 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, 2019, the Successor Agency had the following investments and original maturities:

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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	N/R	\$ 3,119,862	\$ -	\$ -	\$ -	\$ -	\$ 3,119,862
Investments with Fiscal Agent: Money Market	N/R	2,563,333	-	-	-	-	2,563,333
		<u>\$ 5,683,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,683,195</u>

Deposits and withdrawals related to the investments in LAIF and Money Market Funds are made on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, these investments are uncategorized.

b. Long-Term Debt

Changes in long-term obligations for the fiscal year ended June 30, 2019, are as follows:

	Outstanding	Additions	Deletions	Outstanding	Due Within
	July 1, 2018			June 30, 2019	One Year
Fiduciary Activities					
Successor Agency of the Former RDA					
Tax Allocation Bonds	\$ 51,668,027	\$ 491,614	\$ 4,362,284	\$ 47,797,357	\$ 4,566,980
Loan from Direct Borrowings	7,926,379	554,847	-	8,481,226	-
Advances from City	5,799,671	-	606,303	5,193,368	-
Totals	<u>\$ 65,394,077</u>	<u>\$ 1,046,461</u>	<u>\$ 4,968,587</u>	61,471,951	<u>\$ 4,566,980</u>
		Plus - Bond Premium		1,945,546	
		Less - Bond Discount		(75,567)	
				<u>\$ 63,341,930</u>	

Debt service requirements on long-term debt at June 30, 2019, are as follows:

Fiscal Year Ending June 30,	Bonds	
	Principal	Interest
2020	\$ 4,566,980	\$ 1,723,694
2021	4,707,963	1,572,418
2022	4,860,016	1,408,744
2023	5,131,667	1,233,881
2024	5,315,262	1,045,334
2025-2029	22,690,469	5,171,239
2030	525,000	18,375
Totals	<u>\$ 47,797,357</u>	<u>\$ 12,173,685</u>

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

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 \$7,695,926 and the debt service obligation on the bonds were \$6,249,469.

\$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, 2019, the total principal and interest requirement for the bonds is \$4,869,667 (\$4,145,000 principal, \$724,667 interest), payable semiannually through August 2024.

\$ 4,145,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2019, including interest, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>2005 Tax Allocation Refunding Bonds, Series A</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
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	1,145,000	77,547	1,222,547
2025	1,200,000	26,250	1,226,250
Totals	\$ 4,145,000	\$ 724,667	\$ 4,869,667

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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, 2019, the accreted amount of interest for the bond was \$0. The reserves are fully funded. The outstanding balance at June 30, 2019, is \$14,630,000, which includes initial bond and the accreted value of \$4,512,679 and \$6,659,678, respectively.

\$11,172,357

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2019 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>	
2020	\$ 556,980	\$ 3,014	\$ 559,994
2021	532,963	27,028	559,991
2022	510,016	49,976	559,992
2023	491,667	73,330	564,997
2024	470,262	94,730	564,992
2025-2029	8,610,469	3,209,565	11,820,034
Totals	\$ 11,172,357	\$ 3,457,643	\$ 14,630,000

\$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, 2019

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, 2019, the total principal and interest requirement for the bonds is \$7,514,210 (\$6,075,000 principal, \$1,439,210 interest).

\$ 6,075,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2019, including interest, are as follows:

Fiscal Year Ending June 30,	2010 RDA Tax Allocation Refunding Bonds, Series A		Totals
	Principal	Interest	
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	625,000	165,069	790,069
2025-2029	3,185,000	369,244	3,554,244
Totals	<u>\$ 6,075,000</u>	<u>\$ 1,439,210</u>	<u>\$ 7,514,210</u>

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

<u>Auth/Issued</u>	<u>Description</u>	<u>Principal</u>	<u>Date</u>	<u>Rate</u>
\$ 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, 2019, the total principal and interest requirement for the bonds is \$10,959,550 (\$7,000,000 principal, \$3,959,550 interest).

\$ 7,000,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2019, including interest, are as follows:

Fiscal Year Ending June 30,	2010 RDA Taxable Housing T/A Bonds, Series B		Totals
	Principal	Interest	
2020	\$ -	\$ 490,000	\$ 490,000
2021	-	490,000	490,000
2022	-	490,000	490,000
2023	-	490,000	490,000
2024	-	490,000	490,000
2025-2029	6,475,000	1,491,175	7,966,175
2030	525,000	18,375	543,375
Totals	<u>\$ 7,000,000</u>	<u>\$ 3,959,550</u>	<u>\$ 10,959,550</u>

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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

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

<u>Auth/Issued</u>	<u>Description</u>	<u>Principal</u>	<u>Date</u>	<u>Rate</u>
\$ 20,255,000	Serial	\$ 1,325,000	2015	4.00%
		2,285,000	2024	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, 2019, the total principal and interest requirements for the bonds is \$16,244,250 (\$14,180,000 principal, \$2,064,250 interest), payable semiannually through August 2024.

\$14,180,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2019, including interest, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>2014 Subordinate Tax Allocation Refunding Bonds, Series A</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
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	2,170,000	168,500	2,338,500
2025	2,285,000	57,125	2,342,125
Totals	<u>\$ 14,180,000</u>	<u>\$ 2,064,250</u>	<u>\$ 16,244,250</u>

CITY OF LA MIRADA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

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, 2019, the total principal and interest requirements for the bonds is \$5,752,465 (\$5,225,000 principal, \$527,465 interest), payable semiannually through August 2024.

\$5,225,000

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2019, 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>	
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	905,000	49,488	954,488
2025	935,000	16,980	951,980
Totals	<u>\$ 5,225,000</u>	<u>\$ 527,465</u>	<u>\$ 5,752,465</u>

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 \$554,847. The Agency's share of tax increment revenue was \$62,664,047 as of June 30, 2019. 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, 2019, was:

\$ 8,481,226

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

Advances from the City

The advances from the City consist of a \$5,193,368 advance for the Supplemental Educational Revenue Augmentation Fund (SERAF) payment. At June 30, 2019 the total outstanding balance is \$5,193,368. 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.

Standard & Poor's Rating Services Bond Rating

Standard and Poor rated the following bonds were at least A+ as of June 30, 2019:

- 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: Prior Period Adjustment

There is a prior period adjustment in the General Fund in the amount of \$65,977 for the correction of the amount of Advances from the Successor Agency written off in the fiscal year ending June 30, 2018.

There is a prior period adjustment on the Statement of Activities in the amount of (\$117,240) to properly record a capital lease that was not recorded in the fiscal year ending June 30, 2018.





Required Supplementary Information

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 53,116,920	\$ 53,116,920	\$ 53,116,920	\$ -
Resources (Inflows):				
Taxes	20,886,100	20,886,100	23,351,241	2,465,141
Licenses and permits	1,585,000	1,585,000	1,448,976	(136,024)
Intergovernmental	4,868,000	4,868,000	5,755,951	887,951
Charges for services	10,645,600	10,645,600	10,520,523	(125,077)
Use of money and property	1,121,268	1,121,268	3,130,449	2,009,181
Fines and forfeitures	303,000	303,000	367,195	64,195
Miscellaneous	42,800	42,800	109,851	67,051
Transfers in	625,000	625,000	819,139	194,139
Amounts Available for Appropriations	93,193,688	93,193,688	98,620,245	5,426,557
Charges to Appropriations (Outflow):				
General government	4,488,486	4,488,486	4,209,300	279,186
Public safety	9,130,748	9,130,748	9,091,922	38,826
Community development	1,398,425	1,398,425	1,137,879	260,546
Leisure and cultural	13,239,873	13,239,873	12,951,988	287,885
Public works	7,351,695	7,351,695	6,601,005	750,690
Transfers out	16,871,034	16,871,034	11,417,881	5,453,153
Total Charges to Appropriations	52,480,261	52,480,261	45,409,975	7,070,286
Prior period adjustment	-	-	65,977	65,977
Budgetary Fund Balance, June 30	\$ 40,713,427	\$ 40,713,427	\$ 53,276,247	\$ 12,562,820

See Notes to Required Supplementary Information.

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
 LOW AND MODERATE HOUSING
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,130,927	\$ 17,130,927	\$ 17,130,927	\$ -
Resources (Inflows):				
Use of money and property	80,000	440,849	62,436	(378,413)
Amounts Available for Appropriations	<u>17,210,927</u>	<u>17,571,776</u>	<u>17,193,363</u>	<u>(378,413)</u>
Charges to Appropriations (Outflow):				
Community development	-	-	177,033	(177,033)
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>177,033</u>	<u>(177,033)</u>
Budgetary Fund Balance, June 30	<u>\$ 17,210,927</u>	<u>\$ 17,571,776</u>	<u>\$ 17,016,330</u>	<u>\$ (555,446)</u>

See Notes to Required Supplementary Information

CITY OF LA MIRADA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019**

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)

	2019	2018	2017	2016	2015
Proportion of the Net Position	0.3185%	0.13125%	0.12832%	0.12045%	0.12479%
Proportionate Share of the Net Position	\$ 12,817,505	\$ 13,016,350	\$ 11,103,437	\$ 8,267,283	\$ 7,765,051
Covered Payroll	\$ 5,389,562	\$ 5,102,234	\$ 4,802,406	\$ 4,816,993	\$ 4,817,010
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	237.82%	255.11%	231.21%	171.63%	161.20%
Plan's Fiduciary Net Position	\$ 39,147,943	\$ 39,147,943	\$ 36,727,495	\$ 37,538,806	\$ 37,989,084
Plan's Fiduciary Net Position as a Percentage of Total Pension Liability	76.53%	73.31%	74.06%	78.40%	81.50%

Notes to the Schedule

Benefit Changes:

None

Changes in 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 lowered to 2.75%.

The inflation rate changed to 2.50% from 2.75% from 2017 to 2018.

(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 five 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)**

	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 1,173,871	\$ 987,552	\$ 864,552	\$ 750,770	\$ 604,216
Contributions in Relation to the Actuarially Determined Contribution	(1,173,871)	(987,552)	(864,552)	(750,770)	(604,216)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,582,439	\$ 5,389,562	\$ 5,102,239	\$ 4,802,406	\$ 4,816,993
Contributions as a Percentage of Covered Payroll	21.03%	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 five years are shown. Measurement period information is shown.

Notes to the Schedule

Valuation Date: June 30, 2017

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: 2.50%

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 POSITION LIABILITY AND RELATED
 RATIOS AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	2019	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	273,887	265,910	215,447	209,172	217,403
Interest on Total Pension Liability	720,915	689,114	660,712	616,565	603,869
Benefit Payments	(475,945)	(471,645)	(526,357)	(613,081)	(673,354)
Net Change in Total Pension Liability	518,857	525,720	1,673,149	539,782	147,918
Total Pension Liability- Beginning	11,051,338	10,525,618	8,852,469	8,312,687	8,164,769
Total Pension Liability- Ending	\$ 11,570,195	\$ 11,051,338	\$ 10,525,618	\$ 8,852,469	\$ 8,312,687
PLAN FIDUCIARY NET POSITION					
Benefit Payments	\$ (475,945)	\$ (471,646)	\$ (526,357)	\$ (613,081)	\$ (673,354)
Contributions from the Employer	531,374	432,747	591,611	753,471	794,811
Net Investment Income	605,029	662,945	965,211	(35,877)	201,561
Administrative Expenses	(17,047)	(18,625)	(22,527)	(24,725)	(28,242)
Net Change in Fiduciary Net Position	643,411	605,421	1,007,938	79,788	294,776
Plan Fiduciary Net Position- Beginning	9,595,723	8,990,302	7,982,364	7,902,576	7,607,800
Plan Fiduciary Net Position- Ending	\$ 10,239,134	\$ 9,595,723	\$ 8,990,302	\$ 7,982,364	\$ 7,902,576
Plan Net Pension Liability/(Asset)- Ending	\$ 1,331,061	\$ 1,455,615	\$ 1,535,316	\$ 870,105	\$ 410,111
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.50%	86.83%	85.41%	90.17%	95.07%
Covered Payroll	\$ 4,416,054	\$ 4,592,516	\$ 4,699,822	\$ 4,562,934	\$ 4,664,599
Net Pension Liability as a Percentage of Covered Payroll	30.14%	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 five years are shown. Measurement period information is shown.

(2) Net of administrative expenses

Notes to the 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 (aka Golden Handshakes).

Changes of Assumptions: Inflation rate decreased from 2.75% in 2017 to 2.50% in 2018.

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)

	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 531,374	\$ 432,747	\$ 591,611	\$ 753,471	\$ 794,811
Contributions in Relation to the Actuarially Determined Contribution	(531,374)	(432,747)	(591,611)	(753,471)	(794,811)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Accrual Contributions as a Percentage of Actuarial Determined Contribution	100%	100%	100%	100%	100%
Covered Payroll	\$ 4,416,054	\$ 4,592,516	\$ 4,699,822	\$ 4,562,934	\$ 4,664,599
Contributions as a Percentage of Covered Payroll	12.03%	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 five years are shown. Measurement period information is shown.

Notes to the Schedule

Valuation Date: June 30, 2017

Methods and assumptions used to determine contribution rates

Actuarial Cost Method: Entry age normal
 Amortization Method: Level percent of payroll
 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 POST-EMPLOYMENT BENEFIT PLAN
 SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

MEASUREMENT PERIOD	2019	2018
TOTAL OPEB LIABILITY		
Service Cost	\$ 523,769	\$ 554,685
Interest on Total OPEB Liability	1,050,863	1,053,382
Changes of Benefit Terms	-	-
Difference between Expected and Actual Experience	-	(1,464,863)
Changes of Assumptions	206,176	247,889
Benefit Payments	(666,278)	(668,968)
Net Change in Total OPEB Liability	1,114,530	(277,875)
Total OPEB Liability- Beginning	15,707,797	15,985,672
Total OPEB Liability- Ending	\$ 16,822,327	\$ 15,707,797
OPEB FIDUCIARY NET POSITION		
Contributions from the Employer	\$ 397,582	\$ 378,370
Net Investment Income	1,278,049	1,416,774
Benefit Payments	(666,278)	(668,968)
Other Expenses	(27,371)	-
Administrative Expenses	(10,865)	(10,305)
Net Change in Plan Fiduciary Net Position	971,117	1,115,871
Plan Fiduciary Net Position- Beginning	20,699,467	19,583,596
Plan Fiduciary Net Position- Ending	\$ 21,670,584	\$ 20,699,467
Plan Net OPEB Liability/(Asset)- Ending	\$ (4,848,257)	\$ (4,991,670)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-28.82%	-31.78%
Covered-Employee Payroll	\$ 5,500,000	\$ 5,225,000
Net OPEB Liability as a Percentage of Covered Payroll	-88.15%	-95.53%

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

(1) Fiscal year 2018 was the first year of implementation, therefore only two years are shown

CITY OF LA MIRADA

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

	2019	2018
Contractually Required Contribution	\$ 213,881	\$ 294,620
Contributions	317,080	397,582
Contribution Deficiency (Excess)	<u>\$ (103,199)</u>	<u>\$ (102,962)</u>
Covered Payroll	\$ 5,500,000	\$ 5,380,000
Contributions as a Percentage of Covered Payroll	5.77%	7.39%

(1) Fiscal year 2018 was the first year of implementation, therefore only two years are shown

Notes to the 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	3.25% 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, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,470,325	\$ 6,470,325	\$ 6,470,325	\$ -
Resources (Inflows):				
Use of money and property	60,000	60,000	208,285	148,285
Intergovernmental	3,305,000	3,305,000	549,036	(2,755,964)
Miscellaneous	25,000	25,000	23,026	(1,974)
Transfers in	22,000,000	22,000,000	9,078,061	(12,921,939)
Amounts Available for Appropriations	<u>31,860,325</u>	<u>31,860,325</u>	<u>16,328,733</u>	<u>(15,531,592)</u>
Charges to Appropriations (Outflow):				
Capital outlay	24,830,000	25,283,571	7,116,165	18,167,406
Transfers in	-	-	33,962	(33,962)
Total Charges to Appropriations	<u>24,830,000</u>	<u>25,283,571</u>	<u>7,150,127</u>	<u>18,133,444</u>
Budgetary Fund Balance, June 30	<u>\$ 7,030,325</u>	<u>\$ 6,576,754</u>	<u>\$ 9,178,606</u>	<u>\$ 2,601,852</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.

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, 2019**

	Special Revenue Funds			
	Gas Tax	Local Transportation	Transit	Proposition A
Assets:				
Pooled cash and investments	\$ 2,314,974	\$ -	\$ 493,176	\$ 2,931,922
Receivables:				
Accounts receivable	-	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	11,555	-	2,867	14,528
Prepaid costs	-	-	51,862	-
Due from other governments	-	33,517	306,379	-
Due from other funds	-	-	109,592	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,326,529	\$ 33,517	\$ 963,876	\$ 2,946,450
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 114,279	\$ -
Accrued liabilities	-	-	1,511	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	52,997	33,517	1,019	109,592
Total Liabilities	52,997	33,517	116,809	109,592
Deferred Inflows of Resources:				
Unavailable revenues	-	-	123,286	-
Total Deferred Inflows of Resources	-	-	123,286	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	51,862	-
Restricted for:				
Public safety	-	-	-	-
Leisure and cultural	-	-	671,919	-
Public works	2,273,532	-	-	2,836,858
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficits)	2,273,532	-	723,781	2,836,858
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,326,529	\$ 33,517	\$ 963,876	\$ 2,946,450

(Continued)

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue Funds			
	Proposition C	Measure R	Measure M	Road Maintenance and Rehab
Assets:				
Pooled cash and investments	\$ 2,044,730	\$ 1,469,954	\$ 1,122,708	\$ 1,049,902
Receivables:				
Accounts receivable	-	-	-	-
Taxes	-	-	-	162,299
Notes and loans	-	-	-	-
Accrued interest	10,385	7,466	5,702	5,333
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,055,115	\$ 1,477,420	\$ 1,128,410	\$ 1,217,534
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	345	23,645	-	-
Total Liabilities	345	23,645	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Leisure and cultural	-	-	-	-
Public works	2,054,770	1,453,775	1,128,410	1,217,534
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficits)	2,054,770	1,453,775	1,128,410	1,217,534
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,055,115	\$ 1,477,420	\$ 1,128,410	\$ 1,217,534

(Continued)

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue Funds			
	Park Grants	Air Quality Management Distribution	Housing and Community Development	Used Oil Recycling Grant
Assets:				
Pooled cash and investments	\$ -	\$ 294,593	\$ 34	\$ 24,927
Receivables:				
Accounts receivable	-	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	763,385	-
Accrued interest	-	-	-	-
Prepaid costs	-	-	62,847	-
Due from other governments	400,000	16,675	46,266	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 400,000	\$ 311,268	\$ 872,532	\$ 24,927
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 540
Accrued liabilities	-	-	130	-
Unearned revenue	-	-	-	5,845
Due to other governments	-	-	33,495	-
Due to other funds	400,000	-	75,522	-
Total Liabilities	400,000	-	109,147	6,385
Deferred Inflows of Resources:				
Unavailable revenues	400,000	-	763,385	-
Total Deferred Inflows of Resources	400,000	-	763,385	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	62,847	-
Restricted for:				
Public safety	-	-	-	-
Leisure and cultural	-	-	-	-
Public works	-	311,268	-	18,542
Debt service	-	-	-	-
Unassigned	(400,000)	-	(62,847)	-
Total Fund Balances (deficits)	(400,000)	311,268	-	18,542
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 400,000	\$ 311,268	\$ 872,532	\$ 24,927

(Continued)

CITY OF LA MIRADA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	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	\$ 69,229	\$ 1	\$ 296,782	\$ -	\$ 12,112,932
Receivables:					
Accounts receivable	-	2,146	-	-	2,146
Taxes	-	-	-	-	162,299
Notes and loans	-	-	-	-	763,385
Accrued interest	-	-	-	-	57,836
Prepaid costs	-	-	-	-	114,709
Due from other governments	-	73,616	-	-	876,453
Due from other funds	-	-	-	-	109,592
Restricted assets:					
Cash and investments with fiscal agents	-	-	-	28	28
Total Assets	\$ 69,229	\$ 75,763	\$ 296,782	\$ 28	\$ 14,199,380
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 640	\$ 1,446	\$ -	\$ -	\$ 116,905
Accrued liabilities	188	-	-	-	1,829
Unearned revenue	68,273	73,616	-	-	147,734
Due to other governments	-	-	-	-	33,495
Due to other funds	128	74,316	179,728	13	950,822
Total Liabilities	69,229	149,378	179,728	13	1,250,785
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	1,286,671
Total Deferred Inflows of Resources	-	-	-	-	1,286,671
Fund Balances:					
Nonspendable:					
Prepaid costs	-	-	-	-	114,709
Restricted for:					
Public safety	-	-	117,054	-	117,054
Leisure and cultural	-	-	-	-	671,919
Public works	-	-	-	-	11,294,689
Debt service	-	-	-	15	15
Unassigned	-	(73,615)	-	-	(536,462)
Total Fund Balances (deficits)	-	(73,615)	117,054	15	11,661,924
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 69,229	\$ 75,763	\$ 296,782	\$ 28	\$ 14,199,380

CITY OF LA MIRADA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Gas Tax	Local Transportation	Transit	Proposition A
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 992,442
Intergovernmental	1,008,900	33,517	218,695	-
Use of money and property	54,741	-	21,840	55,928
Total Revenues	1,063,641	33,517	240,535	1,048,370
Expenditures:				
Current:				
Community development	-	-	-	-
Leisure and cultural	-	-	952,263	-
Public works	2,182	-	-	-
Public safety	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,182	-	952,263	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,061,459	33,517	(711,728)	1,048,370
Other financing sources (uses):				
Transfers in	-	-	643,473	-
Transfers out	(1,932,202)	(33,517)	(252,205)	(643,473)
Total Other Financing Sources (Uses)	(1,932,202)	(33,517)	391,268	(643,473)
Net Changes in Fund Balances	(870,743)	-	(320,460)	404,897
Fund Balances (deficit) , Beginning of Fiscal Year	3,144,275	-	1,044,241	2,431,961
Fund Balances (deficit), End of Fiscal Year	\$ 2,273,532	\$ -	\$ 723,781	\$ 2,836,858

(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, 2019

	Special Revenue Funds			
	Proposition C	Measure R	Measure M	Road Maintenance and Rehab
Revenues:				
Taxes	\$ 823,203	\$ 617,579	\$ 695,775	\$ -
Intergovernmental	-	-	-	909,391
Use of money and property	37,715	27,159	19,576	17,022
Total Revenues	860,918	644,738	715,351	926,413
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	860,918	644,738	715,351	926,413
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(139,835)	(255,023)	-	-
Total Other Financing Sources (Uses)	(139,835)	(255,023)	-	-
Net Changes in Fund Balances	721,083	389,715	715,351	926,413
Fund Balances (deficit) , Beginning of Fiscal Year	1,333,687	1,064,060	413,059	291,121
Fund Balances (deficit), End of Fiscal Year	\$ 2,054,770	\$ 1,453,775	\$ 1,128,410	\$ 1,217,534

(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, 2019

	Special Revenue Funds			
	Park Grants	Air Quality Management Distribution	Housing and Community Development	Used Oil Recycling Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	64,320	555,639	12,600
Use of money and property	-	-	-	-
Total Revenues	-	64,320	555,639	12,600
Expenditures:				
Current:				
Community development	-	-	110,525	-
Leisure and cultural	-	-	-	-
Public works	-	-	-	12,600
Public safety	-	-	47,835	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	158,360	12,600
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	64,320	397,279	-
Other financing sources (uses):				
Transfers in	-	-	5,712	-
Transfers out	(400,000)	(61,318)	(402,991)	-
Total Other Financing Sources (Uses)	(400,000)	(61,318)	(397,279)	-
Net Changes in Fund Balances	(400,000)	3,002	-	-
Fund Balances (deficit) , Beginning of Fiscal Year	-	308,266	-	18,542
Fund Balances (deficit), End of Fiscal Year	\$ (400,000)	\$ 311,268	\$ -	\$ 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, 2019

	Special Revenue Funds			Debt Service Fund	Total Governmental Funds
	Beverage Container Recycling	Federal Grants	State Public Safety Grant	Debt Service Fund	
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,128,999
Intergovernmental	97,807	155,611	148,747	-	3,205,227
Use of money and property	-	-	-	32	234,013
Total Revenues	97,807	155,611	148,747	32	6,568,239
Expenditures:					
Current:					
Community development	-	-	-	-	110,525
Leisure and cultural	-	-	-	-	952,263
Public works	15,568	55,632	-	-	85,982
Public safety	-	-	-	-	47,835
Debt service:					
Principal retirement	-	-	-	520,000	520,000
Interest and fiscal charges	-	-	-	321,443	321,443
Total Expenditures	15,568	55,632	-	841,443	2,038,048
Excess (Deficiency) of Revenues Over (Under) Expenditures	82,239	99,979	148,747	(841,411)	4,530,191
Other financing sources (uses):					
Transfers in	-	-	-	841,407	1,490,592
Transfers out	(82,239)	(155,611)	(239,296)	-	(4,597,710)
Total Other Financing Sources (Uses)	(82,239)	(155,611)	(239,296)	841,407	(3,107,118)
Net Changes in Fund Balances	-	(55,632)	(90,549)	(4)	1,423,073
Fund Balances (deficit) , Beginning of Fiscal Year	-	(17,983)	207,603	19	10,238,851
Fund Balances (deficit), End of Fiscal Year	\$ -	\$ (73,615)	\$ 117,054	\$ 15	\$ 11,661,924

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
GAS TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,144,275	\$ 3,144,275	\$ 3,144,275	\$ -
Resources (Inflows):				
Intergovernmental	1,221,164	1,221,164	1,008,900	(212,264)
Use of money and property	56,198	56,198	54,741	(1,457)
Amounts Available for Appropriations	<u>4,421,637</u>	<u>4,421,637</u>	<u>4,207,916</u>	<u>(213,721)</u>
Charges to Appropriations (Outflow):				
Public works	1,800	1,800	2,182	(382)
Transfers out	3,776,507	3,776,507	1,932,202	1,844,305
Total Charges to Appropriations	<u>3,778,307</u>	<u>3,778,307</u>	<u>1,934,384</u>	<u>1,843,923</u>
Budgetary Fund Balance, June 30	<u>\$ 643,330</u>	<u>\$ 643,330</u>	<u>\$ 2,273,532</u>	<u>\$ 1,630,202</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
LOCAL TRANSPORTATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	33,000	33,000	33,517	517
Amounts Available for Appropriations	33,000	33,000	33,517	517
Charges to Appropriations (Outflow):				
Transfers out	33,000	33,000	33,517	(517)
Total Charges to Appropriations	33,000	33,000	33,517	(517)
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
TRANSIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,044,241	\$ 1,044,241	\$ 1,044,241	\$ -
Resources (Inflows):				
Intergovernmental	699,626	699,626	218,695	(480,931)
Use of money and property	5,000	5,000	21,840	16,840
Transfers in	698,247	698,247	643,473	(54,774)
Amounts Available for Appropriations	2,447,114	2,447,114	1,928,249	(518,865)
Charges to Appropriations (Outflow):				
Leisure and cultural	1,032,379	1,032,379	952,263	80,116
Transfers out	449,535	449,535	252,205	197,330
Total Charges to Appropriations	1,481,914	1,481,914	1,204,468	277,446
Budgetary Fund Balance, June 30	\$ 965,200	\$ 965,200	\$ 723,781	\$ (241,419)

CITY OF LA MIRADA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION A
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,431,961	\$ 2,431,961	\$ 2,431,961	\$ -
Resources (Inflows):				
Taxes	944,839	944,839	992,442	47,603
Use of money and property	25,000	25,000	55,928	30,928
Amounts Available for Appropriations	<u>3,401,800</u>	<u>3,401,800</u>	<u>3,480,331</u>	<u>78,531</u>
Charges to Appropriations (Outflow):				
Transfers out	698,247	698,247	643,473	54,774
Total Charges to Appropriations	<u>698,247</u>	<u>698,247</u>	<u>643,473</u>	<u>54,774</u>
Budgetary Fund Balance, June 30	<u>\$ 2,703,553</u>	<u>\$ 2,703,553</u>	<u>\$ 2,836,858</u>	<u>\$ 133,305</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,333,687	\$ 1,333,687	\$ 1,333,687	\$ -
Resources (Inflows):				
Taxes	783,589	783,589	823,203	39,614
Use of money and property	12,000	12,000	37,715	25,715
Amounts Available for Appropriations	<u>2,129,276</u>	<u>2,129,276</u>	<u>2,194,605</u>	<u>65,329</u>
Charges to Appropriations (Outflow):				
Transfers out	500,000	500,000	139,835	360,165
Total Charges to Appropriations	<u>500,000</u>	<u>500,000</u>	<u>139,835</u>	<u>360,165</u>
Budgetary Fund Balance, June 30	<u>\$ 1,629,276</u>	<u>\$ 1,629,276</u>	<u>\$ 2,054,770</u>	<u>\$ 425,494</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,064,060	\$ 1,064,060	\$ 1,064,060	\$ -
Resources (Inflows):				
Taxes	586,108	586,108	617,579	31,471
Use of money and property	20,000	20,000	27,159	7,159
Amounts Available for Appropriations	1,670,168	1,670,168	1,708,798	38,630
Charges to Appropriations (Outflow):				
Transfers out	1,640,772	1,640,772	255,023	1,385,749
Total Charges to Appropriations	1,640,772	1,640,772	255,023	1,385,749
Budgetary Fund Balance, June 30	\$ 29,396	\$ 29,396	\$ 1,453,775	\$ 1,424,379

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
MEASURE M
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 413,059	\$ 413,059	\$ 413,059	\$ -
Resources (Inflows):				
Taxes	629,342	629,342	695,775	66,433
Use of money and property	3,500	3,500	19,576	16,076
Amounts Available for Appropriations	1,045,901	1,045,901	1,128,410	82,509
Charges to Appropriations (Outflow):				
Transfers out	904,477	904,477	-	904,477
Total Charges to Appropriations	904,477	904,477	-	904,477
Budgetary Fund Balance, June 30	\$ 141,424	\$ 141,424	\$ 1,128,410	\$ 986,986

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
ROAD MAINTENANCE AND REHAB
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 291,121	\$ 291,121	\$ 291,121	\$ -
Resources (Inflows):				
Intergovernmental	820,903	820,903	909,391	88,488
Use of money and property	1,000	1,000	17,022	16,022
Amounts Available for Appropriations	<u>1,113,024</u>	<u>1,113,024</u>	<u>1,217,534</u>	<u>104,510</u>
Charges to Appropriations (Outflow):				
Transfers out	1,106,654	1,106,654	-	1,106,654
Total Charges to Appropriations	<u>1,106,654</u>	<u>1,106,654</u>	<u>-</u>	<u>1,106,654</u>
Budgetary Fund Balance, June 30	<u>\$ 6,370</u>	<u>\$ 6,370</u>	<u>\$ 1,217,534</u>	<u>\$ 1,211,164</u>

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
PARK GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	-	400,000	-	(400,000)
Amounts Available for Appropriations	-	400,000	-	(400,000)
Charges to Appropriations (Outflow):				
Transfers out	-	400,000	400,000	-
Total Charges to Appropriations	-	400,000	400,000	-
Budgetary Fund Balance (deficit), June 30	\$ -	\$ -	\$ (400,000)	\$ (400,000)

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY MANAGEMENT DISTRIBUTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 308,266	\$ 308,266	\$ 308,266	\$ -
Resources (Inflows):				
Intergovernmental	64,000	64,000	64,320	320
Amounts Available for Appropriations	372,266	372,266	372,586	320
Charges to Appropriations (Outflow):				
Transfers out	76,000	76,000	61,318	14,682
Total Charges to Appropriations	76,000	76,000	61,318	14,682
Budgetary Fund Balance, June 30	\$ 296,266	\$ 296,266	\$ 311,268	\$ 15,002

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
HOUSING AND COMMUNITY DEVELOPMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	636,550	736,550	555,639	(180,911)
Transfers in	-	-	5,712	5,712
Amounts Available for Appropriations	636,550	736,550	561,351	(175,199)
Charges to Appropriations (Outflow):				
Public safety	43,489	43,489	47,835	(4,346)
Community development	293,061	293,061	110,525	182,536
Transfers out	300,000	400,000	402,991	(2,991)
Total Charges to Appropriations	636,550	736,550	561,351	175,199
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
USED OIL RECYCLING GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	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	12,600	(3,400)
Amounts Available for Appropriations	34,542	34,542	31,142	(3,400)
Charges to Appropriations (Outflow):				
Public works	16,000	16,000	12,600	3,400
Total Charges to Appropriations	16,000	16,000	12,600	3,400
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, 2019**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	108,444	108,444	97,807	(10,637)
Amounts Available for Appropriations	108,444	108,444	97,807	(10,637)
Charges to Appropriations (Outflow):				
Public Works	22,444	22,444	15,568	6,876
Transfer out	86,000	86,000	82,239	3,761
Total Charges to Appropriations	108,444	108,444	97,807	10,637
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (17,983)	\$ (17,983)	\$ (17,983)	\$ -
Resources (Inflows):				
Intergovernmental	325,000	325,000	155,611	(169,389)
Amounts Available for Appropriations	307,017	307,017	137,628	(169,389)
Charges to Appropriations (Outflow):				
Leisure and cultural	325,000	325,000	-	325,000
Transfers out	-	-	155,611	(155,611)
Total Charges to Appropriations	325,000	325,000	155,611	169,389
Budgetary Fund Balance (deficit), June 30	\$ (17,983)	\$ (17,983)	\$ (17,983)	\$ -

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
STATE PUBLIC SAFETY GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 207,603	\$ 207,603	\$ 207,603	\$ -
Resources (Inflows):				
Intergovernmental	135,000	135,000	148,747	13,747
Amounts Available for Appropriations	342,603	342,603	356,350	13,747
Charges to Appropriations (Outflow):				
Transfers out	100,000	100,000	239,296	(139,296)
Total Charges to Appropriations	100,000	100,000	239,296	(139,296)
Budgetary Fund Balance, June 30	\$ 242,603	\$ 242,603	\$ 117,054	\$ (125,549)

CITY OF LA MIRADA

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 19	\$ 19	\$ 19	\$ -
Resources (Inflows):				
Use of money and property	-	-	32	32
Transfers in	841,443	841,443	841,407	(36)
Amounts Available for Appropriations	841,462	841,462	841,458	(4)
Charges to Appropriations (Outflow):				
Principal retirement	520,000	520,000	520,000	-
Interest and fiscal charges	321,443	321,443	321,443	-
Total Charges to Appropriations	841,443	841,443	841,443	-
Budgetary Fund Balance, June 30	\$ 19	\$ 19	\$ 15	\$ (4)

CITY OF LA MIRADA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2019

	<u>Employee Benefits</u>	<u>Equipment Replacement</u>	<u>Totals</u>
Assets:			
Current:			
Cash and investments	\$ 1,558,686	\$ 4,139,726	\$ 5,698,412
Receivables:			
Accrued interest	2,838	-	2,838
Prepaid costs	267,253	-	267,253
Due from other funds	87,049	-	87,049
Restricted:			
Cash and investments with fiscal agents	3,711,443	-	3,711,443
Total Current Assets	<u>5,627,269</u>	<u>4,139,726</u>	<u>9,766,995</u>
Noncurrent:			
Net OPEB asset	4,865,722	-	4,865,722
Capital assets, net of accumulated depreciation	-	922,588	922,588
Total Noncurrent Assets	<u>4,865,722</u>	<u>922,588</u>	<u>5,788,310</u>
Total Assets	<u>10,492,991</u>	<u>5,062,314</u>	<u>15,555,305</u>
Deferred Outflow of Resources:			
Deferred pension related items	4,153,055	-	4,153,055
Deferred OPEB related items	650,119	-	650,119
Total Deferred Outflow of Resources	<u>4,803,174</u>	<u>-</u>	<u>4,803,174</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 15,296,165</u>	<u>\$ 5,062,314</u>	<u>\$ 20,358,479</u>
Liabilities:			
Current:			
Accounts payable	\$ 5,621	\$ 17,505	\$ 23,126
Accrued liabilities	64,288	-	64,288
Total Current Liabilities	<u>69,909</u>	<u>17,505</u>	<u>87,414</u>
Noncurrent:			
Net pension liability	14,148,565	-	14,148,565
Total Noncurrent Liabilities	<u>14,148,565</u>	<u>-</u>	<u>14,148,565</u>
Total Liabilities	<u>14,218,474</u>	<u>17,505</u>	<u>14,235,979</u>
Deferred Inflow of Resources:			
Deferred pension related items	1,553,318	-	1,553,318
Deferred OPEB related items	1,005,956	-	1,005,956
Total Deferred Inflow of Resources	<u>2,559,274</u>	<u>-</u>	<u>2,559,274</u>
Net Position:			
Investment in capital assets	-	922,588	922,588
Restricted for pension	3,711,443	-	3,711,443
Unrestricted	(5,193,026)	4,122,221	(1,070,805)
Total Net Position	<u>(1,481,583)</u>	<u>5,044,809</u>	<u>3,563,226</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 15,296,165</u>	<u>\$ 5,062,314</u>	<u>\$ 20,358,479</u>

CITY OF LA MIRADA

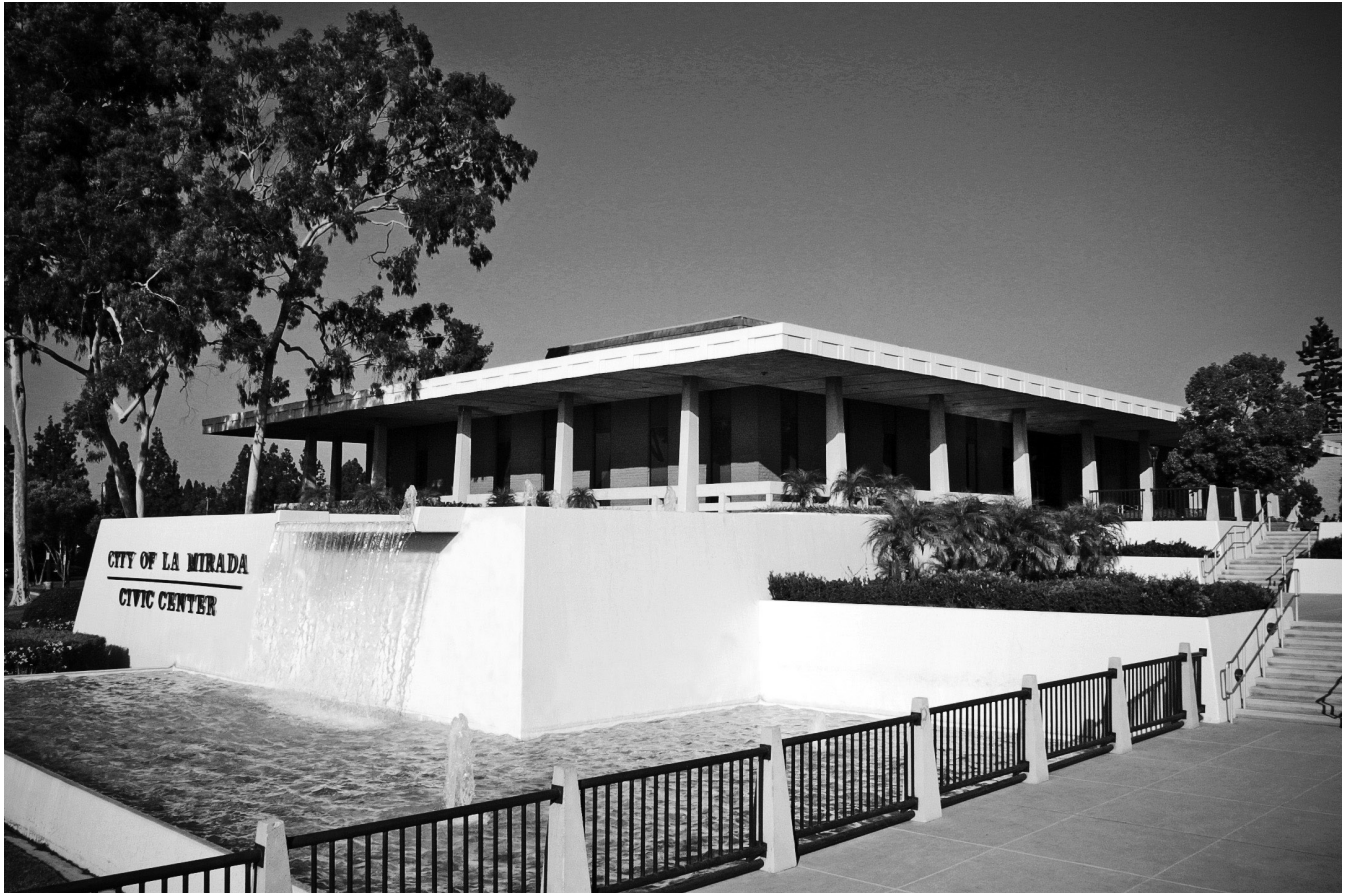
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Employee Benefits	Equipment Replacement	Totals
Operating Revenues:			
Sales and service charges	\$ 4,112,180	\$ -	\$ 4,112,180
Total Operating Revenues	<u>4,112,180</u>	<u>-</u>	<u>4,112,180</u>
Operating Expenses			
Administration and general	4,401,177	-	4,401,177
Depreciation expense	-	173,358	173,358
Total Operating Expenses	<u>4,401,177</u>	<u>173,358</u>	<u>4,574,535</u>
Operating Income (Loss)	<u>(288,997)</u>	<u>(173,358)</u>	<u>(462,355)</u>
Nonoperating Revenues (Expenses)			
Miscellaneous revenue	20,693	-	20,693
Interest revenue	182,244	-	182,244
Total Nonoperating Revenues (Expenses)	<u>202,937</u>	<u>-</u>	<u>202,937</u>
Income (Loss) Before Transfers	<u>(86,060)</u>	<u>(173,358)</u>	<u>(259,418)</u>
Transfers In	4,500,000	395,761	4,895,761
Transfers Out	-	(234,000)	(234,000)
Changes in Net Position	<u>4,413,940</u>	<u>(11,597)</u>	<u>4,402,343</u>
Net Position:			
Beginning of Fiscal Year	<u>(5,895,523)</u>	<u>5,056,406</u>	<u>(839,117)</u>
End of Fiscal Year	<u>\$ (1,481,583)</u>	<u>\$ 5,044,809</u>	<u>\$ 3,563,226</u>

CITY OF LA MIRADA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Employee Benefits	Equipment Replacement	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 4,112,180	\$ -	\$ 4,112,180
Cash paid to employees for services	(4,570,271)	-	(4,570,271)
Net Cash Provided (Used) by Operating Activities	<u>(458,091)</u>	<u>-</u>	<u>(458,091)</u>
Cash Flows from Non-Capital Financing Activities:			
Cash transferred in Section 115 Trust for Pension	3,500,000	-	3,500,000
Cash transferred in	1,000,000	395,761	1,395,761
Cash transferred out	-	(234,000)	(234,000)
Miscellaneous revenue	20,693	-	20,693
Loan provided to other funds	(16,470)	-	(16,470)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>4,504,223</u>	<u>161,761</u>	<u>4,665,984</u>
Cash Flows from Capital and Related Financing Activities:			
Purchases of capital assets	-	(461,528)	(461,528)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(461,528)</u>	<u>(461,528)</u>
Cash Flows from Investing Activities:			
Interest received	184,023	-	184,023
Net Cash Provided (Used) by Investing Activities	<u>184,023</u>	<u>-</u>	<u>184,023</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,230,155	(299,767)	3,930,388
Cash and Cash Equivalents at Beginning of Fiscal Year	1,039,974	4,439,493	5,479,467
Cash and Cash Equivalents at End of Fiscal Year	<u>\$ 5,270,129</u>	<u>\$ 4,139,726</u>	<u>\$ 9,409,855</u>
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (288,997)	\$ (173,358)	\$ (462,355)
Adjustment to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	-	173,358	173,358
(Increase) decrease in prepaid expense	(11,455)	-	(11,455)
(Increase) decrease in Net OPEB asset	125,948	-	125,948
(Increase) decrease in deferred outflows of pension related items	823,379	-	823,379
(Increase) decrease in deferred outflows of OPEB related items	(150,349)	-	(150,349)
Increase (decrease) in accounts payable	652	-	652
Increase (decrease) in accrued liabilities	8,938	-	8,938
Increase (decrease) in pension liability	(323,400)	-	(323,400)
Increase (decrease) in deferred inflows of pension related items	(313,567)	-	(313,567)
Increase (decrease) in deferred inflows of OPEB related items	(329,240)	-	(329,240)
Total Adjustments	<u>(169,094)</u>	<u>173,358</u>	<u>4,264</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (458,091)</u>	<u>\$ -</u>	<u>\$ (458,091)</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	116
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	126
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	130
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	134
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	138
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				
	2010	2011	2012	2013	2014
Governmental activities					
Net investment in capital assets	\$ 75,122,496	\$ 78,551,384	\$ 86,393,863	\$ 86,581,992	\$ 89,231,607
Restricted	54,395,377	44,396,590	31,821,550	34,083,335	34,152,613
Unrestricted	(52,580,668)	(36,970,120)	78,396,007	58,831,878	70,649,632
Total Governmental activities net position	<u>\$ 76,937,205</u>	<u>\$ 85,977,854</u>	<u>\$ 196,611,420</u>	<u>\$ 179,497,205</u>	<u>\$ 194,033,852</u>

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

	Fiscal Year				
	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 92,636,224	\$ 98,459,941	\$ 100,334,511	\$ 110,678,984	\$ 110,979,588
Restricted	29,733,496	30,996,348	34,605,983	34,968,925	42,951,512
Unrestricted	72,325,004	78,562,920	82,798,144	51,143,449	51,439,075
Total Governmental activities net position	<u>\$ 194,694,724</u>	<u>\$ 208,019,209</u>	<u>\$ 217,738,638</u>	<u>\$ 196,791,358</u>	<u>\$ 205,370,175</u>

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

	Fiscal Year				
	2010	2011	2012	2013	2014
Expenses					
Governmental activities:					
General government	\$ 10,264,609	\$ 7,669,085	\$ 5,520,210	\$ 5,559,670	\$ 4,051,569
Public safety	8,703,105	8,297,156	8,334,949	8,855,190	9,197,072
Community development	2,253,928	1,980,295	1,777,873	8,883,197	1,411,686
Leisure and cultural	10,944,535	10,330,598	11,227,411	11,476,686	11,689,280
Public works	8,139,643	6,886,493	8,371,189	7,727,791	7,655,602
Interest on long-term debt	8,596,585	8,500,077	2,375,254	484,884	516,449
Total Governmental activities expenses	<u>\$ 48,902,405</u>	<u>\$ 43,663,704</u>	<u>\$ 37,606,886</u>	<u>\$ 42,987,418</u>	<u>\$ 34,521,658</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,230,312	\$ 985,339	\$ 639,799	\$ 169,930	\$ 454,754
Public safety	600,672	709,304	619,303	631,442	622,233
Community development	26,055	46,892	695,572	840,083	1,357,604
Leisure and cultural	5,731,830	6,081,552	7,512,999	7,141,228	7,928,099
Operating grants and contributions	3,572,312	3,661,473	2,644,092	3,589,280	2,658,984
Capital grants and contributions	974,126	1,757,133	6,205,538	55,794	3,254,432
Total Governmental activities program revenues	<u>\$ 12,135,307</u>	<u>\$ 13,241,693</u>	<u>\$ 18,317,303</u>	<u>\$ 12,427,757</u>	<u>\$ 16,276,106</u>

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

	Fiscal Year				
	2010	2011	2012	2013	2014
Net (Expense)/Revenue					
Total Governmental activities	\$ (36,767,098)	\$ (30,422,011)	\$ (19,289,583)	\$ (30,559,661)	\$ (18,245,552)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 19,313,343	\$ 19,148,372	\$ 12,958,009	\$ 9,661,518	\$ 9,513,978
Transient occupancy taxes	803,425	1,024,679	973,207	1,218,046	1,366,458
Sales taxes	9,270,279	10,296,965	11,709,498	13,572,127	15,209,182
Franchise taxes	2,493,098	2,630,099	2,542,800	2,590,407	2,723,472
Business licenses taxes	347,448	314,324	303,618	294,963	326,759
Other taxes	437,351	830,124	181,954	199,933	140,720
Motor vehicle licenses taxes	148,048	256,058	25,873	21,415	-
Use of money and property	5,376,050	4,924,485	3,748,366	963,339	979,340
Other	64,110	37,554	5,000	94,837	2,522,290
Extraordinary gain	-	-	97,474,824	(14,879,577)	-
Transfers	4,906,400	-	-	-	-
Total Governmental activities	43,159,552	39,462,660	129,923,149	13,737,008	32,782,199
Business-type activities:					
Transfers	(4,906,400)	-	-	-	-
Total Business-type activities	(4,906,400)	-	-	-	-
Total Primary Government	\$ 38,253,152	\$ 39,462,660	\$ 129,923,149	\$ 13,737,008	\$ 32,782,199
Change in Net Position					
Governmental activities	\$ 6,392,454	\$ 9,040,649	\$ 110,633,566	\$ (16,822,653)	\$ 14,536,647
Business-type activities	(4,906,400)	-	-	-	-
Total Primary Government	\$ 1,486,054	\$ 9,040,649	\$ 110,633,566	\$ (16,822,653)	\$ 14,536,647

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

	Fiscal Year				
	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 4,357,631	\$ 3,837,337	\$ 4,269,803	\$ 5,500,199	\$ 5,199,411
Public safety	9,196,201	9,608,429	9,918,822	10,243,673	10,730,616
Community development	1,468,225	1,654,271	1,604,363	1,695,533	1,821,830
Leisure and cultural	12,675,136	12,527,600	16,851,879	14,246,995	15,024,825
Public works	8,911,393	10,474,615	10,226,731	8,432,866	10,706,760
Interest on long-term debt	497,387	581,770	239,259	228,533	203,471
Total Governmental activities expenses	<u>\$ 37,105,973</u>	<u>\$ 38,684,022</u>	<u>\$ 43,110,857</u>	<u>\$ 40,347,799</u>	<u>\$ 43,686,913</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 380,234	\$ 608,738	\$ 263,146	\$ 250,908	\$ 288,088
Public safety	574,620	536,923	451,423	436,244	398,026
Community development	1,141,022	1,728,665	1,737,160	1,904,314	1,632,884
Leisure and cultural	8,619,081	9,016,600	9,274,713	9,252,833	10,053,294
Operating contributions and grants	2,274,058	3,840,893	853,969	857,651	1,269,811
Capital contributions and grants	2,798,127	4,894,510	7,066,852	3,790,629	6,219,599
Total Governmental activities program revenues	<u>\$ 15,787,142</u>	<u>\$ 20,626,329</u>	<u>\$ 19,647,263</u>	<u>\$ 16,492,579</u>	<u>\$ 19,861,702</u>

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

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net (Expense)/Revenue					
Total Governmental activities	\$ (21,318,831)	\$ (18,057,693)	\$ (23,463,594)	\$ (23,855,220)	\$ (23,825,211)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 10,178,680	\$ 10,752,452	\$ 11,237,676	\$ 11,828,869	\$ 12,409,984
Transient occupancy tax	1,500,392	1,690,411	1,543,509	1,408,898	1,526,916
Sales taxes	16,658,358	13,879,537	16,374,977	15,560,083	11,123,367
Franchise taxes	2,767,895	2,786,450	2,795,690	3,025,456	3,043,023
Business licenses taxes	310,968	332,985	325,734	336,664	357,197
Other taxes	207,778	-	-	-	-
Motor vehicle in lieu	20,685	19,981	22,238	26,021	23,804
Use of money and property	1,040,369	1,280,129	716,025	1,605,189	3,838,123
Other	289,002	423,104	167,174	165,279	132,877
Extraordinary gain (loss)	-	-	-	(24,828,264)	-
Total Governmental activities	<u>32,974,127</u>	<u>31,165,049</u>	<u>33,183,023</u>	<u>9,128,195</u>	<u>32,455,291</u>
Change in Net Position					
Governmental activities	\$ 11,655,296	\$ 13,107,356	\$ 9,719,429	\$ (14,727,025)	\$ 8,630,080
Total Primary Government	<u>\$ 11,655,296</u>	<u>\$ 13,107,356</u>	<u>\$ 9,719,429</u>	<u>\$ (14,727,025)</u>	<u>\$ 8,630,080</u>

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

	FISCAL YEAR				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund					
Reserved	\$ 31,308,820	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	27,834,161	27,633,979	27,601,922	25,775,961
Unreserved	16,959,343	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	6,625,000	6,625,000
Assigned	-	-	-	-	5,833,389
Unassigned	-	20,693,194	24,253,682	20,143,084	21,178,368
Total General Fund	<u>\$ 48,268,163</u>	<u>\$ 48,527,355</u>	<u>\$ 51,887,661</u>	<u>\$ 54,370,006</u>	<u>\$ 59,412,718</u>
All Other Governmental Funds					
Reserved	\$ 26,471,271	\$ -	\$ -	\$ -	\$ -
Unreserved:					
Unreserved, reported in nonmajor:					
Special revenue funds	5,826,119	-	-	-	-
Capital projects fund	(528,436)	-	-	-	-
Designated for:					
Capital projects	12,566,623	-	-	-	-
Debt service funds	(28,655,632)	-	-	-	-
Nonspendable	-	25,946,094	53,485,934	528,436	57,574
Restricted for:					
Community development	-	9	-	-	-
Public safety	-	102,100	88,693	105,856	109,725
Leisure and cultural	-	1,918,490	778,849	1,273,031	1,454,637
Public works	-	4,350,060	4,554,036	7,397,750	5,642,805
Capital projects	-	11,531,958	-	-	3,145,007
Low and Moderate Housing	-	-	-	16,809,744	16,857,726
Debt service	-	1,076,315	1,076,453	1,077,564	1,051,750
Unassigned	-	(29,434,825)	26,561,735	(1,962)	-
Total All Other Governmental Funds	<u>\$ 15,679,945</u>	<u>\$ 15,490,201</u>	<u>\$ 86,545,700</u>	<u>\$ 27,190,419</u>	<u>\$ 28,319,224</u>

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

	FISCAL YEAR				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	25,282,224	25,184,832	25,340,399	933,879	740,597
Unreserved	-	-	-	-	-
Restricted	-	-	18,623	19,623	48,209
Committed	6,625,000	6,625,000	6,625,000	6,625,000	6,966,503
Assigned	7,137,653	8,023,549	11,204,706	9,387,298	8,093,954
Unassigned	26,239,183	31,630,728	33,994,657	36,151,120	37,426,984
Total General Fund	<u>\$ 65,284,060</u>	<u>\$ 71,464,109</u>	<u>\$ 77,183,385</u>	<u>\$ 53,116,920</u>	<u>\$ 53,276,247</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:					
Unreserved, reported in nonmajor:					
Special revenue funds	-	-	-	-	-
Capital projects fund	-	-	-	-	-
Designated for:					
Capital projects	-	-	-	-	-
Debt service funds	-	-	-	-	-
Nonspendable	12,818	7,836	47,193	42,477	114,709
Restricted for:					
Community development	-	-	-	-	-
Public safety	53,717	103,444	187,328	207,603	117,054
Leisure and cultural	1,576,309	601,631	607,169	1,396,840	671,919
Public works	6,758,110	8,494,121	9,220,267	8,591,912	11,294,689
Capital projects	3,211,815	4,324,995	6,400,299	6,470,325	9,178,606
Low and Moderate Housing	17,068,977	17,012,205	17,077,739	17,130,927	17,016,330
Debt service	1,051,750	55,523	51,890	19	15
Unassigned	-	-	-	-	(536,462)
Total All Other Governmental Funds	<u>\$ 29,733,496</u>	<u>\$ 30,599,755</u>	<u>\$ 33,591,885</u>	<u>\$ 33,840,103</u>	<u>\$ 37,856,860</u>

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

	FISCAL YEAR				
	2010	2011	2012	2013	2014
Revenues					
Taxes	\$ 32,972,100	\$ 34,721,315	\$ 29,843,830	\$ 28,767,326	\$ 31,308,978
Licenses and permits	654,882	891,207	745,278	867,388	1,363,566
Intergovernmental	4,085,201	3,439,471	3,381,677	2,768,723	4,544,490
Charges for services	6,058,797	6,253,631	8,153,135	7,314,020	8,420,887
Use of money and property	5,393,378	2,645,372	2,652,528	897,361	930,368
Fines and penalties	555,850	641,179	554,301	560,895	576,987
Miscellaneous	27,602	68,013	19,959	134,195	2,523,540
Contributions	39,722	28,713	2,386,236	45,409	50,460
Total revenues	49,787,532	48,688,901	47,736,944	41,355,317	49,719,276
Expenditures					
Current:					
General government	10,215,234	7,453,971	4,800,297	3,679,288	2,901,537
Public safety	7,950,681	7,481,904	7,521,387	7,506,665	7,788,347
Community development	2,058,652	1,791,027	1,565,395	2,028,689	1,063,067
Leisure and cultural	10,416,447	9,946,396	10,800,649	10,423,318	10,985,313
Public works	7,487,466	6,282,179	7,480,792	6,522,535	6,268,710
Capital outlay	2,212,063	5,634,803	10,234,039	4,608,363	6,793,685
Debt service:					
Interest and fiscal charges	8,576,531	7,636,610	3,146,930	493,108	524,871
Principal retirement	2,897,149	2,952,145	2,830,080	470,508	494,307
Payments to escrow agent	-	-	-	-	-
Debt issuance costs	-	-	-	-	-
Total expenditures	51,814,223	49,179,035	48,379,569	35,732,474	36,819,837
Excess of revenues over (under) expenditures	(2,026,691)	(490,134)	(642,625)	5,622,843	12,899,439
Other Financing Sources (Uses)					
Long-term debt issued	17,750,357	322,926	-	-	-
Premium on long-term debt issued	72,994	-	-	-	-
Discount on long-term debt issued	(109,900)	-	-	-	-
Capital leases	-	-	11,659	78,300	23,149
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	17,415,717	16,990,767	15,239,592	7,803,854	10,040,241
Transfers out	(18,322,016)	(16,754,111)	(15,639,592)	(7,803,854)	(10,166,312)
Total other financing sources (uses)	6,642,152	559,582	2,263,428	(6,757,516)	(102,922)
Extraordinary gain/(loss)	-	-	20,907,341	(10,475,602)	-
Net change in fund balances	\$ 4,615,461	\$ 69,448	\$ 22,528,144	\$ (11,610,275)	\$ 12,796,517
Debt service as a percentage of noncapital expenditures	23.21%	24.34%	15.66%	3.05%	3.38%

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

	FISCAL YEAR				
	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 32,878,469	\$ 29,102,576	\$ 29,866,496	\$ 29,584,649	\$ 26,480,240
Licenses and permits	1,174,342	1,728,665	1,606,646	1,749,347	1,448,976
Intergovernmental	2,297,352	10,808,767	10,792,661	7,928,656	9,510,214
Charges for services	9,018,482	9,397,012	9,672,274	9,668,431	10,520,523
Use of money and property	1,001,472	1,280,094	713,604	888,842	3,635,183
Fines and penalties	522,223	488,483	412,549	392,532	367,195
Miscellaneous	289,002	430,463	167,174	165,279	132,877
Contributions	1,093,748	75,499	-	-	-
Total revenues	48,275,090	53,311,559	53,231,404	50,377,736	52,095,208
Expenditures					
Current:					
General government	3,689,154	3,434,507	3,403,925	4,089,825	4,209,300
Public safety	7,700,751	8,229,995	8,450,901	8,737,816	9,139,757
Community development	1,102,740	1,298,546	1,209,563	1,298,584	1,425,437
Leisure and cultural	11,935,815	11,812,550	12,432,003	12,894,242	13,904,251
Public works	7,633,226	6,371,702	6,181,596	6,488,956	6,686,987
Capital outlay	7,935,054	12,732,374	10,855,245	14,946,592	7,116,165
Debt service:					
Interest and fiscal charges	506,071	486,471	351,875	336,594	321,443
Principal retirement	516,581	538,078	490,000	505,000	520,000
Payments to escrow agent	-	10,862,679	-	-	-
Debt issuance costs	-	197,205	-	-	-
Total expenditures	41,019,392	55,964,107	43,375,108	49,297,609	43,323,340
Excess of revenues over (under) expenditures	7,255,698	(2,652,548)	9,856,296	1,080,127	8,771,868
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	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	11,357,976	12,672,882	12,332,201	16,932,916	11,387,792
Transfers out	(11,357,976)	(12,672,882)	(13,477,091)	(17,003,026)	(16,049,553)
Total other financing sources (uses)	29,916	10,085,437	(1,144,890)	(70,110)	(4,661,761)
Extraordinary gain/(loss)	-	-	-	(24,828,264)	-
Net change in fund balances	\$ 7,285,614	\$ 7,432,889	\$ 8,711,406	\$ (23,818,247)	\$ 4,110,107
Debt service as a percentage of noncapital expenditures	3.09%	2.91%	2.22%	2.43%	2.18%

	FY 2019
Total expenditures	43,323,340
Less: Capital outlay	4,670,271
Noncapital expenditures	38,653,069
Debt service expenditures	841,443
Percentage of noncapital expenditures	2.18%

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

<u>Taxpayer</u>	<u>2019</u>		<u>2010</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	\$ 122,884,905	1.84%	\$ -	0.00%
BPP Shiraz La Mirada LP	\$ 71,275,000	1.07%	\$ -	0.00%
PR 1 La Mirada Industrial California LLC	\$ 50,167,019	0.75%	\$ 46,818,000	0.96%
Price Reit Inc.	\$ 48,315,870	0.72%	\$ 44,861,458	0.92%
USF Propco LLC	\$ 47,330,816	0.71%	\$ 41,820,000	0.86%
Dexus Socal LLC	\$ 39,259,029	0.59%	\$ -	0.00%
Lanting Family LLC	\$ 36,153,900	0.54%	\$ -	0.00%
Southern California Edison Company	\$ 30,502,354	0.46%	\$ -	0.00%
IDIG Industry Circle	\$ 28,101,000	0.42%	\$ -	0.00%
Icon Owner Pool 3 West LLC	\$ 27,843,173	0.42%	\$ -	0.00%
LBA Realty Fundholding Company II LLC	-	0.00%	\$ 36,285,301	0.75%
MC and CJA LLC	-	0.00%	\$ 27,840,253	0.57%
Rohm and Haas Delaware Valley Inc.	-	0.00%	\$ 27,697,640	0.57%
UDR Rosebeach Apartments II LP	-	0.00%	\$ 23,340,371	0.48%
AMB AMS Operating Partnership LP	-	0.00%	\$ 21,905,884	0.45%
Prim Desman Industrial LLC	-	0.00%	\$ 19,581,570	0.40%
Newage La Mirada Inn LLC	-	0.00%	\$ 18,273,896	0.38%
Top Ten Totals	<u>\$ 501,833,066</u>	<u>7.50%</u>	<u>\$ 290,150,477</u>	<u>5.96%</u>
City Totals	\$ 6,690,574,916		\$ 4,866,344,746	

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
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%
2019	\$ 6,508,335	\$ 6,071,765	93.29%	\$ (49,638)	\$6,022,127	92.53%

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	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Residential	3,369,865,912	3,386,246,339	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	4,708,721,385
Commercial	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	420,825,565
Industrial	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	1,152,496,520
Govt. Owned	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	4,191,503
Institutional	22,915,720	21,681,628	39,490,637	22,910,095	30,538,714	43,701,228	64,864,826	54,849,319	53,645,277	55,715,230
Miscellaneous	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	875,627
Recreational	21,075,355	20,173,693	18,455,654	18,642,766	17,767,620	21,334,000	18,873,170	18,543,675	18,914,548	22,454,838
Vacant	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	19,941,468
SBE Nonunitary	557,085	557,085	619,095	619,095	619,095	619,095	619,095	619,095	1,983,880	1,987,725
Cross Reference	13,088,278	11,852,415	11,426,576	15,206,309	18,613,470	20,953,644	23,443,104	27,240,090	26,241,541	27,489,469
Unsecured	261,972,890	258,867,082	245,221,992	219,396,050	234,724,423	255,810,491	249,606,925	256,846,910	277,395,711	275,875,586
Exempt	[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]	[38,776,053]
TOTALS	4,866,344,746	4,848,619,805	4,959,914,355	5,063,120,343	5,319,525,500	5,554,773,893	5,786,706,324	6,051,859,016	6,340,151,698	6,690,574,916
Total Direct Rate	0.34744	0.34309	0.34131	0.33672	0.09398	0.09402	0.09405	0.09407	0.09410	0.09418

**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
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
2019	0.09468	0.90532	0.28667	0.09828	0.00350	1.38845	0.09418

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

Governmental Activities							
Fiscal Year	Tax Allocation Bonds	Lease Revenue Bonds	Loan Payable	Direct Placements	Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
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
2019 (b)	\$ -	\$ 8,302,581	\$ -	\$ 101,833	\$ 8,404,414	0.55%	\$273.59

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, 2019**

	Outstanding Debt 6/30/2019	City Percentage	Estimated Share Overlapping Debt
Overlapping Debt:			
Metropolitan Water District*	\$ 23,317,224	0.377%	\$ 87,955
East Whittier DS 2016 SER A Meas R	16,920,000	5.810%	983,004
East Whittier DS 2016 SER A Meas Z	5,415,000	5.810%	314,596
East Whittier DS 2016 SER B Meas R	19,000,000	5.810%	1,103,846
East Whittier DS 2016 SER B Meas Z	7,000,000	5.810%	406,680
Fullerton Unified HS 2002 Series A	1,793,481	0.178%	3,200
Fullerton Unified HS 2002 Series B	1,610,614	0.178%	2,874
Fullerton Joint Union HSD DS 2014 Series 2015A	3,084,798	0.178%	5,505
Fullerton Joint Union HSD DS 2014 Series 2017	8,726,922	0.178%	15,573
Whittier Union High DS 2008 SER 2009A	355,682	1.901%	6,762
Whittier Union HSD DS 2008 Series 2014B	10,745,000	1.901%	204,266
Whittier Union HSD DS 2008 Series 2015C	57,875,000	1.901%	1,100,221
Whittier Union HSD DS 2015 REF Bonds	65,658,679	1.901%	1,248,191
Cerritos CCD DS 2004 Series 2009C	1,360,000	13.034%	177,260
Cerritos CCD DS 2004 Series 2012D	80,556,991	13.034%	10,499,678
Cerritos CCD DS 2012 Series 2014A	73,900,000	13.034%	9,632,015
Cerritos CCD DS 2014 REF Bonds Series A	77,305,000	13.034%	10,075,818
Cerritos CCD DS 2014 REF Bonds Series B	11,900,000	13.034%	1,551,028
Cerritos CCD DS 2012 Series 2018B	168,430,000	13.034%	21,952,914
N. Orange County CCD 2002 Series 2005 REF	1,985,398	0.172%	3,421
N. Orange County CCD 2014 Series 2016A	5,555,207	0.172%	9,571
Rio Hondo CCD DS 2005 Refunding Bonds	4,085,000	1.214%	49,583
Rio Hondo CCD DS 2004 Series 2008	127,847,824	1.214%	1,551,794
ABC Unified 2003 Refunding Bond Series A	26,204,468	4.314%	1,130,380
ABC Unified DS 1997 Series B	6,055,000	4.314%	261,194
Norwalk-La Mirada USD DS 2002 S-05B	52,581,381	42.610%	22,405,149
Norwalk-La Mirada USD DS 2009 REF Bonds	34,592,452	42.610%	14,739,990
Norwalk-La Mirada USD DS 2013 REF Series A	3,205,000	42.610%	1,365,664
Norwalk-La Mirada USD DS 2014 REF Bonds	4,020,000	42.610%	1,712,939
Norwalk-La Mirada USD DS 2015 REF Bonds	4,990,000	42.610%	2,126,260
Norwalk-La Mirada USD DS 2014 Series B	7,345,000	42.610%	3,129,736
Norwalk-La Mirada USD DS 2017 REF Bonds	130,695,000	42.610%	55,689,692
Total Overlapping Debt	<u>\$ 1,044,116,121</u>		<u>\$ 163,546,759</u>
City direct debt			(a) <u>8,404,414</u>
Total direct and overlapping debt			<u>\$ 171,951,173</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 2019

Total assessed value of all real and personal property	\$6,690,574,916
Debt limit percentage	<u>3.75%</u>
Total debt limit	250,896,559
Amount of debt applicable to debt limit	<u>0</u>
Legal debt margin	\$ 250,896,559

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>
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%
2019	\$ 250,896,559	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%)

Source: California Municipal Statistics, Inc.

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

Tax Increment Bonds				
Fiscal Year	Tax Increment	Debt Service		Coverage
		Principal	Interest	
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, 2019**

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	39.1		
Residential Units	Approx. 15,000		
Registered Voters	Approx. 27,300		
Assessed Valuation	\$6,690,574,916		
Number of Local Businesses	Approx. 1,300		
Unemployment Rate (County)	4.40%	Unemployment Rate (City)	4.40%

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
------------------	--

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. 6,460 (excludes adult school enrollment)
University	Biola University
Student Enrollment	Approx. 6,109

City Employees

Full-Time	85
Part-Time	Approx. 330

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
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%
2018	49,558	\$ 1,522,396	\$ 30,719	4.4%

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)

	2010	(a) 2011	(a) 2012	(a) 2013	2014	2015	2016	2017	2018	2019
Residential	5,994	13,209	20,719	9,207	53,993	10,155	16,781	19,378	16,566	27,968
Non-Residential	10,839	26,885	13,008	39,914	22,051	64,653	87,599	69,339	82,026	109,151
	16,833	40,094	33,727	49,121	76,044	74,808	104,380	88,716	98,592	137,119

(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 Nine Years Ago**

<u>Employer</u>	<u>2019</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 (current as of August 2018)

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

<u>Function/Program</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>	<u>2019</u>
General government										
Legislative	8	7	7	7	6	6	6	6	6	6
Administration and Support	11	14	12	11	12	13	13	13	15	16
Community Development ^(b)	8	7	7	3	3	4	3	4	4	3
Leisure and cultural	11	8	8	9	10	9	10	12	12	13
Public Safety ^(a)	2	6	6	8	8	8	8	6	6	6
Public Works ^(c)	36	29	28	28	26	26	30	29	28	32
Transit ^(d)	2	2	2	-	-	-	-	-	-	-
Theatre	7	7	8	7	7	7	7	8	8	9
Total	85	80	78	73	72	73	77	78	79	85

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 for engineering services
- (d) 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Building permits issued	532	659	645	554	716	789	1,052	972	985	1,087
Public Safety										
Parking violations	8,665	7,967	6,254	6,885	6,764	6,823	7,621	6,777	7,223	7,132
Traffic violations	7,478	7,465	7,066	6,160	6,009	4,085	3,557	2,246	2,100	2,780
Public Works										
Street resurfacing (miles)	1	1	1	1	1	1	1	1	1	1
Parks and recreation										
Recreation Classes	550	552	526	454	362	396	372	365	415	426
Aquatics Programs	93	92	92	94	83	106	93	80	74	71
Senior Programs	114	91	105	114	134	117	122	156	196	220
Facility Reservations	4,494	5,475	6,574	6,980	6,174	6,078	7,493	6,456	5,008	4,633
Transit										
Total route miles	133,755	168,303	158,375	180,590	170,010	148,191	154,516	130,091	120,636	130,922
Passengers	47,194	52,630	51,674	53,578	52,001	46,982	51,451	45,443	42,407	43,686
Theatre										
Number of productions	124	115	128	107	111	110	109	107	106	115
Number of rentals	141	140	121	78	79	77	75	68	92	84
Number of presentations	25	39	43	37	46	43	30	30	30	46

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>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>	<u>2019</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	10	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

