

**AGENDA FOR THE MEETING
OF THE MEASURE I CITIZENS' OVERSIGHT BOARD
MARCH 5, 2020 – 6:30 P.M.
CONFERENCE ROOM 1, CITY HALL, 13700 LA MIRADA BOULEVARD,
LA MIRADA, CALIFORNIA 90638**

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

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

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

ACTION ITEMS

- 1. MEETING MINUTES** – It is recommended the Oversight Board approve the minutes of the meeting of December 5, 2020.

REVIEW AND DISCUSSION

- 2. MEASURE I REVENUES AND EXPENDITURES UPDATE** – It is recommended the Oversight Board receive and file the report.
- 3. ORAL REPORT ON THE CITY'S CAPITAL IMPROVEMENT PROJECTS** – It is recommended the Oversight Board review and discuss the Capital Improvement Projects update.

PUBLIC COMMENT

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

BOARD MEMBER REPORTS

ADJOURNMENT

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

Dated this 28th day of February 2020.



Anne Haraksin, City Clerk

REVIEW AND DISCUSSION

**Measure I Citizens' Oversight Board
March 5, 2020**

TO: Chairman and Oversight Board Members
FROM: Jeff Boynton, City Manager
ORIGINATED BY: Melissa Pascual, Finance Manager
SUBJECT: MEASURE I REVENUES AND EXPENDITURES UPDATE

BACKGROUND

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

FINDINGS

This report provides information as of February 28, 2020. Attachment "A" includes information on the California Department of Tax and Fee Administration (CDTFA) payments to the City (revenues) and Measure I-related expenditures. Measure I has generated \$11,687.91 in revenues to date for Fiscal Year 2019-20. Attachment "B" includes the CDTFA monthly remittances. While Measure I expired on March 31, 2018, the City continues to receive nominal residual use tax. This revenue may be attributed to funds that were accrued, but not remitted, based on the CDTFA's previous software system or businesses located outside of La Mirada that are still collecting the tax.

A total of \$29.28 million was received by the City from Measure I. All Measure I funds were fully expended by the close of February 2020. The projects funded were as follows:

Storm Drain Rehabilitation Project	185,184.63
Measure I Engineering and Planning	256,422.11
Olive Branch Drive Rehabilitation	310,054.50
Measure I Phase I	4,381,266.20
Measure I Phase II	4,670,289.72
Measure I Phase III	7,524,518.24
Measure I Phase IV	6,009,699.55
Measure I Phase V	5,944,630.66
	29,282,065.61

Additionally, at its meeting held on December 19, 2019, the City Council Audit Committee reviewed the Independent Auditors' Report on Compliance with Applicable Requirements and Internal Control over Compliance and Report on Measure I Revenues and Expenditures. The auditor issued an opinion stating that the City complied, in all material respects, with the types of compliance requirements that are applicable to the Measure I Fund for the fiscal year ended June 30, 2019. This item is included as Attachment "C".

RECOMMENDED ACTION

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

ATTACHMENT A

CITY OF LA MIRADA
BALANCE SHEET-MEASURE I
AS OF FEBRUARY 2020 (UNAUDITED)

ASSETS:	
CASH	\$ (0.00)
TOTAL ASSETS	<u>\$ (0.00)</u>
FUND BALANCE:	
ASSIGNED FOR CAPITAL PROJECTS	\$ (0.00)
TOTAL FUND BALANCE	<u>\$ (0.00)</u>

CITY OF LA MIRADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
MEASURE I
AS OF FEBRUARY 2020 (UNAUDITED)

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	AS OF 2/29/2020
REVENUES								
MEASURE I TRANSACTIONS AND USE TAX	<u>1,524,783.00</u>	<u>4,456,406.00</u>	<u>5,793,139.18</u>	<u>5,743,911.08</u>	<u>6,384,905.46</u>	<u>5,178,916.27</u>	<u>188,316.71</u>	<u>11,687.91</u>
EXPENDITURES								
T/OUT-CAPITAL PROJ. (C1071)- MEASURE I PHASE V	-	-	-	-	-	323,528.75	21,430.09	5,599,671.82
T/OUT-CAPITAL PROJ. (C1069)- MEASURE I PHASE IV	-	-	-	-	58,764.36	5,504,250.89	440,714.30	5,970.00
T/OUT-CAPITAL PROJ. (C1064)- PHASE III	-	-	-	212,685.00	2,803,109.05	4,489,209.78	19,514.41	-
T/OUT-CAPITAL PROJ. (C1049)- MEASURE I ENGINEERING	-	147,800.00	3,778.00	104,844.11	-	-	-	-
T/OUT-CAPITAL PROJ. (C1058)- PHASE II	-	-	148,380.00	4,490,349.72	31,560.00	-	-	-
T/OUT-CAPITAL PROJ. (C1059)- PHASE I	-	-	4,336,719.00	44,547.20	-	-	-	-
T/OUT-CAPITAL PROJ. (C1068)- STORM DRAIN PROGRAM	-	-	-	5,587.50	575.00	179,022.13	-	-
T/OUT-CAPITAL PROJ.(C1070)- OLIVE BRANCH DRIVE	-	-	-	-	309,742.00	312.50	-	-
	-	<u>147,800.00</u>	<u>4,488,877.00</u>	<u>4,858,013.53</u>	<u>3,203,750.41</u>	<u>10,496,324.05</u>	<u>481,658.80</u>	<u>5,605,641.82</u>
NET CHANGE IN FUND BALANCE	1,524,783.00	4,308,606.00	1,304,262.18	885,897.55	3,181,155.05	(5,317,407.78)	(293,342.09)	(5,593,953.91)
FUND BALANCE, BEGINNING OF YEAR	-	1,524,783.00	5,833,389.00	7,137,651.18	8,023,548.73	11,204,703.78	5,887,296.00	5,593,953.91
FUND BALANCE, END OF YEAR	<u>1,524,783.00</u>	<u>5,833,389.00</u>	<u>7,137,651.18</u>	<u>8,023,548.73</u>	<u>11,204,703.78</u>	<u>5,887,296.00</u>	<u>5,593,953.91</u>	<u>(0.00)</u>

00110-4120.5 MEASURE I SALES TAX REVENUE

YEAR	PER	EFF DATE	AMOUNT	VDR NAME/ITEM DESC
2020	1	7/31/2019	5,343.04	'BOARD OF EQUALIZATION
2020	1	7/31/2019	(5,343.04)	REVERSE FY 18/19 ACCRUAL
2020	2	8/30/2019	11,033.26	'BOARD OF EQUALIZATION
2020	2	8/30/2019	(11,033.26)	REVERSE FY 18/19 ACCRUAL
2020	3	9/30/2019	657.28	'BOARD OF EQUALIZATION
2020	4	10/31/2019	-	'BOARD OF EQUALIZATION
2020	5	11/30/2019	349.57	'BOARD OF EQUALIZATION
2020	6	12/31/2019	-	'BOARD OF EQUALIZATION
2020	7	1/31/2020	10,681.06	'BOARD OF EQUALIZATION
			<u>11,687.91</u>	

C1069 MEASURE I PHASE IV

8/30/2019	5,970.00	ENGINEERING	3576400
8/30/2019	279,424.69	SEQUEL CONTRACTORS	3576469
8/30/2019	(279,424.69)	SEQUEL CONTRACTORS- REVERSE PY ACCRUAL	
	<u>5,970.00</u>		

C1071 MEASURE I PHASE V

8/30/2019	510.00	HARRIS AND ASSOCIATES	3576410
9/23/2019	1,770.00	HARRIS AND ASSOCIATES	3576755
11/4/2019	32,963.58	HARRIS AND ASSOCIATES	3577066
12/2/2019	17,025.43	HARRIS AND ASSOCIATES	3577407
11/15/2019	8,860.80	TWINING	3577296
12/11/2019	10,910.00	TWINING	3577561
1/3/2020	825.20	TWINING	3577738
1/17/2020	7,601.44	TWINING	3577886
2/14/2020	22,540.00	TWINING	
9/16/2019	163,902.55	RJ NOBLE	3576624
9/23/2019	1,255,004.84	RJ NOBLE	3576791
11/15/2019	1,555,448.59	RJ NOBLE	3577267
12/2/2019	1,678,746.90	RJ NOBLE	3577458
1/3/2020	836,566.37	RJ NOBLE	3577706
2/3/2020	1,041,336.56	RJ NOBLE	3578022
8/30/2019	5,829.00	WOLFE ENGINEERING	3576493
9/23/2019	7,743.00	WOLFE ENGINEERING	3576808
11/15/2019	8,482.50	WOLFE ENGINEERING	3577305
12/2/2019	10,005.00	WOLFE ENGINEERING	3577498
1/3/2020	6,612.00	WOLFE ENGINEERING	3577749
2/3/2020	5,916.00	WOLFE ENGINEERING	3578045
	(279,433.18)	FUNDED WITH RMRA FUNDING 17-18 ALLOCATION	
	(799,494.76)	FUNDED WITH RMRA FUNDING 18-19 ALLOCATION	
	<u>5,599,671.82</u>		
	<u>5,605,641.82</u>		

Local Jurisdiction Statement of Tax Distribution

Juris Code: 308

Date: 12/19/2019

For the periods shown below

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

Current Distributions	OCT 2019	-1,216.34
Current Advance	OCT 2019	0.00
Prior Credits		0.00

Balance	OCT 2019	-1,216.34
Total Payment (by EFT)		0.00

Current Distributions Breakdown by Period:

Distribution Prior to 2nd Quarter 2019	-1,276.31
Distribution 2nd Quarter 2019	0.00
Distribution 3rd Quarter 2019	-40.52
Distribution 4th Quarter 2019	100.49
Distribution 1st Quarter 2020	0.00
Current Distributions (As Above)	-1,216.34

If you have any questions, please contact CDTFA Local Revenue Branch by phone at (916) 324-3000 or mail:

California Department of Tax and Fee Administration
Local Revenue Branch, MIC: 27
PO Box 942879
Sacramento, CA 94279-0027

[Back to Query Page \(www.cdtfa.ca.gov/webservices/localJur.jsp\)](http://www.cdtfa.ca.gov/webservices/localJur.jsp)

Local Jurisdiction Statement of Tax Distribution

Juris Code: 308

Date: 01/21/2020

For the periods shown below

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

Current Distributions	NOV 2019	11,897.40
Current Advance	NOV 2019	0.00
Prior Credits		-1,216.34

Balance	NOV 2019	10,681.06
Total Payment (by EFT)		10,681.06

Current Distributions Breakdown by Period:

Distribution Prior to 2nd Quarter 2019	11,564.07
Distribution 2nd Quarter 2019	1.26
Distribution 3rd Quarter 2019	35.11
Distribution 4th Quarter 2019	296.96
Distribution 1st Quarter 2020	0.00
Current Distributions (As Above)	11,897.40

If you have any questions, please contact CDTFA Local Revenue Branch by phone at (916) 324-3000 or mail:

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Local Revenue Branch, MIC: 27
PO Box 942879
Sacramento, CA 94279-0027

MEASURE I

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Local Jurisdiction Statement of Tax Distribution

Juris Code: 308

Date: 02/20/2020

For the periods shown below

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

Total Due	4TH QTR 19	4,451.56
Prior Credits		0.00
Prior Distributions	4TH QTR 19	-10,681.06
Prior Advances	4TH QTR 19	0.00
Cost of Admin		0.00
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Balance	4TH QTR 19	-6,229.50
Total Payment (by EFT)		0.00
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Total Due Breakdown by Period:

Distribution Prior to 2nd Quarter 2019	2,409.61
Distribution 2nd Quarter 2019	-251.95
Distribution 3rd Quarter 2019	-348.56
Distribution 4th Quarter 2019	2,642.46
Distribution 1st Quarter 2020	0.00
Total Due (As Above)	4,451.56

If you have any questions, please contact CDTFA Local Revenue Branch by phone at (916) 324-3000 or mail:

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Local Revenue Branch, MIC: 27
PO Box 942879
Sacramento, CA 94279-0027

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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES

433 N. CAMDEN DRIVE, SUITE 730
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES

5800 HANNUM AVE., SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

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

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

Report on Compliance for Measure I

We have audited the compliance of the Measure I Fund of the City of La Mirada (the "City") with the types of compliance requirements described in the Measure I ballot passed on November 6, 2012 for the fiscal year ended June 30, 2019.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with the requirements of Measure I based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Measure I. Those standards and Measure I require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Measure I Fund of the City occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of the City's compliance.

Opinion

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the Measure I Fund for the fiscal year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the Measure I Fund to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on the Measure I Revenues and Expenditures

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of La Mirada as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 9, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying report on Measure I Revenues and Expenditures is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the report on Measure I Revenues and Expenditures is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Measure I. Accordingly, this report is not suitable for any other purpose.

Moss, Levy & Hartzheim

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

CITY OF LA MIRADA

STATEMENT OF REVENUES AND EXPENDITURES
MEASURE I
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Revenues:		
Measure I sales tax	\$	188,316
		<hr/>
Expenditures:		
Capital Improvement Projects		481,660
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Current year excess (deficiency) of revenues over (under) expenditures		(293,344)
Prior year excess (deficiency) of revenues over (under) expenditures		5,887,298
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Ending excess (deficiency) of revenues over (under) expenditures	\$	5,593,954
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Subject to the Comments in the Independent Auditor's Compliance Report.