MEASURE I OVERSIGHT BOARD
FINAL ANNUAL REPORT

Each year, the Measure I Citizens' Oversight Board issues an Annual Report to the community with its findings regarding the use of Measure I funds. This is the seventh and final Annual Report of the Citizens' Oversight Board and covers the period of July 1, 2019 through June 30, 2020.

Measure I

La Mirada voters approved Measure I, a one percent transactions and use tax, in November 2012. The five-year tax, approved by 66.63 percent of voters, became effective on April 1, 2013.

The measure was placed on the ballot after a 29-member Citizens' Task Force on City Finances and Operations recommended the action due to the cumulative impacts of the national recession, the elimination of redevelopment agencies in California, and loss of local revenues due to ongoing "takes" by the State, which left the City with very limited resources to provide basic services and address significant infrastructure needs.

Measure I funds were dedicated to neighborhood street improvements to help modernize La Mirada's infrastructure. Spending was focused on repairing streets, storm drains, and other infrastructure as recommended by the Citizens' Task Force and budgeted annually by the City Council.

Measure I officially expired on March 31, 2018. It generated more than $29 million over the five-year term, exceeding original estimates that ranged from $20 to $25 million. This sales tax measure fully funded four phases of neighborhood street improvements. A fifth phase was partially funded through Measure I.

Citizens' Oversight Board

On January 22, 2013, the La Mirada City Council adopted Resolution No. 13-05 establishing the Measure I Citizens' Oversight Board. The role of the Citizens' 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.

The Citizens' Oversight Board is comprised of five La Mirada residents. Each was nominated by a member of the City Council. The Citizens' Oversight Board includes Chairman Hal Malkin, Vice Chairman Lee Olsen, and Boardmembers Philip Massey, David Morfin, and Scott Watkins. The Citizens' Oversight Board met quarterly at La Mirada City Hall. Meetings were open to the public, and agendas and minutes are posted and available on the City's website at cityoflamirada.org.

During this reporting period, meetings were held on September 5 and December 5, 2019 and March 5 and June 11, 2020.

Neighborhood Infrastructure Projects

The City continues its robust neighborhood infrastructure improvements throughout La Mirada. Preserving an attractive community through well-maintained streets, sidewalks, landscaping, signage and traffic signal upgrades remains a top priority for the City. Many of the streets in La Mirada were constructed over 50 years ago, and while they have received preventive maintenance, most needed major upgrades.

Voter-approved Measure I funds have allowed for neighborhood street improvements to be completed over the past six years. Five phases of neighborhood street improvements have been completed using Measure I funds. Phase 5 was only partially funded by Measure I and supplemented by other eligible funding sources.

While Measure I funds are no longer available, other funding sources have been identified for upcoming neighborhood street improvements. As construction continues, affected residents and businesses will be notified in advance of the work. Information is also included in City publications and on the City's website.

Annual Independent Audit

The City's annual financial audit was conducted by an independent accounting firm, Moss, Levy and Hartzheim, LLP for Fiscal Year 2018-19. As part of the financial audit, the auditors reviewed Measure I funds and included results in their year-end report.

The year-end report included the Independent Auditors' Report on Compliance with Applicable Requirements and on Internal Control over Compliance and Report on Measure I Revenues and Expenditures. This report was provided to the City Council and reviewed by the Citizens' Oversight Board at its March meeting.

Moss, Levy and Hartzheim, LLP concluded in its Fiscal Year 2018-19 report that "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 year ended June 30, 2019." The report also indicated that the audit did not identify any deficiencies in the internal control over compliance that is considered to be material weakness. The independent audit review of Measure I funds for Fiscal Year 2019-20 will be conducted later this year.

Revenues and Expenditures

Revenues

Measure I funds are collected by businesses and remitted to the California Department of Tax and Fee Administration (CDTFA) similar to other sales taxes. The CDTFA then sends these funds to the City. A total of $29,282,065.61 in Measure I payments from the CDTFA has been received by the City since April 1, 2013.

Expenditures

During the reporting period, $5,599,671.82 was spent on Phase 5 construction. An additional $344,958.84 was spent in the prior reporting period.

The chart below identifies all Measure I expenditures on capital improvements from the prior six years. A total of $29,282,065.61 was generated by Measure I. Of that amount, $26,469,508.28 (90.39%) was for construction; $2,806,875.48 (9.59%) was for professional and engineering services; and $5,681.85 (.02%) was for preparing plans and specifications.

Measure I funds were spent on the following projects and in the following categories since April 1, 2013:

MEASURE I PHASE V	5,944,630.66
MEASURE I PHASE IV	6,009,699.55
MEASURE I PHASE III	7,524,518.24
MEASURE I PHASE II	4,670,289.72
MEASURE I PHASE I	4,381,266.20
MEASURE I ENGINEERING AND DESIGN (YEAR 1)	256,422.11
OLIVE BRANCH DRIVE	310,054.50
STORM DRAIN PROGRAM	185,184.63
Total	**$29,282,065.61**

CONSTRUCTION (90.39%)	26,469,508.28
PROFESSIONAL AND ENGINEERING SERVICES (9.59%)	2,806,875.48
PREPARING PLANS AND SPECIFICATIONS (.02%)	5,681.85
Total	**$29,282,065.61**

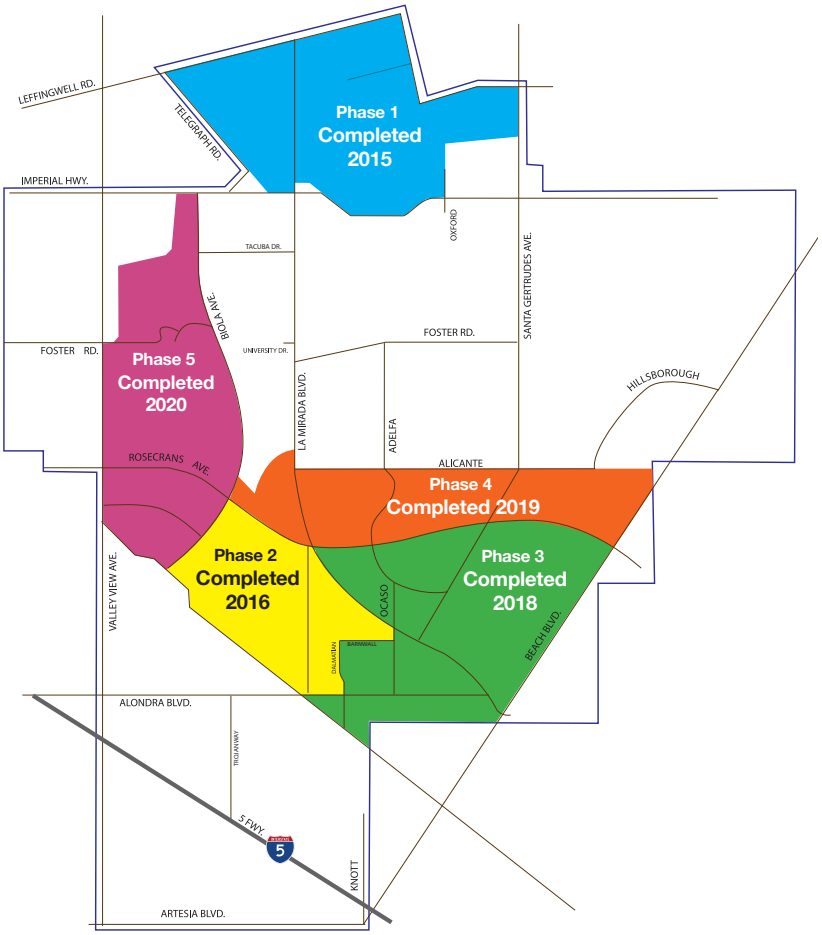
CITY OF LA MIRADA

MEASURE I NEIGHBORHOOD IMPROVEMENTS

PHASE 5

Construction of Phase 5 was completed earlier this year. This phase included all public residential streets bounded by Imperial Highway, Biola Avenue, Stage Road, Valley View Avenue, and Milan Creek. The work included pavement rehabilitation, replacement of damaged concrete curb, gutter and sidewalk, upgrades to existing and placement of new handicap curb access ramps, removal and replacement of slotted cross gutters, storm drain pipe repairs, lining of existing metal storm drain pipes, addition of catch basins within the frontage roads of Valley View Avenue and Foster Road, and drainage improvements on Castellon Road near Stage Road.

Phase 5 covered the largest area of work compared to the previous phases of Measure I improvements and included extensive storm drain work. Phase 5 expenditures totaled $7.82 million. While the voter-approved Measure I sales tax expired in 2018, remaining funds were used to partially complete this phase. Other available funding sources were also used to complete the neighborhood infrastructure improvements.



Installation of asphalt crack sealant

Installation of new asphalt

Capital Improvement Projects - Expenditures by Revenue Source (FY July to June)						
Source	**FY 2019-20**	**FY 2018-19**	**FY 2017-18**	**FY 2016-17**	**FY 2015-16**	**FY 2014-15**
General Fund – Measure I	$5,605,642	$481,659	$10,496,325	$3,203,750	$4,858,014	$4,488,877
General Fund	6,149,950	3,089,103	635,996	1,890,100	1,611,712	1,890,392
CDBG		402,991				1,264,989
Gas Tax	833,245	1,541,932	278,087	563,024	26,766	512,509
Local Transportation-TDA III	33,000	33,517	32,334	32,818	31,343	32,298
Prop A	60,000					
Prop C	1,078,029	139,835	1,761,037	578,504	143,343	194,775
Agency Bond Proceeds	100,000	72,617	11,746		3,155,343	998,420
Federal HSIP			5,969	74,079	188,835	
Measure R	796,464	255,023	1,452,199	374,876	1,558,613	317,481
Measure M	1,189,627		113,015			
RMRA SB1	2,043,329					
Park Grant					300,000	175,998
County – Library Project		442,457	181,772	3,119,009	827,787	
Buena Park Co-op	30,000		(218,554)	367,000	8,835	
County Thru Highway Grant				450,000		
County Parks and Rec-Theatre		400,000				
Surface Transportation Program (Local)			146,831	190,746		
Suburban Water		2,041	49,836			
Sequel Payment		20,985				
CIP Fund Balance	2,000,000	20,985				
Equipment Replacement	500,000	234,000				
Total	**$20,419,286**	**$7,116,160**	**$14,946,593**	**$10,843,906**	**$12,710,591**	**$9,875,739**

* $147,800 of Measure I funding was spent in FY 2013-14.

Summary

The Measure I Citizens' Oversight Board has verified that the Measure I funds used during the July 1, 2019 through June 30, 2020 reporting period have been used to complete neighborhood infrastructure improvement projects in La Mirada.

The Citizens' Oversight Board thanks La Mirada residents for the passage of Measure I and the investment made in the City's infrastructure. The City believes Measure I funds were used as intended for the betterment of the La Mirada community. During the review period, City staff worked cooperatively with the Citizens' Oversight Board in its oversight efforts.

Phase 5 neighborhood street improvements was the last phase to be funded by voter-approved Measure I. The City of La Mirada remains committed to seeking other funding sources to complete additional neighborhood improvements including Phase 6, which will begin construction in 2020.

New asphalt and improvements to curb and gutter

This Measure I Annual Report for the period of July 2019 through June 2020 of the Measure I Citizens' Oversight Board was approved on June 11, 2020 and presented to the City Council at the July 14, 2020 Study Session meeting.