

***CITY OF WHITTIER
ANNUAL FINANCIAL REPORT OF THE
PROPOSITION A LOCAL RETURN FUND
PROPOSITION C LOCAL RETURN FUND
MEASURE R LOCAL RETURN FUND
MEASURE M LOCAL RETURN FUND
TRANSPORTATION DEVELOPMENT ACT
ARTICLE 3 FUND
FOR THE FISCAL YEARS ENDED
JUNE 30, 2021 AND 2020***



Metro[®]



Simpson & Simpson, LLP
Certified Public Accountants

CITY OF WHITTIER
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FINANCIAL SECTION



SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRAINARD C. SIMPSON, CPA
MELBA W. SIMPSON, CPA

Independent Auditor's Report

To the Honorable Members of the City Council of the
City of Whittier, California and the
Los Angeles County Metropolitan Transportation Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Proposition A Local Return Fund (PALRF), Proposition C Local Return Fund (PCLRF), Measure R Local Return Fund (MRLRF), Measure M Local Return Fund (MMLRF), and Transportation Development Act Article 3 Fund (TDAA3F) (collectively, the Funds), of the City of Whittier, California (the City) as of and for the years ended June 30, 2021 and 2020, and the related notes to the 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 audits. We conducted our audits 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 PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F of the City of Whittier, California, as of June 30, 2021 and 2020, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, the financial statements present only the PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F of the City and do not purport to, and do not, present fairly the financial position of the City of Whittier, California, as of June 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on each of the Funds' financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Funds' financial statements. Such 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 Funds' financial statements or to the Funds' financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to each of the Funds' financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated October 21, 2021, on our consideration of the City's internal control over the Funds' 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 solely to describe the scope of our testing of internal control over the Funds' financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over the Funds' 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 the Funds' financial reporting and compliance.

A handwritten signature in cursive script that reads "Simpson & Simpson".

Los Angeles, California
October 21, 2021

CITY OF WHITTIER
PROPOSITION A LOCAL RETURN FUND
BALANCE SHEETS
June 30

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and investments	\$ 3,845,746	\$ 3,263,521
Interest receivable	13,881	16,047
Unrealized gain on investments	<u>75,620</u>	<u>139,353</u>
Total assets	<u>\$ 3,935,247</u>	<u>\$ 3,418,921</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 55,660	\$ 57,237
Accrued payroll and employee benefits	<u>2,277</u>	<u>1,170</u>
Total liabilities	<u>57,937</u>	<u>58,407</u>
 Fund Balance		
Restricted	<u>3,877,310</u>	<u>3,360,514</u>
Total fund balance	<u>3,877,310</u>	<u>3,360,514</u>
Total liabilities and fund balance	<u>\$ 3,935,247</u>	<u>\$ 3,418,921</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
PROPOSITION A LOCAL RETURN FUND
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30

	<u>2021</u>	<u>2020</u>
REVENUES		
Proposition A	\$ 1,761,033	\$ 1,691,811
Interest income	62,202	67,733
Unrealized gain (loss) on investments	(63,733)	96,429
Project generated revenue (Note 8)	-	18,281
Rental income (Note 9)	-	7,898
Other income	-	3,263
	<u>1,759,502</u>	<u>1,885,415</u>
EXPENDITURES		
Various projects	<u>1,248,342</u>	<u>1,337,318</u>
	<u>1,248,342</u>	<u>1,337,318</u>
OTHER FINANCING SOURCE		
Sale of capital assets (Note 10)	<u>5,636</u>	<u>1,274</u>
	<u>5,636</u>	<u>1,274</u>
Excess of revenues over expenditures and other financing source	516,796	549,371
Fund balance at beginning of year	<u>3,360,514</u>	<u>2,811,143</u>
Fund balance at end of year	<u>\$ 3,877,310</u>	<u>\$ 3,360,514</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2021
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2020)

Project Code	Project Name	2021		Variance Favorable (Unfavorable)	2020 Actual
		Metro Budget	Actual		
107	Dial-A-Ride Senior Citizens and the Disabled	\$ 950,000	\$ 755,535	\$ 194,465	\$ 881,718
170	Dial-A-Ride In-House Maintenance	230,000	185,056	44,944	198,117
170	Bus Bench/Shelter Maintenance	130,000	27,967	102,033	103,879
170	Bus Bench/Shelter Maintenance - Equipment	74,000	34,944	39,056	10,589
170	Historic Transportation Depot Maintenance and Operation	90,000	47,442	42,558	55,406
280	Beverly Boulevard at Norwalk Boulevard Realignment Project: Feasibility Study for Bus Turnout	36,000	-	36,000	-
470	SCAG Annual Membership	9,500	7,251	2,249	8,781
610	Proposition A Administration	280,000	190,147	89,853	73,806
310-802	Historic Transportation Depot Preventive Maintenance	-	-	-	5,022
	Total expenditures	\$ 1,799,500	\$ 1,248,342	\$ 551,158	\$ 1,337,318

See accompanying independent auditor's report.

CITY OF WHITTIER
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

Date Acquired	Description	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
06/07	6 Bus Shelters	\$ 46,214	\$ -	\$ -	\$ 46,214
10/07	Truck with Power Washer	23,512	-	23,512	-
02/09	2 Ford E350	52,191	-	-	52,191
03/11	2010 Braun Entervan	49,335	-	-	49,335
03/11	2010 Braun Entervan	22,500	-	-	22,500
06/11	Bus Stop Improvement	577,861	-	-	577,861
01/14	15 Bus Shelters	220,031	-	-	220,031
06/15	Bus Shelters Improvement	243,518	-	-	243,518
06/16	Bus Shelters Improvement	238,663	-	-	238,663
04/17	Bus Shelters	66,800	-	-	66,800
06/17	Bus Shelter Improvement	107,720	-	-	107,720
06/18	5 2018 Ford E-350 Bus	341,197	-	-	341,197
01/20	2019 HydroTek Trailer Pressure Washer	10,589	-	-	10,589
12/20	2020 Ford F-250 Truck	-	34,944	-	34,944
Total		\$ 2,000,131	\$ 34,944	\$ 23,512	\$ 2,011,563

See accompanying independent auditor's report.

CITY OF WHITTIER
PROPOSITION C LOCAL RETURN FUND
BALANCE SHEETS
June 30

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and investments	\$ 6,195,267	\$ 5,693,774
Interest receivable	24,678	26,690
Accounts receivable	27,310	28,320
Prepaid expenses (Note 11)	19,763	43,608
Unrealized gain on investments	123,560	235,421
Total assets	<u>\$ 6,390,578</u>	<u>\$ 6,027,813</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 20,127	\$ 42,965
Accrued payroll and employee benefits	<u>79</u>	<u>-</u>
Total liabilities	<u>20,206</u>	<u>42,965</u>
 Fund Balance		
Restricted	<u>6,370,372</u>	<u>5,984,848</u>
Total fund balance	<u>6,370,372</u>	<u>5,984,848</u>
Total liabilities and fund balance	<u>\$ 6,390,578</u>	<u>\$ 6,027,813</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
PROPOSITION C LOCAL RETURN FUND
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30

	2021	2020
REVENUES		
Proposition C	\$ 1,460,714	\$ 1,403,361
Interest income	112,420	111,719
Unrealized gain (loss) on investments	(111,861)	168,325
Reimbursement from the City of La Habra Heights (Note 12)	9,382	19,515
Project generated revenue (Note 13)	-	2,489
Other income (Note 14)	110,732	103,300
Total revenues	1,581,387	1,808,709
 EXPENDITURES		
Various projects	1,195,863	570,216
Total expenditures	1,195,863	570,216
Excess of revenues over expenditures	385,524	1,238,493
Fund balance at beginning of year	5,984,848	4,746,355
Fund balance at end of year	\$ 6,370,372	\$ 5,984,848

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2021
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
107	La Habra Heights Dial-A-Ride	\$ 53,000	\$ 21,326	\$ 31,674	\$ 27,017
107	Recreation Transit	61,000	5,476	55,524	23,330
135	Taxi Voucher DAR Program	90,000	90,000	-	90,000
135	Fare Subsidy Program	19,000	339	18,661	10,158
180	Goldline Light Rail Planning Project	50,000	-	50,000	-
180	Accessibility Planning	44,000	16,108	27,892	27,267
620	Proposition C Administration	230,000	323	229,677	75,376
780	SR-91 and I-605 Needs Assessment Study	24,000	22,000	2,000	22,000
805	Whittier Greenway Trail - East Extension Work	119,000	-	119,000	15,932
805	Green Trail East Extension Gap Closure Project	1,228,462	643,047	585,415	-
806	Greenway Trail Maintenance	620,000	252,661	367,339	231,128
806	Soil Remediation	70,000	-	70,000	-
815	Greenway Trail Security Vehicle	25,000	25,000	-	-
815	Greenway Trail Transit Security	90,000	91,985	(1,985)	17,529
880	Greenway Trail East Project Planning	7,500	-	7,500	-
880	Greenway Trail Legal Costs - ROW	10,000	-	10,000	-
880	Greenway Trail Property Insurance	40,000	27,598	12,402	26,605
881	Greenway Trail Bike Path Extension Gap Closure Project	10,000	-	10,000	-
310-803	Historic Transportation Depot Security Fence	-	-	-	3,874
Total expenditures		\$ 2,790,962	\$ 1,195,863	\$ 1,595,099	\$ 570,216

See accompanying independent auditor's report.

CITY OF WHITTIER
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

Date Acquired	Description	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
03/07	Van	\$ 50,706	\$ -	\$ -	\$ 50,706
04/08	2 Patrol Bikes for Trail	23,301	-	-	23,301
05/08	ADA Bus Stop Improvement	47,189	-	-	47,189
03/11	2010 Braun Entervan	50,000	-	-	50,000
10/11	2011 Ford Ranger	18,397	-	-	18,397
10/11	2011 Hydro Tek Pressure Washer	10,232	-	-	10,232
11/11	2011 Goshen GC II	7,071	-	-	7,071
11/11	2011 Supreme Senator 24	7,252	-	-	7,252
01/19	2018 Dodge/ Braun Caravan	49,232	-	-	49,232
02/19	2018 Dodge/ Braun Caravan	49,233	-	-	49,233
02/19	2018 Dodge/ Braun Caravan	49,233	-	-	49,233
06/19	2019 Dodge/ Braun Caravan	68,192	-	-	68,192
10/20	2020 Polaris Ranger	-	25,000	-	25,000
Total		\$ 430,038	\$ 25,000	\$ -	\$ 455,038

See accompanying independent auditor's report.

CITY OF WHITTIER
PROPOSITION A DISCRETIONARY INCENTIVE FUND
BALANCE SHEETS
June 30

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and investments	\$ 334,505	\$ 199,208
Interest receivable	779	1,019
Unrealized gain on investments	<u>6,656</u>	<u>8,518</u>
Total assets	<u>\$ 341,940</u>	<u>\$ 208,745</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ <u>40,802</u>	\$ <u>20,186</u>
Total liabilities	<u>40,802</u>	<u>20,186</u>
 Fund Balance		
Restricted	<u>301,138</u>	<u>188,559</u>
Total fund balance	<u>301,138</u>	<u>188,559</u>
Total liabilities and fund balance	<u>\$ 341,940</u>	<u>\$ 208,745</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
PROPOSITION A DISCRETIONARY INCENTIVE FUND
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30

	<u>2021</u>	<u>2020</u>
REVENUES		
Proposition A Discretionary Incentive Grant (Note 15)	\$ 424,533	\$ 278,006
Interest income	3,371	4,046
Unrealized gain (loss) on investments	<u>(1,862)</u>	<u>4,966</u>
Total revenues	<u>426,042</u>	<u>287,018</u>
EXPENDITURES		
Dial-A-Ride Senior Citizen and the Disabled	<u>313,463</u>	<u>298,134</u>
Total expenditures	<u>313,463</u>	<u>298,134</u>
Excess (deficiency) of revenues over expenditures	112,579	(11,116)
Fund balance at beginning of year	<u>188,559</u>	<u>199,675</u>
Fund balance at end of year	<u>\$ 301,138</u>	<u>\$ 188,559</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
MEASURE R LOCAL RETURN FUND
BALANCE SHEETS
June 30

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and investments	\$ 6,178,239	\$ 6,554,325
Interest receivable	27,013	31,799
Unrealized gain on investments	<u>118,708</u>	<u>278,299</u>
Total assets	<u>\$ 6,323,960</u>	<u>\$ 6,864,423</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 11,662	\$ 80,621
Retention payable	<u>9,582</u>	<u>-</u>
Total liabilities	<u>21,244</u>	<u>80,621</u>
 Fund Balance		
Restricted	<u>6,302,716</u>	<u>6,783,802</u>
Total fund balance	<u>6,302,716</u>	<u>6,783,802</u>
Total liabilities and fund balance	<u>\$ 6,323,960</u>	<u>\$ 6,864,423</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
MEASURE R LOCAL RETURN FUND
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30

	<u>2021</u>	<u>2020</u>
REVENUES		
Measure R	\$ 1,097,054	\$ 1,051,015
Interest income	120,474	131,578
Unrealized gain (loss) on investments	(159,591)	195,074
Project reimbursement (Note 16)	<u>-</u>	<u>105,738</u>
Total revenues	<u>1,057,937</u>	<u>1,483,405</u>
 EXPENDITURES		
Various projects	<u>1,539,023</u>	<u>278,985</u>
Total expenditures	<u>1,539,023</u>	<u>278,985</u>
 Excess (deficiency) of revenues over expenditures	 (481,086)	 1,204,420
 Fund balance at beginning of year	 <u>6,783,802</u>	 <u>5,579,382</u>
 Fund balance at end of year	 <u>\$ 6,302,716</u>	 <u>\$ 6,783,802</u>

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2021
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
705	Pavement Surface Treatment	\$ 445,452	\$ -	\$ 445,452	\$ -
705	Palm Avenue from Whittier Boulevard to Beverly Boulevard Reconstruction	245,000	-	245,000	-
705	Santa Gertrudes Avenue Resurfacing	80,127	6,302	73,825	18,541
705	Lambert Road TSSP	361,000	140,811	220,189	10,425
705	Gateway Cities Whittier Boulevard Hot Spots Intersection Projects	47,293	15,288	32,005	7,198
705	Pavement Surface Treatment	210,100	17,265	192,835	25,085
720	Traffic Signal Modifications - Pickering Avenue at Hadley Street	460,000	24,454	435,546	-
720	La Serna Drive Sidewalk Project	15,000	147,518	(132,518)	-
805	Whittier Greenway Trail Landscaping, Signing and Striping Maintenance	53,482	1,025	52,457	7,200
805	Whittier Greenway Trail East Extension Design and Construction	2,965,852	1,154,167	1,811,685	40,386
805	Hadley Street at Washington Avenue Crosswalk	1,365	-	1,365	28,635
805	Scott Avenue Sidewalks	93,762	2,211	91,551	6,238
820	Pedestrian Countdown Signals and ADA Audible Pedestrian Signals	375,091	-	375,091	83,806
820	Greenleaf Avenue at Putnam Street and Whittier Greenway Trail Signal	30,138	2,500	27,638	3,578
990	2019-20 Signing and Striping	110,000	-	110,000	-
990	Traffic Signal Modifications - Pickering Avenue at Mar Vista Street (PS&E)	140,000	13,090	126,910	-
990	Traffic Signal Modifications - Greenleaf Avenue at Mar Vista Street (PS&E)	60,000	14,392	45,608	-
1.05	Whittier Boulevard at Norwalk Boulevard Widen to add Right Turn Lanes	-	-	-	2,216
1.90	Honolulu Terrace Roadway Retaining Wall	-	-	-	6,477
3.05	La Serna Drive Sidewalk and Bike Lanes	-	-	-	19,627
	Sub-total	<u>5,693,662</u>	<u>1,539,023</u>	<u>4,154,639</u>	<u>259,412</u>

See accompanying independent auditor's report.

CITY OF WHITTIER
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)

For the Fiscal Year Ended June 30, 2021
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
3.20	Whittier Greenway Trail East Extension Design	\$ -	\$ -	\$ -	\$ 19,573
	Total expenditures	\$ 5,693,662	\$ 1,539,023	\$ 4,154,639	\$ 278,985

See accompanying independent auditor's report.

CITY OF WHITTIER
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
 June 30, 2021

Date Acquired	Description	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
None		\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditor's report.

CITY OF WHITTIER
MEASURE M LOCAL RETURN FUND
BALANCE SHEETS
June 30

	2021	2020
ASSETS		
Cash and investments	\$ 4,469,636	\$ 3,366,601
Interest receivable	15,309	13,895
Unrealized gain on investments	90,688	139,869
Total assets	\$ 4,575,633	\$ 3,520,365
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ -
Total liabilities	-	-
 Fund Balance		
Restricted	4,575,633	3,520,365
Total fund balance	4,575,633	3,520,365
Total liabilities and fund balance	\$ 4,575,633	\$ 3,520,365

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
MEASURE M LOCAL RETURN FUND
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30

	2021	2020
REVENUES		
Measure M	\$ 1,243,002	\$ 1,182,327
Interest income	72,400	61,948
Unrealized gain (loss) on investments	(49,182)	106,929
Total revenues	1,266,220	1,351,204
 EXPENDITURES		
Various projects	210,952	377
Total expenditures	210,952	377
 Excess of revenues over expenditures	1,055,268	1,350,827
 Fund balance at beginning of year	3,520,365	2,169,538
 Fund balance at end of year	\$ 4,575,633	\$ 3,520,365

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
MEASURE M LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2021
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
805	Whittier Greenway Trail East Extension Gap Closure Project	\$ 844,341	\$ 109,418	\$ 734,923	\$ -
805	Lambert Road TSSP	2,135,974	101,534	2,034,440	-
3.05	Whittier Greenway Trail East Extension Gap Closure Project 2017-18	-	-	-	377
	Total expenditures	\$ 2,980,315	\$ 210,952	\$ 2,769,363	\$ 377

See accompanying independent auditor's report.

CITY OF WHITTIER
MEASURE M LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

Date Acquired	Description	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
	None	\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditor's report.

CITY OF WHITTIER
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
(PURSUANT TO PUBLIC UTILITIES CODE SECTION 99234)

BALANCE SHEETS

June 30

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 166,929	\$ -
Due from Metro	48,782	187,671
Interest receivable	<u>419</u>	<u>-</u>
Total assets	<u>\$ 216,130</u>	<u>\$ 187,671</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	\$ <u>-</u>	\$ <u>22,686</u>
Total liabilities	<u>-</u>	<u>22,686</u>
 Fund Balance		
Restricted	<u>216,130</u> *	<u>164,985</u>
Total fund balance	<u>216,130</u>	<u>164,985</u>
Total liabilities and fund balance	<u>\$ 216,130</u>	<u>\$ 187,671</u>

* Since the remaining fund balance of \$216,130 consists of \$48,782 that is a receivable from Metro and \$167,348 that was encumbered for two projects as of June 30, 2021, the City is not required to return the ending fund balance to Metro to be placed on reserve for the City.

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30

	2021	2020
REVENUES		
TDA 3	\$ 48,782	\$ 187,671
Interest income	2,363	-
Total revenues	51,145	187,671
 EXPENDITURES		
Greenway Trail East Extension Project/2.5 Mile Class 1 Bicycle and Pedestrian Trail/ Sidewalk Improvement and ADA Curb Ramps	-	46
Total expenditures	-	46
Excess of revenues over expenditures	51,145	187,625
Fund balance (deficit) at beginning of year	164,985	(22,640)
Fund balance at end of year *	\$ 216,130	\$ 164,985

* Since the remaining fund balance of \$216,130 consists of \$48,782 that is a receivable from Metro and \$167,348 that was encumbered for two projects as of June 30, 2021, the City is not required to return the ending fund balance to Metro to be placed on reserve for the City.

The accompanying notes are an integral part of the financial statements.

CITY OF WHITTIER
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF TRANSPORTATION DEVELOPMENT ACT
ALLOCATION FOR SPECIFIC PROJECTS
For the Fiscal Year Ended June 30, 2021

<u>Project Description</u>	<u>Program Year</u>	<u>Allocations</u>	<u>Expenditures</u>	<u>Unexpended Allocations</u>	<u>Project Status</u>
Local allocations					
Greenway Trail East Extension Project/2.5 Mile Class 1 Bicycle and Pedestrian Trail/Sidewalk Improvement and ADA Curb Ramps	2020-21	\$ 2,363	\$ -	\$ 2,363	Ongoing
Scott Avenue Sidewalk and other City- Wide Curb	2020-21	<u>48,782</u>	<u>-</u>	<u>48,782</u>	Ongoing
Total		<u>\$ 51,145</u>	<u>\$ -</u>	51,145	
Fund balance at beginning of the year				<u>164,985</u>	
Fund balance at end of year				<u>\$ 216,130</u> *	

* Since the remaining fund balance of \$216,130 consists of \$48,782 that is a receivable from Metro and \$167,348 that was encumbered for two projects as of June 30, 2021, the City is not required to return the ending fund balance to Metro to be placed on reserve for the City.

See accompanying independent auditor's report.

CITY OF WHITTIER
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2021 and 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The operations of the Proposition A Local Return Fund (PALRF), Proposition C Local Return Fund (PCLRF), Measure R Local Return Fund (MRLRF), Measure M Local Return Fund (MMLRF), and Transportation Development Act Article 3 Fund (TDAA3F) (collectively, the Funds) are accounted for in separate sets of self-balancing accounts that comprise their assets, liabilities, fund balance, revenues and expenditures.

PALRF and PCLRF represent 25% and 20%, respectively, of the ½ cent Proposition A and ½ cent Proposition C sales taxes which are distributed to the jurisdictions within Los Angeles County based on population and must be used exclusively for transportation related programs and projects.

MRLRF is derived from 15% of a county-wide ½ cent sales tax which is distributed to the jurisdictions within Los Angeles County based on a per capita basis and must be used exclusively for transportation purposes.

MMLRF is derived from 17% of a county-wide ½ cent sales tax which is distributed to the jurisdictions within Los Angeles County based on a per capita basis and must be used exclusively for transportation purposes.

TDAA3F is a Special Revenue Fund that accounts for the City’s share of the Transportation Development Act Article 3 allocations which are legally restricted for specific purposes.

Basis of Accounting and Measurement Focus

PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F are accounted for using the modified accrual basis of accounting whereby revenues are recognized when they become both measurable and available to finance expenditures of the current period and expenditures are generally recognized when the related fund liabilities are incurred.

Special Revenue Funds are reported on the spending or “financial flow” measurement focus. This means that generally only current assets, current liabilities and deferred inflows and outflows of resources are included on their balance sheets. The statement of revenues, expenditures and changes in fund balance for Special Revenue Funds generally present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Budgets and Budgetary Accounting

The budgeted amounts presented in this report for comparison to the actual amounts are presented in accordance with accounting principles generally accepted in the United States of America.

CITY OF WHITTIER
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2021 and 2020
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement

In accordance with Government Accounting Standard Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, which became effective for the fiscal year ended June 30, 2016, the City categorizes its fair value measurement within the fair value hierarchy that is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Accordingly, the City reports its investment at fair value and recognizes unrealized gain (loss) on investments.

Refer to City's 2021 Comprehensive Annual Financial Report for detailed disclosures regarding the City's investment policy and fair value measurement.

Fund Balance Reporting

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes the fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds.

The PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F report the following fund balance classification as of June 30, 2021:

- Restricted – Amounts that are constrained for specific purpose, which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation. The uses of the funds' remaining fund balances are restricted for projects approved by Los Angeles County Metropolitan Transportation Authority (Metro).

Information regarding the fund balance reporting policy adopted by the City is described in Note 1 to the City's Comprehensive Annual Financial Report.

NOTE 2 – ANNUAL FINANCIAL STATEMENTS

The financial statements reflect only the financial position and results of operations of the PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F and their compliance with the Proposition A and Proposition C Local Return Program Guidelines, Measure R Local Return Program Guidelines, Measure M Local Return Program Guidelines, Transportation Development Act Article 3 and the Los Angeles County Metropolitan Transportation Authority Funding and Allocation Guidelines for Transportation Development Act Article 3 Bicycle and Pedestrian Funds.

CITY OF WHITTIER
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2021 and 2020
(Continued)

NOTE 3 – PROPOSITION A AND PROPOSITION C LOCAL RETURN COMPLIANCE REQUIREMENTS

In accordance with Proposition A and Proposition C Local Return Program Guidelines, funds received pursuant to these guidelines may only be used for Proposition A and Proposition C Local Return approved programs. See accompanying Compliance Matrix.

NOTE 4 – MEASURE R LOCAL RETURN COMPLIANCE REQUIREMENTS

In accordance with Measure R Local Return Program Guidelines, funds received pursuant to these guidelines may only be used for Measure R Local Return approved programs. See accompanying Compliance Matrix.

NOTE 5 – MEASURE M LOCAL RETURN COMPLIANCE REQUIREMENTS

On June 23, 2016, the Metro Board of Directors approved the Los Angeles County Traffic Improvement Plan Ordinance, known as Measure M. In accordance with Measure M Local Return Program Guidelines, funds received pursuant to these guidelines may only be used for Measure M Local Return approved programs. See accompanying Compliance Matrix.

NOTE 6 – TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

In accordance with Public Utilities Code Section 99234, funds received pursuant to this Code's section may only be used for activities relating to pedestrians and bicycle facilities. See accompanying Compliance Matrix.

NOTE 7 – CASH AND INVESTMENTS

The PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F's cash and investment balances were pooled with various other City funds for deposit and investment purposes. The share of each fund in the pooled cash and investments account was separately maintained and interest income was apportioned to the participating funds based on the relationship of their average balances to the total of the pooled cash and investments.

NOTE 8 – PROJECT GENERATED REVENUE – PALRF

Project generated revenue for the year ended June 30, 2020 amounted to \$18,281. These revenues consisted of Dial-A-Ride service fees. There were no project generated revenue for the year ended June 30, 2021 due to the City provided free rides to the residents and no fares were received.

NOTE 9 – RENTAL INCOME - PALRF

Rental income are amounts received from renters for the rental of the ground floor of the building, commonly known as, the Whittier Depot, in the amount of \$7,898 for the year ended June 30, 2020. There were no rental income charged to the renters for the year ended June 30, 2021.

CITY OF WHITTIER
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2021 and 2020
(Continued)

NOTE 10 – SALE OF CAPITAL ASSETS - PALRF

In fiscal year ended June 30, 2021, the City sold a truck with a power washer in an auction in the amount of \$5,636 on December 11, 2020. Moreover, in fiscal year ended June 30, 2020, the City sold a Dial-A-Ride van in the amount of \$1,274 on June 15, 2020.

The proceeds from the sales were recorded under PALRF.

NOTE 11 – PREPAID EXPENSES - PCLRF

The City previously purchased an insurance policy effective April 14, 2012 to April 14, 2022 in the amount of \$209,004. This insurance policy provides protection against third-party environment impairment claims for bodily injury, property damage, and cleanup costs arising from an event or stemming from a covered location. Total amount of prepaid expenses for the years ended June 30, 2021 and 2020 were \$19,763 and \$43,608, respectively.

NOTE 12 – REIMBURSEMENT FROM THE CITY OF LA HABRA HEIGHTS - PCLRF

On May 12, 2011, the City entered into a Memorandum of Understanding (MOU) agreement with the City of La Habra Heights (Joint Agency) to operate coordinated specialized Dial-A-Ride transportation services to eligible recipients of the program. The City was to receive all revenues reported on the prior year National Transit Database (NTD) Report entitled, “The City of Whittier-Paratransit Program, Demand Response Model.” The City received reimbursements in the amounts of \$9,382 and \$19,515 for the years ended June 30, 2021 and 2020, respectively.

NOTE 13 – PROJECT GENERATED REVENUE - PCLRF

The project generated revenue for the year ended June 30, 2020 amounted to \$2,489. These revenues consisted of recreational and Dial-A-Ride fares. There were no project generated revenue for the year ended June 30, 2021 due to the City provided free rides to the residents and no fares were received.

NOTE 14 – OTHER INCOME - PCLRF

Other income for the years ended June 30, 2021 and 2020 in the amounts of \$110,732 and \$103,300, respectively, consisted of rental income received from Cal Domestic Water for easement which operates a sophisticated water system with high efficiency pumping plants and advanced water treatment facilities owned by the City.

CITY OF WHITTIER
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2021 and 2020
(Continued)

NOTE 15 – PROPOSITION A DISCRETIONARY INCENTIVE GRANT (PADIG)

The Proposition A Discretionary Incentive Grants amounting to \$424,533 and \$278,006 for the years ended June 30, 2021 and 2020, respectively, represents additional funds received from Metro for participating in the sub-regional paratransit services program.

The Proposition A Discretionary Incentive Grants were recorded under a separate PADIG Fund.

NOTE 16 – EXTENSION OF LAPSED FUNDS - PCLRF AND MRLRF

As of June 30, 2021, the City would have lapsed funds for PCLRF in the amount of \$1,001,792 and for MRLRF in the amount of \$191,167. However, Metro granted the City a capital reserve of \$1,228,462 to spend the PCLRF by June 30, 2025 and granted a one-time, one-year extension to spend the MRLRF lapsed funds by June 30, 2022. The capital reserve for PCLRF and the one-year extension for MRLRF were granted by Metro before the funds lapsed.

NOTE 17 – PROJECT REIMBURSEMENT - MRLRF

Project reimbursement in the amount of \$105,738 for the year ended June 30, 2020 was received from the State of California to provide and subsidize funding of the expenditures incurred for MRLRF’s Lambert Road TSSP Project Code 1.05 in fiscal year 2017-18.

NOTE 18 – TRANSPORTATION DEVELOPMENT ACT FUND REVENUE ALLOCATION

The revenue allocation for the years ended June 30, 2021 and 2020 consisted of the following:

		2021		2020
FY 2016-17 allocation	\$	-	\$	7,719
FY 2017-18 allocation		-		57,531
FY 2018-19 allocation		-		59,455
FY 2019-20 allocation		-		62,966
FY 2020-21 allocation		48,782		-
Total payment requested	\$	48,782	\$	187,671

NOTE 19 – TRANSPORTATION DEVELOPMENT ACT FUNDS RESERVED

In accordance with TDA Article 3 (SB821) Guidelines, funds not spent during the fiscal year have been placed on reserve in the Local Transportation Fund (LTF) account with the County Auditor-Controller to be drawn down whenever the funds become eligible for a specific project and an approved drawdown request is received by Metro. As of June 30, 2021 and 2020, the City has no funds on reserve.

CITY OF WHITTIER
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2021 and 2020
(Continued)

NOTE 20 – IMPACT OF CORONAVIRUS

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the United States.

It is unknown how long these conditions will last and what the complete financial effect will be to businesses and other affected organizations, including local governmental entities. However, the City's management believes that the financial impact, if any, will not materially affect the June 30, 2021 Funds' financial statements.

NOTE 21 – SUBSEQUENT EVENTS

The City has evaluated subsequent events through October 21, 2021, the date the financial statements were available to be issued and concluded no other events have occurred that require disclosure or adjustments to the financial statements.



SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRAINARD C. SIMPSON, CPA
MELBA W. SIMPSON, CPA

**Independent Auditor’s Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Honorable Members of the City Council of the
City of Whittier, California and the
Los Angeles County Metropolitan Transit Authority

We have audited, 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, the financial statements of the Proposition A Local Return Fund, Proposition C Local Return Fund, Measure R Local Return Fund, Measure M Local Return Fund, and Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Whittier, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated October 21, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the Funds’ financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the Funds’ financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

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

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





Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's Proposition A Local Return Fund, Proposition C Local Return Fund, Measure R Local Return Fund, Measure M Local Return Fund, and Transportation Development Act Article 3 Fund financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Simpson & Simpson". The signature is written in a cursive, flowing style.

Los Angeles, California
October 21, 2021

COMPLIANCE SECTION



SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRAINARD C. SIMPSON, CPA
MELBA W. SIMPSON, CPA

Independent Auditor's Report on Compliance

To the Honorable Members of the City Council of the
City of Whittier, California and the
Los Angeles County Metropolitan Transit Authority

Report on Compliance

We have audited the compliance of the City of Whittier, California (the City) with the Proposition A and Proposition C Local Return Guidelines, Measure R Local Return Guidelines, Measure M Local Return Guidelines, Transportation Development Act Article 3, and the Los Angeles County Metropolitan Transportation Authority's Funding and Allocation Guidelines for the Transportation Development Act Article 3 Bicycle and Pedestrian Funds (collectively, the Guidelines) for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for the City's compliance with the Guidelines.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance 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 the Guidelines referred to in the preceding paragraph. Those standards and the Guidelines 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 Proposition A Local Return Program, Proposition C Local Return Program, Measure R Local Return Program, Measure M Local Return Program, and Transportation Development Act Article 3 Program 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 with the Guidelines. However, our audit does not provide a legal determination of the City's compliance with the Guidelines.

Opinion on Each Local Return Program and Transportation Development Act Article 3

In our opinion, the City complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2021.





Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the Guidelines referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance 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 under the Guidelines 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 with the Guidelines 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 we consider to 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.

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 the Guidelines. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Simpson & Simpson".

Los Angeles, California
October 21, 2021

CITY OF WHITTIER
COMPLIANCE MATRIX
Year Ended June 30, 2021

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
A. Proposition A and Proposition C Local Return Funds						
1.	Uses the State Controller’s Uniform System of Accounts and Records or has established a separate Proposition A and Proposition C Local Transit Assistance Account for Local Return purposes.	X			None	
2.	Revenues received including allocations, project generated revenues and interest income was properly credited to the Proposition A and/or Proposition C Local Return Account.	X			None	
3.	Funds were expended with Metro’s approval and were not substituted for property tax.	X			None	
4.	Timely use of funds.	X			None	
5.	Administrative expenses are within the 20% cap.	X			None	
6.	Expenditures that exceeded 25% of approved project budget have approved amended Project Description Form (Form A) or electronic equivalent.			X	None	
7.	Annual Project Update Report (Form B) or electronic equivalent was submitted on time.	X			None	
8.	Annual Expenditure Report (Form C) or electronic equivalent was submitted on time.	X			None	
9.	Pavement Management System (PMS) is in place and being used for Street Maintenance or Improvement Projects Expenditures.	X			None	
10.	Local Return Account is credited for reimbursable expenditures.	X			None	
11.	Where Proposition A funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X	None	
12.	Self-Certification was completed and submitted for Intelligent Transportation Systems projects or elements.			X	None	

CITY OF WHITTIER
COMPLIANCE MATRIX
Year Ended June 30, 2021
(Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
A. Proposition A and Proposition C Local Return Funds						
13.	A separate account was established for Capital reserve funds, Capital reserve was approved by Metro and current status is reported in the Annual Project Update (Form B) or electronic equivalent.			X	None	
14.	Recreational transit form was submitted on time.	X			None	
15.	Fund exchanges (trades, loans, or gifts) were approved by Metro.			X	None	
16.	Proposition C Local Return Funds were used to augment, not supplant existing local revenues being used for road improvement purposes.	X			None	
17.	All on-going and carryover projects were reported on Form B or electronic equivalent.	X			None	
18.	Cash or cash equivalents are maintained.	X			None	
19.	Accounting procedures, record keeping, and documentation are adequate.	X			None	

CITY OF WHITTIER
COMPLIANCE MATRIX
Year Ended June 30, 2021
(Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
B. Measure R Local Return Fund						
1.	Funds were expended for transportation purposes.	X			None	
2.	Separate Measure R Local Return Account was established.	X			None	
3.	Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure R Local Return Account.	X			None	
4.	Funds were expended with Metro's approval.	X			None	
5.	Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X			None	
6.	Timely use of funds.	X			None	
7.	Administrative expenses are within the 20% cap.			X	None	
8.	Expenditure Plan (Form One or electronic equivalent) was submitted on time.	X			None	
9.	Annual Expenditure Report (Form Two or electronic equivalent) was submitted on time.	X			None	
10.	Where funds expended were reimbursable by other grants or fund sources, the reimbursement was credited to the Local Return Account upon receipt of the reimbursement.			X	None	
11.	Where Measure R funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X	None	
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	
13.	Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X			None	

CITY OF WHITTIER
COMPLIANCE MATRIX
 Year Ended June 30, 2021
 (Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
B. Measure R Local Return Fund						
14.	Recreational transit form was submitted on time.			X	None	
15.	Fund exchanges were approved by Metro.			X	None	
16.	Accounting procedures, record keeping, and documentation are adequate.	X			None	

CITY OF WHITTIER
COMPLIANCE MATRIX
Year Ended June 30, 2021
(Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
C. Measure M Local Return Fund						
1.	Funds were expended for transportation purposes.	X			None	
2.	Separate Measure M Local Return Account was established.	X			None	
3.	Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure M Local Return Account.	X			None	
4.	Funds were expended with Metro's approval.	X			None	
5.	Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X			None	
6.	Timely use of funds.	X			None	
7.	Administrative expenses are within the 20% cap.			X	None	
8.	Expenditure Plan (Form M-One or electronic equivalent) was submitted on time.	X			None	
9.	Expenditure Report (Form M-Two or electronic equivalent) was submitted on time.	X			None	
10.	Where funds expended were reimbursable by other grants or fund sources, the reimbursement was credited to the Local Return Account upon receipt of the reimbursement.			X	None	
11.	Where Measure M funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X	None	
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	
13.	Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.			X	None	
14.	Recreational transit form was submitted on time.			X	None	

CITY OF WHITTIER
COMPLIANCE MATRIX
 Year Ended June 30, 2021
 (Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
C. Measure M Local Return Fund						
15.	Fund exchanges (trades, loans, or gifts) were approved by Metro.			X	None	
16.	Accounting procedures, record keeping, and documentation are adequate.	X			None	

CITY OF WHITTIER
COMPLIANCE MATRIX
 Year Ended June 30, 2021
 (Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
D. Transportation Development Act Article 3 Fund						
1.	Timely use of funds.	X			None	
2.	Expenditures were incurred for activities relating to pedestrian and bicycle facilities and amenities.			X	None	

CITY OF WHITTIER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2021

No findings were noted.

EXIT CONFERENCE

CITY OF WHITTIER
PROPOSITION A LOCAL RETURN FUND, PROPOSITION C LOCAL RETURN FUND,
MEASURE R LOCAL RETURN FUND, MEASURE M LOCAL RETURN FUND, AND
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
EXIT CONFERENCE
June 30, 2021

An exit conference was held on December 3, 2021 with the City of Whittier. Those in attendance were:

Simpson & Simpson Representative:

John Longoria, Senior Auditor

City's Representative:

Alice Hui, Assistant Director of Administrative Services

Matters Discussed:

Results of the audit disclosed no significant control deficiencies or non-compliance issues with Metro Guidelines.

A copy of this report was forwarded to the following City representative(s) for their comments prior to the issuance of the final report:

Alice Hui, Assistant Director of Administrative Services

Simpson & Simpson, LLP
633 West 5th Street, Suite 3320
Los Angeles, CA 90071

RE: CITY OF WHITTIER ANNUAL FINANCIAL REPORT OF THE PROPOSITION A LOCAL RETURN FUND, PROPOSITION C LOCAL RETURN FUND, MEASURE R LOCAL RETURN FUND, MEASURE M LOCAL RETURN FUND, AND TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

I have received the annual financial report of the Proposition A Local Return Fund, Proposition C Local Return Fund, Measure R Local Return Fund, Measure M Local Return Fund, and Transportation Development Act Article 3 Fund for the years ended June 30, 2021 and 2020 for the City of Whittier and agree with the contents of the report except as indicated below:

(Attach additional pages if necessary)

Very truly yours,

Name

Title

Date