

***COUNTY OF LOS ANGELES
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
TRANSPORTATION DEVELOPMENT ACT
ARTICLE 8 FUND
FOR THE FISCAL YEARS ENDED
JUNE 30, 2019 AND 2018***



Metro[®]



Simpson & Simpson, LLP Certified
Public Accountants

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FINANCIAL SECTION



SIMPSON & SIMPSON

CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS

BRAINARD C. SIMPSON, CPA

MELBA W. SIMPSON, CPA

U.S. BANK TOWER
633 WEST 5TH STREET, SUITE 3320
LOS ANGELES, CA 90071
(213) 736-6664 TELEPHONE
(213) 736-6692 FAX
www.simpsonandsimpsoncpas.com

Independent Auditor's Report

To the Honorable Members of the Board of Supervisors of the
County of Los Angeles, 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), Transportation Development Act Article 3 Fund (TDAA3F), and Transportation Development Act Article 8 Fund (TDAA8F) (collectively, the Funds), of the County of Los Angeles, California (the County) as of and for the years ended June 30, 2019 and 2018, 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 of 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, TDAA3F and TDAA8F of the County of Los Angeles California, as of June 30, 2019 and 2018, and the respective changes in their 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, TDAA3F and TDAA8F of the County and do not purport to, and do not, present fairly the financial position of the County of Los Angeles, California, as of June 30, 2019 and 2018, and the changes in its financial position for the years then ended in conformity 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 December 24, 2019, on our consideration of the County'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 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 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 County's internal control over the Funds' financial reporting and compliance.

A handwritten signature in cursive script, reading "Simpson & Simpson".

Los Angeles, California
December 24, 2019

COUNTY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
BALANCE SHEETS
June 30

	2019	2018
ASSETS		
Cash and investments	\$ 38,681,056	\$ 37,370,995
Accounts receivable (Note 9)	1,405,497	994,112
Interest receivable	205,183	214,432
Due from other funds (Note 10)	207,553	225,404
Advances to ISF funds (Note 12)	180,700	196,600
Total assets	\$ 40,679,989	\$ 39,001,543
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 5,501,129	\$ 3,601,518
Due to other funds (Note 10)	608,876	723,510
Total liabilities	6,110,005	4,325,028
 Deferred Inflows of Resources		
Unavailable revenue (Note 11)	116,846	105,700
Total deferred inflows of resources	116,846	105,700
 Fund Balance		
Restricted	34,453,138	34,570,815
Total fund balance	34,453,138	34,570,815
Total liabilities, deferred inflows of resources, and fund balance	\$ 40,679,989	\$ 39,001,543

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

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

	2019	2018
REVENUES		
Proposition A	\$ 19,702,967	\$ 18,331,457
Proposition A Discretionary Incentive Grant (Note 14)	1,437,767	1,291,573
Other government grants (Note 15)	3,282,801	2,004,896
EZ Pass revenues	10,134	3,761
Service reimbursements (Note 1)	830,357	659,935
Rents and concessions (Note 1)	733	1,211
Interest income	773,152	665,749
Miscellaneous income (Note 18)	400,000	-
Sale of capital assets (Note 16)	757	32,118
Total revenues	26,438,668	22,990,700
EXPENDITURES		
Various projects	26,556,345	35,182,225
Total expenditures	26,556,345	35,182,225
Deficiency of revenues under expenditures	(117,677)	(12,191,525)
Fund balance at beginning of year	34,570,815	46,762,340
Fund balance at end of year	\$ 34,453,138	\$ 34,570,815

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

COUNTY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
110-002	Santa Clarita Valley Local Bus	\$ 2,000,000	\$ 1,638,090	\$ 361,910	\$ 1,733,616
110-003	Palos Verdes Peninsula Shuttle	450,000	401,254	48,746	402,612
110-004	South Bay Commuter	40,000	-	40,000	-
110-015	Antelope Valley Commuter	600,000	417,619	182,381	425,089
110-016	SCV La Commuter	1,000,000	487,477	512,523	595,151
110-020	Boyle Heights/East Los Angeles DASH Shuttle	460,000	177,458	282,542	243,211
110-021	Unincorporated South Whittier Area Shuttle Service	1,300,000	1,169,405	130,595	1,074,368
110-023	Bassett/Avocado Heights Flex Route Shuttle Service	300,000	218,950	81,050	240,094
110-024	Marina del Rey Shuttle Pilot Program	100,000	100,895	(895)	88,038
110-109	Willowbrook Shuttle Service	1,500,000	769,885	730,115	771,254
110-110	Antelope Valley Bus Service	1,000,000	429,924	570,076	422,574
110-120	Rose Parade Shuttle Service	50,000	45,000	5,000	45,000
110-121	East Los Angeles Fixed Route Shuttle	2,000,000	1,901,231	98,769	1,609,168
110-18	Acton/Agua Dulce/Gorman Shuttle Program	150,000	133,243	16,757	122,555
110-26	East Valinda Shuttle	300,000	235,461	64,539	252,643
110-27	Lennox Shuttle	300,000	233,752	66,248	219,873
110-28	Athens Shuttle	300,000	240,237	59,763	237,589
110-29	Florence-Firestone/Walnut Park Shuttle	500,000	306,877	193,123	310,157
110-30	Baldwin Hills Parklands Shuttle Service	100,000	67,578	32,422	57,310
110-31	Los Angeles County - USC Medical Center Shuttle Service	250,000	275,786	(25,786)	222,595
110-32	Topanga Canyon Beach Shuttle Service	600,000	187,095	412,905	156,016
110-33	Hacienda Heights/Rowland Heights Shuttle Service	600,000	520,363	79,637	493,237
110-34	Long Beach Pilot Shuttle	160,000	-	160,000	100,909
120-011	Agoura Area Dar	90,000	63,131	26,869	77,398
120-012	Mid-San Gabriel Paratransit	350,000	268,607	81,393	265,615
120-013	Santa Clarita Valley General Public	60,000	42,544	17,456	26,742
120-14	Florence-Firestone/Walnut Park Youth Program	30,000	-	30,000	-
120-15	Pasadena-Altadena Pilot Shuttle	150,000	35,696	114,304	12,000
130-003	Children's Court Shuttle	370,000	313,116	56,884	313,525
130-1	Los Nietos Community Shuttle Service	150,000	83,086	66,914	97,586

(continued)

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)
(Continued)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
130-014	Rancho Los Amigos	\$ 500,000	\$ 340,941	\$ 159,059	\$ 330,638
130-020	Elderly And Disabled Paratransit	4,449,000	2,740,819	1,708,181	3,316,310
130-27	Santa Clarita Valley Elderly and Disabled DAR	300,000	309,711	(9,711)	239,745
140-005	Hollywood Bowl P/R Shuttle	4,000,000	2,094,353	1,905,647	1,907,061
140-07	Summer Beach Bus Program	500,000	340,182	159,818	348,859
140-017	Special Event Transportation	2,000,000	1,077,258	922,742	1,623,954
140-024	John Anson Ford Amphitheater Shuttle	125,000	131,127	(6,127)	85,053
150-035	Installation Of Rapid Bus Shelters In Unincorporated Area Of L.A. County	1,500,000	583	1,499,417	-
150-44	Bus Stop Amenities and Improvement Program	5,000,000	2,129,343	2,870,657	1,730,481
200-36	Avocado Heights/Bassett/West Valinda and East Valinda: Purchase 2 Buses	1,000,000	996,712	3,288	-
200-37	Dial-A-Ride: Purchase Vehicles	650,000	-	650,000	-
230-6	Park & Ride Lot Security	500,000	417,259	82,741	403,644
250-004	Bus Fare Media Purchase	60,000	3,646	56,354	6,752
250-067	Bus Pass Subsidy	1,500,000	748,326	751,674	995,237
270-007	Proposition A Project Planning	1,200,000	689,397	510,603	708,949
270-012	Los Angeles County Unincorporated Area Unmet Transit Needs Studies	1,500,000	-	1,500,000	-
270-15	North County Transportation Coalition JPA	100,000	68,000	32,000	100,000
280-009	Los Angeles County Transit Web Site	100,000	1,052	98,948	2,298
280-10	Transit Services Smartphone Application	100,000	14,620	85,380	26,629
290-126	Park-And-Ride Lot Maintenance/Security	500,000	359,451	140,549	300,470
300-018	CSULA Metrolink Operations	100,000	73,495	26,505	75,081
310-020	Fairview Heights Transit Plaza	2,000,000	2,000,000	-	-
310-19	Vermont & Manchester Transit Plaza	18,000,000	813,248	17,186,752	11,900,000
360-001	Metro Blue Line Liability Sharing	200,000	11,375	188,625	41,390
360-04	Metro Rail Promotion	25,000	-	25,000	-
480-004	Board Of Supervisors Staff Support	1,000,000	431,687	568,313	423,749
480-05	Rail-Volution Conference	50,000	-	50,000	-
480-07	APTA Conference	5,000	-	5,000	-
Total expenditures		\$ 62,224,000	\$ 26,556,345	\$ 35,667,655	\$ 35,182,225

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2019

Date Acquired	Description	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
2002	Bus Shuttle El Dorado	\$ 142,985	\$ -	\$ 142,985	\$ -
2004	Bus El Dorado EZ Rider	143,952	-	-	143,952
2005	Van Chev 3400/05 with Lift 8 Pass	34,748	-	-	34,748
2006	60 Bus Pass El Dorado National	532,404	-	-	532,404
2007	BUS CHEV/07 C5500 / EL DORADO AERO ELITE L-310	105,350	-	-	105,350
2008	BUS TRANST/08 CHEV C5500 EL DORADO L-311	129,982	-	-	129,982
2008	BUS CHEV/08 C4500/ EL DORADO L-312&313	249,442	-	-	249,442
2008	Van Mini Braun/08 ADA Complaing (L194)	118,678	-	39,559	79,119
2010	10 Bus Transit 2010 GM/Glaval Titan	304,015	-	96,954	207,061
2011	10 Bus Transit 2011 GM - Handicapped	543,655	-	-	543,655
2011	8 Bus Shuttle 2004 Model EZ Rider	584,431	-	-	584,431
2012	Shelter 2011/Parking Booth Company AS810-1SW	15,073	-	-	15,073
2012	Shelter 2011/Parking Booth Company AS810-1SW	15,073	-	-	15,073
2013	Bus Transit 2013 Eldorado ACESS 35 CNG (L-315)	447,213	-	-	447,213
2013	Bus Transit 2013 Eldorado ACESS 35 CNG (L-314)	447,213	-	-	447,213
2015	Bus 2015/El Dorado ACESS 35 CNG Sunshine Shuttle (L-317)	474,193	-	-	474,193
2015	Bus 2015/El Dorado ACESS 35 CNG Sunshine Shuttle (L-316)	474,193	-	-	474,193
2015	Bus 2015/Ford F550 El Dorado Aero Elite 290 CNG (L-211)	159,947	-	-	159,947
2015	Bus 2015/Ford F550 El Dorado Aero Elite 290 CNG (L-213)	159,947	-	-	159,947
2015	Bus 2015/Ford F550 El Dorado Aero Elite 290 CNG (L-212)	159,947	-	-	159,947
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-318)	490,128	-	-	490,128
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-319)	490,128	-	-	490,128
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-320)	490,128	-	-	490,128
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-321)	490,128	-	-	490,128
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-322)	490,128	-	-	490,128
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-323)	490,128	-	-	490,128
2016	BUS PASSENGER 2016/ELDORADO AXES 35 WHITE CNG (L-324)	490,128	-	-	490,128
2017	BUS PASSENGER 2016/ELDORADO AXES 35 CNG (L-326)	488,423	-	-	488,423
2017	BUS PASSENGER 2016/ELDORADO AXES 35 CNG (L-325)	488,423	-	-	488,423
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-110)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-107)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-113)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-106)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-101)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-103)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-108)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-111)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-109)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-112)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-102)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-104)	50,579	-	-	50,579
2018	2016 MOBILITY VENTURE MV-1 COMMUNITY DIAL-A-RIDE (L-105)	50,579	-	-	50,579
2019	BUS PASSENGER 2018 ELDORADO AXES 35 CNG (L-328)	-	498,356	-	498,356
2019	BUS PASSENGER 2018 ELDORADO AXES 35 CNG (L-327)	-	498,356	-	498,356
Total \$		<u>10,307,710</u>	<u>\$ 996,712</u>	<u>\$ 279,498</u>	<u>\$ 11,024,924</u>

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
BALANCE SHEETS
June 30

	2019	2018
ASSETS		
Cash and investments	\$ 44,180,348	\$ 47,248,254
Accounts receivable (Note 9)	8,918,892	11,267,329
Interest receivable	238,103	255,798
Due from other funds (Note 10)	1,723,664	644,281
Advances to ISF funds (Note 12)	706,600	768,900
Total assets	\$ 55,767,607	\$ 60,184,562
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 418,056	\$ 1,167,903
Due to other funds (Note 10)	2,147,171	1,953,140
Other payables	49,000	494
Total liabilities	2,614,227	3,121,537
 Deferred Inflows of Resources		
Unavailable revenue (Note 11)	3,713,697	4,157,072
Total deferred inflows of resources	3,713,697	4,157,072
 Fund Balance		
Restricted	49,439,683	52,905,953
Total fund balance	49,439,683	52,905,953
Total liabilities, deferred inflows of resources, and fund balance	\$ 55,767,607	\$ 60,184,562

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

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
STATEMENTS OF REVENUES, EXPENDITURES,
For the Fiscal Years Ended June 30

	2019	2018
REVENUES		
Proposition C	\$ 17,535,644	\$ 16,264,055
Proposition C Discretionary Incentive Grants (Note 14)	7,777,745	11,574,913
Services reimbursements (Note 1)	4,110,443	3,616,429
Interest income	932,477	719,324
Other revenues (Note 1)	21,700	40
Total revenues	30,378,009	32,174,761
EXPENDITURES		
Various projects	33,844,279	29,384,473
Total expenditures	33,844,279	29,384,473
 (Deficiency) excess of revenues (under) over expenditures	 (3,466,270)	 2,790,288
 Fund balance at beginning of year	 52,905,953	 50,115,665
 Fund balance at end of year	 \$ 49,439,683	 \$ 52,905,953

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

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
270-13	County Contribution to Gateway Cities COG I- 710 Major Corridor Study	\$ 1,250,000	\$ 281,039	\$ 968,961	\$ 313,184
270-14	Valinda/Basset Transit Needs Study	10,000	106	9,894	82,119
270-16	Transportation Planning (Grant Applications)	250,000	-	250,000	-
270-17	Los Angeles County Transit-Oriented District (TOD) Design Guidelines	500,000	63,037	436,963	-
290-127	3rd Street & Laverne Avenue Park & Ride Lot	4,000,000	3,856,225	143,775	-
360-12	Metro Green Line Vermont Station Wayfinding Signage	495,000	82,544	412,456	129,453
360-13	Hollywood/Highland Red Line Station Wayfinding Signage	100,000	-	100,000	-
360-14	Slauson, Florence and Firestone Blue Line Station Wayfinding Signage Improvements	100,000	88,143	11,857	3,232
400-002	Santa Clarita ITS	100,000	-	100,000	-
400-008	Gateway Cities Forum	500,000	97,242	402,758	65,157
400-010	Los Angeles County Traffic Management Center	250,000	-	250,000	19,463
400-021	South Bay Traffic Signal Forum	200,000	-	200,000	647,087
400-05	Information Exchange Network	300,000	199,439	100,561	311,700
400-30	Traffic Management Center Operations	500,000	430,053	69,947	405,567
400-32	Slauson Ave Corridor Improvements - Signals Project	1,500,000	948,066	551,934	1,742,482
400-33	South Bay Forum Traffic Signal Corridors Project - 2007 Call (F1311)	2,500,000	1,363,538	1,136,462	2,009,029
400-34	Gateway Cities Forum Traffic Signal Corridors Project - 2007 Call (F1312)	4,000,000	2,437,040	1,562,960	4,024,344
400-35	San Gabriel Valley Forum Traffic Signal Corridors Project - 2007 Call (F1321)	3,000,000	431,956	2,568,044	2,741,093
400-38	Countywide Signal Priority, Phase II	-	-	-	6,359
400-39	El Segundo Area ITS (Operation and Maintenance)	620,000	8,559	611,441	142,366
400-40	San Gabriel Valley Forum Traffic Signal Corridors Project - 2009 CFP	5,250,000	1,028,966	4,221,034	587,438
400-41	Gateway Cities Forum Traffic Signal Corridors Project, Phase VI - 2009 Call (F3309)	2,000,000	1,112,045	887,955	468,160
400-42	South Bay Forum Traffic Signal Corridors Project - 2009 Call (F3310)	1,500,000	653,438	846,562	346,203
400-43	Information Exchange Network (EIN) Phase III - 2009 Call (F3311)	1,900,000	9,692	1,890,308	22,711
400-44	Ramona Bl/Badillo St/Covina Bl TSSP/BSP - 2011 Call (F5315)	4,100,000	8,609	4,091,391	-
400-45	South Bay Arterial Performance	504,000	124,547	379,453	45,755
400-46	Whittier Blvd Transit Signal Priority Project - Metro Express Lanes	600,000	18,603	581,397	9,278
400-47	Performance Measurement System	620,000	129,234	490,766	10,055
400-48	Project coordination for ITS projects	500,000	121,582	378,418	1,495
400-49	South Bay Arterial ITS Congestion Relief Project	854,000	44,522	809,478	-

(continued)

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)
(Continued)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
400-50	San Gabriel Valley Traffic Signal Corridors Project 2011 CFP (F5315)	\$ 310,258	\$ 17,987	\$ 292,271	\$ -
400-51	South Bay Forum Traffic Signal Corridors Project 2011 CFP (F5316)	470,142	18,475	451,667	-
430-016	North County Bikeways	10,000	-	10,000	-
430-19	Eastside Ligh Rail/Bike Interface	1,600,000	1,198,633	401,367	1,905,392
430-20	Emerald Necklace Bike Trail	100,000	-	100,000	-
430-201	170th Street East Bike Lane	10,000	-	10,000	-
430-24	El Pueblo Transit Hub Safety Improvements	3,100,000	1,770,091	1,329,909	991,923
430-25	Willowbrook Bikeway Improvement	1,000,000	(9,317)	1,009,317	127,474
430-28	East Avenue O Bike Lane	10,000	-	10,000	-
430-30	90th Street East/87th Street East Bike Lane	10,000	-	10,000	-
430-31	Quarry Clasp/Peck Park Biker Trail	2,600,000	4,218	2,595,782	18,095
430-34	Los Angeles River Regional Bike Path	13,500,000	392,595	13,107,405	260,187
430-35	Altadena Dr. and Washington Bl Bikeway	2,500,000	115,713	2,384,287	360,545
430-37	Florence-Firestone Bikeway Access	-	-	-	161
430-38	West Rancho Dominguez Bikeway Access	1,000,000	102,492	897,508	102,339
430-39	Charter Oak Bikeway Access Improvements	150,000	58,961	91,039	1,437,371
430-40	Bike Path Pavement Rehabilitation - Admiralty Way	750,000	48,557	701,443	67,818
430-41	Dockweiler RV Park Bicycle Path Bypass	250,000	-	250,000	-
430-42	Florence Metro Blue Line Station Bikeway	600,000	400,345	199,655	1,422,406
430-43	Vermont Avenue-Manchester Av/El Segundo	600,000	446,901	153,099	139,278
430-44	Susana Rd, Et. Al.	1,000,000	885,124	114,876	13,224
430-46	Los Angeles River Valley Bikeway and	25,000	-	25,000	-
430-47	San Gabriel River Bike Trail under I-10 Freeway	300,000	13,763	286,237	21,494
430-48	Marvin Braud Bike Path - Venice Beach	400,000	321,115	78,885	122,546
430-49	Vincent Community Bikeways	4,700,000	188,365	4,511,635	145,457
430-50	West Carson Community Bikeways	700,000	305,423	394,577	73,786
430-51	Hawthorne/Lennox Green Line Station	3,100,000	28,302	3,071,698	47,368
430-52	Aviation/LAX Green Line Station Community Linkages	3,000,000	20,355	2,979,645	46,845
430-53	Firestone Blue Line Station Intersection and Bikeway Imprvements Project	1,900,000	440,984	1,459,016	19,726
430-54	Eaton Wash Bike Path - Phase I	2,000,000	303,599	1,696,401	320,002
430-55	East Pasadena and East San Gabriel Bikeway Access Improvements	2,300,000	12,999	2,287,001	12,579
430-56	Budlong Av - Manchester Av/El Segundo Bl - SR2S	750,000	427,661	322,339	1,685,177
430-57	Mureau Road Bikeway and Roadway Improvements	1,000,000	96,841	903,159	-
430-58	Lake Av-Loma Alta Dr/Altadena Dr - Healthy Communities Class III Bike Route	100,000	5,553	94,447	20,381
430-59	Dominguez Channel Greenway Northern Gap Closure - Bike Path	300,000	56,898	243,102	70,759

(continued)

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)
(Continued)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
430-60	U.S.101/Palo Comado Canyon Rd Interchange Improvements - City of Agoura Hills	\$ 600,000	\$ 600,000	\$ -	\$ -
430-61	South Whittier Community Bikeway Access Improvements	4,000,000	267,288	3,732,712	-
430-62	Westmont Community Bikeway Access Improvements	2,000,000	249,477	1,750,523	-
430-63	County Bike Path Guidance Document	200,000	7,705	192,295	-
430-64	Bike Aid Stations	5,000,000	7,394	4,992,606	-
430-65	San Jose Creek Bike Trail, Phase 2A	275,000	-	275,000	-
430-66	Feasibility Study of Class IV Bikeways	100,000	23,682	76,318	-
440-059	Centinela Ave, Et. Al.	10,000	-	10,000	-
440-112	Imperial Hwy-Carmenita Rd/Valley View Ave.	50,000	-	50,000	-
440-122	Workman Mill Rd. - Oakman Dr./Don Julian Rd.	100,000	-	100,000	-
440-134	El Segundo bl, Et. Al.	-	-	-	22,460
440-135	Foothill Bl. - Rosemead Bl/Michillinda Av	500,000	(73,003)	573,003	228,768
440-143	Norwalk Bl, Et. Al.	3,335,000	44,450	3,290,550	122,161
440-151	108th St-Denker Av/Normandie Av, Et. Al.	25,000	-	25,000	13,889
440-163	Firestone Boulevard-Central Av/Graham Ave, Et. Al.	450,000	416,196	33,804	41,247
440-188	Heller Circle - Et. Al.	100,000	-	100,000	74,795
440-191	Wilshire Bl, Et. Al. (RDC0015533)	3,800,000	578,001	3,221,999	505,773
440-192	Washington Bl, Et. Al. (formerly Valley View Av Et. Al.)	5,500,000	45,340	5,454,660	39,473
440-193	Hacienda Boulevard at Gale Avenue	10,000	-	10,000	-
440-195	Marina Del Rey Street Improvements - Marina Del Ray (RDC0015781)	10,000	-	10,000	(6,108)
440-196	Via Marina St - Panay Way to 1727' S/O Bora Bora Way	10,000	-	10,000	(7,154)
440-197	Huntington Dr - San Gabriel Bl/Michilinda Av	3,000,000	285,955	2,714,045	251,934
440-199	New York Dr - Lake Av to 120 ft W/O Altadena Dr	4,000,000	1,802,257	2,197,743	686,142
440-200	Fiji Way Roadway Improvements (RDC0015796)	10,000	-	10,000	-
440-201	East Los Angeles Community Roadway Improvement	1,000,000	657,321	342,679	723,394
440-205	Pennsylvania Av - Markridge Rd/Montrose Ave	150,000	22,449	127,551	22,753
440-206	Leffingwell Rd - Telegraph Rd/La Mirada Bl	1,165,000	965,588	199,412	4,628
440-208	Colima Road-City of Whittier Boundary to Fullerton Road	13,000,000	50,195	12,949,805	489,512
440-209	Overhill Drive-La Brea Avenue to Slauson Avenue	2,500,000	2,024,464	475,536	159,211
440-210	Los Nietos Safe Routes to School-Phase I	1,550,000	153,352	1,396,648	273,136
440-211	Mulberry Dr and Painter AV Intersection Improvements	5,000,000	282	4,999,718	-
440-212	Los Nietos Safe Routes to School - Phase II	1,600,000	242,668	1,357,332	89,204
440-213	Wilshire Boulevard Bus Rapid Transit - Easement	10,000	3,965	6,035	-
440-214	Carmenita Rd and Telegraph Rd Intersection Improvements	1,500,000	17,858	1,482,142	-
440-215	Norwalk Bl and Whittier Bl Intersection Improvements	3,500,000	16,482	3,483,518	-

(continued)

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)
(Continued)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
440-216	Valley View Av and Imperial Hwy Intersection Improvements	\$ 2,000,000	\$ 1,376	\$ 1,998,624	\$ -
440-221	Vermont Green Line Intersection Improvements Project	2,100,000	345,960	1,754,040	183,949
460-148	North County/Antelope Valley Traffic Forum Improvement Project	2,500,000	1,121,292	1,378,708	164,485
470-002	Countywide Pavement Management System Program	1,250,000	1,045,041	204,959	792,013
470-01	Pavement Management Field Evaluation Equipment	50,000	-	50,000	-
480-001	Traffic Signal Synchronization Program Training	150,000	-	150,000	-
480-014	Proposition C Project Planning & Coordination	1,480,000	1,395,314	84,686	942,745
480-015	Board of Supervisors Staff Support	275,000	315,072	(40,072)	-
	Total expenditures	\$ 162,013,400	\$ 33,844,279	\$ 128,169,121	\$ 29,384,473

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2019

Date Acquired	Description	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
2004	Video Wall Screen	\$ 469,773	\$ -	\$ -	\$ 469,773
2005	Plotter HP Design Jet 815	19,070	-	-	19,070
2005	Dell Poweredge Server 1850	20,796	-	-	20,796
2009	Cisco 3845 Router	18,647	-	-	18,647
2009	Network Firewall Cisco ASA 5520	7,709	-	-	7,709
2009	Video Wall Screen For Traffic Mgmt Ctr	15,112	-	-	15,112
2010	Cisco Catalyst 4948-10GE	13,778	-	-	13,778
2010	Cisco Catalyst 4948-10GE	13,778	-	-	13,778
2012	Plotter HP Design Jet T1200 HD MFP	16,596	-	-	16,596
2012	Server HP BLC7000 CTO3	7,768	-	-	7,768
2014	Server HP BLC7000 CTO3	14,828	-	-	14,828
2014	Firewall Palo Alto Networks PA-500	16,525	-	-	16,525
2015	Server HP BLC7000 CTO3	3,222	-	-	3,222
2017	Server HP BL460c	10,680	-	-	10,680
2017	Server HP BL460c	10,680	-	-	10,680
2018	CATALYST CISCO ONE 3850 48 PORT	13,620	-	-	13,620
2018	CATALYST CISCO ONE 3850 48 PORT	13,620	-	-	13,620
2018	ROUTER CISCO ONE ISR4451-X	20,179	-	-	20,179
2018	SERVER HP PROLIANT BL460C (6)/HP MSA2 450GB (22)	-	15,468	-	15,468
2018	SERVER HP BLC7000 CTO3	-	15,468	-	15,468
2018	CISCO FIREPOWER 2110 MASTER BUNDLE	-	11,013	-	11,013
Total		\$ 706,381	\$ 41,949	\$ -	\$ 748,330

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
MEASURE R LOCAL RETURN FUND
BALANCE SHEETS
June 30

	2019	2018
ASSETS		
Cash and investments	\$ 44,356,294	\$ 39,641,603
Interest receivable	236,047	209,339
Accounts receivable (Note 9)	1,197,816	673,448
Due from other funds (Note 10)	150,948	62,121
Advances to ISF funds (Note 12)	146,900	151,300
Total assets	\$ 46,088,005	\$ 40,737,811
 LIABILITIES, DEFERRED INFLOWS OF		
Liabilities		
Accounts payable	\$ 96,317	\$ 42,572
Due to other funds (Note 10)	1,962,008	330,498
Total liabilities	2,058,325	373,070
 Deferred Inflows of Resources		
Unavailable revenue (Note 11)	923	923
Total deferred inflows of resources	923	923
 Fund Balance		
Restricted	44,028,757	40,363,818
Total fund balance	44,028,757	40,363,818
Total liabilities, deferred inflows of resources, and fund balance	\$ 46,088,005	\$ 40,737,811

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

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

	2019	2018
REVENUES		
Measure R	\$ 13,155,515	\$ 12,191,138
Other government grants (Note 15)	1,505,718	1,602,284
Interest income	889,849	558,124
Other revenues (Note 1)	22,745	9
Total revenues	15,573,827	14,351,555
 EXPENDITURES		
Various projects	11,908,888	8,674,274
Total expenditures	11,908,888	8,674,274
 Excess of revenues over expenditures	3,664,939	5,677,281
 Fund balance at beginning of year	40,363,818	34,686,537
 Fund balance at end of year	\$ 44,028,757	\$ 40,363,818

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

COUNTY OF LOS ANGELES
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
1.05	Santa Fe Av-Artesia Bl to Del Amo Bl	\$ 1,000,000	\$ 307,577	\$ 692,423	\$ 20,844
1.05	Firestone Blvd - Central Ave to Graham, Et. Al.	50,000	(187,784)	237,784	-
1.05	Angeles Forest Hwy Et. Al., Phase 2	10,000	924	9,076	70,647
1.05	Ballentine Place, Et. Al.	100,000	-	100,000	-
1.05	Tranbarger St. Et. Al.	-	-	-	3,169
1.05	Garo St, Et. Al. (formerly Santa Bianca Rd, Et. Al.)	100,000	73	99,927	-
1.05	Compton Bl, Et. Al. - East Rancho Dominguez	500,000	83,966	416,034	-
1.05	McDonnell Av, Et. Al.	50,000	2,434	47,566	2,197,247
1.05	Templin Hwy at MM 0.30	10,000	-	10,000	-
1.05	Whiteside St, Et. Al.	100,000	-	100,000	-
1.05	Wilmington Ave - 200'S/o Victoria St to Del Amo Blvd	1,000,000	118,307	881,693	4,542
1.05	Hazard Av, Et. Al.	3,000,000	125,387	2,874,613	-
1.05	Allen Av, Et. Al.	3,000,000	1,975,813	1,024,187	9,854
1.05	Avenue G over SR 14 Fwy	10,000	5,735	4,265	-
1.05	Vasquez Canyon Rd 1.04 mile e/o Bouquet Canyon Rd - Ph II	100,000	66,222	33,778	211,740
1.05	Avenue N over SR 14 Fwy	30,000	18,427	11,573	-
1.05	Old Topanga Cyn Rd-2,723 S/o Valdez Rd/Topanga Cyn Bl	3,000,000	174,183	2,825,817	202,074
1.10	The Old Road-Lake Hughes Rd to Hillcrest Pkwy	100,000	7,895	92,105	-
1.10	The Old Rd over Santa Clara River & SPT CO. Bridge, Et. Al.	500,000	399,106	100,894	-
1.10	Fullerton Rd Corridor Improvement (formerly Fullerton Rd - Valley Blvd)	500,000	2,541	497,459	6,006
1.10	Metro 1-710 Corridor Project	50,000	-	50,000	-
1.20	Cesar E. Chavez/Lorena/Indiana - Intersection Improvements	1,000,000	-	1,000,000	-
1.20	Slauson Blue Line Station Intersection Improvements	250,000	189,266	60,734	71,436
1.20	Michillinda Av Intersection Improvement	200,000	201,041	(1,041)	-
1.20	Kanan Rd Guardrail Replacement On-System (2018WOOLSEYFIRE)	900,000	71,837	828,163	-
1.20	Kanan Dume Rd Guardrail Replacement On-System (2018WOOLSEYFIRE)	800,000	62,911	737,089	-
1.20	Mulholland Hwy, Et. Al. Guardrail Replacement On-System (2018WOOLSEYFIRE)	750,000	79,538	670,462	-
1.20	Latigo Canyon Rd, Et. Al. Guardrail Replacement Off-System (2018WOOLSEYFIRE)	2,500,000	1,888,774	611,226	-
1.25	San Bernardino Rd - Nora Av/Yaleton Av (sidewalk) (formerly San)	10,000	4,953	5,047	5,248
1.30	Workman Mill Road from Oakman Drive to Valley Boulevard	50,000	-	50,000	-
1.30	Wilshire Bl, Et. Al.	20,000	-	20,000	-
1.30	Willowbrook Streetscape Improvement Project	2,000,000	782,246	1,217,754	2,075,743
1.30	Slauson Ave Revitalization (formerly Slauson Ave from La Brea)	10,000	1,836	8,164	157,916
1.30	Mureau Road at Mountain View Dr Landscaped Median Retrofit	400,000	123,104	276,896	1,260,394
1.30	Parklets East Los Angeles	200,000	186,676	13,324	5,432

(continued)

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)
(Continued)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
1.30	Parklets East Los Angeles (General Liability Insurance)	\$ -	\$ -	\$ -	\$ 24,768
1.30	Main St. Avalon Bl and Rosecrans Ave Landscape Improvements	50,000	6,038	43,962	735,761
1.30	Willowbrook Green Alley Project	50,000	-	50,000	111,754
1.30	Washington Bl, Et. Al.	10,000	-	10,000	-
1.30	Amar Rd - Vineland Av/Unruh Av	10,000	-	10,000	-
1.30	Workman Mill Rd Landscaping	250,000	152,057	97,943	-
1.30	Willowbrook 2 Project (AHSC)	20,000	-	20,000	-
1.90	Florence Neighborhood Mobility (AHSC)	20,000	-	20,000	-
1.90	Other Street Improvements including ADA throughout the County (Antelope Valley)	100,000	-	100,000	131,114
1.90	Other Street Improvements including ADA throughout the County (LA Basin)	100,000	-	100,000	-
1.90	Admiralty Way Street improvements (formerly Admiralty Way at Pa)	10,000	-	10,000	-
1.90	Magic Johnson Park Impovement (ABO) (CDC)	750,000	340,933	409,067	28,599
1.90	Ramona Bl and Badillo St Signage (ABO)	5,000	3,700	1,300	-
1.90	Chesebro Rd over Chesebro Cyn Crk Br 854 On-System (2018WOOLSEYFIRE)	1,500,000	1,587,354	(87,354)	-
1.90	Mulholland Hwy over Las Virgenes Crk Br 833 On-System (2018WOOLSEYFIRE)	800,000	25,570	774,430	-
1.90	Mulholland Hwy Over Triunfo Crk Bridge 1180 On-System (2018WOOLSEYFIRE)	8,000,000	134,821	7,865,179	-
1.90	Hacienda Bl at Glenmark Dr Road Closure-Traffic Control	36,000	31,061	4,939	-
1.90	Santa Anita Cyn Rd @ Imi N/o Arno Dr Slope Repair Off-System (201)	200,000	1,072	198,928	-
3.05	Marvin Braude Beach Trail Gap Closure	500,000	374,614	125,386	150,395
3.05	Fiji Way Admiralty Way to Ballona Creek Bike Trail	10,000	-	10,000	-
3.05	San Jose Creek Bike Trail, Phase 2a	10,000	-	10,000	-
3.05	Calvary Cemetery Pedestrian Path	1,000,000	85,094	914,906	63,963
3.05	Atwater Landing Project	250,000	-	250,000	-
3.05	Rosemead Boulevard Interim Complete Streets	1,000,000	71,258	928,742	437,316
3.05	Puente Creek Bikeway	500,000	234,096	265,904	166,946

(continued)

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2018)
(Continued)

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
3.05	Temple Ave Complete Street Improvements	\$ 500,000	\$ 205,662	\$ 294,338	\$ 105,453
3.05	Los Nietos Safe Routes to School-Phase II	100,000	34,286	65,714	-
3.05	West Athens 110th St Bicycle Boulevard Gap Closure	200,000	5,157	194,843	-
3.05	30th Street West Bikeway	25,000	-	25,000	-
3.10	Metro Station Linkages Signage Design	100,000	4,885	95,115	-
3.20	103rd Street Improvement (Watts Streetscape Enhancements)	10,000	-	10,000	-
3.20	Vermont Avenue Streetscape Improvements	750,000	247,541	502,459	130,055
3.20	East Los Angeles Landscape Improvements	200,000	168,346	31,654	2,889
3.20	Vermont Av and 119th St Pedestrian Improvement	200,000	5,036	194,964	-
3.25	E-Scooter/Bike Pilot Program	100,000	30,253	69,747	-
4.05	Expansion of Service in North County	50,000	-	50,000	-
7.10	Arroyo Verdugo Communities Joint Powers Authority (AVCJPA)	25,000	16,003	8,997	3,225
7.10	East San Gabriel Valley Active Transportation Plan	500,000	115,715	384,285	640
7.90	Atlantic Corridor Complete Street Evaluation and Master Plan	50,000	-	50,000	-
7.90	Florence Avenue Corridor Improvement	25,000	-	25,000	-
7.90	Countywide Pavement Management System Program	50,000	-	50,000	-
7.90	Transportation Planning (Grant Applications)	250,000	240,135	9,865	-
8.10	Project Administration	500,000	1,095,213	(595,213)	279,104
	Total expenditures	\$ 41,116,000	\$ 11,908,888	\$ 29,207,112	\$ 8,674,274

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2019

<u>Date</u> <u>Acquired</u>	<u>Description</u>	<u>Balance</u> <u>7/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2019</u>
None		\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
MEASURE M LOCAL RETURN FUND
BALANCE SHEETS
June 30

	2019	2018
ASSETS		
Cash and investments	\$ 18,586,787	\$ 11,053,201
Interest receivable	97,431	40,681
Due from other funds (Note 10)	1,211,314	1,086
Total assets	\$ 19,895,532	\$ 11,094,968
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,965	\$ 1,984
Due to other funds (Note 10)	36,381	3,148
Total liabilities	39,346	5,132
 Fund Balance		
Restricted	19,856,186	11,089,836
Total fund balance	19,856,186	11,089,836
Total liabilities and fund balance	\$ 19,895,532	\$ 11,094,968

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

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

	2019	2018
REVENUES		
Measure M	\$ 14,813,907	\$ 11,047,961
Interest income	336,921	63,792
Total revenues	15,150,828	11,111,753
 EXPENDITURES		
Various projects	6,384,478	21,917
Total expenditures	6,384,478	21,917
 Excess of revenues over expenditures	8,766,350	11,089,836
 Fund balance at beginning of year	11,089,836	-
 Fund balance at end of year	\$ 19,856,186	\$ 11,089,836

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

COUNTY OF LOS ANGELES
MEASURE M LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2019

Project Code	Project Name	2019			2018 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
1.05	South Whittier Los Nietos-Keith Dr, Et Al.	\$ 500,000	\$ 378	\$ 499,622	\$ -
1.10	Avenue M at SR14 Interchange Improvement (ABO)	50,000	714	49,286	-
1.90	Harrison Elementary School Soundwall	1,000,000	146,289	853,711	19,629
3.05	Park to Playa Trail - Stoneview Nature Center to Hahn Park Segment project (ABO) - Pedestrian Bridge, Trails, Landscaping (Note 17)	5,500,000	5,500,000	-	-
3.05	Lake Los Angeles Pedestrian Plan Implementation Phase	50,000	-	50,000	-
8.10	Measure M LR Administration	250,000	737,097	(487,097)	2,288
Total expenditures		\$ <u>7,350,000</u>	\$ <u>6,384,478</u>	\$ <u>965,522</u>	\$ <u>21,917</u>

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
MEASURE M LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
 June 30, 2019

<u>Date Acquired</u>	<u>Description</u>	<u>Balance 7/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2019</u>
None		\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
BALANCE SHEETS
June 30

	2019	2018
ASSETS		
Cash and investments	\$ 771,959	\$ 992,943
Interest receivable	4,583	5,715
Due from other funds (Note 10)	3,783	23,328
Total assets	\$ 780,325	\$ 1,021,986
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 210	\$ 5,596
Due to other funds (Note 10)	83,724	80,113
Total liabilities	83,934	85,709
 Fund Balance		
Restricted	696,391	936,277
Total fund balance	696,391	936,277
Total liabilities and fund balance	\$ 780,325	\$ 1,021,986

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

COUNTY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
STATEMENTS OF REVENUES, EXPENDITURES,
For the Fiscal Years Ended June 30

	2019	2018
REVENUES		
TDA 3 (Note 18)	\$ 1,340,402	\$ 1,147,893
Interest income	13,708	15,758
Other revenue (Note 13)	(168,423)	-
Total revenues	1,185,687	1,163,651
EXPENDITURES		
Various projects	1,425,573	1,154,099
Total expenditures	1,425,573	1,154,099
 (Deficiency) excess of revenues (under) over expenditures	 (239,886)	 9,552
 Fund balance at beginning of year	 936,277	 926,725
 Fund balance at end of year	 \$ 696,391	 \$ 936,277

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

COUNTY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
SCHEDULE OF TRANSPORTATION DEVELOPMENT ACT
For the Fiscal Year Ended June 30, 2019

Project Description	Program Year	Allocations	Expenditures	Unexpended Allocations	Project Status
Local allocations					
Bikeway Project Development - 1st District	2019	\$ 123,684	\$ 88,554	\$ 35,130	On-going
Bikeway Project Development - 2nd District	2019	123,684	1,126	122,558	On-going
Bikeway Project Development - 3rd District	2019	123,684	6,916	116,768	On-going
Bikeway Project Development - 4th District	2019	123,684	12,867	110,817	On-going
Bikeway Project Development - 5th District	2019	123,684	11,040	112,644	On-going
As-Needed Bicycle Counts	2019	3,510	-	3,510	On-going
Bike Path Lighting Technologies Study (TNL)	2019	1,170	-	1,170	On-going
O&M of Bike Path (Sweeping)	2019	345,778	582,557	(236,779)	On-going
O&M of Bike Path (Sign)	2019	19,307	2,791	16,516	On-going
O&M of Bike Path (Striping)	2019	12,287	95,695	(83,408)	On-going
Program Management & Coordination	2019	269,135	402,802	(133,667)	On-going
Bike Path Repairs	2019	38,615	209,394	(170,779)	On-going
Bike Paths Rehabilitation	2019	32,180	11,831	20,349	On-going
	Total	\$ <u>1,340,402</u>	\$ <u>1,425,573</u>	\$ (85,171)	
Unexpended interest accumulated to date				13,708	
Other revenue				(168,423)	
Fund balance at beginning of year				<u>936,277</u>	
Fund balance at end of year				<u>\$ 696,391</u>	

* On December 24, 2019, the County received a waiver from Metro to carry forward the fund balance until May 31, 2020.

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND
(PURSUANT TO PUBLIC UTILITIES CODE SECTION 99400)
BALANCE SHEETS
June 30

	2019	2018
ASSETS		
Interest receivable	\$ -	\$ -
Total assets	\$ -	\$ -
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ -
Total liabilities	-	-
 Fund Balance		
Restricted	-	-
Total fund balance	-	-
Total liabilities and fund balance	\$ -	\$ -

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

COUNTY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND
STATEMENTS OF REVENUES, EXPENDITURES,
For the Fiscal Years Ended June 30

	2019	2018
REVENUES		
TDA 8 (Note 19)	\$ 4,378,886	\$ 4,207,471
Interest income	14,763	10,527
Gas Tax Fund	11,845	610,881
Total revenues	4,405,494	4,828,879
 EXPENDITURES		
Various projects	4,405,494	4,828,879
Total expenditures	4,405,494	4,828,879
 Excess of revenues over expenditures	-	-
 Fund balances at beginning of year	-	-
 Fund balances at end of year	\$ -	\$ -

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

COUNTY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND
SCHEDULE OF TRANSPORTATION DEVELOPMENT ACT
For the Fiscal Year Ended June 30, 2019

Project Description	Program Year	Allocations	Expenditures	Unexpended Allocations	Project Status
Local allocations					
Elizabeth Lake Rd-2,453 W/Munz Ranch Rd/2,095 E/Bouquet Cyn	2019	\$ 7,671	\$ 7,671	\$ -	On-going
Bouquet Cyn Rd-MM11.50/MM15.89 (Creek Flow Restoration)	2019	5,750	5,750	-	On-going
50th Street East, Et. Al. (Microsurfacing Type II)	2019	18,460	18,460	-	On-going
Bouquet Cyn Rd Guardrails @ MM8.84 & MM9.95	2019	1,275	1,275	-	On-going
Flume Cyn Dr @ MM0.02 Slope Repair Off-Sys (2019FEBSTM1)	2019	50,927	50,927	-	On-going
Fort Tejon Rd @ Mescal Wsh MM24.06 Rip Rap Off-Sys (2019FEBSTM1)	2019	96,876	96,876	-	On-going
Water Tree (EA)	2019	115,808	115,808	-	On-going
Inspect Tree - Non-Contract (EA)	2019	335,596	335,596	-	On-going
Trim Tree (EA)	2019	87,748	87,748	-	On-going
Tree Emergency - Limb Down/Hanging (EA)	2019	21,389	21,389	-	On-going
Remove Tree - Medium 13-24 Inch (EA)	2019	46,939	46,939	-	On-going
Remove Tree - Large Over 25 Inch (EA)	2019	45,253	45,253	-	On-going
Stump Removal (EA)	2019	43,309	43,309	-	On-going
Tree Emergency - Tree Down (EA)	2019	5,609	32,217	(26,608)	On-going
Tree Maintenance - Other	2019	228,957	228,957	-	On-going
Plow Snow (PM)	2019	325,199	325,199	-	On-going
Spread Sand (PM)	2019	242,667	242,667	-	On-going
Snow Removal - Other	2019	105,016	105,016	-	On-going
Cut Vegetation - Machine No Loading (PM)	2019	125,494	125,494	-	On-going
Herbicide Spraying - Contract (Acre)	2019	102,334	102,334	-	On-going
Maintain Tree Well (EA)	2019	12,754	12,754	-	On-going
Vegetation Control - Other	2019	131,639	131,639	-	On-going
Guardrail Repair (LF)	2019	130,267	130,267	-	On-going
Install / Replace Guide Marker (EA)	2019	48,397	48,397	-	On-going
Fencing & Safety Provisions - Other	2019	135,126	135,126	-	On-going
Litter & Debris Removal - Other	2019	527,288	527,288	-	On-going
Sweep Curb & Gutter (Curb Mile)	2019	673,841	673,841	-	On-going
Sweeping - Other (PM)	2019	39,040	39,040	-	On-going
Grade Dirt Road (PM)	2019	457,971	457,971	-	On-going
Place & Compact Fill Material (CY)	2019	183,006	183,006	-	On-going
Dirt Road Maintenance - Other	2019	27,280	27,280	-	On-going
		<u>\$ 4,378,886</u>	<u>\$ 4,405,494</u>	<u>(26,608)</u>	
Unexpended interest accumulated to date				14,763	
Gas Tax Fund				11,845	
Fund balance at beginning of year				-	
Fund balance at end of year				<u>\$ -</u>	

See accompanying independent auditor's report.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018

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), Transportation Development Act Article 3 Fund (TDAA3F) and Transportation Development Act Article 8 Fund (TDAA8F) (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 and TDAA8F are Special Revenue Funds that account for the County’s share of the Transportation Development Act Article 3 and 8 allocations which are legally restricted for specific purposes.

Basis of Accounting and Measurement Focus

PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F 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 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. Statement of revenue, expenditures and changes in fund balances for Special Revenue Funds generally present increase (revenue 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.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement

In accordance with Governmental Accounting Standard Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, which became effective for the fiscal year ended June 30, 2016, the County 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 County reports its investment at fair value and recognizes unrealized gain (loss) on investments.

Refer to County’s 2019 Comprehensive Annual Financial Report for detailed disclosures regarding the County’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 TDAA3F and TDAA8F report the following fund balance classification as of June 30, 2019:

- 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 County is described in Note 1 to the County’s Comprehensive Annual Financial Report.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County recognize deferred outflows and deferred inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources (continued)

Deferred inflows of resources reported by the County represent unavailable resources that are not available for spending as of June 30, 2019 and 2018.

Other Revenues

The PCLRF, MRLRF, and TDAA3F other revenues represent work performed on various transit-related projects for other cities or agencies. The County recognizes revenues based on the contractual or Joint Powers Authorities (JPA) agreement, which outlines monies, to be received at various completions stages of the projects.

Reimbursements

The PALRF and PCLRF reimbursements represent monies received from other cities, agencies or private parties for expenditures incurred in the previous years on joint transit-related projects. For the years ending June 30, 2019 and June 30, 2018, the County received \$830,357 and \$659,935, respectively, for Proposition A and \$4,110,443 and \$3,616,429, respectively, for Proposition C.

Rents and Concessions

The County occasionally rents out its parking facilities and vehicles used for PALRF transit-related projects to private parties or filmmakers. For the years ending June 30, 2019 and June 30, 2018, the County collected \$733 and \$1,211, respectively.

NOTE 2 – ANNUAL FINANCIAL STATEMENTS

The financial statements reflect only the financial position and results of operations of the PALRF, PCLRF, MRLRF, MMLRF, TDAA3F, and TDAA8F 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, the Los Angeles County Metropolitan Transportation Authority Funding and Allocation Guidelines for Transportation Development Act (TDA) Article 3 Bicycle and Pedestrian Funds, and the Los Angeles County Metropolitan Transportation Authority Guidelines to the Administration of TDA Article 8.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(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 FUNDS ARTICLE 3 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 – TRANSPORTATION DEVELOPMENT ACT FUNDS ARTICLE 8 COMPLIANCE REQUIREMENTS

In accordance with Public Utilities Code Section 99400, funds received pursuant to this Code's section may only be used for activities relating to transit, paratransit, and local streets and roads, including facilities for the exclusive use of pedestrians and bicycles to fulfill unmet transit needs in areas outside the service area of Metro operations. See accompanying Compliance Matrix.

NOTE 8 – CASH AND INVESTMENTS

The PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F's cash and investment balances were pooled with various other County 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

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 8 – CASH AND INVESTMENTS (Continued)

participating funds based on the relationship of their average quarterly balances to the total of the pooled cash and investments.

NOTE 9 – ACCOUNTS RECEIVABLE

The PALRF, PCLRF, and MRLRF accounts receivable balances represent monies to be paid to the County as of June 30, 2019 for work performed on various transit-related projects from other cities and agencies based on contractual or Joint Powers Authorities (JPA) agreements. The County receives monies at various stages of completion. The balances as of June 30 consist of the following:

<u>Agency</u>	2019	2018
<u>PARLF</u>		
Los Angeles County Metropolitan Transportation Authority	\$ 964,609	\$ 761,515
California Department of Transportation	413,632	232,597
City of Azusa	13,628	-
City of Glendora	13,628	-
Total	\$ <u>1,405,497</u>	\$ <u>994,112</u>

<u>Agency</u>	2019	2018
<u>PCLRF</u>		
Los Angeles County Metropolitan Transportation Authority	\$ 8,051,257	\$ 8,505,609
California Department of Transportation	867,635	2,761,720
Total	\$ <u>8,918,892</u>	\$ <u>11,267,329</u>

<u>Agency</u>	2019	2018
<u>MRLRF</u>		
Los Angeles County Metropolitan Transportation Authority	\$ 923	\$ 923
California Department of Transportation	994,978	419,401
Community Development Commission	201,915	-
Transportation Enhancement Act (TEA)	-	253,124
Total	\$ <u>1,197,816</u>	\$ <u>673,448</u>

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 10 – DUE FROM OTHER FUNDS/ DUE TO OTHER FUNDS

The County freezes its cash account during the closing process. Accordingly, all cash receipts and disbursements occurring subsequent to June 30th but before the fiscal year’s closing on August 15th are temporarily recorded in these clearing accounts, which are reversed in the subsequent period.

The due from balances as of June 30, 2019 and 2018 are comprised of the following amounts:

<u>PALRF</u>	2019	2018
Internal Service Fund	\$ 193,995	\$ 197,502
General Fund	13,558	27,902
Total	<u>\$ 207,553</u>	<u>\$ 225,404</u>

<u>PCLRF</u>	2019	2018
Public Works – Road Fund	\$ -	\$ 9,563
Los Angeles River Bike Path Project	-	50,877
Internal Service Fund	519,049	583,841
Public Works - Proposition C Local Return Fund	1,204,615	-
Total	<u>\$ 1,723,664</u>	<u>\$ 644,281</u>

<u>MRLRF</u>	2019	2018
Internal Service Fund	\$ 148,948	\$ 59,563
Public Works – Road Fund	-	2,558
Public Works – Measure R Local Return Fund	2,000	-
Total	<u>\$ 150,948</u>	<u>\$ 62,121</u>

<u>MMLRF</u>	2019	2018
Internal Service Fund	\$ 13,965	\$ -
Public Works – Measure R Local Return Fund	1,197,349	-
Public Works – Road Fund	-	1,086
Total	<u>\$ 1,211,314</u>	<u>\$ 1,086</u>

<u>TDAA3F</u>	2019	2018
Internal Service Fund	\$ 3,783	\$ 23,264
Public Works - Proposition C Local Return Fund	-	64
Total	<u>\$ 3,783</u>	<u>\$ 23,328</u>

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 10 – DUE FROM OTHER FUNDS/ DUE TO OTHER FUNDS (Continued)

The due to balances as of June 30, 2019 and 2018 are comprised of the following amounts:

<u>PALRF</u>	<u>2019</u>	<u>2018</u>
Internal Service Fund	\$ 396,439	\$ 442,233
General Fund	136,254	119,664
Public Works – Flood Fund	75,442	61,613
JPA – North Los Angeles County Transportation Coalition	-	100,000
Public Works – Waterworks Districts Trust Fund	741	-
Total	<u>\$ 608,876</u>	<u>\$ 723,510</u>

<u>PCLRF</u>	<u>2019</u>	<u>2018</u>
Internal Service Fund	\$ 1,590,917	\$ 1,701,535
Public Works – Road Fund	-	65,674
Public Works – Flood Fund	202,194	164,662
General Fund	169,669	15,205
Public Works – Article 3 – Bikeway Fund	-	64
LLDA – Area-Wide Landscape #1 Annex A Copperhill Road	-	6,000
Public Works – Proposition C Local Return Fund	184,391	-
Total	<u>\$ 2,147,171</u>	<u>\$ 1,953,140</u>

<u>MRLRF</u>	<u>2019</u>	<u>2018</u>
Internal Service Fund	\$ 579,222	\$ 283,881
Public Works – Road Fund	-	17,599
Public Works – Flood Fund	81,039	27,329
General Fund	104,398	1,689
Public Works – Measure M Fund Local Return Fund	1,197,349	-
Total	<u>\$ 1,962,008</u>	<u>\$ 330,498</u>

<u>MMLRF</u>	<u>2019</u>	<u>2018</u>
Internal Service Fund	\$ 20,263	\$ 3,148
Public Works – Flood Fund	16,118	-
Total	<u>\$ 36,381</u>	<u>\$ 3,148</u>

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 10 – DUE FROM OTHER FUNDS/ DUE TO OTHER FUNDS (Continued)

<u>TDAA3F</u>	2019	2018
Internal Service Fund	\$ 83,325	\$ 79,622
General Fund	399	491
Total	\$ <u>83,724</u>	\$ <u>80,113</u>

NOTE 11 – DEFERRED INFLOWS OF RESOURCES – PALRF, PCLRF AND MRLRF

The County recognizes revenue when the payments for services rendered become measurable and available. In fiscal years ended June 30, 2019 and 2018, the County recorded deferred inflows of resources when the availability of funds was not determined at fiscal year-end.

The issuance of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, established accounting and financial reporting standards that reclassify certain liabilities as deferred inflows of resources. A deferred inflow of resources is defined as those resources that are not available for spending in the current period. Since the reimbursements from other funds were not available for spending PALRF, PCLRF, and MRLRF in fiscal years ended June 30, 2019 and 2018, the amount was reported as deferred inflows of resources. As of June 30, 2019, the deferred inflows of resources were \$116,846 for PALRF, \$3,713,697 for PCLRF and \$923 from the MRLRF. As of June 30, 2018, the deferred inflows of resources were \$105,700 for PALRF, \$4,157,072 for PCLRF and \$923 from the MRLRF.

NOTE 12 – ADVANCES TO INTERNAL SERVICE FUNDS

The County utilizes an Internal Service Fund (ISF) to pay for all payroll, equipment and material usage between departments. In order to maintain cash for the “Advances to ISF Account” all County funds allocate based on its funds size a pro-rata portion of its cash. The PALRF and PCLRF amounts are primarily used to cover the cost of payroll usage from other departments and evaluated every two years. As of June 30, 2019, PALRF, PCLRF, and MRLRF contributed the balances of \$180,700, \$706,600, and \$146,900, respectively. As of June 30, 2018, PALRF, PCLRF, and MRLRF contributed the balances of \$196,600, \$768,900, and \$151,300 respectively.

NOTE 13 – OTHER REVENUE – TDAA3F

In February 2019, the County received a request from Caltrans to repay the Federal Highway Administration a total of \$333,000 that was previously paid to the County Department of Public Works (DPW) for Preliminary Engineering that was not completed within a specified timeframe of 2003-2010. The balance of \$168,423 relates to the project expenditures incurred between that period.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 14 – PROPOSITION A DISCRETIONARY INCENTIVE GRANT AND PROPOSITION C DISCRETIONARY INCENTIVE GRANT

The Proposition A Discretionary Incentive Grant amounting to \$1,437,767 and \$1,291,573 for the years ended June 30, 2019 and 2018 respectively, represent additional funds received from Metro to provide the Sub-Regional Paratransit projects and for participating Voluntary NTD data reporting programs. The Proposition A Discretionary Incentive Grant was recorded under PALRF.

The Proposition C Discretionary Grants represent funds received from Metro toward grants servicing various multi-year traffic projects in Los Angeles County. The Proposition C Discretionary Grants was recorded under PCLRF, and amounted to \$7,777,745 and \$11,574,913 for the years ended June 30, 2019 and 2018, respectively.

NOTE 15 – OTHER GOVERNMENT GRANTS – PALRF AND MRLRF

Other government grants under PALRF represent grant funds received from other governmental agencies towards Proposition A projects. For the years ended June 30, 2019 and 2018, a total of \$3,282,801 and \$2,004,896, respectively. Other government grants under MRLRF represent grant funds received from other governmental agencies towards Measure R projects. For the years ended June 30, 2019 and 2018, a total of \$1,505,718 and \$1,602,284, respectively.

NOTE 16 – SALE OF CAPITAL ASSETS – PALRF

During the year ended June 30, 2019 and 2018, the County disposed of surplus transit vehicles and received \$757 and \$32,118, respectively, in proceeds. The proceeds were recorded as revenue under PALRF.

NOTE 17 – TRANSFER TO PARK TO PLAYA TRAIL – MMLRF

On July 3, 2018, the Los Angeles County Board of Supervisors approved an appropriations adjustment to Capital Project No. 69771, the Park to Playa Trail: Stoneview Nature Center to Hahn Park Segment (Project). This appropriations adjustment included an approval of \$5.5 million in Measure M Local Return Funds to be transferred from the County Department of Public Works (DPW) to the Project. The County Department of Parks and Recreation (DPR) financially manages the Project, which includes tracking of funding sources, funding budget allocation, encumbrance, and expenditures incurred against five funding sources, including MMLRF.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 17 – TRANSFER TO PARK TO PLAYA TRAIL – MMLRF (Continued)

On April 22, 2019, DPW transferred \$5.5 million in Measure M Local Return Funds to DPR Fund A01 (General Fund) to fund a portion of the Project. At 6/30/19, an unexpended balance of the original \$5.5 million remained, as follows:

		Balance
MMLRF funds transferred on 4/22/19	\$	5,500,000
Investment income during the year		18,014
Expenditures during the year		(1,297,240)
Total unexpended balance at 6/30/19	\$	4,220,774

NOTE 18 – MISCELLANEOUS REVENUE - PALRF

On June 19, 2018, the County Board of Supervisors selected SEED Foundation, Inc. (SEED) to negotiate an exclusive negotiation agreement for the development of a college-preparatory public boarding charter school, with a science, technology, engineering, and math (STEM), and transportation infrastructure focused curriculum for students grades 9-12 (the Project). On September 22, 2018, the County and SEED entered into that certain Exclusive Negotiation Agreement (ENA) to analyze the potential development of the Project, and to negotiate the terms of a potential ground lease, funding agreement, and any other associated agreements for the Project.

On October 16, 2018, the County Board of Supervisors approved recommendations to make available funds in the amount of \$1,000,000 for predevelopment activities for the Project and to execute a pass-through funding agreement with Metro, pursuant to which Metro would provide the County with a contribution in the amount of \$1,000,000 to support to scope of work set forth in the ENA.

As part of the Predevelopment Project, PALRF was reimbursed in fiscal year ended June 30, 2019 for the total amount of \$400,000 for the Vermont Manchester Joint Development Transit Priority Project Transportation Boarding School Development.

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 19 – TRANSPORTATION DEVELOPMENT ACT FUNDS REVENUE ALLOCATION

The revenue allocation for the fiscal years ended June 30, 2019 and 2018 consisted of the following:

TDA Article 3 Fund

	<u>2019</u>	<u>2018</u>
FY 2016-17 allocation	\$ -	\$ 488,279
FY 2017-18 allocation	848,942	659,614
FY 2018-19 allocation	<u>491,460</u>	<u>-</u>
Total payments requested	<u>\$ 1,340,402</u>	<u>\$ 1,147,893</u>

TDA Article 8 Fund

	<u>2019</u>	<u>2018</u>
FY 2017-18 allocation	\$ -	\$ 4,207,471
FY 2018-19 allocation	<u>4,378,886</u>	<u>-</u>
Total payments requested	<u>\$ 4,378,886</u>	<u>\$ 4,207,471</u>

NOTE 20 – TRANSPORTATION DEVELOPMENT ACT FUNDS RESERVED

In accordance with state 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, 2019, and 2018, the County has funds on reserve as follows:

TDA Article 3 Fund

	<u>2019</u>	<u>2018</u>
FY 2017-18 allocation	\$ -	\$ 848,942
FY 2018-19 allocation	<u>1,079,558</u>	<u>-</u>
Available reserve balance	<u>\$ 1,079,558</u>	<u>\$ 848,942</u>

COUNTY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2019 and 2018
(Continued)

NOTE 20 – TRANSPORTATION DEVELOPMENT ACT FUNDS RESERVED (Continued)

For fiscal year 2018-19, any TDA Article 3 funds left on reserve for FY 2013-14 or prior, are subject to lapse if not by claimed by the County by June 30, 2019. There no funds lapsed in FY 2018-19.

TDA Article 8 Fund

	2019	2018
FY 2016-17 allocation	\$ -	\$ -
FY 2017-18 allocation	-	-
Available reserve balance	\$ -	\$ -

For fiscal year 2018-19, any TDA Article 8 funds left on reserve for FY 2013-14 or prior, are subject to lapse if not by claimed by the County by June 30, 2019. There were no lapsed funds in FY 2018-19.

NOTE 21 – SUBSEQUENT EVENTS

The County has evaluated events or transactions that occurred subsequent to June 30, 2019 through December 24, 2019, the date the accompanying financial statements were available to be issued, for potential recognition or disclosure in the financial statements and determined no subsequent matters require disclosure or adjustment to the accompanying financial statements.



SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS
FOUNDING PARTNERS
BRAINARD C. SIMPSON, CPA
MELBA W. SIMPSON, CPA

U.S. BANK TOWER
633 WEST 5TH STREET, SUITE 3320
LOS ANGELES, CA 90071
(213) 736-6664 TELEPHONE
(213) 736-6692 FAX
www.simpsonandsimpsoncpas.com

**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 Board of Supervisors of the
County of Los Angeles, 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, Transportation Development Act Article 3 Fund and Transportation Development Act Article 8 Fund (collectively, the Funds) of the County of Los Angeles, California (the County), as of and for the year ended June 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated December 24, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the Funds' financial statements, we considered the County's internal control over financial reporting (internal control) to determine the 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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 County's 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 and Transportation Development Act Article 8 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 determination of financial statement amounts. 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 cursive script that reads "Simpson & Simpson".

Los Angeles, California
December 24, 2019

COMPLIANCE SECTION



SIMPSON & SIMPSON

CERTIFIED PUBLIC ACCOUNTANTS
FOUNDING PARTNERS
BRAINARD C. SIMPSON, CPA
MELBA W. SIMPSON, CPA

U.S. BANK TOWER
633 WEST 5TH STREET, SUITE 3320 LOS
ANGELES, CA 90071
(213) 736-6664 TELEPHONE
(213) 736-6692 FAX
www.simpsonandsimpsoncpas.com

Independent Auditor's Report On Compliance

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

Report on Compliance

We have audited the compliance of the County of Los Angeles, California (the County) with the Proposition A and Proposition C Local Return Guidelines, Measure R Local Return Guidelines, Measure M Local Return Guidelines, the Los Angeles County Metropolitan Transportation Authority's Funding and Allocation Guidelines for the Transportation Development Act Article 3 Bicycle and Pedestrian Funds, and the Los Angeles County Metropolitan Transportation Authority Guidelines to the Administration of Transportation Development Act Article 8 (collectively, the Guidelines) for the year ended June 30, 2019.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the County'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 Articles 3 and 8 programs occurred. An audit includes examining, on a test basis, evidence about the County'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 County's compliance with the Guidelines.

Opinion on Each Local Return Program, Transportation Development Act Article 3 and Transportation Development Act Article 8

In our opinion, the County complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2019.



Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Guidelines and which are described in the accompanying Schedule of Findings and Recommendations as Finding No. 2019-001. Our opinion is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Recommendations. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the County 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 County'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 County'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 requirement of the Guidelines. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Simpson & Simpson".

Los Angeles, California
December 24, 2019

COUNTY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2019

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.	X			None	
2.	Timely use of funds.	X			None	
3.	Funds expended were approved and have not been substituted for property tax.	X			None	
4.	Expenditures that exceeded 25% of approved project budget have approved amended project Description Form (Form A).			X	None	There were no expenditures that exceeded 25% of approved project budget.
5.	Administrative expenditures are within the 20% cap of the total annual Local Return Expenditures.	X			None	
6.	All on-going and carryover projects were reported in Form B.	X			None	
7.	Annual Project Summary Report (Form B) was submitted on time.	X			None	
8.	Annual Expenditure Report (Form C) was submitted on time.	X			None	
9.	Cash or cash equivalents are maintained.	X			None	
10.	Accounting procedures, record keeping and documentation are adequate.	X			None	
11.	Pavement Management System (PMS) is in place and being used for Street Maintenance or Improvement Projects Expenditures.	X			None	
12.	Local Return Account is credited for reimbursable expenditures.	X			None	
13.	Self-Certification was completed and submitted for Intelligent Transportation Systems projects or elements.	X			None	
14.	Assurances and Understandings form was on file.	X			None	
15.	Recreational transit form was submitted on time.	X			None	

COUNTY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2019
(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.	Fund were used to augment, not supplant, existing local revenues being used for transportation purposes unless there is a funding shortfall.	X			None	
3.	Signed Assurances and Understandings was on file.	X			None	
4.	Separate Measure R Local Return Account was established.	X			None	
5.	Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure R Local Return Account.	X			None	
6.	Funds were expended with Metro's approval.	X			None	
7.	Expenditure Plan (Form One) was submitted on time.	X			None	
8.	Expenditure Report (Form Two) was submitted on time.	X			None	
9.	Timely use of funds	X			None	
10.	Administrative expenditures are within the 20% cap.	X			None	
11.	Fund exchanges were approved by Metro.			X	None	There were no fund exchanges in FY 2018/19
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	There were no projects which required a capital reserve fund in FY 2018/19.
13.	Recreational transit form was submitted on time.			X	None	There were no expenditures which required submission of this form in FY 2018/19.

COUNTY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2019
(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.	Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X			None	
3.	Signed Assurances and Understandings was on file.	X			None	
4.	Separate Measure M Local Return Account was established.	X			None	
5.	Revenue received including allocations, project generated revenues and interest income was properly credited to the Measure M Local Return Account.	X			None	
6.	Funds were expended with Metro's approval.	X			None	
7.	Expenditure Plan (Form One) was submitted on time.	X			None	
8.	Expenditure Report (Form Two) was submitted on time.	X			None	
9.	Timely use of funds	X			None	
10.	Administrative expenses are within the 20% cap.	X			None	
11.	Fund exchanges were approved by Metro.			X	None	There were no fund exchanges in FY 2018/19.
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	There were no projects which required a capital reserve fund in FY 2018/19.
13.	Recreational transit form was submitted timely.			X	None	There were no expenditures which required submission of this form in FY 2018/19.

COUNTY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2019
(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	See Finding No. 2019-001 on the Schedule of Findings and Recommendations.
2.	Expenditures were incurred for activities relating to pedestrian and bicycle facilities and amenities.	X			None	
E. Transportation Development Act Article 8 Fund						
1.	Timely use of funds.	X			None	
2.	Expenditures were incurred for activities relating to transit, paratransit and local streets and roads.	X			None	

***SCHEDULE OF FINDINGS AND
RECOMMENDATIONS***

COUNTY OF LOS ANGELES
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2019

TDAA3F: Finding No. 2019-001

Finding	Entity
Compliance Requirement	According to Los Angeles County Metropolitan Transportation Authority’s Funding and Allocation Guidelines for the Transportation Development Act Article 3 Bicycle and Pedestrian Funds (TDA Article 3 Guidelines), “Agencies may only draw down local return funds if they will be fully spent or encumbered before the end of the fiscal year (June 30) in which they were allocated.”
Condition	As of June 30, 2019, the County had an unspent TDA 3 fund balance of \$696,391. However, the County has not encumbered these funds as of June 30, 2019. LACMTA granted the County an extension on the usage of lapsed funds until May 30, 2020.
Cause	The County overlooked at the monitoring of the expenses prior to June 30, 2019.
Effect	Because these funds were not expended within the required timeline per the TDA Article 3 Guidelines and have not been returned to LACMTA to be place on reserve, the County did not comply with the TDA Article 3 Guidelines.
Recommendation	We recommend that the County implement internal control procedures to track the TDA Article 3 reserve balance to ensure that all TDA Article 3 funds are claimed and expended within the required timeline per the TDA Article 3 Guidelines.
Management’s Response	The County will adhere to the TDA 3 Guidelines and timelines for subsequent fiscal years. On December 23, 2019, the County requested an extension on the usage of unspent funds of \$696,391.
Finding Corrected During the Audit	On December 24, 2019, LACMTA granted the County an extension on the usage of unspent funds until May 31, 2020.

***HOLLYWOOD BOWL PARK AND RIDE
REGIONAL TRANSIT PROJECT***



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 Board of Supervisors of the
County of Los Angeles, Department of the Public Works and the
Los Angeles County Metropolitan Transportation Authority

Report on Compliance

We have audited the compliance of the County of Los Angeles, California (County) with the provisions of the Memorandum of Understanding for Specialized Transportation Services MOU Number MOU.PO1 LACHB (MOU) between the County's Department of Public Works and Los Angeles County Metropolitan Transportation Authority for the Hollywood Bowl Park and Ride Regional Transit Project for the year ended June 30, 2019.

Management's Responsibility

Management is responsible for the County's compliance with those requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit. We conducted our audit in accordance with the MOU and attestation standards published by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with these 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. Our audit does not provide a legal determination on the County's compliance with those requirements.

Opinion

In our opinion, the County of Los Angeles complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2019.



This report is intended solely for the information and use of County of Los Angeles and Los Angeles County Metropolitan Transportation Authority and is not intended to be and should not be used by anyone other than these specified parties.

Simpson & Simpson

Los Angeles, California

December 24, 2019

COUNTY OF LOS ANGELES
HOLLYWOOD BOWL PARK AND RIDE REGIONAL TRANSIT PROJECT
SUMMARY OF REPORTED AND AUDITED PROJECT EXPENDITURES
 SUPPLEMENTAL INFORMATION
 For the Fiscal Year Ended June 30, 2019

TRANSIT FUND ALLOCATION

On June 17, 2015, Los Angeles County Metropolitan Transportation (LACMTA) approved \$1,057,000 in transit fund allocations to the County of Los Angeles Department of Public Works (Grantee) to subsidize the Hollywood Bowl Shuttle Project (Project) for Fiscal Year Ending June 30, 2019.

AGREEMENT

On January 9, 2009, LACMTA and the Grantee entered into a Memorandum of Understanding (MOU) amending their original agreement. In accordance with Section 2.2 of the MOU, the Grantee funds must be approved by LACMTA each fiscal year. The funds are available on a reimbursement basis limited to the lesser of (B) amount approved by LACMTA; or 87% (A) of Grantee’s actual operating expenses less farebox revenue.

SUMMARY OF REPORTED AND AUDITED PROJECT EXPENDITURES

The amount of Grantee funds allocated for “reimbursement” for the fiscal ending June 30, 2019 was \$1,057,000 as noted below:

<u>Brief Description</u>	<u>Reported Project Expenditure</u>	<u>Audit Adjustment</u>	<u>Audited Project Expenditure</u>
Total Project Costs (Operating)	\$ 1,437,767	\$ -	\$ 1,437,767
Percentage allowable per Agreement	<u>87%</u>	<u>-</u>	<u>87%</u>
87% of Total Project Cost (\$1,437,767 * 87%) (A)	\$ <u>1,250,857</u>	<u>-</u>	\$ <u>1,250,857</u>
LACMTA Approved - Transit fund allocation (B)	\$ <u>1,057,000</u>	<u>-</u>	\$ <u>1,057,000</u>
Lesser of			
A) 87% of Total Project Costs or			
B) LACMTA Approved Transit Fund Allocation	\$ <u>1,057,000</u>	<u>-</u>	\$ <u>1,057,000</u>

EXIT CONFERENCE

COUNTY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUNDS, PROPOSITION C LOCAL RETURN FUNDS,
MEASURE R LOCAL RETURN FUNDS, MEASURE M LOCAL RETURN FUNDS,
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND TRANSPORTATION
DEVELOPMENT ACT ARTICLE 8 FUND
EXIT CONFERENCE
June 30, 2019

An exit conference was held on December 30, 2019 with the County of Los Angeles. Those in attendance were:

Simpson & Simpson Representative:

Wanda Molina, Audit Supervisor
Jessica Delgado, Senior Auditor
Tony Galvan, Audit Associate

County's Representative:

Minh Lam, Compliance Auditor (County)
Dana Sun, Accountant II (County)
Maria Sim, Civil Engineer (County)
Nydia Rivas, Senior Civil Engineer (County)
Lisa Chen, Associate Civil Engineer (County)
Ricardo Gordillo, Civil Engineer (County)
Sandra Perez, Transit Program Specialist (County)
Jennifer Phan, Accounting Officer III (County)
Tony Lin, Financial Specialist IV (County)
Vivian Wang, Head Compliance Officer (County)

Matters Discussed:

Results of the audit disclosed one (1) non-compliance issue with Metro Guidelines.

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

Minh Lam, Compliance Auditor

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

RE: COUNTY OF LOS ANGELES 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 AND TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

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, Transportation Development Act Article 3 Fund and Transportation Development Act Article 8 Fund for the fiscal years ended June 30, 2019 and 2018 for the County of Los Angeles and agree with the contents of the report except as indicated below:

(Attach additional pages if necessary)

Very truly yours,

Name

Title

Date