

**ACCESS SERVICES
(A NONPROFIT BENEFIT CORPORATION)**

**BALANCE SHEETS, SCHEDULES OF REVENUE AND EXPENDITURES
AND ADVANCED FUNDS AND DEFERRED REVENUES – PROPOSITION C
UNDER MOU NOS. P000ASI28 AND P000ASI27**

**AS OF AND FOR THE FISCAL YEARS ENDED
JUNE 30, 2024 AND 2023**



Metro[®]



Simpson & Simpson, LLP
Certified Public Accountants

ACCESS SERVICES
TABLE OF CONTENTS

| FINANCIAL SECTION | PAGE |
|---|-------------|
| Independent Auditor's Report | 1 |
| Balance Sheets | |
| June 30, 2024 | 4 |
| June 30, 2023 | 5 |
| Schedules of Revenues and Expenditures | |
| Year ended June 30, 2024 | 6 |
| Year ended June 30, 2023 | 9 |
| Schedules of Advanced Funds and Deferred Revenues – Proposition C | |
| June 30, 2024 | 12 |
| June 30, 2023 | 13 |
| Supplementary Information: | |
| Advanced Fund Rollforward Schedule – Proposition C Operating and Capital Grants | 14 |
| Schedule of Capital Assets | 16 |
| Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund | 20 |
| 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 <i>Government Auditing Standards</i> | 36 |
| COMPLIANCE SECTION | |
| Independent Auditor's Report on Compliance | 38 |
| Compliance Matrix | 41 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 44 |
| EXIT CONFERENCE | 45 |

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 2600
LOS ANGELES, CA 90071
(213) 736-6664 TELEPHONE
(213) 736-6692 FAX
www.simpsonandsimpsoncpas.com

Independent Auditor's Report

To the Board of Directors of Access Services and the
Los Angeles County Metropolitan Transportation Authority

Report on the Audit of the Balance Sheet and the Schedules

Opinion

We have audited the Balance Sheet, the Schedule of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C (collectively, the Schedules) of Access Services as of and for the year ended June 30, 2024, as defined by the Proposition C Discretionary Program Guidelines, Measure M 2% Program Guidelines and the Memorandum of Understanding (MOU No. P000ASI28) dated June 14, 2023 between Access Services as grantee, and the Los Angeles County Metropolitan Transportation Authority (Metro), as grantor and the related notes to the Balance Sheets and the Schedules.

In our opinion, the accompanying Balance Sheet and the Schedules referred to above present fairly, in all material respects, the financial position, the revenues and expenditures and advanced funds and deferred revenues of Access Services related to funds received from Metro under MOU Nos. P000ASI28 as of and for the year ended June 30, 2024, in accordance with accounting principles generally accepted in the United States of America. The prior-year comparative information has been derived from the 2023 financial statements, which were audited by another auditor.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Balance Sheet and the Schedules section of our report. We are required to be independent of Access Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2, the Balance Sheet and the Schedules present only the financial position, revenues, expenditures and advanced funds and deferred revenues of Access Services related to funds received from Metro under MOU No. P000ASI28 and do not purport to, and do not present fairly the financial position of Access Services as of June 30, 2024 and the changes in its financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



Other Matter

The financial statements of Access Services for the year ended June 30, 2023, were audited by another auditor, who expressed an unmodified opinion on those financial statements in a report dated June 21, 2024. Our opinion on the financial statements for the year ended June 30, 2024, is not modified in respect of this matter.

Responsibilities of Management for the Balance Sheets and the Schedules

Management is responsible for the preparation and fair presentation of the Balance Sheets and the Schedules in accordance with accounting principles generally accepted in the United States of America and MOU No. P000ASI28; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Balance Sheets and the Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Balance Sheet and the Schedules

Our objectives are to obtain reasonable assurance about whether the Balance Sheet and the Schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Balance Sheet and the Schedules.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Balance Sheet and the Schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Balance Sheet and the Schedules.
- Obtain an understanding of internal control relevant to the audit 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 Access Services' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Balance Sheet and the Schedules.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the Balance Sheet and the Schedules. The supplementary information identified in the table of contents is presented for the purpose of additional analysis and is not a required part of the Balance Sheet and the Schedules. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Balance Sheet and the Schedules. The information has been subjected to the auditing procedures applied in the audit of the Balance Sheet and the Schedules and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Balance Sheet and the Schedules, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the Balance Sheet and the Schedules as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2025 on our consideration of Access Services' internal control over financial reporting which includes preparation of the Balance Sheet and the Schedules and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Access Services' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering Access Services' internal control over financial reporting and compliance.

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

Los Angeles, California
March 3, 2025

ACCESS SERVICES
MOU No. P000ASI28
BALANCE SHEET
June 30, 2024

| | Federal 5310 | Federal 5307 | Proposition C | Proposition C Building Fund | Measure M | Total |
|--|----------------------|---------------------|----------------------|--------------------------------|-------------|-----------------------|
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 13,407,862 | \$ - | \$ - | \$ 13,407,862 |
| Short-term investments | 174,036 | - | 17,938,592 | 257,102 | - | 18,369,730 |
| Prepaid expenses and other assets | - | - | 3,630,358 | - | - | 3,630,358 |
| Accounts receivable | - | - | 272,079 | - | - | 272,079 |
| Grants receivable | 12,699,021 | 1,012,141 | - | - | - | 13,711,162 |
| Balance deficit | - | - | 5,607,769 | - | - | 5,607,769 |
| Due from Federal 5307 | - | - | 266,874 | - | - | 266,874 |
| Total current assets | 12,873,057 | 1,012,141 | 41,123,534 | 257,102 | - | 55,265,834 |
| Non-current assets | | | | | | |
| Restricted cash equivalents for self-insured retention | - | - | 8,775,259 | - | - | 8,775,259 |
| Restricted cash equivalents for unfunded pension liability | - | - | 6,690,264 | - | - | 6,690,264 |
| Restricted cash equivalents for accrued vacation liability | - | - | 1,323,526 | - | - | 1,323,526 |
| Restricted cash equivalents for building fund | - | - | - | 4,018,283 | - | 4,018,283 |
| Deposit | - | - | 40,830 | - | - | 40,830 |
| Right-of-use assets, net | - | - | 4,990,645 | - | - | 4,990,645 |
| Property and equipment, net | 13,465,478 | - | 14,099,041 | 981,717 | - | 28,546,236 |
| Total non-current assets | 13,465,478 | - | 35,919,565 | 5,000,000 | - | 54,385,043 |
| Total assets | \$ 26,338,535 | \$ 1,012,141 | \$ 77,043,099 | \$ 5,257,102 | \$ - | \$ 109,650,877 |
| LIABILITIES AND NET ASSETS | | | | | | |
| Current liabilities | | | | | | |
| Accounts payable | \$ 2,251,347 | \$ - | \$ 2,511,567 | \$ 257,102 | \$ - | \$ 5,020,016 |
| Contractors payable | - | 196,004 | 25,797,654 | - | - | 25,993,658 |
| Accrued expenses | - | - | 2,192,176 | - | - | 2,192,176 |
| Accrued legal expenses | - | - | 450,000 | - | - | 450,000 |
| Due to Proposition C | - | 266,874 | - | - | - | 266,874 |
| Unfunded defined benefit plan liability | - | - | 6,690,264 | - | - | 6,690,264 |
| Self insurance accruals | - | - | 8,775,259 | - | - | 8,775,259 |
| Deferred support / advanced funds | 10,585,681 | 549,263 | - | 4,018,283 | - | 15,153,227 |
| Deferred revenue | - | - | 744,732 | - | - | 744,732 |
| Lease liabilities, current portion | - | - | 787,775 | - | - | 787,775 |
| Total current liabilities | 12,837,028 | 1,012,141 | 47,949,427 | 4,275,385 | - | 66,073,981 |
| Non-current liabilities | | | | | | |
| Accrued legal expenses | - | - | 12,550,000 | - | - | 12,550,000 |
| Lease liabilities, non-current portion | - | - | 4,335,775 | - | - | 4,335,775 |
| Total non-current liabilities | - | - | 16,885,775 | - | - | 16,885,775 |
| Net assets | | | | | | |
| With donor restrictions | 13,501,507 | - | 12,207,897 | 981,717 | - | 26,691,121 |
| Total net assets | 13,501,507 | - | 12,207,897 | 981,717 | - | 26,691,121 |
| Total liabilities and net assets | \$ 26,338,535 | \$ 1,012,141 | \$ 77,043,099 | \$ 5,257,102 | \$ - | \$ 109,650,877 |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI27
BALANCE SHEET
June 30, 2023

| ASSETS | Federal 5310 | Federal 5307 | Proposition C | Proposition C Building Fund | Measure M | Total |
|--|----------------------|---------------------|----------------------|--------------------------------|-----------------|----------------------|
| Current assets | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 11,439,082 | \$ - | \$ - | \$ 11,439,082 |
| Short-term investments | - | - | 29,272,040 | 15,069 | 2,319 | 29,289,428 |
| Prepaid expenses and other assets | - | - | 10,676,033 | - | - | 10,676,033 |
| Accounts receivable | - | - | 132,245 | - | - | 132,245 |
| Grants receivable | 8,939,827 | 3,506,260 | - | - | - | 12,446,087 |
| Due from Federal 5307 | - | - | 180,796 | - | - | 180,796 |
| Due from Federal 5310 | - | - | 189,605 | - | - | 189,605 |
| Total current assets | 8,939,827 | 3,506,260 | 51,889,801 | 15,069 | 2,319 | 64,353,276 |
| Non-current assets | | | | | | |
| Restricted cash equivalents for self-insured retention | - | - | 6,404,767 | - | - | 6,404,767 |
| Restricted cash equivalents for unfunded pension liability | - | - | 5,914,744 | - | - | 5,914,744 |
| Restricted cash equivalents for accrued vacation liability | - | - | 1,259,682 | - | - | 1,259,682 |
| Restricted cash equivalents for building fund | - | - | - | 4,885,906 | - | 4,885,906 |
| Deposit | - | - | 40,830 | - | - | 40,830 |
| Right-of-use assets, net | - | - | 5,740,470 | - | - | 5,740,470 |
| Property and equipment, net | 3,410,699 | - | 2,019,071 | 114,094 | - | 5,543,864 |
| Total non-current assets | 3,410,699 | - | 21,379,564 | 5,000,000 | - | 29,790,263 |
| Total assets | \$ 12,350,526 | \$ 3,506,260 | \$ 73,269,365 | \$ 5,015,069 | \$ 2,319 | \$ 94,143,539 |
| LIABILITIES AND NET ASSETS | | | | | | |
| Current liabilities | | | | | | |
| Accounts payable | \$ 809,174 | \$ - | \$ 2,238,717 | \$ 15,069 | \$ - | \$ 3,062,960 |
| Contractors payable | 55,796 | 347,141 | 20,437,702 | - | 2,319 | 20,842,958 |
| Accrued expenses | - | - | 2,198,777 | - | - | 2,198,777 |
| Due to Proposition C | 189,605 | 180,796 | - | - | - | 370,401 |
| Unfunded defined benefit plan liability | - | - | 5,914,744 | - | - | 5,914,744 |
| Self insurance accruals | - | - | 6,404,767 | - | - | 6,404,767 |
| Deferred support / advanced funds | 7,920,122 | 2,978,323 | 12,428,741 | 4,885,906 | - | 28,213,092 |
| Deferred revenue | - | - | 556,696 | - | - | 556,696 |
| Lease liabilities, current portion | - | - | 768,900 | - | - | 768,900 |
| Total current liabilities | 8,974,697 | 3,506,260 | 50,949,044 | 4,900,975 | 2,319 | 68,333,295 |
| Non-current liabilities | | | | | | |
| Accrued legal expenses | - | - | 10,000,000 | - | - | 10,000,000 |
| Lease liabilities, non-current portion | - | - | 5,123,552 | - | - | 5,123,552 |
| Total non-current liabilities | - | - | 15,123,552 | - | - | 15,123,552 |
| Net assets | | | | | | |
| With donor restrictions | 3,375,829 | - | 7,196,769 | 114,094 | - | 10,686,692 |
| Total net assets | 3,375,829 | - | 7,196,769 | 114,094 | - | 10,686,692 |
| Total liabilities and net assets | \$ 12,350,526 | \$ 3,506,260 | \$ 73,269,365 | \$ 5,015,069 | \$ 2,319 | \$ 94,143,539 |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI28
SCHEDULE OF REVENUES AND EXPENDITURES
For the Fiscal Years Ended June 30, 2024

| | Federal 5310 | Federal 5307 | Proposition C | Proposition C Building Fund | Measure M | Total |
|---|-------------------|-------------------|--------------------|--------------------------------|-------------------|--------------------|
| Revenues | | | | | | |
| Revenues - Funding Source | | | | | | |
| Operating | \$ 57,371 | \$ 82,429,060 | \$ 133,634,733 | \$ - | \$ 17,730,000 | \$ 233,851,164 |
| Capital | 12,074,855 | - | 15,154,275 | 867,623 | - | 28,096,753 |
| Passenger fares | 1,811 | - | 9,926,692 | - | - | 9,928,503 |
| Interest income | - | - | 4,985,378 | - | - | 4,985,378 |
| Unrealized gain (loss) | - | - | (252,096) | - | - | (252,096) |
| Miscellaneous income | - | - | 30,460 | - | - | 30,460 |
| Gain on sale of assets | - | - | 268,220 | - | - | 268,220 |
| Total Revenues | 12,134,037 | 82,429,060 | 163,747,662 | 867,623 | 17,730,000 | 276,908,382 |
| Expenditures | | | | | | |
| Paratransit Operations - Direct Cost | | | | | | |
| Communications | - | - | 155,487 | - | - | 155,487 |
| Contracted customer service | - | - | 2,933,145 | - | - | 2,933,145 |
| Insurance | - | - | 14,202,315 | - | - | 14,202,315 |
| Office supplies | - | - | 4,616 | - | - | 4,616 |
| Other expense | - | - | 617 | - | - | 617 |
| Office rent | - | - | 42,000 | - | - | 42,000 |
| Other related employee expense | - | - | 8,395 | - | - | 8,395 |
| Professional services | - | - | 160,161 | - | - | 160,161 |
| Promotions / events | - | - | 76,182 | - | - | 76,182 |
| Purchased transportation | 59,182 | 81,608,033 | 111,799,057 | - | 17,558,773 | 211,025,045 |
| Salaries and related expense | - | - | 1,079,355 | - | - | 1,079,355 |
| Security | - | - | 200,000 | - | - | 200,000 |
| Telecom maintenance | - | - | 643,688 | - | - | 643,688 |
| Travel and conference | - | - | 1,903 | - | - | 1,903 |
| Vehicle costs | - | - | 263,523 | - | - | 263,523 |
| Total Paratransit Operations - Direct Cost | 59,182 | 81,608,033 | 131,570,444 | - | 17,558,773 | 230,796,432 |
| Paratransit Operations - Indirect Cost | | | | | | |
| Business meeting and meals | - | - | 602 | - | - | 602 |
| Communications | - | - | 165,746 | - | - | 165,746 |
| Insurance | - | - | 45,900 | - | - | 45,900 |
| Office rent | - | - | 152,113 | - | - | 152,113 |
| Office supplies | - | - | 7,249 | - | - | 7,249 |
| Other expense | - | - | 19,497 | - | - | 19,497 |
| Other related employee expense | - | - | 1,018 | - | - | 1,018 |
| Postage / mailing | - | - | 12,866 | - | - | 12,866 |
| Printed materials | - | - | 113,635 | - | - | 113,635 |
| Professional services | - | - | 5,701 | - | - | 5,701 |
| Promotions / events | - | - | 105,858 | - | - | 105,858 |
| Repair and maintenance | - | - | 139 | - | - | 139 |
| Salaries and related expense | - | - | 2,686,152 | - | - | 2,686,152 |
| Telecom maintenance | - | - | 4,118 | - | - | 4,118 |
| Travel and conference | - | - | 9,222 | - | - | 9,222 |
| Vehicle costs | - | - | 188,111 | - | - | 188,111 |
| Total Paratransit Operations - Indirect Cost | - | - | 3,517,927 | - | - | 3,517,927 |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules
of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI28
SCHEDULE OF REVENUES AND EXPENDITURES (Continued)
For the Fiscal Years Ended June 30, 2024

| Expenditures (Continued) | <u>Federal 5310</u> | <u>Federal 5307</u> | <u>Proposition C</u> | <u>Proposition C Building Fund</u> | <u>Measure M</u> | <u>Total</u> |
|---|---------------------|---------------------|----------------------|--|------------------|--------------|
| Eligibility Determination Expenses | | | | | | |
| Communications | \$ - | \$ - | \$ 155,933 | \$ - | \$ - | \$ 155,933 |
| Eligibility and appeals | - | - | 4,704,898 | - | - | 4,704,898 |
| Insurance | - | - | 109,734 | - | - | 109,734 |
| Telecom maintenance | - | - | 39 | - | - | 39 |
| Office rent | - | - | 527,354 | - | - | 527,354 |
| Office supplies | - | - | 4,597 | - | - | 4,597 |
| Other expense | - | - | 4,607 | - | - | 4,607 |
| Other related employee expense | - | - | 1,000 | - | - | 1,000 |
| Postage / mailing | - | - | 196,166 | - | - | 196,166 |
| Printed materials | - | - | 286,416 | - | - | 286,416 |
| Promotions / events | - | - | 39,318 | - | - | 39,318 |
| Purchased transportation | - | 821,027 | 1,230,857 | - | 171,227 | 2,223,111 |
| Repair and related expense | - | - | 17,569 | - | - | 17,569 |
| Salaries and related expense | - | - | 472,430 | - | - | 472,430 |
| Tether pilot program | - | - | 93,961 | - | - | 93,961 |
| Travel training | - | - | 1,052,020 | - | - | 1,052,020 |
| Total Eligibility Determination Expenses | - | 821,027 | 8,896,899 | - | 171,227 | 9,889,153 |
| CTSA Function - Access Ride Information Expenses | | | | | | |
| Business meeting and meals | - | - | 5,927 | - | - | 5,927 |
| Communications | - | - | 21,448 | - | - | 21,448 |
| Insurance | - | - | 918 | - | - | 918 |
| Office supplies | - | - | 4,194 | - | - | 4,194 |
| Office rent | - | - | 16,901 | - | - | 16,901 |
| Other expense | - | - | 66,988 | - | - | 66,988 |
| Other related employee expense | - | - | 1,995 | - | - | 1,995 |
| Postage / mailing | - | - | 2,699 | - | - | 2,699 |
| Promotions / events | - | - | 11,349 | - | - | 11,349 |
| Salaries and related expense | - | - | 295,800 | - | - | 295,800 |
| Travel and conference | - | - | 1,835 | - | - | 1,835 |
| Telecom maintenance | - | - | 164 | - | - | 164 |
| Total CTSA Function - Access Ride Information Expenses | - | - | 430,218 | - | - | 430,218 |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules
of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI28
SCHEDULE OF REVENUES AND EXPENDITURES (Continued)
For the Fiscal Years Ended June 30, 2024

| | Federal 5310 | Federal 5307 | Proposition C | Proposition C Building Fund | Measure M | Total |
|--|---------------|--------------|---------------|--------------------------------|------------|---------------|
| Expenditures (Continued) | | | | | | |
| Administrative Expenses | | | | | | |
| Board compensation | \$ - | \$ - | \$ 19,375 | \$ - | \$ - | \$ 19,375 |
| Business meetings and meals | - | - | 14,704 | - | - | 14,704 |
| Communications | - | - | 184,954 | - | - | 184,954 |
| Insurance | - | - | 307,337 | - | - | 307,337 |
| Office rent | - | - | 350,179 | - | - | 350,179 |
| Office supplies | - | - | 28,220 | - | - | 28,220 |
| Other expense | - | - | 101,598 | - | - | 101,598 |
| Other related employee expense | - | - | 125,118 | - | - | 125,118 |
| Postage / mailing | - | - | 30,166 | - | - | 30,166 |
| Printed materials | - | - | 12,151 | - | - | 12,151 |
| Professional services | - | - | 1,012,763 | - | - | 1,012,763 |
| Promotions / events | - | - | 47,390 | - | - | 47,390 |
| Repair and maintenance | - | - | 17,620 | - | - | 17,620 |
| Salaries and related expense (including unfunded defined ben | - | - | 6,480,281 | - | - | 6,480,281 |
| Unfunded defined benefit plan liability | - | - | 775,520 | - | - | 775,520 |
| Telecom maintenance | - | - | 1,570,815 | - | - | 1,570,815 |
| Temporary personnel | - | - | 8,657 | - | - | 8,657 |
| Travel and conference | - | - | 135,718 | - | - | 135,718 |
| Vehicle costs | - | - | 1,905 | - | - | 1,905 |
| Total Administrative Expenses | - | - | 11,224,471 | - | - | 11,224,471 |
| Total Operating Expenditures Before | | | | | | |
| Depreciation and Amortization | 59,182 | 82,429,060 | 155,639,959 | - | 17,730,000 | 255,858,201 |
| Depreciation and amortization expense | 1,949,177 | - | 3,096,575 | - | - | 5,045,752 |
| Total Expenditures | 2,008,359 | 82,429,060 | 158,736,534 | - | 17,730,000 | 260,903,953 |
| Change in net assets | 10,125,678 | - | 5,011,128 | 867,623 | - | 16,004,429 |
| Net assets, beginning of year | 3,375,829 | - | 7,196,769 | 114,094 | - | 10,686,692 |
| Net assets, end of year | \$ 13,501,507 | \$ - | \$ 12,207,897 | \$ 981,717 | \$ - | \$ 26,691,121 |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules
of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI27
SCHEDULE OF REVENUES AND EXPENDITURES
For the Fiscal Years Ended June 30, 2023

| | Federal 5310 | Federal 5307 | Proposition C | Proposition C Building Fund | Measure M | Total |
|---|-------------------|------------------|--------------------|--------------------------------|-------------------|--------------------|
| Revenues | | | | | | |
| Revenues - Funding Source | | | | | | |
| Operating | \$ 73,518,830 | \$ 1,830,396 | \$ 117,433,097 | \$ - | \$ 15,500,000 | \$ 208,282,323 |
| Capital | 1,715,977 | - | 459,055 | 114,094 | - | 2,289,126 |
| Passenger fares | 19,078 | - | 8,225,653 | - | - | 8,244,731 |
| Interest income | - | - | 2,136,964 | - | - | 2,136,964 |
| Unrealized gain | - | - | 536,630 | - | - | 536,630 |
| Reimbursement from Federal 5307 grant | - | - | 191,281 | - | - | 191,281 |
| Miscellaneous income | - | - | 33,546 | - | - | 33,546 |
| Gain on sale of assets | - | - | 154,211 | - | - | 154,211 |
| Total Revenues | 75,253,885 | 1,830,396 | 129,170,437 | 114,094 | 15,500,000 | 221,868,812 |
| Expenditures | | | | | | |
| Paratransit Operations - Direct Cost | | | | | | |
| Business meeting and meals | - | - | 549 | - | - | 549 |
| Communications | - | - | 175,533 | - | - | 175,533 |
| Contracted customer service | - | - | 2,628,127 | - | - | 2,628,127 |
| Insurance | - | - | 7,635,832 | - | - | 7,635,832 |
| Office supplies | - | - | 5,155 | - | - | 5,155 |
| Other expense | - | - | 2,088 | - | - | 2,088 |
| Office rent | - | - | 42,000 | - | - | 42,000 |
| Other related employee expense | - | - | 2,331 | - | - | 2,331 |
| Professional services | - | - | 188,973 | - | - | 188,973 |
| Promotions / events | - | - | 80,344 | - | - | 80,344 |
| Purchased transportation | 72,769,570 | 1,830,396 | 86,920,279 | - | 15,369,350 | 176,889,595 |
| Salaries and related expense | - | - | 932,041 | - | - | 932,041 |
| Security | - | - | 200,000 | - | - | 200,000 |
| Telecom maintenance | - | - | 598,543 | - | - | 598,543 |
| Temporary personnel | - | - | 9,731 | - | - | 9,731 |
| Travel and conference | - | - | 553 | - | - | 553 |
| Vehicle costs | - | - | 63,633 | - | - | 63,633 |
| Total Paratransit Operations - Direct Cost | 72,769,570 | 1,830,396 | 99,485,712 | - | 15,369,350 | 189,455,028 |
| Paratransit Operations - Indirect Cost | | | | | | |
| Business meeting and meals | - | - | 605 | - | - | 605 |
| Communications | - | - | 169,077 | - | - | 169,077 |
| Insurance | - | - | 41,578 | - | - | 41,578 |
| Office rent | - | - | 152,113 | - | - | 152,113 |
| Office supplies | - | - | 9,508 | - | - | 9,508 |
| Other expense | - | - | 48,170 | - | - | 48,170 |
| Other related employee expense | - | - | 396 | - | - | 396 |
| Postage / mailing | - | - | 8,956 | - | - | 8,956 |
| Printed materials | - | - | 182,563 | - | - | 182,563 |
| Promotions / events | - | - | 139,348 | - | - | 139,348 |
| Repair and maintenance | - | - | 56 | - | - | 56 |
| Salaries and related expense | - | - | 2,438,370 | - | - | 2,438,370 |
| Travel and conference | - | - | 7,102 | - | - | 7,102 |
| Vehicle costs | - | - | 133,189 | - | - | 133,189 |
| Total Paratransit Operations - Indirect Cost | - | - | 3,331,031 | - | - | 3,331,031 |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI27
SCHEDULE OF REVENUES AND EXPENDITURES (Continued)
For the Fiscal Years Ended June 30, 2023

| Expenditures (Continued) | <u>Federal 5310</u> | <u>Federal 5307</u> | <u>Proposition C</u> | <u>Proposition C Building Fund</u> | <u>Measure M</u> | <u>Total</u> |
|---|---------------------|---------------------|----------------------|--|------------------|-------------------|
| Eligibility Determination Expenses | | | | | | |
| Communications | \$ - | \$ - | \$ 169,905 | \$ - | \$ - | \$ 169,905 |
| Eligibility and appeals | - | - | 5,342,790 | - | - | 5,342,790 |
| Insurance | - | - | 91,861 | - | - | 91,861 |
| Telecom maintenance | - | - | 3,257 | - | - | 3,257 |
| Office rent | - | - | 502,559 | - | - | 502,559 |
| Office supplies | - | - | 6,743 | - | - | 6,743 |
| Other expense | - | - | 2,638 | - | - | 2,638 |
| Postage / mailing | - | - | 248,574 | - | - | 248,574 |
| Printed materials | - | - | 526,966 | - | - | 526,966 |
| Promotions / events | - | - | 43,056 | - | - | 43,056 |
| Purchased transportation | 753,340 | - | 749,422 | - | 130,650 | 1,633,412 |
| Repair and related expense | - | - | 45,910 | - | - | 45,910 |
| Salaries and related expense | - | - | 407,307 | - | - | 407,307 |
| Tether pilot program | - | - | 75,508 | - | - | 75,508 |
| Travel and conference | - | - | 1,136 | - | - | 1,136 |
| Travel training | - | - | 1,019,775 | - | - | 1,019,775 |
| Total Eligibility Determination Expenses | <u>753,340</u> | <u>-</u> | <u>9,237,407</u> | <u>-</u> | <u>130,650</u> | <u>10,121,397</u> |
| CTSA Function - Access Ride Information Expenses | | | | | | |
| Business meeting and meals | - | - | 107 | - | - | 107 |
| Communications | - | - | 21,784 | - | - | 21,784 |
| Insurance | - | - | 832 | - | - | 832 |
| Office supplies | - | - | 2,644 | - | - | 2,644 |
| Office rent | - | - | 16,901 | - | - | 16,901 |
| Other expense | - | - | 36,002 | - | - | 36,002 |
| Other related employee expense | - | - | 1,860 | - | - | 1,860 |
| Postage / mailing | - | - | 2,035 | - | - | 2,035 |
| Promotions / events | - | - | 6,444 | - | - | 6,444 |
| Salaries and related expense | - | - | 301,371 | - | - | 301,371 |
| Travel and conference | - | - | 686 | - | - | 686 |
| Telecom maintenance | - | - | 347 | - | - | 347 |
| Total CTSA Function - Access Ride Information Expenses | <u>-</u> | <u>-</u> | <u>391,013</u> | <u>-</u> | <u>-</u> | <u>391,013</u> |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules
of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI27
SCHEDULE OF REVENUES AND EXPENDITURES (Continued)
For the Fiscal Years Ended June 30, 2023

| | Federal 5310 | Federal 5307 | Proposition C | Proposition C Building Fund | Measure M | Total |
|---|---------------------|------------------|---------------------|--------------------------------|-------------------|----------------------|
| Expenditures (Continued) | | | | | | |
| Administrative Expenses | | | | | | |
| Board compensation | \$ - | \$ - | \$ 21,759 | \$ - | \$ - | \$ 21,759 |
| Business meetings and meals | - | - | 11,618 | - | - | 11,618 |
| Communications | - | - | 280,950 | - | - | 280,950 |
| Insurance | - | - | 305,608 | - | - | 305,608 |
| Office rent | - | - | 348,595 | - | - | 348,595 |
| Office supplies | - | - | 28,084 | - | - | 28,084 |
| Other expense | - | - | 74,537 | - | - | 74,537 |
| Other related employee expense | - | - | 68,760 | - | - | 68,760 |
| Postage | - | - | 18,940 | - | - | 18,940 |
| Printed materials | - | - | 11,708 | - | - | 11,708 |
| Professional services | 15,000 | - | 1,017,103 | - | - | 1,032,103 |
| Promotions / events | - | - | 46,023 | - | - | 46,023 |
| Repair and maintenance | - | - | 7,683 | - | - | 7,683 |
| Salaries and related expense | - | - | 5,903,900 | - | - | 5,903,900 |
| Unfunded defined benefit plan liability | - | - | 3,789,153 | - | - | 3,789,153 |
| Telecom maintenance | - | - | 1,392,999 | - | - | 1,392,999 |
| Temporary personnel | - | - | 6,336 | - | - | 6,336 |
| Travel and conference | - | - | 104,386 | - | - | 104,386 |
| Vehicle costs | - | - | 5,938 | - | - | 5,938 |
| Total Administrative Expenses | <u>15,000</u> | <u>-</u> | <u>13,444,080</u> | <u>-</u> | <u>-</u> | <u>13,459,080</u> |
| Total Operating Expenditures Before | | | | | | |
| Depreciation and Amortization | 73,537,910 | 1,830,396 | 125,889,243 | - | 15,500,000 | 216,757,549 |
| Depreciation and amortization expense | <u>1,943,324</u> | <u>-</u> | <u>1,752,068</u> | <u>-</u> | <u>-</u> | <u>3,695,392</u> |
| Total Expenditures | <u>75,481,234</u> | <u>1,830,396</u> | <u>127,641,311</u> | <u>-</u> | <u>15,500,000</u> | <u>220,452,941</u> |
| Change in net assets | (227,349) | - | 1,529,126 | 114,094 | - | 1,415,871 |
| Net assets, beginning of year | <u>3,603,178</u> | <u>-</u> | <u>5,667,643</u> | <u>-</u> | <u>-</u> | <u>9,270,821</u> |
| Net assets, end of year | <u>\$ 3,375,829</u> | <u>\$ -</u> | <u>\$ 7,196,769</u> | <u>\$ 114,094</u> | <u>\$ -</u> | <u>\$ 10,686,692</u> |

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules
of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI28
SCHEDULE OF ADVANCED FUNDS AND DEFERRED REVENUES - PROPOSITION C
June 30, 2024

| | | | |
|--|----|---------------------|----------------------------------|
| Proposition C advance funds, as of June 30, 2023 | | \$ | 12,237,460 |
| (Net of Federal 5307 Reimbursement) | | | |
| Adjustment: | | | |
| Reimbursement from Federal 5307 grant received in fiscal year 2023 | | | 191,281 ⁽¹⁾ |
| Adjusted Proposition C advance funds, as of July 1, 2023 | | | <u>12,428,741</u> ⁽²⁾ |
| Additions: | | | |
| Proposition C advance funds | | | 130,752,499 |
| Less: | | | |
| Fixed asset purchases | \$ | <u>(15,154,275)</u> | (15,154,275) |
| Operating expenses less offsetting revenues: | | | |
| Paratransit operations - direct cost | | (131,570,444) | |
| Paratransit operations - indirect cost | | (3,517,927) | |
| Eligibility determination expenses | | (8,896,899) | |
| CTSA function - access ride information expenses | | (430,218) | |
| Administrative expenses | | (11,224,471) | |
| Increase in prepayment on purchases | | 7,045,725 | |
| Passenger fares | | 9,926,692 | |
| MTA shuttle service reimbursement | | 846 | |
| Miscellaneous income | | 30,460 | |
| Unrealized gain (loss) | | (252,096) | |
| Interest income | | 4,985,378 | |
| Gain on sale of capital assets | | <u>268,220</u> | |
| | | | <u>(133,634,734)</u> |
| Proposition C advance funds, as of June 30, 2024 | | \$ | <u><u>(5,607,769)</u></u> |
| | | | |
| Deferred revenue - coupon sales, as of June 30, 2023 | | \$ | 556,696 |
| Additions: | | | |
| Passenger purchases | | | 3,287,952 |
| Less: | | | |
| Coupon usage | | | <u>(3,099,916)</u> |
| Deferred revenue - coupon sales, as of June 30, 2024 | | \$ | <u><u>744,732</u></u> |

⁽¹⁾ This adjustment reflects a reimbursement of \$191,281 from the Federal 5307 Grant, received in FY2023 for eligible expenditures originally funded by Proposition C.

⁽²⁾ Refer to page 15 for the encumbrance and reservation of these unspent Proposition C Funds

ACCESS SERVICES

MOU No. P000ASI27

SCHEDULE OF ADVANCED FUNDS AND DEFERRED REVENUES - PROPOSITION C

June 30, 2023

| | | |
|---|---------------------|--|
| Proposition C advance funds, as of June 30, 2022 | | \$ 11,469,872 ^a |
| Additions: | | |
| Proposition C advance funds | | 123,851,020 |
| Less: | | |
| Fixed asset purchases | \$ <u>(459,055)</u> | (459,055) |
| Operating expenses less offsetting revenues: | | |
| Paratransit operations - direct cost | (99,485,712) | |
| Paratransit operations - indirect cost | (3,331,031) | |
| Eligibility determination expenses | (9,237,407) | |
| Building and construction fund | (5,000,000) | |
| CTSA function - access ride information expenses | (391,013) | |
| Administrative expenses | (13,444,080) | |
| Increase in prepayment on purchases | (2,824,595) | |
| Passenger fares | 8,225,653 | |
| MTA shuttle service reimbursement | 2,457 | |
| Miscellaneous income | 33,546 | |
| Unrealized gain | 536,630 | |
| Interest income | 2,136,964 | |
| Gain on sale of capital assets | <u>154,211</u> | |
| | | <u>(122,624,377)</u> |
| Proposition C advance funds, as of June 30, 2023 | | \$ <u>12,237,460</u> ⁽¹⁾ |
| | | |
| Deferred revenue - coupon sales, as of June 30, 2022 | | \$ 175,763 |
| Additions: | | |
| Passenger purchases | | 2,519,274 |
| Less: | | |
| Coupon usage | | <u>(2,138,341)</u> |
| Deferred revenue - coupon sales, as of June 30, 2023 | | \$ <u>556,696</u> |

⁽¹⁾ Refer to page 15 for the encumbrance and reservation of these unspent Proposition C Funds

^a Proposition C advanced funds of \$11,469,872 as of June 30, 2022, includes the \$5 million that was set aside by Access Services for a facility and construction project. This amount was transferred from Proposition C 40% operating funds to Fund 07 - Proposition C Building Fund. In accordance with the MOU.P000ASI27 Section 4.3, Access Services submitted a written request on May 22, 2024 to encumber the amount of \$5 million Proposition C 40% operating funds for capital purposes. LACMTA Office of Management & Budget granted a retroactive approval for the request.

See Notes to the Balance Sheets, the Schedules of Revenues and Expenditures, and the Schedules of Advanced Funds and Deferred Revenues - Proposition C Fund

ACCESS SERVICES
MOU No. P000ASI28
SUPPLEMENTARY INFORMATION
ADVANCED FUNDS ROLLFORWARD SCHEDULE - PROPOSITION C OPERATING AND CAPITAL GRANTS
June 30, 2024

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------|----------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|-----------------------|
| Beginning balance | \$ 18,957,284 | \$ 18,561,992 | \$ 18,786,393 | \$ 8,139,953 | \$ 16,869,690 | \$ 7,163,748 | \$ 6,283,055 | \$ 4,632,566 | \$ 11,469,872 | \$ 12,428,741 |
| Operating | | | | | | | | | | |
| Inflow | 61,939,834 | 82,077,993 | 71,147,360 | 87,700,000 | 61,163,245 | 81,472,348 | 80,748,910 | 87,467,213 | 123,851,020 | 130,752,499 |
| Outflow, net of program income | (56,917,379) | (65,490,079) | (79,746,000) | (77,920,958) | (70,074,939) | (79,777,617) | (79,905,406) | (80,335,540) | (122,433,096) | (133,634,734) |
| | <u>5,022,455</u> | <u>16,587,914</u> | <u>(8,598,640)</u> | <u>9,779,042</u> | <u>(8,911,694)</u> | <u>1,694,731</u> | <u>843,504</u> | <u>7,131,673</u> | <u>1,417,924</u> | <u>(2,882,235)</u> |
| Capital | | | | | | | | | | |
| Inflow | 6,573,638 | - | - | - | - | - | - | - | - | - |
| Outflow | - | - | - | - | - | - | - | - | - | - |
| FY2014 Capital grant usage | (5,417,747) | - | - | - | - | - | - | - | - | - |
| FY2015 Capital grant usage | (6,573,638) | (49,333) | - | - | - | - | - | - | - | - |
| FY2016 Capital grant usage | - | (468,734) | - | - | - | - | - | - | - | - |
| FY2017 Capital grant usage | - | - | (2,047,800) | - | - | - | - | - | - | - |
| FY2018 Capital grant usage | - | - | - | (1,049,305) | - | - | - | - | - | - |
| FY2019 Capital grant usage | - | - | - | - | (794,248) | - | - | - | - | - |
| FY2020 Capital grant usage | - | - | - | - | - | (2,575,424) | - | - | - | - |
| FY2021 Capital grant usage | - | (15,845,446) | - | - | - | - | (2,493,993) | - | - | - |
| FY2022 Capital grant usage | - | - | - | - | - | - | - | (294,367) | - | - |
| FY2023 Capital grant usage | - | - | - | - | - | - | - | - | (459,055) | - |
| FY2024 Capital grant usage | - | - | - | - | - | - | - | - | - | (15,154,275) |
| | <u>(5,417,747)</u> | <u>(16,363,513)</u> | <u>(2,047,800)</u> | <u>(1,049,305)</u> | <u>(794,248)</u> | <u>(2,575,424)</u> | <u>(2,493,993)</u> | <u>(294,367)</u> | <u>(459,055)</u> | <u>(15,154,275)</u> |
| Net carryover | <u>(395,292)</u> | <u>224,401</u> | <u>(10,646,440)</u> | <u>8,729,737</u> | <u>(9,705,942)</u> | <u>(880,693)</u> | <u>(1,650,489)</u> | <u>6,837,306</u> | <u>958,869</u> | <u>(18,036,510)</u> |
| Ending balance | <u>\$ 18,561,992</u> | <u>\$ 18,786,393</u> | <u>\$ 8,139,953</u> | <u>\$ 16,869,690</u> | <u>\$ 7,163,748</u> | <u>\$ 6,283,055</u> | <u>\$ 4,632,566</u> | <u>\$ 11,469,872</u> | <u>\$ 12,428,741</u> | <u>\$ (5,607,769)</u> |

See Independent Auditor's Report

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
SUPPLEMENTARY INFORMATION
ADVANCED FUNDS ROLLFORWARD SCHEDULE - PROPOSITION C
OPERATING AND CAPITAL GRANTS (Continued)
June 30, 2024

| Details of advanced funds as of June 30 are as follows: | 2024 | 2023 |
|---|--------------------|----------------|
| Total Advance funds | \$ (5,607,769) (a) | \$ 12,428,741 |
| <u>Intended uses of the funds:</u> | | |
| Encumbered funds (Committed but not yet spent) | | |
| Open purchased orders - FY 2021 | (106,098) | (118,963) |
| Open purchased orders - FY 2022 | (415,514) | (796,408) |
| Open purchased orders - FY 2023 | (239,091) | (341,371) |
| Open purchased orders - FY 2024 | (710,931) | - |
| | (1,471,634) (b) | (1,256,742) |
| Reserved funds (Designated but not encumbered) | | |
| Budgeted capital projects | (1,244,616) (c) | (14,660,358) |
| Fuel price adjustments | (52,892) (d) | (328,138) |
| Unaccrued expenses | (121,575) (d) | (49,911) |
| Start-up costs of capital projects | (225,900) (d) | - |
| | (1,644,983) | (15,038,407) |
| Total intended use (Encumbered + Reserved) | (3,116,617) | (16,295,149) |
| Available/(Deficit) funds | \$ (8,724,386) | \$ (3,866,408) |

Notes:

- (a) This amount reflects the combined impact of carryover deficit in FY23 and a \$3.0 million increase to the legal reserve in FY24.
- (b) Open purchase orders represent operating expenses for professional services, technology support, pilot programs, and other ongoing contractual commitments.
- (c) Reserved funds - Budgeted capital projects represent local match of planned vehicle purchases, including Sunset Vans, Turtle Top vehicles, and Cutaway buses, that have been initiated through purchase orders but are still classified as reserved funds pending fulfillment, delivery, or final obligation.
- (d) Reserved funds - Fuel price adjustments, unaccrued expenses, and start-up costs of capital projects represent expenditures incurred during the current year that were not accrued, as the invoices were received after year-end (beyond the typical 2–3 month accrual cutoff period) and was therefore excluded from accruals as of June 30, 2024. The start-up costs of capital projects primarily relate to training provided to paratransit operators. This training generally includes classroom-based and behind-the-wheel instruction required for drivers assigned to perform ADA complementary paratransit service.

See Independent Auditor's Report

ACCESS SERVICES
MOU NO. P000AS128
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS - PROPOSITION C
June 30, 2024

| Date Acquired | Description | Balance 7/1/2023 | Additions | Deletions | Adjustments | Balance 6/30/2024 |
|---------------|---|---------------------|-----------|-------------|-------------|----------------------|
| 1998 | Modular Furniture - Reception Area | \$ 9,379 | \$ - | \$ - | \$ - | \$ 9,379 |
| 2005 | Metal Shelves (8) | 1,452 | - | - | - | 1,452 |
| 2005 | Refurbished Steelcase 9000 Workstation | 48,428 | - | - | - | 48,428 |
| 2008 | (1) Chevy Silverado | 20,878 | - | - | - | 20,878 |
| 2010 | MCM Systems-Security System | 25,814 | - | - | - | 25,814 |
| 2011 | (1) Chevy Malibu | 18,307 | - | (18,307) | - | - |
| 2011 | (2) Staff Vehicles - 2012 Dodge Caravan | 48,208 | - | - | - | 48,208 |
| 2012 | (7) Ford Aerolite (4 disposed) | 183,889 | - | - | - | 183,889 |
| 2012 | (8) Ford Aerotech 220 (1 disposed) | 372,281 | - | (30,221) | - | 342,060 |
| 2012 | (1) Ford Fusion Hybrid | 35,491 | - | - | - | 35,491 |
| 2012 | (1) VPG MV1 | 56,035 | - | (56,035) | - | - |
| 2013 | (12) VPG MV1 (6 disposed) | 496,871 | - | (120,729) | - | 376,142 |
| 2013 | (1) Staff Vehicle 2012 CNG Deluxe Powered MV-Tustin Buick GMC | 46,625 | - | - | - | 46,625 |
| 2014 | AED With Extra Battery & Cabinet | 2,628 | - | - | - | 2,628 |
| 2014 | (81) Dodge Caravan | 532,798 | - | (532,798) | - | - |
| 2014 | (24) VPG MV1 (9 disposed) | 1,132,676 | - | (388,057) | - | 744,619 |
| 2015 | (1) Smartdrive Recorder | 486 | - | - | - | 486 |
| 2015 | (1) Smartdrive Recorder for CTI | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for DT | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for DT | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for GPI | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for GPI | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for GPI | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for GPI | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for GPI | 478 | - | - | - | 478 |
| 2015 | (1) Smartdrive Recorder for SGT | 478 | - | - | - | 478 |
| 2015 | (13) Smartdrive Camera for GPI | 6,218 | - | - | - | 6,218 |
| 2015 | (13) Smartdrive Units for SGT | 6,218 | - | - | - | 6,218 |
| 2015 | (14) Smartdrive Recorder for GPI | 7,107 | - | - | - | 7,107 |
| 2015 | (2) Desk; (4) Folding Table; (2) File Cabinet | 505 | - | - | - | 505 |
| 2015 | (2) Desks & (4) Folding Table | 1,289 | - | - | - | 1,289 |
| 2015 | (2) Desks & (4) Folding Table | 213 | - | - | - | 213 |
| 2015 | (2) Smartdrive Recorder for CTI | 957 | - | - | - | 957 |
| 2015 | (2) Smartdrive Recorder for DT | 957 | - | - | - | 957 |
| 2015 | (2) Smartdrive Recorder for GPI | 957 | - | - | - | 957 |
| 2015 | (2) Smartdrive Recorder for SGT | 1,015 | - | - | - | 1,015 |
| 2015 | (2) Smartdrive Recorder for SGT | 957 | - | - | - | 957 |
| 2015 | (2) Smartdrive Units for CTI | 957 | - | - | - | 957 |
| 2015 | (2) Smartdrive Units for Sgt | 957 | - | - | - | 957 |
| 2015 | (3) Smartdrive Camera for DTI | 1,525 | - | - | - | 1,525 |
| 2015 | (3) Smartdrive Camera for GPI | 1,435 | - | - | - | 1,435 |
| 2015 | (3) Smartdrive Camera for GPI | 1,435 | - | - | - | 1,435 |
| 2015 | (3) Smartdrive Recorder for GPI | 957 | - | - | - | 957 |
| 2015 | (3) Smartdrive Recorder for GPI | 1,435 | - | - | - | 1,435 |
| 2015 | (3) Smartdrive Units for GPI | 1,435 | - | - | - | 1,435 |
| 2015 | (4) Smartdrive Units for GPI | 1,913 | - | - | - | 1,913 |
| 2015 | (5) Smartdrive Units for Staff Vehicles | 3,665 | - | - | - | 3,665 |
| 2015 | (5) Smartdriver Camera for GPI | 2,391 | - | - | - | 2,391 |
| 2015 | (6) Vsphere Ent 5.0 License | 14,008 | - | - | - | 14,008 |
| 2015 | (7) Smartdrive Recorder for SGT | 3,553 | - | - | - | 3,553 |
| 2015 | (8) Smartdrive Camera for SGT & MVT | 4,081 | - | - | - | 4,081 |
| 2015 | (8) Smartdrive Units for GPI | 3,826 | - | - | - | 3,826 |
| 2015 | (1) Smartdrive Unit - SGT | 414 | - | - | - | 414 |
| 2015 | (13) Smartdrive Unit & Set Up Fee - GPI | 6,599 | - | - | - | 6,599 |
| 2015 | (1) 2016 Ford Fusion Hybrid | 43,238 | - | - | - | 43,238 |
| 2015 | (5) Smartdrive Unit & Set Up Fee - GPI | 2,391 | - | - | - | 2,391 |
| 2015 | Apc Smart - UPS | 1,825 | - | (1,825) | - | - |
| | Subtotal | 3,161,459 | - | (1,147,972) | - | 2,013,487 |

See Independent Auditor's Report

ACCESS SERVICES
MOU NO. P000ASI28
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS - PROPOSITION C (Continued)
June 30, 2024

| Date Acquired | Description | Balance 7/1/2023 | Additions | Deletions | Adjustments | Balance 6/30/2024 |
|---------------|--|---------------------|-----------|-------------|-------------|----------------------|
| 2015 | Automate Pro Software License | \$ 1,650 | \$ - | \$ - | \$ - | \$ 1,650 |
| 2015 | (144) Dodge Caravan (25 disposed) | 5,790,081 | - | (755,616) | - | 5,034,465 |
| 2015 | (32) Ford Aerolite (4 disposed) | 2,053,815 | - | (200,881) | - | 1,852,934 |
| 2015 | (12) Ford Aerotech 220 (6 disposed) | 691,419 | - | (228,457) | - | 462,962 |
| 2015 | (2) Ford Aerotech 223 | 156,178 | - | (156,178) | - | - |
| 2015 | (1) Ford Aerotech 240 | 84,791 | - | (84,791) | - | - |
| 2015 | (3) Honda Civic | 86,958 | - | (86,958) | - | - |
| 2015 | Oracle ERP Migration/Implementation | 164,807 | - | - | - | 164,807 |
| 2015 | Security System | 5,050 | - | - | - | 5,050 |
| 2015 | (13) VPG MV1 | 799,874 | - | - | - | 799,874 |
| 2015 | Wifi Infrastructure Equipment | 3,481 | - | - | - | 3,481 |
| 2016 | (1) APC Netshelter and (1) APC Aircooling System | 4,859 | - | - | - | 4,859 |
| 2016 | (1) Ramp - ASI | 1,194 | - | - | - | 1,194 |
| 2016 | (3) Smartdrive Installation for DT | 1,435 | - | - | - | 1,435 |
| 2016 | (6) SmartDrive 64GB extended storage for staff vehicles | 444 | - | - | - | 444 |
| 2016 | (1) Smartdrive Recorder & Set Up Fee for MV | 515 | - | - | - | 515 |
| 2016 | (1) Smartdrive Recorder for GPI | 478 | - | - | - | 478 |
| 2016 | (1) Smartdrive Recorder for Staff Vehicle | 561 | - | - | - | 561 |
| 2016 | (10) Smartdrive Recorder & Set Up Fee for SGT | 4,783 | - | - | - | 4,783 |
| 2016 | (10) Smartdrive Recorder for GPI | 4,783 | - | - | - | 4,783 |
| 2016 | (11) Smartdrive Installation for CTI | 5,261 | - | - | - | 5,261 |
| 2016 | (2) Kenwood Digital Radio, Battery, Charger and Antenna | 1,803 | - | (1,803) | - | - |
| 2016 | (2) Smartdrive Recorder & Sr Cont for DT | 957 | - | - | - | 957 |
| 2016 | (3) Smartdrive Recorder for GPI | 1,435 | - | - | - | 1,435 |
| 2016 | (4) Smartdrive Recorder & Set Up Fee for MV | 2,030 | - | - | - | 2,030 |
| 2016 | (4) Smartdrive Recorder for GPI | 1,913 | - | - | - | 1,913 |
| 2016 | (6) Smartdrive Recorder for CTI | 2,870 | - | - | - | 2,870 |
| 2016 | (14) Smartdrive Recorder for SGT | 6,696 | - | - | - | 6,696 |
| 2016 | (6) Smartdrive Recorder for MV-ATW | 3,059 | - | - | - | 3,059 |
| 2016 | (20) Smartdrive Recorder for SGT | 10,148 | - | - | - | 10,148 |
| 2016 | (22) SmartDrive Recorder for GPI | 11,162 | - | - | - | 11,162 |
| 2016 | (1) Smartdrive Recorder for CTI-ATW | 507 | - | - | - | 507 |
| 2016 | (8) Vehicles Toll Road Vehicle Equipment Installation - SGT | 27,989 | - | - | - | 27,989 |
| 2016 | (8) Vehicles Toll Road Vehicle Equipment Installation - GPI | 27,989 | - | - | - | 27,989 |
| 2016 | (4) NRE Deposits | 87,400 | - | - | - | 87,400 |
| 2016 | (3) Staff Vehicles 2016 El Dorado Amerivan - Creative Bus Sales | 117,736 | - | - | - | 117,736 |
| 2016 | (1) Staff vehicle 2014 VPG MV1 | 61,986 | - | - | - | 61,986 |
| 2016 | Accessla New Rider 360 Desktop Portal Development | 900 | - | (900) | - | - |
| 2016 | Double Sided Cut Sheet Braille Embosser | 5,518 | - | (5,518) | - | - |
| 2016 | Portable Air Conditioner | 2,529 | - | - | - | 2,529 |
| 2016 | Rider Mobile Portal Application Development | 14,990 | - | (14,990) | - | - |
| 2016 | Tableau Software License | 12,798 | - | - | - | 12,798 |
| 2017 | (2) Sharp MX-M565N Workgroup Copier | 18,331 | - | (18,331) | - | - |
| 2017 | (1) 65" Television | 1,100 | - | (1,100) | - | - |
| 2017 | (1) Audio and Video Equipment | 1,826 | - | - | - | 1,826 |
| 2017 | (1) Came-TV Boltzen Fresnet Light | 603 | - | - | - | 603 |
| 2017 | (1) Data Center Installation | 15,975 | - | (15,975) | - | - |
| 2017 | (1) Closed Circuit Television | 3,000 | - | (3,000) | - | - |
| 2017 | (1) HP ML/DL Proliant ML 370 G6 Rackmount Server | 986 | - | (986) | - | - |
| 2017 | Structured Cabling Services | 819,057 | - | (11,277) | - | 807,780 |
| 2017 | (1) File Cabinet | 4,701 | - | - | - | 4,701 |
| 2017 | (1) Wheresmyride Application | 2,925 | - | - | - | 2,925 |
| 2017 | (1) Info Pass Server Software | 200,293 | - | - | - | 200,293 |
| 2017 | (1) CollectiveFleet 6.2 Software | 24,999 | - | - | - | 24,999 |
| 2017 | (10) Tableau Software | 8,000 | - | - | - | 8,000 |
| 2017 | (2) 2016 Chevrolet Impala (1 disposed) | 43,568 | - | (21,784) | - | 21,784 |
| 2017 | (610) Smart Drive Dashboard Camera and Accessories (disposed 22 in FY 19-20) | 286,966 | - | - | - | 286,966 |
| 2017 | (2) 2016 Class C StarCraft AllStar Cutaway 25 | 47,755 | - | (23,333) | - | 24,422 |
| | Subtotal | 11,744,917 | - | (1,631,878) | - | 10,113,039 |

See Independent Auditor's Report

ACCESS SERVICES
MOU NO. P000AS128
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS - PROPOSITION C (Continued)
June 30, 2024

| Date Acquired | Description | Balance 7/1/2023 | Additions | Deletions | Adjustments | Balance 6/30/2024 |
|---------------|---|---------------------|-----------|-------------|-------------|----------------------|
| 2017 | (1) 2016 Class C StarCraft AllStar Cutaway 25 | \$ 41,357 | \$ - | \$ (18,964) | \$ - | \$ 22,393 |
| 2017 | (7) 2016 El Dorado Amerivan White (4 disposed) | 157,939 | - | - | - | 157,939 |
| 2018 | Telecom Equipment | 39,880 | - | - | - | 39,880 |
| 2018 | Computer Software | 209,807 | - | - | - | 209,807 |
| 2018 | (1) 2017 Lone Star Promaster | 75,081 | - | - | - | 75,081 |
| 2018 | (1) 2018 Class C Starcraft Allstar Cutaway | 92,583 | - | - | - | 92,583 |
| 2018 | SR3 Controller with Mount for MVT (5) | 4,823 | - | - | - | 4,823 |
| 2018 | NVR Camera Kit and installation Cost (2) | 4,314 | - | - | - | 4,314 |
| 2018 | Leasehold Improvements- Commerce | 428,079 | - | - | - | 428,079 |
| 2018 | Leasehold Improvements- El Monte | 1,911 | - | - | - | 1,911 |
| 2018 | (4) 2018 Class B Starcraft Allstar Cutaway | 74,402 | - | (18,571) | - | 55,831 |
| 2019 | Office Equipment | 22,444 | - | - | - | 22,444 |
| 2019 | Office Furniture | 42,426 | - | - | - | 42,426 |
| 2019 | Telecom Equipment | 137,455 | - | - | - | 137,455 |
| 2019 | Computer Software | 260,808 | - | - | - | 260,808 |
| 2019 | (1) 2017 El Dorado Amerivan (Prop C) | 52,827 | - | - | - | 52,827 |
| 2019 | (96) 2018 El Dorado Amerivan | 159,393 | - | - | - | 159,393 |
| 2019 | 46 SR3 64GB Extended Storage for SGT (Prop C) (Disposed 28 in FY 19-20) | 2,565 | - | - | - | 2,565 |
| 2019 | 2 SR3 Controller with Mount for GPI (Prop C) | 554 | - | - | - | 554 |
| 2019 | 7 SR3 Driver Camera Bundle Controller & installation for ASI vehicle (Prop C) | 4,492 | - | - | - | 4,492 |
| 2019 | 2 SR3 On Board Vehicle Camera/Recording System for SGT (Prop C) | 1,684 | - | - | - | 1,684 |
| 2019 | 3 SR3 Primary Camera Bundle for ASI (Prop C) | 695 | - | - | - | 695 |
| 2019 | 2 SR3 Primary Camera Bundle for SGT (Prop C) | 295 | - | - | - | 295 |
| 2019 | 1 Vehicle Equipments - Camera & Hardware Installation (Prop C) | 5,889 | - | - | - | 5,889 |
| 2019 | Leasehold Improvements- Commerce (Prop C) | 16,900 | - | - | - | 16,900 |
| 2019 | 1 Ricoh Theta Z1 360 Degree Camera | 1,078 | - | - | - | 1,078 |
| 2019 | ASI Online Eligibility Scheduler Solution (Phase 3-Final Functional Design Doc) | 18,000 | - | - | - | 18,000 |
| 2019 | Access Online Eligibility Scheduler Solution (Phase 3 Implementation) | 18,000 | - | - | - | 18,000 |
| 2019 | Access Online Eligibility Scheduler Solution (Phase 3 Implementation) | 18,000 | - | - | - | 18,000 |
| 2019 | 1 Access Online Eligibility Scheduler Solution (Phase 3 Implementation) | 19,125 | - | - | - | 19,125 |
| 2019 | 1 New hosted IVR Application implementation | 10,000 | - | - | - | 10,000 |
| 2019 | 1 Website Redesign and Maintenance | 37,153 | - | - | - | 37,153 |
| 2019 | 1 Plastic Recyclable 6' Bench with Back, Color; Cedar Model # H-2888C | 3,213 | - | - | - | 3,213 |
| 2019 | 1 Reconfiguration of Furniture at Commerce Eligibility Center | 11,625 | - | - | - | 11,625 |
| 2019 | (5) 2019 Class B Starcraft Allstar Cutaway (2 disposed) | 3,531 | - | - | - | 3,531 |
| 2019 | (2) 2019 Class B Starcraft Allstar Cutaway | 36,370 | - | - | - | 36,370 |
| 2019 | (3) 2019 Class C Starcraft Allstar Cutaway | 205,289 | - | - | - | 205,289 |
| 2019 | (1) 2020 Class A Starcraft Allstar Cutaway | 16,802 | - | - | - | 16,802 |
| 2019 | (33) 2019 Class D El Dorado Amerivans | 14,610 | - | - | - | 14,610 |
| 2020 | 1 Cybersecurity Hardening Project - Hardware/Equipment | 14,902 | - | - | - | 14,902 |
| 2020 | 1 HP Laser Jet Enterprise Printer | 1,760 | - | - | - | 1,760 |
| 2020 | 1 Rider360 Expiry Solution Software | 10,000 | - | - | - | 10,000 |
| 2020 | 1 Cybersecurity Hardening Project - Software | 64,406 | - | - | - | 64,406 |
| 2020 | (52) 2019 Class D El Dorado Amerivans | 21,728 | - | - | - | 21,728 |
| 2020 | (15) 2019 Lone Star Promaster | 613,692 | - | - | - | 613,692 |
| 2020 | (40) 2019 Dodge Braun Caravan (3 disposed of in FY22-23) | 398,429 | - | (10,439) | - | 387,990 |
| 2020 | Rider360 Version 2.0 Project | 1,699,040 | - | - | - | 1,699,040 |
| 2020 | Voice Over Internet Protocol (VoIP) Services | 97,025 | - | - | - | 97,025 |
| 2020 | Where's My Ride Software and Services | 217,695 | - | - | - | 217,695 |
| 2020 | Data Center Refresh Project - Hardware | 460,087 | - | - | - | 460,087 |
| 2020 | Data Center Refresh Project - Software | 203,496 | - | - | - | 203,496 |
| 2020 | (2) Meridian Temperature Verification Kiosk without LED Stri | 5,475 | - | - | - | 5,475 |
| 2020 | (2) New Trapeze Software - INFO-Server-PASS API License | 106,345 | - | - | - | 106,345 |
| 2020 | (5) 2019 Lone Star Promaster | 622,129 | - | - | - | 622,129 |
| 2020 | (11) 2019 Dodge Braun Caravan | 114,826 | - | - | - | 114,826 |
| 2021 | Meraki MDM Solution | 12,214 | - | - | - | 12,214 |
| 2021 | Social Plastics Pro, LLC - Workstation Acrylic Barriers for Commerce Eligibility Ce | 41,576 | - | - | - | 41,576 |
| 2021 | Voice Over Internet Protocol (VoIP) Services (Old Agreement # 109) | 1,998 | - | - | - | 1,998 |
| | Subtotal | 6,958,222 | - | (47,974) | - | 6,910,248 |

See Independent Auditor's Report

ACCESS SERVICES
MOU NO. P000ASI28
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS - PROPOSITION C (Continued)
June 30, 2024

| Date Acquired | Description | Balance 7/1/2023 | Additions | Deletions | Adjustments | Balance 6/30/2024 |
|---------------|---|---------------------|---------------|----------------|-------------|----------------------|
| 2021 | Design & Development of rider 360 V.2 - Suspension Letters | \$ 78,608 | \$ - | \$ - | \$ - | \$ 78,608 |
| 2021 | Design & Development of rider 360 V.2: Suspension Letters | 21,392 | - | - | - | 21,392 |
| 2021 | SharePoint Migration Services | 8,858 | - | - | - | 8,858 |
| 2022 | Apple MacBook Pro Laptop | 6,727 | - | - | - | 6,727 |
| 2022 | T-mobile Apple Ipad Pro | 1,508 | - | - | - | 1,508 |
| 2022 | Apple 12.9 Inch Ipad Pro with WI-Fi 256 GB | 1,338 | - | - | - | 1,338 |
| 2022 | Rider360 Version 2.0 Solution Development for Timely Load Annotations | 22,500 | - | - | - | 22,500 |
| 2022 | (4) Starcraft Cutaway Class B | 64,729 | - | - | - | 64,729 |
| 2023 | TNC Pilot Project CIP | 10,488 | 146,765 | - | - | 157,253 |
| 2022 | Microsoft Surface Pro 8-13" 512 GB | 45,572 | - | - | - | 45,572 |
| 2022 | Dell XPS Laptop (9720) | 22,352 | - | - | - | 22,352 |
| 2022 | Surface Pro 8 | 1,728 | - | - | - | 1,728 |
| 2022 | Dell XPS Laptop 17 Quote | 12,521 | - | - | - | 12,521 |
| 2022 | 10 Lenovo ThinkPad E15 Gen 4 - 15.6" | 11,782 | - | - | - | 11,782 |
| 2022 | 2 Surface Laptop Studio for BusinessCPU | 5,926 | - | - | - | 5,926 |
| 2022 | Lenovo ThinkPad E15 Gen 4-15.6" | 12,279 | - | - | - | 12,279 |
| 2022 | Lenovo ThinkPad E15 Gen 4-15.6" | 21,208 | - | - | - | 21,208 |
| 2022 | 24 inch Imac with 4.5K Retina Display | 2,787 | - | - | - | 2,787 |
| 2023 | Lenovo Thinkpad E15 Gen 4-15.6" | 10,549 | - | - | - | 10,549 |
| 2023 | Precision 5820 Tower | 4,877 | - | - | - | 4,877 |
| 2022 | JAWS Professional License | 1,605 | - | - | - | 1,605 |
| 2023 | HVAC Quarterly Preventive Maintenance & Replacement | 14,918 | - | - | - | 14,918 |
| 2022 | Logitech Rally Plus Video Conference Equipment | 2,800 | - | - | - | 2,800 |
| 2023 | Broncolor Siros 800 S Pro 3-Light Kit Video Equipment | 6,302 | - | - | - | 6,302 |
| 2022 | Voice Over Internet Protocol (VoIP) Services | 5,909 | - | - | - | 5,909 |
| 2023 | Office Supplies Sourcewell Contract #012320-SCC | 2,819 | - | - | - | 2,819 |
| 2023 | (1) RAM ProMaster | 85,692 | - | - | - | 85,692 |
| 2023 | (1) RAM ProMaster 159 | 88,471 | - | - | 15,110 | 103,581 |
| 2023 | (1) RAM ProMaster 159 | 88,470 | - | - | 15,110 | 103,580 |
| 2024 | (14) 2023 TURTLE TOP CLASS B | - | 2,074,192 | - | - | 2,074,192 |
| 2024 | (156) 2023 Ram Promasters | - | 12,558,062 | - | - | 12,558,062 |
| 2024 | (6) STAFF VEHICLES | - | 218,855 | - | - | 218,855 |
| 2024 | KESS3 Master Car Activation Kit & Installation | - | 5,165 | - | - | 5,165 |
| 2024 | Starlink Satellite Connectivity - CIP | - | 2,805 | - | - | 2,805 |
| 2024 | Printer | - | 7,234 | - | - | 7,234 |
| 2024 | Airdome | - | 3,378 | - | - | 3,378 |
| 2024 | Office Chairs Eligibility | - | 36,774 | - | - | 36,774 |
| 2024 | HP DesignJet T630 36 in Printer | - | 2,089 | - | - | 2,089 |
| 2024 | HP Color LaserJet Enterprise 6700 Printer | - | 3,048 | - | - | 3,048 |
| 2024 | (8) Dell XPS 8960 Desktops | - | 45,807 | - | - | 45,807 |
| 2024 | (5) Printer | - | 7,326 | - | - | 7,326 |
| 2024 | Vmware (Upgrade to 7.0 U3) | - | 6,550 | - | - | 6,550 |
| 2024 | Vmware (Upgrade to 7.0 U3) | - | 6,550 | - | - | 6,550 |
| 2024 | Cybersecurity software | - | 29,677 | - | - | 29,677 |
| | Subtotal | 664,715 | 15,154,275 | - | 30,220 | 15,849,210 |
| | Total Capital Assets | \$ 22,529,313 | \$ 15,154,275 | \$ (2,827,824) | \$ 30,220 | \$ 34,885,984 |

See Independent Auditor's Report

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Access Services was incorporated in the State of California as a nonprofit 501(c)(3) public benefit corporation on March 31, 1994. Access Services is the designated Los Angeles County Consolidated Transportation Services Agency (CTSA) pursuant to Government Code 159759(a) and public entity pursuant to Government Code 15975(t). Access Services administers the Los Angeles County Coordinated Paratransit Plan on behalf of the Los Angeles (LA) County's 46 public fixed route operators (i.e., bus and rail). Access Services facilitates the provision of complementary American Disability Act (ADA) paratransit services to certain persons with disabilities as required by 42 U.S.C. 12143 under the name "Access Paratransit". Paratransit is an alternative mode of flexible passenger transportation that does not follow fixed routes or schedules. Access Paratransit system provides more than 3.4 million trips per year to more than 115,000 qualified disabled riders in a service area of over 1,950 square miles.

Access Services is governed by a Board of Directors composed of the nine members of the LA County Board of Supervisors, the City Selection Committee's Corridor Transportation Representatives, the Mayor of the City of Los Angeles, the LA County municipal fixed-route operators, the LA County local fixed-route operators, the LA County Commission on Disabilities, the Coalition of LA County Independent Living, the LA County Metropolitan Transportation Authority (Metro), and an alternating appointment by the municipal and local fixed-route operators.

Access Program Services

Paratransit Operations – This program encompasses all services required to deliver ADA paratransit. This includes functions such as reservations, customer call center, information lines, ETA lines, and the delivery of paratransit services across the service region.

Eligibility Determination – The function of this department is to conduct assessments of potential riders to ensure that they meet the ADA eligibility requirements for participation in ADA paratransit.

CTSA Function – In its function as the CTSA, Access Services acts as a state mandated facilitator charged with the development and implementation of regional coordination of social service transportation to seniors, persons with disabilities, the young, and the low-income disadvantaged.

Accounting and Reporting

Proposition C funds represent 40% of the ½ cent Proposition C sales taxes which must be used exclusively for transportation related programs and projects. Measure M funds represent 2% of the county-wide ½ cent Measure M 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. Surface Transportation Block Grant (STBG) Funds were provided through Federal Section 5310 Program, of which portions of the fiscal years 2022 and 2023 funding were transferred to the Federal Section 5307 Program for provisions to ADA complementary paratransit services. Additionally, Federal Sections 5016 and 5317 funds have been identified as part of the available funding resources for fiscal year 2024.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The operations of the Proposition C Discretionary Grant, Measure M 2% Grant, and Federal Sections 5310, and 5307 Grants are accounted for in a separate set of self-balancing accounts that accounts for its revenues and expenditures.

Basis of Accounting

Revenues and expenditures are accounted for using the accrual basis of accounting. Revenues from grants are recognized when expenditures are incurred. Expenditures are generally recognized when the related liabilities are incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions, and such differences could be material to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents primarily consist of cash in bank checking accounts and money market funds with initial maturities of 90 days or less. For the purposes of reported cash, cash and cash equivalents consists of cash on hand, and cash restricted for the purpose of funding the self-insured retention, unfunded pension liability, accrued vacation liability, and facilities development expenditures.

Property and Equipment

Property and equipment are stated at cost. Major improvements and betterments to existing property and equipment are capitalized and the cost for maintenance and repairs which do not extend the useful life of the applicable assets are charged to expense when incurred. Upon disposition, the cost and accumulated depreciation of disposed assets are removed from the accounts and any resulting gains or losses are recognized in the Schedule of Revenues and Expenditures.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

| | |
|--------------------------------|---------|
| Vehicles and equipment | 4 years |
| Office furniture and equipment | 3 years |
| Software | 3 years |
| Leasehold improvements | 5 years |

Property and equipment purchased with Federal Transit Administration (FTA) project property funds are subject to federal regulations whereby any disposition of project property before the end of its useful life requires prior FTA approval. If project property is removed from service before the end of its useful life,

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Access Services is subject to a return of funds to the FTA of the amount of the undepreciated net asset value of the subject property.

Property and Equipment (continued)

After the service life of project property occurs, rolling stock and equipment with a current market value exceeding \$5,000 per unit, or unused supplies with a total aggregate fair market value of more than \$5,000, may be retained or sold by Access Services. In the event Access Services disposes of property and equipment purchased with federal funds, any proceeds in excess of \$5,000 must be used to reduce the gross project costs of another federally funded capital transit project. For rolling stock and equipment with a current market value of \$5,000 or less, or unused supplies with a total aggregate fair market value of \$5,000 or less, the asset may be retained, sold or otherwise disposed of with no obligation to reimburse the FTA.

Access Services reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of its property and equipment may not be recoverable. An impairment loss is recognized when the assets carrying value exceeds both the assets estimated undiscounted future cash flows and the assets estimated fair value. Measurement of the impairment loss is then based on the estimated fair value of the assets.

Considerable judgment is required to project such future cash flows and, if required, to estimate the fair value of the property and equipment and the resulting amount of the impairment. No impairment charges were recorded for property and equipment during the years ended June 30, 2024 and 2023.

Investments

Investments in marketable securities with readily determinable fair values and investments in debt securities are reported at their fair values in the Balance Sheets. Unrealized gains and losses are included in the Schedule of Revenues and Expenditures.

Revenue Recognition and Grants

Access Services primarily receives revenue from FTA Section 5310, FTA Section 5307, Measure M and Proposition C Discretionary funds and/or grants through Metro, and passenger fares for the paratransit services provided. Revenues are deemed earned when allowable expenses are incurred or recognized by Access Services. Passenger revenues are recognized as services are provided to passengers.

Expenses

Salaries, benefits, and other related expenses are categorized under paratransit operations, eligibility determination, CTSA function and ride information, and administrative expenses primarily based on personnel job function. Other indirect costs are allocated based on either the number of employees located within a department, estimated asset usage, or the nature of services provided.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proposition C Advanced Funds/Balance Deficit

As of June 30, 2024, all Proposition C Advanced Funds had been utilized, resulting in a shortfall, which led to a balance deficit. As of June 30, 2023, there were unspent Proposition C monies.

Leases

Access Services adheres to FASB ASC 842, *Leases*, which establishes a right-of-use (“ROU”) model that requires a lessee to record an ROU asset and a lease liability on the balance sheets for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of revenue and expenditures. Leases with a term of less than 12 months will not record a ROU asset and lease liability and the payments will be recognized in the change in net assets on a straight-line basis over the lease term.

Reclassification

Certain reclassifications have been made to fiscal year 2023 amounts in order to conform to the fiscal year 2024 presentation. Such reclassifications had no effect on the previously reported change in net assets.

NOTE 2 – ANNUAL FINANCIAL STATEMENTS

The Balance Sheets and the Schedules are intended to reflect only the financial position and results of operations of the Proposition C Discretionary, Measure M 2% and Federal 5310, and 5307 Programs, and do not purport to, and do not present fairly the overall Access Services’ financial position as of June 30, 2024 and 2023, or the changes in its financial position for the years then ended in accordance with U.S. GAAP

NOTE 3 – MEMORANDUM OF UNDERSTANDING

Access Services (grantee) and Metro (grantor) enter into a Memorandum of Understanding (MOU) each year to provide funding to Access Services for fiscal years 2024 and 2023. The agreement supports the provision of Americans with Disabilities Act (ADA) mandated complementary paratransit service on behalf of member agencies, facilitates shuttles and deviated route service, and enables Access Services to fulfill its role as the CTSA for Los Angeles County, as required under 15950 of the California Government Code:

| <u>MOU Nos.</u> | <u>MOU Date</u> | <u>Effective Date Through</u> |
|-----------------|-----------------|-------------------------------|
| P000ASI28 | June 14, 2023 | June 30, 2024 |
| P000ASI27 | June 15, 2022 | June 30, 2023 |

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 3 – MEMORANDUM OF UNDERSTANDING (Continued)

The following schedule presents available funding resources for fiscal years 2024 and 2023 per MOUs:

| <u>Funding Source</u> | <u>2024</u> | <u>2023</u> |
|--|-----------------------|-----------------------|
| Federal Sections 5310, 5316, 5317 Programs | \$ 25,285,025 | \$ 73,000,000 |
| Federal Section 5307 Program | 82,000,000 | 840,000 |
| Proposition C 40% Discretionary | 130,752,499 | 123,851,021 |
| Measure M 2% | 17,730,000 | 15,500,000 |
| Total Funding | <u>\$ 253,200,406</u> | <u>\$ 213,191,021</u> |

MOU P000AS128 – Fiscal Year 2024

Access Service identified a total of \$25,285,025 in available capital and operating revenues related to Federal Section 5310, 5316, and 5317 Program funds for fiscal year 2024. This includes \$24,327,928 in authorized Federal Surface Transportation Block Grant funds, which incorporated a prior-year capital reserve of \$9,578,728. These funds have been transferred (“flexed”) into the Federal Section 5310 Program – Enhanced Mobility of Seniors and Individuals with Disabilities Grant under the following Federal Award Identification Numbers (FAINs): CA-2023-127-00, CA-2020-284-00, CA-2023-223-00 & CA-2021-235-01. Additionally, the total funding includes \$809,853 from the Federal Section 5316 Program and \$147,244 from the Federal Program Section 5317, bring the total identified resources to \$25,285,025.

Metro authorized Federal Surface Transportation Block Grant funds for Access Services in the amount of \$82,000,000 for fiscal year 2024. These funds have been flexed into the Federal Section 5307 Program – Urbanized Area Formula funds (FAIN CA-2023-193-01 & CA-2023-045-00).

Metro also authorized Proposition C 40% and Measure M 2% funding of \$130,752,499 and \$17,730,000, respectively, totaling \$148,482,499 for operating and capital funds.

Metro disbursed Measure M 2% funding totaling \$17,730,000 and Proposition C 40% funding and/or other local funds totaling \$125,752,499 (not including the \$5,000,000 being held in reserve) for operating and capital expenses for a total amount not to exceed \$143,482,499 payable in nine (9) equal monthly installments of \$15,942,500 beginning July 1, 2023, payable on the 1st of each month following receipt of a disbursement request and subject to the conditions set forth below:

- Proposition C 40% funds in the amount of \$5,000,000 being held by Metro in reserve for trips in excess of the budgeted amount if needed. Access will provide Metro with a 60 days' notice to draw down the reserve funds. Reserve funds may be disbursed upon written request to Metro from Access Services by April 1, 2024 and must be accompanied by written justification.
- Carryover in the amount of \$2,477,940 from Proposition C 40% shall be carried over from fiscal year 2022 into fiscal year 2024 for operating expenses as approved by the Metro Board.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 3 – MEMORANDUM OF UNDERSTANDING (Continued)

- Any unused and/or unencumbered fiscal year 2023 PC 40% or MM 2% operating funds identified, as a result of the fiscal year 2023 audit and not designated as grant match shall be deemed available and shall be applied against Access' unwithdrawn fiscal year 2024 PC 40% and/or MM 2% funding or carried over to the next fiscal year as approved by Metro's board.
- Any unused and/or unencumbered fiscal year 2023 PC 40% or MM 2% capital funds not expended and/or encumbered as identified by the audit may be carried forward or shall be applied against Access' unwithdrawn fiscal year 2024 PC 40% and/or MM 2% into the next fiscal year upon written request and approval by Metro.

MOU P000AS127 – Fiscal Year 2023

Metro has authorized Federal Surface Transportation Block Grant funds for Access Services in the amount of \$73,000,000 for fiscal year 2023. These funds have been flexed into Federal Section 5310 Program – Enhanced Mobility of Seniors and Individuals with Disabilities Grant (Federal Award Identification Number (FAIN) 5830-2022-1), which was approved by the FTA on June 15, 2022.

Metro also authorized Federal Surface Transportation Block Grant funds for Access Services in the amount of \$840,000 for fiscal year 2023. These funds have been flexed into Federal Section 5307 Program – Urbanized Area Additional Assistance Grant (FAIN 5830-2023-045), which was approved by the FTA on May 17, 2023.

Metro also authorized the Proposition C 40% and Measure M 2% funding of \$123,851,021 and \$15,500,000, respectively, totaling \$139,351,021 for operating and capital funds. The Proposition C 40% funding includes \$14,300,000 in reserve not yet drawn by Access Services as of June 30, 2023.

Metro disbursed Measure M 2% funding totaling \$15,500,000 and Proposition C 40% funding and/or other local funds that include Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) equivalent local funds totaling \$123,851,021 for operating and capital expenses for a total amount not to exceed \$139,351,021 payable in ten (10) equal monthly installments of \$13,935,102 beginning July 1, 2022, payable on the 1st of each month following receipt of a disbursement request and subject to the conditions set forth below:

- Proposition C 40% funds in the amount of \$14,300,000 being held by Metro in reserve for trips in excess of the budgeted amount if needed. Access will provide Metro with a 60 days' notice to draw down the reserve funds. Reserve funds may be disbursed upon written request to Metro from Access Services by April 3, 2023 and must be accompanied by written justification.
- Carryover in the amount of \$2,387,803 from Proposition C 40% shall be carried over from fiscal year 2021 into fiscal year 2023 for operating expenses as approved by the Metro Board.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

- Any unused fiscal year 2021 Proposition C 40% or Measure M 2% operating and capital funds not expended and/or encumbered as a result of the audit may be carried forward into the next fiscal year upon written request and approval from Metro.

In accordance with MOU Nos. P000ASI28 and P000ASI27, the Grantee must comply with the funding restrictions and expenditure conditions outline in Article 4 of both MOUs.

As of June 30, 2024 and 2023, Access Services’ financial assets available for general expenditures consist of the following:

| <u>Category</u> | <u>2024</u> | <u>2023</u> |
|--|----------------------|----------------------|
| Cash and cash equivalents | \$ 13,407,862 | \$ 11,439,082 |
| Short-term investments | 18,369,730 | 29,289,428 |
| Grants receivable | 13,711,162 | 12,446,087 |
| Accounts receivable | 272,079 | 132,245 |
| Balance deficit | <u>5,607,769</u> | <u>-</u> |
| Total financial assets | 51,368,602 | 53,306,842 |
| Less: | | |
| amounts unavailable for general expenditures within 1 year due to: | | |
| Receivable to be collected when expenses are incurred | (549,263) | (3,035,694) |
| Receivable to be collected when vehicles are purchased | <u>(10,585,681)</u> | <u>(7,862,751)</u> |
| Total restricted financial assets | <u>(11,134,944)</u> | <u>(10,898,445)</u> |
| Financial assets available for general expenditures over the next twelve months | <u>\$ 40,233,658</u> | <u>\$ 42,408,397</u> |

NOTE 5 – GRANTS RECEIVABLE

Grants receivable of Federal 5310 and 5307 consisted of the following as of June 30:

| <u>Grant Type</u> | <u>2024</u> | <u>2023</u> |
|--|----------------------|----------------------|
| Section 5310 Capital Grant | \$ 12,699,021 | \$ 8,784,660 |
| Section 5307 Urbanized Area Additional Assistance Grant | 1,012,141 | 3,506,260 |
| Section 5310 Accessible Traveler Mobile App (ATMA) Pilot Project | <u>-</u> | <u>155,167</u> |
| Total Grants Receivable | <u>\$ 13,711,162</u> | <u>\$ 12,446,087</u> |

As of June 30, 2024 and 2023, all recorded grants receivable are considered fully collectible, and no allowances for uncollectible amounts have been recorded. Management has reviewed outstanding balances and determined that all receivables are supported by grant agreements and are expected to be received in full.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 6 – PROPERTY AND EQUIPMENT, NET

At June 30, property and equipment consists of the following:

| | 2024 | | | |
|---|---------------|---------------|--------------------------------|---------------|
| | Federal 5310 | Proposition C | Proposition C Building Fund | Total |
| Vehicle and equipment | \$ 31,412,806 | \$ 28,479,131 | \$ - | \$ 59,891,937 |
| Software | - | 3,347,697 | - | 3,347,697 |
| Leasehold improvements | - | 1,658,116 | - | 1,658,116 |
| Office furniture and equipment | - | 1,240,982 | - | 1,240,982 |
| Total property and equipment | 31,412,806 | 34,725,926 | - | 66,138,732 |
| Less: accumulated depreciation/amortization | (17,947,328) | (20,786,943) | - | (38,734,271) |
| Total property and equipment depreciated/amortized | 13,465,478 | 13,938,983 | - | 27,404,461 |
| Construction in progress | - | 160,058 | 981,717 | 1,141,775 |
| Total property and equipment, net | \$ 13,465,478 | \$ 14,099,041 | \$ 981,717 | \$ 28,546,236 |

| | 2023 | | | |
|---|---------------|---------------|--------------------------------|---------------|
| | Federal 5310 | Proposition C | Proposition C Building Fund | Total |
| Vehicle and equipment | \$ 19,639,270 | \$ 16,344,773 | \$ - | \$ 35,984,043 |
| Software | - | 3,308,177 | - | 3,308,177 |
| Leasehold improvements | - | 1,658,116 | - | 1,658,116 |
| Office furniture and equipment | - | 1,207,758 | - | 1,207,758 |
| Total property and equipment | 19,639,270 | 22,518,824 | - | 42,158,094 |
| Less: accumulated depreciation/amortization | (16,228,571) | (20,510,242) | - | (36,738,813) |
| Total property and equipment depreciated/amortized | 3,410,699 | 2,008,582 | - | 5,419,281 |
| Construction in progress | - | 10,489 | 114,094 | 124,583 |
| Total property and equipment, net | \$ 3,410,699 | \$ 2,019,071 | \$ 114,094 | \$ 5,543,864 |

For the year ended June 30, 2024, depreciation and amortization expenses totaled \$1,949,177 and \$3,096,575 for Federal 5310 and Proposition C, respectively.

For the year ended June 30, 2023, depreciation and amortization expenses totaled \$1,943,324 and \$1,752,068 for Federal 5310 and Proposition C, respectively.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 7 – DEFERRED SUPPORT / ADVANCED FUNDS

Deferred support / advanced funds consisted of the following as of June 30:

| | 2024 | 2023 |
|---|---------------|---------------|
| Section 5310 Capital Grants | \$ 10,585,681 | \$ 7,920,122 |
| Section 5307 Urbanized Area Additional Assistance Grant | 549,263 | 2,978,323 |
| Metro Funding | 4,018,283 | 17,314,647 |
| Total Deferred Support/Advanced Funds | \$ 15,153,227 | \$ 28,213,092 |

As of June 30, 2024 and 2023, deferred support/advance funds represent amounts received in advance for grant-related expenditures. These funds will be recognized as revenue when eligible expenses are incurred in accordance with grant agreements and/or MOUs.

NOTE 8 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Access Services adheres to ASC 820, *Fair Value Measurements and Disclosures* (“ASC 820”), which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. ASC 820 provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. Access Services also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments in Level 1 includes listed equities, bond instruments, and mutual funds held in the name of Access Services.

Level 2 – Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. Investments that are included in this category generally include privately held investments and partnership interests.

The inputs and methodology used for valuing Access Services’ financial assets and liabilities are not indicators of the risks associated with those instruments.

Access Services’ investments are recorded at fair value and consisted of Level 1 US Treasury debt securities.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 9 – OPERATING LEASES

Access Service has entered into noncancellable operating lease agreements as follows:

- Office Lease (Commerce location): On October 20, 2016, Access Services signed a noncancelable office lease for its eligibility center that commenced on June 1, 2017, for a 126-month term, expiring on December 31, 2027. The base monthly rent was \$20,079 for the first year, with an annual increase of 3%.
- Office Lease (El Monte location): On November 1, 2017, Access Services signed a noncancelable office lease with a retroactive commencement date of January 1, 2017, for a 5-year, with two additional 5-year renewal options. Management’s intents to exercise the extension option, extending the expiration date to December 31, 2032. The base monthly rent is \$50,000 for the entire lease term.
- Office Lease (Palmdale location): On August 1, 2021, Access Services signed a noncancelable office lease that commenced on August 10, 2021, for a term of 39.5-month term, expiring on November 30, 2024. The base monthly rent was \$1,097 for the first year, with an annual increase of 3%.

In September 2024, Access Services exercised its right to extend the lease term for an additional year, extending the expiration date to November 30, 2025. (see Note 15).

In fiscal year 2023, Access Services adopted ASC Topic 842, which required the recognition of right-of-use (ROU) assets and lease liabilities for its operating leases. Under ASC 842, all lease are classified as operating leases, with ROU assets and lease liabilities recorded on the Balance Sheet.

As of June 30, 2024 and 2023, the following amounts were recorded in the financial statements in accordance with ASC 842:

| | 2024 | 2023 |
|--|--------------|--------------|
| ROU asset - operating | \$ 5,740,470 | \$ 6,472,691 |
| Less: accumulated amortization | (749,825) | (732,221) |
| ROU asset - operating leases, net | \$ 4,990,645 | \$ 5,740,470 |
| | | |
| Short-term lease liability - operating | \$ 787,775 | \$ 768,900 |
| Long-term lease liability - operating | 4,335,775 | 5,123,552 |
| Total lease liabilities - operating | \$ 5,123,550 | \$ 5,892,452 |

Other lease information as of June 30, 2024 and 2023:

- Weighted-average remaining lease term: 6.63 years (2024) and 7.65 (2023)
- Weighted-average discount rate: 2.39%.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 9 – OPERATING LEASES (Continued)

Future minimum lease payments under operating leases as of June 30, 2024 and 2023 are as follows:

| Year ending June 30 | 2024 | 2023 |
|------------------------------------|--------------|--------------|
| 2024 | \$ - | \$ 901,634 |
| 2025 | 902,300 | 902,300 |
| 2026 | 905,220 | 905,220 |
| 2027 | 914,388 | 914,388 |
| 2028 | 734,925 | 734,925 |
| 2029 | 600,000 | - |
| Thereafter | 1,500,000 | 2,100,000 |
| Total lease payments | 5,556,833 | 6,458,467 |
| Less: effects of discounting | (433,283) | (566,015) |
| Present value of lease liabilities | \$ 5,123,550 | \$ 5,895,452 |

NOTE 10 – DEFINED BENEFIT PLAN

Access Services established a 403(b)(7) tax sheltered annuity plan (the “TSA Plan”) in January 1995 under which employees may, by elective deferral under a salary reduction agreement, contribute to the plan. Contributions are applied to group or individual annuity contracts, or to custodial accounts holding regulated investment stock that meet the requirements of Section 403(b) of the Code. Employee contributions and investment choice are determined by the employees. For the fiscal years ended June 30, 2024 and 2023, there were no employer contributions to the TSA Plan.

On April 10, 2000, Access Services entered into an agreement, with the California Public Employees Retirement System (CalPERS) to replace employees’ participation in the Social Security Administration program with a defined benefit pension plan. Employee participation in the CalPERS plan is mandatory, with contribution rates determined based on hire date.

For legacy members (employees hired before January 1, 2013), the CalPERS program requires a 7.0% employee contribution, which is fully funded by Access Services. Employee hired on or after January 1, 2013, are required to contribute 7.68% of their gross wages to the plan.

Access Services also contributes towards the employees’ accounts based on CalPERS actuarial rates, which were 10.10% and 8.63% of employees’ gross wages for the years ended June 30, 2024 and 2023, respectively. Employers must recognize annual pension expenditures/costs (APC) equal to its contractually required contributions to the plan. Pension liabilities and assets result from the difference between required and actual contributions.

Access Services utilizes the most recent actuarial information available at the time it prepares and issues its financial statements. As of June 30, 2024 and 2023, the most current available actuarial financial information from CalPERS was as of June 30, 2023 and 2022, respectively.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 10 – DEFINED BENEFIT PLAN (Continued)

A summary of principal assumptions and methods used to determine the contractually required contributions is shown below as of June 30, 2023 and 2022 (the most up to date information currently available):

| Valuation Date | June 30, 2023 | June 30, 2022 |
|----------------------------------|---|---|
| Actuarial Cost Method | Entry Age Normal in accordance with the requirements of GASB Statement No. 68 | Entry Age Normal in accordance with the requirements of GASB Statement No. 68 |
| Actuarial Assumptions: | | |
| Discount Rate | 6.90% | 6.90% |
| Salary increases | Varies by Entry Age and Service | Varies by Entry Age and Service |
| Inflation | 2.30% | 2.30% |
| Mortality rate table | Derived using CalPERS' membership data for all Funds | Derived using CalPERS' membership data for all Funds |
| Post-retirement benefit increase | Contract COLA up to 2.30% until purchasing Power Protection Allowance Floor on purchasing power applies | Contract COLA up to 2.30% until purchasing Power Protection Allowance Floor on purchasing power applies |

Below is the trend information for employees hired prior to January 1, 2013:

| | 2024 | 2023 |
|---|---------------|---------------|
| Entry age normal accrued liability | \$ 26,926,464 | \$ 24,657,372 |
| Market value of plan assets | 20,832,499 | 19,193,958 |
| Unfunded defined benefit plan liability | 6,093,965 | 5,463,414 |
| Annual covered payroll | 3,405,896 | 3,165,463 |
| Funded ratio | 77.4% | 77.80% |

Below is the trend information for employees hired after January 1, 2013:

| | 2024 | 2023 |
|---|--------------|--------------|
| Entry age normal accrued liability | \$ 4,348,294 | \$ 3,328,052 |
| Market value of plan assets | 3,751,995 | 2,876,722 |
| Unfunded defined benefit plan liability | 596,299 | 451,330 |
| Annual covered payroll | 3,830,880 | 2,628,428 |
| Funded ratio | 86.3% | 86.40% |

The effect of any potential increase or decrease in unfunded defined benefit plan liability is not included in the budget request allotment from Metro. Access Services recorded the following defined benefit plan expense for the years ended June 30:

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 10 – DEFINED BENEFIT PLAN (Continued)

| | 2024 | 2023 |
|---|--------------|--------------|
| Contributions made during the year | \$ 1,222,956 | \$ 1,128,924 |
| Increase in unfunded defined benefit plan liability | 775,520 | 3,789,153 |
| | \$ 1,998,476 | \$ 4,918,077 |

NOTE 11 – START-UP COSTS OF RESERVED CAPITAL PROJECTS – PROPOSITION C

Start-up costs related of reserved capital projects comprised of the following as of June 30:

| | 2024 | 2023 |
|--------------------------------------|-------------|-------------|
| Remaining startup cost for SGTS Inc. | \$ 225,900 | \$ - |

NOTE 12 – FEDERAL SECTION PROGRAMS

FEDERAL SECTION 5307 - URBANIZED AREA ADDITIONAL ASSISTANCE GRANT

On May 17, 2023, Access Services entered into a funding agreement amounting to \$5,000,000 with FTA for the repairs and maintenance of vehicles over 250,000 miles to extend the useful life of its vehicle fleet, as well as for the installation of parts. The funding agreement covers the period from January 20, 2020, through July 1, 2026. Funds are released to Access Services on a reimbursement basis in accordance with invoices submitted to support the expenditure report submitted to FTA.

In fiscal year 2024, Access Services recognized \$2,429,060 in revenue and incurred the corresponding eligible expenditures.

FEDERAL SECTION 5307 - URBANIZED AREA ADDITIONAL ASSISTANCE GRANT (Continued)

In fiscal year 2023, Access Services received \$2,021,677, of which \$1,830,696 was recognized as revenue and incurred as eligible expenditures. The remaining balance of \$191,281 was a reimbursement to the Proposition C fund for eligible expenditures incurred during the fiscal year 2022. This amount was recorded under Proposition C as the reimbursement from the Federal 5307 Grant.

As of June 30, 2024, a total amount of \$4,450,737 has been recognized as revenue and incurred as eligible expenditures, leaving an unspent balance of \$549,263, which is recorded as the deferred revenues as of June 30, 2024.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 12 – FEDERAL SECTION PROGRAMS (Continued)

FEDERAL SECTION 5307 PROGRAM – URBANIZED AREA FORMULA FUNDS

On September 13, 2023, Access Services entered into a funding agreement amounting to \$80,000,000 with FTA to procure Contractor Services for the provision of ADA Complementary Paratransit Service across six (6) different service areas Access operates within Los Angeles County. This project funds contracted service for the period between July 1, 2023 through June 30, 2024. The funds were allocated to Access as part of FHWA Surface Transportation Block Grants funds apportioned to Los Angeles County.

In fiscal year 2024, Access Services recognized the entire of \$80,000,000 in revenue and incurred the corresponding eligible expenditures.

FEDERAL SECTION 5316 - JOB ACCESS & REVERSE COMMUTE (JARC) & SECTION 5317 - NEW FREEDOM FUNDS

On March 9, 2018, Access Services entered into a pass-through funding agreement (#9200000000S1724) with Metro for a total amount of \$6,948,000 under the Federal Transit Administration (FTA) Section 5316 (JARC) and Section 5317 (New Freedom) Programs. Under this agreement, Metro, as the designated recipient, received FTA grant funds and administered their distribution to Access Services as a subrecipient. The funding supported the procurement of 51 replacement vehicles and the expansion of the Access to Work program, which provides paratransit services for seniors and individuals with disabilities throughout Los Angeles County. These funds were initially set to expire on October 23, 2022.

Amendment No. 1 (Agreement #9200000000S1724), executed on August 24, 2022, extended the agreement term to October 23, 2025, and updated the scope of work and financial plan for the Section 5316 and 5317 Programs. The amendment reaffirmed the total project funding of \$6,948,000, including \$3,672,000 for capital assistance (vehicle replacement) and \$3,276,000 for operating assistance under the Access to Work program.

Amendment No. 2 (Agreement #920000000NFACCESS14), dated October 6, 2022, provided additional funding under Section 5317 only (not Section 5316), extending the performance period through December 27, 2025. This amendment allocated an additional \$218,000 to support continued paratransit services beyond ADA requirements in the Lancaster–Palmdale area.

To monitor and report expenditures by program purpose, Access Services utilizes three separate internal tracking funds under Section 5317: Fund 15 (MTA Service Area Expansion), Fund 80 (Section 5317 New Freedom), and Fund 82 (Service Area Expansion).

In fiscal year 2024, Access Services recognized \$37,716 (net of \$2,301 passenger fares) in revenue under Section 5317 (Fund 15), with corresponding eligible expenditures of \$40,017.

As of the date of this report, the remaining balance under Section 5317 and any potential unused funds under Section 5316 as of June 30, 2024, were undetermined.

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 13 – PROPOSITION C BUILDING FUND

On May 22, 2024, Access Services submitted a written request to encumber the amount of \$5 million Proposition C 40% operating funds for the purchase of an operational facility for the Southern region. The LACMTA Office of Management & Budget granted retroactive approval for the request.

As of June 30, 2024 and 2023, this amount, along with its relevant expenditures related to the facility acquisition and associated costs, has been recorded separately from Proposition C under the Proposition C Building Fund.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Litigation

Access Services is a defendant in various lawsuits, filed by passengers alleging negligence, which total claimed damages of approximately \$63,000,000. Based on the advice of Access Services’ legal counsel, historical trends, and management’s experiences, Access Services has accrued for attorney fees and other legal costs in the amount of \$13,000,000.

Management believes that the settlement amounts will be covered by insurance coverage and will provide protection for any potential adverse impact exceeding the accrual amount. However, the outcome of litigation is inherently uncertain. Although it is not possible to protect the final resolution of these matters, management believes that there is no reasonable possibility that Access Services may incur a material loss or a material loss in excess of the recorded accrual with respect to loss contingencies for asserted legal and other claims (see Note 15).

Self-Insurance

Access Services maintains a self-insurance program covering portions of its vehicle and general liability insurance claims. Access Services assumes responsibility for each individual claim up to \$100,000 per incident, with an aggregate annual maximum of \$3.0 million. Losses exceeding these self-insured limits are fully covered by third-party insurers, at coverage levels deemed adequate by Access Services.

The self-insurance program is administered by a third-party claim’s administrator.

A summary of the Organization’s self-insured liability as of June 30 is as follows:

| | 2024 | 2023 |
|------------------------------|---------------------|---------------------|
| Balance at beginning of year | \$ 6,404,767 | \$ 5,480,705 |
| Charged to operating costs | 3,639,221 | 1,974,339 |
| Payment for claims | (1,268,729) | (1,050,277) |
| Balance at end of year | <u>\$ 8,775,259</u> | <u>\$ 6,404,767</u> |

ACCESS SERVICES
MOU NOS. P000ASI28 AND P000ASI27
NOTES TO THE BALANCE SHEETS, THE SCHEDULES OF REVENUES AND EXPENDITURES
AND THE SCHEDULES OF ADVANCED FUNDS AND DEFERRED REVENUES
PROPOSITION C FUND
For the Fiscal Years Ended June 30, 2024 and 2023
(Continued)

NOTE 15 – SUBSEQUENT EVENTS

Access Services evaluated subsequent events for recognition and disclosure through March 3, 2025, the date which these financial statements were available to be issued. Management determined that no material subsequent events requiring recognition or disclosure since June 30, 2024, except as noted below.

In December 2024, Access Services settled a case filed by passengers alleging negligence against Access Services, claiming the driver failed to adequately supervise the Plaintiff. The original claim sought \$27,000,000, but the case was settled for \$450,000.

In September 2024, Access Services exercised its option to extend the office lease in Palmdale City for an additional one year, extending the term through November 30, 2025.



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

U.S. BANK TOWER
633 WEST 5TH STREET, SUITE 2600
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 Board of Directors of Access Services and the
Los Angeles County Metropolitan Transportation 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 Balance Sheet and the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenue – Proposition C (collectively, the Schedules) as defined by the Proposition C Discretionary Program Guidelines and Memorandum of Understanding (MOU No. P000ASI28) dated June 14, 2023 between Access Services, as grantee, and the Los Angeles County Metropolitan Transportation Authority, as grantor as of and for the year ended June 30, 2024, and have issued our report thereon dated March 3, 2025.

Report on Internal Control Over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Access Services' Balance Sheet and the Schedules 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 Balance Sheet and the Schedules. However, providing an opinion on compliance with those provisions was not an objective of our audit, 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 over the Balance Sheet and Schedules and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over the Balance Sheet and the Schedules 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 over the Balance Sheet and the Schedules and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Los Angeles, California
March 3, 2025

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 2600
LOS ANGELES, CA 90071
(213) 736-6664 TELEPHONE
(213) 736-6692 FAX
www.simpsonandsimpsoncpas.com

Independent Auditor's Report on Compliance and on Internal Control over Compliance Required by the Guidelines

To the Board of Directors of Access Services and the
Los Angeles County Metropolitan Transportation Authority

Report on Compliance

Opinion

We have audited the compliance of Access Services with the Proposition C Discretionary Program Guidelines, Measure M 2% Program Guidelines and Memorandum of Understanding (MOU No. P000ASI28) dated June 14, 2023 (collectively, the Guidelines) for the year ended June 30, 2024.

In our opinion, Access Services complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the Guidelines. Our responsibilities under those standards and the Guidelines are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Access Services and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance with the Guidelines. Our audit does not provide a legal determination of Access Services' compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

Management is responsible for Access Services' compliance with the Guidelines and for the design, implementation, and maintenance of effective internal control over compliance with the compliance requirements of the Guidelines referred to above.



Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Access Services' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guidelines will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Access Services' compliance with the requirements of the Guidelines as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guidelines, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Access Services' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Access Services' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guidelines, but not for the purpose of expressing an opinion on the effectiveness of the Access Services' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 with the Guidelines 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 with 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

Los Angeles, California
March 3, 2025

ACCESS SERVICES
MOU NO. P000ASI28
COMPLIANCE MATRIX
Year Ended June 30, 2024

| Compliance Requirement | | In Compliance | | | Questioned Costs | If no, provide details and management response. |
|---|--|---------------|----|-----|------------------|---|
| | | Yes | No | N/A | | |
| A. Memorandum of Understanding (MOU) | | | | | | |
| 1. | Operate as an integrated countywide ADA complementary paratransit system on behalf of the Los Angeles County fixed route transit operators as required by the U.S. Code of Federal Regulations 49 CFR Part 37, Subpart F. | X | | | None | |
| 2. | Operate shuttle services as projects for ADA and non-ADA eligible riders when such services can be provided at a lower cost than ADA complementary paratransit or fixed route transit services. | X | | | None | |
| 3. | Prepare and submit the Annual Plan Update of the Los Angeles County Coordinated Paratransit Plan to the U.S. Department of Transportation as required on behalf of Access Services' member agencies, if required. | X | | | None | |
| 4. | Provide emergency back-up transportation to individuals with disabilities as required. | X | | | None | |
| 5. | Provide temporary shuttle services in cases where Metro has accessible pathways and elevator repairs underway at rail and bus stations, in accordance with MOU guidelines. | X | | | None | |
| 6. | Submit demand and expense projections to Metro through a Five Year Strategic and Short-Term Business Plan, including annual updates; at the time of submittal of a preliminary budget as referenced in the MOU. | X | | | None | |
| 7. | Comply with the requirements of the Social Service Transportation Improvement Act, California Governmental Code §15950, et seq., and to carry out Access Services' role as the Consolidated Transportation Service Agency (CTSA) for Los Angeles County. | X | | | None | |
| 8. | Provide Metro Security reimbursement for the Security Services in an amount not to exceed \$200,000 performed on behalf of Access Services. | X | | | None | |

ACCESS SERVICES
MOU NO. P000ASI28
Year Ended June 30, 2024
(Continued)

| Compliance Requirement | | In Compliance | | | Questioned Costs | If no, provide details and management response. |
|---|---|---------------|----|-----|------------------|---|
| | | Yes | No | N/A | | |
| A. Memorandum of Understanding (MOU) | | | | | | |
| 9. | Provide oversight and management of Metro's Safety Strap Program, to include scheduling appointments, transporting noneligible Los Angeles County paratransit rider to and from Access Services' Eligibility Center for wheelchair safety marking, and having eligibility center staff attend Los Angeles County disability events for wheelchair safety marking (collectively, the "Safety Strap Services"). | X | | | None | |
| 10. | Utilize the funds in accordance with all applicable federal, state and local statutes and regulations, including but not limited to the Proposition C Guidelines, FTA Section 5310 Program Guidelines, FTA Master Agreement, FTA Circular 5010.1 D, FTA Circular 4220.1 F, and in accordance with the Metro Board of Directors' actions at their June 28, 2018 meeting. | X | | | None | |
| 11. | Funds are not used to substitute for any other funds, service, or project not specified in the MOU. | X | | | None | |
| 12. | Administrative costs, as defined in the MOU, do not exceed ten percent (10%) of the total Operating and Capital expense for ADA Paratransit Operations and the CTSA activities. | X | | | None | |

ACCESS SERVICES
MOU NO. P000ASI28
Year Ended June 30, 2024
(Continued)

| Compliance Requirement | | In Compliance | | | Questioned Costs | If no, provide details and management response. |
|---|--|---------------|----|-----|------------------|---|
| | | Yes | No | N/A | | |
| B. Memorandum of Understanding (MOU) | | | | | | |
| 13. | Establish and maintain proper accounting procedures, cash management records, and documents in accordance with Office of Management and Budgets Circular OMB-122, Audits of States, Local Governments, and Non-Profit Organizations as applied to governmental agencies. | X | | | None | |
| 14. | Prepare a schedule of deferred expenditures of the funding provided in the FY 2021-2022 funding agreement. | X | | | None | |
| 15. | Comply with all National Transit Database (NTD) and FTA Section 5310 requirements. A copy of the NTD Audit provided to Metro. | X | | | None | |
| 16. | Comply with and provide a Transit Operators Financial Transactions Report (FTR) in accordance with Public Utility Code Section 99243 to be submitted to the State Controller's Office. Provide copies of all submitted documentation to Metro by no later than January 14th. | X | | | None | |
| 17. | Obtain the services of an independent auditor to conduct a financial statement audit of the Project each year in conformance with the provisions of the OMB Uniform Guidance. | X | | | None | |
| 18. | Submit a preliminary budget with information Metro requires to program funds for the following fiscal year by February 1, 2023, for the FY 2023-24 funding request. | X | | | None | |

ACCESS SERVICES
MOU NO. P000ASI28
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2024

There were no findings noted.

EXIT CONFERENCE

ACCESS SERVICES
MOU NO. P000ASI28
EXIT CONFERENCE
June 30, 2024

An exit conference was held on April 29, 2025 with Access Services' representatives. Those in attendance were:

Simpson & Simpson Representatives:

Etta Hur, Partner
Austine Cho, Audit Manager

Access Services Representatives:

Hector Rodriguez, Deputy Executive Director
Bruce Frink, Senior Manager, Finance, Planning and Analysis
Rene Arrieta, Controller

Metro Representatives:

Lauren Choi, Senior Director, Audit
Fayma Ishaq, Senior Manager, Budget

Matters Discussed:

Results of the audit disclosed no instance of non-compliance with the Guidelines.

A copy of this report was forwarded to the following Access Service representatives for their comments prior to the issuance of the final report:

Hector Rodriguez, Deputy Executive Director
Bruce Frink, Senior Manager, Finance, Planning and Analysis
Rene Arrieta, Controller