

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



Metro[®]



Simpson & Simpson, LLP
Certified Public Accountants

CITY OF LOS ANGELES
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FINANCIAL SECTION



SIMPSON & SIMPSON

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Proposition A Local Return Fund (PALRF), Proposition C Local Return Fund (PCLRF), and Transportation Development Act Article 3 Fund (TDAA3F), of the City of Los Angeles, California (the City) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the PALRF, PCLRF and TDAA3F of the City of Los Angeles, California, as of June 30, 2021 and 2020, and the respective changes in their financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Supplementary Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated January 14, 2022, on our consideration of the City's internal control over the Funds' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over the Funds' financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over the Funds' financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over the Funds' financial reporting and compliance.

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

Los Angeles, California
January 14, 2022

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

| | 2021 | 2020 |
|---|----------------|----------------|
| | | as restated |
| ASSETS | | |
| Cash and investments | \$ 270,256,001 | \$ 257,423,894 |
| Accounts receivable | 4,000,331 | 6,387,274 |
| Investment income receivable | 651,062 | 687,964 |
| Due from government agencies (Note 6) | 22,841,313 | 43,299,734 |
| Due from other funds (Note 7) | 413,388 | 12,235 |
| Total assets | \$ 298,162,095 | \$ 307,811,101 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | |
| Liabilities | | |
| Accounts and contracts payable | \$ 33,627,060 | \$ 24,446,423 |
| Accrued salaries payable | 9,129 | 18,436 |
| Obligations under securities lending transactions | 2,013,272 | 1,627,105 |
| Due to other funds (Note 7) | 169,233 | 192,351 |
| Other liabilities | 14,057,782 | 4,492,336 |
| Total liabilities | 49,876,476 | 30,776,651 |
| Deferred inflows of resources | | |
| Revenue from other government agencies (Note 8) | 2,502,137 | 26,977,271 |
| Total deferred inflows of resources | 2,502,137 | 26,977,271 |
| Fund Balance | | |
| Restricted | 245,783,482 | 250,057,179 |
| Total fund balance | 245,783,482 | 250,057,179 |
| Total liabilities, deferred inflows of resources, and fund balance | \$ 298,162,095 | \$ 307,811,101 |

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

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

| | 2021 | 2020 |
|---|----------------|----------------|
| | | as restated |
| REVENUES | | |
| Proposition A | \$ 85,559,899 | \$ 77,096,190 |
| Proposition A Discretionary Incentive Grant (Note 9) | 3,486,434 | - |
| Proposition A Growth Over Inflation Grant (Note 13) | 7,169,913 | 4,824,381 |
| Interest income | 3,389,532 | 5,069,012 |
| Unrealized gain (loss) on investment | (4,468,357) | 5,553,049 |
| Project generated revenue (Note 10) | 1,224,503 | 8,116,929 |
| Other revenues (Note 11) | 227,159 | 1,612,479 |
| Reimbursements (Note 12) | 62,855,959 | 48,819,659 |
| Total revenues | 159,445,042 | 151,091,699 |
| EXPENDITURES | | |
| Various projects | 163,718,739 | 152,766,462 |
| Total expenditures | 163,718,739 | 152,766,462 |
| Deficiency of revenues over expenditures | (4,273,697) | (1,674,763) |
| OTHER FINANCING SOURCES | | |
| Transfer in from Council District AB1290 Fund (Note 15) | - | 95,000 |
| Total other financing sources | - | 95,000 |
| Fund balance at beginning of year, as restated | 250,057,179 | 251,636,942 |
| Fund balance at end of year | \$ 245,783,482 | \$ 250,057,179 |

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

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2021

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

| Project Code | Project Name | 2021 | | | 2020 Actual |
|--------------|--|--------------------|--------------------|----------------------------------|--------------------|
| | | Metro Budget | Actual | Variance Favorable (Unfavorable) | |
| 106 | Cityride Fare Card (formerly Cityride Scrip) | \$ 2,000,000 | \$ 883,719 | \$ 1,116,281 | \$ - |
| 110 | Transit Operations | 197,158,041 | 89,103,310 | 108,054,731 | 91,827,908 |
| 110 | Transit Operations Expansion | 116,559,314 | - | 116,559,314 | 2,764,541 |
| 120 | Ride and Field checks | 5,500,000 | - | 5,500,000 | - |
| 135 | Reimbursement for MTA Bus Pass Sales | 1,400,000 | - | 1,400,000 | 13,843 |
| 135 | City Scrip Reimbursement (Taxi/Lift-Van)- (formerly 55-140) | 1,488,649 | 26,169 | 1,462,480 | - |
| 135 | Universal Fare System | 2,830,660 | 667,511 | 2,163,149 | 1,238,385 |
| 150 | Transit Facility Security and Maintenance | 3,472,842 | 1,881,118 | 1,591,724 | - |
| 150 | Police | 500 | 464 | 36 | - |
| 150 | Transit Bus Security Services | 2,537,479 | - | 2,537,479 | - |
| 155 | Senior Cityride Program | 3,946,855 | 3,221,948 | 724,907 | 3,485,814 |
| 155 | Senior/Youth Charter Bus Program | 1,331,480 | 24,597 | 1,306,883 | 527,038 |
| 155 | Paratransit Program Coordinator | 1,966,946 | 1,103,231 | 863,715 | - |
| 155 | Youth Program Bus Services - Recreation and Parks | 500,000 | - | 500,000 | 500,000 |
| 170 | Transit Stop Enhancements [Vision Zero Bus Stop Security Lighting] | 1,000,000 | - | 1,000,000 | - |
| 180 | Quality Assurance Program | 60,000 | - | 60,000 | - |
| 180 | Vehicles for Hire Technology Upgrades | 140,000 | - | 140,000 | - |
| 180 | Solar Signs | 2,750,000 | - | 2,750,000 | - |
| 180 | Transit Hand Sanitizing Stations | 300,000 | - | 300,000 | - |
| 180 | 6th Street/Arts District Metro Station | 500,000 | 100,778 | 399,222 | - |
| 180 | Engineering | - | - | - | 47,144 |
| 180 | Aging (Prev 06-270) | 374,940 | 329,683 | 45,257 | 411,141 |
| 180 | Transportation (Prev 20-270) | 5,544,171 | 4,628,664 | 915,507 | 4,770,572 |
| 180 | Transit Bureau Data Management System | 348,906 | - | 348,906 | - |
| 180 | Membership & Subscription (Prev 77-270) | 130,000 | 20,598 | 109,402 | 15,969 |
| | Subtotal | <u>351,840,783</u> | <u>101,991,790</u> | <u>249,848,993</u> | <u>105,602,355</u> |

(Continued)

See accompanying independent auditor's report.

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

| Project Code | Project Name | 2021 | | | 2020 Actual |
|--------------|---|--------------|------------|----------------------------------|-------------|
| | | Metro Budget | Actual | Variance Favorable (Unfavorable) | |
| 180 | Transit Operations Consultant (Prev 79-270) | \$ 1,238,141 | \$ 252,706 | \$ 985,435 | \$ - |
| 180 | Technology and Communication | 409,468 | 79,151 | 330,317 | 118,640 |
| 180 | ECO Rapid Transit JPA, Annual Membership | 150,000 | - | 150,000 | - |
| 180 | Transit Services Study | 200,000 | - | 200,000 | - |
| 180 | Marketing - City Transit Programs | 3,542,307 | 1,396,575 | 2,145,732 | 2,154,794 |
| 180 | Transit Store | 1,428,113 | 462,648 | 965,465 | 507,082 |
| 190 | LCTOP Free Fare for Students | 2,399,003 | - | 2,399,003 | - |
| 205 | PW-Street Services/Bus Pads And Landings | 2,056,751 | 1,943,835 | 112,916 | 2,324,816 |
| 205 | Vision Zero Bus Stop Security Lighting | 1,775,861 | 43,795 | 1,732,066 | - |
| 205 | Transit Sign Production & Installation | 630,157 | 184,115 | 446,042 | 142,247 |
| 210 | Fleet Replacement - Community Dash | 180,000 | - | 180,000 | - |
| 210 | Community Dash Bus Purchase | 22,213,025 | 19,650,193 | 2,562,832 | 1,841,477 |
| 210 | Commuter Express Bus Purchase | 1,500,000 | - | 1,500,000 | - |
| 210 | Zero Emission Bus Purchase | 4,563,503 | - | 4,563,503 | 197,125 |
| 210 | Commuter Express - Fleet Replacement | 2,537,101 | - | 2,537,101 | - |
| 215 | Facility Lease | 1,200,000 | - | 1,200,000 | - |
| 215 | Bus Facility Purchase Program | 37,512,712 | 800,973 | 36,711,739 | 896,503 |
| 215 | CNG Bus Inspection and Maintenance Facility | 1,197,623 | 169,196 | 1,028,427 | 100,463 |
| 215 | Downtown LA Street Car Project | 600,627 | - | 600,627 | - |
| 215 | Downtown La Street Car Operation and Maintenance | 23,909,045 | - | 23,909,045 | - |
| 215 | Tenant improvement for bus yard at 430 E. Commercial Street | 779,748 | 398,116 | 381,632 | - |
| 230 | Smart Technology for Dash & Commuter Express Buses | 6,596,923 | 1,144,798 | 5,452,125 | 1,932,912 |
| | Subtotal | 116,620,108 | 26,526,101 | 90,094,007 | 10,216,059 |

(Continued)

See accompanying independent auditor's report.

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

| Project Code | Project Name | 2021 | | | 2020 Actual |
|--------------|---|--------------|------------|----------------------------------|-------------|
| | | Metro Budget | Actual | Variance Favorable (Unfavorable) | |
| 230 | LCTOP Electric Dash Buses | \$ 1,059,953 | \$ - | \$ 1,059,953 | \$ - |
| 240 | Transit Bus Communications | 1,400,000 | - | 1,400,000 | - |
| 245 | Transit Facility Security And Maintenance | - | - | - | 1,301,533 |
| 250 | Facility Upgrades for Electrification | 20,000,000 | - | 20,000,000 | - |
| 260 | Electrical Bus Upgrades Seed Funding | 1,000,000 | - | 1,000,000 | - |
| 280 | Third Party Inspections for Transit Capital | 651,806 | 570 | 651,236 | 45,155 |
| 280 | Inspection Travel Fleet Representative Procurement | 60,000 | - | 60,000 | - |
| 324 | Bikeshare Operations and Maintenance | 8,075,859 | 7,423,653 | 652,206 | 7,065,515 |
| 450 | Transportation Grant Fund - Matching Funds | 1,500,000 | - | 1,500,000 | - |
| 450 | Matching Funds Measure R projects / LRPT / 30-10 (a) | 20,000,000 | 20,000,000 | - | 13,984,000 |
| 610 | Reimbursement of General Fund Costs (b) | 10,037,184 | 7,506,813 | 2,530,371 | - |
| 610 | Travel and Training | 110,275 | 3,735 | 106,540 | - |
| 610 | PW-Contract Administration | 102,900 | - | 102,900 | - |
| 610 | Office Supplies | 29,073 | 2,234 | 26,839 | 8,863 |
| 610 | Contract Administration | 184,190 | 35,697 | 148,493 | 37,477 |
| 610 | Controller (Prev 60-270) | 91,392 | 84,770 | 6,622 | 93,118 |
| 610 | Council (Cla Staff) (prev 61-270) | 80,136 | 80,136 | - | 89,000 |
| 610 | Personnel | 82,596 | 63,240 | 19,356 | 60,434 |
| 140-57 | Cityride Paratransit Program Coordinator | - | - | - | 1,038,754 |
| 170-07 | Transit Stop Enhancements | - | - | - | 84,341 |
| 200-20 | Fleet Replacement - Commuter Express | - | - | - | 3,747,834 |
| 220-06 | Transit Bus Security System | - | - | - | 1,235,303 |
| 250-56 | Cityride Script Reimbursement (MTA) - (formerly 56-140) | - | - | - | 971,692 |
| 480-75 | Travel and Training Recreation and Parks (Prev 75-270) | - | - | - | 31,887 |
| | Subtotal | 64,465,364 | 35,200,848 | 29,264,516 | 29,794,906 |

(Continued)

See accompanying independent auditor's report.

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

| Project Code | Project Name | 2021 | | | 2020 Actual |
|-----------------|--|-----------------|----------------|--|----------------|
| | | Metro Budget | Actual | Variance Favorable (Unfavorable) | |
| 480-76 | Related Costs/Transportation (Prev 76-270) | \$ - | \$ - | \$ - | \$ 6,649,029 |
| 480-79 | Transit and Taxi Operation Consultant (Prev 79-270) | - | - | - | 504,113 |
| | Subtotal | - | - | - | 7,153,142 |
| | Total expenditures | \$ 532,926,255 | \$ 163,718,739 | \$ 369,207,516 | \$ 152,766,462 |

Notes:

- (a) This is primarily related to Regional Measure R Subway and Rail Construction projects which are constructed within the City limits and part of the Long Range Transportation (LRTP).
- (b) This is primarily related to the indirect/related costs (i.e., Central Services, Fringe benefits, etc) incurred for the Public Transit Services Projects and are reimbursed to the General Funds.

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 4/13/2006 | 1N9MLABG66C084051 | \$ 293,575 | \$ - | \$ - | \$ 293,575 |
| 4/13/2006 | 1N9MLABG86C084052 | 293,575 | - | - | 293,575 |
| 4/13/2006 | 1N9MLABGX6C084053 | 293,575 | - | - | 293,575 |
| 4/13/2006 | 1N9MLABG16C084054 | 293,575 | - | - | 293,575 |
| 4/13/2006 | 1N9MLABG36C084055 | 293,575 | - | - | 293,575 |
| 8/1/2006 | 1N9MLABG76C084107 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG96C084108 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG06C084109 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG76C084110 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG96C084111 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG06C084112 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG26C084113 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG46C084114 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG66C084115 | 296,229 | - | - | 296,229 |
| 8/1/2006 | 1N9MLABG36C084119 | 293,204 | - | - | 293,204 |
| 8/1/2006 | 1N9MLABGX6C084120 | 293,204 | - | - | 293,204 |
| 8/1/2006 | 1N9MLABG86C084116 | 293,204 | - | - | 293,204 |
| 8/1/2006 | 1N9MLABGX6C084117 | 293,204 | - | - | 293,204 |
| 8/1/2006 | 1N9MLABG16C084118 | 293,204 | - | - | 293,204 |
| 5/2/2007 | 1N9MLABG07C084192 | 299,050 | - | - | 299,050 |
| 5/2/2007 | 1N9MLABG27C084193 | 299,050 | - | - | 299,050 |
| 5/2/2007 | 1N9MLABG47C084194 | 299,050 | - | - | 299,050 |
| 5/2/2007 | 1N9MLABG67C084195 | 299,050 | - | - | 299,050 |
| 4/2/2009 | 1N9MLABP69C084250 | 329,600 | - | - | 329,600 |
| 4/14/2009 | 1N9MLABP39C084240 | 329,600 | - | - | 329,600 |
| 4/14/2009 | 1N9MLABP79C084242 | 329,600 | - | - | 329,600 |
| 4/14/2009 | 1N9MLABP99C084243 | 329,600 | - | - | 329,600 |
| 4/14/2009 | 1N9MLABP09C084244 | 329,600 | - | - | 329,600 |
| 4/14/2009 | 1N9MLABP29C084245 | 329,600 | - | - | 329,600 |
| 4/14/2009 | 1N9MLABP59C084241 | 329,600 | - | - | 329,600 |
| | Subtotal | 9,103,356 | - | - | 9,103,356 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|--------------------|----------------------|-----------|-----------|----------------------|
| 4/22/2009 | 1N9MLABP49C084246 | \$ 329,600 | \$ - | \$ - | \$ 329,600 |
| 4/22/2009 | 1N9MLABPX9C084249 | 329,600 | - | - | 329,600 |
| 4/23/2009 | 1N9MLABP69C084247 | 329,600 | - | - | 329,600 |
| 4/23/2009 | 1N9MLABP89C084251 | 329,600 | - | - | 329,600 |
| 4/24/2009 | 1N9MLABP89C084248 | 329,600 | - | - | 329,600 |
| 4/29/2009 | 1N9MLABPX9C084252 | 329,600 | - | - | 329,600 |
| 4/29/2009 | 1N9MLABP19C084253 | 329,600 | - | - | 329,600 |
| 5/27/2009 | 1N9MLABP39C084254 | 329,600 | - | - | 329,600 |
| 5/27/2009 | 1N9MLABP79C084256 | 329,600 | - | - | 329,600 |
| 5/28/2009 | 1N9MLABP59C084255 | 329,600 | - | - | 329,600 |
| 5/29/2009 | 1N9MLABP99C084257 | 329,600 | - | - | 329,600 |
| 5/29/2009 | 1N9MLABP09C084258 | 329,600 | - | - | 329,600 |
| 6/5/2009 | 1N9MLABP29C084259 | 329,600 | - | - | 329,600 |
| 6/5/2009 | 1N9MLABP99C084260 | 329,600 | - | - | 329,600 |
| 6/5/2009 | 1N9MLABP09C084261 | 329,600 | - | - | 329,600 |
| 6/5/2009 | 1N9MLABP29C084262 | 329,600 | - | - | 329,600 |
| 6/5/2009 | 1N9MLABP49C084263 | 329,600 | - | - | 329,600 |
| 7/29/2009 | 1FD FE45S09DA15645 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S59DA50956 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S79DA50957 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S99DA50958 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S79DA57021 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S99DA57022 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S09DA57023 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S29DA57024 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S49DA57025 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S69DA57026 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S89DA57027 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45SX9DA57028 | 74,513 | - | - | 74,513 |
| 7/29/2009 | 1FD FE45S19DA57029 | 74,513 | - | - | 74,513 |
| | Subtotal | 6,571,869 | - | - | 6,571,869 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 7/29/2009 | 1FDFE45S89DA57030 | \$ 74,513 | \$ - | \$ - | \$ 74,513 |
| 12/9/2010 | 1FDFE4FSXADA97418 | 75,619 | - | - | 75,619 |
| 12/9/2010 | 1FDFE4FS1ADA97419 | 75,619 | - | - | 75,619 |
| 12/16/2010 | 1FDFE4FSXADA97421 | 75,619 | - | - | 75,619 |
| 12/16/2010 | 1FDFE4FS1ADA97422 | 75,619 | - | - | 75,619 |
| 12/16/2010 | 1FDFE4FS7ADA97425 | 75,619 | - | - | 75,619 |
| 12/16/2010 | 1FDFE4FS9ADA97426 | 75,619 | - | - | 75,619 |
| 12/16/2010 | 1FDFE4FS0ADA97427 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS2ADA97428 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS4ADA97429 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS0ADB00357 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS2ADB00358 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS4ADB00359 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS5ADB00368 | 75,619 | - | - | 75,619 |
| 1/6/2011 | 1FDFE4FS7ADB00369 | 75,619 | - | - | 75,619 |
| 1/14/2011 | 1FDFE4FS3ADB00370 | 75,619 | - | - | 75,619 |
| 1/14/2011 | 1FDFE4FS5ADB00371 | 75,619 | - | - | 75,619 |
| 1/14/2011 | 1FDFE4FS7ADB00372 | 75,619 | - | - | 75,619 |
| 1/14/2011 | 1FDFE4FS9ADB00373 | 75,619 | - | - | 75,619 |
| 1/14/2011 | 1FDFE4FS2ADB00375 | 75,619 | - | - | 75,619 |
| 1/14/2011 | 1FDFE4FS4ADB00376 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FS0ADB00374 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FS6ADB00377 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FS8ADB00378 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FSXADB00379 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FS6ADB00380 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4F5EADB00381 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FSXADB00382 | 75,619 | - | - | 75,619 |
| 1/27/2011 | 1FDFE4FS1ADB00383 | 75,619 | - | - | 75,619 |
| 2/14/2011 | 4UZAACB36ACAT4677 | 223,716 | - | - | 223,716 |
| | Subtotal | 2,415,561 | - | - | 2,415,561 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 2/14/2011 | 4UZAACB38ACAT4678 | \$ 223,716 | \$ - | \$ - | \$ 223,716 |
| 2/14/2011 | 4UZAACB3XACAT4679 | 223,716 | - | - | 223,716 |
| 10/18/2011 | 1M8SDMLA5CP059860 | 698,413 | - | - | 698,413 |
| 11/23/2011 | 1M8SDMLA5CP059907 | 698,413 | - | - | 698,413 |
| 11/23/2011 | 1M8SDMLA7CP059908 | 698,413 | - | - | 698,413 |
| 11/23/2011 | 1M8SDMLA9CP059909 | 698,413 | - | - | 698,413 |
| 11/23/2011 | 1M8SDMLA5CP059910 | 698,413 | - | - | 698,413 |
| 11/23/2011 | 1M8SDMLA0CP059913 | 698,413 | - | - | 698,413 |
| 11/23/2011 | 1M8SDMLA2CP059914 | 698,413 | - | - | 698,413 |
| 11/28/2011 | 1M8SDMLA7CP059911 | 698,413 | - | - | 698,413 |
| 11/28/2011 | 1M8SDMLA4CP059915 | 698,413 | - | - | 698,413 |
| 11/29/2011 | 1M8SDMLA9CP059912 | 698,413 | - | - | 698,413 |
| 11/29/2011 | 1M8SDMLA6CP059916 | 698,413 | - | - | 698,413 |
| 11/29/2011 | 1M8SDMLA8CP059917 | 698,413 | - | - | 698,413 |
| 11/30/2011 | 1M8SDMLAXCP059918 | 698,413 | - | - | 698,413 |
| 11/30/2011 | 1M8SDMLA1CP059919 | 698,413 | - | - | 698,413 |
| 11/30/2011 | 1M8SDMLA1CP059922 | 698,413 | - | - | 698,413 |
| 11/30/2011 | 1M8SDMLA5CP059924 | 698,413 | - | - | 698,413 |
| 12/2/2011 | 1M8SDMLA2CP059895 | 698,413 | - | - | 698,413 |
| 12/4/2011 | 1M8SDMLA8CP059920 | 698,413 | - | - | 698,413 |
| 12/4/2011 | 1M8SDMLA7CP059925 | 698,413 | - | - | 698,413 |
| 12/4/2011 | 1M8SDMLA9CP059926 | 698,413 | - | - | 698,413 |
| 12/4/2011 | 1M8SDMLA0CP059930 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLAXCP059921 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLA2CP059928 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLA2CP059931 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLA4CP059932 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLA6CP059933 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLA8CP059934 | 698,413 | - | - | 698,413 |
| 12/6/2011 | 1M8SDMLAXCP059935 | 698,413 | - | - | 698,413 |
| | Subtotal | 20,002,996 | - | - | 20,002,996 |

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See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 12/7/2011 | 1M8SDMLA0CP059927 | \$ 698,413 | \$ - | \$ - | \$ 698,413 |
| 12/12/2011 | 1M8SDMLA4CP059929 | 698,413 | - | - | 698,413 |
| 12/12/2011 | 1M8SDMLA1CP059936 | 698,413 | - | - | 698,413 |
| 12/12/2011 | 1M8SDMLA3CP059937 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA5CP059938 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA7CP059939 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA5CP059941 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA7CP059942 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA9CP059943 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA0CP059944 | 698,413 | - | - | 698,413 |
| 12/20/2011 | 1M8SDMLA2CP059945 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA7CP059940 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA4CP059946 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA6CP059947 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA6CP059950 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA8CP059951 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA1CP059953 | 698,413 | - | - | 698,413 |
| 12/23/2011 | 1M8SDMLA7CP059956 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLA8CP059948 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLAXCP059949 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLA3CP059954 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLA0CP059958 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLA2CP059962 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLA6CP059964 | 698,413 | - | - | 698,413 |
| 12/28/2011 | 1M8SDMLAXCP059966 | 698,413 | - | - | 698,413 |
| 1/2/2012 | 1M8SDMLA9CP059957 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLAXCP059952 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA5CP059955 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA2CP059959 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA9CP059960 | 698,413 | - | - | 698,413 |
| | Subtotal | 20,952,390 | - | - | 20,952,390 |

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See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 1/5/2012 | 1M8SDMLA0CP059961 | \$ 698,413 | \$ - | \$ - | \$ 698,413 |
| 1/5/2012 | 1M8SDMLA4CP059963 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA8CP059965 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA1CP059967 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA3CP059968 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA5CP059969 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA1CP059970 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA9CP059974 | 698,413 | - | - | 698,413 |
| 1/5/2012 | 1M8SDMLA2CP059976 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA3CP059971 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA7CP059973 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA4CP059977 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA6CP059978 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA8CP059979 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA6CP059981 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA8CP059982 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLAXCP059983 | 698,413 | - | - | 698,413 |
| 1/24/2012 | 1M8SDMLA5CP059986 | 698,413 | - | - | 698,413 |
| 1/25/2012 | 1M8SDMLA5CP059972 | 698,413 | - | - | 698,413 |
| 1/25/2012 | 1M8SDMLA0CP059975 | 698,413 | - | - | 698,413 |
| 1/25/2012 | 1M8SDMLA4CP059980 | 698,413 | - | - | 698,413 |
| 1/25/2012 | 1M8SDMLA1CP059984 | 698,413 | - | - | 698,413 |
| 1/25/2012 | 1M8SDMLA3CP059985 | 698,413 | - | - | 698,413 |
| 1/28/2012 | 1M8SDMLA7CP059987 | 698,413 | - | - | 698,413 |
| 1/28/2012 | 1M8SDMLA9CP059988 | 698,413 | - | - | 698,413 |
| 1/28/2012 | 1M8SDMLA2CP059993 | 698,413 | - | - | 698,413 |
| 1/28/2012 | 1M8SDMLA4CP059994 | 698,413 | - | - | 698,413 |
| 1/28/2012 | 1M8SDMLA6CP059995 | 698,413 | - | - | 698,413 |
| 1/28/2012 | 1M8SDMLA8CP059996 | 698,413 | - | - | 698,413 |
| 2/3/2012 | 1M8SDMLAXCP059997 | 698,413 | - | - | 698,413 |
| | Subtotal | 20,952,390 | - | - | 20,952,390 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 2/3/2012 | 1M8SDMLA1CP059998 | \$ 698,413 | \$ - | \$ - | \$ 698,413 |
| 2/3/2012 | 1M8SDMLA3CP059999 | 698,413 | - | - | 698,413 |
| 2/3/2012 | 1M8SDMLA8CP012600 | 698,413 | - | - | 698,413 |
| 2/23/2012 | 1M8SDMLAXCP012601 | 698,413 | - | - | 698,413 |
| 2/23/2012 | 1M8SDMLA1CP012602 | 698,413 | - | - | 698,413 |
| 2/23/2012 | 1M8SDMLA3CP012603 | 698,413 | - | - | 698,413 |
| 3/14/2012 | 1M8SDMLA1BP059787 | 698,413 | - | - | 698,413 |
| 4/23/2012 | 1N9AMALG9CC084135 | 461,543 | - | - | 461,543 |
| 4/23/2012 | 1N9AMALG0CC084136 | 461,543 | - | - | 461,543 |
| 4/23/2012 | 1N9MNALG6CC084149 | 412,877 | - | - | 412,877 |
| 4/23/2012 | 1N9MNALG2CC084150 | 412,877 | - | - | 412,877 |
| 5/8/2012 | 1N9MNALG4CC084151 | 412,877 | - | - | 412,877 |
| 5/8/2012 | 1N9MNALG6CC084152 | 412,877 | - | - | 412,877 |
| 5/8/2012 | 1N9AMALG2CC084137 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9MNALG8CC084153 | 412,877 | - | - | 412,877 |
| 5/21/2012 | 1N9MNALGXCC084154 | 412,877 | - | - | 412,877 |
| 5/21/2012 | 1N9AMALG4CC084138 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALG6CC084139 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALG2CC084140 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALG4CC084141 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALG6CC084142 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALG8CC084143 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALGXCC084144 | 461,543 | - | - | 461,543 |
| 5/21/2012 | 1N9AMALG3CC084146 | 461,543 | - | - | 461,543 |
| 6/8/2012 | 1N9MNALG1CC084155 | 412,877 | - | - | 412,877 |
| 6/8/2012 | 1N9MNALG3CC084156 | 412,877 | - | - | 412,877 |
| 6/8/2012 | 1N9MNALG5CC084157 | 412,877 | - | - | 412,877 |
| 6/8/2012 | 1N9AMALG1CC084145 | 461,543 | - | - | 461,543 |
| 6/8/2012 | 1N9AMALG7CC084148 | 461,543 | - | - | 461,543 |
| 6/25/2012 | 1N9MNALG7CC084158 | 412,877 | - | - | 412,877 |
| | Subtotal | 15,017,720 | - | - | 15,017,720 |

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See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 6/25/2012 | 1N9MNALG9CC084159 | \$ 412,877 | \$ - | \$ - | \$ 412,877 |
| 6/25/2012 | 1N9MNALG5CC084160 | 412,877 | - | - | 412,877 |
| 6/25/2012 | 1N9MNALG9CC084162 | 412,877 | - | - | 412,877 |
| 6/25/2012 | 1N9MNALG0CC084163 | 412,877 | - | - | 412,877 |
| 6/25/2012 | 1N9MNALG2CC084164 | 412,877 | - | - | 412,877 |
| 6/25/2012 | 1N9AMALG5CC084147 | 461,543 | - | - | 461,543 |
| 6/27/2012 | 1N9MNALG7CC084161 | 412,877 | - | - | 412,877 |
| 6/27/2012 | 1N9MNALG4CC084165 | 412,877 | - | - | 412,877 |
| 6/28/2012 | 1N9MNALG6CC084166 | 412,877 | - | - | 412,877 |
| 6/28/2012 | 1N9MNALG1CC084169 | 412,877 | - | - | 412,877 |
| 6/28/2012 | 1N9MNALG8CC084170 | 412,877 | - | - | 412,877 |
| 6/29/2012 | 1N9MNALG8CC084167 | 412,877 | - | - | 412,877 |
| 6/29/2012 | 1N9MNALGXCC084168 | 412,877 | - | - | 412,877 |
| 6/6/2013 | 1FDFE4FS2ADB01428 | 74,513 | - | - | 74,513 |
| 6/28/2013 | 1N9MNALG5EC084002 | 416,025 | - | - | 416,025 |
| 6/28/2013 | 1N9MNALG9EC084005 | 416,025 | - | - | 416,025 |
| 6/28/2013 | 1N9MNALG2EC084006 | 416,025 | - | - | 416,025 |
| 6/28/2013 | 1N9MNALG7EC084003 | 416,025 | - | - | 416,025 |
| 6/28/2013 | 1N9MNALG6EC084008 | 416,025 | - | - | 416,025 |
| 7/3/2013 | 1N9MNALG7EC084004 | 416,025 | - | - | 416,025 |
| 7/3/2013 | 1N9MNALG4EC084007 | 416,025 | - | - | 416,025 |
| 7/3/2013 | 1N9MNALG8EC084009 | 416,025 | - | - | 416,025 |
| 7/3/2013 | 1N9MNALG4EC084010 | 416,025 | - | - | 416,025 |
| 7/10/2013 | 1N9MNALG6EC084011 | 416,025 | - | - | 416,025 |
| 7/10/2013 | 1N9MNALG8EC084012 | 416,025 | - | - | 416,025 |
| 7/12/2013 | 1N9MNALGXEC084013 | 416,025 | - | - | 416,025 |
| 7/12/2013 | 1N9MNALG1EC084014 | 416,025 | - | - | 416,025 |
| 7/25/2013 | 1N9MNALG3EC084015 | 416,025 | - | - | 416,025 |
| 7/25/2013 | 1N9MNALG5EC084016 | 416,025 | - | - | 416,025 |
| 7/25/2013 | 1N9MNALG7EC084017 | 416,025 | - | - | 416,025 |
| | Subtotal | 12,146,980 | - | - | 12,146,980 |

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See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 7/25/2013 | 1N9MNALG9EC084018 | \$ 416,025 | \$ - | \$ - | \$ 416,025 |
| 7/26/2013 | 1N9MNALG0EC084019 | 416,025 | - | - | 416,025 |
| 7/26/2013 | 1N9MNALG7EC084020 | 416,025 | - | - | 416,025 |
| 7/26/2013 | 1N9MNALG9EC084021 | 416,025 | - | - | 416,025 |
| 8/2/2013 | 1N9MNALG0EC084022 | 416,025 | - | - | 416,025 |
| 8/2/2013 | 1N9MNALG2EC084023 | 416,025 | - | - | 416,025 |
| 8/2/2013 | 1N9AMALG0EC084026 | 464,803 | - | - | 464,803 |
| 8/2/2013 | 1N9AMALG7EC084024 | 464,803 | - | - | 464,803 |
| 8/6/2013 | 1N9AMALG2EC084027 | 464,803 | - | - | 464,803 |
| 8/6/2013 | 1N9AMALG4EC084028 | 464,803 | - | - | 464,803 |
| 8/6/2013 | 1N9AMALG6EC084029 | 464,803 | - | - | 464,803 |
| 8/6/2013 | 1N9AMALG9EC084025 | 464,803 | - | - | 464,803 |
| 8/7/2013 | 1N9AMALG2EC084030 | 464,803 | - | - | 464,803 |
| 8/7/2013 | 1N9AMALG4EC084031 | 464,803 | - | - | 464,803 |
| 8/7/2013 | 1N9AMALG6EC084032 | 464,803 | - | - | 464,803 |
| 2/25/2015 | 15GGE2716F1092866 | 494,347 | - | - | 494,347 |
| 4/27/2015 | 15GGE2711F1092872 | 495,329 | - | - | 495,329 |
| 4/27/2015 | 15GGE2713F1092873 | 495,329 | - | - | 495,329 |
| 4/28/2015 | 15GGE2715F1092874 | 495,329 | - | - | 495,329 |
| 4/28/2015 | 15GGE2717F1092875 | 495,329 | - | - | 495,329 |
| 4/30/2015 | 15GGE2719F1092876 | 495,329 | - | - | 495,329 |
| 5/4/2015 | 15GGE2710F1092877 | 495,329 | - | - | 495,329 |
| 5/5/2015 | 15GGE2718F1092867 | 495,329 | - | - | 495,329 |
| 5/5/2015 | 15GGE271XF1092868 | 495,329 | - | - | 495,329 |
| 5/5/2015 | 15GGE2711F1092869 | 495,329 | - | - | 495,329 |
| 5/5/2015 | 15GGE2718F1092870 | 495,329 | - | - | 495,329 |
| 5/6/2015 | 15GGE2714F1092879 | 495,329 | - | - | 495,329 |
| 5/8/2015 | 15GGE2710F1092880 | 495,329 | - | - | 495,329 |
| 5/8/2015 | 15GGE2712F1092881 | 495,329 | - | - | 495,329 |
| 5/19/2015 | 15GGE271XF1092871 | 495,329 | - | - | 495,329 |
| | Subtotal | 14,108,330 | - | - | 14,108,330 |

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See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 5/21/2015 | 15GGE2712F1092878 | \$ 495,329 | \$ - | \$ - | \$ 495,329 |
| 6/5/2015 | 15GGE2714F1092882 | 495,329 | - | - | 495,329 |
| 6/5/2015 | 15GGE2716F1092883 | 495,329 | - | - | 495,329 |
| 6/5/2015 | 15GGE271XF1092885 | 495,329 | - | - | 495,329 |
| 6/5/2015 | 15GGE2711F1092886 | 495,329 | - | - | 495,329 |
| 6/8/2015 | 15GGE2713F1092887 | 495,329 | - | - | 495,329 |
| 6/8/2015 | 15GGE2715F1092888 | 495,329 | - | - | 495,329 |
| 6/8/2015 | 15GGE2717F1092889 | 495,329 | - | - | 495,329 |
| 6/8/2015 | 15GGE2713F1092890 | 495,329 | - | - | 495,329 |
| 6/8/2015 | 15GGE2715F1092891 | 495,329 | - | - | 495,329 |
| 6/19/2015 | 15GGE2717F1092892 | 495,329 | - | - | 495,329 |
| 6/19/2015 | 15GGE2719F1092893 | 495,329 | - | - | 495,329 |
| 6/19/2015 | 15GGE2710F1092894 | 495,329 | - | - | 495,329 |
| 6/19/2015 | 15GGE2712F1092895 | 495,329 | - | - | 495,329 |
| 6/19/2015 | 15GGE2714F1092896 | 495,329 | - | - | 495,329 |
| 7/2/2015 | 15GGE2718F1092884 | 495,329 | - | - | 495,329 |
| 7/2/2015 | 15GGE2716F1092897 | 495,329 | - | - | 495,329 |
| 7/2/2015 | 15GGE2718F1092898 | 495,329 | - | - | 495,329 |
| 7/2/2015 | 15GGE271XF1092899 | 495,329 | - | - | 495,329 |
| 7/2/2015 | 15GGE2712F1092900 | 495,329 | - | - | 495,329 |
| 7/2/2015 | 15GGE2714F1092901 | 495,329 | - | - | 495,329 |
| 7/14/2015 | 15GGE2716F1092902 | 495,329 | - | - | 495,329 |
| 7/14/2015 | 15GGE2718F1092903 | 495,329 | - | - | 495,329 |
| 7/14/2015 | 15GGE271XF1092904 | 495,329 | - | - | 495,329 |
| 7/14/2015 | 15GGE2711F1092905 | 495,329 | - | - | 495,329 |
| 7/14/2015 | 15GGE2713F1092906 | 495,329 | - | - | 495,329 |
| 7/21/2015 | 15GGE2715F1092907 | 495,329 | - | - | 495,329 |
| 7/21/2015 | 15GGE2717F1092908 | 495,329 | - | - | 495,329 |
| 7/21/2015 | 15GGE2719F1092909 | 495,329 | - | - | 495,329 |
| 7/21/2015 | 15GGE2715F1092910 | 495,329 | - | - | 495,329 |
| | Subtotal | 14,859,870 | - | - | 14,859,870 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 7/21/2015 | 15GGE2717F1092911 | \$ 495,329 | \$ - | \$ - | \$ 495,329 |
| 7/24/2015 | 15GGE2719F1092912 | 495,329 | - | - | 495,329 |
| 7/24/2015 | 15GGE2714F1092915 | 495,329 | - | - | 495,329 |
| 7/24/2015 | 15GGE2716F1092916 | 495,329 | - | - | 495,329 |
| 7/24/2015 | 15GGE2718F1092917 | 495,329 | - | - | 495,329 |
| 7/24/2015 | 15GGE271XF1092918 | 495,329 | - | - | 495,329 |
| 7/24/2015 | 15GGE2711F1092919 | 495,329 | - | - | 495,329 |
| 8/26/2015 | 15GGE2710F1092913 | 495,329 | - | - | 495,329 |
| 12/10/2015 | 15GGE2712F1092914 | 495,329 | - | - | 495,329 |
| 2/19/2016 | 1N9MNALG2GC084025 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG4GC084026 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG8GC084028 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALGXGC084029 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG6GC084030 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG8GC084031 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALGXGC084032 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG1GC084033 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG3GC084034 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG5GC084035 | 468,987 | - | - | 468,987 |
| 2/19/2016 | 1N9MNALG7GC084036 | 468,987 | - | - | 468,987 |
| 3/2/2016 | 1N9MNALG6GC084027 | 468,987 | - | - | 468,987 |
| 3/2/2016 | 1N9APALG2GC084037 | 503,565 | - | - | 503,565 |
| 3/2/2016 | 1N9APALG4GC084038 | 503,565 | - | - | 503,565 |
| 3/2/2016 | 1N9APALG6GC084039 | 503,565 | - | - | 503,565 |
| 3/2/2016 | 1N9APALG2GC084040 | 503,565 | - | - | 503,565 |
| 3/2/2016 | 1N9APALG4GC084041 | 503,565 | - | - | 503,565 |
| 3/2/2016 | 1N9APALG6GC084042 | 503,565 | - | - | 503,565 |
| 3/2/2016 | 1N9APALG8GC084043 | 503,565 | - | - | 503,565 |
| 3/23/2016 | 1N9APALGXGC084044 | 503,565 | - | - | 503,565 |
| 6/21/2016 | 1M8PDM3A4GP014128 | 781,172 | - | - | 781,172 |
| | Subtotal | 14,895,497 | - | - | 14,895,497 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 6/21/2016 | 1M8PDM3A6GP014129 | \$ 781,172 | \$ - | \$ - | \$ 781,172 |
| 6/21/2016 | 1M8PDM3A2GP014130 | 781,172 | - | - | 781,172 |
| 6/21/2016 | 1M8PDM3A4GP014131 | 781,172 | - | - | 781,172 |
| 6/21/2016 | 1M8PDM3A6GP014132 | 781,172 | - | - | 781,172 |
| 6/21/2016 | 1M8PDM3AXGP014134 | 781,172 | - | - | 781,172 |
| 6/21/2016 | 1M8PDM3A1GP014135 | 781,172 | - | - | 781,172 |
| 6/21/2016 | 1M8PDM3A3GP014136 | 781,172 | - | - | 781,172 |
| 6/21/2016 | 1M8PDM3A5GP014137 | 781,172 | - | - | 781,172 |
| 7/21/2017 | 1M8PDM3A5HP014575 | 842,336 | - | - | 842,336 |
| 7/21/2017 | 1M8PDM3A7HP014576 | 844,193 | - | - | 844,193 |
| 7/21/2017 | 1M8PDM3A9HP014577 | 844,193 | - | - | 844,193 |
| 7/21/2017 | 1M8PDM3A0HP014578 | 844,193 | - | - | 844,193 |
| 7/21/2017 | 1M8PDM3A2HP014579 | 844,193 | - | - | 844,193 |
| 7/21/2017 | 1M8PDM3A9HP014580 | 844,193 | - | - | 844,193 |
| 8/31/2017 | 4B9KALA66G2038041 | 790,000 | - | - | 790,000 |
| 8/31/2017 | 4B9KALA68G2038042 | 790,000 | - | - | 790,000 |
| 12/18/2017 | 1N9MNANZ1HC084338 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1M9MNANZXHC084337 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ3HC084339 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZXHC084340 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ1HC084341 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ3HC084342 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ5HC084343 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ7HC084344 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ9HC084345 | 525,133 | - | - | 525,133 |
| 1/18/2018 | 1N9MNANZ0HC084346 | 525,133 | - | - | 525,133 |
| 12/1/2019 | 1FDEE4F63KDC19214 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F63KDC19213 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F63KDC19212 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F68KDC19211 | 138,227 | - | - | 138,227 |
| | Subtotal | 18,696,915 | - | - | 18,696,915 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|-----------|-----------|----------------------|
| 12/1/2019 | 1FDEE4F66KDC19210 | \$ 138,227 | \$ - | \$ - | \$ 138,227 |
| 12/1/2019 | 1FDEE4F6XKDC19209 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F68KDC19208 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F66KDC19207 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F64KDC19206 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F62KDC19205 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F60KDC19204 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F69KDC19203 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F67KDC19202 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F65KDC19201 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F63KDC19200 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F60KDC19199 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F69KDC19198 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F67KDC19197 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F65KDC19215 | 138,227 | - | - | 138,227 |
| 12/1/2019 | 1FDEE4F67KDC19216 | 138,227 | - | - | 138,227 |
| 12/26/2019 | 1M8PDMYA3LP015614 | 749,567 | - | - | 749,567 |
| 12/26/2019 | 1M8PDMYA5LP015615 | 749,567 | - | - | 749,567 |
| 12/26/2019 | 1M8PDMYA7LP015616 | 749,567 | - | - | 749,567 |
| 12/26/2019 | 1M8PDMYA9LP015617 | 749,567 | - | - | 749,567 |
| 12/26/2019 | 1M8PDMYA0LP015618 | 749,567 | - | - | 749,567 |
| 4/21/2003 | 1N9FLABG53C084126 | - | 260,980 | - | 260,980 |
| 9/1/2020 | 7JZTG12J8LL000210 | - | 915,671 | - | 915,671 |
| 12/11/2020 | 7JZTG12JXLL000211 | - | 915,671 | - | 915,671 |
| 12/17/2020 | 7JZTG12J1LL000212 | - | 915,671 | - | 915,671 |
| 12/17/2020 | 7JZTG12J3LL000213 | - | 915,671 | - | 915,671 |
| 12/11/2020 | 7JZTG12J5LL000214 | - | 915,671 | - | 915,671 |
| 12/17/2020 | 7JZTG12J7LL000215 | - | 915,671 | - | 915,671 |
| 2/18/2021 | 7JZTG12J9LL000216 | - | 915,671 | - | 915,671 |
| 2/18/2021 | 7JZTG12J0LL000217 | - | 915,671 | - | 915,671 |
| | Subtotal | 5,959,467 | 7,586,348 | - | 13,545,815 |

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021
(Continued)

| Date Acquired | Description | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|-------------------|----------------------|---------------|-----------|----------------------|
| 3/12/2021 | 7JZTG12J2LL000218 | \$ - | \$ 915,671 | \$ - | \$ 915,671 |
| 2/26/2021 | 7JZTG12J4LL000219 | - | 915,671 | - | 915,671 |
| 3/12/2021 | 7JZTG12J0LL000220 | - | 915,671 | - | 915,671 |
| 3/19/2021 | 7JZTG12J2LL000221 | - | 915,671 | - | 915,671 |
| 4/6/2021 | 7JZTG12J4LL000222 | - | 915,671 | - | 915,671 |
| 3/23/2021 | 7JZTG12J6LL000223 | - | 915,671 | - | 915,671 |
| 4/6/2021 | 7JZTG12J8LL000224 | - | 915,671 | - | 915,671 |
| 4/29/2021 | 7JZTG12JXLL000225 | - | 915,671 | - | 915,671 |
| 5/18/2021 | 7JZTG12J1LL000226 | - | 915,671 | - | 915,671 |
| 4/29/2021 | 7JZTG12J3LL000227 | - | 915,671 | - | 915,671 |
| 4/14/2021 | 7JZTG12J5LL000228 | - | 915,671 | - | 915,671 |
| 4/22/2021 | 7JZTG12J7LL000229 | - | 915,671 | - | 915,671 |
| 4/22/2021 | 7JZTG12J3LL000230 | - | 915,671 | - | 915,671 |
| 4/20/2021 | 7JZTG12J5LL000231 | - | 915,671 | - | 915,671 |
| 5/27/2021 | 7JZTG12J7LL000232 | - | 915,671 | - | 915,671 |
| 5/27/2021 | 7JZTG12J9LL000233 | - | 915,671 | - | 915,671 |
| 6/24/2021 | 7JZTG12J0LL000234 | - | 915,671 | - | 915,671 |
| 6/24/2021 | 4B9KDLA43L2038031 | - | 626,643 | - | 626,643 |
| | Subtotal | - | 16,193,050 | - | 16,193,050 |
| | Total | \$ 175,683,341 | \$ 23,779,398 | \$ - | \$ 199,462,739 |

See accompanying independent auditor's report.

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

| | 2021 | 2020 |
|---|---------------|---------------|
| ASSETS | | |
| Cash and investments | \$ 33,005,584 | \$ 23,636,487 |
| Accounts receivable | 2,913,005 | 1,048,147 |
| Investment income receivable | 47,894 | 34,965 |
| Due from government agencies (Note 6) | 17,214,638 | 14,418,986 |
| Due from other funds (Note 7) | 6,976,635 | 7,184,046 |
| Total assets | \$ 60,157,756 | \$ 46,322,631 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | |
| Liabilities | | |
| Accounts and contracts payable | \$ 309,500 | \$ 346,788 |
| Obligations under securities lending transactions | 245,875 | 149,400 |
| Other liabilities | 529,004 | 54,354 |
| Total liabilities | 1,084,379 | 550,542 |
| Deferred inflows of resources | | |
| Revenue from other government agencies (Note 8) | 7,797,176 | 9,168,981 |
| Total deferred inflows of resources | 7,797,176 | 9,168,981 |
| Fund Balance | | |
| Restricted | 51,276,201 | 36,603,108 |
| Total fund balance | 51,276,201 | 36,603,108 |
| Total liabilities, deferred inflows of resources and fund balance | \$ 60,157,756 | \$ 46,322,631 |

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

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

| | 2021 | 2020 |
|---|---------------|---------------|
| REVENUES | | |
| Proposition C | \$ 70,970,116 | \$ 63,687,319 |
| Interest income | 834,953 | 1,882,180 |
| Unrealized gain (loss) on investment | (324,897) | 426,203 |
| Reimbursement (Note 12) | 18,028,160 | 13,479,574 |
| Total revenues | 89,508,332 | 79,475,276 |
| EXPENDITURES | | |
| Various projects | 75,520,579 | 87,905,214 |
| Total expenditures | 75,520,579 | 87,905,214 |
| Excess (deficiency) of revenues over expenditures | 13,987,753 | (8,429,938) |
| OTHER FINANCING SOURCES | | |
| Transfer in from Transportation Grants Fund (Note 16) | 685,340 | - |
| Total other financing sources | 685,340 | - |
| Fund balance at beginning of year | 36,603,108 | 45,033,046 |
| Fund balance at end of year | \$ 51,276,201 | \$ 36,603,108 |

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

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

| Project Code | Project Name | 2021 | | Variance | 2020 |
|--------------|--|--------------|------------|-------------------------|------------|
| | | Metro Budget | Actual | Favorable (Unfavorable) | Actual |
| 106 | Los Angeles Neighborhood Initiative (LANI) | \$ 650,000 | \$ 100,000 | \$ 550,000 | \$ 550,000 |
| 180 | Planning | 4,436 | - | 4,436 | - |
| 250 | Metro Rail Annual Work Program | 7,442,326 | 4,073,600 | 3,368,726 | 3,970,264 |
| 251 | Railroad Crossing Program | 2,278,192 | 81,012 | 2,197,180 | (32,972) |
| 302 | LED replacement modules | 3,428,348 | 79,581 | 3,348,767 | 1,832,723 |
| 304 | Traffic signals supplies | 6,713,538 | 1,600,525 | 5,113,013 | 2,061,313 |
| 380 | Traffic Asset Management System | 713,330 | 175,350 | 537,980 | 328,428 |
| 450 | Transportation Grant Program | 4,516,224 | 2,134,778 | 2,381,446 | 2,258,112 |
| 620 | Administrative Expenses | 9,732,334 | 3,144,663 | 6,587,671 | - |
| 620 | Travel & Training | 53,530 | - | 53,530 | - |
| 620 | City Administrative Officer | 72,953 | 72,953 | - | 76,238 |
| 620 | Mayor (Prev 68-270) | 141,363 | 141,363 | - | 157,000 |
| 620 | General City Purposes (a) | 30,000 | 30,000 | - | 30,000 |
| 620 | Financial Consultant (Prev 78-270) | 264,648 | - | 264,648 | 35,362 |
| 620 | Office Supplies | 139,145 | 1,792 | 137,353 | 12,674 |
| 620 | Contractual Services Support | 320,535 | 66 | 320,469 | 47 |
| 620 | Technology and Communication | 160,932 | - | 160,932 | 192,547 |
| 620 | Personnel (b) | 248,146 | 247,996 | 150 | 235,431 |
| 620 | City Attorney | 196,854 | 196,854 | - | 208,024 |
| 705 | Street Services | 12,801,047 | 9,615,840 | 3,185,207 | - |
| 705 | Balboa Blvd and Knollwood Shopping Center | 115,158 | - | 115,158 | - |
| 710 | Wilshire Blvd Bus-Only Lane | 200,000 | - | 200,000 | - |
| 715 | Pavement Preservation Equipment | 26,552 | - | 26,552 | - |
| 715 | Sixth Street Viaduct Project | 31,644 | - | 31,644 | 179,576 |
| 715 | Traffic Loop Crew Equipment | 24,571 | - | 24,571 | 267,192 |
| 730 | Reimbursement of General Fund Costs (c) | 31,030,010 | 11,648,304 | 19,381,706 | - |
| 730 | Contract Administration | 3,417,549 | 2,536,655 | 880,894 | 1,769,093 |
| | Subtotal | 84,753,365 | 35,881,332 | 48,872,033 | 14,131,052 |

(Continued)

See accompanying independent auditor's report.

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

| Project Code | Project Name | 2021 | | Variance | 2020 |
|--------------|---|--------------|--------------|-------------------------|--------------|
| | | Metro Budget | Actual | Favorable (Unfavorable) | Actual |
| 730 | Engineering | \$ 7,771,423 | \$ 7,484,611 | \$ 286,812 | \$ 4,500,000 |
| 730 | Street Lighting | 2,946,391 | 2,860,175 | 86,216 | 600,000 |
| 730 | Transportation (Prev 20-270) | 29,875,073 | 27,686,210 | 2,188,863 | 1,733,842 |
| 760 | Paint and sign Maintence | 309,797 | 22,357 | 287,440 | 118,416 |
| 780 | General Services Department | 658,077 | 658,077 | - | 829,369 |
| 780 | Board of Public Works | 130,780 | 120,368 | 10,412 | 106,231 |
| 780 | Engineering Special Services | 181,500 | 60,500 | 121,000 | - |
| 805 | Bicycle Program | 430,052 | 79,193 | 350,859 | (31,726) |
| 806 | Exposition Blvd Bike Path Phase 2 | 1,792,552 | 110,600 | 1,681,952 | 202,500 |
| 806 | Bicycle Path Maintenance | 1,109,596 | 435,372 | 674,224 | 271,980 |
| 815 | School Bike And Transit Education | 726,537 | 121,784 | 604,753 | 882,527 |
| 815 | Safe Routes to School Van Nuys Elementary | 144,632 | - | 144,632 | - |
| 270-97 | DOT Labor - Transportation Planning | - | - | - | 1,554,502 |
| 400-07 | Skid Row Neighborhood Improvements | - | - | - | 1,269,996 |
| 400-103 | Traffic Signal Installation Program | - | - | - | 7,599,959 |
| 400-120 | DOT Labor - Synchronized Signalization and Traffic Management | - | - | - | 6,259,582 |
| 410-01 | DOT Labor - Transportation Demand Mgmt | - | - | - | 1,471,401 |
| 440-512 | Resurfacing Program | - | - | - | 9,411,312 |
| 440-673 | DOT Labor - Street Repair and Maintenance | - | - | - | 15,122,381 |
| 450-04 | Ciep - Street Lighting Projects | - | - | - | 2,125,140 |
| 450-134 | DOT Labor - Street Improvement Projects | - | - | - | 14,714,488 |
| 450-158 | Bureau of Engineering Street Program Projects | - | - | - | 3,047,515 |
| | Subtotal | 46,076,410 | 39,639,247 | 6,437,163 | 71,789,415 |

(Continued)

See accompanying independent auditor's report.

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

| Project Code | Project Name | 2021 | | | 2020 Actual |
|-----------------|---|-----------------------|----------------------|--|----------------------|
| | | Metro Budget | Actual | Variance Favorable (Unfavorable) | |
| 480-75 | Travel and Training Recreation and Parks (Prev 75-270) | \$ - | \$ - | \$ - | \$ 51,674 |
| 480-76 | Related Costs/Transportation (Prev 76-270) | - | - | - | 1,933,073 |
| | Subtotal | - | - | - | 1,984,747 |
| | Total expenditures | \$ <u>130,829,775</u> | \$ <u>75,520,579</u> | \$ <u>55,309,196</u> | \$ <u>87,905,214</u> |

Notes:

- (a) This is primarily related to costs incurred by the Human Resource Department in support of the Street Services Projects.
- (b) This is primarily related to staff costs incurred by the Personnel Department in hiring positions to work on Proposition C Projects and Programs.
- (c) This is primarily related to the indirect/related costs (i.e., Central Services, Fringe benefits, etc) incurred for the Street Services Projects and are reimbursed to the General Funds.

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Year ended June 30, 2021

| Date Acquired | Description | Balance 7/1/2020 | Additions | Deletions | Balance 6/30/2021 |
|------------------|--------------------------------|---------------------|-----------|-----------|----------------------|
| 5/2/2007 | 1N9MLABG97C084191 | \$ 299,050 | - | - | \$ 299,050 |
| 6/6/2018 | PowerEdge R740 Rack Server X 8 | 66,468 | - | - | 66,468 |
| 1/28/2019 | Truck - Ford F250 x 2 | 58,237 | - | - | 58,237 |
| 9/12/2019 | Truck - Ford 750 | 267,192 | - | - | 267,192 |
| | Total | \$ 690,947 | - | - | \$ 690,947 |

See accompanying independent auditor's report.

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

| | 2021 | 2020 |
|--|--------------|--------------|
| ASSETS | | |
| Cash and investments | \$ 1,689,855 | \$ 2,323,620 |
| Accounts receivable | 394,400 | 91,862 |
| Investment income receivable | 3,901 | 11,359 |
| Total assets | \$ 2,088,156 | \$ 2,426,841 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | |
| Liabilities | | |
| Accounts and contracts payable | \$ 357,065 | \$ 237,994 |
| Obligations under securities lending transactions | 12,589 | 14,687 |
| Other liabilities | 27,084 | 5,283 |
| Total liabilities | 396,738 | 257,964 |
| Deferred inflows of resources | | |
| Revenue from other government agencies (Note 8) | 93,099 | 92,619 |
| Total deferred inflows of resources | 93,099 | 92,619 |
| Fund Balance | | |
| Restricted | 1,598,319 | 2,076,258 |
| Total fund balance | 1,598,319 | 2,076,258 |
| Total liabilities, deferred inflows of resources and fund balance | \$ 2,088,156 | \$ 2,426,841 |

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

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

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|---------------------|
| REVENUES | | |
| TDA3 (Note 17) | \$ 302,538 | \$ 5,056,638 |
| Other revenues | - | 4,777 |
| Interest income | 23,215 | 43,833 |
| Unrealized gain (loss) on investment | <u>(48,147)</u> | <u>48,189</u> |
| Total revenues | <u>277,606</u> | <u>5,153,437</u> |
| EXPENDITURES | | |
| Ramps and Sidewalks | <u>755,545</u> | <u>1,758,961</u> |
| Total expenditures | <u>755,545</u> | <u>1,758,961</u> |
| Excess (deficiency) of revenues over expenditures | (477,939) | 3,394,476 |
| Fund balance at beginning of year | <u>2,076,258</u> | <u>(1,318,218)</u> |
| Fund balance at end of year | <u>\$ 1,598,319</u> | <u>\$ 2,076,258</u> |

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

CITY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF TRANSPORTATION DEVELOPMENT ACT
For the Fiscal Year Ended June 30, 2021

| <u>Project Description</u> | <u>Program</u> | | <u>Expenditures</u> | <u>Unexpended</u> | <u>Project</u> |
|---|----------------|--------------------|---------------------|---------------------|----------------|
| | <u>Year</u> | <u>Allocations</u> | | <u>Allocations</u> | <u>Status</u> |
| Local allocations | | | | | |
| Ramps and Sidewalks | 2020-21 | \$ 302,538 | \$ 755,545 | \$ (453,007) | On-going |
| | Total | \$ <u>302,538</u> | \$ <u>755,545</u> | (453,007) | |
| Unexpended interest and investment income | | | | (24,932) | |
| Fund balance at beginning of year | | | | <u>2,076,258</u> | |
| Fund balance at end of year | | | | \$ <u>1,598,319</u> | * |

* The City has encumbered the remaining fund balance of \$1,598,319 for Ramps and Sidewalks as of June 30, 2021.

See accompanying independent auditor's report.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

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

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

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

Basis of Accounting and Measurement Focus

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

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

Budgets and Budgetary Accounting

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

Fair Value Measurement

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Reporting

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

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

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

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

NOTE 2 – ANNUAL FINANCIAL STATEMENTS

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

NOTE 3 – PROPOSITION A AND PROPOSITION C LOCAL RETURN COMPLIANCE REQUIREMENTS AND TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

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

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

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

NOTE 4 – CASH AND INVESTMENTS

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

NOTE 5 – SECURITIES LENDING TRANSACTIONS

PALRF, PCLRF and TDAA3F participate in the City’s securities lending program (SLP), through the pooled investment fund. Each fund recognizes its proportionate share of the cash collateral received for securities loaned and the related obligation for the general investment pool.

Please refer to the City’s ACFR for a full description of risks relating to securities lending transactions.

NOTE 6 – DUE FROM GOVERNMENT AGENCIES – PALRF and PCLRF

Due from government agencies as of June 30, 2021 and 2020 consisted of the following:

PALRF

| | 2021 | 2020 as restated |
|---|----------------------|----------------------|
| Los Angeles County Metropolitan Transit Authority (Metro) | \$ 17,875,121 | \$ 22,797,849 |
| Federal Transit Authority (FTA) | 3,545,000 | 20,467,270 |
| County of Los Angeles | 1,421,192 | - |
| City of Hermosa Beach | - | 34,615 |
| Total | \$ 22,841,313 | \$ 43,299,734 |

PCLRF

| | 2021 | 2020 |
|---|----------------------|----------------------|
| Los Angeles County Metropolitan Transit Authority (Metro) | \$ 17,214,638 | \$ 14,418,986 |
| Total | \$ 17,214,638 | \$ 14,418,986 |

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

NOTE 7 – DUE FROM/TO OTHER FUNDS

Inter-fund due to/from amounts as of June 30, 2021 and 2020 consisted of the following:

PALRF

| | <u>2021</u> | | <u>2020</u> | |
|--------------|-----------------------|---------------------|-----------------------|---------------------|
| | <u>Due from Other</u> | <u>Due to Other</u> | <u>Due from Other</u> | <u>Due to Other</u> |
| | <u>Funds</u> | <u>Funds</u> | <u>Funds</u> | <u>Funds</u> |
| General Fund | \$ 413,388 | \$ 169,233 | \$ 12,235 | \$ 192,351 |
| Total | <u>\$ 413,388</u> | <u>\$ 169,233</u> | <u>\$ 12,235</u> | <u>\$ 192,351</u> |

PCLRF

| | <u>2021</u> | | <u>2020</u> | |
|----------------------------|-----------------------|---------------------|-----------------------|---------------------|
| | <u>Due from Other</u> | <u>Due to Other</u> | <u>Due from Other</u> | <u>Due to Other</u> |
| | <u>Funds</u> | <u>Funds</u> | <u>Funds</u> | <u>Funds</u> |
| General Fund | \$ 1,588,562 | \$ - | \$ 1,717,684 | \$ - |
| Transportation Grant Funds | 4,671,932 | - | 4,582,067 | - |
| HBP Reimbursement | 359,526 | - | 770,701 | - |
| MTA reimbursement from BSS | - | - | 113,594 | - |
| Reimbursement from PW | 272,812 | - | - | - |
| Reimbursement from EWDD | 83,803 | - | - | - |
| Total | <u>\$ 6,976,635</u> | <u>\$ -</u> | <u>\$ 7,184,046</u> | <u>\$ -</u> |

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

NOTE 8 – DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources as of June 30, 2021 and 2020 consisted of the following:

PALRF

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|----------------------|
| Los Angeles County Metropolitan Transit Authority (Metro) | \$ 2,295,565 | \$ 6,363,478 |
| Federal Transit Authority (FTA) | - | 20,467,270 |
| Deferred Interest Income | 206,572 | 83,199 |
| Farebox | - | 28,709 |
| City of Hermosa Beach | - | 34,615 |
| Total | <u>\$ 2,502,137</u> | <u>\$ 26,977,271</u> |

PCLRF

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|---------------------|
| Los Angeles County Metropolitan Transit Authority (Metro) | \$ 7,797,176 | \$ 9,168,981 |
| Total | <u>\$ 7,797,176</u> | <u>\$ 9,168,981</u> |

TDAA3F

| | <u>2021</u> | <u>2020</u> |
|--------------------------|------------------|------------------|
| Deferred Interest Income | \$ 1,237 | \$ - |
| Others | 91,862 | 92,619 |
| Total | <u>\$ 93,099</u> | <u>\$ 92,619</u> |

NOTE 9 – PROPOSITION A DISCRETIONARY INCENTIVE GRANT

Proposition A Discretionary Incentive Grants for the years ended June 30, 2021 and 2020 consisted of the following:

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------|---------------------|-------------|
| Sub-regional paratransit services | \$ 2,243,498 | \$ - |
| Voluntary NTD reporting | 1,242,936 | - |
| Total | <u>\$ 3,486,434</u> | <u>\$ -</u> |

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

NOTE 9 – PROPOSITION A DISCRETIONARY INCENTIVE GRANT (Continued)

The Proposition A Discretionary Incentive Grant amounting to \$2,243,498 and \$0 for the years ended June 30, 2021 and June 30, 2020, respectively, were received from Metro for the Los Angeles Taxi & Lift Van and Dial-a-Ride Program pertaining to FY2021 and FY2020 program year allocations.

The Proposition A Discretionary Incentive Grant amounting to \$1,242,936 and \$0 for the years ended June 30, 2021 and June 30, 2020, respectively, represent additional funds received from Metro for participating in the Voluntary NTD Program.

The Proposition A Discretionary Incentive Grants were recorded under PALRF.

NOTE 10 – PROJECT GENERATED REVENUE - PALRF

Project generated revenue under PALRF for the years ended June 30, 2021 and 2020 consisted of the following:

| | 2021 | 2020 |
|-------------------------------------|---------------------|---------------------|
| Farebox revenue | \$ 293,475 | \$ 4,897,087 |
| CE Bus pass/trip ticket sales | 447 | 86,579 |
| Metro pass | 4,307 | 865,024 |
| DASH coupon sales | 407 | 45,693 |
| Tokens | - | 14,250 |
| Advertising | 225,239 | 649,340 |
| Sale of Transit Scrip | 224,912 | 185,812 |
| Mobile Trip Tickets/Bus & Dash Pass | - | 337,875 |
| CE Trip Ticket | 476 | 64,230 |
| Rental Credit | (145,685) | 145,686 |
| Miscellaneous revenues | 620,925 | 825,353 |
| Total | \$ <u>1,224,503</u> | \$ <u>8,116,929</u> |

NOTE 11 – OTHER REVENUES - PALRF

Other revenues under PALRF for the years ended June 30, 2021 and 2020 consisted of the following:

| | 2021 | 2020 |
|------------------------------|-------------------|---------------------|
| Salvage receipts from assets | \$ 3 | \$ 30,565 |
| Leases and rentals | 227,156 | 1,581,914 |
| Total | \$ <u>227,159</u> | \$ <u>1,612,479</u> |

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

NOTE 12 – REIMBURSEMENTS – PALRF AND PCLRF

Reimbursements for the years ended June 30, 2021 and 2020 consisted of the following:

| <u>PALRF</u> | <u>2021</u> | <u>2020</u> as restated |
|---|-------------------|----------------------------|
| Proposition A 40% Discretionary Bus Transit - Subsidies (LADOT) | \$ 20,742,720 | \$ 22,074,718 |
| Federal Transit Authority Grants | 15,186,069 | 5,572,985 |
| Measure R 20% Bus Operations | 4,219,359 | 5,026,039 |
| Commuter Express Line 422 and DASH Line 601/602 Operating Cost | 4,821,115 | 4,281,379 |
| Proposition C 40% Discretionary Program - Transit Service Expansion | 2,783,033 | 2,614,568 |
| Municipal Operators Service Improvement Plan | 2,470,585 | 2,429,150 |
| Prop A 5% of 40% Discretionary | 3,325,116 | (392,058) |
| Proposition C 40% Discretionary Program - Foothill Transit Mitigation | 346,637 | 430,257 |
| County of Los Angeles - Department of Public Works | 44,458 | - |
| Proposition C 5% Transit Security | 348,157 | 60,370 |
| Proposition C 40% Discretionary Program - BSIP | | |
| Overcrowding Relief | 154,155 | - |
| Commuter Express Line 438 Operating Cost | 34,615 | 36,714 |
| DASH Boyle Heights and East LA Operations | 269,883 | 278,978 |
| Measure M 20% Transit Operations | 4,160,061 | 5,209,169 |
| Other Reimbursements | 866,076 | - |
| State Grant Reimbursements - LCTOP | 1,376,916 | 1,187,625 |
| State - Transit assistance Fund | 1,694,953 | - |
| San Fernando/Sylmar Metro Station | 4,910 | 596 |
| Chatsworth Metro Station | 7,141 | 9,169 |
| Total \$ | <u>62,855,959</u> | <u>\$ 48,819,659</u> |

| <u>PCLRF</u> | <u>2021</u> | <u>2020</u> |
|---|-------------------|----------------------|
| Reimbursement for Metro Rail Project | \$ 10,875,300 | \$ 6,925,101 |
| Other Federal Grant - High Speed Rail Project | - | 1,987 |
| Project Reimbursements from Other Grantors - DPWs | 1,142,539 | 472,138 |
| TPS Maintenance Reimbursement | 329,761 | 39,546 |
| Other Grants - TG Funds | 5,680,560 | 6,040,802 |
| Total \$ | <u>18,028,160</u> | <u>\$ 13,479,574</u> |

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

NOTE 13 – PROPOSITION A GROWTH OVER INFLATION GRANT

The Proposition A Growth Over Inflation Grant amounting to \$7,169,913 and \$4,824,381 for the fiscal years ended June 30, 2021 and 2020, respectively, represent additional funds received from Metro to expand and improve fixed route transit services provided in the Los Angeles area. The revenue was recorded in the PALRF where the corresponding expenditures were recorded.

NOTE 14 – RESTATEMENT OF PALRF’S 2020 FINANCIAL STATEMENTS

The 2020 financial statements of PALRF were restated to report certain revenues and due from government agencies for the City’s Proposition A Growth Over Inflation Grant, related to the prior fiscal year that were not previously reported.

| | Due from Government Agencies | Proposition A Growth Over Inflation Grant | Fund Balance |
|---------------------------------|------------------------------------|---|-----------------------|
| Balance, as previously reported | \$ 38,475,353 | \$ - | \$ 245,232,798 |
| Adjustment | 4,824,381 | 4,824,381 | 4,824,381 |
| Balance, as restated | <u>\$ 43,299,734</u> | <u>\$ 4,824,381</u> | <u>\$ 250,057,179</u> |

NOTE 15 – PROPOSITION A LOCAL RETURN FUND OTHER FINANCING SOURCES

During the fiscal year end June 30, 2020, the City Council approved to transfer Council District AB1290 Funds to the PALRF to support the Charter Bus program of Council District 10. This effort is of special benefit for the residents of the City and for Council District 10. The total amount transferred during the fiscal year ended June 30, 2020 was \$95,000.

NOTE 16 – PROPOSITION C LOCAL RETURN FUND OTHER FINANCING SOURCES

During the fiscal year end June 30, 2021, the City Council approved to transfer Transportation Grants Fund to the PCLRF to assist the funding for city staff costs. The total amount transferred during the fiscal year ended June 30, 2021 was \$685,340.

NOTE 17 – TRANSPORTATION DEVELOPMENT ACT FUND REVENUE ALLOCATION

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

| | 2021 | | 2020 |
|-------------------------|-------------------|---|---------------------|
| FY 2016-17 allocation | \$ - | - | \$ 2,421,444 |
| FY 2017-18 allocation | 302,538 | - | 2,635,194 |
| Total payment requested | <u>\$ 302,538</u> | - | <u>\$ 5,056,638</u> |

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

NOTE 18 – TRANSPORTATION DEVELOPMENT ACT FUNDS RESERVED

In accordance with TDA Article 3 (SB821) Guidelines, funds not spent during the fiscal year have been placed on reserve in the Local Transportation Fund (LTF) account with the County Auditor-Controller to be drawn down whenever the funds become eligible for a specific project and an approved drawdown request is received by Metro. As of June 30, 2021, and 2020, the City has funds on reserve as follows:

| | 2021 | 2020 |
|---------------------------|--------------|--------------|
| FY 2017-18 allocation | \$ 39,586 | \$ 342,124 |
| FY 2018-19 allocation | 3,106,532 | 3,106,532 |
| FY 2019-20 allocation | 3,297,402 | 3,297,402 |
| FY 2020-21 allocation | 2,553,193 | - |
| Available reserve balance | \$ 8,996,713 | \$ 6,746,058 |

NOTE 17 – IMPACT OF CORONAVIRUS

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

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

NOTE 18 – SUBSEQUENT EVENTS

The City has evaluated events or transactions that occurred subsequent to June 30, 2021 through January 14, 2022, the date the accompanying financial statements were available to be issued, for potential recognition or disclosure in the financial statements and determined no subsequent matters require disclosure or adjustment to the accompanying financial statements.



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Proposition A Local Return Fund, Proposition C Local Return Fund , and Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Los Angeles, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated January 14, 2022.

Internal Control Over Financial Reporting

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

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

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



Compliance and Other Matters

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

Purpose of this Report

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

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

Los Angeles, California
January 14, 2022

COMPLIANCE SECTION



SIMPSON & SIMPSON

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Independent Auditor's Report On Compliance

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

Report on Compliance

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the Guidelines referred to in the preceding paragraph. Those standards and the Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on Proposition A Local Return Program, Proposition C Local Return Program, and Transportation Development Act Article 3 Program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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



Report on Internal Control Over Compliance

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

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

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

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

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

Los Angeles, California
January 14, 2022

CITY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2021

| Compliance Requirement | | In Compliance | | | Questioned Costs | If no, provide details and management response. |
|--|--|---------------|----|-----|------------------|--|
| | | Yes | No | N/A | | |
| A. Proposition A and Proposition C Local Return Funds | | | | | | |
| 1. | Uses the State Controller’s Uniform System of Accounts and Records or has established a separate Proposition A and Proposition C Local Transit Assistance Account for Local Return purposes. | X | | | None | |
| 2. | Revenues received including allocations, project generated revenues and interest income was properly credited to the Proposition A and/or Proposition C Local Return Account. | X | | | None | |
| 3. | Funds were expended with Metro’s approval and were not substituted for property tax. | X | | | None | |
| 4. | Timely use of funds. | X | | | None | |
| 5. | Administrative expenses are within the 20% cap. | X | | | None | |
| 6. | Expenditures that exceeded 25% of approved project budget have approved amended Project Description Form (Form A) or electronic equivalent. | X | | | None | |
| 7. | Annual Project Update Report (Form B) or electronic equivalent was submitted on time. | X | | | None | |
| 8. | Annual Expenditure Report (Form C) or electronic equivalent was submitted on time. | X | | | None | |
| 9. | Pavement Management System (PMS) is in place and being used for Street Maintenance or Improvement Projects Expenditures. | X | | | None | |
| 10. | Local Return Account is credited for reimbursable expenditures. | X | | | None | |
| 11. | Where Proposition A funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received. | | | X | None | There were no Proposition A funds given, loaned or exchanged in FY2020/21. |
| 12. | Self-Certification was completed and submitted for Intelligent Transportation Systems projects and elements. | X | | | None | |

CITY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2021

| Compliance Requirement | | In Compliance | | | Questioned Costs | If no, provide details and management response. |
|--|--|---------------|----|-----|------------------|--|
| | | Yes | No | N/A | | |
| A. Proposition A and Proposition C Local Return Funds | | | | | | |
| 13. | A separate account was established for Capital reserve funds, Capital reserve was approved by Metro and current status is reported in the Annual Project Update (Form B) or electronic equivalent. | | | X | None | There were no capital reserve fund established for Prop A and Prop C funds in FY2020/21. |
| 14. | Recreational transit form was submitted on time. | X | | | None | |
| 15. | Fund exchanges (trades, loans, or gifts) were approved by Metro. | | | X | None | There were no fund exchanges in FY2020/21. |
| 16. | Proposition C Local Return Funds were used to augment, not supplant existing local revenues being used for road improvement purposes. | X | | | None | |
| 17. | All on-going and carryover projects were reported on Form B or electronic equivalent. | X | | | None | |
| 18. | Cash or cash equivalents are maintained. | X | | | None | |
| 19. | Accounting procedures, record keeping, and documentation are adequate. | X | | | None | |

CITY OF LOS ANGELES
COMPLIANCE MATRIX
 Year Ended June 30, 2021

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

CITY OF LOS ANGELES
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
June 30, 2021

No findings were noted.

EXIT CONFERENCE

CITY OF LOS ANGELES
PROPOSITION A AND PROPOSITION C LOCAL RETURN FUNDS AND TRANSPORTATION
DEVELOPMENT ACT ARTICLE 3 FUND
EXIT CONFERENCE
June 30, 2021

An exit conference was held on January 14, 2022 with the City of Los Angeles. Those in attendance were:

Simpson & Simpson Representatives:

Mark Frishwasser, Senior Auditor
Tianren Bian, Senior Auditor

City's Representatives:

Sue Chen, Department Chief Accountant IV
May Ly, Fiscal Systems Specialist
Hong Yin, Senior Accountant I
Georgia Robles, Accounting Department

Matters Discussed:

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

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

Sue Chen, Department Chief Accountant IV
May Ly, Fiscal Systems Specialist
Hong Yin, Senior Accountant I
Georgia Robles, Accounting Department

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

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

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

(Attach additional pages if necessary)

Very truly yours,

Name

Title

Date