

***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, 2023 AND 2022***



Metro[®]



Simpson & Simpson, LLP
Certified Public Accountants

CITY OF LOS ANGELES
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FINANCIAL SECTION



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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

Opinions

We have audited the accompanying 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) which comprised of the Funds' balance sheets as of June 30, 2023 and 2022, and the related statements of revenues, expenditures and changes in fund balance for the years then ended, and the related notes to the Funds' financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Proposition A Local Return Fund, Proposition C Local Return and Transportation Development Act Article 3 Fund of the City of Los Angeles, California, as of June 30, 2023 and 2022, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 2, the financial statements present only the Proposition A Local Return Fund, the Proposition C Local Return Fund, and the Transportation Development Act Article 3 Fund of the City of Los Angeles, California, and do not purport to, and do not, present fairly the financial position of the City, as of June 30, 2023 and 2022, 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.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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



Supplementary Information

Our audits were conducted for the purpose of forming opinions on each of the Funds' financial statements as a whole. The supplementary information identified in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Funds' financial statements. The information has been subjected to the auditing procedures applied in the audit of the Funds' 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 GAAS. 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 also issued our report dated December 29, 2023, 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
December 29, 2023

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

	2023	2022
ASSETS		
Cash and investments	\$ 321,536,590	\$ 325,217,063
Accounts receivable	2,336,078	1,813,812
Investment income receivable	1,333,757	907,673
Due from other government agencies (Note 7)	18,985,105	19,778,358
Due from other funds (Note 8)	42,767	25,554
Total assets	\$ 344,234,297	\$ 347,742,460
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts and contracts payable	\$ 24,312,715	\$ 32,969,518
Accrued salaries payable	16,517	17,574
Obligations under securities lending transactions	1,319,585	4,697,892
Due to other funds (Note 8)	133,366	95,959
Other liabilities (Note 9)	54,322,226	54,407,540
Total liabilities	80,104,409	92,188,483
 Deferred inflows of resources		
Receivable from other government agencies (Note 10)	1,229,494	1,431,873
Interest receivable on loans (Note 10)	379,629	221,584
Total deferred inflows of resources	1,609,123	1,653,457
 Fund Balance		
Restricted	262,520,765	253,900,520
Total fund balance	262,520,765	253,900,520
Total liabilities, deferred inflows of resources and fund balance	\$ 344,234,297	\$ 347,742,460

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

	<u>2023</u>	<u>2022</u>
REVENUES		
Proposition A	\$ 103,246,429	\$ 101,823,661
Proposition A Discretionary Incentive Grant (Note 11)	5,043,120	4,390,229
Proposition A Growth Over Inflation Grant (Note 15)	4,841,452	4,790,755
Interest income	7,240,612	3,240,673
Unrealized loss on investment	(3,665,150)	(17,054,360)
Project generated revenue (Note 12)	2,461,429	1,504,620
Other revenues (Note 13)	38,775	640,160
Reimbursements (Note 14)	59,707,506	68,417,063
Total revenues	<u>178,914,173</u>	<u>167,752,801</u>
EXPENDITURES		
Various projects	<u>170,293,928</u>	<u>159,635,763</u>
Total expenditures	<u>170,293,928</u>	<u>159,635,763</u>
Excess of revenues over expenditures	8,620,245	8,117,038
Fund balance at beginning of year	<u>253,900,520</u>	<u>245,783,482</u>
Fund balance at end of year	<u>\$ 262,520,765</u>	<u>\$ 253,900,520</u>

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, 2023
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2022)

Project Code	Project Name	2023		Variance	2022 Actual
		Metro Budget	Actual	Favorable (Unfavorable)	
106	Cityride Fare Card (formerly Cityride Scrip)	\$ 6,766,800	\$ 687,122	\$ 6,079,678	\$ 1,175,506
110	Transit Operations	523,803,711	107,636,843	416,166,868	96,620,624
110	Transit Operations Expansion	116,559,314	-	116,559,314	-
120	Ride and Field Checks	9,500,000	-	9,500,000	-
135	Reimbursement for MTA Bus Pass Sales	1,400,000	-	1,400,000	-
135	City Scrip Reimbursement (Taxi/Lift-Van)- (formerly 55-140)	1,488,649	-	1,488,649	-
135	Universal Fare System	3,080,660	58,635	3,022,025	1,043,750
150	Transit Facility Security and Maintenance	7,472,842	2,338,282	5,134,560	1,809,918
150	Police	500	-	500	-
150	Transit Bus Security Services	5,322,737	-	5,322,737	-
155	Senior Cityride Program	16,244,855	3,381,588	12,863,267	3,405,527
155	Senior/Youth Charter Bus Program	3,111,480	433,549	2,677,931	254,160
155	Paratransit Program Coordinator	5,233,746	1,157,358	4,076,388	1,103,456
155	Youth Program Bus Services - Recreation and Parks	1,200,000	500,000	700,000	200,000
170	Transit Stop Enhancements [Vision Zero Bus Stop Security Lighting]	1,000,000	-	1,000,000	-
180	Arts District/6th Street Metro Station EIR	381,000	-	381,000	-
180	Quality Assurance Program	90,000	-	90,000	-
180	Vehicles for Hire Technology Upgrades	200,000	-	200,000	-
180	Solar Signs	8,250,000	-	8,250,000	-
180	Transit Hand Sanitizing Stations	300,000	-	300,000	-
180	6th Street/Arts District Metro Station	500,000	39,397	460,603	296,455
180	Aging (Prev 06-270)	1,250,477	435,484	814,993	393,696
180	Transportation (Prev 20-270)	17,765,272	5,169,555	12,595,717	4,595,342
180	Transit Bureau Data Management System	348,906	-	348,906	-
180	Membership & Subscription (Prev 77-270)	260,000	38,494	221,506	25,215
	Subtotal	<u>731,530,949</u>	<u>121,876,307</u>	<u>609,654,642</u>	<u>110,923,649</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, 2023
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2022)

Project Code	Project Name	2023			2022 Actual
		Metro Budget	Actual	Variance Favorable (Unfavorable)	
180	Technology and Communication	\$ 669,468	\$ 72,513	\$ 596,955	\$ 212,289
180	Transit Operations Consultant (Prev 79-270)	1,238,141	(26,086) *	1,264,227	73,930
180	ECO Rapid Transit JPA, Annual Membership	250,000	-	250,000	-
180	Transit Services Study	200,000	-	200,000	-
180	Marketing - City Transit Programs	9,542,307	1,466,983	8,075,324	1,581,157
180	Transit Store	3,028,113	654,852	2,373,261	579,925
190	LCTOP Free Fare for Students	4,821,759	-	4,821,759	-
205	PW-Street Services/Bus Pads and Landings	6,497,381	1,760,367	4,737,014	2,049,427
205	Vision Zero Bus Stop Security Lighting	2,765,861	533,647	2,232,214	147,065
205	Transit Sign Production & Installation	1,230,157	247,794	982,363	325,869
210	Fleet Replacement - Community Dash	889,857	-	889,857	-
210	Community Dash Bus Purchase	22,213,025	-	22,213,025	491,643
210	Commuter Express Bus Purchase	1,500,000	991,782	508,218	-
210	Zero Emission Bus Purchase	4,563,503	-	4,563,503	-
210	Commuter Express - Fleet Replacement	2,845,858	(991,782) *	3,837,640	1,358,379
210	Cityride Fleet Replacement	13,500,000	-	13,500,000	-
215	Facility Lease	2,400,000	265,043	2,134,957	207,000
215	Bus Facility Purchase Program	51,512,712	190,790	51,321,922	501,135
215	CNG Bus Inspection and Maintenance Facility	1,197,623	-	1,197,623	-
215	Downtown LA Street Car Project	600,627	-	600,627	-
215	Downtown LA Street Car Operation and Maintenance	23,909,045	-	23,909,045	-
	Subtotal	<u>155,375,437</u>	<u>5,165,903</u>	<u>150,209,534</u>	<u>7,527,819</u>

(Continued)

Notes:

* Negative expenditures were related to program costs for PALRF that were included in the FY2022 expenditure report and paid in FY2023. However, a portion of the expenditures was refunded to PALRF in FY2023.

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, 2023
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2022)

Project Code	Project Name	2023		Variance Favorable (Unfavorable)	2022 Actual
		Metro Budget	Actual		
215	Tenant Improvement for Bus Yard at 430 E. Commercial Street	\$ 779,748	\$ -	\$ 779,748	\$ 381,632
230	Smart Technology for Dash & Commuter Express Buses	11,996,923	2,320,207	9,676,716	498,254
230	LCTOP Electric Dash Buses	1,059,953	-	1,059,953	-
240	Transit Bus Communications	2,800,000	-	2,800,000	-
250	Facility Upgrades for Electrification	20,000,000	316,968	19,683,032	30,000
260	Electrical Bus Upgrades Seed Funding	1,000,000	-	1,000,000	-
280	Third Party Inspections for Transit Capital	651,806	-	651,806	-
280	Inspection Travel Fleet Representative Procurement	90,000	-	90,000	-
324	Bikeshare Operations and Maintenance	33,075,859	8,458,121	24,617,738	8,260,521
450	Transportation Grant Fund - Matching Funds	2,500,000	-	2,500,000	-
450	Matching Funds Measure R Projects / LRTP / 30-10 ^(a)	65,000,000	25,000,000	40,000,000	25,000,000
610	Reimbursement of General Fund Costs ^(b)	28,646,861	6,851,004	21,795,857	6,784,121
610	Travel and Training	210,275	37,856	172,419	69
610	Office Supplies	59,072	402	58,670	849
610	Contract Administration	322,135	10,685	311,450	12,198
610	Controller(Prev 60-270)	312,709	65,045	247,664	78,001
610	Council (CLA Staff) (Prev 61-270)	240,408	80,136	160,272	78,426
610	Personnel	287,042	111,294	175,748	60,224
	Subtotal	<u>169,032,791</u>	<u>43,251,718</u>	<u>125,781,073</u>	<u>41,184,295</u>
	Total expenditures	<u>\$ 1,055,939,177</u>	<u>\$ 170,293,928</u>	<u>\$ 885,645,249</u>	<u>\$ 159,635,763</u>

Notes:

- (a) This is primarily related to the Regional Measure R Subway and Rail Construction projects which are constructed within the City limits and are 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 Fund.

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
4/21/2003	1N9FLABG53C084126	\$ 260,980	\$ -	\$ -	\$ 260,980
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
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
	Subtotal	<u>10,682,736</u>	<u>-</u>	<u>-</u>	<u>10,682,736</u>

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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	1FDFE45S09DA15645	74,513	-	-	74,513
7/29/2009	1FDFE45S59DA50956	74,513	-	-	74,513
7/29/2009	1FDFE45S79DA50957	74,513	-	-	74,513
7/29/2009	1FDFE45S99DA50958	74,513	-	-	74,513
7/29/2009	1FDFE45S79DA57021	74,513	-	-	74,513
7/29/2009	1FDFE45S99DA57022	74,513	-	-	74,513
7/29/2009	1FDFE45S09DA57023	74,513	-	-	74,513
7/29/2009	1FDFE45S29DA57024	74,513	-	-	74,513
7/29/2009	1FDFE45S49DA57025	74,513	-	-	74,513
7/29/2009	1FDFE45S69DA57026	74,513	-	-	74,513
7/29/2009	1FDFE45S89DA57027	74,513	-	-	74,513
7/29/2009	1FDFE45SX9DA57028	74,513	-	-	74,513
7/29/2009	1FDFE45S19DA57029	74,513	-	-	74,513
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
	Subtotal	<u>5,932,934</u>	<u>-</u>	<u>-</u>	<u>5,932,934</u>

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>10,564,484</u>	<u>-</u>	<u>-</u>	<u>10,564,484</u>

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CITY OF LOS ANGELES
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Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>24,444,455</u>	<u>-</u>	<u>-</u>	<u>24,444,455</u>

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SCHEDULE OF CAPITAL ASSETS
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Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>24,444,455</u>	<u>-</u>	<u>-</u>	<u>24,444,455</u>

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CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
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SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>18,795,321</u>	<u>-</u>	<u>-</u>	<u>18,795,321</u>

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CITY OF LOS ANGELES
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Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
6/25/2012	1N9MNALG7CC084158	\$ 412,877	\$ -	\$ -	\$ 412,877
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	1FD4E4FS2ADB01428	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
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
	Subtotal	<u>14,223,957</u>	<u>-</u>	<u>-</u>	<u>14,223,957</u>

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Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>16,902,191</u>	<u>-</u>	<u>-</u>	<u>16,902,191</u>

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Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>17,204,805</u>	<u>-</u>	<u>-</u>	<u>17,204,805</u>

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
	Subtotal	<u>22,560,677</u>	<u>-</u>	<u>-</u>	<u>22,560,677</u>

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
9/1/2020	7JZTG12J8LL000210	915,671	-	-	915,671
12/11/2020	7JZTG12JXLL000211	915,671	-	-	915,671
12/17/2020	7JZTG12J1LL000212	915,671	-	-	915,671
	Subtotal	<u>12,935,319</u>	<u>-</u>	<u>-</u>	<u>12,935,319</u>

(Continued)

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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
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
12/22/2021	1M8PDM3A9HP014580	991,782	-	-	991,782
	Subtotal	<u>21,763,187</u>	<u>-</u>	<u>-</u>	<u>21,763,187</u>
	Total \$	<u><u>200,454,521</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>200,454,521</u></u>

See accompanying independent auditor's report.

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

	2023	2022
ASSETS		
Cash and investments	\$ 68,631,813	\$ 61,955,206
Accounts receivable	3,100,005	972,063
Investment income receivable	281,076	143,703
Due from other government agencies (Note 7)	16,741,350	16,623,867
Due from other funds (Note 8)	8,888,089	7,225,275
Total assets	\$ 97,642,333	\$ 86,920,114
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts and contracts payable	\$ 4,148,951	\$ 238,875
Due to other funds (Note 8)	275,372	216,462
Obligations under securities lending transactions	281,665	894,968
Other liabilities (Note 9)	683,244	476,801
Total liabilities	5,389,232	1,827,106
 Deferred Inflows of Resources		
Receivable from other government agencies (Note 10)	9,441,862	6,182,820
Total deferred inflows of resources	9,441,862	6,182,820
 Fund Balance		
Restricted	82,811,239	78,910,188
Total fund balance	82,811,239	78,910,188
Total liabilities, deferred inflows resources and fund balance	\$ 97,642,333	\$ 86,920,114

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

	<u>2023</u>	<u>2022</u>
REVENUES		
Proposition C	\$ 85,660,233	\$ 84,460,041
Interest income	2,240,544	861,508
Unrealized loss on investment	(1,108,999)	(3,056,292)
Reimbursement (Note 14)	14,779,390	14,567,393
Total revenues	<u>101,571,168</u>	<u>96,832,650</u>
 EXPENDITURES		
Various projects	<u>97,815,116</u>	<u>69,720,979</u>
Total expenditures	<u>97,815,116</u>	<u>69,720,979</u>
 Excess of revenues over expenditures	 3,756,052	 27,111,671
 OTHER FINANCING SOURCES		
Transfer in from Transportation Grants Fund (Note 16)	-	522,316
Subscription-Based Information Technology Agreements (Note 17)	144,999	-
Total other financing sources	<u>144,999</u>	<u>522,316</u>
 Excess of revenues over expenditures and other financing sources	 3,901,051	 27,633,987
 Fund balance at beginning of year	 <u>78,910,188</u>	 <u>51,276,201</u>
 Fund balance at end of year	 <u>\$ 82,811,239</u>	 <u>\$ 78,910,188</u>

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, 2023
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2022)

Project Code	Project Name	2023		Variance	2022 Actual
		Metro Budget	Actual	Favorable (Unfavorable)	
106	Los Angeles Neighborhood Initiative (LANI)	\$ 1,225,000	\$ 625,000	\$ 600,000	\$ 425,000
250	Metro Rail Annual Work Program	15,589,525	3,752,995	11,836,530	4,125,090
251	Railroad Crossing Program	2,278,192	107,574	2,170,618	-
302	LED Replacement Modules	5,428,348	-	5,428,348	-
304	Traffic Signals Supplies	8,713,538	2,853,454	5,860,084	103,938
380	Traffic Asset Management System	713,330	298,300	415,030	7,000
450	Transportation Grant Program	8,785,779	2,095,279	6,690,500	2,691,593
620	Administrative Expenses	14,800,602	1,493,162	13,307,440	1,069,189
620	Travel & Training	131,699	17,978	113,721	446
620	City Administrative Officer	154,493	80,276	74,217	81,540
620	Mayor (Prev 68-270)	282,726	139,630	143,096	141,363
620	General City Purposes	60,000	30,000	30,000	30,000
620	Financial Consultant (Prev 78-270)	264,648	-	264,648	-
620	Office Supplies	164,145	1,384	162,761	(210)
620	Contractual Services Support	345,535	-	345,535	45
620	Technology and Communication	301,367	307,343	(5,976)	162,168
620	Personnel	520,973	311,772	209,201	272,977
620	City Attorney	414,276	227,080	187,196	217,422
705	Street Services	26,913,055	13,609,223	13,303,832	7,263,800
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	-
715	Traffic Loop Crew Equipment	24,571	-	24,571	-
	Subtotal	<u>87,485,156</u>	<u>25,950,450</u>	<u>61,534,706</u>	<u>16,591,361</u>

(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, 2023
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2022)

Project Code	Project Name	2023		Variance	2022 Actual
		Metro Budget	Actual	Favorable (Unfavorable)	
730	Reimbursement of General Fund Costs ^(a)	\$ 47,924,237	\$ 26,752,042	\$ 21,172,195	\$ 15,419,444
730	Contract Administration	7,377,401	2,667,100	4,710,301	2,493,379
730	Engineering	15,979,219	7,994,609	7,984,610	7,500,000
730	Street Lighting	6,011,734	2,313,742	3,697,992	2,863,409
730	Transportation (Prev 20-270)	62,908,059	29,963,132	32,944,927	23,178,681
760	Paint and Sign Maintenance	409,797	195,665	214,132	223,248
780	General Services Department	1,372,010	752,583	619,427	591,126
780	Board of Public Works	258,153	119,737	138,416	128,863
780	Engineering Special Services	242,500	144,999	97,501	-
805	Bicycle Program	580,052	147,490	432,562	-
806	Exposition Blvd Bike Path Phase 2	1,792,552	728,442	1,064,110	270,200
806	Bicycle Path Maintenance	1,722,596	85,125	1,637,471	489,663
815	School Bike And Transit Education	1,026,537	-	1,026,537	(28,395)
815	Safe Routes to School Van Nuys Elementary	144,632	-	144,632	-
	Subtotal	<u>147,749,479</u>	<u>71,864,666</u>	<u>75,884,813</u>	<u>53,129,618</u>
	Total expenditures	<u>\$ 235,234,635</u>	<u>\$ 97,815,116</u>	<u>\$ 137,419,519</u>	<u>\$ 69,720,979</u>

Notes:

- (a) 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 Fund.

See accompanying independent auditor's report.

CITY OF LOS ANGELES
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

Date Acquired	Description	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
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 \$		<u>690,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,947</u>

See accompanying independent auditor's report.

CITY OF LOS ANGELES
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
(PURSUANT TO PUBLIC UTILITIES CODE SECTION 99234)
BALANCE SHEETS
June 30

	2023	2022
ASSETS		
Cash and investment	\$ 4,579,965	\$ 2,969,210
Investment income receivable	8,526	4,976
Total assets	\$ 4,588,491	\$ 2,974,186
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts and contracts payable	\$ 698,755	\$ 398,160
Obligations under securities lending transactions	18,796	42,891
Due to General fund	40,482	-
Other liabilities	45,555	22,580
Total liabilities	803,588	463,631
 Deferred Inflows of Resources		
Interest receivable on loans (Note 10)	1,422	1,268
Total deferred inflows of resources	1,422	1,268
 Fund Balance		
Restricted	3,783,481	2,509,287
Total fund balance	3,783,481	2,509,287
Total liabilities, deferred inflows resources and fund balance	\$ 4,588,491	\$ 2,974,186

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>2023</u>	<u>2022</u>
REVENUES		
TDA 3	\$ 4,123,542	\$ 2,501,342
Interest income	43,247	17,597
Unrealized loss on investment	(125,016)	(147,600)
Total revenues	<u>4,041,773</u>	<u>2,371,339</u>
 EXPENDITURES		
Various projects	<u>2,767,579</u>	<u>1,460,371</u>
Total expenditures	<u>2,767,579</u>	<u>1,460,371</u>
 Excess of revenues over expenditures	 1,274,194	 910,968
 Fund balance at beginning of year	 <u>2,509,287</u>	 <u>1,598,319</u>
 Fund balance at end of year	 <u>\$ 3,783,481</u>	 <u>\$ 2,509,287</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
ALLOCATION FOR SPECIFIC PROJECTS
For the Fiscal Year Ended June 30, 2023

Project Description	Program Year	Allocations	Expenditures	Unexpended Allocations	Project Status
Local Allocations:					
Bike Share Capital Expansion	2022-23	\$ 1,800,000	\$ 1,158,931	\$ 641,069	On-going
Speed Humps	2022-23	1,243,000	-	1,243,000	On-going
Bikeways Program	2022-23	600,000	955,553	(355,553)	On-going
Open Streets Program	2022-23	480,542	653,095	(172,553)	On-going
	Total	<u>\$ 4,123,542</u>	<u>\$ 2,767,579</u>	<u>1,355,963</u>	
Unexpended interest and unrealized loss on investment				(81,769)	
Fund balance at beginning of year				<u>2,509,287</u>	
Fund balance at end of year				<u>\$ 3,783,481</u> *	

*The City has encumbered the remaining fund balance of \$3,783,481 for Bike Share Capital Expansion, Speed Humps, Bikeways Program and Open Streets Program as of June 30, 2023.

See accompanying independent auditor's report.

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022

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. Statement of revenue, 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 fund balance.

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 the City’s 2023 Annual Comprehensive Financial Report (ACFR) for detailed disclosures regarding the City’s investment policy and fair value measurement.

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(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 classifications as of June 30, 2023 and 2022:

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

Information regarding the fund balance reporting policy adopted by the City is described in Note 1 to the City's 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 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

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

NOTE 4 – TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

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

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 5 – 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 6 – 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 the risk relating to securities lending transactions.

NOTE 7 – DUE FROM OTHER GOVERNMENT AGENCIES – PALRF AND PCLRF

The due from other government agencies balance as of June 30, 2023 and 2022 consisted of the following:

PALRF

	2023	2022
Metro	\$ 18,903,552	\$ 17,962,497
State of California	1,174	1,667,136
County of Los Angeles	56,971	79,327
Metrolink	23,408	16,506
City of Hermosa	-	52,892
Total due from other government agencies	\$ <u>18,985,105</u>	\$ <u>19,778,358</u>

PCLRF

	2023	2022
Metro	\$ 16,741,350	\$ 16,623,867
Total due from other government agencies	\$ <u>16,741,350</u>	\$ <u>16,623,867</u>

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 8 – DUE FROM/TO OTHER FUNDS

Inter-fund due to/from amounts as of June 30, 2023 and 2022 consisted of the following:

PALRF

	2023		2022	
	Due from Other Funds	Due to Other Funds	Due from Other Funds	Due to Other Funds
General Fund	\$ 42,767	\$ 133,366	\$ 25,554	\$ 95,959
Total	\$ 42,767	\$ 133,366	\$ 25,554	\$ 95,959

PCLRF

	2023		2022	
	Due from Other Funds	Due to Other Funds	Due from Other Funds	Due to Other Funds
General Fund	\$ -	\$ 275,372	\$ 2,737,409	\$ 216,462
Transportation Grant Funds	6,443,498	-	4,487,866	-
Reimbursement from PW	2,444,591	-	-	-
Total	\$ 8,888,089	\$ 275,372	\$ 7,225,275	\$ 216,462

NOTE 9 – OTHER LIABILITIES

The other liabilities as of June 30, 2023 and 2022 consisted of the following:

PALRF

	2023	2022
Revenue collected in advance	\$ 51,124,025	\$ 51,934,356
Investment at trade date	3,198,201	2,473,184
Total other liabilities	\$ 54,322,226	\$ 54,407,540

PCLRF

	2023	2022
Use tax payable	\$ 590	\$ 81
Miscellaneous deposits	-	5,568
Investment at trade date	682,654	471,152
Total other liabilities	\$ 683,244	\$ 476,801

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 9 – OTHER LIABILITIES (Continued)

TDAA3F

	<u>2023</u>	<u>2022</u>
Investment at trade date	\$ <u>45,555</u>	\$ <u>22,580</u>
Total other liabilities	\$ <u><u>45,555</u></u>	\$ <u><u>22,580</u></u>

NOTE 10 – DEFERRED INFLOWS OF RESOURCES

The deferred inflows of resources as of June 30, 2023 and 2022 consisted of the following:

PALRF

	<u>2023</u>	<u>2022</u>
Metro	\$ 1,182,503	\$ 1,187,622
County of Los Angeles PW	23,583	174,853
Metrolink	23,408	16,506
City of Hermosa	-	52,892
Total receivable from other government agencies	\$ <u><u>1,229,494</u></u>	\$ <u><u>1,431,873</u></u>
Interest receivable on loans	\$ <u>379,629</u>	\$ <u>221,584</u>
Total interest receivable on loans	\$ <u><u>379,629</u></u>	\$ <u><u>221,584</u></u>

PCLRF

	<u>2023</u>	<u>2022</u>
Metro	\$ <u>9,441,862</u>	\$ <u>6,182,820</u>
Total receivable from other government agencies	\$ <u><u>9,441,862</u></u>	\$ <u><u>6,182,820</u></u>

TDAA3F

	<u>2023</u>	<u>2022</u>
Interest receivable on loans	\$ <u>1,422</u>	\$ <u>1,268</u>
Total interest receivable on loans	\$ <u><u>1,422</u></u>	\$ <u><u>1,268</u></u>

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 11 – PROPOSITION A DISCRETIONARY INCENTIVE GRANT - PALRF

Proposition A Discretionary Incentive Grants for the years ended June 30, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Sub-regional paratransit services	\$ 2,514,723	\$ -
Voluntary NTD Reporting	2,528,397	4,390,229
Total	<u>\$ 5,043,120</u>	<u>\$ 4,390,229</u>

The Proposition A Discretionary Incentive Grant amounting to \$2,514,723 and \$0 for the years ended June 30, 2023 and 2022, respectively, were received from Metro for the Los Angeles Taxi & Lift Van and Dial-A-Ride Program pertaining to FY2023 and FY2022 program year allocations.

The Proposition A Discretionary Incentive Grant amounting to \$2,528,397 and \$4,390,229 for the years ended June 30, 2023 and 2022, respectively, represents additional funds received from Metro for participating in the Voluntary NTD Program.

NOTE 12 – PROJECT GENERATED REVENUE – PALRF

Project generated revenue under PALRF for the years ended June 30, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Farebox revenue	\$ 1,157,320	\$ 722,733
CE bus pass	7,161	7,109
Metro pass	122,558	91,945
DASH coupon sales	30	951
Advertising	870,833	436,148
Sale of transit scrip	225,150	225,790
Mobile trip tickets	66,425	-
CE trip ticket	-	10,047
Rental credit	8,250	-
Miscellaneous revenues	3,702	9,897
Total	<u>\$ 2,461,429</u>	<u>\$ 1,504,620</u>

NOTE 13 – OTHER REVENUES – PALRF

Other revenues under PALRF for the years ended June 30, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
Salvage receipts from assets	\$ 24,547	\$ 4,515
Leases and rentals	14,228	635,645
Total	<u>\$ 38,775</u>	<u>\$ 640,160</u>

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 14 – REIMBURSEMENTS – PALRF AND PCLRF

Project generated revenue under PALRF for the years ended June 30, 2023 and 2022 consisted of the following:

<u>PALRF</u>	<u>2023</u>	<u>2022</u>
Proposition A 40% Discretionary Bus Transit – Subsidies (LADOT)	\$ 29,876,731	\$ 23,542,435
Federal Transit Authority Grants	810,331	19,583,523
Measure R 20% Bus Operations	7,645,048	5,586,452
Commuter Express Line 422 and Dash Line 601/602 Operating Cost	4,821,115	4,079,405
Proposition C 40% Discretionary Program – Transit Service Expansion	2,932,371	2,838,694
Municipal Operators Service Improvement Plan	2,769,490	2,540,978
Proposition C 40% Discretionary Program – Foothill Transit Mitigation	602,942	421,883
County of Los Angeles – Department of Public Works	122,583	-
Proposition C 40% Discretionary Program – BSIP Overcrowding Relief	162,427	157,238
Commuter Express Line 438 Operating Cost	52,892	31,701
DASH Boyle Heights and East LA Operations	438,321	291,108
Measure M 20% Transit Operations	7,633,063	5,567,419
Other Reimbursements	26,909	3,090
State Grant Reimbursements – LCTOP	-	2,376,993
San Fernando/Sylmar Metro Station	9,889	3,790
Chatsworth Metro Station	6,293	2,411
Fuel Tax Credit	1,036,377	545,750
Measure R Clean Fuel Bus Capital	760,724	844,193
Total	<u>\$ 59,707,506</u>	<u>\$ 68,417,063</u>

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 14 – REIMBURSEMENTS – PALRF AND PCLRF (Continued)

<u>PCLRF</u>	2023	2022
Reimbursement for Metro Rail Project	\$ 8,795,185	\$ 8,008,760
Project Reimbursement from Other Grantors - DPWs	1,027,243	706,007
TPS Maintenance Reimbursement	174,966	251,175
Other Grants – TG Funds	4,781,996	5,601,451
Total	\$ 14,779,390	\$ 14,567,393

NOTE 15 – PROPOSITION A GROWTH OVER INFLATION GRANT

The Proposition A Growth Over Inflation Grant amounting to \$4,841,452 and \$4,790,755 for the fiscal years ended June 30, 2023 and 2022, 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 16 – TRANSFERS IN

There were no interfund transfers for the fiscal year ended June 30, 2023. The following summarizes the interfund transfers for fiscal year ended June 30, 2022.

2022

Transfer In Fund	Transfer Out Fund	Project	Amount
PCLRF	Transportation Grant Fund	Interactive Bicycle Board Demo Project	\$ 522,316
		Total	\$ 522,316

NOTE 17 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) – PCLRF

As of July 1, 2022, the City adopted the GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* defines a SBITA and establishes that entering into a SBITA results in a right-to-use subscription assets –an intangible asset– and a corresponding subscription liability; it also provides the capitalization criteria for outlays other than subscription payments, including implementation cost of a SBITA.

In the fiscal year ended June 30, 2023, the City engaged in SBITA financing, amounting to \$144,999 in the PCLRF. This amount pertains to the Enterprise Agreement (EA) No. 00309465 with ESRI, Inc. for the right-to-use a Geographic Information System (GIS) effective from July 1, 2022 to June 30, 2025. In accordance with GASB 96, this arrangement necessitated the recording of capital outlay expenditures reported under Project Code 780 Engineering Special Services and other financing sources in the PCLRF.

CITY OF LOS ANGELES
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2023 and 2022
(Continued)

NOTE 18 – TDA FUND REVENUE ALLOCATION

The revenue allocation for the years ended June 30, 2023 and 2022 consisted of the following:

	2023	2022
FY 2017-18 allocation	\$ -	\$ 39,586
FY 2018-19 allocation	644,776	2,461,756
FY 2019-20 allocation	3,297,402	-
FY 2020-21 allocation	181,364	-
Total payment requested	<u>\$ 4,123,542</u>	<u>\$ 2,501,342</u>

NOTE 19 – TRANSPORTATION DEVELOPMENT ACT FUNDS RESERVED

In accordance with Transportation Development Act Article 3 (SB 821) 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, 2023, and 2022, the City has funds on reserve as follows:

	2023	2022
FY 2018-19 allocation	\$ -	\$ 644,776
FY 2019-20 allocation	-	3,297,402
FY 2020-21 allocation	2,371,829	2,553,193
FY 2021-22 allocation	3,331,446	3,331,446
FY 2022-23 allocation	4,193,800	-
Available reserve balance	<u>\$ 9,897,075</u>	<u>\$ 9,826,817</u>

NOTE 20 – SUBSEQUENT EVENTS

The City has evaluated events or transactions that occurred subsequent to June 30, 2023 through December 29, 2023, 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, 2023, and the related notes to the Funds’ financial statements, and have issued our report thereon dated December 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the Funds’ financial statements, we considered the City’s internal control over Funds’ 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.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Funds' 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 audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control 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
December 29, 2023

COMPLIANCE SECTION



SIMPSON & SIMPSON

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Independent Auditor's Report On Compliance and On Internal Control Over Compliance Required by the Guidelines

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

Opinion

We have audited the City of Los Angeles, California's (the City) compliance 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, 2023.

In our opinion, the City of Los Angeles, California complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2023.

Basis for Opinion

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

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



Responsibility of Management for Compliance

Management is responsible for the City's compliance with the Guidelines and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statues, regulations, rules, and provisions of contracts or agreements applicable to the City's Proposition A Local Return Program, Proposition C Local Return Program and Transportation Development Act Article 3 Program.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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



Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Guidelines and which is described in the accompanying Schedule of Findings and Recommendations as Finding No. 2023-001. Our opinion on each local return, and Transportation Development Act Article 3 programs is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Recommendations. The City's response was not subject to the other auditing procedures applied in this audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink, appearing to read 'Simpson & Simpson', written in a cursive style.

Los Angeles, California
December 29, 2023

CITY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2023

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.	Fund 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 FY22/23.

CITY OF LOS ANGELES
COMPLIANCE MATRIX
Year Ended June 30, 2023
(Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
A. Proposition A and Proposition C Local Return Funds						
12.	Self-Certification was completed and submitted for Intelligent Transportation Systems projects or elements.	X			None	
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 was no capital reserve fund established for Prop A and Prop C funds in FY22/23.
14.	Recreational transit form was submitted on time.		X		None	See Finding No. 2023-001 on Schedule of Findings and Recommendations.
15.	Fund exchanges (trades, loans, or gifts) were approved by Metro.			X	None	There were no fund exchanges in FY22/23.
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, 2023
(Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	No	N/A		
B. 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	
3	Claim Form (or electronic equivalent) was submitted on time.	X			None	

CITY OF LOS ANGELES
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
 June 30, 2023

PALRF: Finding No. 2023-001

Compliance Requirement	According to Proposition A and Proposition C Local Return Guidelines, Section II.A.1.3, Recreational Transit Service, “Jurisdictions shall submit a Listing of Recreational Transit Services no later than October 15 after the fiscal year.”
Condition	The City did not meet the October 15, 2023 deadline for submission of the Listing of Recreational Transit Services (listing). However, the City submitted the listing on November 16, 2023.
Cause	This was due to an oversight by the City.
Effect	The City’s Listing of Recreational Transit Services was not submitted in a timely manner as required by the Proposition A and Proposition C Local Return Guidelines.
Recommendation	We recommend that the City establish procedures to ensure that the Recreational Transit Services Listing is properly prepared and submitted before the due date of October 15th so that the City’s expenditures of the Proposition A Local Return Fund will be in accordance with Metro’s approval and the Guidelines. Furthermore, we recommend that the City retain a confirmation of receipt by Metro to indicate the form was submitted in a timely manner.
Management’s Response	The City will ensure staff are made aware of the timely submission of the recreational transit form to Metro. The City will also improve internal procedures and guidelines to obtain necessary information in advance of filing deadlines.
Finding Corrected During the Audit	The City subsequently submitted the Listing of Recreational Transit Services on November 16, 2023. No follow-up is required.

EXIT CONFERENCE

CITY OF ANGELES
PROPOSITION A, PROPOSITION C LOCAL RETURN FUNDS AND TRANSPORTATION
DEVELOPMENT ACT ARTICLE 3 FUND
EXIT CONFERENCE
June 30, 2023

An exit conference was held on January 8, 2024 with the City of Los Angeles. Those in attendance were:

Simpson & Simpson Representative:

Mark Frishwasser, Audit Supervisor
Tianren Bian, Audit Senior

City's Representative:

Sue Chen, Department Chief Accountant IV
May Ly, Fiscal Systems Specialist
Georgia Robles, Accounting Department
Pian Wu, Senior Accountant II

Matters Discussed:

Results of the audit disclosed no significant control deficiency and one (1) 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
Georgia Robles, Accounting Department
Pian Wu, Senior Accountant II

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 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

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 years ended June 30, 2023 and 2022 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