CITY OF LONG BEACH
ANNUAL FINANCIAL REPORT OF THE

PROPOSITION A LOCAL RETURN FUND
PROPOSITION C LOCAL RETURN FUND
MEASURE R LOCAL RETURN FUND
MEASURE M LOCAL RETURN FUND
TRANSPORTATION DEVELOPMENT ACT
ARTICLE 3 FUND
FOR THE FISCAL YEARS ENDED
JUNE 30, 2025 AND 2024

Simpson & Simpson, LLP
Certified Public Accountants

CITY OF LONG BEACH

TABLE OF CONTENTS

CITY OF LONG BEACH
TABLE OF CONTENTS
(Continued)

FINANCIAL SECTION

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Independent Auditor's Report

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

Opinions

We have audited the accompanying financial statements of the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Long Beach, California (the City) which comprised the Funds' balance sheets as of June 30, 2025 and 2024, and the related statements of revenues, expenditures and changes in fund balances 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, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund, and the Transportation Development Act Article 3 Fund of the City of Long Beach, California, as of June 30, 2025 and 2024, 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 audits 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 audits. 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, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund of the City of Long Beach, California, and do not purport to, and do not, present fairly the financial position of the City, as of June 30, 2025 and 2024, 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 16, 2025, 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.

Simpson & Simpson

Los Angeles, California
December 16, 2025

CITY OF LONG BEACH

PROPOSITION A LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024 as restated
ASSETS				
Cash and investments	$	24,438,524	$	20,848,232
Due from Metro		-		962,382
Total assets	$	24,438,524	$	21,810,614
LIABILITIES AND FUND BALANCE				
Liabilities				
Accrued payroll and benefits payable	$	1,324	$	-
Due to other funds		3,129,267		1,444,791
Total liabilities		3,130,591		1,444,791
Fund Balance				
Restricted		21,307,933		20,365,823
Total fund balance		21,307,933		20,365,823
Total liabilities and fund balance	$	24,438,524	$	21,810,614

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

CITY OF LONG BEACH

PROPOSITION A LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024 as restated
REVENUES		
Proposition A	$ 12,023,158	$ 12,215,619
Interest income	983,240	679,510
Project generated revenue	220,810	247,684
Other income	272	20
Total revenues	13,227,480	13,142,833
EXPENDITURES		
Various projects	12,285,370	10,864,603
Total expenditures	12,285,370	10,864,603
Excess of revenues over expenditures	942,110	2,278,230
Fund balance at beginning of year, as restated	20,365,823	18,087,593
Fund balance at end of year	$ 21,307,933	$ 20,365,823

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

CITY OF LONG BEACH

PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
105	Homeless Transit Services Program	$ 10,000	$ -	$ 10,000	$ -
105	Student Transit Services Pilot Program	175,000	-	175,000	-
105	Operation and Maintenance of Downtown Busways Promenade and Boardwalk	875,000	271,162	603,838	239,011
105	Apportionment to Long Beach Transit (Note 8)	7,300,000	6,420,772	879,228	6,699,198
105	Micro-Transit Shuttle Program	2,500,000	910,644	1,589,356	-
135	Belmont Shore Employee Bus Pass Program (Note 12)	270,000	46,016	223,984	32,020
145	Crosswalk and ADA Improvements Along Bus Corridors	150,000	-	150,000	-
150	Long Beach Transit: Security Services	700,000	542,757	157,243	339,764
155	Recreational Transit - Handi-Van	121,000	-	121,000	-
155	Youth and Senior Recreational Transit	135,000	93,378	41,622	102,585
170	Landscape Maintenance Blue Line	100,000	-	100,000	-
170	Landscape Maintenance Blue Line (Note 12)	439,000	175,822	263,178	35,799
170	Bus Stop Refuse Collection/Servicing	250,000	227,341	22,659	169,908
170	Artesia Boulevard Bus Stop Trash Service	200,000	68,183	131,817	-
180	I-710 Corridor Study	300,000	-	300,000	-
180	Atlantic Corridor Complete Streets Study	24,000	-	24,000	-
190	Street Sweeping Administration Bus Stops	60,000	27,185	32,815	26,661
205	One-time Budget for Purchase of a Refuse Truck to Service Long Beach Transit Bus Stop Trash Collection	900,000	-	900,000	-
205	Long Beach Boulevard Pedestrian Improvement Project	600,000	-	600,000	-
205	Long Beach Boulevard Pedestrian Improvements - Willow to 405	1,100,000	-	1,100,000	360
	Sub-total	16,209,000	8,783,260	7,425,740	7,645,306

See accompanying independent auditor's report.

CITY OF LONG BEACH
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
205	Anaheim Street Bus Stop Expansions	$ 1,100,000	$ -	$ 1,100,000	$ -
205	Long Beach Boulevard and 20th Street Bus Improvements	80,000	-	80,000	-
205	Bus Stop Improvement Program	210,000	-	210,000	-
205	Bus Stop Improvements on Anaheim Street between Atlantic Avenue and Alamitos Avenue	150,000	-	150,000	39,198
205	Bus Stop Improvements on Artesia Boulevard between Paramount Boulevard and Downey Avenue	120,000	-	120,000	-
205	Bus Stop Improvements on Atlantic Avenue between 10th Street and Anaheim Street	30,000	-	30,000	-
205	Bus Stop Improvements on Long Beach Boulevard between Victoria Street and Neece Street	110,000	-	110,000	-
205	Bus Stop Improvements on Market Street (Note 12)	235,000	-	235,000	(28,993)
205	Bus Stop Improvements on Willow Street between Magnolia Avenue and Pacific Avenue	30,000	-	30,000	-
205	Bus Stop Improvements on East 10th Street between Orange Avenue and Cherry Avenue	200,000	-	200,000	-
205	Bus Stop Improvements on Redondo Avenue between Hill Street and Industry Drive	110,000	-	110,000	-
205	West Willow Street: Golden Avenue - Magnolia Avenue	80,000	-	80,000	-
205	Bellflower/Spring Improvements	20,000	-	20,000	-
	Sub-total	2,475,000	-	2,475,000	10,205

See accompanying independent auditor's report.

CITY OF LONG BEACH
PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
205	Atlantic Avenue: Pacific Coast Highway - San Diego Freeway	$ 300,000	$ -	$ 300,000	$ -
205	Long Beach Boulevard: Pacific Coast Highway - Hill Street	200,000	-	200,000	-
205	Golden Shore Transit Platform	90,000	-	90,000	-
205	Clark Avenue: Anaheim Street to Spring Street	200,000	187,890	12,110	162,110
205	Clark Avenue: Spring Street to Monlaco Road	300,000	-	300,000	-
205	Atherton Street: Knoxville Avenue to Volk Avenue	150,000	-	150,000	-
205	Palo Verde Avenue: San Diego Freeway to Willow St	200,000	170,671	29,329	-
205	West Ocean Boulevard: LA River to Pacific Avenue	100,000	-	100,000	-
205	West Willow Corridor: West City Limits to Signal Hill	1,000,000	-	1,000,000	-
205	Bus Stop Repair at Cherry and South	250,000	4,941	245,059	-
205	Carson Street: Orange to City of Lakewood	500,000	-	500,000	-
205	Stearns Street: Montair Avenue to Marwick Avenue	300,000	-	300,000	-
205	Loynes Drive: Pacific Coast Highway to Studebaker	500,000	-	500,000	-
205	Bus Pad Improvements along the Orange Avenue Corridor	800,000	-	800,000	-
205	Bus Stops and Bus Pads along Sudbaker - Loynes Complete Streets	4,000,000	-	4,000,000	-
205	East Warlow: San Gabriel Riverbed - East City Limits	400,000	119,978	280,022	-
	Sub-total	9,290,000	483,480	8,806,520	162,110

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION A LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
215	Office Equipment	$ 65,000	$ -	$ 65,000	$ -
215	Long Beach Blue Line Priority Project	2,100,000	-	2,100,000	-
215	Maintain Metro Blue Line Facilities in Long Beach	6,690	-	6,690	-
215	Long Beach Transit Mall Lighting	5,000	-	5,000	-
251	Metro Blue Line Signal and Lighting Upgrades	400,000	-	400,000	-
270	Park and Ride TDM Project	135,000	-	135,000	-
275	Bus Stop Improvements on Del Amo Boulevard between Long Beach Boulevard and Atlantic Avenue	120,000	-	120,000	-
324	One-time Budget for the Purchase of Three F-150 Electric Trucks to Service the in-house Bike Share Program	350,000	-	350,000	-
324	Long Beach Bike Share Expansion (Note 12)	2,500,000	2,890,478	(390,478)	2,535,699
324	Citywide TDM Program (Note 12)	50,000	33,950	16,050	36,768
324	Long Beach Bike Share Supplement (Note 12)	500,000	-	500,000	344,929
324	Bike Share Operations and Maintenance	3,000,000	-	3,000,000	-
610	Direct Administration (Note 12)	500,000	94,202	405,798	129,586
	Sub-total	9,731,690	3,018,630	6,713,060	3,046,982
	Total expenditures	$ 37,705,690	$ 12,285,370	$ 25,420,320	$ 10,864,603

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION A LOCAL RETURN FUND

SUPPLEMENTARY INFORMATION

SCHEDULE OF CAPITAL ASSETS

June 30, 2025

Date Acquired	Description	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
	None	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION C LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024 as restated
ASSETS				
Cash and investments	$	40,094,539	$	35,423,564
Due from Metro		-		795,881
Total assets	$	40,094,539	$	36,219,445
LIABILITIES AND FUND BALANCE				
Liabilities				
Due to other funds	$	5,621,016	$	3,830,321
Total liabilities		5,621,016		3,830,321
Fund Balance				
Restricted - Studebaker - Lyones Complete Street (Note 9)		3,200,000		-
Restricted		31,273,523		32,389,124
Total fund balance		34,473,523		32,389,124
Total liabilities and fund balance	$	40,094,539	$	36,219,445

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

CITY OF LONG BEACH

PROPOSITION C LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024 as restated
REVENUES		
Proposition C	$ 9,972,905	$ 10,132,574
Interest income	1,236,440	1,000,795
Total revenues	11,209,345	11,133,369
EXPENDITURES		
Various projects	9,124,946	6,511,081
Total expenditures	9,124,946	6,511,081
Excess of revenues over expenditures	2,084,399	4,622,288
Fund balance at beginning of year, as restated	32,389,124	27,766,836
Fund balance at end of year	$ 34,473,523	$ 32,389,124

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

CITY OF LONG BEACH
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
180	Transit Program Development (Prev Coded 270)	$ 88,000	$ -	$ 88,000	$ -
180	Transportation Software Systems Maintenance (Prev Coded 270)	58,000	-	58,000	-
180	Collision Database System Operations (Prev Coded 270)	70,000	43,938	26,062	750
180	Transportation Programs Management	600,000	-	600,000	-
180	Planning for Transportation Projects	75,000	-	75,000	-
215	Metro Blue Line Fence on Long Beach Boulevard	500,000	-	500,000	-
277	San Vicente Avenue and Willow Street Signal	200,000	171,629	28,371	17,100
302	Traffic Signal Enhancements and Installations	583,000	-	583,000	-
303	Santa Fe Avenue Synchronization Enhancement (Note 12)	300,000	-	300,000	9,521
303	Signal Synchronization Operations	400,000	-	400,000	-
303	Mid-City Signal Coordination in Long Beach	160,000	-	160,000	-
380	CMP Compliance	25,000	-	25,000	-
470	Government Affairs Support	86,000	-	86,000	-
470	City Portion - Gateway Cities COG/MTA Employee	100,000	84,637	15,363	82,657
620	Engineering Administration - Proposition C Projects	100,000	96,108	3,892	-
620	Traffic and Transportation Administration	115,000	16,563	98,437	-
620	Proposition C Administration (Note 12)	550,000	256,135	293,865	355,178
705	Willow Street Improvements	40,000	6,580	33,420	-
	Sub-total	4,050,000	675,590	3,374,410	465,206

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
705	Citywide Transit Corridor Sinkhole Repair	$ 300,000	$ -	$ 300,000	$ -
705	Atherton Street Improvements	620,000	-	620,000	-
705	Atherton Street between Outer Traffic Circle and Bellflower Boulevard	280,899	-	280,899	-
705	Street Maintenance on Artesia Boulevard between Paramount Boulevard and Downey Avenue	960,000	-	960,000	-
705	Street Maintenance on Anaheim Street between Atlantic Avenue and Alamitos Avenue	880,000	4,458	875,542	710,136
705	Anaheim Street between Oregon Avenue and Pacific Avenue	1,600,000	-	1,600,000	2,578
705	Long Beach Boulevard between Victoria Street and Neece Street	2,910,000	-	2,910,000	11,240
705	Atlantic Avenue Between 10th and Anaheim Street	215,000	-	215,000	-
705	Willow Street between Magnolia Avenue and Pacific Avenue	840,000	-	840,000	973
705	East 10th Street between Orange Avenue and Cherry Avenue (Note 12)	700,000	-	700,000	(14,472)
705	Outer Traffic Circle between Hathaway and Lakewood Boulevard	540,000	-	540,000	-
705	Willow Street Bridge over Los Angeles River	50,000	-	50,000	-
705	Ximeno Avenue: 4th Street to 7th Street	450,000	-	450,000	-
	Sub-total	10,345,899	4,458	10,341,441	710,455

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
705	Wardlow Road: Studebaker Road to Stevely	$ 1,600,000	$ -	$ 1,600,000	$ -
705	Atlantic Avenue: Pacific Coast Highway to San Diego Freeway	7,100,000	1,673	7,098,327	130,165
705	Cherry Avenue: Spring Street to Wardlow Road	2,300,000	-	2,300,000	-
705	Ximeno Avenue: 15th to Pacific Coast Highway	5,000,000	-	5,000,000	-
705	Atherton Street: Knoxville Avenue to Volk Avenue	1,500,000	132,251	1,367,749	39,819
705	Palo Verde Avenue: San Diego Freeway to Willow Street	2,000,000	912,798	1,087,202	37,213
705	West Ocean Boulevard: Los Angeles River to Pacific Avenue	3,000,000	92,456	2,907,544	2,185
705	Alamitos Avenue between Ocean Boulevard and 7th Street	500,000	1,784	498,216	412,707
705	Bellflower Boulevard: East Atherton to Los Coyotes Diagonal	2,100,000	5,490	2,094,510	27,027
705	Anaheim Street: Temple Avenue to Pacific Coast Highway	3,000,000	38,144	2,961,856	150,643
705	West Willow Corridor: West City Limits to Signal Hill	5,000,000	341,533	4,658,467	-
705	West Willow Street: Golden Avenue to Long Beach Boulevard	-	-	-	84,604
705	Victoria Street: Susana Road to Long Beach Boulevard	3,000,000	247,043	2,752,957	1,399,121
705	Cherry Avenue: 32nd to Bixby Road	3,000,000	-	3,000,000	-
705	Cherry Avenue: Bixby Road to Carson Street	3,000,000	-	3,000,000	-
	Sub-total	42,100,000	1,773,172	40,326,828	2,283,484

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION C LOCAL RETURN FUND

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES

ACTUAL AND METRO APPROVED PROJECT BUDGET

(Continued)

For the Fiscal Year Ended June 30, 2025

(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

Project Code	Project Name	2025 Metro Budget	2025 Actual	2025 Variance Favorable (Unfavorable)	2024 Actual as restated
705	Carson Street: Orange to City of Lakewood	$ 5,000,000	$ 110,488	$ 4,889,512	$ -
705	Stearns Street: Montair Avenue to Marwick Avenue	3,000,000	59,561	2,940,439	-
705	Loynes Drive: Pacific Coast Highway to Studebaker	5,000,000	75,235	4,924,765	-
705	Pacific Avenue Corridor Improvements	10,000,000	-	10,000,000	-
705	Pacific Avenue Cycle Track	10,000,000	180,502	9,819,498	-
705	East Wardlow: San Gabriel Riverbed to East City Limits	2,000,000	-	2,000,000	-
710	Artesia Great Boulevard	10,450,000	3,997,272	6,452,728	1,093,247
715	Del Amo Boulevard between Long Beach Boulevard and Atlantic Avenue	4,673,404	120,668	4,552,736	312,528
715	New York Street Pavement Improvements: Lewis Avenue to Atlantic Avenue (Note 12)	170,000	-	170,000	21,648
715	Anaheim Street: LA River to Pacific Coast Highway	5,300,000	640,247	4,659,753	111,956
715	Anaheim Street: Gardenia Avenue to Temple Avenue	420,000	-	420,000	113
715	Anaheim Street: Alamitos to Gardenia Avenue	450,000	-	450,000	-
715	Market Street Pedestrian Improvements (Note 12)	800,000	-	800,000	612,986
715	Clark Avenue: Anaheim Street to Spring Street	2,000,000	12,859	1,987,141	-
720	Bellflower Bridge over Los Cerritos Channel	90,000	-	90,000	-
	Sub-total	59,353,404	5,196,832	54,156,572	2,152,478

CITY OF LONG BEACH
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
720	Lakewood Bridge over Spring Street	$ 70,000	$ -	$ 70,000	$ -
720	Wardlow Bridge over Palo Verde Channel	85,000	-	85,000	-
730	Studebaker to Lyones Complete Streets (Note 12)	10,000,000	63,833	9,936,167	68,241
760	Parking and Wayfinding Signage	250,000		250,000	-
765	Maintaining Pavement Management System (Note 12)	50,000	-	50,000	46,674
780	Funding for Strategic Transportation Planning and Implementation	87,000	-	87,000	-
780	I-710 Corridor Project Draft EIR/EIS Review (Note 12)	300,000	-	300,000	(85,155)
780	Wardlow Road West over Los Angeles River	35,000	-	35,000	-
780	Maintain Pavement Management System	1,135,000	373,656	761,344	-
781	Studebaker to Lyones Complete Streets	3,200,000	-	3,200,000	-
805	Long Beach BikeShare Expansion Project (Note 12)	130,000	11,311	118,689	31,683
805	Bike Boulevards	50,000	-	50,000	36,340
805	Long Beach Boulevard Pedestrian Improvements (Note 12)	1,610,824	-	1,610,824	24,181
805	Orange Backbone Bikeway	500,000	354,965	145,035	231,555
805	Spring Street Separated Bikeway (East)	150,000	-	150,000	-
805	2nd Street Bridge Deck Replacement	690,000	-	690,000	-
	Sub-total	18,342,824	803,765	17,539,059	353,519

See accompanying independent auditor's report.

CITY OF LONG BEACH

PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
806	One-time Budget for the Purchase of one Ford F-350 Electric Truck to Support Clean Up of Bicycle Lanes	$ 110,000	$ -	$ 110,000	$ -
806	Bike Lane Sweeping	570,000	671,129	(101,129)	409,259
806	Downtown Bike Station Operations at Promenade and First Street (Note 12)	200,000	-	200,000	74,591
816	Citywide 8 to 80 Bike Connections	400,000	-	400,000	-
816	Citywide Bicycle Parking	150,000	-	150,000	-
890	Street Sweeping Administration Bike Lanes	12,000	-	12,000	12,000
N/A	Various Metro-approved projects prior to FY 2023-24 (Note 12)	-	-	-	50,089
	Sub-total	1,442,000	671,129	770,871	545,939
	Total expenditures	$ 135,634,127	$ 9,124,946	$ 126,509,181	$ 6,511,081

See accompanying independent auditor's report.

CITY OF LONG BEACH
PROPOSITION C LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2025

Date Acquired	Description		Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
	None		$ -	$ -	$ -	$ -
		Total	$ -	$ -	$ -	$ -

See accompanying independent auditor's report.

CITY OF LONG BEACH

MEASURE R LOCAL RETURN FUND

BALANCE SHEETS

June 30

	2025	2024 as restated
ASSETS		
Cash and investments	$ 25,897,418	$ 19,726,295
Due from Metro	-	598,666
Total assets	$ 25,897,418	$ 20,324,961
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	$ 125,126	$ 765,562
Total liabilities	125,126	765,562
Fund Balance		
Restricted	25,772,292	19,559,399
Total fund balance	25,772,292	19,559,399
Total liabilities and fund balance	$ 25,897,418	$ 20,324,961

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

CITY OF LONG BEACH

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

	2025	2024 as restated
REVENUES		
Measure R	$ 7,478,292	$ 7,597,054
Interest income	828,626	555,209
Total revenues	8,306,918	8,152,263
EXPENDITURES		
Various projects	2,094,025	3,122,587
Total expenditures	2,094,025	3,122,587
Excess of revenues over expenditures	6,212,893	5,029,676
Fund balance at beginning of year, as restated	19,559,399	14,529,723
Fund balance at end of year	$ 25,772,292	$ 19,559,399

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

CITY OF LONG BEACH
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
304	Citywide Traffic and Pedestrian Signals	$ 1,000,000	$ -	$ 1,000,000	$ 52,270
705	FY 2020 Citywide Residential Street Repair (Note 12)	5,930,000	-	5,930,000	(48,020)
705	FY 2021 Arterial Corridor Enhancements (Note 12)	4,100,000	-	4,100,000	251,640
705	FY 2021 Citywide Residential Streets Program	1,800,000	-	1,800,000	-
705	FY 2021 Citywide Sinkholes	250,000	-	250,000	-
705	FY 2022 Arterial Corridor Enhancements	4,000,000	-	4,000,000	-
705	FY 2022 Arterial Street Rehabilitation	3,000,000	-	3,000,000	
705	FY 2023 Residential Street Repair	1,000,000	-	1,000,000	-
705	FY 2023 Citywide Sinkhole Repairs Program	250,000	-	250,000	-
705	Citywide Sinkhole Repairs (Note 12)	600,000	427,003	172,997	113,443
705	FY 2024 Arterial Street Rehabilitation	4,750,000	-	4,750,000	-
705	FY 2024 Arterial Corridor Enhancements	4,500,000	-	4,500,000	-
705	FY 2024 Crack and Slurry Seal Program (Note 12)	4,000,000	1,332,558	2,667,442	2,142,857
705	FY 2024 Citywide Sinkhole Repairs Program	250,000	-	250,000	-
705	FY 2025 Arterial Corridor Enhancements	4,500,000	-	4,500,000	-
705	FY 2025 Arterial Street Rehabilitation	3,750,000	-	3,750,000	-
705	FY 2025 Citywide Sinkhole Repairs Program	250,000	-	250,000	-
705	FY 2025 Crack and Slurry Seal Program	4,000,000	-	4,000,000	-
720	City Streetlight Repairs and Maintenance	250,000	-	250,000	-
720	Mid-City Bike and Pedestrian Connection	50,000	20,333	29,667	19,996
720	Pedestrian Solar Streetlights - Council District 9	25,000	15,660	9,340	180
	Sub-total	48,255,000	1,795,554	46,459,446	2,532,366

See accompanying independent auditor's report.

CITY OF LONG BEACH

MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
(Continued)
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual as restated
730	Street Design Manual Development	$ 400,000	$ -	$ 400,000	$ -
760	Citywide Signage Replacement (Note 12)	120,000		120,000	111,525
760	FY 2021 Citywide Striping and Signage Program	250,000	79,321	170,679	240,344
805	Citywide Bicycle Rack Installation	250,000	-	250,000	-
805	FY 2023 Bikeway and Pedestrian Improvements	2,100,000	184,808	1,915,192	305,829
806	FY 2021 Bikeway and Pedestrian Improvements (Note 12)	100,000	34,342	65,658	(67,477)
806	FY 2024 Bikeway and Pedestrian Improvements	2,000,000	-	2,000,000	-
806	FY 2025 Bikeway and Pedestrian Improvements	2,000,000	-	2,000,000	
810	FY 2023 Citywide Striping and Signage Program	250,000	-	250,000	-
810	FY 2024 Citywide Striping and Signage Program	300,000	-	300,000	-
810	FY 2025 Citywide Striping and Signage Program	300,000	-	300,000	-
	Sub-total	8,070,000	298,471	7,771,529	590,221
	Total expenditures	$ 56,325,000	$ 2,094,025	$ 54,230,975	$ 3,122,587

See accompanying independent auditor's report.

CITY OF LONG BEACH
MEASURE R LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2025

Date Acquired	Description	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
	None	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -

See accompanying independent auditor's report.

CITY OF LONG BEACH

MEASURE M LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024 as restated
ASSETS				
Cash and investments	$	31,897,763	$	24,029,464
Due from Metro		-		678,732
Total assets	$	31,897,763	$	24,708,196
LIABILITIES AND FUND BALANCE				
Liabilities				
Due to other funds	$	20,834	$	71,944
Total liabilities		20,834		71,944
Fund Balance				
Restricted		31,876,929		24,636,252
Total fund balance		31,876,929		24,636,252
Total liabilities and fund balance	$	31,897,763	$	24,708,196

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

CITY OF LONG BEACH

MEASURE M LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024 as restated
REVENUES		
Measure M	$ 8,472,656	$ 8,578,689
Interest income	1,011,482	681,032
Total revenues	9,484,138	9,259,721
EXPENDITURES		
Various projects	2,243,461	3,037,172
Total expenditures	2,243,461	3,037,172
Excess of revenues over expenditures	7,240,677	6,222,549
Fund balance at beginning of year, as restated	24,636,252	18,413,703
Fund balance at end of year	$ 31,876,929	$ 24,636,252

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

CITY OF LONG BEACH
MEASURE M LOCAL RETURN FUND
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES
ACTUAL AND METRO APPROVED PROJECT BUDGET
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Amount for the Fiscal Year Ended June 30, 2024)

Project Code	Project Name	2025 Metro Budget	2025 Actual	2025 Variance Favorable (Unfavorable)	2024 Actual as restated
220	Sustainable Transportation Improvements	$ 871,000	$	$ 871,000	$ -
304	Traffic and Pedestrian Signals	1,000,000	10,652	989,348	48,217
390	Neighborhood Traffic Mitigation	82,000	-	82,000	-
705	FY 2020 Citywide Residential Street Repair (Note 12)	5,176,000	286,519	4,889,481	2,721,934
705	FY 2021 Citywide Residential Street Repair	2,000,000	-	2,000,000	-
705	FY 2021 Arterial Street Rehabilitation (Note 12)	3,400,000	1,167,372	2,232,628	124,055
705	Citywide Striping and Signage Program	900,000	-	900,000	46,726
705	FY 2023 Arterial Street Rehabilitation	4,140,000	-	4,140,000	-
705	FY 2024 Citywide Residential Street Repair	2,300,000	-	2,300,000	-
705	FY 2024 Arterial Street Rehabilitation	4,000,000	-	4,000,000	114,327
705	FY 2024 Arterial Corridor Enhancements	4,000,000	-	4,000,000	-
705	FY 2025 Arterial Corridor Enhancements	4,000,000	-	4,000,000	-
705	FY 2025 Arterial Street Rehabilitation	6,000,000	-	6,000,000	-
705	FY 2025 Citywide Residential Street Repair	2,300,000	-	2,300,000	-
780	Data Collection Program and Equipment	250,000	-	250,000	-
780	Project Evaluation Toolkit	200,000	-	200,000	-
780	Data Strategy Document	90,000	-	90,000	22,785
806	FY 2021 Bikeway and Pedestrian Improvements (Note 12)	709,900	417,867	292,033	(20,196)
806	FY 2024 Bikeway and Pedestrian Improvements	1,000,000	-	1,000,000	25,081
806	FY 2025 Bikeway and Pedestrian Improvements	1,000,000	-	1,000,000	-
890	Arterial Corridor Enhancements (Note 12)	2,390,100	361,051	2,029,049	(45,757)
890	FY 2023 Arterial Corridor Enhancements	6,000,000	-	6,000,000	-
890	FY 2022 Bikeway and Pedestrian Improvements	500,000	-	500,000	-
	Total expenditures	$ 52,309,000	$ 2,243,461	$ 50,065,539	$ 3,037,172

See accompanying independent auditor's report.

CITY OF LONG BEACH

MEASURE M LOCAL RETURN FUND

SUPPLEMENTARY INFORMATION

SCHEDULE OF CAPITAL ASSETS

June 30, 2025

Date Acquired	Description	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
	None	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -

See accompanying independent auditor's report.

CITY OF LONG BEACH

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

BALANCE SHEETS
June 30

		2025		2024 as restated
ASSETS				
Cash and investments	$	-	$	73,311
Total assets	$	-	$	73,311
LIABILITIES AND FUND BALANCE				
Liabilities				
Due to other funds	$	-	$	224,865
Total liabilities		-		224,865
Fund Balance				
Unassigned		-		(151,554)
Total fund balance		-		(151,554)
Total liabilities and fund balance	$	-	$	73,311

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

CITY OF LONG BEACH

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

	2025	2024 as restated
REVENUES		
TDA 3	$ 852,500	$ 665,000
Interest income	-	5,405
Total revenues	852,500	670,405
EXPENDITURES		
Various projects	700,946	1,194,750
Total expenditures	700,946	1,194,750
Excess (deficiency) of revenues over expenditures	151,554	(524,345)
Fund balance at beginning of year, as restated	(151,554)	372,791
Fund balance at end of year	$ -	$ (151,554)

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

CITY OF LONG BEACH

TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND

SUPPLEMENTARY INFORMATION

SCHEDULE OF TRANSPORTATION DEVELOPMENT ACT

ALLOCATION FOR SPECIFIC PROJECTS

For the Fiscal Year Ended June 30, 2025

Project Description	Program Year	Allocations	Expenditures	Unexpended Allocations	Project Status
Local allocations					
Bicycle Striping	2024-25	$ 841,161	$ 689,607	$ 151,554	Ongoing
Bicycle and Pedestrian Improvements	2024-25	11,339	11,339	-	Ongoing
Total		$ 852,500	$ 700,946	151,554	
Fund balance at beginning of year, as restated				(151,554)	
Interest income				-	
Fund balance at end of year				$ -	

See accompanying independent auditor's report.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

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

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

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

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

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

Basis of Accounting and Measurement Focus

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

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

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement

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

Refer to City's 2025 Annual Comprehensive Financial Report for detailed disclosures regarding the City's investment policy and fair value measurement.

Fund Balance Reporting

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

The PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F report the following fund balance classification as of June 30, 2025 and 2024:

- 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).

- Unassigned – The unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted to those purposes.

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

NOTE 2 – ANNUAL FINANCIAL STATEMENTS

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

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

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

NOTE 4 – MEASURE R LOCAL RETURN COMPLIANCE REQUIREMENTS

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

NOTE 5 – MEASURE M LOCAL RETURN COMPLIANCE REQUIREMENTS

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

NOTE 6 – TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

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

NOTE 7 – CASH AND INVESTMENTS

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

NOTE 8 – APPORTIONMENT TO LONG BEACH PUBLIC TRANSPORTATION - PALRF

In the fiscal years 2024-25 and 2024-23, transfers were made from PALRF to Long Beach Public Transportation in the amounts of $6,420,772 and $6,699,198, respectively, for the services provided to the City of Long Beach and were charged to Apportionment to Long Beach Transit Project Code 105.

NOTE 9 – CAPITAL RESERVE - PCLRF

In June 2025, Metro and the City entered into a capital reserve agreement to establish capital reserve account (Account) for the Studebaker to Lyones Complete Street for PCLRF amounting to $3,200,000 (the Project).

The Account is funded with Proposition C Local Return Funds allocated to the City. All interest earned on the Account is accrued and retained for the exclusive use of the Project.

With the exception granted by Metro in writing to extend the terms, unexpended funds will automatically lapse in five (5) years. The City intends to use the funds for the Projects on or before June 30, 2030, for PCLRF. The Account, including interest earned, is combined with the PCLRF for financial reporting purposes.

For the year ended June 30, 2025, the following is the capital reserve amount for PCLRF:

Capital reserve at 6/30/2025	$	3,200,000
Interest income during the year		-
Expenditure during the year		-
Capital reserve at 6/30/2025	$	3,200,000

NOTE 10 – TRANSPORTATION DEVELOPMENT ACT FUND REVENUE ALLOCATION

The revenue allocation for the years ended June 30, 2025 and 2024 consisted of the following:

		2025		2024
FY 2021-22 allocation	$	-	$	245,995
FY 2022-23 allocation		21,299		419,005
FY 2023-24 allocation		538,961		-
FY 2024-25 allocation		292,240		-
Total payment requested	$	852,500	$	665,000

NOTE 11 – 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, 2025 and 2024, the City has funds on reserve as follows:

		2025		2024
FY 2022-23 allocation	$	-	$	21,299
FY 2023-24 allocation		-		538,961
FY 2024-25 allocation		178,273		-
Available reserve balance	$	178,273	$	560,260

NOTE 12 – PRIOR PERIOD ADJUSTMENTS DUE TO FISCAL YEAR-END DIFFERENCES BETWEEN THE CITY AND METRO

The City's fiscal year-end on September 30th differs from Metro's fiscal year-end on June 30th. This difference results in timing discrepancies in the reporting of PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F.

The 2024 financial statements of PALRF, PCLRF, MRLRF, MMLRF, and TDAA3F were restated to report adjustments to certain expenditures for various projects that were related to prior fiscal years but were not previously reported due to the timing discrepancies caused by the City's fiscal year-end on September 30th and Metro's fiscal year end of June 30th. The City received proper Metro budget approval for all of the projects in the prior fiscal years.

The financial statements for the fiscal year 2024 have been restated to reflect the following adjustments to the beginning fund balances:

PALRF	Cash and Investments	Due from Capital Projects Fund	Due to Other Funds
Balance, as previously reported	$ 18,632,539	$ 1,041,326	$ -
Adjustment	2,215,693	(1,041,326)	1,444,791
Balance, as restated	$ 20,848,232	$ -	$ 1,444,791

PALRF	Expenditures	Fund Balance
Balance, as previously reported	$ 10,594,179	$ 20,636,247
Adjustment	270,424	(270,424)
Balance, as restated	$ 10,864,603	$ 20,365,823

PCLRF	Cash and Investments	Due to Other Funds	Expenditures	Fund Balance
Balance, as previously reported	$ 34,499,192	$ 3,767,708	$ 7,372,840	$ 31,527,365
Adjustment	924,372	62,613	(861,759)	861,759
Balance, as restated	$ 35,423,564	$ 3,830,321	$ 6,511,081	$ 32,389,124

NOTE 12 – PRIOR PERIOD ADJUSTMENTS DUE TO FISCAL YEAR-END DIFFERENCES BETWEEN THE CITY AND METRO (Continued)

MRLRF	Cash and Investments	Due to Other Funds	Expenditures	Fund Balance
Balance, as previously reported	$ 19,714,424	$ 465,369	$ 2,834,265	$ 19,847,721
Adjustment	11,871	300,193	288,322	(288,322)
Balance, as restated	$ 19,726,295	$ 765,562	$ 3,122,587	$ 19,559,399

MMLRF	Cash and Investments	Due to Other Funds	Expenditures	Fund Balance
Balance, as previously reported	$ 24,775,491	$ 689,811	$ 2,909,012	$ 24,764,412
Adjustment	(746,027)	(617,867)	128,160	(128,160)
Balance, as restated	$ 24,029,464	$ 71,944	$ 3,037,172	$ 24,636,252

TDAA3F	Due to Other Funds	Expenditures	Fund Balance
Balance, as previously reported	$ 73,311	$ 1,043,196	$ -
Adjustment	151,554	151,554	(151,554)
Balance, as restated	$ 224,865	$ 1,194,750	$ (151,554)

To ensure accurate financial reporting, these variances have been addressed through prior period adjustments, despite the differing fiscal timelines.

NOTE 13 – SUBSEQUENT EVENTS

The City has evaluated events or transactions that occurred subsequent to June 30, 2025 through December 16, 2025, the date the 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 Long Beach, California and the
Los Angeles County Metropolitan Transit Authority

We have audited, in accordance with the 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, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Long Beach, California (the City), as of and for the year ended June 30, 2025, and the related notes to the Funds' financial statements, and have issued our report thereon dated December 16, 2025.

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 the 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 or significant deficiencies may exist that were not 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 referred to above and the results 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.

Simpson & Simpson

Los Angeles, California
December 16, 2025

COMPLIANCE SECTION

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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 Long Beach, California and the
Los Angeles County Metropolitan Transit Authority

Report on Compliance

Opinion

We have audited the City of Long Beach, California's (the City) compliance with the Proposition A and Proposition C Local Return Guidelines, Measure R Local Return Guidelines, Measure M Local Return Guidelines, Transportation Development Act Article 3, and the Los Angeles County Metropolitan Transportation Authority's Funding and Allocation Guidelines for the Transportation Development Act Article 3 Bicycle and Pedestrian Funds (collectively, the Guidelines) for the year ended June 30, 2025.

In our opinion, the City of Long Beach, California complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2025.

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.

Responsibilities 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, statutes, regulations, rules, and provisions of contracts or agreements applicable to the City's Proposition A Local Return Program, Proposition C Local Return Program, Measure R Local Return Program, Measure M Local Return Program, and Transportation Development Act Article 3 Fund.

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 the 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.

Report on Internal Control Over Compliance

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

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

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

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

Simpson & Simpson

Los Angeles, California
December 16, 2025

	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 funds given, loaned, or exchanged in FY 2024-25.
12.	Self-Certification was completed and submitted for Intelligent Transportation Systems projects or elements.			X	None	There were no Intelligent Transportation Systems projects or elements in FY 2024-25.

CITY OF LONG BEACH
COMPLIANCE MATRIX
Year Ended June 30, 2025
(Continued)

	Compliance Requirement	In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	**No**	**N/A**		
A. Proposition A and Proposition C Local Return Funds						
13.	A separate account was established for Capital reserve funds, Capital reserve was approved by Metro and current status is reported in the Annual Project Update (Form B) or electronic equivalent.	X			None	
14.	Recreational transit form was submitted on time.	X			None	
15.	Fund exchanges (trades, loans, or gifts) were approved by Metro.			X	None	There were no fund exchanges in FY 2024-25.
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 LONG BEACH
COMPLIANCE MATRIX
Year Ended June 30, 2025
(Continued)

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	**No**	**N/A**		
B. Measure R Local Return Fund						
1.	Funds were expended for transportation purposes.	X			None	
2.	Separate Measure R Local Return Account was established.	X			None	
3.	Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure R Local Return Account.	X			None	
4.	Funds were expended with Metro's approval.	X			None	
5.	Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X			None	
6.	Timely use of funds.	X			None	
7.	Administrative expenses are within the 20% cap.			X	None	There were no administrative expenditures incurred in FY 2024-25.
8.	Expenditure Plan (Form One or electronic equivalent) was submitted on time.	X			None	
9.	Annual Expenditure Report (Form Two or electronic equivalent) was submitted on time.	X			None	
10.	Where funds expended were reimbursable by other grants or fund sources, the reimbursement was credited to the Local Return Account upon receipt of the reimbursement.			X	None	There was no reimbursement by other grants or fund sources to the expenditures incurred in FY 2024-25.
11.	Where Measure R funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X	None	There were no funds given, loaned, or exchanged in FY 2024-25.
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	No capital reserve fund established in FY 2024-25.

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	**No**	**N/A**		
B. Measure R Local Return Fund						
13.	Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X			None	
14.	Recreational transit form was submitted on time.			X	None	There were no recreational expenses incurred in FY 2024-25.
15.	Fund exchanges were approved by Metro.			X	None	There were no fund exchanges in FY 2024-25.
16.	Accounting procedures, record keeping, and documentation are adequate.	X			None	

CITY OF LONG BEACH
COMPLIANCE MATRIX
Year Ended June 30, 2025
(Continued)

	Compliance Requirement	In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	**No**	**N/A**		
C. Measure M Local Return Fund						
1.	Funds were expended for transportation purposes.	X			None	
2.	Separate Measure M Local Return Account was established.	X			None	
3.	Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure M Local Return Account.	X			None	
4.	Funds were expended with Metro's approval.	X			None	
5.	Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X			None	
6.	Timely use of funds.	X			None	
7.	Administrative expenses are within the 20% cap.			X	None	There were no administrative expenditures incurred in FY 2024-25.
8.	Expenditure Plan (Form M-One or electronic equivalent) was submitted on time.	X			None	
9.	Expenditure Report (Form M-Two or electronic equivalent) was submitted on time.	X			None	
10.	Where funds expended were reimbursable by other grants or fund sources, the reimbursement was credited to the Local Return Account upon receipt of the reimbursement.			X	None	There was no reimbursement by other grants or fund sources to the expenditures incurred in FY 2024-25.
11.	Where Measure M funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X	None	There were no funds given, loaned, or exchanged in FY 2024-25.
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	No capital reserve fund established in FY 2024-25.

Compliance Requirement		In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	**No**	**N/A**		
C. Measure M Local Return Fund						
13.	Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X			None	
14.	Recreational transit form was submitted on time.			X	None	There were no recreational expenses incurred in FY 2024-25.
15.	Fund exchanges (trades, loans, or gifts) were approved by Metro.			X	None	There were no fund exchanges in FY 2024-25.
16.	Accounting procedures, record keeping, and documentation are adequate.	X			None	

CITY OF LONG BEACH
COMPLIANCE MATRIX
Year Ended June 30, 2025
(Continued)

	Compliance Requirement	In Compliance			Questioned Costs	If no, provide details and management response.
		Yes	**No**	**N/A**		
D. Transportation Development Act Article 3 Fund						
1.	Timely use of funds.	X			None	
2.	Expenditures were incurred for activities relating to pedestrian and bicycle facilities and amenities.	X			None	
3.	Claim Form (or electronic equivalent) was submitted on time.	X			None	

No findings were noted.

EXIT CONFERENCE

CITY OF LONG BEACH
PROPOSITION A LOCAL RETURN FUND, PROPOSITION C LOCAL RETURN FUND,
MEASURE R LOCAL RETURN FUND, MEASURE M LOCAL RETURN FUND, AND
TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND
EXIT CONFERENCE
June 30, 2025

An exit conference was held on December 23, 2025 with the City of Long Beach. Those in attendance were:

Simpson & Simpson Representatives:

Dulce S. Kapuno, Audit Manager
Michael Effendi, Senior Auditor

City's Representatives:

Stefannie Kodrat, Assistant City Controller
Khanh Do, Senior Accountant
Justin Wu, Accountant III

Matters Discussed:

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

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

Stefannie Kodrat, Assistant City Controller

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

RE: CITY OF LONG BEACH ANNUAL FINANCIAL REPORT OF THE PROPOSITION A LOCAL RETURN FUND, PROPOSITION C LOCAL RETURN FUND, MEASURE R LOCAL RETURN FUND, MEASURE M LOCAL RETURN FUND, AND TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

I have received the annual financial report of the Proposition A Local Return Fund, Proposition C Local Return Fund, Measure R Local Return Fund, Measure M Local Return Fund, and Transportation Development Act Article 3 Fund for the years ended June 30, 2025 and 2024 for the City of Long Beach and agree with the contents of the report except as indicated below:

(Attach additional pages if necessary)

Very truly yours,

____
Name

____
Title

____
Date