CITY OF SANTA CLARITA
ANNUAL FINANCIAL REPORT OF THE

PROPOSITION A LOCAL RETURN FUND
PROPOSITION C LOCAL RETURN FUND
MEASURE R LOCAL RETURN FUND
MEASURE M LOCAL RETURN FUND
TRANSPORTATION DEVELOPMENT ACT
ARTICLE 3 FUND
TRANSPORTATION DEVELOPMENT ACT
ARTICLE 8 FUND

FOR THE FISCAL YEARS ENDED
JUNE 30, 2025 AND 2024

Metro®

Simpson & Simpson, LLP
Certified Public Accountants

CITY OF SANTA CLARITA

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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 Santa Clarita, 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 Santa Clarita, 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, the Transportation Development Act Article 3 Fund, and the Transportation Development Act Article 8 Fund of the City of Santa Clarita, 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, the Transportation Development Act Article 3 Fund, and the Transportation Development Act Article 8 Fund of the City of Santa Clarita, 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 SANTA CLARITA

PROPOSITION A LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024
ASSETS				
Cash and investments	$	18,561,218	$	17,269,535
Interest receivable		111,815		72,225
Total assets	$	18,673,033	$	17,341,760
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	$	-	$	400
Total liabilities		-		400
Fund Balance				
Restricted		18,673,033		17,341,360
Total fund balance		18,673,033		17,341,360
Total liabilities and fund balance	$	18,673,033	$	17,341,760

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

CITY OF SANTA CLARITA

PROPOSITION A LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024
REVENUES		
Proposition A	$ 6,052,196	$ 6,067,876
Interest receivable	649,521	343,345
Unrealized gain on investments	402,565	154,330
Miscellaneous revenue	400	-
Total revenues	7,104,682	6,565,551
EXPENDITURES		
Various projects	5,773,009	16,060
Total expenditures	5,773,009	16,060
Excess of revenues over expenditures	1,331,673	6,549,491
OTHER FINANCING SOURCES		
Transfer-in from Transit Facilities Fee Fund (Note 9)	-	101,144
Transfer-in from Facilities Fund (Note 9)	-	693,220
Total other financing sources	-	794,364
Excess of revenues over expenditures and other financing sources	1,331,673	7,343,855
Fund balance at beginning of year	17,341,360	9,997,505
Fund balance at end of year	$ 18,673,033	$ 17,341,360

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

CITY OF SANTA CLARITA

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)

Project Code	Project Name	2025 Metro Budget	2025 Actual	2025 Variance Favorable (Unfavorable)	2024 Actual
105	Transfer to Transit Operations	$ 5,000,000	$ 5,000,000	$ -	$ -
220	Vista Canyon Road Bridge (S3037)	773,009	773,009	-	-
251	Vista Canyon Metrolink Station (T33020)	-	-	-	16,060
	Total expenditures	$ 5,773,009	$ 5,773,009	$ -	$ 16,060

See accompanying independent auditor's report.

CITY OF SANTA CLARITA
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
10/2/2001	Land for Transit Maintenance	$ 753,372	$ -	$ -	$ 753,372
6/30/2002	Land for Rail Station	655,734	-	-	655,734
6/30/2002	Building - McBean Transit	438,496	-	-	438,496
6/30/2002	Building - McBean Transit	582,534	-	-	582,534
6/30/2003	McBean Transfer Station	1,360	-	-	1,360
12/31/2005	Rail Station Parking Expansion Improvement	174,211	-	-	174,211
6/30/2006	Transit Maintenance Facility	4,677,115	-	-	4,677,115
6/30/2009	Metrolink Restroom Improvement	34,566	-	-	34,566
6/30/2010	VP Metrolink Restroom	995,719	-	-	995,719
6/30/2013	SC Bus Stop Expansion	4,664	-	-	4,664
6/30/2014	McBean Park and Ride	73,268	-	-	73,268
6/30/2014	Bus Stop Improvements	38,906	-	-	38,906
	Total	$ 8,429,945	$ -	$ -	$ 8,429,945

See accompanying independent auditor's report.

CITY OF SANTA CLARITA

PROPOSITION C LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024
ASSETS				
Cash and investments	$	14,488,484	$	9,113,091
Interest receivable		87,280		39,950
Due from Metro		-		395,339
Total assets	$	14,575,764	$	9,548,380
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	$	81,599	$	44,462
Total liabilities		81,599		44,462
Fund Balance				
Restricted		14,494,165		9,503,918
Total fund balance		14,494,165		9,503,918
Total liabilities and fund balance	$	14,575,764	$	9,548,380

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

CITY OF SANTA CLARITA

PROPOSITION C LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024
REVENUES		
Proposition C	$ 5,020,143	$ 5,033,163
Interest income	428,156	202,734
Unrealized gain on investments	284,756	192,554
Total revenues	5,733,055	5,428,451
EXPENDITURES		
Various projects	742,808	4,190,638
Total expenditures	742,808	4,190,638
Excess of revenues over expenditures	4,990,247	1,237,813
Fund balance at beginning of year	9,503,918	8,266,105
Fund balance at end of year	$ 14,494,165	$ 9,503,918

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

CITY OF SANTA CLARITA

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
303	I0009260 - ITS PH IV & Sign	$ -	$ (4,841) *	$ 4,841	$ (19,101)
303	ITS PH VII & Signal Synchronization (C0054)	-	-	-	(1,158)
705	Overlay and Slurry (M0144) 2021-22	-	-	-	837,023
705	2022-23 Overlay and Slurry (M0149)	670,656	368,683	301,973	3,373,874
705	2023-24 Overlay & Slurry Project (M0153)	476,140	378,966	97,174	-
805	Railroad Ave Class Bike 1 Bike Trail (T2011)	548,534	-	548,534	-
	Total expenditures	$ 1,695,330	$ 742,808	$ 952,522	$ 4,190,638

* The negative expenditures were related to refunds of prior year expenditures received in FY2025.

See accompanying independent auditor's report.

CITY OF SANTA CLARITA
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
2/13/1992	Mint Canyon River Park Parcel	$ 80,000	$ -	$ -	$ 80,000
6/29/1998	Transit Maintenance Facility	22,271	-	-	22,271
6/29/1998	McBean Transfer Station	8,848	-	-	8,848
6/29/1999	JHML 2nd Platform - SC Passenger Amenities	52,498	-	-	52,498
6/29/1999	Transit Maintenance Facility Improvements	126,038	-	-	126,038
6/29/2000	Rail Station Parking Improvements	266,365	-	-	266,365
6/29/2000	JHML 2nd Platform - SC Passenger	102,341	-	-	102,341
6/29/2000	Transit Maintenance Station	419,662	-	-	419,662
6/29/2001	Rail Station Parking CI Program	1,331,313	-	-	1,331,313
6/29/2001	Transit Maintenance Facility - CI Program	829,138	-	-	829,138
6/29/2004	Incident Management Traveler Info	51,910	-	-	51,910
6/29/2008	Electronic Sign RR Crossing	48,079	-	-	48,079
6/29/2010	Golden Valley/Soledad Interchange	1,262	-	-	1,262
6/29/2010	San Fernando RD Pedestrian	30,269	-	-	30,269
	Total	$ 3,369,994	$ -	$ -	$ 3,369,994

See accompanying independent auditor's report.

CITY OF SANTA CLARITA

MEASURE R LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024
ASSETS				
Cash and investments	$	7,417,488	$	8,189,107
Interest receivable		44,684		35,900
Due from Metro		-		297,376
Total assets	$	7,462,172	$	8,522,383
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	$	1,741,162	$	343,224
Total liabilities		1,741,162		343,224
Fund Balance				
Restricted		5,721,010		8,179,159
Total fund balance		5,721,010		8,179,159
Total liabilities and fund balance	$	7,462,172	$	8,522,383

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

CITY OF SANTA CLARITA

MEASURE R LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024
REVENUES		
Measure R	$ 3,764,410	$ 3,773,691
Interest income	249,445	169,066
Unrealized gain on investments	173,503	155,688
Total revenues	4,187,358	4,098,445
EXPENDITURES		
Various projects	6,645,507	3,280,481
Total expenditures	6,645,507	3,280,481
Excess (deficiency) of revenues over expenditures	(2,458,149)	817,964
Fund balance at beginning of year	8,179,159	7,361,195
Fund balance at end of year	$ 5,721,010	$ 8,179,159

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

CITY OF SANTA CLARITA

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
270	Energy Efficiency - General Parking Repair	$ 355,000	$ 355,000	$ -	$ -
705	2021-22 Federal Overlay (M0142)	-	-	-	1,482,968
705	2022-23 Concrete Rehab Program (M0148)	-	-	-	(2,106)
705	2022-23 Overlay and Slurry (M0149)	191,969	40,753	151,216	1,288,289
705	2023-24 Concrete Rehab Program (M0152)	94,577	72,258	22,319	505,423
705	2023-24 Overlay & Slurry Seal (M0153)	6,680,745	4,686,489	1,994,256	5,907
705	2024-25 Concrete Rehab (M0156)	600,079	530,080	69,999	-
705	2024-25 Overlay & Slurry Seal (M0157)	3,595,749	640,927	2,954,822	-
710	Vista Canyon Bridge (S3037)	320,000	320,000	-	-
	Total expenditures	$ 11,838,119	$ 6,645,507	$ 5,192,612	$ 3,280,481

See accompanying independent auditor's report.

CITY OF SANTA CLARITA

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 SANTA CLARITA

MEASURE M LOCAL RETURN FUND

BALANCE SHEETS

June 30

		2025		2024
ASSETS				
Cash and investments	$	13,342,832	$	11,911,752
Interest receivable		80,379		52,220
Due from Metro		-		337,147
Total assets	$	13,423,211	$	12,301,119
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	$	53,700	$	64,809
Total liabilities		53,700		64,809
Fund Balance				
Restricted		13,369,511		12,236,310
Total fund balance		13,369,511		12,236,310
Total liabilities and fund balance	$	13,423,211	$	12,301,119

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

CITY OF SANTA CLARITA

MEASURE M LOCAL RETURN FUND

STATEMENTS OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024
REVENUES		
Measure M	$ 4,264,951	$ 4,261,300
Interest income	425,075	255,068
Unrealized gain on investments	289,925	214,260
Total revenues	4,979,951	4,730,628
EXPENDITURES		
Various projects	3,846,750	2,806,109
Total expenditures	3,846,750	2,806,109
Excess of revenues over expenditures	1,133,201	1,924,519
Fund balance at beginning of year	12,236,310	10,311,791
Fund balance at end of year	$ 13,369,511	$ 12,236,310

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

CITY OF SANTA CLARITA

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)

		2025			
Project Code	Project Name	Metro Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
705	2020-21 Overlay & Slurry (M0137)	$ -	$ -	$ -	$ 13,676
705	2022-23 Overlay And Slurry (M0149)	61,653	18,871	42,783	2,792,433
705	2023-24 Overlay & Slurry Seal (M0153)	3,895,171	3,459,720	435,451	-
705	2024-25 Overlay & Slurry Seal (M0157)	11,512,157	104,000	11,408,157	-
710	Vista Canyon Bridge (S3037)	930,000	264,159	665,841	-
	Total expenditures	$ 16,398,981	$ 3,846,750	$ 12,552,231	$ 2,806,109

See accompanying independent auditor's report.

CITY OF SANTA CLARITA
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 SANTA CLARITA

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

		2025		2024
ASSETS				
Cash and investments	$	186,051	$	286,943
Interest receivable		1,121		1,258
Total assets	$	187,172	$	288,201
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	$	162,275	$	216,751
Total liabilities		162,275		216,751
Fund Balance				
Restricted		24,897		71,450
Total fund balance		24,897		71,450
Total liabilities and fund balance	$	187,172	$	288,201

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

CITY OF SANTA CLARITA

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

	2025	2024
REVENUES		
TDA 3 (Note 11)	$ 212,617	$ 210,647
Interest income	3,368	1,445
Unrealized gain on investments	4,993	5,227
Total revenues	220,978	217,319
EXPENDITURES		
Various projects	267,531	144,962
Total expenditures	267,531	144,962
Excess (decificency) of revenues over expenditures	(46,553)	72,357
Fund balance at beginning of year	71,450	(907)
Fund balance at end of year	$ 24,897	$ 71,450

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

CITY OF SANTA CLARITA

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:					
24-25 ADA Access Ramps (D0005)	2025	$ 100,000	$ 90,000	$ 10,000	Complete
Trail Fence Replacement	2024	21,936	21,936	-	Complete
Sand Canyon Trails (T3024)	2017	181,439	155,595	25,844	On-going
	Total	$ 303,375	$ 267,531	35,844	
Less: Fund balance carried forward				(71,450)	
Unexpended interest accumulated to date				8,361	
Funds returned to Metro (Note 11)				(19,308)	
Fund balance at beginning of year				71,450	
Fund balance at end of year				$ 24,897 *	

* The City has encumbered the remaining fund balance of $24,897 as of June 30, 2025 for the San Canyon (T3024) Project.

See accompanying independent auditor's report.

CITY OF SANTA CLARITA
TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND
(PURSUANT TO PUBLIC UTILITIES CODE SECTION 99234)
BALANCE SHEETS
June 30

	2025	2024
ASSETS		
Cash and investments	$ 14,405,090	$ 1,673,138
Interest receivable	87,312	7,419
Due from Metro	-	653,966
Total assets	$ 14,492,402	$ 2,334,523
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts payable	$ 13,545,119	$ 2,334,523
Total liabilities	13,545,119	2,334,523
Deferred inflows of resources		
Unavailable revenue	$ -	$ 653,966
Total deferred inflowsof resources	-	653,966
Fund Balance		
Restricted	947,283	-
Unassigned	-	(653,966)
Total fund balance	947,283	(653,966)
Total liabilities and fund balance	$ 14,492,402	$ 2,334,523

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

CITY OF SANTA CLARITA

TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND

STATEMENTS OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCE

For the Fiscal Years Ended June 30

	2025	2024
REVENUES		
TDA 8 (Note 11)	$ 12,364,292	$ 2,292,114
Interest income	193,578	30,067
Unrealized gain on investments	226,456	104,876
Total revenues	12,784,326	2,427,057
EXPENDITURES		
Various projects	10,557,959	5,245,576
Total expenditures	10,557,959	5,245,576
Excess (deficiency) of revenues over expenditures	2,226,367	(2,818,519)
OTHER FINANCING USES		
Transfer to Gas Tax Fund (Note 10)	(611,582)	(19,344)
Transfer to General Fund	(13,536)	(12,166)
Total other financing uses	(625,118)	(31,510)
Excess (deficiency) of revenues over expenditures and other financing uses	1,601,249	(2,850,029)
Fund balance at beginning of year	(653,966)	2,196,063
Fund balance at end of year	$ 947,283	$ (653,966)

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

CITY OF SANTA CLARITA

TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 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:					
Sierra Hwy Br Over Sc Rvr	2014	$ 35,601	$ 18,057	$ 17,544	Completed
20-21 Circ Improve Ph II	2021	137,565	61,797	75,768	Completed
Sierra Hwy Constability	2021	65,728	15,747	49,981	Completed
Saugus Ph I Bqt Trl To Cp	2022	22,633	(10,349) *	32,982	Completed
Sand Canyon Trails	2022	64,847	22,772	42,075	Completed
Magic Mountain Parkway Beautif	2023	5,171,355	-	5,171,355	On-going
B4009233 - 22-23 Citywide Median Refurbish	2023	1,000,000	1,000,000	-	On-going
Vista Cyn Rd Bridge	2023	504,000	405,022	98,978	Completed
20 - 21 Circ Impr Ph III Federal	2024	1,549,035	1,259,850	289,185	Completed
Pedestrian Xing Enhancement	2024	31,011	9,980	21,031	Completed
Cc Class II Bike Lanes (Federal)	2024	35,688	393	35,295	Completed
Nrr And Bqt Cyn Rd Intersectio	2024	26,603	1,216	25,387	Completed
Drayton Street Improvements	2024	116,303	11,106	105,197	Completed
2023-24 Overlay &Slurry Seal	2024	7,210,298	7,163,927	46,371	Completed
2023-24 Thermoplastic Lane Strip	2024	4,524	4,524	-	Completed
Bridge Preventive Maint Plan	2024	153,971	140,851	13,120	Completed
Circulation Improve Phase V	2025	425,000	155,385	269,615	On-going
Newhall Avenue Railroad Safety	2025	50,000	-	50,000	On-going
24-25 Overlay & Slurry Seal Pro	2025	727,224	165,798	561,426	On-going
24-25 Thermoplastic Lane Strip	2025	205,000	742	204,258	Completed
Safe Routes To School	2026	217,740	131,141	86,599	On-going
Sub-total		17,754,126	10,557,959	7,196,167	
Transfer to Gas Tax Fund (Note 10)		6,614,005	611,582	6,002,423	
Transfer to General Fund		13,536	13,536	-	
Total		$ 24,381,667	$ 11,183,077	13,198,590	
Unexpected interest accumulated to date				420,034	
Funds returned to Metro (Note 11)				(12,671,341)	
Unavailable revenue from fiscal year 2023-2024				653,966	
Fund balance at beginning of year				(653,966)	
Fund balance at end of year				$ 947,283 **	

* The City had over-accrued at the end of the prior fiscal year because a vendor's invoice was lower than anticipated.
** The City has encumbered the remaining fund balance of $947,283 as of June 30, 2025 for various projects.

See accompanying independent auditor's report.

CITY OF SANTA CLARITA

TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 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:						
Sierra Hwy Br Over Sc Rvr	2014	$ 35,601	$ 18,057		$ 17,544	Completed
20-21 Circ Improve Ph II	2021	137,565	61,797		75,768	Completed
Sierra Hwy Constability	2021	65,728	15,747		49,981	Completed
Saugus Ph I Bqt Trl To Cp	2022	22,633	(10,349)	*	32,982	Completed
Sand Canyon Trails	2022	64,847	22,772		42,075	Completed
Magic Mountain Parkway Beautif	2023	5,171,355	-		5,171,355	On-going
B4009233 - 22-23 Citywide Median Refurbish	2023	1,000,000	1,000,000		-	On-going
Vista Cyn Rd Bridge	2023	504,000	405,022		98,978	Completed
20 - 21 Circ Impr Ph III Federal	2024	1,549,035	1,259,850		289,185	Completed
Pedestrian Xing Enhancement	2024	31,011	9,980		21,031	Completed
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Drayton Street Improvements	2024	116,303	11,106		105,197	Completed
2023-24 Overlay &Slurry Seal	2024	7,210,298	7,163,927		46,371	Completed
2023-24 Thermoplastic Lane Strip	2024	4,524	4,524		-	Completed
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Newhall Avenue Railroad Safety	2025	50,000	-		50,000	On-going
24-25 Overlay & Slurry Seal Pro	2025	727,224	165,798		561,426	On-going
24-25 Thermoplastic Lane Strip	2025	205,000	742		204,258	Completed
Safe Routes To School	2026	217,740	131,141		86,599	On-going
Sub-total		17,754,126	10,557,959		7,196,167	
Transfer to Gas Tax Fund (Note 10)		6,614,005	611,582		6,002,423	
Transfer to General Fund		13,536	13,536		-	
Total		$ 24,381,667	$ 11,183,077		13,198,590	
Unexpected interest accumulated to date					420,034	
Funds returned to Metro (Note 11)					(12,671,341)	
Unavailable revenue from fiscal year 2023-2024					653,966	
Fund balance at beginning of year					(653,966)	
Fund balance at end of year					$ 947,283	**

* The City had over-accrued at the end of the prior fiscal year because a vendor's invoice was lower than anticipated.

** The City has encumbered the remaining fund balance of $947,283 as of June 30, 2025 for various projects.

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), Transportation Development Act Article 3 Fund (TDAA3F) and Transportation Development Act Article 8 Fund (TDAA8F) (collectively, the Funds) are accounted for in separate sets of self-balancing accounts that comprise their assets, liabilities, fund balance, revenues and expenditures.

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

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

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

TDAA3F and TDAA8F are Special Revenue Funds that account for the City's share of the Transportation Development Act Article 3 and 8 allocations which are legally restricted for specific purposes.

Basis of Accounting and Measurement Focus

PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F are accounted for using the modified accrual basis of accounting whereby revenues are recognized when they become both measurable and available to finance expenditures of the current period and expenditures are generally recognized when the related fund liabilities are incurred.

Special Revenue Funds are reported on 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 balances for Special Revenue Funds generally presents increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net 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 Governmental Accounting Standard Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, which became effective for the fiscal year ended June 30, 2016, the 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 2025 Annual Comprehensive Financial Report (ACFR) 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 TDAA3F and TDAA8F 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 ACFR.

NOTE 2 – ANNUAL FINANCIAL STATEMENTS

The financial statements reflect only the financial position and results of operations of the PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F and their compliance with the Proposition A and Proposition C Local Return Program Guidelines, Measure R Local Return Program Guidelines, Measure M Local Return Program Guidelines, the Los Angeles County Metropolitan Transportation Authority Funding and Allocation Guidelines for Transportation Development Act (TDA) Article 3 Bicycle and Pedestrian Funds, and the Los Angeles County Metropolitan Transportation Authority Guidelines to the Administration of TDA Article 8.

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 – TDA ARTICLE 3 COMPLIANCE REQUIREMENTS

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

NOTE 7 – TDA ARTICLE 8 COMPLIANCE REQUIREMENTS

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

NOTE 8 – CASH AND INVESTMENTS

The PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F's cash and investment balances were pooled with various other 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 9 – TRANSFER-IN FROM TRANSIT FACILITIES FEE FUND AND FACILITIES FUND - PALRF

The Transit Facilities Fee Fund and the Facilities Fund transferred to PALRF in the amount of $101,144 and $693,220 for the fiscal year ended June 30, 2024, to reimburse a portion of expenditures incurred under Project Code 251, Vista Canyon Metrolink Station (T33020), in fiscal years 2021 through 2024. No transfer-in was recorded for the fiscal year ended June 30, 2025.

NOTE 10 – TRANSFERS TO GAS TAX FUND – TRANSPORTATION DEVELOPMENT ACT FUND 8

During the fiscal years ended June 30, 2025 and 2024, TDA Article 8 Fund transferred $611,582 and $19,344 respectively to Gas Tax Fund to fund local streets, highways and roads improvements and maintenance costs.

NOTE 11 – TRANSPORTATION DEVELOPMENT ACT FUND REVENUE ALLOCATION

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

TDA Article 3 Fund

	2025	2024
FY 2021-22 allocation	$ -	$ 72,290
FY 2022-23 allocation	70,228	208,585
FY 2023-24 allocation	161,697	140,241
FY 2024-25 allocation	-	-
Less: funds returned to Metro	(19,308)	(210,469)
Total payments requested	$ 212,617	$ 210,647

TDA Article 8 Fund

	2025	2024
FY 2020-21 allocation	$ 624,158	$ 2,292,114
FY 2021-22 allocation	9,573,328	-
FY 2022-23 allocation	12,291,694	-
FY 2023-24 allocation	2,546,452	-
FY 2024-25 allocation	-	-
Less: funds returned to Metro	(12,671,340)	-
Total payments requested	$ 12,364,292	$ 2,292,114

NOTE 12 – TRANSPORTATION DEVELOPMENT ACT FUNDS RESERVED

In accordance with state guidelines, funds not spent during the fiscal year have been placed on reserve in the Local Transportation Fund (LTF) account with the County Auditor-Controller to be drawn down whenever the funds become eligible for a specific project and an approved drawdown request is received by Metro. As of June 30, 2025, and 2024, the City has funds on reserve as follows:

TDA Article 3 Fund

	2025	2024
FY 2022-23 allocation	$ -	$ 70,228
FY 2023-24 allocation	125,333	267,722
FY 2024-25 allocation	236,852	-
Available reserve balance	$ 362,185	$ 337,950

For fiscal year 2024-25, any TDA Article 3 funds left on reserve for FY 2020-21 or prior, are subject to lapse if not by claimed by the City by June 30, 2025. There were no funds lapsed in FY 2024-25.

TDA Article 8 Fund

	2025	2024
FY 2020-21 allocation	$ -	$ 624,158
FY 2021-22 allocation	-	9,573,328
FY 2022-23 allocation	10,124,888	12,291,694
FY 2023-24 allocation	15,770,031	15,770,031
FY 2024-25 allocation	13,956,331	-
Available reserve balance	$ 39,851,250	$ 38,259,211

For fiscal year 2024-25, any TDA Article 8 funds left on reserve for FY 2020-21 or prior, are subject to lapse if not by claimed by the City by June 30, 2025. There were no funds lapsed in FY 2024-25.

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 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 Santa Clarita, 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, the Transportation Development Act Article 3 Fund, and the Transportation Development Act Article 8 Fund (collectively, the Funds) of the City of San Clarita, 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 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 Internal Control and on Internal Control over Compliance Required by the Guidelines

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

Report on Compliance

Opinion

We have audited the City of San Clarita, 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 Bicycle and Pedestrian Funds, and the Los Angeles County Metropolitan Transportation Authority Guidelines to the Administration of Transportation Development Act Article 8 (collectively, the Guidelines) for the year ended June 30, 2025.

In our opinion, the City of San Clarita, 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, statues, 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, Transportation Development Act Article 3 Fund Program, and Transportation Development Act Article 8 Fund 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 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

CITY OF SANTA CLARITA
COMPLIANCE MATRIX
Year Ended June 30, 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	There were no administrative expenses in FY 2024/25.
6.	Expenditures that exceeded 25% of approved project budget have approved amended Project Description Form (Form A) or electronic equivalent.			X	None	There were no expenditures that exceeded 25% of approved project budget
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 fund exchanges in FY 2024/25.

	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 and elements.			X	None	There were no Intelligent Transportation Systems projects or elements in FY 2024/25.
13.	A separate account was established for Capital reserve funds, Capital reserve was approved by Metro and current status is reported in the Annual Project Update (Form B) or electronic equivalent.			X	None	There were no capital reserve funds or capital reserve in FY 2024/25.
14.	Recreational transit form was submitted on time.			X	None	There were no recreational transit projects 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.	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 SANTA CLARITA
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 expenses 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 were no reimbursable expenditures 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 fund exchanges in FY 2024/25.
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	There were no capital reserve funds or capital reserve 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 was no recreational transit 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	

	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 expenses in FY 2024/25.
8.	Expenditure Plan (Form M-One or electronic equivalent) was submitted on time.	X			None	
9.	Annual 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 were no reimbursable expenditures 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 fund exchanges in FY 2024/25.
12.	A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X	None	There were no capital reserve funds or capital reserve 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 was no recreational transit 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	

	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	
E. Transportation Development Act Article 8 Fund						
1.	Timely use of funds.	X			None	
2.	Expenditures were incurred for activities relating to transit, paratransit and local streets and roads.	X			None	

No findings were noted.

EXIT CONFERENCE

CITY OF SANTA CLARITA
PROPOSITION A, PROPOSITION C, MEASURE R, MEASURE M LOCAL RETURN FUNDS, TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND, AND TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND
EXIT CONFERENCE
June 30, 2025

An exit conference was held on December 16, 2025 with the City of Santa Clarita. Those in attendance were:

Simpson & Simpson Representative:

Junxian Ma, Senior Auditor

City's Representative:

Puujee Wrinkle, Financial Analyst

Matters Discussed:

Results of the audit disclosed no significant control deficiencies and no 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:

Puujee Wrinkle, Financial Analyst

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

RE: CITY OF SANTA CLARITA ANNUAL FINANCIAL REPORT OF THE PROPOSITION A LOCAL RETURN FUND, PROPOSITION C LOCAL RETURN FUND, MEASURE R LOCAL RETURN FUND, MEASURE M LOCAL RETURN FUND, TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND AND TRANSPORTATION DEVELOPMENT ACT ARTICLE 8 FUND FOR THE FISCAL YEARS ENDED JUNE 30, 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, Transportation Development Act Article 3 Fund and Transportation Development Act Article 8 Fund for the fiscal years ended June 30, 2025 and 2024 for the City of Santa Clarita and agree with the contents of the report except as indicated below:

(Attach additional pages if necessary)

Very truly yours,

____
Name

____
Title

____
Date