



MetroTM

**County of Los Angeles
Annual Financial Report of its**

**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**

**As of and for the Year Ended June 30, 2021
with Independent Auditor's Report**

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FINANCIAL SECTION

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Proposition A Local Return Fund, 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 County of Los Angeles, California (the County) which comprise the Funds' balance sheets as of June 30, 2021, the related statements of revenues, expenditures and changes in fund balances for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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



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

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

Opinions

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

Emphasis of Matter

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

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 basic financial statements.

The supplementary information identified in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Funds' basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the Funds' basic 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' basic financial statements or to the Funds' basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to each of the Funds' basic 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 6, 2021 on our consideration of the County'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 County'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 County's internal control over the Funds' financial reporting and compliance.

A handwritten signature in black ink that reads "Vasquez & Company LLP". The signature is written in a cursive style.

**Glendale, California
December 6, 2021**

County of Los Angeles
Proposition A Local Return Fund
Balance Sheet
June 30, 2021

ASSETS

Cash and investments	\$	34,726,450
Interest receivable		34,011
Due from Metro		1,963,178
Due from other funds (Note 9)		468,159
Advances to Internal Service Fund (Note 10)		151,200
	Total assets \$	<u><u>37,342,998</u></u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND
FUND BALANCE**

Liabilities

Accounts payable	\$	3,360,265
Due to other funds (Note 9)		520,766
	Total liabilities	<u><u>3,881,031</u></u>

Deferred inflows of resources

Unavailable revenue (Note 11)		143,153
	Total deferred inflows of resources	<u><u>143,153</u></u>

Fund balance

Restricted		33,318,814
	Total fund balance	<u><u>33,318,814</u></u>
	Total liabilities, deferred inflows of resources and fund balance \$	<u><u>37,342,998</u></u>

See notes to Funds financial statements.

County of Los Angeles
Proposition A Local Return Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2021

Revenues

Proposition A	\$	21,062,900
Proposition A Discretionary Incentive Program Grant (Note 12)		793,230
Interest income		177,813
Reimbursements from Metro (Note 13)		293,507
Service reimbursements (Note 14)		229,708
Other government grants (Note 15)		945,580
Miscellaneous (Note 16)		<u>224,546</u>
Total revenues		<u><u>23,727,284</u></u>

Expenditures

Various projects		<u>21,186,352</u>
Total expenditures		<u><u>21,186,352</u></u>
 Excess of revenues over expenditures		 2,540,932
 Fund balance at beginning of year		 <u>30,777,882</u>
 Fund balance at end of year	\$	 <u><u>33,318,814</u></u>

See notes to Funds financial statements.

**County of Los Angeles
Proposition A Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021**

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
105	Antelope Valley Bus Service	\$ 1,000,000	\$ 416,380	\$ 583,620
105	Antelope Valley Commuter	600,000	414,565	185,435
105	Athens Shuttle	300,000	274,547	25,453
105	Baldwin Hills Parklands Shuttle Service	150,000	151,736	(1,736)
105	Bassett/Avocado Heights Flex Route Shuttle Service	300,000	327,699	(27,699)
105	Boyle Heights/East Los Angeles DASH Shuttle	460,000	360,949	99,051
105	Children's Court Shuttle	370,000	328,172	41,828
105	East Los Angeles Fixed Route Shuttle	2,000,000	2,173,093	(173,093)
105	East Valinda Shuttle	300,000	364,696	(64,696)
105	Florence-Firestone/Walnut Park Youth Program	500,000	679,947	(179,947) *
105	Hacienda Heights/ Rowland Height Shuttle Service	600,000	537,194	62,806
105	Lennox Shuttle	300,000	313,912	(13,912)
105	Los Angeles County - USC Medical Center Shuttle Service	350,000	8,149	341,851
105	Los Nietos Community Shuttle Service	150,000	-	150,000
105	Marina del Rey Shuttle Pilot Program	150,000	2,682	147,318
105	Palos Verdes Peninsula Shuttle	450,000	400,500	49,500
105	Pasadena-Altadena Pilot Shuttle	150,000	-	150,000
105	Rancho Los Amigos	500,000	286,920	213,080
105	Rose Parade Shuttle Service	50,000	-	50,000
105	Santa Clarita Valley Local Bus	2,000,000	1,472,620	527,380
105	SCV La Commuter	1,000,000	492,368	507,632
105	South Bay Commuter	40,000	-	40,000
105	Topanga Canyon Beach Shuttle Service	600,000	119,617	480,383
105	Unincorporated South Whittier Area Shuttle Service	1,300,000	1,465,771	(165,771)
105	Willowbrook Shuttle Service	1,500,000	858,133	641,867
105	Acton/Agua Dulce/Gorman Shuttle Pilot Program	150,000	56,625	93,375
106	Elderly And Disabled Paratransit	4,449,000	2,289,556	2,159,444
106	Florence-Firestone/Walnut Park Shuttle	30,000	-	30,000
106	Mid-San Gabriel Paratransit	350,000	79,562	270,438
106	Santa Clarita Valley General Public	60,000	25,398	34,602
107	Agoura Area Dial-A-Ride (DAR)	90,000	31,006	58,994
107	Santa Clarita Valley Elderly and Disabled DAR	375,000	136,045	238,955
135	Bus Fare Media Purchase	60,000	-	60,000
135	Bus Pass Subsidy	1,500,000	903,273	596,727
150	Park-and-Ride Lot Maintenance/Security	500,000	489,820	10,180
155	Hollywood Bowl P/R Shuttle	4,000,000	14,692	3,985,308
155	John Anson Ford Amphitheater Shuttle	200,000	1,380	198,620
155	Special Event Transportation	2,000,000	400,462	1,599,538
155	Summer Beach Bus Program	500,000	28,106	471,894
160	Metro Blue Line Liability Sharing	200,000	-	200,000
170	Park and Ride Lot Security	500,000	419,053	80,947

See independent auditor's report.

County of Los Angeles
Proposition A Local Return Fund
Supplementary Information

Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year ended June 30, 2021

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
205	Bus Stop Amenities and Improvement Program	\$ 5,000,000	\$ 1,885,555	\$ 3,114,445
205	Installation of Rapid Bus Shelters In Unincorporated Area Of L.A. County	1,500,000	-	1,500,000
210	Dial-A-Ride: Purchase Vehicles	650,000	-	650,000
210	Vehicle Purchase: Athens, Lennox and LA County/ USC Medical	1,800,000	-	1,800,000
220	CSULA Metrolink Operations	100,000	71,612	28,388
220	Fairview Heights Transit Plaza	2,000,000	-	2,000,000
220	Vermont and Manchester Transit Plaza	18,000,000	317,416	17,682,584
251	High Desert Corridor Project	1,500,000	1,500,000	-
470	North County Transportation Coalition JPA	100,000	59,000	41,000
520	Los Angeles County Transit Web Site	100,000	-	100,000
520	Transit Services Smartphone Application	200,000	14,231	185,769
610	APTA Conference	5,000	-	5,000
610	Board of Supervisors Staff Support	1,000,000	312,411	687,589
610	Los Angeles County Unincorporated Area Unmet Transit Needs Studies	1,500,000	-	1,500,000
610	Metro Rail Promotion	25,000	-	25,000
610	Proposition A Project Planning	1,200,000	701,499	498,501
610	Rail-Volution Conference	50,000	-	50,000
610	Transit Services Financial Data Review	150,000	-	150,000
Total expenditures		\$ 64,964,000	\$ 21,186,352	\$ 43,777,648

* See Compliance Matrix and Schedule of Findings and Questioned Costs.

See independent auditor's report.

**County of Los Angeles
Proposition A Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021**

Date Acquired	Description	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
2004	Bus Shuttle 2004 Model EZ Rider	\$ 532,394	\$ -	\$ -	\$ 532,394
2005	Van Chev 3400/05 with Lift 8 Pass	34,748	-	-	34,748
2006	Bus Pass Eldorado National	532,404	-	-	532,404
2007	Bus Chev/07 C5500/ Eldorado Aero Elite (L-310)	105,350	-	-	105,350
2008	Bus Transit/08 Chev C5500 Eldorado (L-311)	129,982	-	-	129,982
2008	Bus Chev/08 C4500/ Eldorado (L-312 & L-313)	249,442	-	-	249,442
2011	Bus Transit 2010 GM/Glaval Titan Type II Handicapped	380,665	-	-	380,665
2011	Bus Eldorado EZ Rider	155,377	-	-	155,377
2012	Shelter 2011/Parking Booth Company AS810-1SW	15,073	-	-	15,073
2012	Shelter 2011/Parking Booth Company AS810-1SW	15,073	-	-	15,073
2013	Bus Transit 2013 Eldorado Axes 35 CNG (L-315)	447,213	-	-	447,213
2013	Bus Transit 2013 Eldorado Axes 35 CNG (L-314)	447,213	-	-	447,213
2015	Bus 2015/Eldorado Axes 35 CNG Sunshine Shuttle (L-317)	474,193	-	-	474,193
2015	Bus 2015/Eldorado Axes 35 CNG Sunshine Shuttle (L-316)	474,193	-	-	474,193
2015	Bus 2015/Ford F550 Eldorado Aero Elite 290 CNG (L-211)	159,947	-	-	159,947
2015	Bus 2015/Ford F550 Eldorado Aero Elite 290 CNG (L-213)	159,947	-	-	159,947
2015	Bus 2015/Ford F550 Eldorado Aero Elite 290 CNG (L-212)	159,947	-	-	159,947
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-318)	490,128	-	-	490,128
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-319)	490,128	-	-	490,128
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-320)	490,128	-	-	490,128
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-321)	490,128	-	-	490,128
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-322)	490,128	-	-	490,128
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-323)	490,128	-	-	490,128
2016	Bus Passenger 2016/Eldorado Axes 35 White CNG (L-324)	490,128	-	-	490,128
2017	Bus Passenger 2016/Eldorado Axes 35 CNG (L-326)	488,423	-	-	488,423
2017	Bus Passenger 2016/Eldorado Axes 35 CNG (L-325)	488,423	-	-	488,423
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-110)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-107)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-113)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-106)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-101)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-103)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-108)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-111)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-109)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-112)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-102)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-104)	50,579	-	-	50,579
2018	2016 Mobility Venture MV-1 Community Dial-A-Ride (L-105)	50,579	-	-	50,579
2019	Bus Passenger 2018 Eldorado Axes 35 CNG (L-328)	498,356	-	-	498,356
2019	Bus Passenger 2018 Eldorado Axes 35 CNG (L-327)	498,356	-	-	498,356
2020	2018 Braun Entervan Minivan Dial-A-Ride (L-123)	48,318	-	-	48,318
2020	2018 Braun Entervan Minivan Dial-A-Ride (L-124)	48,318	-	-	48,318
2020	2018 Braun Entervan Minivan Dial-A-Ride (L-125)	48,318	-	-	48,318
2020	2018 Braun Entervan Minivan Dial-A-Ride (L-126)	48,318	-	-	48,318
2020	2018 Braun Entervan Minivan Dial-A-Ride (L-127)	48,318	-	-	48,318
2020	2018 Glaval Universal Community Dial-A-Ride (L-215) CNG	101,625	-	-	101,625
2020	2018 Glaval Universal Community Dial-A-Ride (L-216) CNG	101,625	-	-	101,625
2020	2018 Glaval Universal Community Dial-A-Ride (L-217) CNG	101,625	-	-	101,625
Total \$		11,081,606	\$ -	\$ -	\$ 11,081,606

See independent auditor's report.

County of Los Angeles
Proposition C Local Return Fund
Balance Sheet
June 30, 2021

ASSETS

Cash and investments	\$	58,757,156
Interest receivable		56,387
Accounts receivable (Note 8)		7,401,209
Due from other funds (Note 9)		1,169,555
Advances to Internal Service Fund (Note 10)		585,200
	Total assets	\$ 67,969,507

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

Liabilities

Accounts payable	\$	166,827
Due to other funds (Note 9)		1,678,778
Other payables		49,000
	Total liabilities	1,894,605

Deferred inflows of resources

Unavailable revenue (Note 11)	4,426,906
	Total deferred inflows of resources
	4,426,906

Fund balance

Restricted	61,647,996
	Total fund balance
	61,647,996
Total liabilities, deferred inflows of resources and	
fund balance	\$ 67,969,507

See notes to Funds financial statements.

County of Los Angeles
Proposition C Local Return Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2021

Revenues

Proposition C	\$	17,470,921
Interest income		288,553
Reimbursements from Metro (Note 13)		5,883,885
Service reimbursements (Note 14)		3,791,198
Other government grants (Note 15)		841,066
	Total revenues	<u>28,275,623</u>

Expenditures

Expenditures funded by PCLRF		16,015,572
Expenditures funded by other government grants (Note 15)		931,133
	Total expenditures	<u>16,946,705</u>

Excess of revenues over expenditures		11,328,918
Fund balance at beginning of year		<u>50,319,078</u>
Fund balance at end of year	\$	<u><u>61,647,996</u></u>

See notes to Funds financial statements.

**County of Los Angeles
Proposition C Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year Ended June 30, 2021**

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
180	Gateway Cities Forum (400-008)	\$ 1,500,000	\$ 662,040	\$ 837,960
180	Los Angeles County Transit-Oriented District (TOD) Design Guidelines (270-17)	500,000	212,900	287,100
180	Transportation Planning (Grant Applications) (270-16)	250,000	36,196	213,804
270	City of Malibu Transit System Park-and-Ride/Shuttle Facility (ABO)(MAL)	10,000	-	10,000
303	County of Los Angeles KITS Operation and Monitoring (400-52)	500,000	269,782	230,218
303	East Los Angeles Traffic Signal Corridor Project - 2013 Call (F7308) (400-55)	700,000	62,175	637,825
303	Foothill Boulevard - Traffic Signal Corridor Project - 2013 Call (F7306) (400-53)	750,000	59,238	690,762
303	Gateway Cities Forum 2015 Traffic Signal Corridors Project - 2015 Call (F9304) (400-60)	2,100,000	103,001	1,996,999
303	Gateway Cities Forum Traffic Signal Corridors Project - 2007 Call (F1312) (400-34)	4,000,000	793,209	3,206,791
303	Gateway Cities Forum Traffic Signal Corridors Project, Phase VI - 2009 Call (F3309) (400-41)	3,300,000	822,911	2,477,089
303	Gateway Cities Forum Traffic Signals Corridor Project - 2013 Call (F7305) (400-57)	800,000	22,361	777,639
303	Information Exchange Network (EIN) Phase III - 2009 Call (F3311) (400-43)	1,000,000	14,201	985,799
303	North County Traffic Signal Communications Project - 2015 Call (F9305) (400-61)	600,000	3,788	596,212
303	Performance Measurement System (400-47)	500,000	28,743	471,257
303	Ramona Bl/Badillo St/Covina Bl TSSP/BSP - 2011 Call (F5310) (400-44)	2,000,000	258,346	1,741,654
303	San Gabriel Valley Forum 2015 Traffic Signal Corridors Project - 2015 Call (F9302) (400-58)	1,800,000	5,108	1,794,892
303	San Gabriel Valley Forum Traffic Signal Corridor Project - 2013 Call (F7307) (400-54)	950,000	72,738	877,262
303	San Gabriel Valley Forum Traffic Signal Corridors Project - 2007 Call (F1321) (400-35)	3,000,000	491,754	2,508,246
303	San Gabriel Valley Forum Traffic Signal Corridors Project - 2009 CFP (400-40)	4,000,000	1,814,687	2,185,313
303	San Gabriel Valley Traffic Signal Corridors Project 2011 CFP (F5315) (400-50)	1,000,000	121,896	878,104
303	Slauson Ave Corridor Improvements - Signals Project (400-32)	1,000,000	365,655	634,345
303	South Bay Arterial Performance Measurement Project - Metro ExpressLanes (400-45)	250,000	(52,253) ^a	302,253
303	South Bay Forum 2015 Traffic Signal Corridors Project - 2015 Call (F9303) (400-59)	100,000	50,266	49,734

See independent auditor's report.

**County of Los Angeles
Proposition C Local Return Fund
Supplementary Information**

**Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year Ended June 30, 2021**

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
303	South Bay Forum Traffic Signal Corridors Project - 2007 Call (F1311) (400-33)	\$ 500,000	\$ 65,434	\$ 434,566
303	South Bay Forum Traffic Signal Corridors Project - 2009 Call (F3310) (400-42)	3,500,000	802,623	2,697,377
303	South Bay Forum Traffic Signal Corridors Project - 2013 Call (F7310) (400-56)	300,000	79,367	220,633
303	South Bay Forum Traffic Signal Corridors Project - 2011 CFP (F5316) (400-51)	500,000	356,787	143,213
303	Whittier Blvd Transit Signal Priority Project - Metro ExpressLanes (400-46)	600,000	46,769	553,231
350	Agoura Hills and Westlake Village Intelligent Transportation System Project	50,000	-	50,000
350	El Segundo Area ITS (Operation and Maintenance) (400-39)	100,000	-	100,000
350	Project Coordination for ITS Projects (400-48)	500,000	50,011	449,989
350	Santa Clarita ITS (400-002)	50,000	-	50,000
350	South Bay Arterial ITS Congestion Relief Project (400-49)	800,000	376,646	423,354
380	Information Exchange Network (400-05)	500,000	286,314	213,686
380	Los Angeles County Traffic Management Center (400-010)	250,000	-	250,000
380	North County/Antelope Valley Traffic Forum Improvement Project (460-148)	100,000	3,746	96,254
380	South Bay Traffic Signal Forum (400-021)	100,000	-	100,000
380	Traffic Management Center Operations (400-30)	600,000	219,382	380,618
620	Traffic Signal Synchronization Program Training (480-001)	150,000	16,602	133,398
620	Proposition C Project Planning & Coordination (480-014)	2,500,000	1,167,108	1,332,892
620	Board of Supervisors Staff Support (480-015)	300,000	206,874	93,126
705	108th St - Denker Av/Normandie Av, et al. (440-151)	10,000	-	10,000
705	Carmenita Rd and Telegraph Rd Intersection Improvements (440-214)	1,500,000	50,239	1,449,761
705	Colima Road - City of Whittier Boundary to Fullerton Road (440-208)	13,000,000	133,013	12,866,987
705	East Los Angeles Community Roadway Improvement (440-201)	1,000,000	206,990	793,010
705	Firestone Boulevard - Central Ave/ Graham Ave et al. (440-163)	10,000	-	10,000
705	Foothill Bl - Rosemead Bl /Michillinda Av (440-135)	50,000	-	50,000
705	Heller Circle, et al. (440-188)	10,000	-	10,000
705	Huntington Dr - San Gabriel Bl/Michilinda Av (440-197)	5,000,000	113,786	4,886,214
705	Imperial Hwy-Carmenita Rd/Valley View Ave (440-112)	50,000	-	50,000
705	Leffingwell Rd - Telegraph Rd/La Mirada Bl (440-206)	50,000	-	50,000
705	Los Nietos Safe Routes to School - Phase I (440-210)	1,550,000	204,583	1,345,417
705	Los Nietos Safe Routes to School - Phase II (440-212)	1,600,000	105,314	1,494,686
705	Mulberry Dr and Painter Av Intersection Improvements (440-211)	5,000,000	10,075	4,989,925
705	New York Dr - Lake Ave to 120 Ft W/O Altadena Dr (440-199)	1,000,000	184,155	815,845

See independent auditor's report.

**County of Los Angeles
Proposition C Local Return Fund
Supplementary Information**

**Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year Ended June 30, 2021**

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
705	Norwalk Bl and Whittier Bl Intersection Improvements (440-215)	\$ 3,500,000	\$ 70,250	\$ 3,429,750
705	Norwalk Blvd, et al. (440-143)	3,335,000	204,004	3,130,996
705	Overhill Drive - La Brea Avenue to Slauson Avenue (440-209)	100,000	987	99,013
705	Pennsylvania Av - Markridge Rd/Montrose Av (440-205)	50,000	-	50,000
705	Rosemead Boulevard Complete Street Improvements Phase I (270-13)	1,000,000	109,993	890,007
705	Valley View Ave and Imperial Hwy Intersection Improvements (440-216)	2,000,000	101,523	1,898,477
705	Vermont Green Line Intersection Improvements Project (440-221)	2,100,000	96,486	2,003,514
705	Washington Bl, et. al. (formerly Valley View Av, et al.) (440-192)	5,500,000	13,736	5,486,264
705	Wilshire Bl, et al. (RDC0015533) (440-191)	3,800,000	53,159	3,746,841
705	Wilshire Boulevard Bus Rapid Transit - Easement (440-213)	10,000	-	10,000
705	Workman Mill Rd - Oakman Dr/Don Julian Rd (440-122)	100,000	-	100,000
780	Countywide Pavement Management System Program (470-002)	1,250,000	1,059,094	190,906
780	Pavement Management Field Evaluation Equipment (470-01)	50,000	-	50,000
780	Project Controls -Transportation	65,000	6,373	58,627
805	Altadena Dr and Washington Bl Bikeway Improvements (430-35)	10,000	-	10,000
805	Aviation/LAX Green Line Station Community Linkages (430-52)	1,000,000	-	1,000,000
805	Bike Path Pavement Rehabilitation - Admiralty Way (430-40)	750,000	-	750,000
805	Budlong Ave - Manchester Av/El Segundo Bl SR2S (430-56)	10,000	-	10,000
805	Charter Oak Bikeway Access Improvements (430-39)	10,000	-	10,000
805	Cornell Rd Bike Lanes	5,000	-	5,000
805	County Bike Path Guidance Document (430-63)	150,000	-	150,000
805	Dockweiler RV Park Bicycle Path Bypass (430-41)	500,000	69,316	430,684
805	Dominquez Channel Greenway Northern Gap Closure - Bike Path (430-59)	300,000	-	300,000
805	East Pasadena and East San Gabriel Bikeway Access Improvements (430-55)	2,300,000	-	2,300,000
805	Eastside Light Rail/Bike Interface (430-19)	60,000	36,874	23,126
805	Eaton Wash Bike Path - Phase I (430-54)	2,000,000	500,157	1,499,843
805	El Pueblo Transit Hub Safety Improvements (430-24)	200,000	78,031	121,969
805	Emerald Necklace Bike Trail (430-20)	10,000	-	10,000
805	Firestone Blue Line Station Intersection and Bikeway Improvements (430-53)	3,000,000	103,598	2,896,402

See independent auditor's report.

County of Los Angeles
Proposition C Local Return Fund
Supplementary Information

Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year Ended June 30, 2021

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
805	Florence Metro Blue Line Station Bikeway Access Improvements (430-42)	\$ 10,000	\$ -	\$ 10,000
805	Hawthorne/Lennox Green Line Station Community Linkages (430-51)	1,000,000	-	1,000,000
805	Lake Av-Loma Alta Dr/Altadena Dr - Healthy Communities Class III Bike Route (430-58)	2,500	-	2,500
805	Los Angeles River Regional Bike Path (430-34)	13,500,000	589,983	12,910,017
805	Los Angeles River Valley Bikeway and Greenway Project (430-46)	25,000	-	25,000
805	Marvin Braude Bike Path - Venice Beach Signing/Striping (430-48)	2,500	-	2,500
805	Mureau Road Bikeway and Roadway Improvements (430-57)	500,000	-	500,000
805	Quarry Clasp/Peck Park Bike Trail (430-31)	10,000	-	10,000
805	San Gabriel River Bike Trail under I-10 Freeway (430-47)	10,000	(1,505) ^b	11,505
805	San Jose Creek Bike Trail, Phase 2A (430-65)	2,500	-	2,500
805	South Whittier Community Bikeway Access Improvements (430-61)	4,000,000	451,693	3,548,307
805	Susana Rd, et al. (430-44)	10,000	-	10,000
805	U.S. 101/Palo Comado Canyon Rd Interchange Improvements - City of Agoura Hills (430-60)	10,000	-	10,000
805	Vermont Avenue-Manchester Ave/ El Segundo Bl (Bike Lane) (430-43)	10,000	-	10,000
805	Vermont Ave-Manchester Ave/ El Segundo Bl (Bike Lane)(430-43)	25,000	13,077	11,923
805	Via Marina Bike Facilities (FA2021)	60,000	1,851	58,149
805	Vincent Community Bikeways (430-49)	4,700,000	489,654	4,210,346
805	West Carson Community Bikeways (430-50)	700,000	154,396	545,604
805	West Rancho Dominguez Bikeway Access Improvements (430-38)	10,000	-	10,000
805	Westmont Community Bikeway Access Improvements (430-62)	500,000	179,011	320,989
805	Willowbrook Bikeway Improvement (RDC0015556) (430-25)	200,000	6,819	193,181
810	Hollywood/Highland Red Line Station Wayfinding Signage (360-13)	10,000	-	10,000
810	Metro Green Line Vermont Station Wayfinding Signage (360-12)	800,000	613,097	186,903
810	Slauson, Florence and Firestone Blue Line Station Wayfinding Signage Improvements (360-14)	300,000	33,979	266,021
815	Operation Firefly/Operacion Luciernaga Sponsorship	25,000	5,000	20,000
815	SRTS Cycle 3 Bikeway Safety Education Program	200,000	2,330	197,670
850	Bike Aid Stations (430-64)	5,000,000	4,325	4,995,675
880	County of Los Angeles Bicycle Master Plan Update (430-67)	250,000	9,945	240,055
880	Feasibility Study of Class IV Bikeways (430-66)	100,000	53,776	46,224
880	Walnut Park Demonstration Project (270-14)	2,500	-	2,500
Total expenditures		\$ 136,980,000	\$ 16,015,572	\$ 120,964,428

^a The negative expenditure of \$52,253 was due to a transfer from Project 400-49, South Bay Arterial ITS Congestion Relief Project for project expenditures inadvertently claimed under this project in FY 2020.

^b The negative expenditures of \$1,505 was due to reversal of prior year accrual that was more than the actual expense incurred.

See independent auditor's report.

County of Los Angeles
Proposition C Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year Ended June 30, 2021

Date Acquired	Description	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
2004	Video Wall Screen	\$ 469,773	\$ -	\$ -	\$ 469,773
2005	Plotter HP Design Jet 815	19,070	-	-	19,070
2005	Dell PowerEdge Server 1850	20,796	-	5,661	15,135
2009	Cisco 3845 Router	18,647	-	-	18,647
2009	Network Firewall Cisco ASA 5520	7,709	-	-	7,709
2009	Video Wall Screen For Traffic Management Center	15,112	-	-	15,112
2010	Cisco Catalyst 4948-10GE	13,778	-	-	13,778
2010	Cisco Catalyst 4948-10GE	13,778	-	-	13,778
2012	Plotter HP Design Jet T 1200 HD MFP	16,596	-	-	16,596
2012	Server HP BLC7000 CTO3	7,768	-	-	7,768
2014	Server HP BLC7000 CTO3	14,828	-	-	14,828
2014	Firewall Palo Alto Networks PA-500	16,525	-	-	16,525
2015	Server HP BLC7000 CTO3	3,222	-	-	3,222
2017	Server HP BL460c	10,680	-	-	10,680
2017	Server HP BL460c	10,680	-	-	10,680
2018	Catalyst Cisco One 3850 48 Port	13,620	-	-	13,620
2018	Catalyst Cisco One 3850 48 Port	13,620	-	-	13,620
2018	Router Cisco One ISR4451-X	20,179	-	-	20,179
2018	Server HP Proliant BL460C (6)/HP MSA2 450GB (22)	15,468	-	-	15,468
2018	Server HP BLC7000 CTO3	15,468	-	-	15,468
2018	Cisco Firepower 2110 Master Bundle	11,013	-	-	11,013
Total		\$ 748,330	\$ -	\$ 5,661	\$ 742,669

See independent auditor's report.

County of Los Angeles
Measure R Local Return Fund
Balance Sheet
June 30, 2021

ASSETS

Cash and investments	\$	46,494,606
Interest receivable		45,302
Accounts receivable (Note 8)		1,750,419
Due from other funds (Note 9)		1,204,470
Advances to Internal Service Fund (Note 10)		360,300
		360,300
Total assets	\$	<u>49,855,097</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND
FUND BALANCE**

Liabilities

Accounts payable	\$	72,452
Due to other funds (Note 9)		1,146,054
		1,146,054
Total liabilities		<u>1,218,506</u>

Deferred inflows of resources

Unavailable revenue (Note 11)		1,740
		1,740
Total deferred inflows of resources		<u>1,740</u>

Fund balance

Restricted		48,634,851
		48,634,851
Total fund balance		<u>48,634,851</u>
Total liabilities, deferred inflows of resources and fund balance	\$	<u>49,855,097</u>

See notes to Funds financial statements.

County of Los Angeles
Measure R Local Return Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2021

Revenues

Measure R	\$	13,121,350
Interest income		240,570
Reimbursements from Metro (Note 13)		50,352
Service reimbursements (Note 14)		15,555
Other government grants (Note 15)		4,623,890
Other revenues - insurance proceeds		16,725
	Total revenues	<u>18,068,442</u>

Expenditures

Various projects		14,298,266
	Total expenditures	<u>14,298,266</u>

Excess of revenues over expenditures		3,770,176
Fund balance at beginning of year		<u>44,864,675</u>
Fund balance at end of year	\$	<u><u>48,634,851</u></u>

See notes to Funds financial statements.

**County of Los Angeles
Measure R Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021**

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
108	Expansion of Service in North County	\$ 10,000	\$ -	\$ 10,000
180	Transportation Planning	100,000	43,961	56,039
302	6th Street - Traffic Signal and Pedestrian Crossing (ABO)(LAX)	75,000	-	75,000
470	Arroyo Verdugo Communities Joint Powers Authority (AVCJPA)	25,000	3,248	21,752
470	East San Gabriel Valley Active Transportation Plan	10,000	-	10,000
630	Project Administration	1,500,000	1,793,639	(293,639)
705	Allen Av, et al.	50,000	-	50,000
705	Avenue G over SR 14 Fwy	750,000	-	750,000
705	Avenue N over SR 14 Fwy	750,000	74,584	675,416
705	Compton Bl, et al. - East Rancho Dominguez	100,000	1,643	98,357
705	Firestone Bl - Central Ave to Graham, Et Al.	10,000	-	10,000
705	Hazard Av, et al.	200,000	171,835	28,165
705	Mulholland Hwy (var loc) Shoulder Paving Off-Sys (2019FEBSTM1)	600,000	-	600,000
705	Mulholland Hwy Various Locations Shoulder Paving On-Sys (2019FEBSTM1)	500,000	-	500,000
705	Newton Cyn Rd (Var Loc) Shoulder Repair Off-Sys (2019FEBSTM1)	250,000	-	250,000
705	Old Topanga Cyn Rd-2,723' S/o Valdez Rd/ Topanga Cyn Bl	50,000	7,521	42,479
705	Santa Fe Av-Artesia Bl to Del Amo Bl	500,000	15,407	484,593
705	Vasquez Canyon Rd 1.04 mile E/o Bouquet Canyon Rd-Ph II	50,000	4,809	45,191
705	Victoria Golf Course Roadway Improvements	1,250,000	-	1,250,000
705	Wilmington Av - 200' S/o Victoria St to Del Amo Bl	50,000	-	50,000
705	Washington Bl, et at	100,000	174,521	(74,521)
705	Countywide Pavement Management System Program	50,000	-	50,000
705	Mulholland Hwy @ MM 3.22 Wingwall Repair Off-Sys (2019FEBSTM1)	800,000	25,820	774,180
710	Fullerton Rd Corridor Improvement (formerly Fullerton Rd-Valley Bl/Pathfinder)	25,000	270	24,730
710	Metro I-710 Corridor Project	10,000	-	10,000
710	The Old Rd over Santa Clara River & SPT CO. Bridge, et al.	500,000	237,678	262,322
710	The Old Road - Lake Hughes Rd to Hillcrest Pkwy	100,000	-	100,000
715	Florence Avenue Corridor Improvement	10,000	4,714	5,286
715	Malibu Canyon Road Improvements (at 2 Intersections)	425,000	59,133	365,867
720	Cesar E Chavez/Lorena/Indiana - Intersection Improvements	1,000,000	-	1,000,000
720	Kanan Dume Rd Guardrail Replacement On-Sys (2018WOOLSEYFIRE)	50,000	-	50,000
720	Kanan Rd Guardrail Replacement On-System (2018WOOLSEYFIRE)	50,000	-	50,000
720	Michillinda Av Intersection Improvement	300,000	181,070	118,930

See independent auditor's report.

County of Los Angeles
Measure R Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year ended June 30, 2021

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
720	Mulholland Hwy, et al., Guardrail Replacement On-Sys (2018WOOLSEYFIRE)	\$ 50,000	\$ -	\$ 50,000
720	Slauson Blue Line Station Intersection Improvements	500,000	323,146	176,854
720	Willowbrook Streetscape Improvement Project	500,000	262,587	237,413
720	Transportation Planning (Grant Applications)	250,000	60,410	189,590
720	Vehicle-Miles-Traveled-Based Transportation Impacts Guidelines	100,000	115,771	(15,771)
730	Ballentine Place, et al.	10,000	-	10,000
730	Amar Rd - Vineland Av/Unruh Av	10,000	-	10,000
730	Florence Neighborhood Mobility (AHSC)	500,000	452,160	47,840
730	Latigo Cyn Rd @ 300' S/o MM1.76 Slope Repair Off-Sys (2019FEBSTM1)	500,000	3,313	496,687
730	Mureau Road at Mountain View Dr Landscaped Median Retrofit	10,000	-	10,000
730	Parklets East Los Angeles	100,000	910	99,090
730	Whittier BI Enhanced Maintenance	20,000	-	20,000
730	Willowbrook 2 Project (AHSC)	500,000	577,865	(77,865)
730	Willowbrook Green Alley Project	10,000	-	10,000
730	Wilshire BI, et al.	300,000	3,158	296,842
730	Workman Mill Rd Landscaping	1,500,000	1,095,579	404,421
730	Workman Mill Road from Oakman Drive to Valley Boulevard	50,000	-	50,000
730	Atlantic BI/Av Corridor Complete Street Evaluation and Master Plan	10,000	7,867	2,133
780	Project Controls - Transportation	65,000	6,373	58,627
780	Randolph Corridor Improvement	2,000	568	1,432
805	30th Street West Bikeway	25,000	-	25,000
805	Atwater Landing Project	250,000	-	250,000
805	Calvary Cemetery Pedestrian Path	300,000	112,800	187,200
805	Los Nietos Safe Routes to School - Phase 2	200,000	26,016	173,984
805	Marvin Braude Beach Trail Gap Closure	2,000,000	302,118	1,697,882
805	Puente Creek Bikeway	500,000	322,461	177,539
805	Rosemead Boulevard Interim Complete Streets	1,000,000	36,463	963,537
805	Temple Av Complete Street Improvements	50,000	-	50,000
805	West Athens 110th St Bicycle Boulevard Gap Closure	25,000	-	25,000
805	E-Scooter/Bike Pilot Program	250,000	953	249,047
805	Malibu Cyn Rd over Malibu Creek (53C0620) - Pedestrian Walkway	375,000	35,179	339,821
805	Marvin Braude/Ballona Creek Bike Trail	20,000	-	20,000
810	Metro Station Linkages Signage Design	10,000	-	10,000
820	103rd Street Improvement (Watts Streetscape Enhancements)	10,000	-	10,000

See independent auditor's report.

County of Los Angeles
Measure R Local Return Fund
Supplementary Information

Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year ended June 30, 2021

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
820	East Los Angeles Landscape Improvements	\$ 10,000	\$ -	\$ 10,000
820	Vermont Av and 119th St Pedestrian Improvement	100,000	210,473	(110,473)
820	Vermont Avenue Streetscape Improvements	300,000	32,461	267,539
990	Latigo Canyon Rd, et al., Guardrail Replacement Off-Sys (2018WOOLSEYFIRE)	50,000	2,112	47,888
990	Chesebro Rd over Chesebro Cyn Crk Br 854 On-Sys (2018WOOLSEYFIRE)	100,000	55,571	44,429
990	Decker School Rd @ MM 1.04 Slope Repair Off-Sys (2019FEBSTM1)	1,300,000	166,698	1,133,302
990	Encinal Cyn Rd @ MM 5.15, et al., Slope Repair Off-Sys (2019FEBSTM1)	100,000	5,341	94,659
990	Hacienda Bl at Glenmark Dr Road Closure -Traffic Control	10,000	-	10,000
990	Kanan Rd at MM 5.63 Slope Repair On-Sys (2019FEBSTM1)	500,000	-	500,000
990	Latigo Cyn Rd (Var Loc) Slope Repair Off-Sys (2019FEBSTM1)	1,300,000	48,614	1,251,386
990	Little Sycamore Cyn Rd @ MM 0.80 Slope Repair Off-Sys (2019FEBSTM1)	200,000	23,148	176,852
990	Magic Johnson Park Improvement (ABO) (CDC)	250,000	341,862	(91,862)
990	Mulholland Hwy (various locations) Slope Repair Off-Sys (2019JANSTM)	400,000	313,295	86,705
990	Mulholland Hwy @ 300' N/o MM 14.74 Retaining Wall On-Sys (2019FEBSTM1)	1,000,000	36,454	963,546
990	Mulholland Hwy @ 300' S/o MM 3.71 Tieback Wall Off-Sys (2019FEBSTM1)	2,000,000	222,932	1,777,068
990	Mulholland Hwy @ MM 0.85 Rip Rap, Grading, Culvert and & Overshot Off-Sys (2019FEBSTM1)	100,000	37,657	62,343
990	Mulholland Hwy @ MM 1.58, et al., Rip Rap/Slope Repair Off-Sys (2019FEBSTM1)	800,000	113,506	686,494
990	Mulholland Hwy @ MM 14.51 Slope Repair On-Sys (2019FEBSTM1)	10,000	-	10,000
990	Mulholland Hwy @ MM 15.14 Slope Repair On-Sys (2019FEBSTM1)	200,000	-	200,000
990	Mulholland Hwy @ MM 3.71 Rip Rap Off-Sys (2019FEBSTM1)	1,000,000	103,293	896,707
990	Mulholland Hwy @ MM 6.24 Rip Rap & Grading Off-Sys (2019FEBSTM1)	50,000	-	50,000

See independent auditor's report.

County of Los Angeles
Measure R Local Return Fund
Supplementary Information

Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year Ended June 30, 2021

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
990	Mulholland Hwy at MM 0.50 Slope Repair Off-Sys (2019FEBSTM1)	\$ 100,000	\$ 21,430	\$ 78,570
990	Mulholland Hwy at MM 1.32-Rip Rap, Grading and Overshot Off-Sys (2019FEBSTM1)	100,000	16,482	83,518
990	Mulholland Hwy at MM 14.74 & 14.71 Rip Rap, Grading and Drain Repair On-Sys (2019FEBSTM1)	1,400,000	127,490	1,272,510
990	Mulholland Hwy at MM 2.52 Rip Rap, Grading and Culvert Repl Off-Sys (2019FEBSTM1)	200,000	243,268	(43,268)
990	Mulholland Hwy at MM 2.84 Slope and Retaining Wall Repair Off-Sys (2019FEBSTM1)	1,500,000	522,088	977,912
990	Mulholland Hwy at MM14.00 Culvert Replacement (2019JANSTM)	10,000	-	10,000
990	Mulholland Hwy over Las Virgenes Crk Br 833 On-Sys (2018WOOLSEYFIRE)	800,000	461,029	338,971
990	Mulholland Hwy Over Triunfo Crk Bridge 1180 On-System (2018WOOLSEYFIRE)	8,000,000	3,998,935	4,001,065
990	Other Street Improvements Including ADA Throughout the County (Antelope Valley)	100,000	-	100,000
990	Other Street Improvements Including ADA Throughout the County (LA Basin)	100,000	-	100,000
990	RD 339 Yard Timber Retaining Wall Replacement Off-Sys (2018WOOLSEYFIRE)	500,000	580,253	(80,253)
990	Red Rock Rd @ MM 0.07 Culverts Replacement Off-Sys (2019FEBDSTM1)	200,000	-	200,000
990	Saddle Peak Rd @ MM3.07 Retaining Wall and GR Repair Off-Sys (2019JANSTM)	1,000,000	68,324	931,676
990	Santa Anita Cyn Rd @ 1mi N/o Arno Dr Slope Repair Off-Sys (2019FEBSTM1)	10,000	-	10,000
990	Veteran Park Utility Access Gate	5,000	-	5,000
Total expenditures		\$ 44,057,000	\$ 14,298,266	\$ 29,758,734

See independent auditor's report.

County of Los Angeles
Measure R Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year Ended June 30, 2021

<u>Date Acquired</u>	<u>Description</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
N/A	None	\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

County of Los Angeles
Measure M Local Return Fund
Balance Sheet
June 30, 2021

ASSETS

Cash and investments	\$	38,775,434
Interest receivable		36,940
Accounts receivable (Note 8)		246,057
Due from other funds (Note 9)		215,593
		215,593
Total assets	\$	<u>39,274,024</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND
FUND BALANCE**

Liabilities

Accounts payable	\$	109,586
Due to other funds (Note 9)		300,187
		300,187
Total liabilities		<u>409,773</u>

Deferred inflows of resources

Unavailable revenue (Note 11)		21,153
		21,153
Total deferred inflows of resources		<u>21,153</u>

Fund balance

Restricted		38,843,098
		38,843,098
Total fund balance		<u>38,843,098</u>
Total liabilities, deferred inflows of resources and fund balance	\$	<u>39,274,024</u>

See notes to Funds financial statements.

County of Los Angeles
Measure M Local Return Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2021

Revenues

Measure M	\$	14,866,970
Interest income		186,959
Reimbursements from Metro (Note 13)		329,357
Service reimbursements (Note 14)		108,401
Other government grants (Note 15)		344,081
	Total revenues	<u>15,835,768</u>

Expenditures

Various projects		<u>8,497,120</u>
	Total expenditures	<u>8,497,120</u>

Excess of revenues over expenditures		7,338,648
Fund balance at beginning of year		<u>31,504,450</u>
Fund balance at end of year	\$	<u><u>38,843,098</u></u>

See notes to Funds financial statements.

**County of Los Angeles
Measure M Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year Ended June 30, 2021**

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
180	Transportation Planning	\$ 50,000	\$ 88,603	\$ (38,603)
180	Transportation Planning (Grant Application)	250,000	271,529	(21,529)
380	Interstate-710 North Mobility Hubs Plan	100,000	-	100,000
640	Measure M LR Administration	500,000	834,252	(334,252)
705	106th St E 4000' N/O MM 24.15 Pmt Rpr On-Sys (2019FEBSTM1)	500,000	-	500,000
705	7th Avenue Community Improvements	300,000	41,805	258,195
705	Avenida Del Canada, et al.	750,000	211,713	538,287
705	Avenue Q Dirt Rd Restoration Off-Sys (2019FEBSTM1)	100,000	-	100,000
705	Avenue T at Big Rock Wash, et al. Shoulder Rpr On-Sys (2019FEBSTM1)	500,000	-	500,000
705	Brea Canyon Cutoff Rd, et al.	500,000	360,518	139,482
705	Carmenita Rd and Imperial Hwy Intersection Improvements (MM5509.04)	400,000	12,037	387,963
705	East Los Angeles Monument Improvements	100,000	36,390	63,610
705	Lake Hughes Rd at 235' S/o MM 2.47 (2015 Oct Storm)	300,000	98,657	201,343
705	Las Tunas Dr at Orange Grove Av-Culvert Replacement	100,000	27,653	72,347
705	Little Tujunga Cyn Rd var Mile Markers-Repl Bdwall (2017CF)	1,000,000	414,585	585,415
705	Little Tujunga Rd at 500' S/o MM15.67-Slope Rpr On-Sys (2019JANSTM)	2,700,000	2,537	2,697,463
705	Little Tujunga Rd at MM 15.57-Slope Repr (2019JANSTM)	500,000	7,131	492,869
705	Santa Anita Cyn Rd @ 1mi N/o Arno Dr Slope Repr Off-Sys (2019FEBSTM1)	1,000,000	-	1,000,000
705	Soledad Cyn Rd over Santa Metro & SCRRA Tracks 53C-0555	200,000	-	200,000
705	South Whittier Los Nietos-Keith Dr, et al.	10,000	-	10,000
705	Vallecito Dr, et al.	2,175,000	1,675,787	499,213
705	Victoria Golf Course Roadway Improvements	4,000,000	-	4,000,000
710	Avenue M at SR14 Interchange Improvement (ABO)(LAN)	100,000	8,140	91,860
715	Via Marina	50,000	-	50,000
730	Amar Rd Complete Street Project	250,000	254,759	(4,759)
730	Imperial Highway Complete Street Study (ABO)(GCCOG)	30,000	-	30,000
730	Metro Gold Line Eastside Access Phase II	500,000	177,139	322,861
760	Whittier BI Monument Improvements	10,000	-	10,000
780	AHSC5-3rd St and Dangler Ave	75,000	-	75,000
780	Amar Road UUD (ABO)(SCE)	300,000	-	300,000
780	Project Controls-Transportation	65,000	6,373	58,627
805	Elizabeth Lake Rd Bikeways	450,000	67,190	382,810
805	Lake Los Angeles Pedestrian Plan Implementation Phase I	300,000	208,085	91,915
805	San Jose Creek Regional Access	1,000,000	337,434	662,566
815	East LA Active Transportation Education and Encouragement	750,000	45,351	704,649
815	Park to Playa Trail-Stoneview Nature Center	10,000	-	10,000
815	Sidewalk Vending Enforcement (Signage)	10,000	1,019	8,981

See independent auditor's report.

County of Los Angeles
Measure M Local Return Fund
Supplementary Information

Schedule of Expenditures – Actual and Metro Approved Project Budget (Continued)
Year Ended June 30, 2021

Project Code	Project Name	Metro Budget	Actual	Variance Positive (Negative)
820	East Los Angeles Wellness - Whittier Bl and Downey Rd	\$ 100,000	\$ 55,719	\$ 44,281
820	Westmont/West Athens Pedestrian Improvements (MM4601.04)	500,000	65,710	434,290
880	Foothill Bl Active Transportation Plan	100,000	28,511	71,489
990	Descanso Dr Street Improvements (ABO) (LCF)	375,000	500	374,500
990	Glendora Ridge Rd at Mt Baldy Rd-Culvert Rpr Off-Sys (2019FEBSTM2)	100,000	101,736	(1,736)
990	Harrison Elementary School Soundwall	1,000,000	860,968	139,032
990	Huntington Dr - San Gabriel Bl/132' W/o Michillinda Ave.	1,000,000	7,318	992,682
990	Lake Hughes Rd 370' S/o MM5.77 Board Wall - Rip-Rap On-System (2020 Lake Fire)	800,000	356	799,644
990	Lake Hughes Rd 450' S/o MM6.70 Board Wall - Rip-Rap On-System (2020 Lake Fire)	600,000	41,853	558,147
990	Lake Hughes Rd 760' N/o MM5.77 Board Wall - Rip-Rap On-System (2020 Lake Fire)	600,000	30,651	569,349
990	Lake Hughes Rd at Bridge #1519-Guardrail Replacement On-System (2020 Lake Fire)	110,000	-	110,000
990	Lake Hughes Rd at MM5.05 Board Wall - Rip-Rap On-System (2020 Lake Fire)	1,700,000	255,689	1,444,311
990	Lake Hughes Rd at MM5.27 Board Wall - Rip-Rap On-System (2020 Lake Fire)	1,100,000	-	1,100,000
990	Lake Hughes Rd at MM5.57 Board Wall - Rip-Rap On-System (2020 Lake Fire)	400,000	-	400,000
990	Lake Hughes Rd at MM6.43-Replace Guardrail On-System (2020 Lake Fire)	50,000	-	50,000
990	Lake Hughes Rd at MM6.79 Board Wall - Rip-Rap On-System (2020 Lake Fire)	400,000	-	400,000
990	Lake Hughes Rd at MM8.52 Board Wall - Rip-Rap On-System (2020 Lake Fire)	2,100,000	219,813	1,880,187
990	Pine Cyn Rd at Bridge #798-Guardrail Replacement On-System (2020 Lake Fire)	200,000	-	200,000
990	Puente Avenue Landscaping and Community Monument (formerly Bassett Median Landscaping and	700,000	146,708	553,292
990	San Francisquito Cyn Rd over San Francisquito Cyn Ck	400,000	481,937	(81,937)
990	Santa Anita Cyn Rd 300' N/o MM 2.95 Retaining Wall Off-System (2020 Bobcat Fire)	500,000	-	500,000
990	Santa Anita Cyn Rd/Chantry Flat Rd at MM2.95 GR Replacement and Slope Repair Off-System (2020 Bobcat)	2,500,000	-	2,500,000
990	Soledad Cyn Rd over Santa Clara River 53C-0488	350,000	1,010,964	(660,964)
Total expenditures		\$ 35,620,000	\$ 8,497,120	\$ 27,122,880

See independent auditor's report.

County of Los Angeles
Measure M Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021

<u>Date Acquired</u>	<u>Description</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
N/A	None	\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

See independent auditor's report.

County of Los Angeles
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Balance Sheet
June 30, 2021

ASSETS

Cash	\$	1,688,926
Interest receivable		1,259
Due from other funds (Note 9)		13,652
		13,652
Total assets	\$	1,703,837

LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable	\$	208
Due to other funds (Note 9)		83,598
		83,598
Total liabilities		83,806

Fund balance

Restricted		1,620,031
		1,620,031
Total fund balance		1,620,031
Total liabilities and fund balance	\$	1,703,837

See notes to Funds financial statements.

County of Los Angeles
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2021

Revenues

Intergovernmental Allocations:

Article 3	\$ 2,260,000
Interest income	<u>3,678</u>
Total revenues	<u><u>2,263,678</u></u>

Expenditures

Construction/Maintenance	<u>1,414,535</u>
Total expenditures	<u><u>1,414,535</u></u>

Excess of revenues over expenditures	849,143
Fund balance at beginning of year	<u>770,888</u>
Fund balance at end of year	<u><u>\$ 1,620,031</u></u>

See notes to Funds financial statements.

**County of Los Angeles
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Supplementary Information
Schedule of Transportation Development Act Allocation for Specific Projects
Year Ended June 30, 2021**

Project Description	Program Year	Totals to Date		Unexpended Allocations	Project Status
		Allocations	Expenditures		
Local Allocations:					
Bikeway Project Development - 1st District	2021	\$ 5,000	\$ -	5,000	On-going
Bikeway Project Development - 2nd District	2021	5,000	-	5,000	On-going
Bikeway Project Development - 3rd District	2021	5,000	-	5,000	On-going
Bikeway Project Development - 4th District	2021	5,000	26,307	(21,307)	On-going
Bikeway Project Development - 5th District	2021	5,000	10,558	(5,558)	On-going
Update Bicycle Master Plan	2021	1,000,000	111,875	888,125	On-going
O&M of Bike Path (Sweeping)	2021	592,000	638,950	(46,950)	On-going
O&M of Bike Path (Sign)	2021	33,000	-	33,000	On-going
O&M of Bike Path (Striping)	2021	20,000	71,196	(51,196)	On-going
Program Management & Coordination	2021	490,000	431,389	58,611	On-going
Bike Path Repairs	2021	80,000	124,260	(44,260)	On-going
Bike Path Rehabilitation	2021	20,000	-	20,000	On-going
Totals		\$ 2,260,000	\$ 1,414,535	845,465	
Interest income				3,678	
Fund balance at beginning of year				<u>770,888</u>	
Fund balance at end of year				<u>\$ 1,620,031</u> *	

* On June 16, 2021, Metro approved the County's request for an extension on the use of the remaining fund balance until June 30, 2022.

See independent auditor's report.

County of Los Angeles
Transportation Development Act Article 8 Fund
Pursuant to Public Utilities Code Section 99234
Balance Sheet
June 30, 2021

ASSETS

Cash		\$	-
	Total assets	\$	-

LIABILITIES AND FUND BALANCE

Liabilities			
Accounts payable		\$	-
	Total liabilities		-
Fund balance			
Restricted			-
	Total fund balance		-
	Total liabilities and fund balance	\$	-

See notes to Funds financial statements.

County of Los Angeles
Transportation Development Act Article 8 Fund
Pursuant to Public Utilities Code Section 99234
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2021

Revenues

Intergovernmental Allocations:

Article 8	\$	4,477,096
Interest income		1,871
Total revenues		4,478,967

Expenditures

Construction/Maintenance		4,478,967
Total expenditures		4,478,967

Excess of revenues over expenditures		-
Fund balance at beginning of year		-
Fund balance at end of year	\$	-

See notes to Funds financial statements.

**County of Los Angeles
Transportation Development Act Article 8 Fund
Pursuant to Public Utilities Code Section 99234
Supplementary Information
Schedule of Transportation Development Act Allocation for Specific Projects
Year Ended June 30, 2021**

Project Description	Program Year	Totals to Date		Unexpended Allocations	Project Status
		Allocations	Expenditures		
Local Allocations:					
Blow Snow (0.10 Mile)	2021	\$ 8,264	\$ 8,264	\$ -	On-going
Cut Vegetation - Hand Tools (CY)	2021	204,037	204,037	-	On-going
Cut Vegetation - Machine No Loading (PM)	2021	304,459	304,459	-	On-going
Cut Vegetation - Machine w>Loading (CY)	2021	57,710	57,710	-	On-going
Dirt Road Maintenance - Other	2021	10,599	10,599	-	On-going
Fencing and Safety Provisions - Other	2021	179,941	181,812	(1,871)	On-going
Grade Dirt Road (PM)	2021	90,300	90,300	-	On-going
Guardrail Repair (LF)	2021	262,950	262,950	-	On-going
Inspect Tree - Non-Contract (EA)	2021	333,251	333,251	-	On-going
Install / Replace Guide Marker (EA)	2021	52,000	52,000	-	On-going
Install Guardrail (LF)	2021	268,437	268,437	-	On-going
Litter and Debris Removal - Other	2021	199,985	199,985	-	On-going
Maintain Tree Well (EA)	2021	2,371	2,371	-	On-going
Parkway Tree Maintenance North LA Co. - Group A RMDJOC6658	2021	8,687	8,687	-	On-going
Parkway Tree Maintenance North LA Co. - RMDJOC6659	2021	329,406	329,406	-	On-going
Place and Compact Fill Material (CY)	2021	37,556	37,556	-	On-going
Plow Snow (PM)	2021	385,392	385,392	-	On-going
Remove Tree - Medium 13-24 Inch (EA)	2021	34,272	34,272	-	On-going
Remove Tree - Small 1-12 Inch (EA)	2021	14,368	14,368	-	On-going
Snow Removal - Other	2021	41,481	41,481	-	On-going
Spread Sand (PM)	2021	148,278	148,278	-	On-going
Street Sweeping - Other	2021	199,839	199,839	-	On-going
Stump Removal (EA)	2021	25,356	25,356	-	On-going
Sweep Curb and Gutter (Curb Mile)	2021	744,046	744,046	-	On-going
Sweep Intersection (Quadrant)	2021	14,572	14,572	-	On-going
Sweeping - Kick Broom (PM)	2021	46,441	46,441	-	On-going
Sweeping - Other (PM)	2021	163,038	163,038	-	On-going
Tree Emergency - Limb Down/Hanging (EA)	2021	13,110	13,110	-	On-going
Tree Emergency - Tree Down (EA)	2021	10,948	10,948	-	On-going
Tree Maintenance - Other	2021	59,885	59,885	-	On-going
Trim Tree (CY)	2021	6,463	6,463	-	On-going
Trim Tree (EA)	2021	95,628	95,628	-	On-going
Water Tree (EA)	2021	124,026	124,026	-	On-going
Totals		\$ 4,477,096	\$ 4,478,967	(1,871)	
Interest income				1,871	
Fund balance at beginning of year				-	
Fund balance at end of year				\$ -	

See independent auditor's report.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The operations of the Proposition A Local Return Fund (PALRF), the Proposition C Local Return Fund (PCLRF), the Measure R Local Return Fund (MRLRF), the Measure M Local Return Fund (MMLRF), the Transportation Development Act Article 3 Fund (TDAA3F) and the 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 the county-wide ½ cent Measure R 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 the county-wide ½ cent Measure M sales tax which is distributed to the jurisdictions within Los Angeles County based on a per capita basis and must be used exclusively for transportation purposes.

TDAA3F and TDAA8F are Special Revenue Funds that accounts for the County'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

The PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F are reported as Special Revenue Funds of the County and are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become "susceptible to accrual", that is, measurable and available to finance expenditures of the current period. Expenditures are recorded when the liability is incurred.

Special Revenue Funds are reported on a 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. Statements of revenues, expenditures and changes in fund balances for Special Revenue Funds generally present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Budgets and Budgetary Accounting

The budgeted amounts presented in this report for comparison to the actual amounts are based on budgets approved by Metro and 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 GASB Statement No. 72, *Fair Value Measurement and Application*, the County 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 County reports its investments at fair value and recognizes unrealized gain (loss) on investments.

Refer to the County's Annual Comprehensive Financial Report (ACFR) for detailed disclosures regarding the County's investments policy and fair value measurement disclosures.

Fund Balance Reporting

Governmental Accounting Standards Board (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 the resources reported in governmental funds.

The PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F report the following fund balance classification as of June 30, 2021:

- Restricted - Amounts that are constrained for specific purposes, which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation. The use of the Funds' remaining fund balances are restricted for projects approved by Metro.

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

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County recognizes deferred outflows and deferred inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

Deferred inflows of resources reported by the County represent resources that are not available for spending as of June 30, 2021.

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 do not purport to, and do not present fairly the County's financial position as of June 30, 2021, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

NOTE 3 PROPOSITION A AND PROPOSITION C LOCAL RETURN COMPLIANCE REQUIREMENTS

The Proposition A Ordinance requires that Local Return (LR) funds be used exclusively to benefit public transit. Expenditures related to fixed route and paratransit services, Transportation Demand Management, Transportation Systems Management and fare subsidy programs that exclusively benefit transit are all eligible uses of Proposition A LR funds. Proposition A LR funds may also be traded with other Jurisdictions in exchange for general or other funds.

The Proposition C Ordinance directs that LR funds also be used to benefit public transit, as described above, but provides an expanded list of eligible project expenditures including Congestion Management Programs, bikeways and bike lanes, street improvements supporting public transit service, and Pavement Management System projects. Proposition C LR funds cannot be traded.

LR funds must be expended within three years of the last day of the fiscal year in which funds were originally allocated.

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

The Measure R Ordinance specifies that LR funds be used exclusively for transportation purposes.

Measure R LR funds must be expended within five years of the first day of the fiscal year in which funds were originally allocated or received.

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

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Los Angeles County Traffic Improvement Plan Ordinance approved by the Metro Board of Directors on June 23, 2016. The Measure M Ordinance specifies that LR funds be used exclusively for transportation purposes.

Measure M LR funds must be expended within five years of the first day of the fiscal year in which funds were originally allocated or received.

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* and *99400(a)*, funds received pursuant to this Code's sections may only be used for activities relating to pedestrians and bicycle facilities, transit and paratransit program to fulfill unmet transit needs in areas outside the service area of Metro operations. See accompanying Compliance Matrix.

NOTE 7 CASH AND INVESTMENTS

The PALRF, PCLRF, MRLRF, MMLRF, TDAA3F and TDAA8F cash balances were pooled with various other County funds for deposit and investment purposes. The share of each fund in the pooled cash 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.

Please refer to the County's ACFR for a full description of risks relating to cash and investments.

NOTE 8 ACCOUNTS RECEIVABLE

The PALRF, PCLRF, and MRLRF accounts receivable balances represent monies to be paid to the County as of June 30, 2021 for works performed on various transit-related projects from other cities and agencies based on contractual or Joint Powers Authorities (JPA) agreements. The County receives monies at various stages of completion. As of June 30, 2021, the County has accounts receivables as follows:

<u>PCLRF</u>	Agencies	
Metro		\$ 5,897,042
California Department of Transportation		1,504,167
	Total	<u>\$ 7,401,209</u>

NOTE 8 ACCOUNTS RECEIVABLE (CONTINUED)

MRLRF

Agencies

Metro	\$	37,930
California Department of Transportation		1,327,303
CEO, Department of Housing and Community Development		324,276
California Department of Housing and Community Development		60,000
Los Angeles County Development Authority		910
	Total \$	<u><u>1,750,419</u></u>

MMLRF

Agencies

Metro	\$	197,515
CEO, Department of Housing and Community Development		48,542
	Total \$	<u><u>246,057</u></u>

NOTE 9 INTERFUND RECEIVABLE AND PAYABLE

The County freezes its cash account during the closing process. Accordingly, all cash receipts and disbursements occurring subsequent to June 30th but before the fiscal year's closing on August 15th are temporarily recorded in these clearing accounts and reported as due from and due to other funds, which are reversed in the subsequent period.

The composition of interfund balances as of June 30, 2021, is as follows:

Due from Other Funds

PALRF

Internal Service Fund	\$	281,005
General Fund		149,588
Public Works - Transit Operations Fund		19,443
Fire Department		18,123
	Total \$	<u><u>468,159</u></u>

PCLRF

Internal Service Fund	\$	813,390
Public Works - Proposition C Local Return Fund		350,046
General Fund		6,119
	Total \$	<u><u>1,169,555</u></u>

NOTE 9 INTERFUND RECEIVABLE AND PAYABLE (CONTINUED)

Due from Other Funds (Continued)

MRLRF

Internal Service Fund	\$	551,484
Public Works - Measure R Local Return Fund		436,232
General Fund		216,754
Total	\$	<u><u>1,204,470</u></u>

MMLRF

General Fund	\$	108,401
Internal Service Fund		15,152
Public Works - Measure M Local Return Fund (Interest)		92,040
Total	\$	<u><u>215,593</u></u>

TDAA3F

Internal Service Fund	\$	13,067
Public Works - Article 3 - Bikeway Fund		585
Total	\$	<u><u>13,652</u></u>

Due to Other Funds

PALRF

Internal Service Fund	\$	360,910
General Fund		101,127
Public Works - Flood Fund		56,507
Public Works - Road Fund		2,222
Total	\$	<u><u>520,766</u></u>

PCLRF

Internal Service Fund	\$	1,066,502
Public Works - Proposition C Local Return Fund		318,156
Public Works - Flood Fund		172,201
General Fund		119,764
Public Works - Road Fund		2,155
Total	\$	<u><u>1,678,778</u></u>

NOTE 9 INTERFUND RECEIVABLE AND PAYABLE (CONTINUED)

Due to Other Funds (Continued)

MRLRF

Internal Service Fund	\$	647,668
Public Works - Measure R Local Return Fund		410,430
Public Works - Flood Fund		83,330
General Fund		4,626
Total	\$	<u><u>1,146,054</u></u>

MMLRF

Internal Service Fund	\$	201,607
Public Works - Flood Fund		27,145
Public Works - Measure M Local Return Fund		71,085
General Fund		350
Total	\$	<u><u>300,187</u></u>

TDAA3F

Internal Service Fund	\$	71,190
General Fund		2,800
Public Works - Flood Fund		9,608
Total	\$	<u><u>83,598</u></u>

NOTE 10 ADVANCES TO INTERNAL SERVICE FUND

The County utilizes an Internal Service Fund (ISF) to pay for all payroll, equipment and material usage between departments. In order to maintain cash for the "Advances to ISF Account", all County funds allocate based on its funds size a pro-rata portion of its cash. These amounts are primarily used to cover the cost of payroll usage from other departments and evaluated every two years.

As of June 30, 2021, the advances to Internal Service Fund were as follows:

PALRF	\$	151,200
PCLRF		585,200
MRLRF		360,300

NOTE 11 DEFERRED INFLOWS OF RESOURCES

The County recognizes revenue when the payments for services rendered become measurable and available. As of June 30, 2021, the County recorded deferred inflows of resources when the availability of funds was not determined at fiscal year-end.

The issuance of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, established accounting and financial reporting standards that reclassify certain liabilities as deferred inflows of resources. A deferred inflow of resources is defined as those resources that are not available for spending in the current period. Since the reimbursements from other funds were not available for spending PALRF, PCLRF, MRLRF, and MMLRF in fiscal year ended June 30, 2021, the amount was reported as deferred inflows of resources.

As of June 30, 2021, the deferred inflows of resources were as follows:

PALRF	\$	143,153
PCLRF		4,426,906
MRLRF		1,740
MMLRF		21,153

NOTE 12 PROPOSITION A DISCRETIONARY INCENTIVE PROGRAM GRANT

The Proposition A Discretionary Incentive Grants represent additional funds received from Metro to provide funding for the Sub-Regional Paratransit projects and for participating in the National Transit Database (NTD) Voluntary Reporting Program. The Proposition A Discretionary Incentive Grant was recorded under PALRF, and for the year ended June 30, 2021 was comprised of:

Subregional Paratransit project	\$	255,856
Voluntary NTD program for FY 2019 reporting year		<u>537,374</u>
	\$	<u><u>793,230</u></u>

NOTE 13 REIMBURSEMENTS FROM METRO

Reimbursements from Metro represent funds received towards various multi-year traffic projects in Los Angeles County. The County initially used the LRF monies to fund these projects and recorded the receipts of the grants as reimbursements.

PALRF

Measure M Multi-Year Subregional Programs (North County Bus Stop Improvements). On June 25, 2019, the County entered into a funding agreement (Agreement) with Metro for North County Bus Stop Improvements: Santa Clarita and Antelope Valley Project, Metro Project ID# MM4502.05 and FTIP# LA0G1689. Metro’s Board of Directors granted the Measure M funds in the amount of \$2,855,260 for the project. The funds were released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

Measure M Multi-Year Subregional Programs (Topanga Beach Shuttle Bus Stop Improvements). On July 8, 2019, the County entered into a funding agreement (Agreement) with Metro for Topanga Beach Shuttle Bus Stops Improvements (Metro Orange Line to Metro Expo Line in Downtown Santa Monica) Project, Metro Project ID# MM4401.10 and FTIP# LA0G1678. Metro’s Board of Directors granted the Measure M funds in the amount of \$400,000 for the project. The funds were released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

The County recognized the following reimbursements for these projects during the year ended June 30, 2021:

North County Bus Stop Improvements:	
Santa Clarita and Antelope Valley Project	\$ 187,531
Topanga Beach Shuttle Bus Stops Improvements	105,976
	<u>\$ 293,507</u>

NOTE 13 REIMBURSEMENTS FROM METRO (CONTINUED)

PCLRF

The County entered into a multiple funding agreement with Metro to fund various multi-year traffic projects in Los Angeles County. The funds will be released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

Metro’s Board of Directors approved and granted the funding of the following projects. The amounts reimbursed during FY 2020/21 are shown below:

Proposition C – Call for Projects Fund

<u>Agreement Date</u>	<u>Metro Project ID</u>	<u>FTIP</u>	<u>Project Name</u>	<u>Grant Amount</u>	<u>Reimbursed Amount</u>
3/3/2009	F1312	LAD1312	Gateway Cities Forum Traffic Signal Corridors Project, Phase V	\$ 8,305,000	\$ 1,051,248
4/8/2009	F1321	LAF1321	San Gabriel Valley Traffic Signal Corridors Project	10,800,000	440,304
10/26/2009	F1310	LAF1310	Information Exchange Network Phase II Project	1,093,000	150,694
3/5/2009	F1311	LAF1311	South Bay Forum Traffic Signal Corridors Project	5,019,000	38,306
12/1/2011	F5315	LAF5315	San Gabriel Valley Traffic Signal Corridors Project	1,241,033	82,401
11/1/2013	F3309	LAF3309	Gateway Cities Forum Traffic Signal Corridors Project, Phase VI	16,319,372	577,194
11/1/2013	F3308	LAF3308	San Gabriel Valley Forum Traffic Signal Corridors Project	315,000	1,272,060
11/1/2013	F3310	LAF3310	South Bay Forum Traffic Signal Corridors Project	2,100,000	572,078
12/1/2017	F5316	LAF5316	South Bay Forum Traffic Signal Corridors Project	1,880,566	251,570
12/1/2017	F7306	LAF7306	Foothill Boulevard Traffic Signal	2,928,331	41,802
12/1/2017	F7308	LAF7308	East Los Angeles 2013 Call- Program Management	2,743,587	25,341
12/20/2017	F5310	LAF5310	Ramona Blvd/Badillo St/Covina Blvd TSSP/BSP	1,332,200	159,556
11/20/2018	F7307	LAF7307	San Gabriel Valley Forum Traffic Signal Corridor Project	3,624,394	29,664
2/25/2019	F7310	LAF7310	South Bay Forum Traffic Signal Corridors Project	3,062,041	37,690
2/25/2019	MR312.52	LAF7310	South Bay Forum Traffic Signal Corridors Project	1,021,000	-
11/1/2019	F7305	LAF7305	Gateway Cities Forum Traffic Signals Corridor Project	3,238,481	11,597
11/1/2019	F9302	LAF9302	San Gabriel Valley Forum 2015 Traffic Signal Corridors Project	1,742,300	3,622
11/1/2019	F9303	LAF9303	South Bay Forum 2015 Traffic Signal Corridors Project	4,058,565	4,058
2/28/2020	F9304	LAF9304	Gateway Cities Forum 2015 Traffic Signals Corridor Project	6,137,385	74,342
2/28/2020	MR306.01	LAF9304	Gateway Cities Forum 2015 Traffic Signals Corridor Project	1,400,000	17,907
			sub-total		<u>4,841,434</u>

NOTE 13 REIMBURSEMENTS FROM METRO (CONTINUED)

PCLRF (Continued)

Measure R Highway Grant Fund

Agreement Date	Metro Project ID	FTIP	Project Name	Grant Amount	Reimbursed Amount
4/8/2014	MR315.07	LA0G1064	Mulberry Drive and Painter Avenue Intersection Improvements Project	\$ 2,410,000	\$ 15,075
4/8/2014	MR315.11	LA0G1072	Valley View Ave and Imperial Hwy Intersection Improvement Project	1,640,000	105,455
4/8/2014	MR315.15	LA0G1069	Norwalk Blvd. and Whittier Blvd Intersection Improvement Project	2,830,000	72,668
4/8/2014	MR315.23	LA0G1070	Carmenita Road and Telegraph Road Intersection Improvements Project	800,000	53,093
			sub-total		<u>246,291</u>

Metro Express Lanes Round2 Net Toll Revenue Reinvestment Funds

Metro ExpressLanes Round2 Net Toll Revenue Reinvestment

5/15/2015	MX201414	N/A	South Bay Arterial Performance Measurement Project	504,000	(191,480) ^a
1/23/2017	MX201435	N/A	Firestone Blue Line Station Intersection and Bikeway Improvements	1,863,000	105,769
3/17/2017	MX201443	N/A	Eaton Wash Bike Path - Phase 1	3,100,000	500,089
2/1/2017	MX201440	N/A	Whittier Blvd Transit Signal Priority Project	516,600	43,516
1/6/2017	MX201432	N/A	South Bay Arterial ITS Congestion Relief Project	717,360	273,008
3/23/2017	MX201433	N/A	Vermont Green Line Intersection Improvement Project	1,626,000	65,258
			sub-total		<u>796,160</u>
			Total reimbursements during FY 2020/21		<u>\$ 5,883,885</u>

^a The negative reimbursement of \$191,480 was due to the reversal of FY19/20 revenue accrual.

MRLRF

Measure M Multi-Year Subregional Programs (Malibu Canyon Road Improvements Project). On August 15, 2019, the County entered into a funding agreement (Agreement) with Metro for Malibu Canyon Road (MCR) Improvements – MCR at Pioma Road and Las Virgenes Road at Las Virgenes Canyon Road Project, Metro Project ID# MM5503.06 and FTIP# LA0G1676. Metro’s Board of Directors granted the Measure M funds in the amount of \$1,500,000 for the project. The funds will be released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

NOTE 13 REIMBURSEMENTS FROM METRO (CONTINUED)

MRLRF (Continued)

Measure M Multi-Year Subregional Programs (Malibu Canyon Road Bridge Replacement Project). On February 19, 2020, the County entered into a funding agreement (Agreement) with Malibu Canyon Road (MCR) Bridge Replacement Project, Metro Project ID# MM4401.09 and FTIP# LA0G1677/ LA000800. Metro's Board of Directors granted the Measure M funds in the amount of \$875,000 for the project. The funds will be released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

The County recognized reimbursements for these projects during the year ended June 30, 2021 as follows:

Malibu Canyon Road (MCR) Improvements Project	\$	14,163
Malibu Canyon Road (MCR) Bridge Replacement Project		36,189
		50,352
	\$	50,352

MMLRF

Measure M Multi-Year Subregional Programs (Lake Los Angeles Pedestrian Plan Implementation Phase 1 Project). On July 9, 2019, the County entered into a funding agreement (Agreement) with Metro for Lake Los Angeles Pedestrian Plan Implementation Phase 1 Project, Metro Project ID# MM4501.13 and FTIP# LA0G1690. Metro's Board of Directors granted the Measure M funds in the amount of \$750,000 for the project. The funds will be released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

Measure M Multi-Year Subregional Programs (Elizabeth Lake Road Bikeways Project). On August 27, 2019, the County entered into a funding agreement (Agreement) with Metro for Elizabeth Lake Road Bikeways Project, Metro Project ID# MM4501.12 and FTIP# LA0G1756. Metro's Board of Directors granted the Measure M funds in the amount of \$1,050,000 for the project. The funds will be released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

Measure M Multi-Year Subregional Programs (Westmont/West Athens Pedestrian Improvements Project). On September 17, 2020, the County entered into a funding agreement (Agreement) with Metro for Westmont/West Athens Pedestrian Improvements Project, Metro Project ID# MM4601.04 and FTIP# LA9918860. Metro's Board of Directors granted the Measure M funds in the amount of \$6,682 for the project. The funds will be released to the County on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro a few days after the close of each quarter.

NOTE 13 REIMBURSEMENTS FROM METRO (CONTINUED)

MMLRF (Continued)

The County recognized reimbursements for these projects during the year ended June 30, 2021 as follows:

MMLRF

Lake Los Angeles Pedestrian Plan Implementation Phase 1 Project	\$ 220,652
Elizabeth Lake Road Bikeways Project	48,383
Westmont/ West Athens Project	60,322
	<u>\$ 329,357</u>

NOTE 14 SERVICE REIMBURSEMENTS

Service reimbursements represent monies received for specific services provided to other cities, agencies, or private parties on joint transit-related projects.

Service reimbursements for the year ended June 30, 2021 consisted of the following:

PALRF

Department of Children and Family Services	\$ 73,025
LA County - Fire Department	18,123
LA County - Internal Services Department	16,800
LA County - County Counsel Department	6,000
LA County - Sheriff Department	53,763
LA County - Forester and Fire Warden	50,562
Others	11,435
	<u>\$ 229,708</u>

PCLRF

City of Malibu Park and Ride Shuttle Facility	\$ 3,100,000
Los Angeles River Bikeway Project	568,477
First and Last Mile Norwalk Blvd Project	122,721
	<u>\$ 3,791,198</u>

MRLRF

West Los Angles Veterans Affairs	<u>\$ 15,555</u>
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MMLRF

Firestone Boulevard	\$ 83,512
Walnut Park Apartment	24,889
	<u>\$ 108,401</u>

NOTE 15 OTHER GOVERNMENT GRANTS

Other government grants represent grant funds received from the California Department of Transportation and other governmental agencies that are used to fund various transportation projects charged to the local return funds.

Other government grants as of June 30, 2021 consisted of the following:

<u>PALRF</u>	
Federal Transit Administration	\$ <u>945,580</u>
<u>PCLRF</u>	
Department of Transportation	\$ <u>841,066</u>
<u>MRLRF</u>	
Department of Transportation	\$ 3,372,700
Department of Housing and Community Development	1,129,315
Others	<u>121,875</u>
	\$ <u>4,623,890</u>
<u>MMLRF</u>	
Department of Treasury	\$ 278,786
Department of Housing and Community Development	46,320
Others	<u>18,975</u>
	\$ <u>344,081</u>

NOTE 16 MISCELLANEOUS REVENUE – PALRF

On June 19, 2018, the County Board of Supervisors selected SEED Foundation, Inc. (SEED) to negotiate an exclusive negotiation agreement for the development of a college-preparatory public boarding charter school, with a science, technology, engineering, and math (STEM), and transportation infrastructure focused curriculum for students grades 9-12 (the Project). On September 22, 2018, the County and SEED entered into certain Exclusive Negotiation Agreement (ENA) to analyze the potential development of the Project, and to negotiate the terms of a potential ground lease, funding agreement, and any other associated agreements for the Project.

On October 16, 2018, the County Board of Supervisors approved recommendations to make available funds in the amount of \$1,000,000 for predevelopment activities for the Project and to execute a pass-through funding agreement with Metro, pursuant to which Metro would provide the County with a contribution in the amount of \$1,000,000 to support to scope of work set forth in the ENA.

NOTE 16 MISCELLANEOUS REVENUE – PALRF (CONTINUED)

On September 10, 2018, the County amended an agreement with Clear Channel Outdoor, Inc., a bus shelter contractor (contractor), for exclusive rights to place advertisements on bus benches. As part of that agreement, the contractor is required to pay either 15% of the gross advertising revenue, after agency commission, received for rental of advertising spaces or a minimum annual guarantee payment of \$100,000, whichever is greater.

Miscellaneous revenues for the year ended June 30, 2021 consisted of the following:

Vermont Manchester Joint Development Transit Priority	
Project Transportation Boarding School Development	\$ 150,000
Advertising	<u>74,546</u>
	<u>\$ 224,546</u>

NOTE 17 TRANSFER TO PARK TO PLAYA TRAIL – MMLRF

On July 3, 2018, the County Board of Supervisors approved an appropriations adjustment to Capital Project No. 69771, the Park to Playa Trail: Stoneview Nature Center to Hahn Park Segment (Project). This appropriations adjustment included an approval of \$5.5 million in Measure M Local Return Funds to be transferred from the County Department of Public Works (DPW) to the Project. The County Department of Parks and Recreation (DPR) financially manages the Project, which includes tracking of funding sources, funding budget allocation, encumbrance, and expenditures incurred against five funding sources, including MMLRF.

On April 22, 2019, DPW transferred \$5.5 million in Measure M Local Return Funds to DPR Fund A01 (General Fund) to fund a portion of the Project.

At June 30, 2021, the unexpended balance of the original \$5.5 million is as follows:

Unexpended balance at June 30, 2020	\$ 1,854,422
Investment income during the year	5,742
Expenditures during the year	<u>(1,374,982)</u>
Unexpended balance at June 30, 2021	<u>\$ 485,182</u>

NOTE 18 TRANSPORTATION DEVELOPMENT ACT FUNDS REVENUE ALLOCATION

The revenue allocations for the year ended June 30, 2021 consisted of the following:

	TDA Article 3	TDA Article 8
FY 2019/20 allocation	\$ 1,245,540	\$ -
FY 2020/21 allocation	<u>1,014,460</u>	<u>4,477,096</u>
	<u>\$ 2,260,000</u>	<u>\$ 4,477,096</u>

NOTE 19 TRANSPORTATION DEVELOPMENT ACT ARTICLE FUNDS RESERVED

In accordance with TDA Guidelines, funds which will not be spent during the fiscal year have been placed on reserve in the Local Transportation Fund (LTF) account with the County Auditor-Controller to be drawn down whenever the funds become eligible for a specific project and an approved drawdown request is received by Metro. As of June 30, 2021, the County has TDA Article 3 funds on reserve amounting to \$274,421 from the FY 2020/2021 allocation. There are no TDA Article 8 funds on reserve as of June 30, 2021.

For FY 2020/21, any TDA Article 3 and 8 funds left on reserve for FY 2016/17 or prior, are subject to lapse if not claimed by the County by June 30, 2021. There were no funds that lapsed in FY 2020/21.

NOTE 20 IMPACT OF CORONAVIRUS

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

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

NOTE 21 SUBSEQUENT EVENTS

The County has evaluated events subsequent to June 30, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 6, 2021, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**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 County Council of the
County of Los Angeles, California and the
Los Angeles County Metropolitan Transportation Authority**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements 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 (collectively, the Funds) of the County of Los Angeles, California (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated December 6, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the Funds' financial statements, we considered the County'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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's 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 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

**Glendale, California
December 6, 2021**

COMPLIANCE SECTION

Independent Auditor's Report on Compliance

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

Report on Compliance

We have audited the County of Los Angeles, California's (the County) compliance with the Proposition A and Proposition C Local Return Guidelines, Measure R Local Return Guidelines, Measure M Local Return Guidelines, the Los Angeles County Metropolitan Transportation Authority's Funding and Allocation Guidelines for the 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, 2021.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the Guidelines referred to in the preceding paragraph. Those standards and the Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on Proposition A Local Return Program, Proposition C Local Return Program, Measure R Local Return Program, Measure M Local Return Program, and Transportation Development Act Articles 3 and 8 programs occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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



Opinion

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance with the requirements, which is described in the accompanying Schedule of Findings and Questioned Costs as Finding #2021-001. Our opinion is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County's response is not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

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

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

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

Glendale, California
December 6, 2021

**County of Los Angeles
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	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				
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				
3. Funds were expended with Metro's approval and were not substituted for property tax.	X				
4. Timely use of funds.	X				
5. Administrative expenses are within the 20% cap.	X				
6. Expenditures that exceeded 25% of approved project budget have approved amended Project Description Form (Form A) or electronic equivalent.		X			See Finding #2021-001
7. Annual Project Update Report (Form B) or electronic equivalent was submitted on time.	X				
8. Annual Expenditure Report (Form C) or electronic equivalent was submitted on time.	X				
9. Pavement Management System (PMS) is in place and being used for Street Maintenance or Improvement Projects Expenditures.	X				
10. Local Return Account is credited for reimbursable expenditures.	X				
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		

See independent auditor's report on compliance.

**County of Los Angeles
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	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				
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		
14. Recreational transit form was submitted on time.	X				
15. Fund exchanges (trades, loans, or gifts) were approved by Metro.			X		
16. Proposition C Local Return Funds were used to augment, not supplant existing local revenues being used for road improvement purposes.	X				
17. All on-going and carryover projects were reported on Form B or electronic equivalent.	X				
18. Cash or cash equivalents are maintained.	X				
19. Accounting procedures, record keeping, and documentation are adequate.	X				

See independent auditor's report on compliance.

**County of Los Angeles
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	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				
2. Separate Measure R Local Return Account was established.	X				
3. Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure R Local Return Account.	X				
4. Funds were expended with Metro's approval.	X				
5. Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X				
6. Timely use of funds.	X				
7. Administrative expenses are within the 20% cap.	X				
8. Expenditure Plan (Form One or electronic equivalent) was submitted timely.	X				
9. Annual Expenditure Report (Form Two or electronic equivalent) was submitted timely.	X				
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				
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		
12. A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X		
13. Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X				

See independent auditor's report on compliance.

**County of Los Angeles
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
B. Measure R Local Return Fund					
14. Recreational transit form was submitted on time.			X		There were no recreational transit expenditures charged to MRLRF in FY 2020/21.
15. Fund exchanges (trades, loans, or gifts) were approved by Metro.			X		
16. Accounting procedures, record keeping, and documentation are adequate.	X				

See independent auditor's report on compliance.

**County of Los Angeles
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	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				
2. Separate Measure M Local Return Account was established.	X				
3. Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure M Local Return Account.	X				
4. Funds were expended with Metro's approval.	X				
5. Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X				
6. Timely use of funds.	X				
7. Administrative expenses are within the 20% cap.	X				
8. Expenditure Plan (Form M-One or electronic equivalent) was submitted timely.	X				
9. Expenditure Report (Form M-Two or electronic equivalent) was submitted timely.	X				
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				
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		
12. A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X		
13. Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X				

See independent auditor's report on compliance.

**County of Los Angeles
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
C. Measure M Local Return Fund					
14. Recreational transit form was submitted on time.			X		There were no recreational transit expenditures charged to MMLRF in FY 2020/21.
15. Fund exchanges (trades, loans, or gifts) were approved by Metro.			X		
16. Accounting procedures, record keeping, and documentation are adequate.	X				

See independent auditor's report on compliance.

County of Los Angeles
Compliance Matrix
Year ended June 30, 2021

Compliance Requirements	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				
2. Expenditures were incurred for activities relating to pedestrian and bicycle facilities and amenities.	X				
E. Transportation Development Act Article 8 Fund					
1. Timely use of funds.	X				
2. Expenditures were incurred for activities relating to pedestrian and bicycle facilities and amenities.	X				

See independent auditor's report on compliance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

County of Los Angeles
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

PALRF: Finding #2021-001

Compliance Reference	Section 1(C) Project Description Form (Form A) of the Proposition A and C Local Return Guidelines states that, "Jurisdictions shall submit for approval a Project Description Form (Form A) prior to the expenditure of funds for: 1) a new project; 2) a new route; 3) a 25 percent change (increase or decrease) in route or revenue vehicle miles for an established LR funded transit service; 4) a 0.75 miles or greater service change that duplicates/overlays an existing transit service; or 5) a 25 percent or greater change in an approved LR project budget or scope on all operating or capital LR projects."
Condition	<p>The County exceeded Metro's approved budget by more than 25 percent prior to obtaining approval through Form A for PALRF's Project Code 105, Florence-Firestone/Walnut Park Youth project. Amount in excess of 25 percent of the approved budget was \$54,947.</p> <p>Projects with greater than 25 percent change from the approved project budget should be amended by submitting a Project Description Form (Form A).</p> <p>The County submitted a Form A to the Metro Program Manager and obtained a retroactive approval of the project on October 12, 2021.</p>
Cause	This condition was caused by staff oversight.
Effect	The County's PALRF project expenditures exceeded 25 percent of Metro's approved budget without Metro's prior approval which resulted in the County's noncompliance with the Guidelines.
Recommendation	We recommend that the County submit a revised budget request in the LRMS to obtain Metro's approval for the change in project budget and implement internal controls to ensure compliance with this requirement at all times.
Management's Response	The County submitted budget request to the Metro Program Manager and obtained a retroactive approval of the said project on October 12, 2021.
Findings Resolved During the Audit	Metro Program Manager granted retroactive approval of the said project on October 12, 2021. No additional follow up is required.

HOLLYWOOD BOWL PARK AND RIDE REGIONAL TRANSIT PROJECT

Independent Auditor's Report on Compliance with Memorandum of Understanding for Specialized Transportation Services

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

Report on Compliance

We have audited the County of Los Angeles, California's (the County) compliance with the provisions of the Memorandum of Understanding for Specialized Transportation Services MOU Number MOU PO1 LACHB (MOU) between the County's Department of Public Works and the Los Angeles County Metropolitan Transportation Authority (Metro) for the Hollywood Bowl Park and Ride Regional Transit Project (Project) for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for the County's compliance with the MOU.

Auditor's Responsibility

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

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



Opinion

In our opinion, the County of Los Angeles, California complied, in all material respects, with the compliance requirements of the MOU for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

Glendale, California
December 6, 2021

**County of Los Angeles
Hollywood Bowl Park and Ride Regional Transit Project
Summary of Reported and Audited Project Expenditures
Year ended June 30, 2021**

TRANSIT FUND ALLOCATION

On June 17, 2015, Los Angeles County Metropolitan Transportation (Metro) approved \$1,057,000 of annual transit fund allocations to the County of Los Angeles Department of Public Works (Grantee) to subsidize the Hollywood Bowl Park and Ride Regional Transit Project (Project).

AGREEMENT

On January 9, 2009, Metro and the Grantee entered into a Memorandum of Understanding (MOU) Number MOU.P01LACHB01 amending their original MOU. In accordance with Section 2.2 of the MOU, the Grantee funds must be approved by Metro each fiscal year. The funds are available on a reimbursement basis limited to the lesser of (B) amount approved by Metro; or 87% (A) of Grantee's actual operating expenses less farebox revenue.

SUMMARY OF REPORTED AND AUDITED PROJECT EXPENDITURES

The amount of Grantee funds allocated for "reimbursement" for the year ended June 30, 2021 was \$1,057,000. Due to the effect of the Coronavirus pandemic, the project was suspended and therefore, no expenditures were reported and reimbursed from Metro during the year.

<u>Brief Description</u>	<u>Reported Project Expenditure</u>	<u>Audit Adjustment</u>	<u>Audited Project Expenditure</u>
Total Project costs (Operating), Net Percentage Allowable per Agreement	\$ - 87%	\$ - -	\$ - 87%
87% of Total Project Costs	\$ -	\$ -	\$ -
Metro Approved Transit Fund Allocation (A)	\$ 1,057,000	\$ -	\$ 1,057,000
Lesser of:			
(A) 87% of Total Project Costs	\$ -	\$ -	\$ -
(B) Metro Approved Transit Fund Allocation			

EXIT CONFERENCE

An exit conference was held on December 6, 2021 with the County of Los Angeles representatives. Those in attendance were:

Vasquez and Company LLP representatives:
Cristy Canieda – Audit Partner
Marialyn Labastilla – Audit Senior Manager
Erica Ong – Senior Auditor

County of Los Angeles representatives:

Vivian Wang – Head Compliance Officer
Minh Lam – Compliance Auditor
Melissa Nunez – Financial Specialist I
Maria Sim – Civil Engineer
Lisa Chen – Associate Civil Engineer
Ricardo Gordillo – Civil Engineer

Matters discussed:

Results of the audit disclosed an instance of noncompliance with the Guidelines.

A copy of this report was forwarded to the following County of Los Angeles representatives for comments prior to the issuance of the final report:

Vivian Wang – Head Compliance Officer
Minh Lam – Compliance Auditor
Maria Sim – Civil Engineer
Lisa Chen – Associate Civil Engineer
Ricardo Gordillo – Civil Engineer



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