



MetroTM

**City of Culver City
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**

**As of and for the Years Ended June 30, 2025 and 2024
with Independent Auditor's Report**



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FINANCIAL SECTION



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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Culver City, California (the City) which comprise the Funds' balance sheets as of June 30, 2025 and 2024, the related statements of revenues, expenditures and changes in fund balances for the years then ended, and the related notes to the Funds financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund of the City of Culver City, California as of June 30, 2025 and 2024, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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



Emphasis of Matter

As discussed in Note 2, the financial statements present only the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund of the City of Culver City, California, and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Supplementary Information

Our audits were conducted for the purpose of forming opinions on each of the Funds' financial statements as a whole. The supplementary information identified in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Funds' basic financial statements. The 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 GAAS. 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 18, 2025 on our consideration of the City's internal control over the Funds' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over the Funds' financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over the Funds' financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over the Funds' financial reporting and compliance.

**Glendale, California
December 18, 2025**

City of Culver City
Proposition A Local Return Fund
Balance Sheets

		June 30	
		2025	2024
ASSETS			
Cash and investments	\$	-	\$ 17,717
Interest receivable		<u>392</u>	<u>2,280</u>
Total assets	\$	<u>392</u>	<u>19,997</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Due to General fund	\$	<u>392</u>	\$ -
Total liabilities		<u>392</u>	<u>-</u>
Fund balance			
Restricted		<u>-</u>	<u>19,997</u>
Total fund balance		<u>-</u>	<u>19,997</u>
Total liabilities and fund balance	\$	<u>392</u>	<u>19,997</u>

See notes to Funds financial statements.

City of Culver City
Proposition A Local Return Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

		Years ended June 30	
		2025	2024
Revenues			
Proposition A	\$	1,041,205	\$ 1,064,235
Interest income		1,121	6,650
Investment gain		788	30,936
Total revenues		<u>1,043,114</u>	<u>1,101,821</u>
Expenditures			
Culver City Municipal Bus Lines Operating Assistance		<u>1,063,111</u>	<u>2,432,418</u>
Total expenditures		<u>1,063,111</u>	<u>2,432,418</u>
Deficiency of revenues over expenditures		(19,997)	(1,330,597)
Fund balance at beginning of year		<u>19,997</u>	<u>1,350,594</u>
Fund balance at end of year	\$	<u>-</u>	\$ <u>19,997</u>

See notes to Funds financial statements.

City of Culver City
Proposition A Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2025
(With Comparative Actuals for 2024)

Project Code	Project Name	2025		Variance	2024 Actual
		Metro Budget	Actual	Positive (Negative)	
120	Culver City Municipal Bus Lines Operating Assistance	\$ 2,797,280	\$ 1,063,111	\$ 1,734,169	\$ 2,432,418
	Total expenditures	<u>\$ 2,797,280</u>	<u>\$ 1,063,111</u>	<u>\$ 1,734,169</u>	<u>\$ 2,432,418</u>

See independent auditor's report.

City of Culver City
Proposition A Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2025

<u>Year Acquired</u>	<u>Description</u>	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
1998	CCMBL Facility	\$ 528,199	\$ -	\$ -	\$ 528,199
2005	Recreational Van (Ford E350)	110,205	-	-	110,205
Total		<u>\$ 638,404</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 638,404</u>

See independent auditor's report.

**City of Culver City
Proposition C Local Return Fund
Balance Sheets**

		June 30	
		2025	2024
ASSETS			
Cash and investments	\$	337	\$ -
Interest receivable		-	1,921
Total assets	\$	<u>337</u>	<u>1,921</u>
LIABILITIES AND FUND BALANCE (DEFICIT)			
Liabilities			
Accounts payable	\$	-	\$ 13,284
Interest payable		337	-
Due to general fund		-	205,146
Total liabilities		<u>337</u>	<u>218,430</u>
Fund balance (deficit)			
Restricted		-	(216,509)
Total fund balance (deficit)		-	(216,509)
Total liabilities and fund balance (deficit)	\$	<u>337</u>	<u>1,921</u>

See notes to Funds financial statements.

City of Culver City
Proposition C Local Return Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

		Years ended June 30	
		2025	2024
Revenues			
Proposition C	\$	863,652	\$ 882,758
Interest income		-	6,347
Investment gain (loss)		(1,609)	32,974
Total revenues		862,043	922,079
Expenditures			
Various projects		645,534	2,541,869
Total expenditures		645,534	2,541,869
Excess (deficiency) of revenues over expenditures		216,509	(1,619,790)
Fund balance (deficit) at beginning of year		(216,509)	1,403,281
Fund balance (deficit) at end of year	\$	-	\$ (216,509)

See notes to Funds financial statements.

City of Culver City
Proposition C Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2025
(With Comparative Actuals for 2024)

Project Code	Project Name	2025		Variance	2024 Actual
		Metro Budget	Actual	Positive (Negative)	
106	Culver City Paratransit Program	\$ 575,000	\$ 574,386	\$ 614	\$ 312,500
109	Rideshare Program	35,000	23,704	11,296	19,961
120	Culver City Municipal Bus Lines Operating Assistance	1,973,418	-	1,973,418	1,879,446
215	CCMBL Facility Reserve	150,000	-	150,000	150,000
302	Traffic Signal Battery Backup System	-	-	-	150,000
303	Network-wide Signal System Synch	170,038	47,444	122,594	29,962
Total expenditures		\$ 2,903,456	\$ 645,534	\$ 2,257,922	\$ 2,541,869

See independent auditor's report.

City of Culver City
Proposition C Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2025

Year Acquired	Description	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
1998	CCMBL Facility	\$ 231,446	\$ -	\$ -	\$ 231,446
2000	Bus Shelters	96,031	-	-	96,031
2000	Paratransit Van	45,420	-	-	45,420
2002	Paratransit Van	45,638	-	-	45,638
2004	CCMBL Facility Improvements	94,613	-	-	94,613
2006	CCMBL Facility Improvements	89,420	-	-	89,420
2006	Bus Pads	46,000	-	-	46,000
2006	CCMBL Facility Improvements	34,896	-	-	34,896
2007	CCMBL Facility Improvements	16,522	-	-	16,522
2009	CCMBL Facility Improvements	10,359	-	-	10,359
2009	Braddock Drive Resurfacing	46,258	-	-	46,258
2010	CCMBL Facility Improvements	50,901	-	-	50,901
2013	CCMBL Facility Improvements	16,245	-	-	16,245
2014	CCMBL Facility Improvements	20,932	-	-	20,932
2015	CCMBL Facility Improvements	23,268	-	-	23,268
2016	2 Customline Slide Gate Operator	24,934	-	-	24,934
2016	Carpet at Transportation	17,415	-	-	17,415
2016	Carpet at Transportation	5,916	-	-	5,916
2017	6 Stertil-Koni Mobile Lifts	65,466	-	-	65,466
2017	Gas Detector System	78,598	-	-	78,598
2017	Stertil-Koni Diamond Heavy Duty Lift	39,995	-	-	39,995
2017	Stertil-Koni Diamond Heavy Duty Lift	98,990	-	-	98,990
2017	Install Heavy Duty Vehicle Lifts	95,095	-	-	95,095
2018	Hirsch Pads	15,226	-	-	15,226
2019	Steam Cleaner	15,318	-	-	15,318
2019	Vehicle Wash Electrical	42,026	-	-	42,026
2019	Safety Fall Protection System	8,875	-	-	8,875
2019	Safety Fall Protection System	7,398	-	-	7,398
2019	Safety Fall Protection System	8,387	-	-	8,387
2019	Automatic Vehicle Wash System	38,000	-	-	38,000
2020	EV Charging Stations	49,811	-	-	49,811
2021	Low Profile Fall Protection System	8,050	-	-	8,050
2022	Transportation Facility Improvement	25,434	-	-	25,434
2022	Transportation Facility Electrification	79,102	-	-	79,102
2023	Jetsort, 6 Coin dua Qtr Sorter	18,632	-	-	18,632
2023	Bed Belt Conveyor	10,339	-	-	10,339
2023	Incline Slider Bed Conveyor	8,819	-	-	8,819
2023	Traffic Signal Battery Backup System	150,000	-	-	150,000
2024	Traffic Signal Battery Backup System	150,000	-	-	150,000
2024	Turn-Key Controls Upgrade	48,281	-	-	48,281
2024	Signal Timing Project	29,962	-	-	29,962
2025	Professional Services,424,PL008	-	11,913	-	11,913
2025	Professional Services,424,PL008	-	12,575	-	12,575
2025	Professional Services,424,PL008	-	14,396	-	14,396
2025	Professional Services,424,PL008	-	8,560	-	8,560
Total		\$ 2,008,018	\$ 47,444	\$ -	\$ 2,055,462

See independent auditor's report.

City of Culver City
Measure R Local Return Fund
Balance Sheets

		June 30	
		2025	2024
ASSETS			
Cash and investments	\$	1,128,742	\$ 821,283
Interest receivable		5,599	5,386
Total assets	\$	1,134,341	\$ 826,669
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	-	\$ -
Total liabilities		-	-
Fund balance			
Restricted		1,134,341	826,669
Total fund balance		1,134,341	826,669
Total liabilities and fund balance	\$	1,134,341	\$ 826,669

See notes to Funds financial statements.

City of Culver City
Measure R Local Return Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

		Years ended June 30	
		2025	2024
Revenues			
Measure R	\$	647,620	\$ 661,862
Interest income		26,556	11,011
Investment gain		11,351	19,039
Total revenues		<u>685,527</u>	<u>691,912</u>
Expenditures			
Various projects		377,855	592,131
Total expenditures		<u>377,855</u>	<u>592,131</u>
Excess of revenues over expenditures		307,672	99,781
Fund balance at beginning of year		<u>826,669</u>	<u>726,888</u>
Fund balance at end of year	\$	<u><u>1,134,341</u></u>	\$ <u><u>826,669</u></u>

See notes to Funds financial statements.

City of Culver City
Measure R Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2025
(With Comparative Actuals for 2024)

Project Code	Project Name	2025		Variance Positive (Negative)	2024 Actual
		Metro Budget	Actual		
120	Transit Operations Assistance	\$ 300,000	\$ -	\$ 300,000	\$ 310,000
705	Culver City Street Improvements	-	962 *	(962)	73,479
806	MOVE Culver City Mobility Lane	-	376,893 *	(376,893)	208,652
Total expenditures		<u>\$ 300,000</u>	<u>\$ 377,855</u>	<u>\$ (77,855)</u>	<u>\$ 592,131</u>

* See Compliance Matrix and Schedule of Findings and Questioned Costs

See independent auditor's report.

City of Culver City
Measure R Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2025

Year Acquired	Description	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
2011	Infrastructure P-863GG/JJ	\$ 531,942	\$ -	\$ -	\$ 531,942
2011	Residential Overlay Project	120,620	-	-	120,620
2011	Residential Overlay Project	81,018	-	-	81,018
2011	Residential Overlay Project	60,968	-	-	60,968
2012	Residential Overlay Project	53,432	-	-	53,432
2013	Residential Overlay Project	428,325	-	-	428,325
2014	Residential Overlay Project	263,570	-	-	263,570
2017	Arterial Street Pavement Rehabilitation	136,478	-	-	136,478
2017	CC Rehabilitation Project	498,658	-	-	498,658
2018	Pavement Work	96,940	-	-	96,940
2019	CC Rehabilitation Project	244,159	-	-	244,159
2020	Artesial Street Pavement Rehab	1,637	-	-	1,637
2021	Wash-Culver Pedestrian & Cyc Safety	117,161	-	-	117,161
2021	Artesial Street Pavement Rehab	118,629	-	-	118,629
2022	Wash-Culver Pedestrian & Cyc Safety	93,773	-	-	93,773
2022	Artesial Street Pavement Rehab	17,691	-	-	17,691
2022	Ped Improv-Intersects w/Bus Stops	5,775	-	-	5,775
2023	Wash-Culver Pedestrian & Cyc Safety	27,889	-	-	27,889
2023	Higuera Bridge Ramp-Cleanup-PZ964	158,999	-	-	158,999
2023	Tactical Mobility Lane	19,495	-	-	19,495
2024	2022 Pavement Rehab Project	73,479	-	-	73,479
2024	Tactical Mobility Lane	264,903	-	-	264,903
2024	Higuera Bridge Ramp-Cleanup-PZ964	38,629	-	-	38,629
2025	Professional Services,431,PS017	-	1,800	-	1,800
2025	Professional Services,431,PS017	-	2,500	-	2,500
2025	Professional Services,431,PS017	-	5,500	-	5,500
2025	Professional Services,431,PS017	-	6,850	-	6,850
2025	Move Culver City 2023 Project,431,PS017	-	360,243	-	360,243
2025	Higuera St Bridge Replacement,431,PZ553	-	563	-	563
2025	Higuera St Bridge Replacement,431,PZ553	-	399	-	399
Total		\$ 3,454,169	\$ 377,855	\$ -	\$ 3,832,024

See independent auditor's report.

**City of Culver City
Measure M Local Return Fund
Balance Sheets**

		June 30	
		2025	2024
ASSETS			
Cash and investments	\$	2,696,758	\$ 2,717,933
Interest receivable		18,899	17,715
Total assets	\$	<u>2,715,657</u>	<u>2,735,648</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	185,036	\$ 15,591
Retention payable		83,659	-
Total liabilities		<u>268,695</u>	<u>15,591</u>
Fund balance			
Restricted		<u>2,446,962</u>	<u>2,720,057</u>
Total fund balance		<u>2,446,962</u>	<u>2,720,057</u>
Total liabilities and fund balance	\$	<u>2,715,657</u>	<u>2,735,648</u>

See notes to Funds financial statements.

City of Culver City
Measure M Local Return Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

		Years ended June 30	
		2025	2024
Revenues			
Measure M	\$	733,732	\$ 747,383
Interest income		82,023	35,612
Investment gain		37,634	43,432
Total revenues		853,389	826,427
Expenditures			
Various projects		1,126,484	403,795
Total expenditures		1,126,484	403,795
Excess (deficiency) of revenues over expenditures		(273,095)	422,632
Fund balance at beginning of year		2,720,057	2,297,425
Fund balance at end of year	\$	2,446,962	\$ 2,720,057

See notes to Funds financial statements.

City of Culver City
Measure M Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2025
(With Comparative Actuals for 2024)

Project Code	Project Name	2025		Variance	2024 Actual
		Metro Budget	Actual	Positive (Negative)	
715	Traffic Signal Fiber Optic Upgrades	\$ 245,715	\$ 16,701	\$ 229,014	\$ 37,584
730	Complete Streets Design Guidelines	34,982	28,062	6,920	34,982
780	Bicycle/Pedestrian Action Plan Implementation	74,473	19,248	55,225	274,366
805	Safer Fox Hills	308,046	197,687	110,359	-
840	MOVE Culver City	-	864,786 *	(864,786)	56,863
Total expenditures		<u>\$ 663,216</u>	<u>\$ 1,126,484</u>	<u>\$ (463,268)</u>	<u>\$ 403,795</u>

* See Compliance Matrix and Schedule of Findings and Questioned Costs

See independent auditor's report.

City of Culver City
Measure M Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2025

Year Acquired	Description	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
2022	Tactical Mobility Lane	\$ 1,141,202	\$ -	\$ -	\$ 1,141,202
2022	Fox Hills Parking Supply Augment	11,067	-	-	11,067
2023	Tactical Mobility Lane	700	-	-	700
2023	Fox Hills Parking Supply Augment	110,178	-	-	110,178
2023	Bicycle/Ped. Action Plan Implement	17,500	-	-	17,500
2024	Bicycle/Ped. Action Plan Implement	103,657	-	-	103,657
2024	Traffic Signal Fiber Optic Upgrades	37,585	-	-	37,585
2024	Tactical Mobility Lane	75,645	-	-	75,645
2024	Fox Hills Parking Supply Augment	170,709	-	-	170,709
2025	10 Battery Backup System,435,PZ923	-	24,298	-	24,298
2025	Professional Services,435,PL015	-	2,359	-	2,359
2025	Professional Services,435,PL015	-	1,492	-	1,492
2025	Professional Services,435,PL015	-	4,648	-	4,648
2025	Professional Services,435,PL015	-	8,202	-	8,202
2025	Professional Services,435,PF025	-	1,218	-	1,218
2025	Professional Services,435,PF025	-	5,760	-	5,760
2025	Professional Services,435,PF025	-	7,920	-	7,920
2025	Professional Services,435,PF025	-	4,350	-	4,350
2025	E-Scooter Upgrade,435,PS017	-	7,172	-	7,172
2025	Move Culver City 2023 Project,435,PS017	-	385,617	-	385,617
2025	Move Culver City 2023 Project,435,PS017	-	224,352	-	224,352
2025	Move Culver City 2023 Project,435,PS017	-	72,631	-	72,631
2025	Dashboard subscription license,435,PS017	-	2,802	-	2,802
2025	Sensor maintenance & data feed,435,PS017	-	2,802	-	2,802
2025	Move Culver City 2023 Project,435,PS017	-	1,250	-	1,250
2025	Move Culver City 2023 Project,435,PS017	-	550	-	550
2025	Move Culver City 2023 Project,435,PS017	-	16,198	-	16,198
2025	Bike Signal Signs,435,PS017	-	624	-	624
2025	Move Culver City 2023 Project,435,PS017	-	3,350	-	3,350
2025	Mobility & Traffic Engineering,435,PZ923	-	52,485	-	52,485
2025	Mobility & Traffic Engineering,435,PZ923	-	64,980	-	64,980
2025	Rancho Higuera Traffic,435,PZ923	-	3,523	-	3,523
2025	Rancho Higuera Traffic,435,PZ923	-	9,500	-	9,500
2025	Move Culver City 2023 Project,435,PS017	-	1,950	-	1,950
2025	Move Culver City 2023 Project, 435,PS017	-	60,137	-	60,137
2025	Rancho Higuera Traffic ProfSvc,435,PZ923	-	36,719	-	36,719
Total		\$ 1,668,243	\$ 1,006,889	\$ -	\$ 2,675,132

See independent auditor's report.

City of Culver City
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Balance Sheets

		June 30	
		2025	2024
ASSETS			
Cash		\$ -	\$ 4,036
Total assets		<u>\$ -</u>	<u>\$ 4,036</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable		\$ -	\$ -
Total liabilities		<u>-</u>	<u>-</u>
Fund balance			
Restricted		-	4,036
Total fund balance		<u>-</u>	<u>4,036</u>
Total liabilities and fund balance		<u>\$ -</u>	<u>\$ 4,036</u>

See notes to Funds financial statements.

City of Culver City
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2025	2024
Revenues		
Intergovernmental Allocations:		
Article 3	\$ 40,754	\$ 46,961
Interest income	48	-
Total revenues	40,802	46,961
Expenditures		
Maintenance for Culver City's Portion of the Ballona Creek Project	39,968	42,925
Total expenditures	39,968	42,925
Excess of revenues over expenditures	834	4,036
Other financing use		
Return of Funds to Metro	4,870	-
Total other financing use	4,870	-
Change in fund balance	(4,036)	4,036
Fund balance at beginning of year	4,036	-
Fund balance at end of year	\$ -	\$ 4,036

See notes to Funds financial statements.

City of Culver City
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, 2025

Project Description	Program Year	Totals to Date		Unexpended Allocations	Project Status
		Allocations	Expenditures		
Local Allocations:					
Maintenance for Culver City's Portion of the Ballona Creek Project	2025	\$ 40,754	\$ 39,968	\$ 786	Ongoing
Totals		<u>\$ 40,754</u>	<u>\$ 39,968</u>	786	
Interest earned				48	
Fund balance at beginning of year				4,036	
Funds returned to Metro				<u>(4,870)</u>	
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) and the Transportation Development Act Article 3 Fund (TDAA3F) (collectively, the Funds) are accounted for in separate sets of self-balancing accounts that comprise their assets, liabilities, fund balance, revenues and expenditures.

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

MRLRF is derived from 15% of 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 is a Special Revenue Fund that accounts for the City's share of the Transportation Development Act Article 3 allocations which are legally restricted for specific purposes.

Basis of Accounting and Measurement Focus

The PALRF, PCLRF, MRLRF, MMLRF and TDAA3F are reported as Special Revenue Funds of the City 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 City categorizes its fair value measurement within the fair value hierarchy that is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Accordingly, the City reports its investments at fair value and recognizes unrealized gain (loss) on investments.

Refer to the City's 2025 Annual Comprehensive Financial Report (ACFR) for detailed disclosures regarding the City's 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 and TDAA3F report the following fund balance classification as of June 30, 2025 and 2024:

- 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 City is described in the City's ACFR.

NOTE 2 ANNUAL FINANCIAL STATEMENTS

The financial statements reflect only the financial position and results of operations of the PALRF, PCLRF, MRLRF, MMLRF and TDAA3F, and do not purport to, and do not present fairly the City's financial position as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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.

Proposition A and Proposition C 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.

NOTE 5 MEASURE M LOCAL RETURN COMPLIANCE REQUIREMENTS (CONTINUED)

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*, funds received pursuant to this Code's section may only be used for activities relating to pedestrians and bicycle facilities. See accompanying Compliance Matrix.

NOTE 7 CASH AND INVESTMENTS

The PALRF, PCLRF, MRLRF, MMLRF and TDAA3F cash balances were pooled with various other City 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 City's ACFR for a full description of risks relating to cash and investments.

NOTE 8 PROPOSITION A DISCRETIONARY INCENTIVE PROGRAM GRANT

The City received Proposition A Discretionary Incentive Program grant amounting to \$70,197 and \$73,233 for the years ended June 30, 2025 and 2024, respectively, which represents additional funds received from Metro for participating in the subregional paratransit services program. The City has fully used this grant to operate a demand-response paratransit Dial-A-Ride program available to eligible disabled residents known as the Culver City Community Paratransit Program.

The Proposition A Discretionary Incentive Program Grant was recorded under the City's Paratransit Fund and therefore was not reported in the accompanying PALRF financial statements.

NOTE 9 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND REVENUE ALLOCATION

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

	<u>2025</u>	<u>2024</u>
FY 2023/24 allocation	\$ 4,081	\$ 46,961
FY 2024/25 allocation	36,673	-
	<u>\$ 40,754</u>	<u>\$ 46,961</u>

NOTE 10 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUNDS RESERVED

In accordance with TDA Article 3 (SB821) 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, 2025 and 2024, the City has funds on reserve as follows:

	<u>2025</u>	<u>2024</u>
FY 2023/24 allocation	\$ -	\$ -
FY 2024/25 allocation	4,870	-
	<u>\$ 4,870</u>	<u>\$ -</u>

During FY2024/25, the City returned unspent funds of \$4,870 from prior allocations to TDA Article 3 funds on reserve: FY2023/24 allocation of \$4,081 and FY2024/25 allocation of \$789. Subsequently, the City drew down FY2023/24 allocation of \$4,081 as shown in Note 9, leaving FY2024/25 allocation of \$4,870 on reserve as of June 30, 2025.

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

NOTE 11 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2025 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 18, 2025, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no Subsequent events occurred that required 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 City Council of the
City of Culver City, California and the
Los Angeles County Metropolitan Transportation Authority**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Culver City, California (the City) as of and for the year ended June 30, 2025, and the related notes to the Funds financial statements, and have issued our report thereon dated December 18, 2025.

Report on Internal Control Over Financial Reporting

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

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

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's Proposition A Local Return Fund, Proposition C Local Return Fund, Measure R Local Return Fund, Measure M Local Return Fund and Transportation Development Act Article 3 Fund 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 City'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 City'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 18, 2025**

COMPLIANCE SECTION



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

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

Report on Compliance

Opinion

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

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

Basis for Opinion

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

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



Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance with the requirements, which are described in the accompanying Schedule of Findings and Questioned Costs as Findings #2025-001 to #2025-0022. Our opinion is not modified with respect to these matters.



Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the Guidelines on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with the Guidelines will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the Guidelines that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Findings #2025-001 and #2025-002 to be significant deficiencies.

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

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the internal control over compliance findings identified in our compliance audits described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 18, 2025**

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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		There was no administrative expenditure charged to PALRF and PCLRF during FY2024/25.
6. Expenditures that exceeded 25% of approved project budget have approved amended Project Description Form (Form A) or electronic equivalent.	X				
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.

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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.					
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.

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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 approval.		X			See Finding #2025-001
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		There was no administrative expenditure charged to MRLRF during FY2024/25.
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.

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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		
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.

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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 approval.		X			See Finding #2025-002
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.					There was no administrative expenditure charged to MMLRF during FY2024/25.
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.					
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.					
12. A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.					
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.

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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		
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.

**City of Culver City
Compliance Matrix
Year ended June 30, 2025**

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				
3. Annual Claim Form was submitted timely.	X				

See independent auditor's report on compliance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

City of Culver City
Schedule of Findings and Questioned Costs
Year ended June 30, 2025

MRLRF: Finding #2025-001

Compliance Reference	Section B (II) Expenditure Plan (Form One) of Measure R Local Return Program Guidelines states that, "To maintain legal eligibility and meet Measure R LR program compliance requirements, Jurisdiction shall submit to Metro an Expenditure Plan (Form One), annually, by August 1st of each year. "Expenditure Plan (Form One) provides a listing of projects funded with Measure R LR funds along with estimated expenditures for the year. For both operating and capital projects, Part I is to be filled out. For capital projects (projects over \$250,000), Part II is required. Pursuant to AB2321, Metro will provide LR funds to a capital project or program sponsor who submits the required expenditure plan."
Condition	The City claimed expenditures under the following projects prior to approval from Metro: a. Project code 705, Culver City Street Improvements, totaling \$962; and b. Project code 806 MOVE Culver City Mobility Lane, totaling \$376,893. Although we found the expenditures to be eligible for Local Return funding, these projects had no prior approval from Metro. This is a repeat finding from the prior year.
Cause	The projects were inadvertently excluded from the submitted budget request. Due to the resignation of a key staff member, the project was not added to the FY 2024-2025 budget request.
Effect	The City claimed expenditures totaling \$377,855 of Measure R LR funds prior to approval by Metro. The City did not comply with the Guidelines.
Recommendation	We recommend that the City establish procedures and internal controls to ensure that approval is obtained from Metro prior to spending on Measure R-funded projects.

MRLRF: Finding #2025-001 (Continued)

Management’s Response	The City submitted a budget request via LRMS on December 11, 2025. Moving forward, the City will ensure that budget requests are made timely to Metro and match the City's approved CIP budget.
Finding Corrected During the Audit	Retroactive approval of the said projects was obtained via LRMS on December 16, 2025. No additional follow-up is required.

City of Culver City
Schedule of Findings and Questioned Costs
Year ended June 30, 2025

MMLRF: Finding #2025-002

Compliance Reference	Section XXV Administrative, Reporting Requirements, Expenditure Plan (8/1 Table) of the Measure M Local Return Guidelines states that, "To maintain legal eligibility and meet Measure M LR program compliance requirements, Jurisdiction shall submit to Metro an Expenditure Plan (8/1 Table), annually, by August 1st of each year". "Expenditure Plan (Form M-One) provides a listing of projects funded with Measure M LR funds along with estimated expenditures for the year. For both operating and capital projects, Part I is to be filled out. Part II is to be filled out for capital projects (projects over \$250,000). Metro will provide LR funds to a capital project or program sponsor who submits the required expenditure plan".
Condition	The City claimed expenditures under Measure M Project code 840, MOVE Culver City, totaling \$864,786, prior to approval from Metro. Although we found the expenditures to be eligible for Local Return funding, this project had no prior approval from Metro. This is a repeat finding from the prior year.
Cause	The project was inadvertently excluded from the submitted budget request. Due to the resignation of a key staff member, the project was not added to the FY 2024-2025 budget request.
Effect	The City claimed expenditures totaling \$864,786 of Measure M LR funds prior to approval by Metro. The City did not comply with the Guidelines.
Recommendation	We recommend that the City establish procedures and internal controls to ensure that approval is obtained from Metro prior to spending on Measure M-funded projects.

MMLRF: Finding #2025-002 (Continued)

Management’s Response	The City submitted a budget request via LRMS on December 11, 2025. Moving forward, the City will ensure that budget requests are made timely to Metro and match the City's approved CIP budget.
Finding Corrected During the Audit	Retroactive approval of the said project was obtained via LRMS on December 16, 2025. No additional follow-up is required.

EXIT CONFERENCE

An exit conference was held on December 17, 2025 with the City of Culver City representatives. Those in attendance were:

Vasquez and Company LLP representatives:

Erica Ong – Senior Audit Manager
Mary Tanglao – Audit Supervisor

City of Culver City representatives:

Lisa Soghor – Director of Finance
Iris Kym – Accounting & Investment Manager
Robin Martin – Accountant II

Matters discussed:

Results of the audit disclosed issues of noncompliance with the Guidelines.

A copy of this report was forwarded to the following City of Culver City representatives for comments prior to the issuance of the final report:

Lisa Soghor – Chief Financial Officer
Iris Kym – Accounting & Investment Manager
Robin Martin – Accountant II
Diana Cheng – Chief Transportation Officer

Vasquez & Company LLP
655 North Central Avenue, Suite 1550
Glendale, CA 91203

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

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

(Attach additional pages if necessary)

Very truly yours,

Name

Title

Date



www.vasquez.cpa

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