



MetroTM

**City of Baldwin Park
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, 2021 and 2020
with Independent Auditor's Report**

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FINANCIAL SECTION

Independent Auditor's Report

To the Honorable Members of the City Council of the City of Baldwin Park, 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 and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Baldwin Park, California (the City) which comprise the Funds' balance sheets as of June 30, 2021 and 2020, the related statements of revenues, expenditures and changes in fund balances for the years 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 audit. We conducted our audit 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 audit 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 City'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 City'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 and the Transportation Development Act Article 3 Fund of the City of Baldwin Park, California, as of June 30, 2021 and 2020, 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.

Other Matter

As discussed in Note 13, the fiscal year 2020 financial statements of the Proposition C Local Return Fund, the Measure R Local Return Fund and the Measure M Local Return Fund have been restated to adjust certain expenditures and income allocation in fiscal year 2020. Our opinion is not modified with respect to this matter.

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 Baldwin Park, California, and do not purport to, and do not present fairly the financial position of the City as of June 30, 2021 and 2020, 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.

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 November 17, 2021 on our consideration of the City's internal control over the Funds' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over the Funds' financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over the Funds' financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over the Funds' financial reporting and compliance.

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

**Glendale, California
November 17, 2021**

City of Baldwin Park
Proposition A Local Return Fund
Balance Sheets

		June 30	
		2021	2020
ASSETS			
Cash and investments	\$	438,813	\$ 414,654
Interest receivable		277	1,482
Total assets	\$	439,090	\$ 416,136
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	226,147	\$ 209,615
Total liabilities		226,147	209,615
Fund balance			
Restricted		212,943	206,521
Total fund balance		212,943	206,521
Total liabilities and fund balance	\$	439,090	\$ 416,136

See notes to Funds financial statements.

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

	Years ended June 30	
	2021	2020
Revenues		
Proposition A	\$ 1,555,003	\$ 1,484,910
Proposition A Discretionary Incentive Program Grant (Note 8)	180,761	102,086
Interest income	1,518	9,275
Project generated revenues (Note 9)	35,210	77,564
Other revenues (Note 10)	58,516	63,791
Total revenues	1,831,008	1,737,626
Expenditures		
Various projects	1,824,586	2,043,109
Total expenditures	1,824,586	2,043,109
Excess (deficiency) of revenues over expenditures	6,422	(305,483)
Fund balance at beginning of year	206,521	512,004
Fund balance at end of year	\$ 212,943	\$ 206,521

See notes to Funds financial statements.

City of Baldwin Park
Proposition A Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Positive (Negative)	
105	Fixed Route Shuttle Service	\$ 1,350,000	\$ 1,234,501	\$ 115,499	\$ 1,219,347
107	Dial-A-Ride Services	280,000	236,210	43,790	269,645
170	Bus Shelter Maintenance	10,000	9,923	77	6,826
180	Commuter Express Trolley Program Planning	-	-	-	10,595
215	CNG Station	18,000	2,742	15,258	13,712
215	Transit Programs - Public Counter And Second Floor Remodel	6,000	-	6,000	5,973
430	Complete Streets - Maine Phase II	-	-	-	72,100
430	Walnut Creek NP Restoration	-	-	-	13,079
440	SB1 Street Improvements and Rehabilitation	-	-	-	42,454
610	Prop A Administration	361,000	341,210	19,790	360,378
765	Pavement Management Updates	-	-	-	29,000
	Total expenditures	\$ 2,025,000	\$ 1,824,586	\$ 200,414	\$ 2,043,109

See Independent Auditor's Report.

**City of Baldwin Park
Proposition A 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>
1982-83	Park and Ride Lot	\$ 260,000	\$ -	\$ -	\$ 260,000
1992-93	Commuter Rail	1,192,269	-	-	1,192,269
2002-03	(5) Transit Buses	215,500	-	-	215,500
2015-16	(5) El Dorado EZ Rider II Max White CNG Buses	1,027,266	-	-	1,027,266
2017-18	Bus Stop Improvements	200,000	-	-	200,000
2018-19	Complete Streets - Main Phase 1A	650	-	-	650
2019-20	Walnut Creek NP Phase III	13,712 *	-	-	13,712
2019-20	SB1 Street Improvement and Rehab	42,454	-	-	42,454
2019-20	Second Floor Remodel Project	5,973	-	-	5,973
2019-20	CNG Station	-	15,822	-	15,822
2019-20	Complete Streets - Maine Ave Ph II	-	72,100	-	72,100
Total \$		<u>2,957,824</u>	<u>\$ 87,922</u>	<u>\$ -</u>	<u>\$ 3,045,746</u>

* The City conducted a physical inventory count of the City's capital assets during FY 2021. Acquisition of these assets were funded by the Local Return (LR) Funds; however, these were not included in the LR Fund's Schedule of Capital Assets reported in prior years.

**City of Baldwin Park
Proposition C Local Return Fund
Balance Sheets**

		June 30	
		2021	(as restated) 2020
ASSETS			
Cash and investments	\$	1,199,207	\$ 1,034,216
Interest receivable		713	3,218
Total assets	\$	<u>1,199,920</u>	<u>\$ 1,037,434</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	95,396	\$ 159,523
Total liabilities		<u>95,396</u>	<u>159,523</u>
Fund balance			
Restricted		<u>1,104,524</u>	<u>877,911</u>
Total fund balance		<u>1,104,524</u>	<u>877,911</u>
Total liabilities and fund balance	\$	<u>1,199,920</u>	<u>\$ 1,037,434</u>

See notes to Funds financial statements.

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

	Years ended June 30	
	2021	(as restated) 2020
Revenues		
Proposition C	\$ 1,289,819	\$ 1,231,737
Interest income	3,586	11,888
Other revenues (Note 10)	3,811	-
Total revenues	1,297,216	1,243,625
 Expenditures		
Various projects	1,070,603	1,208,727
Total expenditures	1,070,603	1,208,727
 Excess of revenues over expenditures	226,613	34,898
 Fund balance at beginning of year	877,911	843,013
 Fund balance at end of year	\$ 1,104,524	\$ 877,911

See notes to Funds financial statements.

City of Baldwin Park
Proposition C Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021			(as restated) 2020 Actual
		Metro Budget	Actual	Variance Positive (Negative)	
107	Dial A Ride Service	\$ -	\$ -	\$ -	28,554
155	Recreational/Educational Trips for Community Events	35,000	-	35,000	-
170	Bus Shelter Maintenance	150,000	167,586	(17,586)	165,231
170	Metrolink Station Maintenance	10,000	1,529	8,471	-
180	Citywide Traffic Study	20,000	14,357	5,643	-
190	Abatement of Graffiti on Transit Route Facilities	55,000	54,393	607	55,529
205	Landscaping at Metrolink	100,000	24,888	75,112	30,958
215	Baldwin Park Transit Center/ PED Bridge	35,000	40,751	(5,751)	-
215	Baldwin Park Transit Center	10,000	-	10,000	-
215	CNG Slow-fill Fuel Station	256,000	56,068	199,932	270,386
215	Transit Programs - Public Counter and Second Floor Remodel	-	-	-	108,000
230	CNG Slow-fill Fuel Station - City Yard	20,000	-	20,000	-
270	Park/Ride Lot - Utilities	-	-	-	2,135
300	Transit Center/Pedestrian Bridge	-	-	-	34,212
302	Traffic Signal at Olive and Phelan	100,000	-	100,000	-
302	Maine/Pacific Ave Traffic Signal Project	61,000	3,992	57,008	34,624
324	Maine/Pacific Ave Traffic Signal Project	240,000	-	240,000	-
430	Frazier Improvements	-	-	-	9,665
450	Various Street Improvement Projects	-	-	-	94,657
470	SGVCOG Dues	13,000	13,009	(9)	12,292
620	Prop C Administration	399,200	214,812	184,388	241,166
705	Paving/Residential and Major Street Rehab	90,000	112,500	(22,500)	-
705	Pavement Management System Update	18,000	10,790	7,210	12,210
730	Maine Ave Complete Streets Projects	240,000	93,318	146,682	24,591
755	Landscaping Along Transit Corridors	30,000	20,594	9,406	-
760	Street Name/Roadway Signs	75,000	78,546	(3,546)	75,566
805	San Gabriel River Bikeway Phase II - Greening	89,040	32,020	57,020	-
805	San Gabriel River Commuter Bikeway Project	483,000	7,590	475,410	8,876
816	First Mile/Last Mile Street Improvements	166,000	-	166,000	75
820	Downtown Improvements	100,000	123,860	(23,860)	-
	Total expenditures	\$ 2,795,240	\$ 1,070,603	\$ 1,724,637	\$ 1,208,727

See Independent Auditor's Report.

**City of Baldwin Park
Proposition C Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021**

Date Acquired	Description	(as restated)			Balance June 30, 2021
		Balance July 1, 2020	Additions	Deletions	
1992-93	Commuter Rail	\$ 206,000	\$ -	\$ -	\$ 206,000
2003-04	5 Gallon Shaker	5,950	-	-	5,950
2013-14	Transit Center	2,722,776	-	-	2,722,776
2015-16	GMC Sierra C2500 HD Pickup Truck	15,000	-	-	15,000
2017-18	Corak Storm Drain Improvements	565,273	-	-	565,273
2017-18	Bus Stop Improvements	550,782	-	-	550,782
2017-18	Residential Street Rehabilitation	342,487	-	-	342,487
2017-18	Concrete Improvements Project	14,000	-	-	14,000
2018-19	Pressure Washer for Graffiti Abatement	45,189	-	-	45,189
2018-19	Chevalier Street Drainage	137,305	-	-	137,305
2018-19	Transit CTR Cameras and Server Upgrades (SMART Parking)	141,058	-	-	141,058
2018-19	SMART Parking Project	109,352	-	-	109,352
2018-19	Complete Streets - Main Phase 1A	414,708	-	-	414,708
2018-19	Various Street Improvement Projects	920,926	-	-	920,926
2019-20	Frazier Improvements	67,586 *	-	-	67,586
2019-20	Transit Programs - Public Counter and Second Floor Remodel	108,000	-	-	108,000
2020-21	CNG Station	-	483,095	-	483,095
2020-21	Complete Streets - Maine Phase 1B	-	15,861	-	15,861
2020-21	Complete Streets - Maine Ave Ph II	-	123,844	-	123,844
	Total	\$ 6,366,392	\$ 622,800	\$ -	\$ 6,989,192

* The City conducted a physical inventory count of the City's capital assets during FY 2021. Acquisition of these assets were funded by the Local Return (LR) Funds; however, these were not included in the LR Fund's Schedule of Capital Assets reported in prior years.

See Independent Auditor's Report.

**City of Baldwin Park
Measure R Local Return Fund
Balance Sheets**

		June 30	
		2021	(as restated) 2020
ASSETS			
Cash and investments	\$	686,835	\$ 857,418
Interest receivable		449	2,477
Total assets	\$	<u>687,284</u>	<u>\$ 859,895</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	136,108	\$ 185,913
Total liabilities		<u>136,108</u>	<u>185,913</u>
Fund balance			
Restricted		<u>551,176</u>	<u>673,982</u>
Total fund balance		<u>551,176</u>	<u>673,982</u>
Total liabilities and fund balance	\$	<u>687,284</u>	<u>\$ 859,895</u>

See notes to Funds financial statements.

City of Baldwin Park
Measure R Local Return Fund

Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2021	(as restated) 2020
Revenues		
Measure R	\$ 968,705	\$ 922,481
Interest income	2,374	9,966
Total revenues	971,079	932,447
 Expenditures		
Various projects	1,093,885	966,563
Total expenditures	1,093,885	966,563
 Deficiency of revenues over expenditures	 (122,806)	 (34,116)
 Fund balance at beginning of year	 <u>673,982</u>	 <u>708,098</u>
 Fund balance at end of year	 <u>\$ 551,176</u>	 <u>\$ 673,982</u>

See notes to Funds financial statements.

City of Baldwin Park
Measure R Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021			(as restated)
		Metro Budget	Actual	Variance Positive (Negative)	2020 Actual
170	Bus Stop/Share Maintenance	\$ 30,300	\$ 16,525	\$ 13,775	\$ 15,964
190	Transit CNG Fuel Station	-	-	-	34,703
205	Metrolink Station Maintenance	37,425	5,465	31,960	46,176
215	Traffic Signal at Olive and Maine Avenue	125,000	-	125,000	-
215	Tower (Boom) Truck	250,000	-	250,000	-
215	Baldwin Park Transit Center Parking Structure Maintenance	7,000	6,954	46	-
215	Second Floor Remodeling for Transit Program	-	-	-	18,795
231	Bus Stop Repairs - Repair/Replace Damaged Shelter and Benches	10,000	-	10,000	-
232	Install Digital Marquees	114,860	21,360	93,500	-
470	SGVCOG Dues and TDM Related Activities Required by the CMP	5,700	5,100	600	5,980
630	Administration of Projects and Programs	455,000	217,416	237,584	188,348
705	Street Repairs, Maintenance, Street Rehabilitation	188,400	219,240	(30,840)	231,120
715	Street Improvements Per New Complete Streets Policy	-	-	-	107,243
755	Landscaping of Complete Streets	50,000	43,082	6,918	45,586
760	Street Name Roadway Signs	99,800	111,263	(11,463)	104,905
780	Planning and Engineering for Eligible Projects	60,000	-	60,000	-
820	Downtown Improvements	662,000	447,480	214,520	167,743
880	GIS Mapping for Bikeways	3,000	-	3,000	-
Total expenditures		\$ 2,098,485	\$ 1,093,885	\$ 1,004,600	\$ 966,563

See Independent Auditor's Report.

**City of Baldwin Park
Measure R Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021**

Date Acquired	Description	(as restated)			Balance June 30, 2021
		Balance July 1, 2020	Additions	Deletions	
2013-14	Transit Center	\$ 429,599	\$ -	\$ -	429,599
2015-16	GMC Sierra C2500 HD Pickup Truck	15,000	-	-	15,000
2017-18	Fork Lift Model C25L Tripple Clark	3,701	-	-	3,701
2017-18	Street Sweeper (TYMCO 600 - CNG/Freightliner)	200,000	-	-	200,000
2017-18	Alleyway Street Improvements Project	100,000	-	-	100,000
2017-18	Residential Street Rehabilitation	656,326	-	-	656,326
2017-18	Center Median Landscape Improvements	806,917	-	-	806,917
2017-18	Corak Storm Drain Improvements	60,766	-	-	60,766
2018-19	64" Latex Printer & Software for Signage (Plotter)	9,652	-	-	9,652
2018-19	Safe Route to School Project	418,220	-	-	418,220
2018-19	Complete Streets - Main Phase 1A	96,106	-	-	96,106
2018-19	Various Street Improvement Projects	180,000	-	-	180,000
2019-20	Second Floor Remodeling Project	18,795	-	-	18,795
2019-20	CNG Station	-	34,703	-	34,703
2020-21	Complete Streets - Maine Phase 1B	-	107,244	-	107,244
Total		\$ 2,995,082	\$ 141,947	\$ -	\$ 3,137,029

See Independent Auditor's Report.

**City of Baldwin Park
Measure M Local Return Fund
Balance Sheets**

		June 30	
		2021	(as restated) 2020
ASSETS			
Cash and investments	\$	85,981	\$ -
Interest receivable		265	1,111
Total assets	\$	86,246	\$ 1,111
LIABILITIES AND FUND DEFICIT			
Liabilities			
Accounts payable	\$	99,210	\$ 52,293
Due to General Fund		-	41,273
Total liabilities		99,210	93,566
Fund deficit			
Restricted		(12,964)	(92,455)
Total fund deficit		(12,964)	(92,455)
Total liabilities and fund deficit	\$	86,246	\$ 1,111

See notes to Funds financial statements.

City of Baldwin Park
Measure M Local Return Fund

Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2021	(as restated) 2020
Revenues		
Measure M	\$ 1,097,578	\$ 1,039,565
Interest income	527	2,900
Total revenues	1,098,105	1,042,465
Expenditures		
Various projects	1,079,114	1,457,689
Total expenditures	1,079,114	1,457,689
Excess (deficiency) of revenues over expenditures	18,991	(415,224)
Other financing source		
Transfer in from Measure M Bond Fund	60,500	470,100
Total other financing source	60,500	470,100
Change in fund balance	79,491	54,876
Fund deficit at beginning of year	(92,455)	(147,331)
Fund deficit at end of year	\$ (12,964)	\$ (92,455)

See notes to Funds financial statements.

City of Baldwin Park
Measure M Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Positive (Negative)	
205	Bus Stop Maintenance	\$ -	\$ -	\$ -	24,353
215	Second Floor Remodeling Project	-	-	-	50,000
250	Metrolink Quiet Zones - Design and Construction Matching	1,895,000	582,469	1,312,531	-
250	First Mile / Last Mile Improvements to and from Transit Center	166,000	111,850	54,150	-
302	Traffic Signal at Olive St and Phelan Ave	200,000	6,528	193,472	4,374
640	Measure M Administration	277,000	215,823	61,177	263,755
705	CNG Station Street Repairs	5,200	-	5,200	106,197
705	Street Maintenance	110,000	117,444	(7,444)	-
705	Complete Streets - Maine Phase II	-	-	-	52,500
715	Street Rehabilitation Project	-	-	-	212,423
715	Various Streets Rehabilitation Project	-	-	-	53,668
715	Sidewalk and Street Improvements Around Morgan Park	-	-	-	12,450
720	Drainage Improvements at Foster Avenue Pedestrian Rail	600,000	45,000	555,000	15,500
720	Bond for Rail Safety Crossing Improvements	-	-	-	582,469
850	Walnut Creek NP Restoration	-	-	-	80,000
Total expenditures		\$ 3,253,200	\$ 1,079,114	\$ 2,174,086	\$ 1,457,689

See Independent Auditor's Report.

City of Baldwin Park
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>
2017-18	Residential Street Rehabilitation	\$ 374,619	\$ -	\$ -	\$ 374,619
2017-18	Concrete Improvements Project	20,822	-	-	20,822
2018-19	Bus Stop Improvements	99,600	-	-	99,600
2018-19	Safe Route to School Project	78,420	-	-	78,420
2018-19	Various Street Improvement Projects	384,404	-	-	384,404
2019-20	Walnut Creek NP Restoration	80,000	-	-	80,000
2019-20	Second Floor Remodeling Project	50,000	-	-	50,000
2019-20	Sidewalk and street improvements around Morgan Park	12,450	-	-	12,450
2019-20	CNG Station	-	106,197	-	106,197
2019-20	Complete Streets - Maine Ave Ph II	-	52,500	-	52,500
2020-21	Complete Streets - Maine Phase 1B	-	15,861	-	15,861
Total		\$ 1,100,315	\$ 174,558	\$ -	\$ 1,274,873

See Independent Auditor's Report.

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

		June 30	
		2021	2021
ASSETS			
Cash		\$ -	\$ 329
	Total assets	\$ -	\$ 329
LIABILITIES AND FUND BALANCE (DEFICIT)			
Liabilities			
Cash overdraft		\$ 1,827	\$ -
Accounts payable		996	-
	Total liabilities	2,823	-
Fund balance (deficit)			
Restricted		(2,823)	329
	Total fund balance (deficit)	(2,823)	329
	Total liabilities and fund balance	\$ -	\$ 329

See notes to Funds financial statements.

City of Baldwin Park
 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	
	2021	2020
Revenues		
Intergovernmental Allocations:		
Article 3	\$ -	\$ -
Interest income	-	88
Other income - refund on project cost	-	6,630
Total revenues	-	6,718
Expenditures		
Construction/Maintenance	3,152	15,366
Total expenditures	3,152	15,366
Deficiency of revenues over expenditures	(3,152)	(8,648)
Fund balance at beginning of year	329	8,977
Fund balance (deficit) at end of year	\$ (2,823)	\$ 329

See notes to Funds financial statements.

City of Baldwin Park
 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			Project Status
		Allocations	Expenditures	Unexpended Allocations	
Local Allocations:					
San Gabriel River Bikeway Project	2021	\$ -	\$ 3,152	\$ (3,152)	On-going
Totals		\$ -	\$ 3,152	(3,152)	
Fund balance at beginning of year				329	
Fund balance at end of year				\$ (2,823)	

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), 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 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, 2021 and 2020:

- 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, 2021 and 2021, 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 Proposition A Discretionary Incentive Program grant represents additional funds received from Metro for participating in the Voluntary NTD Program. The amounts received for the years ended June 30, 2021 and 2020 consisted of the following:

Agreement Date	Program Year	MOU Amount	Amount Received	
			2021	2020
07/31/2018	FY2015/16	\$ 102,086	\$ -	\$ 102,086
07/01/2019	FY2016/17	90,164	90,164	-
05/01/2020	FY2017/18	90,597	90,597	-
			\$ 180,761	\$ 102,086

The Proposition A Discretionary Incentive Program grants were recorded under PALRF.

NOTE 9 PROJECT GENERATED REVENUES

Project generated revenues under PALRF for the years ended June 30, 2021 and 2020 consisted of the following:

	2021	2020
Farebox	\$ 35,210	\$ 57,218
Other licenses and permits	-	20,346
	\$ 35,210	\$ 77,564

NOTE 10 OTHER REVENUES

Other revenues under PALRF for the years ended June 30, 2021 and 2020 consisted of the following:

PALRF:

	2021	2020
Bus shelter maintenance	\$ 33,666	\$ 33,666
Bus shelter advertising	23,353	23,353
Others	1,497	6,772
	\$ 58,516	\$ 63,791

PCLRF:

	2021	2020
Reimbursement from State grant for Maine Avenue Complete Streets Projects	\$	\$
	3,811	-
	\$ 3,811	\$ -

NOTE 11 MUNICIPAL FINANCING AUTHORITY REVENUE BONDS SERIES 2019

In February 2019, the City issued the Baldwin Park Municipal Financing Authority Measure M Revenue Bonds (Rail Safety Improvements Project), Series 2019 in the amount of \$6,460,000 to (i) finance the design, acquisition, and construction of certain local roadway and street improvement projects (collectively, the "Project") in the City of Baldwin Park (the "City"), (ii) purchase a debt service reserve policy to satisfy the reserve requirement for the Bonds and (iii) pay the costs incurred in connection with the issuance of the Bonds. Interest on the Bonds of 5% is payable semiannually on June 1 and December 1 of each year, commencing June 1, 2019, until maturity or earlier redemption. The Bonds are payable from and secured by Measure M Receipts, which generally consist of certain amounts received by the City from a 0.5 % retail transactions and use tax that is collected by the County of Los Angeles, California and allocated annually by the Los Angeles County Metropolitan Transportation Authority. Proceeds from the issuance was recorded under Measure M Bond Fund. The principal balance outstanding at June 30, 2021 and 2020 was \$5,845,000 and \$6,160,000, respectively.

City of Baldwin Park
Notes to Funds Financial Statements
Years ended June 30, 2021 and 2020

**NOTE 11 MUNICIPAL FINANCING AUTHORITY REVENUE BONDS SERIES 2019
(CONTINUED)**

The following is the movement in the bonds outstanding balance and interest payable for the years ended June 30, 2021 and 2020:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Oustanding balance as of June 30, 2019	\$ 6,460,000	\$ 2,312,807	\$ 8,772,807
Principal and interest payment	<u>(300,000)</u>	<u>(282,468)</u>	<u>(582,468)</u>
Oustanding balance as of June 30, 2020	6,160,000	2,030,339	8,190,339
Principal and interest payment	<u>(315,000)</u>	<u>(266,156)</u>	<u>(581,156)</u>
Oustanding balance as of June 30, 2021	<u>\$ 5,845,000</u>	<u>\$ 1,764,183</u>	<u>\$ 7,609,183</u>

The following is the movement in the bond's cash balance for the years ended June 30, 2021 and 2020 under the Measure M Bond Fund:

Cash balance as of June 30, 2019	\$ 7,004,329
Add: Transfer from MMLRF for Rail Safety Crossing Improvements project	582,469
Interest income earned	205,792
Less: Debt service payment during the year	(582,469)
Trustee and professional fees	(4,825)
Transfer out to MMLRF for Rail Safety Crossing Improvements project	(470,100)
Decrease in accrued interest payable	<u>(613)</u>
Cash balance as of June 30, 2020	6,734,583
Add: Transfer from MMLRF for Metrolink Quiet Zones - Design and Construction Matching project	582,469
Interest income earned	38,487
Less: Debt service payment during the year	(581,156)
Trustee and professional fees	(4,500)
Transfer out to MMLRF for Drainage Improvements at Foster Avenue Pedestrian Rail project (FY 2020 and FY 2021)	(60,500)
Decrease in accrued interest payable	<u>(1,311)</u>
Cash balance as of June 30, 2021	<u>\$ 6,708,072</u>

NOTE 12 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, 2021 and 2020, the City has funds on reserve as follows:

	<u>2021</u>	<u>2020</u>
FY 2017/18 allocation	\$ 43,376	\$ 43,376
FY 2018/19 allocation	51,207	51,207
FY 2019/20 allocation	55,267	55,267
FY 2020/21 allocation	<u>43,077</u>	<u>-</u>
Total reserve	<u>\$ 192,927</u>	<u>\$ 149,850</u>

**NOTE 12 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUNDS RESERVED
(CONTINUED)**

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

NOTE 13 RESTATEMENT OF 2020 FUND FINANCIAL STATEMENTS

The 2020 financial statements were restated to reflect the adjustments on the following accounts:

PCLRF

	<u>Balance,</u> as previously reported	<u>Adjustment</u>	<u>Balance,</u> as adjusted
Cash and investments	\$ 1,037,151	\$ (2,935)	\$ 1,034,216
Fund balance	880,846	(2,935)	877,911
Interest income	11,926	(38)	11,888
Expenditures	1,205,830	2,897	1,208,727

The restatement of the PCLRF financial statements is to record additional expenditures related to Project 215, CNG Slow-fill Fuel Station, incurred in fiscal year 2020 amounting to \$2,935 and recognize an investment loss of \$38.

MRLRF

	<u>Balance,</u> as previously reported	<u>Adjustment</u>	<u>Balance,</u> as adjusted
Cash and investments	\$ 838,411	19,007	\$ 857,418
Interest receivable	2,495	(18)	2,477
Fund balance	654,993	18,989	673,982
Interest income	9,984	(18)	9,966
Expenditures	985,570	(19,007)	966,563

The restatement of the MRLRF financial statements is to remove expenditures related to Project 715, Street Improvements Per New Complete Streets Policy, amounting to \$19,007 and recognize an investment loss of \$18.

NOTE 13 RESTATEMENT OF 2020 FUND FINANCIAL STATEMENTS (CONTINUED)

MMLRF

	<u>Balance,</u> <u>as previously</u> <u>reported</u>	<u>Adjustment</u>	<u>Balance,</u> <u>as adjusted</u>
Interest receivable	\$ 1,123	(12) \$	1,111
Fund balance	92,443	12	92,455
Interest income	2,912	(12)	2,900

The restatement of the MMLRF financial statements is to recognize an investment loss of \$12.

NOTE 14 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 City's management believes that the financial impact, if any, will not materially affect the June 30, 2021 funds financial statements.

NOTE 15 SUBSEQUENT EVENTS

The City 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 November 17, 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 City Council of the
City of Baldwin Park, 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 Baldwin Park, California (the City) 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 November 17, 2021.

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 Funds' 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 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
November 17, 2021**

COMPLIANCE SECTION

Independent Auditor's Report on Compliance

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

Report on Compliance

We have audited the City of Baldwin Park, 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 Guidelines 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, 2021.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit. We conducted our audit of compliance in accordance with the 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. Those standards and the Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the Proposition A Local Return Program, Proposition C Local Return Program, Measure R Local Return Program, Measure M Local Return Program and Transportation Development Act Article 3 Program occurred. An audit includes examining, on a test basis, evidence about the City'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 City's compliance with the Guidelines.

Opinion

In our opinion, the City of Baldwin Park, California complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2021.



Report on Internal Control over Compliance

Management of the City 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 City'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 City'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.

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

**Glendale, California
November 17, 2021**

**City of Baldwin Park
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		
7. Annual Project Update Report (Form B) or electronic equivalent was submitted on time.	X				
7. 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		
12. Self-Certification was completed and submitted for Intelligent Transportation Systems projects and elements.			X		

See independent auditor's report on compliance.

**City of Baldwin Park
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					
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.

**City of Baldwin Park
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.

**City of Baldwin Park
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		
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 Baldwin Park
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.

**City of Baldwin Park
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		
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 Baldwin Park
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				

See Independent Auditor's Report on compliance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**City of Baldwin Park
Schedule of Findings and Questioned Costs
Year ended June 30, 2021**

There were no findings noted.

EXIT CONFERENCE

An exit conference was held on November 9, 2021 with the City of Baldwin Park representatives. Those in attendance were:

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

City of Baldwin Park representatives:
Rose Tam – Finance Director
Shao Yin Wei – Accounting Manager
Anthony Ceballos – Senior Accountant
Sharon Rivera – Management Assistant

Matters discussed:

Results of the audit disclosed no significant compliance or financial statements issues.

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

Rose Tam – Finance Director
Sam Gutierrez – Public Works Director
Shao Yin Wei – Accounting Manager
Sharon Rivera – Management Assistant



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