

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE
SPECIAL REVENUE FUND**

**Financial Statements
Fiscal Years Ended June 30, 2020 and 2019**

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE
SPECIAL REVENUE FUND**

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**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE
SPECIAL REVENUE FUND**

**Financial Statements
Fiscal Years Ended June 30, 2020 and 2019**

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Los Angeles County Metropolitan Transportation Authority
Los Angeles, California

Report on the Financial Statements

We have audited the accompanying financial statements of the State Transit Assistance Fund (the STA Fund), a special revenue fund of the Los Angeles County Metropolitan Transportation Authority (LACMTA), as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, as listed in the table of contents.

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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the 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 entity'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 entity'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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the STA Fund, of the LACMTA, as of June 30, 2020 and 2019, and the changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the STA Fund and do not purport to, and do not, present fairly the financial position of the Los Angeles County Metropolitan Transportation Authority, as of June 30, 2020 and 2019, the changes in its financial position, or, where applicable, its cash flows 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.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The management's discussion and analysis, budgetary comparison information, schedule of allocations, and schedule of expenditures and transfers are presented for purposes of additional analysis and are not a required part of the financial statements.

The management's discussion and analysis, budgetary comparison information, schedule of allocations, and schedule of expenditures and transfers, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2020 on our consideration of the STA Fund's internal control over 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the STA Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the STA Fund's internal control over financial reporting and compliance.

Crowe LLP
Crowe LLP

Los Angeles, California
November 23, 2020

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

The Board of Directors
Los Angeles County Metropolitan Transportation Authority
Los Angeles, California

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 State Transit Assistance Fund (the STA Fund), a special revenue fund of the Los Angeles County Metropolitan Transportation Authority (LACMTA), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the STA Fund's financial statements, and have issued our report thereon dated November 23, 2020. As discussed in Note 1, the financial statements present only the STA Fund and do not purport to, and do not, present fairly the financial position of LACMTA, the changes in its financial position, or where applicable, its cash flows in accordance with accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the STA Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Los Angeles, California
November 23, 2020

Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund
Management's Discussion and Analysis (Unaudited)
Fiscal years ended June 30, 2020 and 2019

The Los Angeles County Metropolitan Transportation Authority's State Transit Assistance Special Revenue Fund (the STA Fund) was created in accordance with the provisions of the Transportation Development Act (the Act) as administered by the Department of Transportation of the State of California (the State). Sales tax revenues of the STA Fund represent an allocation of sales tax on diesel and gas fuel collected by the California Department of Tax and Fee Administration. Expenditures from the STA Fund are made by Los Angeles County (the County) in accordance with written instructions issued by the Los Angeles County Metropolitan Transportation Authority (LACMTA) under the terms of the Act.

Our discussion and analysis of STA Fund's financial performance presents an overview of the STA Fund's financial activities during the fiscal years ended June 30, 2020 and 2019. We encourage readers to consider information presented here in conjunction with the financial statements (beginning on page 8). The financial statements, notes to the financial statements, and this discussion and analysis were prepared by management and are the responsibility of the management.

All amounts are expressed in thousands of dollars unless otherwise indicated.

2020 Financial Highlights

- Sales tax revenues for the year increased by \$2,418 or 1.23% compared with prior year. Despite an average increase of 3.00% in the first three quarters over the same period last year, sales tax revenues dropped more than 12% in the last quarter compared to the third quarter of FY20 or a 3% decrease compared to the same period in FY19. The decrease in sales tax during the last quarter of FY20 may be attributed in part to decreased travelling resulting from coronavirus lockdowns and stay-home orders due to the COVID 19 pandemic.
- Actual sales tax revenues in FY20 totaled \$198,290 was lower by \$17,533 or 8.12% than the original and final budget of \$215,823 which was projected at 10% higher than FY19 actual revenues. Actual receipts decreased 3% during the period of April through June 2020 as compared to the same period in FY19, and decreased 12% over the revenues compared to the third quarter of FY20.
- Total transfers out increased by \$18,257 or 9.44% compared to prior year mainly due to increase in subsidies for Metro's rail operations and maintenance costs, while transportation subsidies to cities/other agencies also increased by \$9,107 or 30.25% over FY19 in anticipation of increased sales tax revenues over the prior year.

2019 Financial Highlights

- Sales tax revenues for FY19 increased by \$44,932 or 29.77% compared to FY18. The increase was mainly due to a full-year additional sales taxes from Senate Bill 1 (SB 1) that increased diesel and gas taxes effective November 1, 2017 compared to only eight months revenue in FY18

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Management's Discussion and Analysis (Unaudited)
Fiscal years ended June 30, 2020 and 2019

- Actual sales tax revenues in FY19 totaled \$195,872 was \$45,385 or 30% higher than the original and final budget of \$150,487.
- Total transfers out to other funds increased by \$144,444 or 294.74% compared to FY18 due to increase in subsidies for Metro's bus and rail operation and maintenance costs

Overview of Financial Statements

This discussion and analysis serves as an introduction to the financial statements. The STA Fund's financial statements consisted of two components: (1) the fund financial statements, and (2) the notes to the financial statements. This report also contains other supplementary information in addition to the financial statements.

The condensed balance sheets show the STA Fund's assets and liabilities as of June 30, 2020, 2019, and 2018. The differences between the assets and liabilities are reported as fund balances. The fund balance may serve as a useful indicator of the STA Fund's financial health.

The comparative statements of revenues, expenditures and changes in fund balance for the fiscal years show the underlying events or activities of the fund that impacted the fund balances.

Condensed Balance Sheets

	2020	2019	2018
Total assets	\$ 123,284	\$ 103,909	\$ 114,973
Total liabilities	94,573	24,038	9,544
Fund balances	28,711	79,871	105,429
Total liabilities and fund balances	\$ 123,284	\$ 103,909	\$ 114,973

Total assets increased by \$19,375 or 18.64% as of June 30, 2020 compared to June 30, 2019 primarily due to collection of sales tax receivables in prior year in addition to the timing of payment of accounts payable and accrued liabilities due at year-end. Total liabilities increased by \$70,535 or 293.43% as of June 30, 2020 compared to June 30, 2019 mainly due to increase in interfund payable to the Enterprise Fund resulting from the timing of interfund transfers of subsidies allocated for bus and rail operations and maintenance and an increase in accounts payable and accrued liabilities also attributed to timing of payments of subsidies due at year-end.

Total assets decreased by \$11,064 or 9.62% as of June 30, 2019 compared to June 30, 2018 primarily due to the increase in transportation subsidies paid to the cities and jurisdictions and transfers out to the LACMTA Enterprise Fund for bus and rail operations subsidies. Total liabilities increased by \$14,494 or 151.87% as of June 30, 2019 compared to June 30, 2018 mainly due to the increase in accrual of subsidies allocated to LACMTA Enterprise Fund for bus and rail operations and maintenance.

Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund
Management's Discussion and Analysis (Unaudited)
Fiscal years ended June 30, 2020 and 2019

Condensed Statement of Revenues, Expenditures, and Changes in Fund Balances

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues	\$ 199,760	\$ 197,998	\$ 151,635
Expenditures and other financing uses of funds	<u>(250,920)</u>	<u>(223,556)</u>	<u>(55,811)</u>
Net change in fund balances	(51,160)	(25,558)	95,824
Fund balances – beginning of year	<u>79,871</u>	<u>105,429</u>	<u>9,605</u>
Fund balances – end of year	<u><u>\$ 28,711</u></u>	<u><u>\$ 79,871</u></u>	<u><u>\$ 105,429</u></u>

Total revenues increased by \$1,762 or 0.89% during fiscal year 2020 compared to fiscal year 2019. Despite more than 3% average increase in sales tax revenues in the first three quarters of FY20 compared to the same period of FY19, it decreased 12% in the fourth quarter compared to the third quarter or a 3% decrease over the same period of FY19. Expenditures and other financing uses increased by \$27,364 or 12.24% during fiscal 2020 compared to fiscal year 2019 mainly due to higher bus and rail operating subsidies transferred to the LACMTA Enterprise Fund, and an increase in local transportation subsidies paid to the cities/other local transportation agencies.

Total revenues increased \$46,363 or 30.58% during fiscal year 2019 compared to fiscal year 2018 primarily due to an increase in investment income with favorable interest yield and the increase in the price of gasoline and diesel fuel tax with Senate Bill 1 (SB 1) went into effect in November 1, 2017. Expenditures and other financing uses increased \$167,745 or 300.56% during fiscal 2019 compared to fiscal year 2018 mainly due to an increase in transportation subsidies paid to the cities/other local transportation agencies, and transfers to the LACMTA Enterprise Fund for bus and rail operations.

Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund
Balance Sheets
June 30, 2020 and 2019
(Amounts expressed in thousands)

	2020	2019
Assets		
Cash and cash equivalents	\$ 72,926	\$ 51,400
Interest receivable	258	439
Sales tax receivable	50,100	52,070
Total assets	123,284	103,909
Liabilities		
Accounts payable and accrued liabilities	10,185	611
Due to other funds	84,388	23,427
Total liabilities	94,573	24,038
Fund balances		
Restricted	28,711	79,871
Total liabilities and fund balances	\$ 123,284	\$ 103,909

See accompanying notes to financial statements.

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Statements of Revenues, Expenditures, and Changes in Fund Balances
Fiscal years ended June 30, 2020 and 2019
(Amounts expressed in thousands)

	2020	2019
Revenues:		
Sales tax	\$ 198,290	\$ 195,872
Investment income	1,470	2,126
Total revenues	199,760	197,998
Expenditures:		
Transportation subsidies	39,211	30,104
Excess of revenues over expenditures	160,549	167,894
Other financing uses:		
Transfers out	(211,709)	(193,452)
Net change in fund balances	(51,160)	(25,558)
Fund balances - beginning of year	79,871	105,429
Fund balances - end of year	\$ 28,711	\$ 79,871

See accompanying notes to financial statements.

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Notes to Financial Statements
June 30, 2020 and 2019

1. Summary of Significant Accounting Policies

(a) General Description

The Los Angeles County Metropolitan Transportation Authority's State Transit Assistance Special Revenue Fund (the STA Fund) was created in accordance with the provisions of the Transportation Development Act (the Act) as administered by the Department of Transportation of the State of California (the State). Sales tax revenues of the STA Fund represent an allocation of retail sales tax on diesel and gas fuel collected by the California Department of Tax and Fee Administration. Expenditures from the STA Fund are made by Los Angeles County (the County) in accordance with written instructions issued by the Los Angeles County Metropolitan Transportation Authority (LACMTA) under the terms of the Act.

(b) Basis of Accounting

The STA Fund is reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, LACMTA considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred and a valid claim is presented. Transportation subsidies are recorded when all of the eligibility requirements have been met, including the receipt of the reimbursement request.

(c) Fund Accounting

LACMTA utilizes fund accounting to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. The STA Fund is considered a governmental fund. The measurement focus is the determination of changes in financial position, rather than net income determination. Additionally, the STA Fund is considered a special revenue governmental fund. Special revenue funds are used to account for proceeds of specific revenue sources including sales tax that are legally restricted to expenditures for specified purposes.

(d) Financial Statement Presentation

The accompanying financial statements present only the STA Fund and do not purport to, and do not, present fairly the financial position of the LACMTA as of June 30, 2020 and 2019, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Notes to Financial Statements
June 30, 2020 and 2019

(e) Cash and Cash Equivalents

The STA Fund's cash and cash equivalents include deposits with the Los Angeles County Investment Pool (LACIP). The STA Fund is an involuntary participant in the LACIP.

(f) Sales Tax Receivable

Sales tax receivables represent uncollected amounts from the allocation of retail sales tax on diesel fuel and gas fuel collected by the California Department of Tax and Fee Administration. As of June 30, 2020 and 2019, the STA Fund had receivables of \$50,100 and \$52,070 respectively.

(g) Recent Event

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The extent to which the coronavirus may impact business activity will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. Management has not included any contingencies in the financial statements specific to this recent event.

2. Cash and Investments

Cash balances of the STA Fund are pooled with other County funds and invested by the Los Angeles County Treasurer (the Treasurer). These funds are subject to withdrawal from the Treasurer's pool upon demand.

STA Fund's pooled cash and investments with the LACIP amounted to \$72,926 at June 30, 2020 and \$51,400 at June 30, 2019. The County Board of Supervisors provides regulatory oversight for the LACIP. The value of the position in the investment pool is the same as the value of the pool. The investment pool is not rated for purposes of evaluating credit risk as of June 30, 2020 and 2019.

Detailed information concerning the County's pooled cash and investments can be found in the County of Los Angeles Comprehensive Annual Financial Report (CAFR). A copy of the County's CAFR can be obtained by writing to the Los Angeles County Auditor-Controller, 500 West Temple Street, Room 525, Los Angeles, CA 90012-2766.

3. Due to/from Other Funds

Due to or from other funds represent payables owed to or receivable from a particular LACMTA fund for temporary loans, advances, goods delivered, or services rendered. As of June 30, 2020 and 2019, the STA Fund had a net payable mainly to LACMTA's Enterprise Fund for \$84,388 and \$23,427, respectively, for various unpaid operating and capital subsidies.

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Notes to Financial Statements
June 30, 2020 and 2019

4. Interfund Transfers

Transfers represent permanent, legally authorized transfers from a fund receiving revenue to the fund through which resources are to be expended. These transfers represent operating and capital subsidies given out from one fund to another fund. For the fiscal years ended June 30, 2020 and 2019, the STA Fund transferred \$211,709 and \$193,452 to LACMTA Enterprise Fund, respectively.

5. Sales Tax Revenue

Sales tax revenue represents amounts from the allocation of retail sales tax on diesel fuel and gas fuel collected by the California Department of Tax and Fee Administration. For the years ended June 30, 2020 and 2019, the STA Fund received an allocation of \$198,290 and \$195,872 respectively.

6. Payable to Cities and Jurisdictions

As of June 30, 2020 and 2019, the STA Fund had accrued liabilities to various cities and other jurisdictions of \$10,185 and \$611, respectively. These accrued liabilities represented claims for the current fiscal year allocation that were disbursed by the STA Fund in the following fiscal year.

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
(Unaudited)
Fiscal year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget</u>
Revenues:				
Sales tax	\$ 215,823	\$ 215,823	\$ 198,290	\$ (17,533)
Investment income	—	—	1,470	1,470
Total revenues	215,823	215,823	199,760	(16,063)
Expenditures:				
Transportation subsidies	38,289	38,289	39,211	(922)
Excess of revenues over expenditures	177,535	177,535	160,549	(16,986)
Other financing sources (uses):				
Transfers out	(191,460)	(191,460)	(211,709)	(20,249)
Net change in fund balances	(13,925)	(13,925)	(51,160)	(37,235)
Fund balances – beginning of year	79,871	79,871	79,871	—
Fund balances – end of year	<u>\$ 65,946</u>	<u>\$ 65,946</u>	<u>\$ 28,711</u>	<u>\$ (37,235)</u>

Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund
Schedule of Allocations (Unaudited)
Fiscal years ended June 30, 2020 and 2019
(Amounts expressed in thousands)

CCR Code	Operating 6730(a)	Capital 6730(b)	Rail 6730(c)	2020 Total	2019 Total
Arcadia	\$ 118	\$ —	\$ —	\$ 118	\$ 89
Claremont	45	—	—	45	35
Commerce	153	—	—	153	113
Culver City	1,873	—	—	1,873	1,410
Foothill Transit	8,695	—	—	8,695	6,490
Gardena	1,904	—	—	1,904	1,415
La Mirada	35	—	—	35	27
Long Beach	8,203	—	—	8,203	6,057
LACMTA	96,667	—	105,152	201,818	143,530
Montebello	2,879	—	—	2,879	2,135
Norwalk	1,107	—	—	1,107	824
Redondo Beach	262	—	—	262	193
Santa Monica	7,035	—	—	7,035	5,208
Torrance	2,223	—	—	2,223	1,648
Antelope Valley	886	—	—	886	585
LADOT	1,695	—	—	1,695	1,213
Santa Clarita	800	—	—	800	565
Foothill –BSCP	376	—	—	376	263
Total STA fund allocations	<u>\$ 134,956</u>	<u>\$ —</u>	<u>\$ 105,152</u>	<u>\$ 240,108</u>	<u>\$ 171,800</u>

**Los Angeles County
Metropolitan Transportation Authority
State Transit Assistance
Special Revenue Fund**

Schedule of Expenditures and Transfers (Unaudited)
Fiscal years ended June 30, 2020 and 2019
(Amounts expressed in thousands)

CCR Code	FY2020				FY2019			
	Operating 6730(a)	Capital 6730(b)	Rail 6730(c)	Total	Operating 6730(a)	Capital 6730(b)	Rail 6730(c)	Total
Arcadia	\$ 54	\$ —	\$ —	\$ 54	\$ 69	\$ —	\$ —	\$ 69
Claremont	20	—	—	20	13	25	—	38
Commerce	113	3	—	116	162	—	—	162
Culver City	1,873	—	—	1,873	1,771	—	—	1,771
Foothill Transit	9,071	1,798	—	10,869	6,753	—	—	6,753
Gardena	1,904	—	—	1,904	1,773	244	—	2,017
La Mirada	16	17	—	33	—	—	—	—
Long Beach	8,203	—	—	8,203	7,622	—	—	7,622
LACMTA	96,667	—	115,042	211,709	103,806	—	89,646	193,452
LADOT	1,695	—	—	1,695	—	—	—	—
Montebello	1,744	—	—	1,744	1,344	373	—	1,717
Norwalk	1,107	—	—	1,107	964	—	—	964
Redondo Beach	197	—	—	197	226	—	—	226
Santa Clarita	800	—	—	800	981	—	—	981
Santa Monica	7,035	1,338	—	8,373	6,136	—	—	6,136
Torrance	2,223	—	—	2,223	1,648	—	—	1,648
Total STA fund expenditures	\$ 132,722	\$ 3,156	\$ 115,042	\$ 250,920	\$ 133,268	\$ 642	\$ 89,646	\$ 223,556

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

The Board of Directors
Los Angeles County Metropolitan Transportation Authority
Los Angeles, California

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 State Transit Assistance Fund (the STA Fund), a special revenue fund of the Los Angeles County Metropolitan Transportation Authority (LACMTA), which comprise the balance sheet as of June 30, 2020 and 2019, and the related statement of revenues, expenditures, and changes in fund balance for the years then ended, and have issued our report thereon dated November 23, 2020.

In connection with our audit, nothing came to our attention that caused us to believe that LACMTA failed to comply with the terms, covenants, provisions, or conditions of Section 6751 of the California Code of Regulations, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding LACMTA's noncompliance with the above-referenced terms, covenants, provisions, or conditions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of management, LACMTA's Board of Directors, others within LACMTA, and regulatory agencies, and is not intended to be and should not be used by anyone other than these specified parties.


Crowe LLP

Los Angeles, California
November 23, 2020