



Los Angeles County Metropolitan Transportation Authority

FY25 Annual Financial and Compliance Audits | April 16, 2026

Agenda



Audit Results



Required
Communications



Questions

Audit Results





Audit Deliverables

Financial Audits

- Annual Comprehensive Financial Report (ACFR)
- Service Authority for Freeway Emergencies (SAFE)
- State Transit Assistance fund (STA)

Compliance and Other Audits

- Single Audit for Federal Funds
- Transportation Development Act Compliance
 - California Code of Regulations Section 6667
 - California Code of Regulations Section 6640-6662
 - Low Carbon Transit Operations Program (LCTOP)
- National Transit Database Report on Federal Funding Allocation Statistics Form (NTD FFA-10)

Audit Results

Opinions on Financial Statements

- Unmodified

Opinion on Uniform Guidance Compliance for Major Programs

- Unmodified

New Accounting Pronouncements

- No significant new accounting pronouncements

Corrected Misstatements

- No corrected misstatements identified

Uncorrected Misstatements

- Two passed adjustments – total net position understated by \$16M *

* One passed adjustment is related to not recording Low Carbon Fuel Standard credits at their estimated fair value. As a result, approximately \$16M will be recognized when the credits are sold. The second passed adjustment is related to Regional Tap Service Center (RTAP) cash and accounts payable that should be reported in the fiduciary fund instead of the enterprise fund. As a result, the enterprise fund net position should be approximately \$8.7M lower and the fiduciary fund net position should be \$8.7M higher.

Required Communications



Required Communications

- Significant Accounting Policies: Those Charged with Governance should be informed of the initial selection of and changes in significant accounting policies or their application. Management has disclosed the summary of significant accounting policies in footnote I of the Annual Comprehensive Financial Report (ACFR).
- Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments.

Our values



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Required Communications

We did not note:

- Significant Accounting Policies in Controversial or Emerging Areas
- Significant Unusual Transactions
- Significant Difficulties Encountered during the Audit
- Disagreements with Management
- Consultations with Other Accountants
- Significant Related Party Findings and Issues
- Independence matters

Our values



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Questions?

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