



Board Report

File #: 2025-0100, **File Type:** Oral Report / Presentation

Agenda Number: 5.

MEASURE R INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE MARCH 5, 2025

SUBJECT: LOCAL RETURN

ACTION: RECEIVE ORAL REPORT

RECOMMENDATION

RECEIVE oral report on Local Return programmed revenues and uses for Los Angeles County jurisdictions to support discussion on the effective and efficient use of funds.

ISSUE

To support the discussion on Local Return revenue amounts programmed and usage by each Los Angeles County local jurisdiction, this report provides an annual update and presents the status of Local Return funding in the second quarter of fiscal year 2025 (FY25). This includes audit updates, a summary of Measure R fund uses within the second quarter, and updates on current points of concern with Metro's Board of Directors.

EQUITY PLATFORM

Local Return receives a 15% revenue share of the Measure R Ordinance funding that is apportioned to local jurisdictions by population. Under Board-adopted guidelines, this item enables the programming of funds to recipients to support the implementation of various transportation projects and improvements throughout the region. This includes improvements for public access, paratransit services for seniors and individuals with disabilities, and transit subsidies for students and low-income residents. Local Jurisdictions make the determination of the projects that are most beneficial for their communities. Staff will continue to support jurisdictions in meeting Local Return requirements through workshops, multiple written communications regarding deadlines and one-on-one briefings with the goal of improving program compliance. The number of audit findings has decreased each year since FY22.

Prepared by: Chelsea Meister, Manager, Transp. Planning, Local Programming, (213) 922-5638
Susan Richan, Director, Local Programming, (213) 922-3017
Cosette Stark, Executive Officer, Local Programming, (213) 922-2822

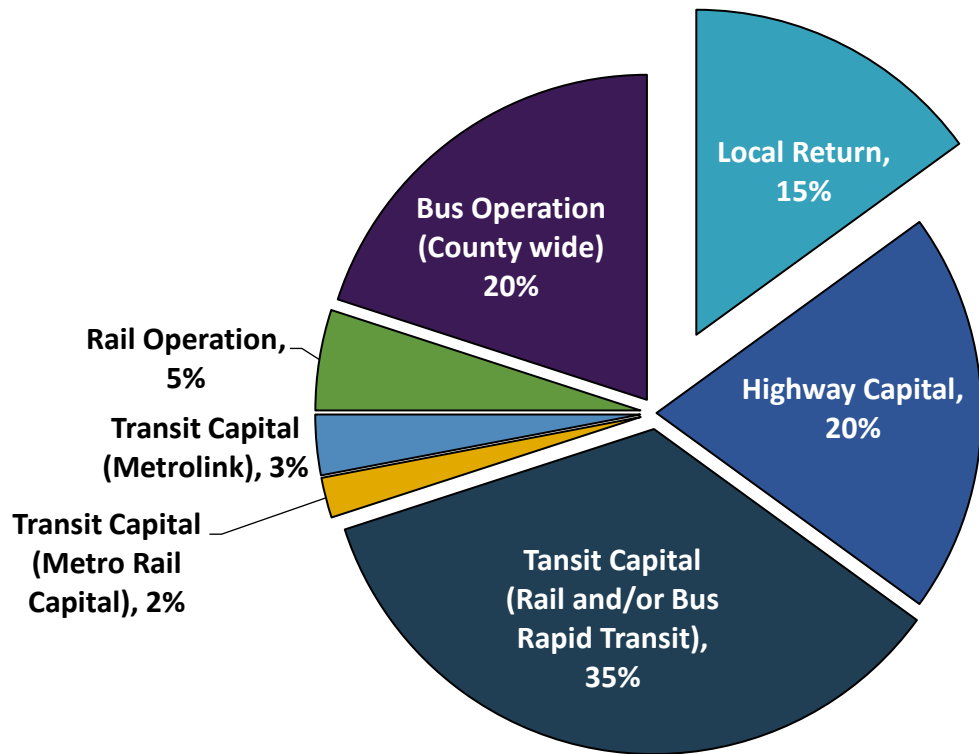
Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088

Measure R Local Return



**Measure R Independent Taxpayers Oversight Committee
Local Programming
March 2025 update**

Local Return (LR) – Measure R



- **Measure R**
 - Approved 2008
 - Funding started FY10
- **LR share 15%**
- **Requires Assurances and Understanding agreement**
- **Due Dates (same for all LR funds)**
 - August 1 – Budget
 - October 15 – Expenditures
- **Annual Compliance Audits**

Local Return – Updates

FY2023-24 Audit began October 2024 and ended December 31, 2024

- One repeat finding from the previous fiscal year, South Gate (retroactive approval)
- 10 cities with 10 audit findings
- Broadcast emails sent on due dates and potential lapsing dates

Metro Board Bus Shelters Motion (March 2023)

- Investigate Local Return investments in bus stops and other efforts
- To date in 2025, 3 cities are using Measure R LR funds for bus stops
- Most cities use other local return sources for bus stop improvements

Summary of Audit Findings

FY2023-24 Audit		
City	# of MR Findings	Finding
Carson	1	Funds were expended before approval
Compton	1	Failure to have proper accounting records
Culver City	1	Funds were expended before approval
Glendale	1	Timely Use of Funds
Glendora	1	All funds inadequate accounting records
Huntington Park	1	Failure to have proper accounting records
Lancaster	1	Funds were expended before approval
Maywood	1	Funds were expended before approval
South Gate	1	Funds were expended before approval
South Pasadena	1	All funds inadequate accounting records

FY25 Measure R Local Return Fund Usage

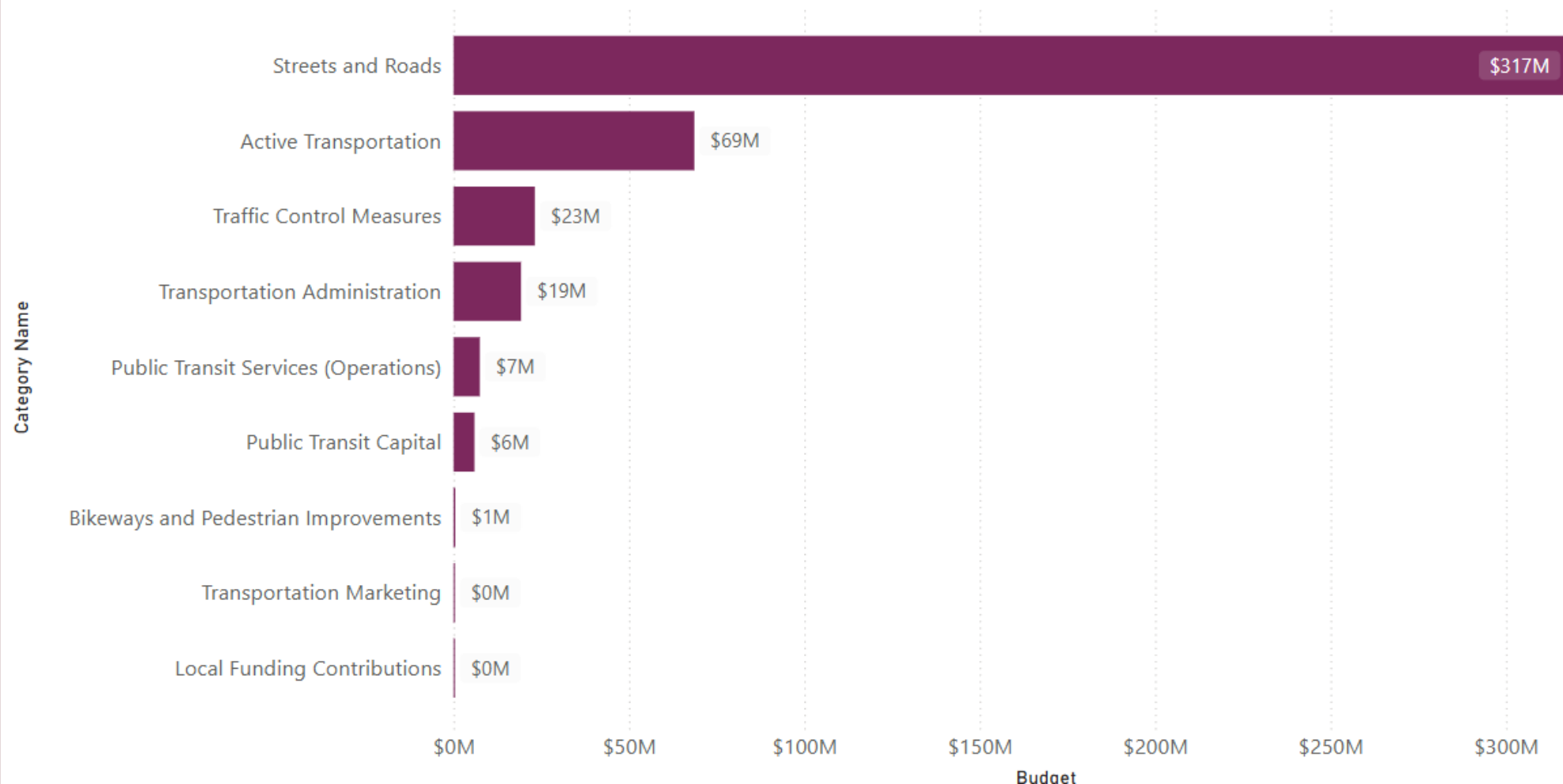
Approved Budget 2025

\$442M

Total No of Projects in 2025

689

Budget by Category Name



THANK YOU

Questions?

Local Programming

Susan Richan

richans@metro.net

(213) 922-3017

Chelsea Meister

meisterc@metro.net

(213) 922-5638