

**Measure M Local Return Fund Audit Results
For the Fiscal Year Ended June 30, 2024
(Package B)**

Simpson & Simpson, LLP



Measure M Independent Taxpayer Oversight Committee Meeting
Date: March 5, 2025

Agenda

- ❖ Presenters: Etta Hur, CPA, Partner
Austine Cho, Senior Audit Manager
 - Background
 - Summary of Findings
 - Analysis of Measure M Audit Results
 - S&S Contact Information
 - Questions



Background



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- We have audited the compliance of the 49 cities (49 Jurisdictions under Package B).

1. CITY OF ALHAMBRA	31. CITY OF PALMDALE
2. CITY OF ARCADIA	32. CITY OF PALOS VERDES ESTATES
3. CITY OF ARTESIA	33. CITY OF PARAMOUNT
4. CITY OF AVALON	34. CITY OF PASADENA
5. CITY OF BELLFLOWER	35. CITY OF RANCHO PALOS VERDES
6. CITY OF BRADBURY	36. CITY OF REDONDO BEACH
7. CITY OF BURBANK	37. CITY OF ROLLING HILLS
8. CITY OF CERRITOS	38. CITY OF ROLLING HILLS ESTATES
9. CITY OF CLAREMONT	39. CITY OF SAN DIMAS
10. CITY OF COVINA	40. CITY OF SAN GABRIEL
11. CITY OF DIAMOND BAR	41. CITY OF SAN MARINO
12. CITY OF DOWNEY	42. CITY OF SANTA CLARITA
13. CITY OF DUARTE	43. CITY OF SIERRA MADRE
14. CITY OF EL SEGUNDO	44. CITY OF SIGNAL HILL
15. CITY OF GLENDALE	45. CITY OF SOUTH PASADENA
16. CITY OF GLEN DORA	46. CITY OF TEMPLE CITY
17. CITY OF HAWAIIAN GARDENS	47. CITY OF TORRANCE
18. CITY OF HERMOSA BEACH	48. CITY OF WEST COVINA
19. CITY OF LA CANADA FLINTRIDGE	49. CITY OF WHITTIER
20. CITY OF LA HABRA HEIGHTS	
21. CITY OF LA MIRADA	
22. CITY OF LA VERNE	
23. CITY OF LAKEWOOD	
24. CITY OF LANCASTER	
25. CITY OF LOMITA	
26. CITY OF LONG BEACH	
27. CITY OF LOS ANGELES	
28. CITY OF MANHATTAN BEACH	
29. CITY OF MONROVIA	
30. CITY OF NORWALK	



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- We conducted our audits 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, and the compliance requirements described in the Measure M Ordinance, the Measure M Local Return Guidelines and the respective Assurances and Understandings Regarding Receipt and Use of Measure M Local Return Funds.



Summary of Findings



Summary of Findings

- ❖ Audits were performed in all 49 jurisdictions.
 - Total dollar amounts associated with the findings increased from \$17,148 in FY2023 to \$123,759 in the FY2024 compliance audit.

Total Questioned Costs:

- \$123,759, approximately 0.1% of the FY2024 Measure M allocations, totaling \$130,415,136 under Package B.
- All questioned costs were resolved during the audits.

Types of Questioned Costs:

- a) \$14,981: Funds expended on Measure M eligible projects without prior approval from Metro (resolved during the audit).
- b) \$108,778: No timely use of funds (resolved during the audit).

Compliance Findings:

- **5 Non-Compliance Findings** identified.
- No Material Weaknesses and No Significant Deficiencies in internal control over compliance for FY2024.



Summary of Findings (Cont.)

Finding	# of Findings	Responsible Cities/ Finding Reference	Questioned Costs	Resolved During the Audit
Funds were expended with Metro's approval.	2	Artesia (#2024-001) Temple City (#2024-005)	\$ 981 14,000	\$ 981 14,000
Accounting procedures, record keeping and documentation are adequate.	2	Glendora (#2024-002) South Pasadena (#2024-004)	None None	None None



Summary of Findings (Cont.)

Finding	# of Findings	Responsible Cities/ Finding Reference	Questioned Costs	Resolved During the Audit
Timely use of funds.	1	South Pasadena (#2024-003)	\$ 108,778	\$ 108,778
Total Findings and Questioned Cost	5		\$ 123,759	\$ 123,759



Analysis of Measure M Audit Results



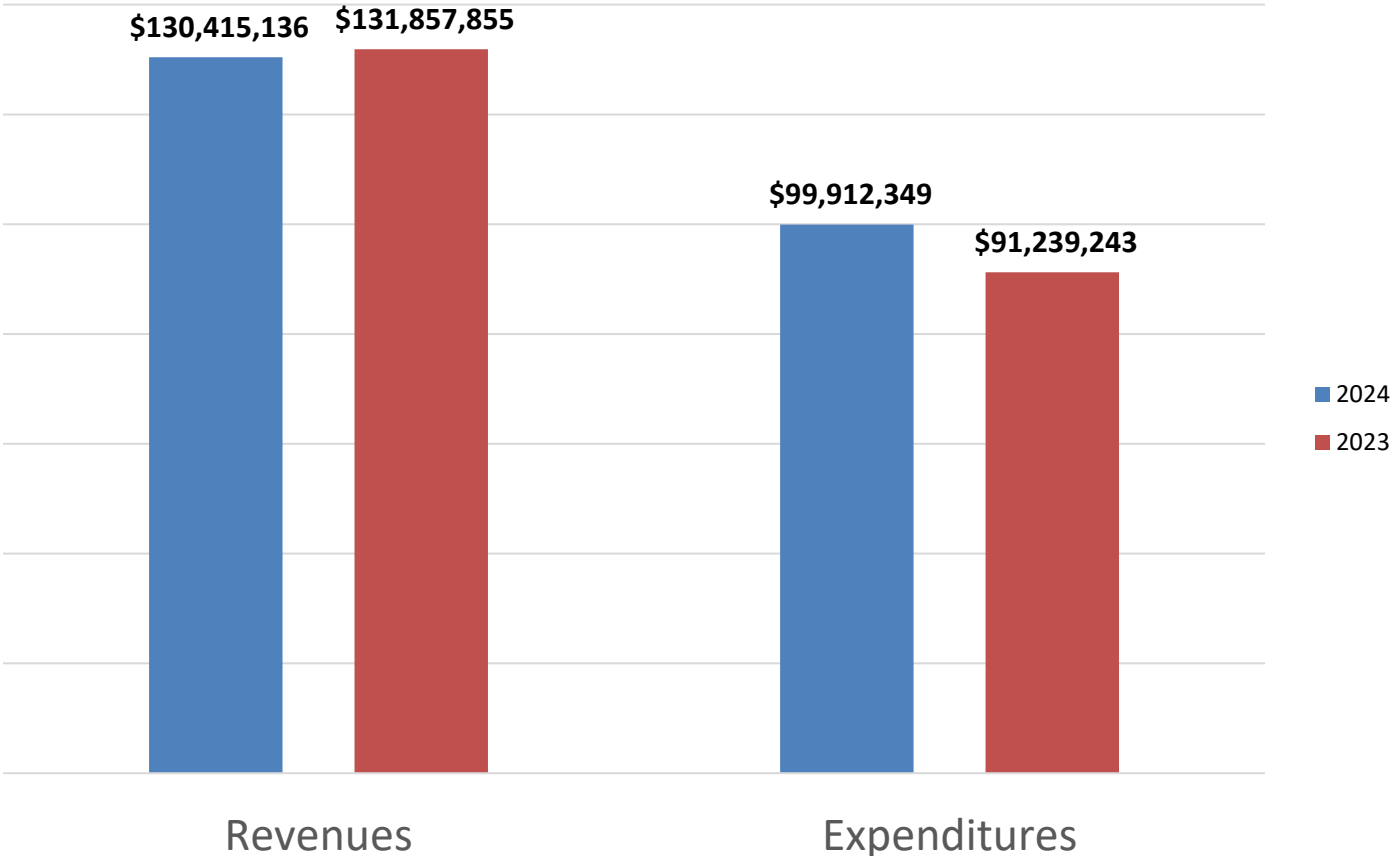
Material Weakness and Significant Deficiency In Internal Controls over Compliance

- **There were no material weaknesses and no significant deficiencies in internal control over Compliance noted during our audit in FY2024.**



Revenue and Expenditures of 49 Jurisdictions

FY 2024 & FY 2023 Revenues and Expenditures



Simpson & Simpson CPAs

Contact information

Team member	Contact information
Grace Yuen Lead Engagement Partner	Email: gyuen@simpsonllp.com
Etta Hur Engagement Partner	Email: ehur@simpsonllp.com
Melba Simpson Quality Control Partner	Email: msimpson@simpsonllp.com
Austine Cho Audit Senior Manager	Email: acho@simpsonllp.com
Samuel Qiu Managing Partner (SBE)	Email: samq@qiuaccountancy.com
Dulce Kapuno Audit Manager (SBE)	Email: dulcek@qiuaccountancy.com



Questions

