

# Measure M Local Return

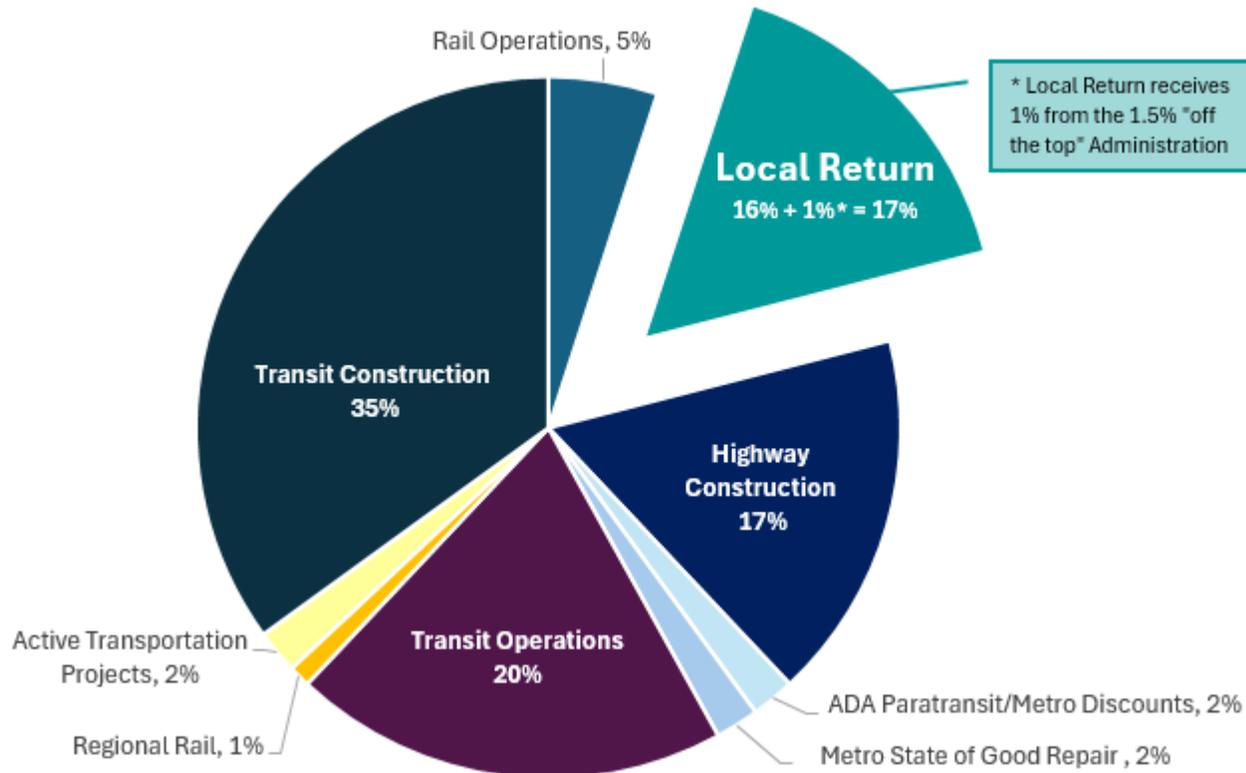


**Measure M Oversight Committee  
Local Programming  
March 4, 2026 Update**



**Metro**

# Local Return (LR) – Measure M



- **Measure M**
  - Approved 2016
  - Funding started FY18
- **LR share 17%**
  - 16% share + 1% of the 1.5% off the top
- **Requires Assurances and Understanding agreement**
- **Due Dates (same for all LR funds)**
  - August 1 – Budget
  - October 15 – Expenditures
- **Annual Compliance Audits**

# Local Return – Updates

## Measure M Updates

- Audit workshop was May 28<sup>th</sup>
- Board approved Capital Reserves accounts in June 2025
- Cities were notified of deadlines and requirements for new fiscal year (FY26)
- The FY2024-25 audit process was completed December 31, 2025

## FY2024-25 Audit began October 2025 and ended December 31, 2025

- 12 cities with 18 audit findings
- Notifications sent regarding due dates and potential lapsing dates

# Summary of Audit Findings

FY24-25 Audit		
City	# of MM findings	Finding
Artesia	1	Funds were expended before approval
Calabasas	1	Late submission Expenditure Plan (Form M-One)
Compton	1	Accounting procedures were inadequate
Cudahy	2	1) Funds were expended before approval; 2) Admin expenses were over 20% cap (This is a repeat finding)
Culver City	1	Funds were expended before approval
Downey	1	Funds were expended before approval
Glendora	3	1) Funds were expended before approval 2) Inadequate payroll tracking 3) Year end closing records not completed on time (This is a repeat finding)
Huntington Park	2	1) Late submission of Expenditure Plan (Form M-One); 2) Accounting procedures were inadequate (This is a repeat finding)
Lynwood	1	Funds were expended before approval
Palos Verdes Estates	2	1) Funds were expended before approval; 2) Accounting procedures were inadequate
Redondo Beach	1	Accounting procedures were inadequate
San Fernando	1	Funds were expended before approval
Santa Fe Springs	1	Accounting procedures were inadequate

Note: Majority of audit findings were resolved during the audit

# Local Return – Updates

## **Metro Board Bus Shelters Motion (Motion 20)**

- Investigate Local Return investments in bus stops and other efforts
- To date in 2026, 3 cities are using Measure M LR funds for bus stops
- Most cities use other local return sources for bus stop improvements
- This will inform planned Quality of Life Scorecard which will assess how pass-through funding supports local infrastructure including bus stops

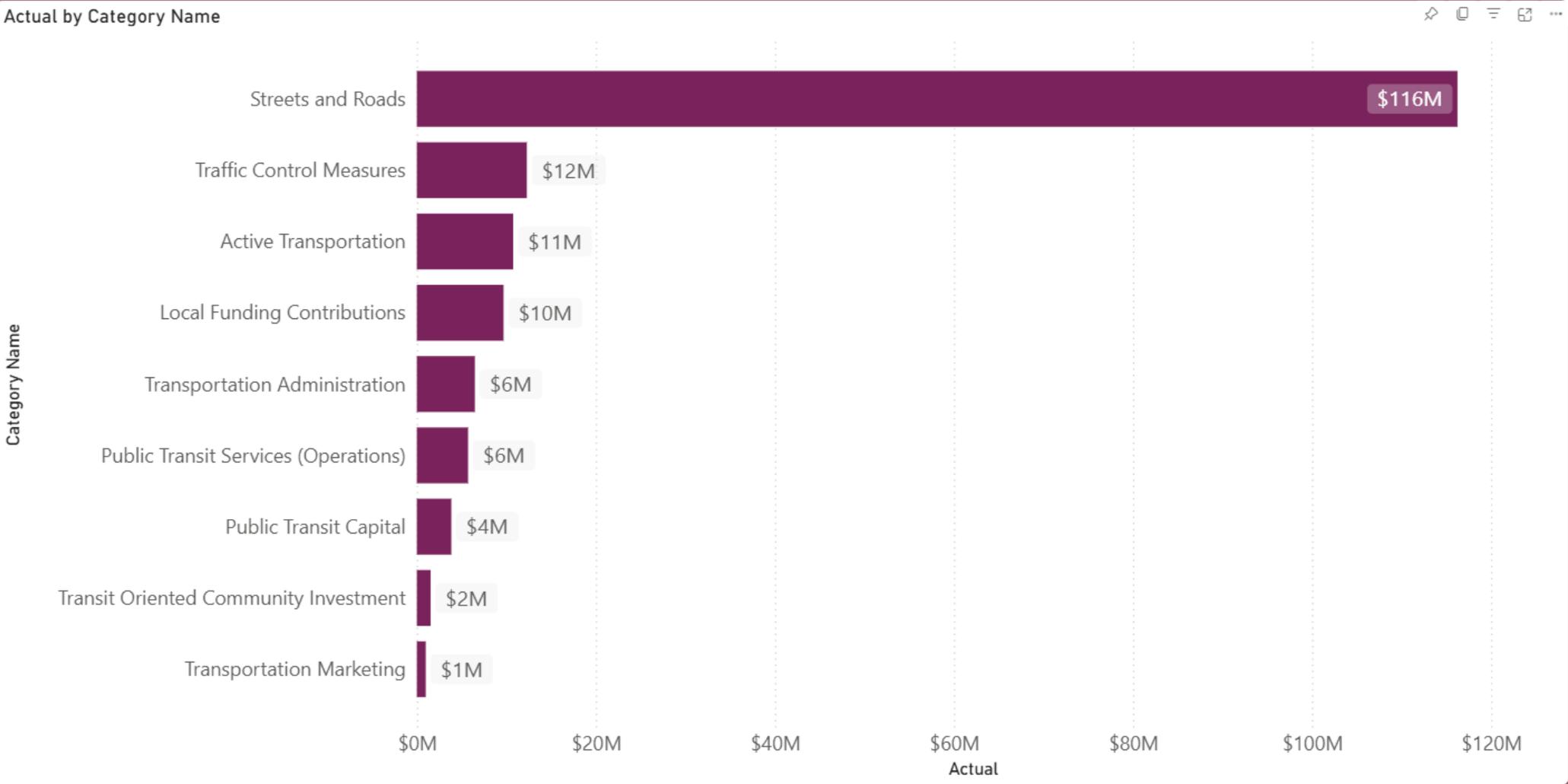
# FY25 Measure M Local Return Fund Usage - Actuals

**Actual Spend 2025**

\$168M

**% of Budget**

28.33%



# THANK YOU

## Questions?

### Local Programming

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