



Board Report

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Agenda Number: 4.

**MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE  
SEPTEMBER 13, 2023**

**SUBJECT: MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE ASSESSMENT**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

RECEIVE AND FILE the attached Assessment of the Measure M Independent Taxpayer Oversight Committee (MMITOC) report completed by BCA Watson Rice, LLP (BCA).

**ISSUE**

Measure M, also known as the Los Angeles County Traffic Improvement Plan Ordinance, establishes an Independent Taxpayer Oversight Committee and an oversight process to ensure that the Los Angeles County Metropolitan Transportation Authority (LACMTA) complies with the terms of the Ordinance. The MMITOC provides an enhanced level of accountability for expenditures of sales tax revenues made under the Expenditure Plan and plays a valuable and constructive role in the ongoing improvement and enhancement of project delivery contemplated under the Measure M Ordinance.

In addition, the Ordinance requires that every five (5) years, Metro conduct a comprehensive review of all projects and programs implemented under the Measure M Expenditure Plan to evaluate the performance of the overall program and make recommendations to improve its performance based on current practices, best practices, and organizational changes to improve coordination. The Measure M Five Year Comprehensive Assessment and Quality of Life Report (Assessment) will evaluate the performance and impact of the overall Measure M program and support the successful delivery of Measure M projects and programs. An objective as part of the Assessment was to determine the MMITOC’s purpose, functionality, and usefulness in meeting the requirements in the Ordinance.

**DISCUSSION**

Management Audit Services contracted with BCA to perform the assessment of the MMITOC. The review’s primary objective was to perform an analysis of the MMITOC to determine its purpose, functionality, and usefulness in meeting the requirements as stated in the Ordinance. To accomplish this BCA reviewed the Ordinance to determine the MMITOC’s responsibilities, conducted interviews with committee members and pertinent staff, reviewed meeting materials, including agendas, minutes, reports and audits, received by the MMITOC, and determined whether reporting to the

Committee has been adequate through a review of the content and frequency of information conveyed to the MMITOC.

All MMITOC members interviewed clearly understand that the MMITOC does not have any policy or decision-making authority. Actual governance of the Measure M projects is the role of the Metro Board, with all decision-making the responsibility of the Board and/or CEO and Metro management as delegated to them by the Board.

The Ordinance outlines a comprehensive list of responsibilities for the MMITOC. These responsibilities are in four categories:

- Review information only, with no findings, recommendations, or report as a result of that review.
- Review and approve the scope of work for annual audits.
- Review and make a finding or report as a result of the review.
- Review and make recommendations for improvement.

BCA concluded that:

- Reporting to the MMITOC has been provided to meet its responsibilities for reviewing information.
- The MMITOC has met its requirement to meet at least four times each year to carry out its responsibilities.
- The MMITOC currently has five members, with two vacancies. The MMITOC Chair and Metro Management have made filling all the MMITOC positions a high priority. Since issuance of the Assessment report for MMITOC, one additional member was appointed.
- The MMITOC is meeting the requirements for accountability to the Public and Metro Board.

BCA identified two potential improvements to the MMITOC as part of its review.

1. Metro management should consider developing a draft charter for the MMITOC that outlines the authority and scope of the committee.
2. Staff should ensure that there is sufficient time available for discussion among the MMITOC members of the information provided.

## **NEXT STEPS**

Staff will draft a charter and will seek the MMITOC's input and approval.

## **ATTACHMENT(S)**

Attachment A - Assessment of the Measure M Independent Taxpayer Oversight Committee

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