



Metro

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Board Report

File #: 2022-0079, **File Type:** Oral Report / Presentation

Agenda Number: 4.

**MEASURE M INDEPENDENT TAXPAYERS OVERSIGHT COMMITTEE
MARCH 2, 2022**

SUBJECT: ORAL REPORT ON BUDGET

ACTION: ORAL REPORT

RECOMMENDATION

RECEIVE Oral Report on Budget

Summary COVID Impacts on Measure M Sales Tax Revenues Through December 2021

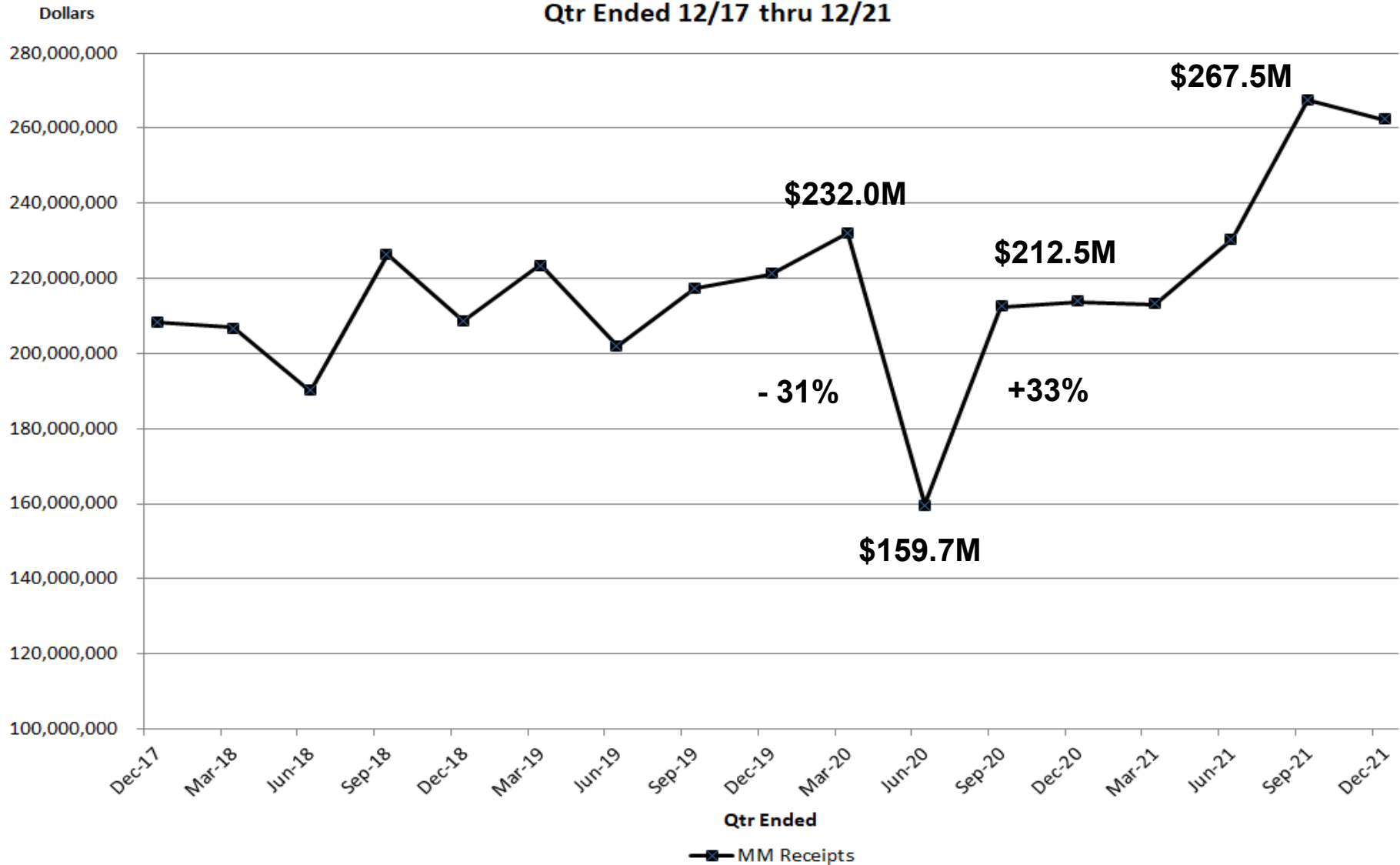
Measure M Independent Taxpayer Oversight Committee
March 2022

Resiliency of the Los Angeles County Economy

- **Sales Tax revenues reflect actual economic activity within a defined geographic area.**
- **Los Angeles County Employment was at a 22 year high in February 2020 reporting 4.955 M jobs.**
- **By April of 2020, due to various shut-down and other measures and impacts, Los Angeles County employment fell to 3.764 M jobs, a 24% decline leading to an unemployment rate of 21%**
- **As of December 21, Los Angeles County is back to 94% of the pre-pandemic peak at 4.641 M jobs and the unemployment rate has declined to 8.4%**

Resiliency of the Los Angeles County Economy

Measure M Sales Tax Receipts
Quarterly Collections
Qtr Ended 12/17 thru 12/21



Resiliency of the Los Angeles County Economy

Potential headwinds moving forward:

- Slowing decline in rate of employment increases
- Continued supply chain constraints

Inflationary pressures that may limit real growth:

- Energy Cost increases ranged from 44% for Gasoline, 20% for Electricity and 33% for Natural Gas
- California Construction Cost Index growth of 13% in 2021
- General Los Angeles Area inflation increase of 6.6% and core inflation (excl Food and Energy) increased 4.4%