

REPORT
FROM



THE PERSONNEL
DEPARTMENT

TO: City Council	DATE September 28, 2025
REFERENCE: Los Angeles Administrative Code Division 5, Chapter 31	COUNCIL FILE

SUBJECT: **Ridesharing Trust Fund Review Fiscal Year (FY) 2024-25**

RECOMMENDATION:

That the City Council note and file the Ridesharing Trust Fund review for Fiscal Year (FY) 2024-25.

SUMMARY:

The City offers a variety of transportation benefits to eligible employees through what the Personnel Department branded as the COMMUTEwell Program. Transportation benefits include ridesharing programs as well as City-sponsored parking. Transportation benefits are established within the City's Special Memorandum of Understanding on Commute Options and Parking ("Special Parking MOU") and overseen by the City's Joint Labor-Management Committee on Commute Options and Parking (JLMC-COP). The JLMC-COP includes four management member representatives – the Personnel Department, General Services Department (GSD), Office of the City Administrative Officer (CAO), and Department of Transportation (DOT) – and four employee organization representatives – the American Federation of State, County, and Municipal Employees (AFSCME), Laborers' International Union of North America (LIUNA 777), Los Angeles Police Command Officers Association (LAPCOA), and Service Employees International Union, Local 721 (SEIU 721).

The City's civilian and sworn Police/Fire employees are eligible for the COMMUTEwell Program (excluding employees of Los Angeles World Airports, Harbor Department, and Department of Water and Power (DWP), each of which offers their own transportation benefit programs). The Personnel Department's Employee Benefits Division/Commute Options & Parking Section ("Employee Benefits") administers the COMMUTEwell Program. Employee Benefits has the ongoing responsibility of administering and promoting greater utilization of the City's existing ridesharing benefits as well as administering parking benefits.

On June 19, 1991, the City established a City Employees Ridesharing Fund (Ridesharing Trust Fund) under Los Angeles Administrative Code (LAAC) Division 5, Chapter 31 (Chapter 31). The purpose of the Ridesharing Trust Fund is for the receipt and retention of monies received by the City from City employees for parking privileges at all City owned or leased lots, as well as monies collected from City employees for fares in City operated vanpools, or secured from grants or other rideshare incentive programs; and for costs, exclusive of salaries, to provide for ridesharing enhancements that reduce City employee private vehicle usage in commuting to and from work.

Chapter 31, Sec. 5.344 (g) provides that, "The General Manager of the Personnel Department shall report to the City Council regarding the Fund on an annual basis, within 90 days after the close of the City's fiscal year. Such report shall identify all receipts into, and all expenditures out of, the Fund, as well as the purposes for

which the expenditures were made.” This report provides a review of Trust Fund activity and expenditures for FY 2024-25.

A. Ridesharing Transportation and Parking Benefits Overview

COMMUTEwell’s rideshare benefits encourage the use of public transportation and other means of ridesharing to work. Ridesharing helps reduce air pollution and traffic congestion and supports a more sustainable, livable environment for residents.

Rideshare benefits include the following:

- **Transit Reimbursement Program:** Provides up to \$100 reimbursement per month to individuals who use public transportation to commute.
- **Transit Spending Account (TSA):** Allows employees to set aside up to \$325 pre-tax dollars per month to pay for transit expenses while also providing a Transit Match of up to \$100 per month.
- **Vanpool Program:** Operates a fleet of vans commuting from the greater Los Angeles area to common City work locations.
- **Carpool Program:** Assists with matching employees interested in sharing transportation costs and provides reduced parking fees.
- **Bike/Walk to Work Program:** Provides up to \$100 per month to individuals who walk or bike to work.

Prior to the COVID-19 pandemic, participation in the City’s rideshare benefit programs averaged approximately **3,200** employees. Since the pandemic, participation fell sharply, but has steadily grown to approximately **1,300** employees participating during the quarter ending June 30, 2025.

Parking benefits include the following:

Parking Benefits

- **City Facilities Parking** – Eligible employees may receive parking at various City-owned or leased parking facilities on a space-available basis per the parking priorities established in the Special Parking MOU.
- **Parking Savings Accounts** – Eligible employees may contribute, on a tax-free basis, up to \$325 per month to an account to fund parking expenses at non-City-owned or leased facilities.

Employee Benefits issues permits, keycards, and keycard approvals for 22 parking lots. In total, approximately 6,300 permits have been issued across these various facilities. The JLMC-COP worked with the Personnel Department to develop a successor Special Parking MOU, replacing the prior agreement that had been in place since September 2005. The successor Special Parking MOU was ratified by the City Council on February 28, 2024, and provided the following:

- A permanent increase in the public transit and bike/walk incentive amounts from \$50 to \$100 per month;
- Expansion of public transit and bike/walk incentives to part-time intermittent employees;

- Expansion of the bike/walk incentive program to all worksites, rather than limiting it to those regulated by the South Coast Air Quality Management District;
- Public transit reimbursement for employees who hold a City-issued parking permit, providing greater commute flexibility; and
- Authority to administer new pilot programs offering employees greater commute flexibility, with the intention of testing new benefit models that better accommodate flexible work schedules (such as hybrid telecommuting).

The City’s rideshare programs are funded by parking and vanpool fees collected from City employees. To support the expansion of commuter benefits provided by the successor Special Parking MOU, the MOU included a modest increase in parking fees. The most expensive permit type—an Individual Permit for the Downtown Los Angeles area—increased from \$46 per month to \$55 per month. All other permit types saw a proportional increase. This fee increase went into effect in March 2025. Even with the increase, the fees remain substantially lower than the cost of parking on the open market, which is approximately \$183 per month, according to a September 2025 staff survey.

B. REVIEW OF FY 2024-25 RIDESHARING TRUST FUND ACTIVITY

The Personnel Department completed its FY 2024-25 review and reconciliation of the Trust Fund. **Attachment A** provides a summary description of activity items as indicated below:

Revenues

- *Parking Fees and Miscellaneous Revenues* – General Fund transfers for payment of benefit program premiums.
- *Vanpool Revenue* – Fares from City employee riders in the vanpool program.
- *Interest Income* – Interest earnings credited to the Ridesharing Trust Fund.

Payments

- *Employee Transit Subsidy/Match Incentives* – Payment of employee transit subsidy and transit match incentives.
- *Contractual Services* – Payments for van lease costs and other contracted services.
- *Fuel* – Fuel costs for the City’s vanpool program.
- *Office and Administrative Expenses* – Incidental office and administrative expenses.

As of June 30, 2025, the Ridesharing Trust Fund assets totaled **\$4,743,001**. This figure, listed in **Attachment A**, represents the net of all recorded and accrued items for FY 2024-25

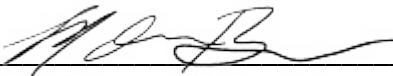
Change to Administrative Code Section 5.344 Creation and Administration of Fund

On August 5, 2025, the City Council took action to fund COMMUTEwell positions through the Ridesharing Trust Fund. Beginning in FY2025-26, both the Ridesharing Trust Fund and the City's Mobile Source Air Pollution Reduction Trust Fund, will cover the full direct and indirect salaries of staff supporting the program.

The anticipated increase in salary expenses, combined with existing contractual and transit incentive obligations, is expected to lead to a spend-down of the current surplus balance. The JLMC-COP will closely monitor the real and projected revenues and expenditures of the Rideshare Trust Fund to ensure its stability and will consider modifications to the benefit structure if deemed necessary.

C. CONCLUSION

The Ridesharing Trust Fund provides an important vehicle for the City to fund and process payments for the COMMUTEwell Program. The Personnel Department recommends that the City Council note and file this report regarding and identifying all FY 2024-25 Ridesharing Trust Fund receipts and expenditures and purposes for which expenditures were made.



MALAIKA BILLUPS, GENERAL MANAGER
PERSONNEL DEPARTMENT

ATTACHMENT A

City of Los Angeles
Rideshare Trust Fund
Review of Trust Fund Activity (as of June 30, 2025)

FY 2025 Activity per Financial Management System (FMS)

July 1, 2024 Opening Balance per FMS--> **\$3,675,343**

Revenues

Parking Fees and Miscellaneous Revenues	3,081,637	
Vanpool Revenue	309,832	
Interest Income	124,618	

3,516,086

Payments

Employee Transit Subsidy/Match Incentives	882,337	
Contractual Services	991,766	
Fuel - Fuel costs for the City's vanpool program	700,000	
Office and Administrative Expenses	52,664	
Printing and Binding	12,615	
Travel/Training	462	

2,639,842

Outstanding Encumbrances

Encumbrances Held in the FY 2025 General Fund	46,692	
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46,692

Post June 30, 2025 Activity

FY 2020-2025 Reversion Amounts	319,590	
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319,590

June 30, 2025 Closing Balance per FMS after reconciliation--> **\$4,743,001**