kenneth mejia
LA CITY CONTROLLER



Annual Comprehensive Financial Report

City of Los Angeles, California
For Fiscal Year Ended June 30, 2025

City of Los Angeles California



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

Prepared by the Office of the Controller
Kenneth Mejia, City Controller

CITY OF LOS ANGELES
CALIFORNIA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

Prepared by the Office of Los Angeles City Controller Kenneth Mejia

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CITY OF LOS ANGELES
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2025

Table of Contents

INTRODUCTORY SECTION

Letter of Transmittal....L-1
Organizational Chart....i
City Officials....ii
City Controller....iii
GFOA Certificate of Achievement for Excellence in Financial Reporting....iv

FINANCIAL SECTION

Independent Auditor's Report....1
Management's Discussion and Analysis (Required Supplementary Information)....5

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS
- Statement of Net Position....35
- Statement of Activities....36

FUND FINANCIAL STATEMENTS
- Balance Sheet - Governmental Funds....37
- Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position....39
- Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds....40
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities....42
- Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) - General Fund....43
- Statement of Net Position - Proprietary Funds....44
- Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds....48
- Statement of Cash Flows - Proprietary Funds....50
- Statement of Fiduciary Net Position - Fiduciary Funds....54
- Statement of Changes in Fiduciary Net Position - Fiduciary Funds....55

Notes to the Basic Financial Statements (Index Page 56)....57

REQUIRED SUPPLEMENTARY INFORMATION
- Benefit Pension Plans, Schedules of Employer Contributions....229
- Schedule of Changes in Net Pension Liability (Asset) and Related Ratios - Los Angeles Fire and Police Pension System....230
- Los Angeles City Employees' Retirement System....232
- Water and Power Employees' Retirement Plan....234
- Benefit OPEB Plans, Schedules of Employer Contributions....236
- Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios - Los Angeles Fire and Police Pension System....238
- Los Angeles City Employees' Retirement System....240
- Water and Power Employees' Retirement Plan - Retiree Health Benefits....242
- Water and Power Employees' Retirement Plan - Death Benefits....244
- Actuarial Methods and Assumptions Used to Determine Employer Contribution Rates....246

Condition Rating for City Bridges....248
Comparison of Needed-to-Actual Maintenance/Preservation Costs....249

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES
Combining Balance Sheet - Other Governmental Funds....252
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Other Governmental Funds....253

GENERAL FUND
Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses by Function Budget and Actual (Non-GAAP Budgetary Basis)....255
Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses by Function and Object Budget and Actual (Non-GAAP Budgetary Basis)....257

SPECIAL REVENUE FUNDS
Combining Balance Sheet - Nonmajor Special Revenue Funds....266
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds....271
Combining Budgetary Comparison Schedule (Non-GAAP Budgetary Basis) - Annually Budgeted Nonmajor Special Revenue Funds....276
Reconciliation of Operations on Budgetary Basis to the GAAP Basis - Nonmajor Special Revenue Funds....326
Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses Budget and Actual (Non-GAAP Budgetary Basis) - All Budgeted Special Revenue Funds....327

DEBT SERVICE FUNDS
Combining Balance Sheet - Nonmajor Debt Service Funds....334
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds....336
Combining Budgetary Comparison Schedule (Non-GAAP Budgetary Basis) - Annually Budgeted Nonmajor Debt Service Funds....338
Reconciliation of Operations on Budgetary Basis to the GAAP Basis - Nonmajor Debt Service Funds....346

CAPITAL PROJECTS FUNDS
Combining Balance Sheet - Nonmajor Capital Projects Funds....348
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds....350
Combining Budgetary Comparison Schedule (Non-GAAP Budgetary Basis) - Annually Budgeted Nonmajor Capital Projects Funds....352
Reconciliation of Operations on Budgetary Basis to the GAAP Basis - Nonmajor Capital Projects Funds....355
Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses Budget and Actual (Non-GAAP Budgetary Basis) - All Budgeted Capital Projects Funds....356

FIDUCIARY FUNDS
Combining Statement of Fiduciary Net Position - Pension and Other Postemployment Benefits Trust Funds....358
Combining Statement of Changes in Fiduciary Net Position - Pension and Other Postemployment Benefits Trust Funds....359
Combining Statement of Fiduciary Net Position - Pension Trust Funds....360
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds....361
Combining Statement of Fiduciary Net Position - Other Postemployment Benefits Trust Funds....362

Combining Statement of Changes in Fiduciary Net Position - Other Postemployment Benefits Trust Funds....363
Combining Statement of Fiduciary Net Position - Custodial Funds....364
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds....365

STATISTICAL SECTION

FINANCIAL TRENDS
Net Position by Category, Accrual Basis of Accounting, Last Ten Fiscal Years....370
Changes in Net Position, Accrual Basis of Accounting, Last Ten Fiscal Years....372
Fund Balances - Governmental Funds, Modified Accrual Basis of Accounting, Last Ten Fiscal Years....376
Changes in Fund Balances - Governmental Funds, Modified Accrual Basis of Accounting, Last Ten Fiscal Years....378
Tax Revenues by Source - Governmental Funds, Modified Accrual Basis of Accounting, Last Ten Fiscal Years....380

REVENUE CAPACITY
Assessed Value and Estimated Actual Value of Property, Last Ten Fiscal Years....383
Direct and Overlapping Property Tax Rates, Tax Rate Area No. 4, Last Ten Fiscal Years....384
Ten Largest Property Taxpayers, Secured Assessed Valuation, Current and Nine Years Ago....385
Property Tax Levies and Collections, Last Ten Fiscal Years....386
Energy Sold by Type of Customer, Power Enterprise Fund, Last Ten Fiscal Years....387
Average Number of Customers for Energy Sales, Power Enterprise Fund, Last Ten Fiscal Years....387

DEBT CAPACITY
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years....390
Ratios of Net General Bonded Debt to Assessed Value and Per Capita, Last Ten Fiscal Years....392
Direct and Overlapping Governmental Activities Debt....393
Ratios of General Bonded Debt Outstanding and Legal Debt Margin, Last Ten Fiscal Years....394
Pledged Revenue Coverage, Last Ten Fiscal Years....396

DEMOGRAPHIC AND ECONOMIC INFORMATION
Demographic and Economic Statistics, Last Ten Fiscal Years....399
Principal Employers (Non-Government), Current Year and Nine Years Ago....400

OPERATING INFORMATION
Number of City Government Employees by Function/Program, Full-Time Equivalent, Last Ten Fiscal Years....402
Operating Indicators by Function/Program, Last Ten Fiscal Years....406
Capital Assets Information, Governmental Activities, Last Ten Fiscal Years....414
Capital Assets Information, Business-Type Activities, Last Ten Fiscal Years....416

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INTRODUCTORY SECTION

KENNETH MEJIA
CONTROLLER

January 29, 2026

Honorable Karen Bass, Mayor
Honorable Members of the Council of the City of Los Angeles
Citizens and Stakeholders of the City of Los Angeles

As the Controller for the City of Los Angeles, I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City for the fiscal year ended June 30, 2025. This is in accordance with Section 216 of the City Charter. The ACFR contains financial statements that have been prepared in conformity with generally accepted accounting principles (GAAP) prescribed for governmental entities, and audited in accordance with generally accepted auditing standards by Macias Gini & O'Connell LLP, a firm of independent licensed certified public accountants. In accordance with the requirement of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the independent auditor is also in the process of completing an annual financial and compliance audit of federal funds expended by the City in fiscal year 2025.

The independent auditor expressed an opinion that the City's financial statements for fiscal year 2025 are fairly stated in conformity with GAAP. This is the most favorable conclusion and is commonly known as an "unmodified" or "clean" opinion. The independent auditor's report is presented on pages 1 through 4.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate financial information is compiled to allow for the preparation of financial statements in conformity with GAAP. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements. I believe that the data presented is complete and reliable in all material respects.

The ACFR includes a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A is designed to complement the basic financial statements and should be read in conjunction with the financial statements and the notes to the basic financial statements. The MD&A can be found immediately following the report of the independent auditor.

Honorable Karen Bass, Mayor
Honorable Members of the Los Angeles City Council
Citizens and Stakeholders of the City of Los Angeles

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the 30th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, as well as satisfying GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe our current report continues to conform to the Certificate of Achievement program requirements, and I am submitting it to GFOA to determine its eligibility for another certificate.

I would like to acknowledge the professional and dedicated staff of the Financial Analysis and Reporting Division of the Controller's Office for the preparation of this report. I would also like to express my appreciation to other staff of the Office for their assistance and contribution, as well as other professional contributors citywide.

Respectfully submitted,


Kenneth Mejia (Jan 29, 2026 11:39:47 PST)

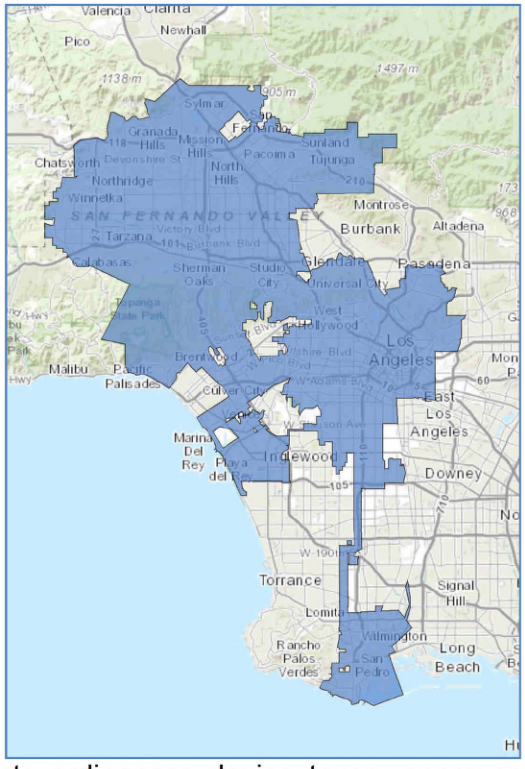
KENNETH MEJIA
Los Angeles City Controller

LETTER OF TRANSMITTAL

The Annual Comprehensive Financial Report (ACFR) is published annually by the City Controller (Controller) on the City of Los Angeles' (City) financial condition and results of operations at the conclusion of the fiscal year. The ACFR is issued as part of the Controller's City Charter mandate to monitor and report on all matters relating to the City's fiscal health, keep the City's official financial records, and supervise expenditures of the City.

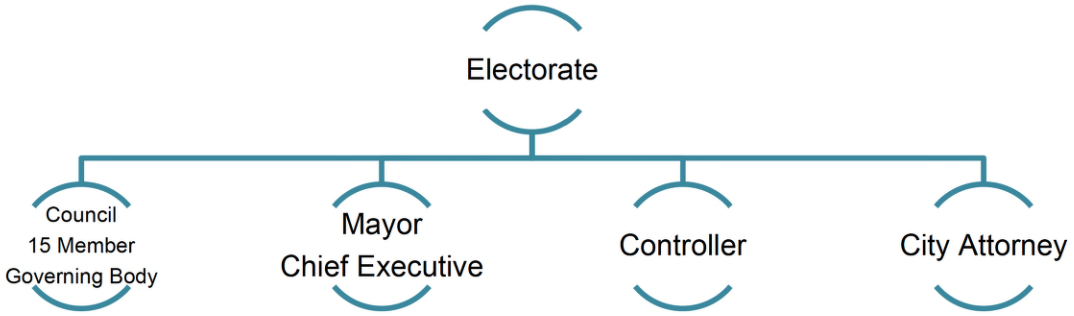
The Letter of Transmittal complements the ACFR as it provides context for the City's financial statements in presenting basic information on the profile of the government, local economy, major initiatives, and financial management policies of the City government.

I. Profile of the Government



The City of Los Angeles is the second most populous city in the nation with an estimated January 1, 2025 population of 3,835,263. It is home to 39 percent of the population of the County of Los Angeles (County) and 11.5 percent of the area of the County. With an area of 470 square miles, Los Angeles is located in the southern part of the State of California and is the principal city of a metropolitan region that stretches from the City of Ventura to the north, to the City of San Clemente to the south, and to the City of San Bernardino to the east. Founded in 1781, Los Angeles was for its first century a provincial outpost under a succession of Spanish, Mexican, and American rule. The City was incorporated in 1850 under the provisions of a city charter. The current Charter was approved by the electorate in 1999 and became operative on July 1, 2000.

The City operates under a mayor-council form of government. As Chief Executive Officer, the Mayor supervises the administrative process of local government and works with the Council in matters relating to legislation, budget and finance. As governing body of the City, the 15-member full-time Council enacts ordinances, levies taxes, approves contracts, authorizes public improvements, adopts zoning and other land use controls, and provides necessary resources for the budgetary departments and offices of the City. Council action is subject to the approval or veto of the Mayor, and Council may override a Mayoral veto by a two-thirds vote. The City Attorney is also independently elected, as is the City Controller, who is described in the Charter as "the auditor and general accountant of the City (who) shall exercise a general supervision over the accounts of all offices, departments, boards and employees of the City."



The City has 41 departments, bureaus, and offices for which operating funds are annually budgeted by the Council. In addition, three departments consisting of Department of Water and Power (DWP), Harbor Department, and Department of Airports are under the control of boards appointed by the Mayor and confirmed by Council. While the City appoints a voting majority of the governing board of the Housing Authority of Los Angeles (HACLA), it is excluded from the City's financial statements due to its fiscal independence, and the City cannot impose its will over its daily operations. Two departments, Los Angeles City Employees' Retirement System and Fire and Police Pension System, are under the control of boards whose membership is comprised of Mayoral appointees and representatives elected by system members. The Water and Power Employees' Retirement Plans, established by DWP, are under the control of a board whose membership is comprised of three ex officio members (one DWP Board member, DWP General Manager and Chief Accounting Employee), three elected by system members and one retiree appointed by the DWP Board. The City's reporting entity also includes the Municipal Improvement Corporation of Los Angeles (MICLA) as a blended component unit.

Public services provided by the City include police; fire and emergency medical services; residential refuse collection and disposal; wastewater collection and treatment; street maintenance, traffic management, and other public works functions; enforcement of ordinances and statutes relating to building safety; public libraries; recreation and parks; community and economic development; housing and aging services; land use planning; two airports; harbor; power and water services; sewer; and the convention center.

The annual budget serves as the foundation for the City's financial planning and control. The City maintains budgetary controls to ensure compliance with legal provisions represented in the budget and that expenditures do not exceed appropriated amounts. Expenditures are controlled through appropriations at the line-item level within each department, by function and object, except for capital improvement program expenditures, which are controlled at the project level, consistent with the level established in the resolution adopting the annual operating budget. The City also maintains an encumbrance accounting system that controls spending based on the expenditure budget; which is composed of appropriations, allotments, or a combination of both.

II. Local Economy

The information presented in the financial statements may be better understood when it is viewed from the broader perspective of the economic and social environment within which the City operates.

According to the U.S. Bureau of Economic Analysis, the Los Angeles-Long Beach-Anaheim, CA Metropolitan Statistical Area (MSA), with a Gross Domestic Product of $1.295 trillion in 2023, is the second-ranked metropolitan area in the United States. The City and its surrounding metropolitan region feature incredible diversity in both population and the economy. Tourism and hospitality, professional and business services, international trade and education, entertainment production, sports, and wholesale trade and logistics all contribute significantly to local employment.

The Port of Los Angeles (the Port or POLA) handles the largest volume of containerized cargo of all U.S. ports and ranks as number one in cargo value for U.S. waterborne foreign traffic. According to ACI World's 2024 Airport Traffic Report, in the calendar year 2024, Los Angeles International Airport (LAX) ranked as the eleventh busiest airport in the world in terms of total passengers and the twelfth busiest airport in the world in terms of total cargo.

The fiscal year 2026 General Fund Budget assumes the City would see revenue growth while continuing to make historic investments to reduce homelessness and improve public safety. While the economic activities and General Fund revenues continue to remain stable during the first half of fiscal year 2026, there remains several factors that could affect the City's future economic outlook and economically-sensitive revenue sources.

In December 2025, the Port reported that, it expects to finish 2025 above 10 million Twenty-Foot Equivalent Units (TEUs), putting 2025 cargo volume in the top three of all time. However, POLA also reported a 12 percent decrease in the number of cargos processed in November 2025 compared to November 2024, which could indicate the momentum may be slowing towards the end of 2025. While tariffs scare has calmed down, the uncertainty of any long-term impact of tariffs policy still remains very high.

A critical part of Los Angeles economy depends on the entertainment industry which is currently facing challenges. The filming activities reportedly hit a new low in 2024, driven by studio cost cutting and the relocation of production to cheaper locales, including the U.K. and Central Europe. Work is slowly evaporating and businesses are closing. According to a nonprofit group, FilmLA, there was less production activity in Los Angeles in 2025 than at any time since at least 1995. A contributing factor is California's inability to compete with tax incentives offered by other states and countries. The industry slump is contributing to the Los Angeles County broader economic challenges and unemployment rate of 5.9 percent, which is higher than California's 5.6 percent. In order to make California competitive, California Governor Gavin Newsom signed a law in July 2025 to more than double the state's film and TV tax credits to $750.0 million annually. This should help keep more production in Los Angeles. However, it is unclear, how much of the decline can be reversed with the new tax incentive policy.

Property taxes are the biggest source of revenue for the City's General Fund. Housing affordability continues to be a significant challenge in the Los Angeles region. Data from the California Association of Realtors (CAR) show that as of the third quarter of 2025, only 12 percent of households in Los Angeles County can afford to purchase a median priced, single-family home. This compares to 17 percent for California and 36 percent for the United States, and is down from

24 percent just five years earlier. CAR does expect a slight improvement in housing sentiment for 2026, as economic uncertainty begins to clear up and mortgage rates start to decline. However, CAR also sees headwinds such as the ongoing trade tensions, the home insurance crisis, and a potential stock market bubble as challenges for the housing market in upcoming year. Locally, Zillow, a national real estate company, also predicts a stable real estate market with higher inventory and price stability that should lead to improved affordability for Los Angeles home buyers in 2026. The slight positive outlook assumes a stable economy and employment, as well as lower mortgage interest rates in 2026. Any improvement in housing sales and prices is expected to boost documentary transfer tax revenues to the General Fund.

Beginning on January 7, 2025, a severe fire fueled by windstorms originated in the Pacific Palisades neighborhood area of the City, burning almost 24,000 acres and destroying an estimated 7,800 structures, as well as causing the loss of several lives. The recovery efforts from the wildfire damages are still ongoing. According to the Los Angeles County Economic Development Corporation (LAEDC), the disruptions to businesses within the perimeters of the Palisades and Eaton Fires could result in $4.6 billion to $8.9 billion in lost economic output in Los Angeles County over five years.

The City anticipates that the reassessments of properties damaged by the Palisades Fire as well as a 12-month extension of property tax relief for zip codes impacted by the Palisades Fire may result in lower than budgeted property tax revenues. In addition, the City is considering potential waivers of plan check and permit fees associated with reconstruction of private property damaged in the January 2025 wildfires. The potential impact of such waivers is estimated to range from approximately $80.4 million to $126.4 million.

As of December 8, 2025, the City estimates approximately $227.0 million in wildfire-related costs to the City, which includes over $144.0 million in damage or destruction to structures and equipment. Although the City expects to recover a significant portion of these costs from state and federal sources, the City may have to front-fund these costs prior to any potential reimbursements. The City is in the process of determining the timing of this front-funding need and the portion that will be a General Fund obligation.

Despite these challenges, Los Angeles remains one of the largest economies, financial and trade centers in the country. The City's diverse economy creates pathways for professionals across virtually every industry while maintaining strong connections to global markets through its position as a Pacific Rim gateway. The region’s Mediterranean climate enhances its appeal, its iconic beaches, cultural landmarks, and renowned attractions provide endless recreational and cultural opportunities - making Los Angeles a place where ambitious professionals can build both successful careers and rich, fulfilling lives surrounded by natural beauty and endless cultural experiences.

III. Major Initiatives

The City continues to implement a series of major initiatives designed to address its most pressing operational and fiscal challenges while maintaining essential public services and strengthening long-term financial stability. The fiscal year 2025-26 Adopted Budget establishes a policy framework that prioritizes homelessness and housing solutions, public safety and emergency preparedness, infrastructure and service delivery improvements, and fiscal discipline amid an uncertain economic environment. Two of the largest current initiatives for the City include the following:

- Homelessness: Addressing homelessness remains a central focus of the City's policy and budgetary priorities. Building on prior-year efforts, the fiscal year 2025-26 budget continues significant investments of $953.3 million aimed at reducing unsheltered homelessness, expanding interim and permanent housing capacity, and strengthening homelessness prevention programs. The budget sustains funding for the Mayor's Inside Safe initiative, which is designed to transition individuals from encampments into interim and permanent housing through coordinated outreach, service delivery, and housing placement. Resources are directed toward scaling the program, improving operational efficiency, and addressing a broader range of encampments, including recreational vehicle encampments.

  In November 2016, the voters of the City of Los Angeles approved Proposition HHH, authorizing the issuance of up to $1.2 billion in general obligation bonds to finance the construction of housing and service facilities for chronically homeless residents. At the end of December 2025, $1.1 billion in bonds have been issued, more than $1.0 billion has been spent, and the entirety of the approved funding has been allocated to projects. With Proposition HHH funding, the City has completed 109 housing projects (7,085 units) while 18 projects (1,449 units) are currently under construction, and 8 projects are in the predevelopment stage.

  In November 2022, the voters passed Measure ULA, a 4 percent tax on the sale or transfer of properties valued at more than $5 million and a 5.5 percent tax on the sale or transfer of properties valued at more than $10 million. Measure ULA mandates specific programs to increase the production and preservation of affordable housing, and to expand homelessness prevention programs throughout Los Angeles. From the total $753.0 million in ULA special tax revenues collected since April 2023, the City has appropriated approximately $743.0 million.

  At the regional level, Measure A, approved by Los Angeles County voters in November 2024 and effective April 1, 2025, establishes a countywide sales tax to support affordable housing construction, homelessness prevention, and renter protections. Expected to generate over $1.0 billion annually, Measure A funding will be shared, based on a formula, by Los Angeles County, cities and councils of government, the Los Angeles County Development Authority (LACDA), and the Los Angeles County Affordable Housing Solutions Agency (LACAHSA). While allocations to the City are still being determined, the City is expected to receive a meaningful share of Measure A revenues due to its population size and housing needs.

- Airports continues to advance a significant multi-year capital improvement program at LAX designed to modernize airport facilities, improve passenger experience, and enhance operational efficiency. This program consists of two main components: the 2018 Capital Program and the 2022 Capital Program, which together represent a long-term investment of approximately $30.0 billion. The 2018 Capital Program includes various terminal, airfield, and apron projects, as well as the Landside Access Modernization Program (LAMP) projects. These are expected to be largely completed by the end of fiscal year 2026.

  The 2022 Capital Program began in fiscal year 2022 and is anticipated to be completed by the end of fiscal year 2033. The preliminary estimated total cost for the projects in the 2022 Capital Program is approximately $15.0 billion. Notable projects in this program include adding eight gates to the Midfield Satellite Concourse, a comprehensive update to roadway access to LAX, a campus-wide wayfinding enhancement program, a new curb-front for

vehicle drop-offs and pickups at Automated People Mover (APM) stations outside the Central Terminal Area, and various roadway and airfield improvements. Collectively, these capital investments represent one of the largest infrastructure initiatives undertaken by the City, transforming both airside and landside operations, as LAX and the City of Los Angeles prepare to host the 2028 Olympic and Paralympic Games.

IV. Financial Policies

As part of the City's efforts towards financial sustainability, the City has adopted "Financial Policies for the City of Los Angeles" promoting good fiscal stewardship across a number of critical areas. Following are summaries of select financial policies and a table that provide measures of the City's 2024-25 actual compliance and 2025-26 budgetary compliance.

Policy	2024-25	2025-26
Reserve Fund Policy		
July 1st Percent of General Fund Receipts	4.12%	5.13%
Budget Stabilization Fund Policy		
Growth of seven major General Fund tax receipts	2.20%	0.74%
Amount of Revenue above (under) growth threshold (millions)	$ (151.0)	$ (194.0)
Amount of Deposit (withdrawal) (millions)	$ --	$ (29.0)
Capital and Technology Improvement Policy		
1.5 Percent of General Fund Receipts	1.03%	1.11%
Financial Management Policy		
One-Time Revenue (millions)	$ 213.1	$ 172.0
One-Time Expenditures (millions)	$ 260.3	$ 270.0
Debt Management Policy		
Non Voter-Approved	2.53%	2.40%
Total Debt Service	3.92%	3.76%

Reserve Fund Policy

The Reserve Fund Policy (Policy) provides guidelines to ensure sufficient reserves are maintained for revenue shortfalls or unanticipated expenditures in the General Fund. The Policy sets a goal for the Reserve Fund balance of 5.0 percent of General Fund revenues, with no less than 2.75 percent in the Emergency Reserve Account, and all additional funds allocated to the Contingency Reserve Account. In March 2011, voters approved Charter Amendment P, a measure that establishes the Reserve Fund's Emergency and Contingency Reserve as Charter accounts.

The Reserve Fund cash balance at the beginning of fiscal year 2024-25 was $330.6 million, representing 4.12 percent of the General Fund budget, which was below the City's 5.0 percent policy target. The adjusted Reserve Fund cash balance at the start of fiscal year 2025–26 was $401.9 million, representing 4.91 percent of the General Fund budget and approximately $18.0 million less than the $419.9 million projected in the fiscal year 2025-26 adopted budget. This variance was primarily attributable to Reserve Fund loans approved in June and July 2025 to the Police department for sworn overtime costs related to the City's response to protests of federal immigration enforcement practices, as well as actual fiscal year 2024-25 General Fund revenues coming in below revised budget projections.

Budget Stabilization Fund Policy

The Budget Stabilization Fund (BSF), also established by Charter Amendment P, is designed to set aside revenues during prosperous years and provide resources to maintain service levels during years of slow revenue growth or declining revenue. The BSF Policy sets aside an appropriation when the combined revenue growth of seven General Fund tax revenues (property tax, utility users tax, business tax, sales tax, transient occupancy tax, parking users tax, and documentary tax) is anticipated to exceed the growth threshold, based on the 20-year historical average of these tax revenues. Conversely, withdrawal from the BSF may be used to offset shortfalls due to revenues lower than the historical average growth.

For fiscal year 2025-26, the growth rate used to determine BSF contributions was recalculated to be 4.1 percent, based on the 20-year historical average of these tax revenues. Under the BSF Financial Policy, projected ongoing revenue growth assumed in the fiscal year 2025-26 adopted budget is below the average annual ongoing growth threshold by approximately 3.36 percent, or $194.0 million. A withdrawal from the BSF of up to $29.0 million, therefore, is permitted under the policy. The fiscal year 2025-26 adopted budget includes a withdrawal of $29.0 million from the BSF in compliance with this policy. The BSF began the fiscal year with a cash balance of $179.8 million.

Capital and Technology Improvement Policy

The City adopted a revised Capital and Technology Improvement Policy (Capital Policy) in May 2020 to help guide the City's process for planning, identifying, evaluating, and prioritizing funding for new capital and technology projects. Among other things, the new Capital Policy updates an annual minimum investment target of 1.5 percent of General Fund revenue for the City's capital and technology improvements, starting in fiscal year 2021-22. In 2024-25 and 2025-26, the City budgeted approximately $82.5 million and $91.0 million, respectively, for capital and infrastructure projects.

One-Time Revenue Policy

The One-Time Revenue Policy requires that one-time revenues will only be used for one-time expenditures. The 2025-26 Budget satisfies this policy by allocating $172.0 million in one-time revenues towards $270.0 million in one-time expenditures.

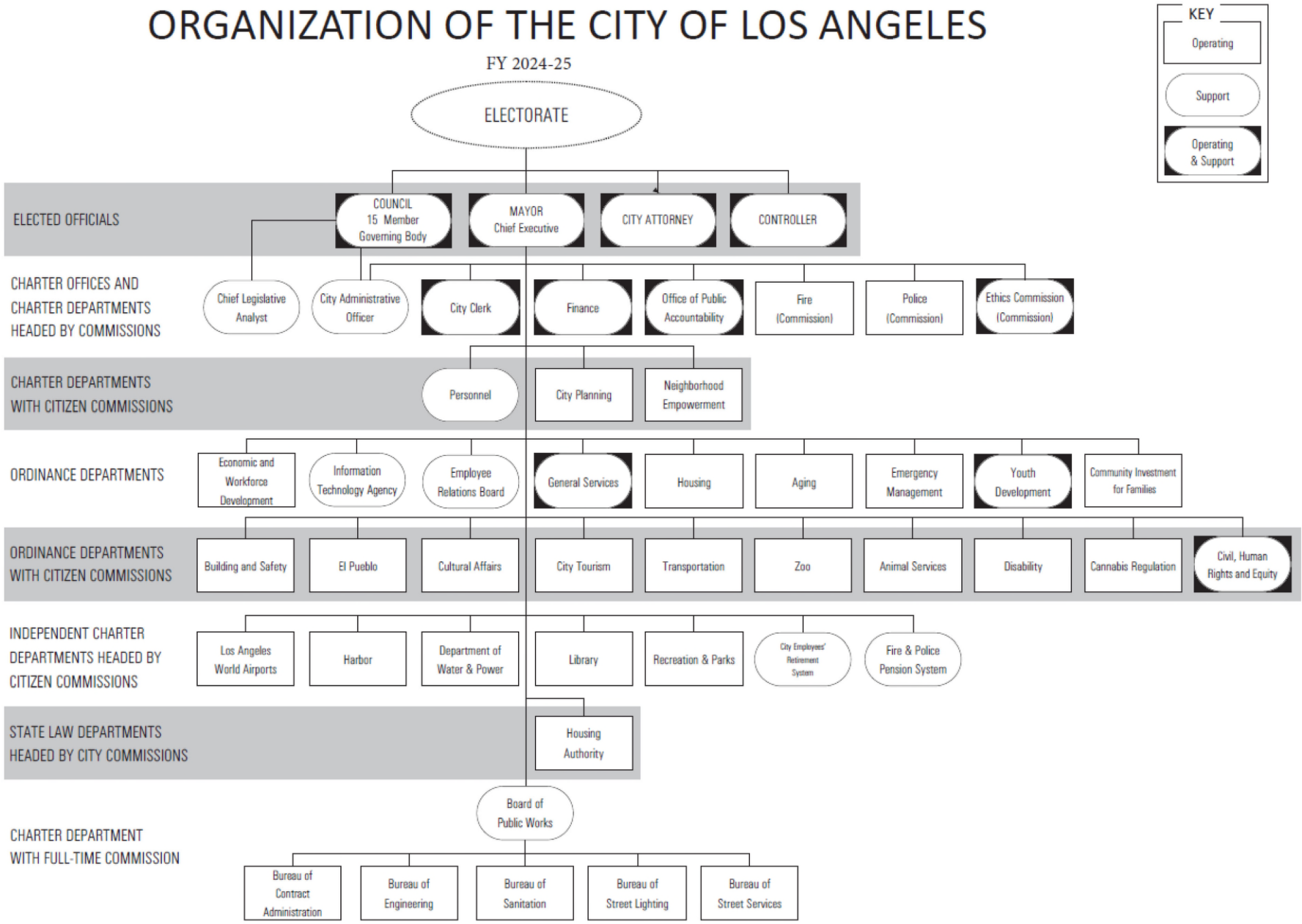
Debt Management Policy

The Debt Management Policy (Debt Policy) was developed to provide guidelines for the issuance of bonds and other forms of indebtedness to finance capital improvements, equipment acquisition, and other items. These guidelines include a ceiling level for non-voted debt service of 6 percent of General Fund revenue and a total debt service cap of 15 percent of General Fund revenue. The 2024-25 and 2025-26 Budget ratios of non-voted debt service and total debt service as a percent of General Fund revenue were below the Debt Policy cap.

kenneth mejia
LA CITY CONTROLLER

ORGANIZATION OF THE CITY OF LOS ANGELES

FY 2024-25



City Officials
City of Los Angeles, California



Karen Bass
Mayor



Kenneth Mejia
City Controller



Hydee Feldstein Soto
City Attorney

City Council



Marqueece Harris-Dawson
District 8
Council President



Bob Blumenfield
District 3
President Pro Tempore



Nithya Raman
District 4
Assistant President
Pro Tempore



Eunisses Hernandez
District 1



Adrin Nazarian
District 2



Katy Yaroslavsky
District 5



Imelda Padilla
District 6



Monica Rodriguez
District 7



Curren D. Price, Jr.
District 9



Heather Hutt
District 10



Traci Park
District 11



John S. Lee
District 12



Hugo Soto-Martinez
District 13



Ysabel Jurado
District 14



Tim McOsker
District 15

Non-Elected Fiscal Officers

Diana Mangioglu
Director of Finance
City Treasurer

Matthew W. Szabo
City Administrative Officer

Tony M. Royster
General Manager & City Purchasing Agent
Department of General Services



Kenneth Mejia
Los Angeles City Controller

The City Charter establishes the Controller as an elected official and gives the Controller the responsibility for serving as the auditor and chief accounting officer of the City. The Charter guarantees the independence of the Office, and provides for better accountability to the public and a more direct form of public control over the fiscal affairs of the City, in keeping with the established principle of checks and balances exercised for both the executive and legislative branches of municipal government. The Controller is required to exercise general supervision over the accounts of all offices and departments of the City, including the independent departments of Airports, Water and Power, and Harbor (Port of Los Angeles).

Kenneth Mejia was sworn in as City Controller on December 11, 2022. His first term ends in 2026.

The City Controller is also the Controller for the Municipal Improvement Corporation of Los Angeles (MICLA).

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Los Angeles
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

mgo. | Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Los Angeles, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Los Angeles, California (City), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Department of Airports (Airports), Department of Water and Power (DWP) Water System (Water) and Power System (Power), Department of Harbor (Harbor), Los Angeles Fire and Police Pension System (Pensions), Los Angeles City Employees' Retirement System (LACERS), and Water and Power Employees' Retirement, Disability and Death Benefit Insurance Plans (DWP Plans), which collectively represent the following percentages of the assets, net position/fund balances, and revenues/additions of the following opinion units as of June 30, 2025:

Opinion Unit	Assets	Net Position/Fund Balances	Revenues/ Additions
Business-type Activities:			
Airports, Water, Power and Harbor	91%	88%	91%
Each Major Enterprise Fund:			
Airports	100%	100%	100%
Water	100%	100%	100%
Power	100%	100%	100%
Harbor	100%	100%	100%
Aggregate Remaining Fund Information:			
Pensions, LACERS, and DWP Plans	90%	91%	71%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Airports, Water, Power, Harbor, Pensions, LACERS, and DWP Plans, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the DWP Plans were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matters

As discussed in Note 1.E.20 to the basic financial statements, effective July 1, 2024, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences.* Our opinions are not modified with respect to this matter.

As discussed in Note 5.E.7 to the basic financial statements, the City is in the process of assessing the overall financial impact of the January 2025 Palisades Fire and, as of December 8, 2025, estimates approximately $227.0 million in costs to the City, which includes over $144.0 million in damage or destruction to structures and equipment. These estimates are preliminary and are expected to change as damage assessment and recovery efforts continue. The City expects to recover a significant portion of these costs from state and federal sources; however, the City may have to fund up to $87.0 million of such costs prior to any potential reimbursement. The City is in the process of determining the timing of this front-funding need and the portion that will be a General Fund obligation. Our opinions are not modified with respect to this matter.

As discussed in Note 5.C.1 to the basic financial statements, lawsuits have been filed against the City, DWP, and other entities by people claiming property damage, loss of use, evacuation, and other harm as a result of the Palisades Fire. The City has not yet been served with all such cases and is currently in the process of reviewing the cases it is aware of. The City anticipates that additional lawsuits will continue to be filed. The cases are not yet at a stage where it is possible to reasonably estimate the potential ultimate financial exposure to the City or DWP. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is

not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the benefit pension plans schedules of employer contributions, the schedules of changes in net pension liability (asset) and related ratios, the other postemployment benefits (OPEB) plans schedules of employer contributions, the schedules of changes in net OPEB liability (asset) and related ratios, the actuarial methods and assumptions used to determine employer contribution rates, the condition rating for City bridges, and the comparison of needed-to-actual maintenance/preservation costs, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The City's management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Los Angeles, California
January 29, 2026

Management's Discussion and Analysis

Management's Discussion and Analysis (Unaudited)

This section of the Annual Comprehensive Financial Report of the City of Los Angeles (the City) presents a narrative overview and discussion of the City's financial activities for the fiscal year ended June 30, 2025. This discussion and analysis should be read in conjunction with the basic financial statements and accompanying notes, which follow this section. We hope that the information and the discussions will provide readers with a clear picture of the City's overall financial condition.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded the liabilities and deferred inflows of resources at the close of fiscal year 2025 by $34.9 billion, an increase of $3.2 billion over fiscal year 2024. The net position of $34.9 billion consisted of: $25.9 billion net investment in capital assets; $8.5 billion restricted net position, which represents resources subject to certain restrictions on their use; $6.7 billion unrestricted net position, which may be used to meet the City's obligations for its business-type activities; and a $6.2 billion deficit of governmental activities.
- Of the $3.2 billion total change in net position, governmental activities represented $1.1 billion, while business-type activities increased by $2.1 billion, including a beginning net position adjustment of $144.4 million for the cumulative effects of the implementation of GASB Statement No. 101 *"Compensated Absences"*.
- As of June 30, 2025, the aggregate fund balances of the City's governmental funds were $8.4 billion, a net increase of $440.1 million from June 30, 2024. Of the aggregate fund balances, $79.0 million, or 0.9%, were nonspendable, $5.3 billion, or 63.7%, were restricted, $1.9 billion, or 23.2% were committed, $343.1 million, or 4.1%, were assigned to specific purposes, and $680.2 million, or 8.1% were unassigned.
- At the end of the fiscal year, the General Fund showed a fund balance of $1.3 billion, of which $68.6 million were nonspendable, $338.0 million were assigned for various purposes, $115.3 million were committed, and $814.9 million were unassigned.
- The City's bonded debt and long-term notes payable at June 30, 2025 totaled $41.3 billion, an increase of $1.9 billion from the prior year's balance of $39.4 billion.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of management's discussion and analysis (MD&A), basic financial statements, including the accompanying notes to the basic financial statements, required supplementary information, and combining statements and schedules for the nonmajor governmental and fiduciary funds. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of the City's finances and are made up of the following two statements: the *Statement of Net Position* and the *Statement of Activities*. Both of these statements were prepared using accounting methods similar to those used by private-sector businesses, which are the economic resources measurement focus and the accrual basis of accounting.

The *Statement of Net Position* presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes, expenses pertaining to earned but unused compensated absences, and incurred but unpaid workers' compensation claims.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a portion of their costs through user fees and charges *(business-type activities)*.

The governmental activities of the City include general government, protection of persons and property, public works, health and sanitation (other than sewer services), transportation, cultural and recreational services, community development, and interest on long-term debt. The business-type activities of the City include airports, harbor, power, water, sewer and convention center services.

The government-wide financial statements reflect not only the activities of the City itself (known as the primary government), but also include the Municipal Improvement Corporation of Los Angeles (MICLA). Although legally separate, MICLA is included as an integral part of the primary government because the City Council approves the MICLA Board of Directors as the governing body and its sole purpose is to provide services entirely to and exclusively for the City.

Fund Financial Statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. The funds of the City are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

The governmental funds financial statements are made up of the following: the *Balance Sheet* and the *Statement of Revenues, Expenditures and Changes in Fund Balances*. Both of these statements were prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

The *Budgetary Basis Statement of Revenues, Expenditures and Changes in Fund Balance* is prepared on a modified cash basis of accounting that is different from United States Generally Accepted Accounting Principles (GAAP). Please see Note 3B of the Notes to the Basic Financial Statements for additional information on the basis difference.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The City maintains many individual governmental funds organized according to their type (general, special revenue, debt service, and capital projects funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and MICLA Special Revenue and Debt Service Funds, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements and schedules*.

Proprietary funds are generally used to account for services for which the City charges customers – either outside customers, or other departments/funds of the City. The proprietary funds financial statements provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following type of proprietary funds:

- *Enterprise funds* are used to report the functions presented as *business-type activities* in the government-wide financial statements. All of the City's enterprise funds, except the convention center, are considered major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City's pension trust, other postemployment benefits trust, and custodial funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds. Both are prepared using the economic resources measurement focus and the accrual basis of accounting.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information, other than Management's Discussion and Analysis (MD&A), is presented concerning the City's net pension and other postemployment benefits (OPEB) liabilities (asset) and contributions related to the City's pension and OPEB plans. Also included in this section is the condition assessment for City bridges.

The **combining and individual fund statements and schedules** provide information for nonmajor governmental funds and fiduciary funds and are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position: Net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $34.9 billion at the close of fiscal year 2025.

The following table is a condensed summary of the City's government-wide net position:

CITY OF LOS ANGELES
Condensed Statement of Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Assets						
Current and other assets	$ 12,746,016	$ 11,286,414	$ 16,795,326	$ 15,036,581	$ 29,541,342	$ 26,322,995
Capital assets	9,301,131	8,978,821	56,745,320	53,693,304	66,046,451	62,672,125
Total assets	22,047,147	20,265,235	73,540,646	68,729,885	95,587,793	88,995,120
Deferred outflows of resources	2,775,575	3,227,009	2,337,632	2,055,716	5,113,207	5,282,725
Liabilities						
Current and other liabilities	1,753,763	1,545,802	2,722,225	1,985,212	4,475,988	3,531,014
Long-term liabilities	15,278,820	15,130,934	42,666,408	40,739,456	57,945,228	55,870,390
Total liabilities	17,032,583	16,676,736	45,388,633	42,724,668	62,421,216	59,401,404
Deferred inflows of resources	1,380,667	1,485,219	1,989,930	1,700,665	3,370,597	3,185,884
Net position						
Net investment in capital assets	7,135,550	6,758,687	18,786,566	17,624,621	25,922,116	24,383,308
Restricted	5,523,228	4,378,571	3,023,966	2,780,142	8,547,194	7,158,713
Unrestricted	(6,249,306)	(5,806,969)	6,689,183	5,955,505	439,877	148,536
Total net position	$ 6,409,472	$ 5,330,289	$ 28,499,715	$ 26,360,268	$ 34,909,187	$ 31,690,557

Note: FY2024 figures have not been restated for the effect of GASB 101.

Of the total net position, $25.9 billion or 74.3% reflects its investment in capital assets (e.g., land, infrastructure, buildings, facilities and equipment) less any related outstanding debt and deferred outflows and inflows of resources used to acquire those assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt and deferred outflows and inflows of resources, it should be noted that the resources to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate the debt. An additional portion of the City's net position, $8.5 billion or 24.5%, represents resources subject to various restrictions on how they may be used. The balance in unrestricted net position of $439.9 million or 1.2% is the net amount of the governmental activities deficit of $6.2 billion, and $6.7 billion unrestricted net position that may be used to meet the City's obligations for its business-type activities.

In fiscal year 2025, net investment in capital assets increased by $1.5 billion or 6.3%, compared with fiscal year 2024. Restricted net position increased by $1.4 billion or 19.4%, mainly due to increases related to net pension and OPEB assets, debt service, public safety, transportation programs, community development and housing programs, cultural and recreational activities, customer facility charges, and operations and maintenance. These increases were partially offset by reductions in restricted net position related to capital projects, and public works and sanitation. Unrestricted net position increased by $291.3 million or 196.1%, primarily reflecting an increase in the unrestricted net position of business-type activities during fiscal year 2025.

The deficit in unrestricted net position for governmental activities of $6.2 billion was primarily attributable to the net pension liability of $6.3 billion, the net OPEB liability of $817.2 million, and the extent to which the City has deferred to future periods the financing of certain liabilities (i.e., claims and judgments, workers' compensation, compensated absences.) While accounting standards require liabilities to be recognized when incurred, financing practices focus on when those liabilities are paid. Consistent with many other governments, the City budgets and raises resources to liquidate liabilities in the period in which they are expected to be paid rather than in the period in which they are incurred.

Key changes in the statement of net position are as follows:

Capital Assets

Capital assets increased by $3.4 billion, or 5.4%. Governmental activities increased by $322.3 million, or 3.6%, while business-type activities increased by $3.1 billion or 5.7%.

For governmental activities, capital assets increased primarily due to $334.1 million in additional costs incurred for ongoing capital improvement projects, including municipal facilities, recreational, cultural, and community centers, bridge housing, transportation facilities, and the construction and rehabilitation of streets and bridges, including stormwater infrastructure. In addition, the City invested $192.9 million in machinery and equipment, such as general services vehicles, public transportation buses, police vehicles and equipment, and fire apparatus. These increases were partially offset by depreciation of existing facilities and equipment.

For business-type activities, capital asset increases primarily reflected Airports' additions of $1.1 billion for ongoing construction and improvements to modernize Los Angeles International Airport (LAX), including terminal renovations, construction of the Automated People Mover (APM) system, runway and taxiway improvements, other airfield projects, and construction of the Intermodal Transportation Facility. The Harbor reported an increase of $20.6 million, largely related to redevelopment and improvements of existing facilities and equipment. The Power recorded a $1.2 billion increase related to investments in generation, transmission, distribution, and fuel resource infrastructure, while Water's capital assets increased by $546.9 million, primarily due to improvements to distribution infrastructure as part of its reliability program. The Sewer reported an increase of $145.2 million related to rehabilitation and improvements of its collection and treatment facilities and equipment. These increases were reported net of current-year depreciation, retirements, and disposals.

Current and Other Assets

Current and other assets increased by $3.2 billion, or 12.2%. Governmental activities increased by $1.4 billion, or 12.9%, while business-type activities grew by $1.8 billion, or 11.7%.

Governmental activities' current and other assets increased primarily due to higher cash balances of $521.1 million driven by increased revenue from the House LA program and various grant funds, increases of $683.7 million in net taxes, accounts, loan, and lease receivables, and a combined increase of $324.0 million in net pension and OPEB assets.

Business-type activities experienced an increase in current and other assets, primarily due to a combined increase of $1.3 billion in cash and investments. This increase was largely driven by the Airports' $774.3 million increase in restricted cash from year-end investment portfolios, reflecting higher unspent bond proceeds, and increased balances in the City's pooled investment fund. In addition, the Power Fund reported a $283.9 million increase attributable to maintaining higher restricted funds with the City Treasury and fiscal agents for various purposes. Moreover, unrestricted cash from operating activities across all proprietary departments increased by $344.3 million, and accounts, grants, lease, and investment income receivables increased by $450.0 million.

Deferred outflows of resources decreased by $169.5 million, or 3.2%, primarily due to decreases in deferred outflows related to pensions and debt refundings. These decreases were partially offset by increases in deferred outflows related to OPEB, derivative instruments, and asset retirement obligations. Additional information regarding

deferred outflows related to pensions and OPEB is presented in Notes 5A and 5B to the Notes to the Basic Financial Statements.

Long-term Liabilities

The City's long-term liabilities increased by $2.1 billion, or 3.7%, compared with the prior year. Business-type activities increased by $1.9 billion, or 4.7%, while governmental activities increased by $147.9 million. For governmental activities, long-term liabilities increased primarily due to higher claims and judgments liabilities of $227.7 million, compensated absences liabilities of $156.9 million, and lease liabilities of $99.1 million. These increases were partially offset by a decrease of $353.9 million in net pension and OPEB liabilities. For business-type activities, long-term liabilities increased by $1.9 billion, largely attributable to higher bonds and notes payable for the Airports and Power, including long-term debt, commercial paper issuances, and unamortized premiums. Additional increases included $303.1 million in over-recovered costs reported as other liabilities and $55.6 million in compensated absences liabilities. These increases were partially offset by a decrease of $411.0 million in net pension liabilities.

Current and Other Liabilities

The City's current and other liabilities increased by $945.0 million, or 26.8%, compared with the prior year. Governmental activities increased by $208.0 million, or 13.5%, while business-type activities rose by $737.0 million, or 37.1%. For governmental activities, increases were primarily attributable to higher accounts payable, accrued expenses, obligations under securities lending transactions, and unearned revenue totaling $219.6 million. These increases were partially offset by a combined decrease of $9.1 million in deposits, advances, and other liabilities. For business-type activities, current and other liabilities increased primarily due to higher accounts payable and accrued expenses of $177.3 million, accrued interest payable of $57.5 million, deposits and advances of $11.3 million, and other liabilities of $477.0 million. The increase in other liabilities was largely driven by a $450.0 million increase in a line of credit for the Water and Power.

Deferred inflows of resources increased by $184.7 million, or 5.8%, primarily due to increases of $113.7 million in deferred inflows from debt refundings, $116.2 million in deferred inflows related to leases and PPPs, and $224.8 million in deferred inflows related to pensions. These increases were partially offset by a decrease of $270.0 million in deferred inflows related to OPEB.

Net Position

Compared with the prior year, the total net position was increased by $3.2 billion, or 10.2%, with governmental activities up by $1.1 billion, or 20.2%, from the fiscal year 2024 net position of $5.3 billion, while business-type activities increased by $2.1 billion, or 8.1%.

Net investment in capital assets increased by $376.9 million for governmental activities and increased by $1.2 billion for business-type activities. Restricted net position increased by $1.1 billion for governmental activities, while the deficit in the unrestricted net position increased by $442.3 million. For business-type activities, restricted net position increased by $243.8 million, and the unrestricted net position increased by $733.7 million.

Changes in the restricted net position were primarily attributable to increases of $37.2 million for debt service, $34.8 million for public safety, $70.6 million for transportation, $34.6 million for culture and recreational activities, $758.0 million for community development, $145.9 million for passenger and customer facility programs, $106.7 million for pension and OPEB, and $244.7 million for operations and maintenance and other reserves. These increases were partially offset by decreases of $6.0 million for capital projects and $37.9 million for public works and sanitation.

Analysis of Activities: The following table presents condensed information showing how the City's net position changed during the most recent fiscal year. As previously stated, all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

CITY OF LOS ANGELES
Condensed Statement of Activities
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Revenues						
Program Revenues						
Charges for Services	$ 2,610,846	$ 2,260,171	$ 10,976,493	$ 9,883,593	$ 13,587,339	$ 12,143,764
Operating Grants and Contributions	2,044,316	1,550,919	11,843	80,216	2,056,159	1,631,135
Capital Grants and Contributions	126,482	126,031	340,756	507,112	467,238	633,143
General Revenues						
Property Taxes	3,095,592	2,942,568	--	--	3,095,592	2,942,568
Utility Users Taxes	699,030	660,823	--	--	699,030	660,823
Business Taxes	1,057,779	832,888	--	--	1,057,779	832,888
Sales Taxes	661,782	677,032	--	--	661,782	677,032
Other Taxes	1,308,505	1,023,314	--	--	1,308,505	1,023,314
Unrestricted Grants and Contributions	49,308	38,430	--	--	49,308	38,430
Unrestricted Investment Earnings	164,286	144,309	535,306	426,586	699,592	570,895
Other Revenues	42,702	71,456	551,102	625,660	593,804	697,116
Total Revenues	11,860,628	10,327,941	12,415,500	11,523,167	24,276,128	21,851,108
Expenses						
General Government	2,298,306	2,120,582	--	--	2,298,306	2,120,582
Protection of Persons and Property	3,975,529	4,112,076	--	--	3,975,529	4,112,076
Public Works	691,028	747,430	--	--	691,028	747,430
Health and Sanitation	755,063	764,082	--	--	755,063	764,082
Transportation	752,150	679,861	--	--	752,150	679,861
Cultural and Recreational Services	988,459	880,238	--	--	988,459	880,238
Community Development	1,209,874	1,775,525	--	--	1,209,874	1,775,525
Interest on Long-Term Debt	183,375	172,352	--	--	183,375	172,352
Airports	--	--	2,362,235	2,204,192	2,362,235	2,204,192
Harbor	--	--	510,783	461,058	510,783	461,058
Power	--	--	4,658,269	4,469,614	4,658,269	4,469,614
Water	--	--	1,705,447	1,538,667	1,705,447	1,538,667
Sewer	--	--	752,894	756,820	752,894	756,820
Convention Center	--	--	69,654	65,864	69,654	65,864
Total Expenses	10,853,784	11,252,146	10,059,282	9,496,215	20,913,066	20,748,361
Excesses (Deficiency) of Revenues Over (Under) Expenses	1,006,844	(924,205)	2,356,218	2,026,952	3,363,062	1,102,747
Transfers	219,312	244,695	(219,312)	(244,695)	--	--
Change in Net Position	1,226,156	(679,510)	2,136,906	1,782,257	3,363,062	1,102,747
Net Position - July 1, As Previously Reported	5,330,289	6,009,799	26,360,268	24,578,011	31,690,557	30,587,810
Change in Accounting Principle, GASB 101 Implementation	(146,973)	--	2,541	--	(144,432)	--
Net Position - July 1 as Restated	5,183,316	6,009,799	26,362,809	24,578,011	31,546,125	30,587,810
Net Position - June 30	$ 6,409,472	$ 5,330,289	$ 28,499,715	$ 26,360,268	$ 34,909,187	$ 31,690,557

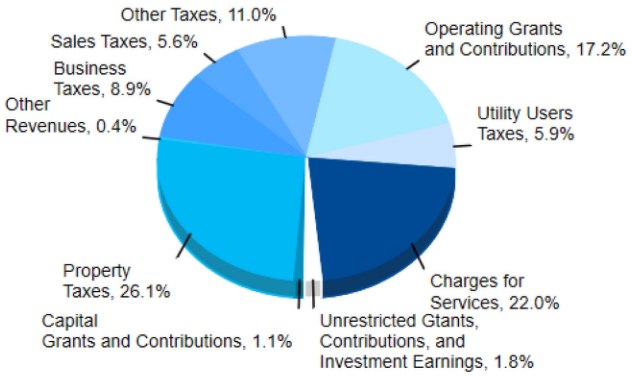
Note: FY2024 figures have not been restated for the effect of GASB 101.

Governmental Activities

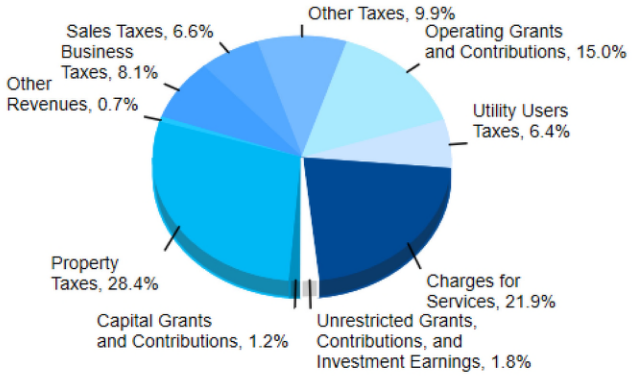
For the fiscal year ended June 30, 2025, total revenues of governmental activities were $11.9 billion while total expenses were $10.9 billion. Of the $10.9 billion total expenses, taxes and other general revenues of $7.1 billion funded 65.2% of expenses, and program revenues and transfers from business-type funds funded the remaining 34.8%. Program revenues are resources obtained from parties outside of the City and charges for services between the governmental and business-type activities. They include: (a) amounts received from those who purchase, use or directly benefit from a program; (b) grants and contributions that are restricted to specific programs; and (c) investment earnings that are legally restricted for a specific program.

The following charts are graphical comparisons of governmental revenues by source for fiscal years 2025 and 2024:

FY 2025
Total Revenues: $11.9 Billion



FY 2024
Total Revenues: $10.3 Billion



Revenues from charges for services of $2.6 billion, property taxes of $3.1 billion, and operating grants and contributions of $2.0 billion were the three largest revenue sources for governmental activities. Together, these accounted for $7.7 billion or 65.3% of total revenues.

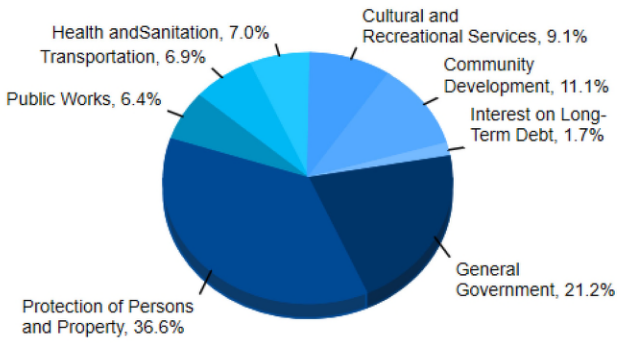
Supported by stable economic growth and increased revenues from departmental and franchise activities, charges for services rose by $350.7 million, or 15.5% in fiscal year 2025 compared with fiscal year 2024. This increase was driven by growth across several revenue sources, including service fees from emergency ambulance services, proprietary departments, trench replacement activities, opioid settlement revenues, just cause enforcement fees, parking fines, contributions from nongovernmental sources for youth support partnerships, solid waste fees, and other licenses and permits revenues.

Operating grants and contributions increased by $493.4 million, or 31.8%. This growth was primarily driven by higher reimbursements from the Federal Emergency Management Agency (FEMA) and increased federal grant revenues from the Department of Homeland Security, the U.S. Department of Housing and Urban Development, and other federal agencies supporting local crime prevention, emergency services, and transit projects. In addition, state grant revenues increased for housing and community development, housing assistance, HOME Investment Partnership programs, and youth workforce development programs.

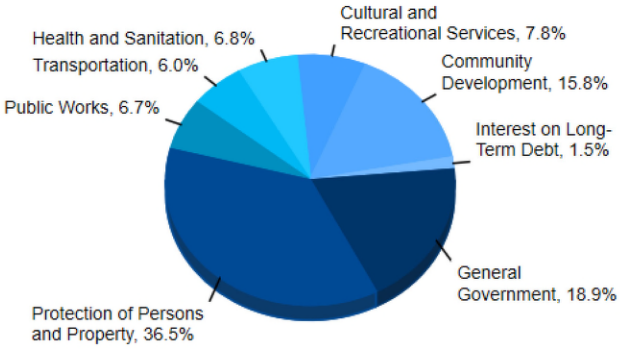
Property tax revenue increased by $153.0 million, or 5.2%, driven by the growth in the taxable assessed value of properties, reflecting continued stability in the real estate market. Business tax revenue rose by $224.9 million, primarily due to the recognition of higher business tax receivables compared with the prior year. Sales tax revenue decreased by $15.3 million, indicating ongoing economic pressures associated with rising unemployment, a slower economic recovery following the Federal Reserve's interest rate cuts, and additional uncertainties related to immigration actions, tariffs, reductions in federal funding, government layoffs, and the economic impacts of wildfires. Utility users tax revenues increased by $38.2 million, or 5.8%, driven by higher energy costs and increased demand. Other taxes were up by $285.2 million, or 27.9%, primarily attributable to higher revenues from the Measure ULA special tax on real property transfers exceeding $5.15 million, increased franchise revenues related to AB 939 compliance permits, commercial and multifamily solid waste fees, and higher parking occupancy tax revenues.

The following charts are graphical comparisons of the City's governmental expenses by function for fiscal years 2025 and 2024:

FY 2025
Total Expenses: $10.9 Billion



FY 2024
Total Expenses: $11.3 Billion



Total expenses decreased by $398.4 million or 3.5%, from fiscal year 2024. This decrease was primarily attributable to reductions in expenses for protection of persons and property of $136.5 million, public works of $56.4 million, health and sanitation of $9.0 million, community development of $565.7 million. These decreases were partially offset by increases in general government of $177.7 million, transportation of $72.3 million, cultural and recreational services of $108.2 million, and interest on long-term debt of $11.0 million.

The decreases across multiple functions were largely driven by reductions in retirement costs, contract services and procurement, and subsidies to outside organizations. Among these expense categories, net pension and OPEB-related expenses for the Los Angeles Fire and Police Pension System (Pensions) and the City Employees' Retirement System (LACERS) declined by $297.5 million, primarily reflecting net appreciation in the fair value of plan investments based on the measurement date in fiscal year 2024. In addition, expenses related to payments to outside agencies decreased by $181.7 million, mainly due to lower provisions for allowances for uncollectible loans associated with the Low and Moderate Income Housing program compared with the prior year. These decreases were partially offset by an increase of $87.4 million in liability expenses, primarily related to workers' compensation, tort, and non-tort liability estimates.

Business-type Activities

The $11.0 billion combined operating revenues of the City's six business-type activities were $2.3 billion more than the $8.7 billion combined operating expenses. Since the proprietary funds provide the same type of information at the fund level as found in the government-wide statements, a more detailed discussion of the activities of the City's business-type activities is found in the financial analysis of the City's funds.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of this section is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financial requirements. In particular, the unassigned fund balances may serve as a useful measure for the City's net resources available for spending at the end of the fiscal year.

Governmental Funds

At June 30, 2025, the City's governmental funds reported combined fund balances of $8.4 billion, an increase of $440.1 million from the previous fiscal year. Of the total fund balances, $79.0 million were nonspendable associated with inventories, prepaid items and certain advances to other funds, $5.3 billion were classified as restricted, $1.9 billion were committed and $343.1 million were assigned. The remaining balances of $680.2 million were classified as unassigned and mainly associated with the General Fund.

Governmental funds revenue totaled $11.4 billion, while expenditures were $11.7 billion. The revenues were $236.9 million less than total expenditures.

The **General Fund** is the general operating fund of the City and includes transactions of the Reserve Fund and other accounts that have General Fund type activity for GAAP reporting purposes. At June 30, 2025, the General Fund reported a total fund balance of $1.3 billion, composed of $68.6 million nonspendable primarily from inventories of $50.7 million and advances to other funds of $17.3 million; $115.3 million committed; $338.0 million assigned for general government purposes; and $814.9 million unassigned.

The following table presents the summary of revenues and other financing sources and expenditures and other financing uses of the General Fund:

CITY OF LOS ANGELES
Summary of Revenues, Expenditures and Other Financing Sources and Uses - General Fund
(amounts expressed in thousands)

Revenues and Other Financing Sources	FY 2025	FY 2024	% Change
Revenues			
Property Taxes	$ 2,914,112	$ 2,794,794	4.3 %
Sales Taxes	662,059	676,722	(2.2)
Utility Users Taxes	701,237	684,071	2.5
Business Taxes	849,091	782,139	8.6
Other Taxes	760,587	754,788	0.8
Licenses and Permits	29,212	28,640	2.0
Intergovernmental	47,336	42,055	12.6
Charges for Services	482,534	489,930	(1.5)
Services to Enterprise Funds	406,696	376,943	7.9
Fines	112,129	114,892	(2.4)
Special Assessments	2,998	3,177	(5.6)
Investment Earnings	92,646	98,062	(5.5)
Change in Fair Value of Investments	71,922	43,959	63.6
Other	48,096	55,547	(13.4)
Program Income	2	--	--
Total Revenues	7,180,657	6,945,719	3.4
Other Financing Sources			
Transfers In	347,424	317,081	9.6
Loans from Financed Purchase	8,264	--	--
Lease and Subscription Liabilities Issued	125,641	34,926	259.7
Total Revenues and Other Financing Sources	$ 7,661,986	$ 7,297,726	5.0
Excess of Revenues Over Expenditures	$ 276,573	$ 105,439	162.3
Net Change in Fund Balance	$ (100,801)	$ (415,932)	75.8

Expenditures and Other Financing Uses	FY 2025	FY 2024	% Change
Expenditures			
General Government	$ 1,694,255	$ 1,891,972	(10.5)%
Protection of Persons and Property	3,926,373	3,746,815	4.8
Public Works	311,785	309,147	0.9
Health and Sanitation	255,636	232,064	10.2
Transportation	131,568	157,079	(16.2)
Cultural and Recreational Services	102,628	87,000	18.0
Community Development	211,225	193,244	9.3
Capital Outlay	174,292	135,936	28.2
Debt Service - Principal	36,482	36,636	(0.4)
Debt Service - Interest	58,977	49,710	18.6
Debt Service - Cost of Issuance	863	677	27.5
Total Expenditures	6,904,084	6,840,280	0.9
Other Financing Uses			
Transfers Out	858,703	873,378	(1.7)
Total Expenditures and Other Financing Uses	$ 7,762,787	$ 7,713,658	0.6

Revenues and Other Financing Sources

Los Angeles' economy has proven resilient, reflecting broader trends in California, even amid significant changes in recent years. The City is facing a significant revenue challenge while simultaneously under pressure to reduce homelessness, and increase public safety and infrastructure spending. In fiscal year 2025, the City navigated several financial challenges, including elevated levels of overspending and some revenue shortfalls in comparison to the fiscal year 2025 budget. Nevertheless, the City experienced a growth of $234.9 million, or 3.4%, in its General Fund revenues compared to the previous fiscal year. The primary contributors to this revenue increase were property taxes, business taxes, service charges to enterprise funds, and net investment earnings, while sales tax revenue experienced declines. Total taxes accounted for nearly $5.9 billion or 82.0% of General Fund revenue. Overall, tax revenues increased by $194.6 million or 3.4% from the prior year compared to a 0.3% decrease in fiscal year 2024.

Total property tax revenue, which represent 40.6% of General Fund revenues, increased by $119.3 million or 4.3%, primarily due to growth of $77.4 million in current and prior secured property tax receipts and a combined increase of $41.6 million from Vehicle License Fee (VLF) replacement and former Community Redevelopment Agency (CRA) tax increment revenues.

Economy-sensitive revenues, including sales, business, and utility users taxes, reflected mixed conditions in the local economy and the uneven impacts of Federal Reserve rate adjustments. Business tax revenues increased by $67.0 million, or 8.6%, reflecting favorable collection trends from the prior tax period, primarily attributable to non-cannabis activity, with potential upside in future fiscal years. In contrast, sales tax revenues declined by $14.7 million or 2.2%, due to continued softness in taxable spending driven by inflationary pressures, elevated interest rates, a shift from brick-and-mortar retail to online shopping, and a continued reallocation of consumer spending from goods to services. Utility users tax revenues, which consist of electric, gas, and communications users taxes, increased by $17.2 million or 2.5%. This increase was primarily driven by a $28.3 million rise in electric users tax revenues, reflecting higher energy costs and increased consumption. The growth was partially offset by a $13.4 million decline in communications users tax revenues, consistent with the ongoing downward trend in phone service prices and reduced landline usage.

Other tax revenues increased by $5.8 million or 0.8%, due to several factors. Parking occupancy tax revenues rose by $4.6 million, and documentary transfer tax revenues increased by $20.6 million, largely reflecting higher real estate transaction volumes associated with lower mortgage rates. These increases were partially offset by a $11.7 million decline in transient occupancy tax revenues, including hotel and short-term rental taxes, attributable to reduced international tourism stemming from tourism boycotts and travel advisories. In addition, franchise income declined by a combined $7.4 million.

Revenues from service charges paid by proprietary departments increased by $29.8 million, which is 7.9% higher than prior year, primarily due to higher service costs paid by the Airports, Harbor, Water and Power, and Sewer. In addition, combined net investment earnings and other revenues increased by $15.1 million, reflecting a $28.0 million positive change in the fair value of investments, partially offset by a $5.4 million decline in investment earnings and a $7.5 million decrease in other revenues.

Expenditures and Other Financing Uses

In fiscal year 2025, total General Fund expenditures were $6.9 billion, representing a modest increase of $63.8 million, or 0.9% from the previous fiscal year. This growth was lower than the increase in total General Fund revenues. While most expenditure categories across governmental functions increased, the overall change was driven by several key spending areas discussed below.

Salaries and employee benefits increased by $162.6 million, or 4.7%, compared with the prior year, primarily due to cost-of-living adjustments associated with civilian and sworn labor agreements, sworn employee hiring, increased overtime usage, and higher benefit and insurance premium costs.

Retirement contributions to the LACERS and Pensions increased by $52.8 million or 4.0%, largely reflecting higher covered payroll. Workers' compensation benefit payments rose by $8.2 million from the prior year. Capital outlays increased by $38.4 million, or 28.2%, primarily attributable to the General Services Department's acquisition of right-to-use (RTU) assets through lease contracts. In addition, interest payments on debt service increased by $9.3 million, driven by $5.1 million in interest payments on Tax and Revenue Anticipation Notes (TRAN) due to higher interest rates and a $4.2 million increase related to RTU leases and subscription contracts.

In contrast, payouts for liability claims related to tort, non-tort, and tax-related cases declined by $172.6 million, contributing to reduced expenditures in the general government and transportation functions. Expenditures for contractual services, operating equipment, and supplies decreased by $38.4 million, or 3.1 percent, primarily reflecting citywide cost-control measures that reduced spending on operating supplies, construction materials, property management, and other expenses across multiple departments.

Overall, General Fund revenues exceeded expenditures by $276.6 million, compared with $105.4 million in fiscal year 2024. Transfers in from other funds amounted to $347.4 million, while transfers out totaled $858.7 million. Major sources of transfers in included the ARPA Fund of $36.3 million, the Special Parking Revenue Fund of $24.6 million, the Engineering Special Service Fund of $48.1 million, and the Power Enterprise Fund transfer of $219.3 million. The $858.7 million transfers out included $195.6 million for debt service obligations, $297.3 million for parks and recreational operation and facilities, $256.7 million for libraries, $44.2 million for public works, sanitation, and transportation, $26.4 million for arts and cultural facilities, $8.1 million for housing and community programs, and $30.4 million for other departmental operations.

The net changes of the above items contributed to a year-end fund balance of $1.3 billion, a decrease of $100.8 million from the prior year's fund balance of $1.4 billion.

Municipal Improvement Corporation of Los Angeles (MICLA) Special Revenue and Debt Service Funds

Both funds account for the activities of the City's public financing entity, MICLA. The acquisition of certain real property and equipment, as well as the construction of buildings and other improvements, is financed through the issuance of MICLA lease revenue bonds and commercial paper.

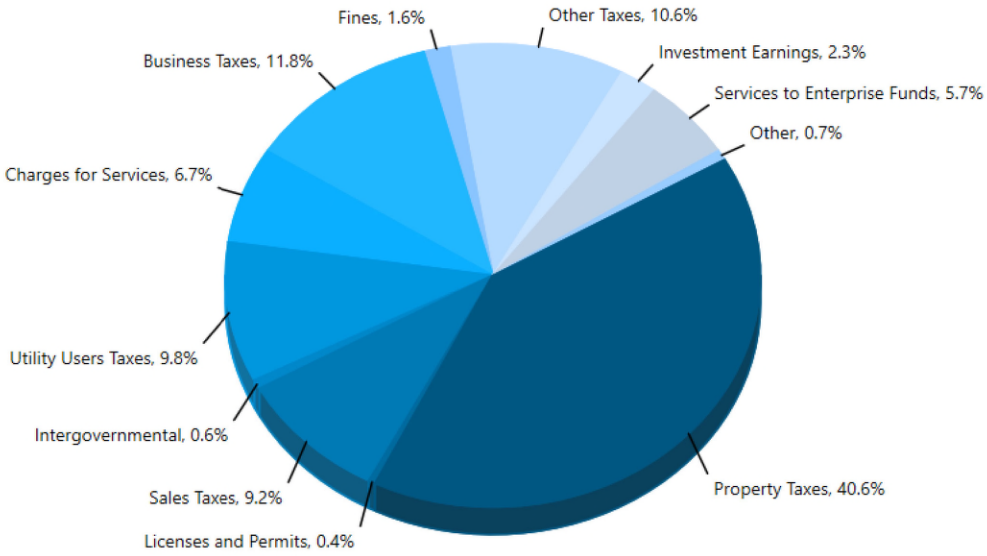
As of June 30, 2025, the MICLA Special Revenue Fund reported an unassigned deficit fund balance of $17.5 million, a decrease of $30.2 million from the prior year. Revenues increased by $1.1 million, while expenditures rose by $85.7 million due to higher capital acquisitions, resulting in expenditures exceeding revenues by $201.2 million, compared with $116.5 million in fiscal year 2024, despite the issuance of $171.0 million in long-term debt. The deficit primarily reflected timing differences between the receipt of commercial paper proceeds and the accrual of capital project expenditures. Subsequent to year-end, the fund's cash balance was replenished through the issuance of $20.0 million in commercial paper on July 1, 2025, resolving the deficit.

As of June 30, 2025, the MICLA Debt Service Fund reported a restricted fund balance of $45.6 million, a decrease of $41.6 million from the prior year. Revenues declined by $0.9 million, while expenditures decreased by $189.2 million, primarily due to a $190.6 million reduction in principal payments. Although expenditures exceeded revenues by $226.6 million, compared with $414.8 million in the prior year, lease payments of $185.0 million from the General Fund substantially offset the shortfall.

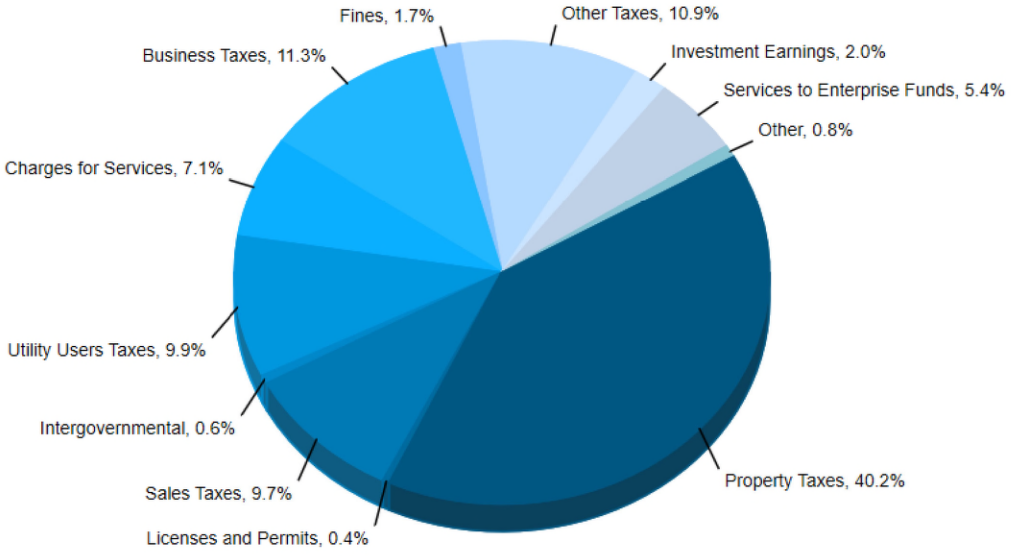
As a result of the above financial changes, the combined MICLA funds reported a decrease in fund balances of $71.8 million for fiscal year 2025.

The following charts are graphical comparisons between June 30, 2025 and 2024, for General Fund revenues by source and expenditures by function:

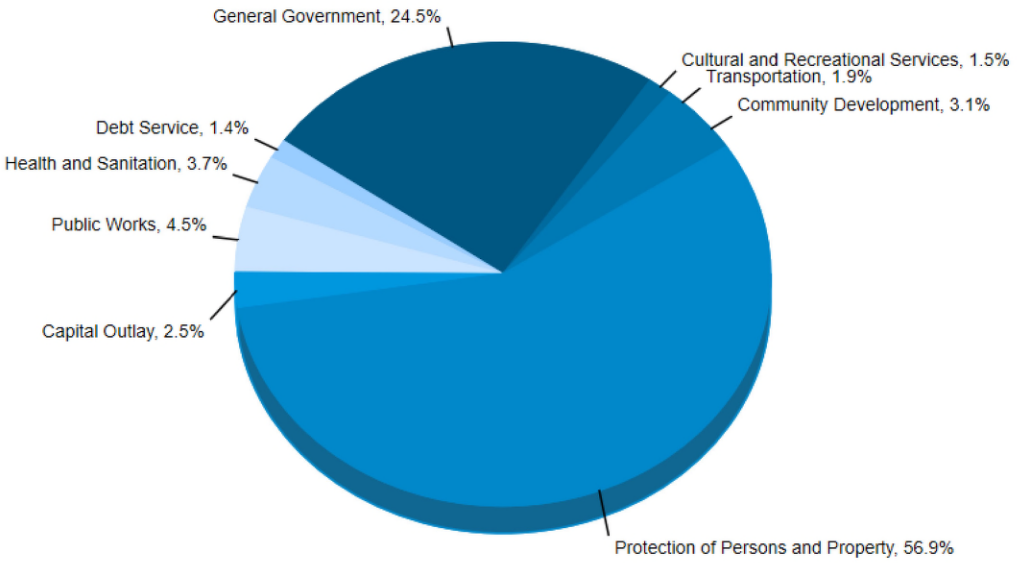
General Fund Revenues by Source : $7.2 Billion
Fiscal Year Ended June 30, 2025



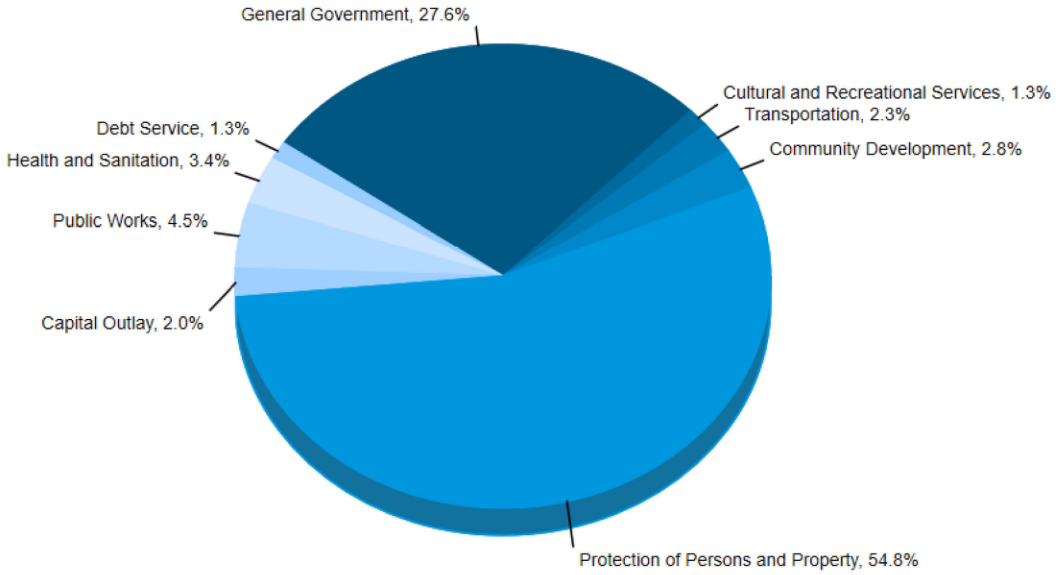
General Fund Revenues by Source : $6.9 Billion
Fiscal Year Ended June 30, 2024



General Fund Expenditures by Function : $6.9 Billion
Fiscal Year Ended June 30, 2025



General Fund Expenditures by Function : $6.8 Billion
Fiscal Year Ended June 30, 2024



Proprietary Funds

The City's proprietary funds provide the same type of information at the fund level as in the business-type activities column of the government-wide financial statements.

The following table summarizes the operating results of the City's six enterprise funds:

Business-type Activities
Change in Net Position
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Airports	Harbor	Power	Water	Sewer	Nonmajor Convention Center	Total
Operating Revenues	$ 2,074,058	$ 798,686	$ 5,308,300	$ 1,891,550	$ 848,094	$ 55,805	$ 10,976,493
Operating Expenses	(1,844,232)	(499,063)	(4,228,046)	(1,467,393)	(639,961)	(69,654)	(8,748,349)
Operating Income (Loss)	229,826	299,623	1,080,254	424,157	208,133	(13,849)	2,228,144
Net Nonoperating Revenues (Expenses)	(103,897)	110,276	(72,060)	(169,509)	21,691	817	(212,682)
Capital Contributions	202,440	15,098	63,915	51,289	8,014	--	340,756
Transfers Out	--	--	(219,312)	--	--	--	(219,312)
Change in Net Position	$ 328,369	$ 424,997	$ 852,797	$ 305,937	$ 237,838	$ (13,032)	$ 2,136,906

Business-type Activities
Change in Net Position
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

	Airports	Harbor	Power	Water	Sewer	Nonmajor Convention Center	Total
Operating Revenues	$ 1,958,111	$ 707,040	$ 4,825,368	$ 1,635,533	$ 704,175	$ 53,366	$ 9,883,593
Operating Expenses	(1,731,056)	(442,958)	(4,053,405)	(1,227,542)	(649,118)	(65,864)	(8,169,943)
Operating Income (Loss)	227,055	264,082	771,963	407,991	55,057	(12,498)	1,713,650
Net Nonoperating Revenues (Expenses)	(53,254)	36,221	(13,099)	(187,847)	23,654	515	(193,810)
Capital Contributions	128,606	54,252	70,492	238,774	14,988	--	507,112
Transfers Out	--	--	(244,695)	--	--	--	(244,695)
Change in Net Position	$ 302,407	$ 354,555	$ 584,661	$ 458,918	$ 93,699	$ (11,983)	$ 1,782,257

Note: FY2024 balances have not been restated for the effect of GASB 101.

Airports

The Airports Enterprise Fund (Airports) accounts for the operation of Los Angeles International Airport (LAX) and Van Nuys Airport (VNY). Airports also owns approximately 17,000 acres of land located east of United States Air Force (USAF) Plant 42 in the City of Palmdale, and retains the rights for future development of the Palmdale property.

Airports operating revenues totaled $2.1 billion, a $115.9 million or 5.9%, increase from fiscal year 2024. Aviation related revenue increased by $115.8 million, and non-aviation revenue increased by $0.1 million with a $1.4 million decrease in concession, offset by an increase in other operating revenue of $1.5 million. Landing fees increased by $24.3 million, or 7.1% compared to fiscal year 2024. Building rental revenues increased by $100.8 million or 10.8%, mainly attributable to higher terminal building rentals rates in fiscal year 2025 as a result of increased costs in improvements and refurbishments in the terminals recovered under the Terminal Rate Agreement, and an increase in terminal use fees of $36.2 million or 24.2% due to an increase in Federal Inspection Services (FIS) Fees of 9.1%, from $14.20 to $15.49 per deplaned international passenger, as well as a 0.9% increase in international passenger activity. Land rental revenue decreased by $6.9 million or 5.0%. At LAX, land rental revenue decreased by $4.7 million, the net decrease was primarily driven by the termination of various agreements in fiscal year 2025. Other aviation revenue decreased by $2.3 million or 11.0%. At LAX, other aviation revenue decreased by $1.6 million. The decrease was mainly due to reduced demand for fuel services and aircraft parking. Total revenue from concessions was $511.0 million or a 0.3% decrease, the decreases in concession revenue were mainly a result of the 1.7% decrease in passenger traffic.

Airports total operating expenses were $1.8 billion, a $113.2 million or 6.5%, increase over the prior fiscal year. There was a $30.8 million or 6.2% increase in salaries and benefits. Contractual services increased by $38.6 million or 12.4%, primarily across the board among all contractual expenses. Materials and supplies increased by $10.5 million mainly due to significant increases in computer software supplies and services, elevator and escalator repair and materials, custodial supplies and services, and maintenance expenses. Utilities expenses increased by $7.1 million. The increase was primarily driven by a $4.8 million increase in electricity costs, due to higher usage and increased rates, and a $1.8 million increase in water costs, largely attributable to higher rates in fiscal year 2025. Depreciation charges increased by $35.6 million mainly due to the newly capitalized assets, including the T3 Satellite at $225.0 million, Runway 6L-24R Exits at $190.0 million, and T2/T3 W Headhouse at $80.0 million with a total depreciation of $6.1 million. The increase was partially offset by a decrease in fully depreciated/retired assets.

Airports nonoperating revenue decreased by $5.8 million due to a $2.6 million decrease in passenger facility charges, a $0.5 million decrease in customer facility charges, a $0.8 million decrease in interest income from leases, and a $2.6 million decrease in other nonoperating revenues, driven by the decline in TSA revenue, resulting from the termination of the TSA program, offset by a $0.7 million increase in interest and investment income. Nonoperating expenses increased by $44.9 million due to $20.4 million increase in interest expense and a $24.5 million increase in other nonoperating expenses.

Federal and other government grants increased by $73.8 million. The increase was primarily due to reimbursements of the ATMP Roadways Improvement, LAX Aux Curbs, Noise Mitigation, and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) grants.

As a result of the above financial changes and capital contributions of $202.4 million, the Airports Enterprise Fund's change in net position for fiscal year 2025, amounted to $328.4 million, an increase of 8.6% compared to the change in net position for fiscal year 2024.

Harbor

The Harbor Enterprise Fund (Harbor) accounts for the operations of the Port of Los Angeles. It provides for maritime commerce, navigation, fisheries, and water-dependent activities to benefit the State of California.

Harbor's operating revenues increased to $798.7 million, reflecting a 13.0% increase from the prior year's revenue of $707.0 million. The increase was primarily due to higher wharfage revenues, higher rental fees, Clean Truck Fund Rate fees, pilotage revenue and Harbor Maintenance Tax receipts, which was only partially offset by lower space assignment fees. Harbor derives its operating revenues mainly from shipping services, rentals, and fees from royalties, concessions, and others. Shipping services increased by $27.8 million mainly due to a $29.5 million wharfage revenue increase due to higher cargo volumes and TEU rates. In addition, there was a $1.4 million increase in dockage, demurrage and pilotage revenues, offset by a $3.1 million decrease in revenue from assignment and other charges.

Harbor's operating expenses, excluding depreciation, increased by $55.9 million to $346.4 million, or 19.2% increase compared to the prior fiscal year. Salaries and benefits expenses, including pension and OPEB expenses increased by $11.1 million, or 7.5% higher than the prior year due to increases of $15.9 million in salary and compensated absences expenses; partially offset by a decrease of $3.5 million in pension expense and an increase of $1.3 million in OPEB credit. Payments for City services increased by $7.0 million due to higher fire services, higher recreation and park services, and lower miscellaneous other City services. Outside services increased by $6.2 million due to higher spending in activities supporting implementation of new systems, building maintenance services, and environment monitoring activities and regulatory support. These increases were partially offset by higher overhead capitalization, lower expenditures in wharves maintenance services, dredging services, and other contractual services supporting the Harbor's operations. Other operating expenses increased by $26.3 million due to increase in litigation and claim expenses, bad debts provisions, workers' compensation liabilities provisions based on claim experience, subsidies for clean truck programs, customer incentive payouts, and other operating expenses.

Nonoperating revenues increased by $67.7 million due to increase income from investments in Joint Powers Authority, net investment income due to the higher investment fair value fluctuations, interest income from leases, noncapital grant revenues, other nonoperating revenues, and recognition of gain on defeasance of debt. Nonoperating expenses decreased by $6.4 million due to reductions in pass-through grant expenditures and lower interest expense; partially offset by higher other nonoperating expenses.

As a result of the above financial changes and capital contributions of $15.1 million, the Harbor Enterprise Fund's change in net position for fiscal year 2025 was $425.0 million, an increase of 19.9% compared to the change in net position for fiscal year 2024.

Power and Water

The Power and Water Enterprise Funds account for the operations of the Department of Water and Power (DWP) in supplying the City and its inhabitants with water and electric power by constructing, operating, and maintaining facilities located throughout the City.

Power

The Power Enterprise Fund's (Power) total operating revenues grew by $482.9 million or 10.0%, from the prior fiscal year mainly due to an increase of $461.6 million in total from retail customers due to an overall increase in consumption, an increase of $41.0 million in Sales for Resale, and a $19.5 million increase in other revenue, offset by a $39.2 million increase in provision for uncollectible accounts.

Power's operating expenses were $174.6 million higher compared to fiscal year 2024, driven primarily by an increase of $144.1 million in other operating expenses and maintenance expenses, a $36.0 million increase in depreciation and amortization expense, and a $32.3 million increase in purchased power, offset by a $37.7 million decrease in fuel for generation. The $75.0 million increase in other operating expenses is mainly due to an increase of $41.0 million in distribution expenses and $34.0 million in administrative and general corporate expenses. The $69.0 million increase in maintenance expense for utility plant assets is mainly due to higher maintenance costs for distribution plant of $26.0 million; maintenance costs for hydraulic plant of $15.0 million; maintenance of steam plant of $11.0 million; maintenance cost for transmission plant of $10.0 million; and maintenance cost for other production plant of $7.0 million. The $36.0 million increase in depreciation and amortization expense can mainly be attributed to increases in depreciation for distribution plant of $26.0 million; generation plant of $5.0 million; and transmission plant of $5.0 million. The $32.3 million increase in purchased power costs can be primarily attributed to higher costs of generating energy and California Independent System Operator energy purchases. The $37.7 million decrease in fuel for generation is primarily due to lower natural gas prices.

The major nonoperating activities of Power for fiscal year 2025 included $420.4 million in debt expenses, the transfer of $219.3 million to the City's General Fund, $144.3 million in net other nonoperating income, investment income of $184.4 million, and $19.6 million in federal bond subsidies. The $35.1 million increase in investment income can be primarily attributed to the change in the fair value of the general pool investment between fiscal year 2024 and fiscal year 2025. The $75.4 million decrease in other nonoperating income is due mainly to a decrease in revenue recognized for emissions-reduction credits. The $12.0 million increase in debt expenses is mainly due to the interest expense from variable rate bonds and refunding.

As a result of the above financial changes, including capital contributions of $63.9 million, Power's change in net position for fiscal year 2025 amounted to $852.8 million, which is 45.9% higher than the change in net position for fiscal year 2024.

Water

During fiscal year 2025, operating revenues increased by $256.0 million, or 15.7%, from fiscal year 2024, primarily due to rise in consumption and increase in the water average rate.

Operating expenses for fiscal year 2025 were $239.9 million higher than the previous fiscal year due to the increase by $115.2 million in purchased untreated water deliveries. The increase of $114.4 million of other operating and maintenance expenses included an increase of $44.4 million in administrative and general expenses, increase of $24.0 million in maintenance expenses, increase of $15.0 million in customer expenses, increase of $11.0 million in distribution expenses, increase of $10.0 million in source of water supply expenses, and increase of $10.0 million in purification expenses. The $10.3 million increase in the depreciation and amortization expense can mainly be attributed to year over year increases in depreciation for source of water supply, distribution, pumping and purification plants.

Nonoperating revenues (expenses), net expenses were $18.3 million less than in fiscal year 2024. This net expenses decrease can be primarily attributed to an $18.9 million increase in investment income due to the change in the fair value of the general pool investment between fiscal year 2024 and fiscal year 2025, offset by $3.9 million decrease in net other nonoperating income, an $8.8 million decrease in debt expense, $4.6 million decrease in federal bonds subsidies, and $0.9 million decrease in net grant revenue. Capital contributions decreased by $187.5 million, primarily reflecting a $150.0 million decline in Proposition 1 state grant funding received in the prior year.

As a result of the above financial changes and capital contributions of $51.3 million, the Water Enterprise Fund's change in net position for the fiscal year 2025 was $305.9 million, or 33.3% lower than the prior year's change in net position.

Sewer

The Sewer Construction and Maintenance Fund (Sewer) accounts for the construction, operation, and maintenance of the City's wastewater collection and treatment system.

For fiscal year 2025, Sewer generated total operating revenues of $848.1 million, an increase of $143.9 million or 20.4% from fiscal year 2024. Sewer Service Charges increased by $141.3 million or 22.5% from fiscal year 2024, generating $769.5 million or 90.7% of the total operating revenues.

Sewer's major operating expenses include operations, maintenance, and reimbursements to the City's General Fund for services rendered to Sewer. Sewer's operating expenses for the fiscal year 2025 totaled $640.0 million, a decrease of $9.2 million or 1.4% as compared to fiscal year 2024 primarily due to a decrease in depreciation expense resulting from some assets reaching full depreciation. Operations and maintenance comprised 69.5% and depreciation and amortization expense was 30.5% of the total operating expenses.

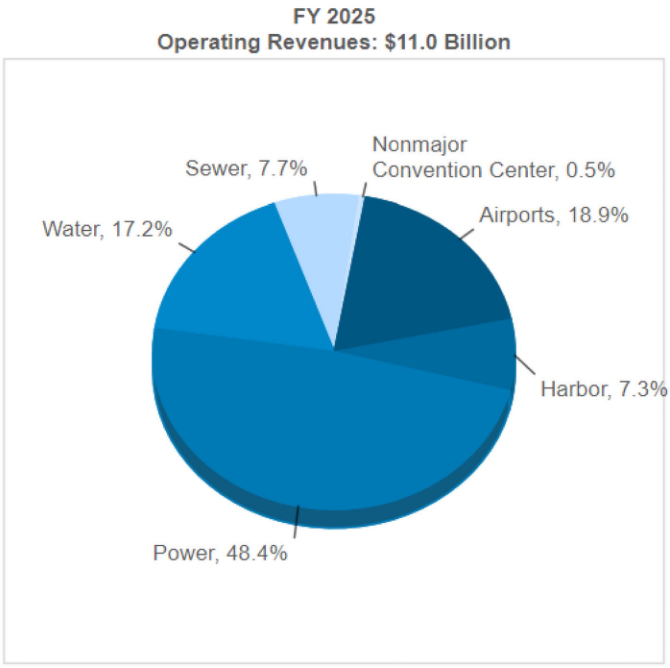
Major components of nonoperating revenues include investment income, lease and rentals, revenue from recycled water sales, non-recurring fees, and other nonoperating revenues. The interest rate earned on Sewer's investment pool averaged 4.5% in fiscal year 2025, a decrease of 0.3% from fiscal year 2024. Sewer's investment income for fiscal year 2025 decreased by $3.6 million or 15.0% due to a decrease in investments and rates. Other nonoperating revenues, excluding investment income, increased by $6.9 million or 6.4% due primarily to increases in damage and claims settlements and revenue from recycled water.

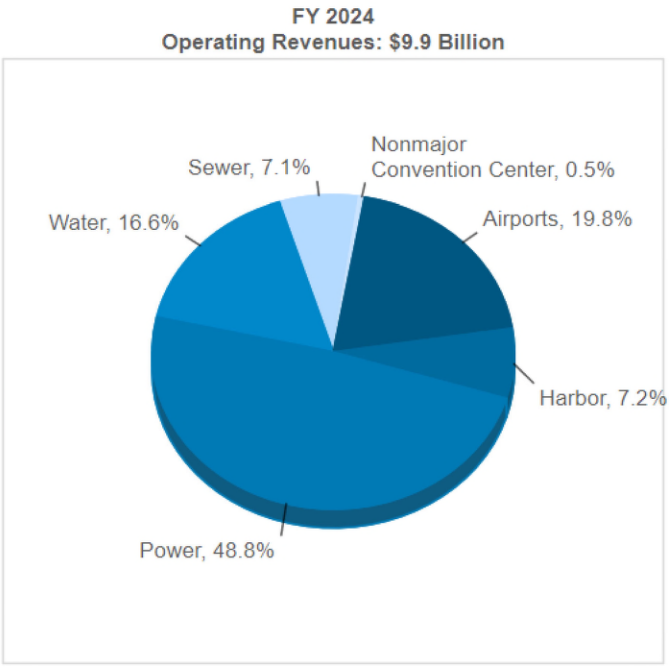
Major components of nonoperating expenses are interest, loss on abandonment of capital assets, litigation settlements, financial advisory, and bond expenses. Sewer's interest expense for fiscal year 2025 increased by $8.2 million or 8.0% as compared to 2024 driven by the write-off of deferred loss on past debt refunding.

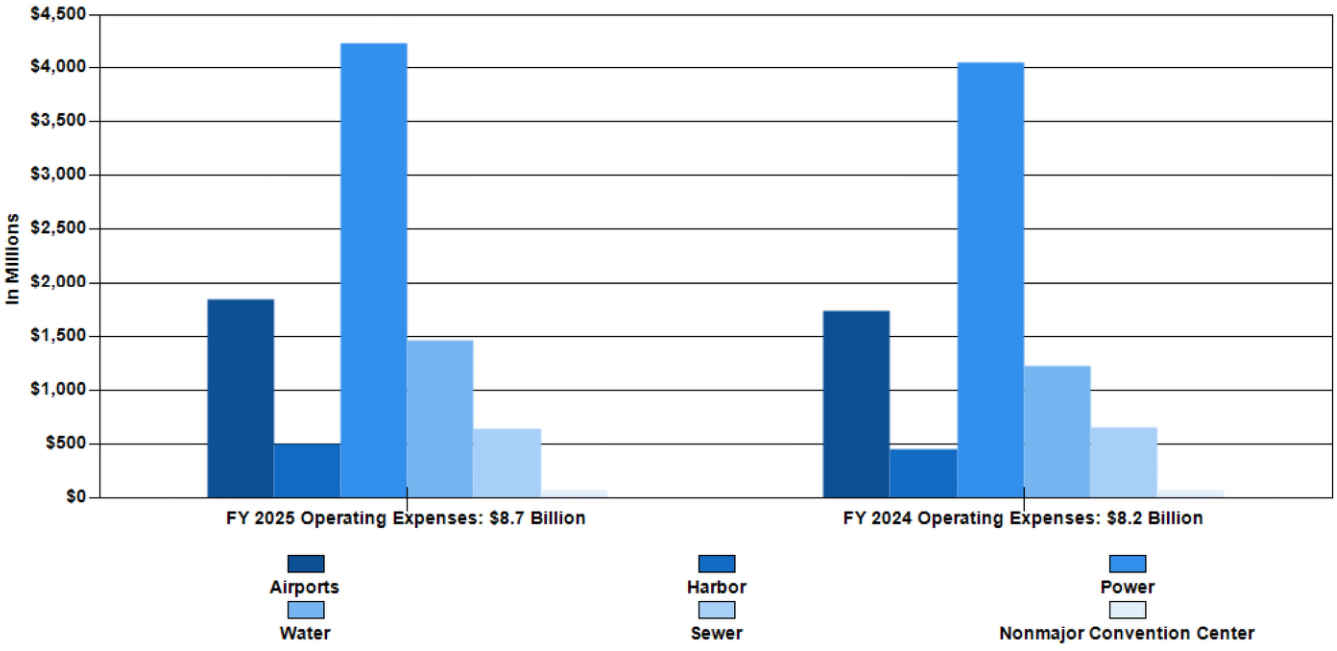
Total other nonoperating expenses were $3.0 million lower than in fiscal year 2024 mainly due to a decrease in loss on abandonment in capital assets and litigation expenses, which offset the increase in the costs of issuance of the Wastewater System Subordinate Revenue Bonds, Series 2025-A, Wastewater System Subordinate Revenue Bonds, Series 2025-B, Wastewater System Subordinate Revenue Bonds, Refunding Series 2025-C, and the Wastewater System Revenue Bonds, Refunding Series 2025-A.

As a result of the above financial changes, including capital contributions of $8.0 million, Sewer's change in net position for fiscal year 2025 was $237.8 million, which is 153.8% higher than the change in net position for fiscal year 2024.

The following charts are graphical comparisons between June 30, 2025 and 2024, for enterprise funds/business-type activities operating revenues and operating expenses:







GENERAL FUND BUDGETARY HIGHLIGHTS

For budgeting purposes, the General Fund Operating Account is separate and distinct from the non-budgeted Reserve Fund, as well as from other accounts that the City classifies as having General Fund type activities for GAAP reporting. At the end of the fiscal year, the unassigned fund balance of the General Fund Operating Account is transferred to the Reserve Fund and is reported as "Reversion to Reserve Fund."

In fiscal year 2025, the actual revenues and expenditures of the General Fund were lower than the final adjusted budget. The table below summarizes the operating results on a budgetary basis for the City's General Fund Operating Account, as previously described:

CITY OF LOS ANGELES
Budgetary Operating Results - General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Budgeted Amounts		Budgetary Basis Actual	Variance with Final Budget
	Original	Final	Amounts	Above (Below)
Revenues and Other Financing Sources				
Taxes	$ 5,924,331	$ 5,850,818	$ 5,878,772	$ 27,954
Licenses, Permits, Fees and Fines	1,531,407	1,552,743	1,481,598	(71,145)
Intergovernmental	229,961	185,784	180,349	(5,435)
Interest	84,501	81,050	77,817	(3,233)
Other	10,715	9,554	9,109	(445)
Total Revenues	7,780,915	7,679,949	7,627,645	(52,304)
Power Transfer	227,481	219,312	219,312	--
Special Parking Revenue	24,623	24,623	24,623	--
Loans from Other Funds	--	--	50,326	50,326
Transfers from Other Funds	1,350,944	2,388,364	1,856,035	(532,329)
Total Revenues and Other Financing Sources	9,383,963	10,312,248	9,777,941	(534,307)
Expenditures and Other Financing Uses				
General Government	2,565,604	2,871,036	2,476,906	(394,130)
Protection of Persons and Property	2,991,550	3,240,970	3,177,306	(63,664)
Public Works	465,741	536,101	492,486	(43,615)
Health and Sanitation	417,400	427,298	406,304	(20,994)
Transportation	216,572	235,677	213,662	(22,015)
Cultural and Recreational Services	58,725	63,971	57,449	(6,522)
Community Development	257,408	266,493	232,471	(34,022)
Pension and Retirement Contributions	3,360	3,360	2,968	(392)
Capital Outlay	130,972	143,013	24,859	(118,154)
Total Expenditures	7,107,332	7,787,919	7,084,411	(703,508)
Transfers to Other Funds	2,383,918	2,524,329	2,522,727	(1,602)
Total Expenditures and Other Financing Uses	9,491,250	10,312,248	9,607,138	(705,110)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(107,287)	--	170,803	170,803
Fund Balance, July 1	107,287	107,287	--	(107,287)
Appropriation of Fund Balance and Carryforward Appropriations	--	(107,287)	--	107,287
Encumbrances Lapsed	--	--	57,302	57,302
Reversion to Reserve Fund	--	--	(228,105)	(228,105)
Fund Balance, June 30	$ --	$ --	$ --	$ --

General Fund Revenues and Other Financing Sources

In fiscal year 2025, total actual revenues and other financing sources were below the final budget by $534.3 million or 5.2%, primarily due to transfers from other funds finishing the year with $532.3 million lower than projected. Total combined taxes, licenses, permits, fees and fines, and grant receipts fell short by $48.6 million from the final budgeted amount.

Business taxes, utility taxes, and parking users taxes were $45.5 million higher than the anticipated budgeted amount. On the other hand, property taxes, documentary transfer taxes and transient occupancy tax fell short by $26.7 million compared to the final budget.

Business taxes exceeded the budget by $29.6 million, primarily from non-cannabis-related business activities. Utility users tax receipts were $11.6 million above the final budget attributed to increasing energy costs and demand. Parking user taxes were $4.4 million above the final budget.

Property tax income fell short of the budget by $18.4 million, primarily due to reassessments of properties damaged by the wildfires as well as a 12-month extension of property tax relief for wildfire-impacted zip codes. Lower-than-expected growth in tourism and hotel activities also led to a shortfall of $3.3 million in transient occupancy tax revenue.

A shortfall of $71.1 million in licenses, permits, fees, and fines resulted from delayed reimbursements from outside agencies and other City departments. Delayed cost reimbursement also resulted in a shortfall of $5.4 million in revenues from grant receipts.

General Fund Expenditures and Other Financing Uses

The General Fund's actual expenditures were below budget by $703.5 million or 9.0%. All categories of spending were lower than the final budget. The general government's actual expenditures were $394.1 million lower than estimates, mainly due to the unexpended appropriations during the fiscal year, including unused and set-aside resources in reserve for allocation of FEMA reimbursement, construction materials, homelessness inside safe reserve, construction services, homeless emergency account, salaries, and other various City projects and programs.

The $705.1 million lower expenditures and other financing uses and lapsed encumbrances of $57.3 million were offset by a combined $534.3 million lower budgeted revenues and other financing sources. As a result, a total of $228.1 million was reverted from the General Fund to the Reserve Fund at fiscal year-end.

LONG-TERM DEBT

At June 30, 2025 the City's bonded indebtedness and long-term notes payable totaled $41.3 billion as follows:

CITY OF LOS ANGELES
Summary of Bonded Debt and Long-Term Notes Payable
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Debt Backed by the City						
General Obligation Bonds	$ 1,036,087	$ 960,246	$ --	$ --	$ 1,036,087	$ 960,246
Debt Secured by Specified Revenue Sources						
Lease Revenue Bonds	1,307,703	1,438,560	--	--	1,307,703	1,438,560
Direct Placements	22,655	29,710	--	--	22,655	29,710
Revenue Bonds and Notes Payable	618,946	520,937	38,309,930	36,379,419	38,928,876	36,900,356
Other Loan Obligations	16,378	21,644	--	--	16,378	21,644
Total	$ 3,001,769	$ 2,971,097	$ 38,309,930	$ 36,379,419	$ 41,311,699	$ 39,350,516

Significant new issuances during the year included the following:

- The City issued the General Obligation Bonds (GOB) Series 2024-A for $150.0 million to finance certain projects for providing safe, clean, affordable housing for the homeless and for those in danger of becoming homeless, and provide facilities to increase access to mental health care, drug and alcohol treatment, and other services.
- New lease contracts and re-negotiation of expired leases and subscription agreements entered into by the City in fiscal year 2025 resulted in additional long-term lease liabilities of $121.6 million and subscription liabilities of $4.7 million for its governmental activities, and $11.1 million lease liabilities and $26.8 million subscription liabilities for its business-type activities.
- Airports issued $1.3 billion of LAX subordinate revenue and refunding bonds Series 2025A; $123.2 million of LAX subordinate revenue and refunding bonds Series 2025B and $167.7 million of LAX subordinate refunding revenue bonds Series 2025C to fund certain capital projects at LAX, refund a portion of senior revenue bonds Series 2015A and 2015D, and all of the outstanding senior revenue bonds Series 2015B, 2015C and 2015E, and a portion of the outstanding subordinate commercial paper notes. In addition, Airports issued $971.3 million of LAX subordinate revenue and refunding revenue bonds Series 2025D; $285.1 million of LAX subordinate revenue and refunding revenue bonds Series 2025E; and $74.8 million of LAX subordinate refunding revenue bonds Series 2025F to fund certain capital projects at LAX, refund all of the outstanding subordinate revolving obligations, refund all of the outstanding senior revenue bonds Series 2015A and 2015D, and refund all of the outstanding Series A subordinate commercial paper notes.
- Harbor issued an aggregate par amount of $215.3 million in Refunding Revenue Bonds comprised of: $103.0 million of 2024 Series A-1 (AMT) Bonds, $26.7 million of 2024 Series A-2 (AMT) Bonds, $34.4 million of 2024 Series B-1 (Non-AMT) Bonds, $22.9 million of 2024 Series B-2 (Non-AMT) Bonds, and $28.3 million of 2024 Series C (Non-AMT) Bonds (collectively Series 2024 Bonds). Proceeds from the 2024 Series Bonds, together with certain moneys to be contributed by Harbor, were used to refund and defease an aggregate par amount of $264.7 million of Refunding Series 2014 Bonds comprised of Series 2014A totaling $156.4 million, Series 2014B totaling $72.3 million, and Series 2014C totaling $36.0 million to generate debt service savings and pay costs of issuance of Series 2024 Bonds.
- Power issued $270.5 million of Power System Revenue Bonds, 2024 Series D to pay for capital improvements; $507.9 million of Power System Revenue Bonds, 2024 Series E to pay for capital improvements and refund all the outstanding Power System Revenue Bonds, 2015 Series A; $990.0 million of Power System Revenue Bonds, 2025 Series A to pay for capital improvements and refund all the outstanding Power System Variable Rate Demand Revenue Bonds, 2023 Series C; $501.0 million of

Power System Revenue Bonds, 2025 Series B to refund all the outstanding Power System Variable Rate Demand Revenue Bonds, 2001 Series B and all the outstanding Power System Variable Rate Demand Revenue Bonds, 2002 Series A.

- Sewer issued Wastewater System Revenue Bonds, Refunding Series 2025-A amounting $518.4 million to refund all of the outstanding Wastewater System Revenue Bonds Series 2010-A, Series 2015-A, Refunding Series 2015-B, Series 2015-C, and Refunding Series 2015-D. In addition, Wastewater System Subordinate Revenue Bonds Series 2025-A, Series 2025-B and Refunding Series 2025-C in the aggregate amount of $711.3 million were issued to pay a portion of the outstanding Wastewater System Commercial Paper Revenue Notes and refund all of the outstanding Wastewater System Revenue Bonds, Series 2013-A, Refunding Series 2013-B and Subordinate Revenue Bonds Refunding Series 2013-A. Sewer also made a total drawdown on the Water Infrastructure Finance and Innovation Act (WIFIA) Loan in the amount of $66.7 million.

More detailed information on the City's bonds and other long-term debt can be found in Note 4I of the Notes to the Basic Financial Statements.

Credit Ratings

As of June 30, 2025, the ratings of the City's debts by rating agencies were as follows:

	Moody's Ratings	S&P Global Ratings	Fitch Ratings	Kroll Bond Rating Agency
Governmental Activities				
General Obligation Bonds	Aa2	AA-	AAA	AA
MICLA Lease Revenue Obligations[1]	Aa3	A+	AA	AA-
Tax and Revenue Anticipation Notes	MIG1	SP-1+	n/a	n/a
Solid Waste Resources Revenue Bonds	Aa2	A+	AA	AA
Business-type Activities				
Airports Senior Revenue Bonds	Aa2	AA	AA	n/a
Airports Subordinate Revenue Bonds	Aa3	AA-	AA-	n/a
Harbor	Aa2	AA+	AA	n/a
Power	Aa2	A	AA-	AA
Water	Aa2	AA-	AA-	AA
Wastewater System Senior Revenue Bonds	Aa2	AA	AA+	AA+
Wastewater System Subordinate Revenue Bonds	Aa3	AA-	AA	AA

[1]Moody's Ratings rates MICLA Lease Revenue Refunding Bonds, Series 2018-C (Real Property - Taxable) (Dolby Theater) at A1.

In November 2025, S&P Global Ratings (S&P) affirmed the 'AA-' rating for the City's outstanding general obligation bonds and 'A+' rating for the outstanding lease revenue bonds issued by MICLA, with negative outlook. S&P believes that Los Angeles faces an uphill battle to maintain structural balance given evidence of softening revenue trends and significant underlying budget growth largely tied to personnel costs following negotiated labor agreements in recent years. In the short-term, we believe that the recently negotiated labor agreements, coupled with the need to retain and increase public safety staff, could make significant expenditure cuts more difficult. Moreover, the city could face resistance to significant reductions in key priorities and services to balance the budget.

In November 2025, Fitch Ratings (Fitch) affirmed 'AAA' and 'AA' ratings for the City's general obligation bonds and solid waste resources bonds, respectively, with stable outlook. At the same time, Fitch assigned an 'AA' rating to MICLA's lease revenue bonds issued on November 25, 2025 and affirmed the 'AA+' rating in the Issuer Default Rating (IDR) for MICLA's previously issued and outstanding lease revenue bonds. The rating outlook remains negative for the IDR and MICLA bonds. Fitch's negative outlook primarily reflects the budgetary challenges and risks faced by the City. According to Fitch, these include a large structural budgetary imbalance going into fiscal year 2026, recent significant one-time unbudgeted litigation costs resulting in draws on reserves, as well as revenue loss and unplanned expenditures related to the 2025 wildfires.

On December 23, 2025, Moody's Ratings (Moody's) assigned a 'Aa2' rating to the City's $86.0 million General Obligation Bonds, Series 2026-A (Taxable)(Social Bonds), issued on January 27, 2026. Moody's maintains a 'Aa2' issuer rating for the City. Post issuance, the City will have roughly $1.0 billion in outstanding general obligation (GOULT) bonds. The outlook is negative. The City's 'Aa2' issuer rating continues to reflect its diverse economy and exceptionally large tax base, which has experienced a long expansion that is continuing despite the effects of the Palisades Fire. The 'Aa2' GOULT rating reflects the City's dedicated, voter-approved unlimited pledge of ad valorem property taxes, which are restricted for use to pay the general obligation bonds debt service. The negative outlook reflects the risks stemming from potential liabilities related to the Palisades Fire, which could put financial strain on the government and the ability of its enterprise operations to achieve full cost recovery and maintain affordability.

On December 23, 2025, Fitch Ratings (Fitch) assigned a 'AAA' rating to the City's $86.0 million General Obligation Bonds, Series 2026-A (Taxable)(Social Bonds), issued on January 27, 2026. The rating outlook is stable. The Issuer Default Rating (IDR) is 'AA+' with a negative outlook. Fitch provided the same justification mentioned on November 4, 2025 for the negative outlook on the IDR. Fitch affirmed the 'AAA' rating with stable outlook for the outstanding general obligation bonds.

Details of the abovementioned credit rating changes can be found in Note 5G Subsequent Events.

Debt Policies

The City’s Debt Management Policies establish guidelines for the structure and management of the City Council-controlled departments' debt. These guidelines include target and ceiling levels for certain debt ratios to be used for financial planning purposes. The policy places certain restrictions on the types of items that can be financed, limiting financing only to those items with a useful life of six years or more. In accordance with this policy, the ratio of annual debt payments cannot exceed 15.0% of General Fund revenues for voter-approved and non-voter approved debt overall, and cannot exceed 6.0% of General Fund revenues for non-voter approved debt alone. The 6.0% ceiling for non-voter approved debt may be exceeded, only if there is a guaranteed new revenue stream for the debt payments and the additional debt will not cause the ratio to exceed 7.5%, or there is no guaranteed revenue stream but the 6.0% ceiling shall not be exceeded for more than one year. For fiscal year 2025, the ratios were 3.9% for overall debt and 2.5% for non-voter approved debt. As of June 30, 2025, the City had $1.0 billion of General Obligation bonds outstanding, excluding unamortized bond premiums.

The City’s Variable Rate Debt Policy sets forth the purposes and the criteria for using variable rate debt, and the factors to be considered in determining the appropriate amount of the variable rate debt. It also requires diversification of remarketing agents and counterparties. Budgeting, monitoring and reporting requirements are also included in the policy. As of June 30, 2025, the City is in compliance with the aforementioned policies.

Information related to the City’s legal debt margin and pledged revenue bond coverage for the City’s enterprise funds is found in the Statistical Section – Debt Capacity.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025 amounted to $66.0 billion, net of accumulated depreciation and amortization. This investment in capital assets, which accounts for 69.1% of the City's total assets, includes land, buildings, facilities, equipment, infrastructure, intangibles, construction in progress, nuclear fuel, natural gas field, right-to-use (RTU) lease and subscription assets. The following table presents the City's capital assets (in thousands):

CITY OF LOS ANGELES
Summary of Capital Assets Used in Operations
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Not Depreciated / Amortized						
Land	$ 939,406	$ 918,719	$ 3,057,918	$ 3,043,824	$ 3,997,324	$ 3,962,543
Infrastructure	1,036,359	464,082	--	--	1,036,359	464,082
Construction in Progress	1,222,475	1,570,613	8,328,399	7,520,016	9,550,874	9,090,629
Subscription In Progress	--	215	--	--	--	215
Intangible Assets	41,198	36,829	60,585	60,585	101,783	97,414
Nuclear Fuel	--	--	42,064	40,092	42,064	40,092
Natural Gas Field	--	--	100,710	109,437	100,710	109,437
Subtotal	3,239,438	2,990,458	11,589,676	10,773,954	14,829,114	13,764,412
Depreciated / Amortized, Net						
Buildings, Facilities and Equipment	3,577,569	3,583,890	44,631,690	42,480,865	48,209,259	46,064,755
RTU Lease Assets	181,416	85,976	119,236	135,924	300,652	221,900
Infrastructure	2,213,053	2,201,736	--	--	2,213,053	2,201,736
RTU Subscription Assets	75,280	103,422	56,190	24,423	131,470	127,845
Intangible Assets	14,375	13,339	348,528	278,138	362,903	291,477
Subtotal	6,061,693	5,988,363	45,155,644	42,919,350	51,217,337	48,907,713
Total	$ 9,301,131	$ 8,978,821	$ 56,745,320	$ 53,693,304	$ 66,046,451	$ 62,672,125

Major capital assets activities during the fiscal year are as follows:

Governmental Activities

- Acquisition of nondepreciable assets totaled $20.7 million. These assets are all land acquisitions for transit facility of $12.0 million, general purpose facility of $6.0 million, and for recreational and cultural expansion facility of $2.7 million.
- Completed building construction and improvements, including transfers from construction in progress, amounted to $63.4 million. These projects included $31.8 million for recreational, cultural, and community centers, $24.4 million for homeless housing facilities, and $7.2 million for municipal, fire, and police facilities.
- Completed infrastructure assets, including transfers from construction in progress, totaled $670.5 million, consisting of $572.3 million in nondepreciable bridge assets and $98.2 million in various depreciable public works infrastructure assets.
- Capitalized charges for various projects under construction totaled $334.2 million. These projects included $179.7 million for recreational, cultural and community centers, $132.4 million for various public works projects, $8.6 million for health and sanitation projects, $8.5 million for transportation projects, $3.5 million for community development projects and $1.5 million for police and fire facilities.
- Acquisition of capitalized machinery and equipment totaled $192.9 million, while machinery and equipment retired, salvaged, deleted, or sold amounted to $72.1 million.
- Capitalized intangible assets, including net additions to work in progress, totaled $8.6 million.

- Additions to RTU lease assets of $121.6 million and RTU subscription assets of $4.7 million, while deletions for expired or terminated contracts totaled $30.1 million.

The modified approach is used in reporting the City's bridges infrastructure system. The City's 2025 Infrastructure Assessment of Bridges and Tunnels reported that 71.2 percent of the structures are rated "B" or better and concluded that, with the exception of two bridges receiving an "F" rating, the overall condition of the City's bridge system complies with the adopted City Condition Level Policy. The estimated costs required to preserve and maintain the bridge system at the established condition level were $1.4 million, of which $1.0 million was expended during fiscal year 2025. Remedial actions and mitigation plans for the two F-rated bridges are discussed in the Required Supplementary Information (RSI) section. Additional information regarding the City's use of the modified approach is presented in Note 1E.5 of the Notes to the Basic Financial Statements and in the RSI section.

Business-type Activities

- Airports' net capital assets increased by $1.1 billion, or 6.2%. Major capital assets activities at LAX included $831.3 million for improvements at Terminals 1 to 8; $681.7 million for construction of Automated People Mover System (APM); $156.8 million for construction of runways, taxiways and other airfield projects; and $97.2 million for construction of Intermodal Transportation Facility at Bradley West. Airports also recognized net RTU assets of $59.0 million.

- Harbor's net capital assets increased by $20.6 million or 0.6%. Facilities and equipment, net of accumulated depreciation, increased by $34.9 million or 1.7% primarily due to annual depreciation associated with the Harbor's existing facility and equipment offset by capitalization of completed projects of $105.5 million. Harbor has active construction projects as of June 30, 2025. The projects include San Pedro Waterfront Redevelopment, Wilmington Waterfront Redevelopment, State Route 47/Vincent Thomas Bridge, World Cruise Center improvements, various infrastructure improvements at terminals, and other capital projects. The major capital assets activities during the fiscal year were: $33.6 million for various transportation constructions including projects for reconfiguration of the interchange at State Route 47/Vincent Thomas Bridge, improvement of Navy Way and Seaside Avenue Interchange, and various lighting and street improvements and extensions; $18.4 million for constructions and projects of San Pedro Waterfront and Wilmington Waterfront Development projects, $17.4 million for various projects at Berth 171-181 (Pasha Terminal) including electrical infrastructure improvement, wharf restoration, and facility improvements; $16.4 million for various projects at buildings and facilities of Harbor including enterprise resources planning (ERP) system migration, Harbor Administration Building HVAC replacement and board room remodel, warehouse and site improvements at AltaSea, and various facilities and buildings improvements and remodel projects; $7.6 million for various projects at Berth 45-53 (Outer Harbor Cruise Facility) and Berth 90-93 (World Cruise Center) including passenger terminal gangway and pedestrian deck improvements, passenger terminal roof replacement, and cruise terminal development; $5.3 million for various homeland security projects including construction of Port Cyber Resilience Center, Port Police headquarter security enhancement, port police dive boat, and port police radio system; $2.3 million for various environmental enhancement projects including air quality monitoring stations upgrade, advanced electrical infrastructure, and shore side electricity upgrade; $2.2 million for construction for expanding corridor storage tracks at Pier 400, including rail extension, additional railroad storage tracks, access roadway, as well as new crossovers, switches, and equipment; $1.4 million for redevelopment projects at various terminals including wharf rehabilitation, facility expansion, and infrastructure improvements; $1.3 million for construction of new container wharf at Berth 306, on-deck railyard expansion project, and crane switchgear modernization project at Berth 300-306 (Fenix terminal); and $1.2 million for various projects at berths with liquid bulk oil cargo handling facilities to comply with Marine Oil Terminal Engineering Maintenance Standards (MOTEMS).

- Power's plant additions totaled $1.5 billion. Approximately $445.2 million of the $1.5 billion in additions were construction work in progress (CWIP) expenditures and the remaining $1.1 billion were direct additions to utility plant categories. Major CWIP additions/expenditures during the year included $53.0 million for design and construction of the new Rosamond Switching Station; $53.0 million to upgrade the Rinaldi-Tarzana 1&2 transmission lines; $42.0 million for implementation support and system infrastructure cost for the new Enterprise Resource Planning (ERP) software; $25.0 million for the McCullough-Victorville Lines 1&2 retrofit; $18.0 million for the McCullough-Victorville Lines 1&2 Series Compensation upgrade project; $15.0 million for

the re-expansion of the Barren Ridge Switching Station; $13.0 million to replace transformers at various Receiving Stations; $10.0 million to replace legacy equipment and modernize substations as part of the Substation Automation System Project; $9.0 million to upgrade the Victorville Los Angeles Transmission Path; and $8.0 million for the expansion of Distribution Station 111. $642.0 million in CWIP projects were transferred from CWIP to plant accounts. Transfers from CWIP included $154.0 million to upgrade the Barren Ridge to Haskell Canyon Line 1, 230 kilovolts (kV) Overhead Transmission Line, $145.0 million to build the new Receiving Station (RS-X) to serve the Los Angeles World Airports, $108.0 million for the Distribution Automation Project to enhance and improve the reliability of the Distribution System, $75.0 million for the implementation of Phase II-Payroll and Human Resources Management of the ERP software, $62.0 million for the upgrade of the Rinaldi-Tarzana 1&2 transmission lines, $10.0 million for the Scattergood Repowering Project, and the remaining $88.0 million can be attributed to the other capital projects that were completed throughout the fiscal year.

Approximately $1.1 billion and $271.0 million were direct additions to distribution and general plant accounts, respectively. Major direct additions included $189.0 million for replacement of deteriorated poles and crossarms; $127.0 million for new business line customer facilities; $102.0 million to perform distribution service restorations; $96.0 million to relocate and replace power distribution infrastructure for customer-driven projects; and $90.0 million for reliability replacement of 4.8 kV and 34.5 kV cables.

- Water's utility plant additions totaled $849.7 million. Approximately $277.8 million of the $849.7 million in additions were construction work in progress (CWIP) expenditures, $570.3 million represents direct additions by utility plant categories and $1.6 million to land and land rights. Approximately $624.4 million in CWIP projects were transferred from CWIP to plant accounts as projects were completed. Major CWIP additions/expenditures during the year included: $29.0 million for the City Trunk Line North Unit 1 replacement project; $25.0 million for the North Haiwee Dam 2 Seismic Improvement project; $22.0 million for implementation support and system infrastructure cost for the new Enterprise Resource Planning (ERP) software; $17.0 million for the design and construction of the new Fairmont Sedimentation Plant; $15.0 million for the City Trunk Line North Unit 2 installation project; $11.0 million to diversify the City's water supply portfolio as part of the Operation NEXT Program; $9.0 million for the Headworks Flow Control Station project; $9.0 million for the design and construction of the Silverlake-Ivanhoe Reservoir Aeration Recirculation System; $9.0 million for the 99th Street Wells Filtration Plant; and $6.0 million for modular office construction at the Van Norman and Silverlake Complex. Approximately, $370.0 million and $149.0 million of additions were transferred from CWIP to source of supply and purification plant accounts, respectively. Major projects transferred from CWIP included $347.0 million for the River Supply Conduit Improvement Project; $149.0 million to construct a groundwater remediation treatment facility for the North Hollywood West production wells; $39.0 million for the implementation of Phase II Payroll and Human Resources Management of the ERP software; and $20.0 million for the Owens Lake Groundwater Development Program. The remaining $70.0 million can be attributed to the other capital projects that were completed throughout the fiscal year. Direct additions are mostly related to improvements in distribution infrastructure as part of the Water's reliability program. Many of Water's assets were installed between 1920 and 1970, thus the reliability program evaluates water main infrastructure to determine which assets should be replaced first to reduce leaks and the frequency of water service disruptions due to water main breaks. Approximately $328.0 million of the direct additions are for improvements to the distribution system. During fiscal year 2025, Water invested $260.0 million in programs to replace mains, services, reservoirs, tanks, and meters, including continuing replacement of existing meters with lead-free meters and fittings in accordance with Water's goal to increase the reliability and safety of its distribution system.

- Sewer's net capitalized additions and betterments to its capital assets amounted to $340.7 million. Of this amount, $239.7 million was a net addition from construction in progress, $33.8 million was capitalized for collection system; $51.7 million relates to treatment plants and equipment; $0.2 million for pumping plants; and $15.4 million was used for site improvements and to acquire other equipment and vehicles. The ongoing capital improvement program (CIP) of Sewer includes Secondary Sewer Renewal Program for $1.1 million, and the North Outfall Sewer Rehabilitation for $3.2 million. Additional CIP large projects capitalized during fiscal year 2025 are Los Angeles-Glendale Water Reclamation Plant – Preliminary Treatment for $20.1 million; Donald C. Tillman Water Reclamation Plant - Ancillary Warehouse Installation for $10.1 million; Emergency Storm Flood Repair Hyperion Water Reclamation Plant 2.4.24 Storm Flood Service Water Facility Rehabilitation for $7.1

million; Collection System - Radford Carbon Scrubber Facility Upgrade for $5.5 million; and Hyperion Water Reclamation Plant - Emergency Primary Central Scrubber Facility Upgrade for $4.7 million.

Significant commitments that include construction contracts are discussed in Note 5C of the Notes to the Basic Financial Statements. As of June 30, 2025, the City's contractual commitments for various capital projects amounted to $357.6 million for governmental activities and $542.4 million for business-type activities. The City's policy affecting capital assets can be found in Note 1E.5 of the Notes to the Basic Financial Statements. Additional information can be found in Notes 4F and 4M.

ECONOMIC FACTORS AFFECTING NEXT YEAR'S BUDGET

The City's total budget for the fiscal year 2026 is $14.1 billion. Of this amount, $5.9 billion (42.1%) is appropriated for departmental expenditures. The remaining $8.2 billion (57.9%) is appropriated for non-departmental expenditures such as human resources benefits, pension contributions, capital expenditures, and debt service. The sources of funds included in the budget are $8.2 billion in General Fund receipts, $4.5 billion in special fund revenues, and $1.4 billion in special fund available balances.

The 2026 General Fund budgeted receipts of $8.2 billion projected an increase of $306.7 million or 3.9% higher than the 2025 receipts, as shown below (in millions):

	FY 2026 Budget	FY 2025 Receipts	Increase (Decrease) Amount	Increase (Decrease) Percentage
Taxes	$ 5,984.4	$ 5,878.8	$ 105.6	1.8 %
Licenses, permits, fees and fines	1,753.4	1,481.6	271.8	18.3
Intergovernmental	53.0	180.4	(127.4)	(70.6)
Interest	84.3	77.8	6.5	8.4
Other	9.6	9.1	0.5	4.9
Transfers from other funds	293.6	243.9	49.7	20.4
Total	$ 8,178.3	$ 7,871.6	$ 306.7	3.9 %

Note: Transfers from other funds include the Budget Stabilization Fund (FY 26 Budget), Power Fund and Special Parking Revenue Fund.

The City continues to have General Fund budget challenges. The fiscal year 2025 General Fund projected revenue growth did not materialize. Fiscal year 2025 actual General Fund receipts totaled $7.87 billion, an increase of $191.8 million or 2.5% over fiscal year 2024. However, 2025 actual receipts were $161.4 million or 2% below the 2025 Adopted Budget of $8.03 billion. As a result, and for the second fiscal year in a row, the City had to make a significant transfer from the City's Reserve Fund to make up the revenue shortfall.

The fiscal year 2026 Adopted Budget assumes the City will see a modest revenue growth while it continues to make historic investments to reduce homelessness and improve public safety. While the long-term impact of the current economic activities on revenue growth still remains unknown, General Fund revenue were stable during the first half of fiscal year 2026. However, overspending continues to be an issue of budgetary concern.

In its Second Financial Status Report (FSR), issued on December 5, 2025, the City Administrative Officer (CAO) reported that General Fund revenue through October was $118.2 million above plan. It is however too early in the year to project year-end revenue due to continuing downside risks to certain economically sensitive revenues. The report cautioned that changes to economic activity, recent rate cuts, new tariffs, and the recent federal government shutdown are not yet fully reflected in our current receipts. Therefore, the current revenue trend may or may not be an indication of year-end receipts. The FSR concluded that while the City has made progress in improving its financial outlook from a year ago, unchecked overspending could impede the positive momentum the City has built.

The FSR identified $243.1 million in projected overspending largely driven by five departments - Fire, Police, City Attorney, General Services and the Office of Finance. The overspending by these five departments accounted for $181.6 million, approximately 75% of the total overspending. The overspending in the Fire Department ($83.9 million) is due to civilian and sworn salary costs and resource deployments for wildfires outside the City, the Office of the City Attorney ($34.1 million) due to increased litigation and outside counsel costs, the Police Department

($34.0 million) is for increased civilian and sworn salary costs and costs for contract security, the General Services Department ($15.6 million) resulted from unbudgeted salary payouts, increased contract costs and increased utility prices, and the Office of Finance ($14.0 million) due to unbudgeted salary payouts, absorption of ineligible special fund costs, and unbudgeted costs for the LATAX Transformation Project.

While departments are expected to absorb or manage remaining costs within existing funds through year-end, many Departments are unlikely to be able to absorb increased unbudgeted costs. This could result in the use of the Reserve Fund if the City is not able to identify additional solutions.

The report recommended $24.8 million in solutions, and identified $146.9 million in future actions to reduce the remaining year-end overspending to $71.4 million. Included in future actions to offset overspending are projected savings expected to be generated from employees taking unpaid holidays beginning in January 2026, as negotiated with employees' bargaining units.

Even if the recommendations in the FSR are implemented, and assuming no new overspendings through year-end, the remaining $71.4 million overspending would still need to be addressed before the year-end. Given the uncertainty of the current economic environments, it is highly unlikely that there would be excess revenue to offset overspending, which would suggest that the Reserve Fund may once again be tapped to fill the budget gap.

The Reserve Fund balance dropped from a high of $648.3 million on July 1, 2023 to a low of $330.6 million on July 1, 2024, due to the City using the reserves to address overspending and revenue shortfall. In the fiscal year 2026 Adopted Budget, the City acted to restore its reserves to policy target by allocating $121.8 million from budgeted 2026 receipts to the Reserve Fund. This is commendable. However, if the current overspending is not addressed or if there is a year-end General Fund revenue shortfall, the Reserve Fund would once again become a fall back to balance the 2026 budget, rather than being preserved to address future economic emergencies. The City cannot continue to rely on the Reserve Fund designated for fiscal emergency to fill budget gaps. The City must continue to work towards ensuring that annual budgeted spending is in line with revenues, and continue efforts to restore and maintain the Reserve Fund balance at or above policy target.

Beginning on January 7, 2025, a severe fire fueled by windstorms originated in the Pacific Palisades neighborhood area of the City, burning almost 24,000 acres and destroying an estimated 7,800 structures, as well as causing the loss of several lives. The recovery efforts from the wildfire damages are still ongoing, and the City is still in the process of assessing the overall financial impact. As of December 8, 2025, the City estimates approximately $227.0 million in costs to the City, which includes over $144.0 million in damage or destruction to structures and equipment. Although the City expects to recover a significant portion of these costs from state and federal sources, the City may have to front-fund these costs prior to any potential reimbursements. The City is in the process of determining the timing of this front-funding need and the portion that will be a General Fund obligation. In addition, the City is considering potential waivers of plan check and permit fees associated with reconstruction of private property damaged in the January 2025 wildfires. The potential impact of such waivers is estimated to range from approximately $80.4 million to $126.4 million.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, creditors, and other users with a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Controller, 200 North Main Street, City Hall East Room 300, Los Angeles, CA 90012, or email to controller.mejia@lacity.org.

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Basic Financial Statements

CITY OF LOS ANGELES

Statement of Net Position
June 30, 2025
(amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Pooled Investments	$ 7,896,624	$ 5,472,945	$ 13,369,569
Other Investments	521	2,386	2,907
Receivables, Net	4,159,559	2,430,249	6,589,808
Inventories	52,461	453,215	505,676
Prepaid Items and Other Assets	9,200	1,648,036	1,657,236
Restricted Assets	11,335	5,838,332	5,849,667
Investment in Joint Ventures	--	5,114	5,114
Properties Held for Housing Development	176,838	--	176,838
Regulatory Assets	--	900,804	900,804
Net Pension Asset	245,155	10,201	255,356
Net OPEB Asset	194,323	34,044	228,367
Capital Assets			
Not Depreciated / Amortized	3,239,438	11,589,676	14,829,114
Depreciated / Amortized, Net	6,061,693	45,155,644	51,217,337
TOTAL ASSETS	22,047,147	73,540,646	95,587,793
DEFERRED OUTFLOWS OF RESOURCES			
Debt Refunding	26,006	42,718	68,724
Derivative Instruments	--	14,334	14,334
Asset Retirement Obligation	--	72,217	72,217
Pensions	2,327,156	1,571,202	3,898,358
OPEB	422,413	637,161	1,059,574
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,775,575	2,337,632	5,113,207
LIABILITIES			
Accounts Payable and Accrued Expenses	985,896	1,418,038	2,403,934
Obligations Under Securities Lending Transactions	29,212	28,616	57,828
Accrued Interest Payable	30,081	513,413	543,494
Internal Balances	58,718	(58,718)	--
Unearned Revenue	243,355	--	243,355
Deposits and Advances	265,538	280,783	546,321
Other Liabilities	140,963	540,093	681,056
Long-term Liabilities			
Due Within One Year	1,299,860	1,297,042	2,596,902
Due In More Than One Year			
Bonds and Notes Payable (Net of Amount Due Within One Year)	2,763,182	37,400,293	40,163,475
Net Pension Liability	6,255,626	1,307,095	7,562,721
Net OPEB Liability	817,224	27,770	844,994
Asset Retirement Obligation	--	283,041	283,041
PPP Availability Payment Liabilities	--	561,849	561,849
Other (Net of amount due within one year)	4,142,928	1,789,318	5,932,246
TOTAL LIABILITIES	17,032,583	45,388,633	62,421,216
DEFERRED INFLOWS OF RESOURCES			
Regulated Business Activities	--	227,190	227,190
Debt Refunding	3,516	459,638	463,154
Leases and PPPs	91,735	480,890	572,625
Pensions	557,454	367,318	924,772
OPEB	727,962	454,894	1,182,856
TOTAL DEFERRED INFLOWS OF RESOURCES	1,380,667	1,989,930	3,370,597
NET POSITION			
Net Investment in Capital Assets	7,135,550	18,786,566	25,922,116
Restricted for:			
Capital Projects	361,668	--	361,668
Debt Service	207,208	1,123,731	1,330,939
Public Safety	177,720	--	177,720
Public Works and Sanitation	353,526	--	353,526
Transportation	783,917	--	783,917
Culture and Recreation	902,392	--	902,392
Community Development and Housing	2,297,319	--	2,297,319
Passenger/Customer Facility Charges	--	461,694	461,694
Pensions/OPEB	439,478	44,245	483,723
Operations and Maintenance and Other Reserves	--	1,394,296	1,394,296
Unrestricted (Deficit)	(6,249,306)	6,689,183	439,877
TOTAL NET POSITION	$ 6,409,472	$ 28,499,715	$ 34,909,187

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Activities
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
GOVERNMENTAL ACTIVITIES							
General Government	$ 2,298,306	$ 300,893	$ 81,587	$ --	$ (1,915,826)	$ --	$ (1,915,826)
Protection of Persons and Property	3,975,529	815,530	400,099	479	(2,759,421)	--	(2,759,421)
Public Works	691,028	278,015	261,351	15,128	(136,534)	--	(136,534)
Health and Sanitation	755,063	530,508	114,485	1,447	(108,623)	--	(108,623)
Transportation	752,150	137,784	534,404	37,551	(42,411)	--	(42,411)
Cultural and Recreational Services	988,459	272,759	52,461	71,877	(591,362)	--	(591,362)
Community Development	1,209,874	275,357	599,929	--	(334,588)	--	(334,588)
Interest on Long-Term Debt	183,375	--	--	--	(183,375)	--	(183,375)
TOTAL GOVERNMENTAL ACTIVITIES	10,853,784	2,610,846	2,044,316	126,482	(6,072,140)	--	(6,072,140)
BUSINESS-TYPE ACTIVITIES							
Airports	2,362,235	2,074,058	6,832	202,440	--	(78,905)	(78,905)
Harbor	510,783	798,686	5,011	15,098	--	308,012	308,012
Power	4,658,269	5,308,300	--	63,915	--	713,946	713,946
Water	1,705,447	1,891,550	--	51,289	--	237,392	237,392
Sewer	752,894	848,094	--	8,014	--	103,214	103,214
Convention Center	69,654	55,805	--	--	--	(13,849)	(13,849)
TOTAL BUSINESS-TYPE ACTIVITIES	10,059,282	10,976,493	11,843	340,756	--	1,269,810	1,269,810
TOTAL	$ 20,913,066	$ 13,587,339	$ 2,056,159	$ 467,238	(6,072,140)	1,269,810	(4,802,330)
	GENERAL REVENUES						
	Property Taxes				3,095,592	--	3,095,592
	Utility Users Taxes				699,030	--	699,030
	Business Taxes				1,057,779	--	1,057,779
	Sales Taxes				661,782	--	661,782
	Other Taxes						
	Documentary Transfer				666,708	--	666,708
	Transient Occupancy				306,944	--	306,944
	Parking Occupancy				146,363	--	146,363
	Franchise Income				182,276	--	182,276
	Miscellaneous				6,214	--	6,214
	Unrestricted Grants and Contributions						
	Other				49,308	--	49,308
	Unrestricted Investment Earnings				164,286	535,306	699,592
	Other				42,702	551,102	593,804
	TRANSFERS				219,312	(219,312)	--
	TOTAL GENERAL REVENUES AND TRANSFERS				7,298,296	867,096	8,165,392
	CHANGE IN NET POSITION				1,226,156	2,136,906	3,363,062
	NET POSITION JULY 1				5,330,289	26,360,268	31,690,557
	CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE, GASB 101 IMPLEMENTATION				(146,973)	2,541	(144,432)
	NET POSITION JULY 1, AS RESTATED				5,183,316	26,362,809	31,546,125
	NET POSITION, JUNE 30				$ 6,409,472	$ 28,499,715	$ 34,909,187

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Balance Sheet
Governmental Funds
June 30, 2025
(amounts expressed in thousands)

	General	Municipal Improvement Corporation: Special Revenue	Municipal Improvement Corporation: Debt Service
ASSETS			
Cash and Pooled Investments	$ 1,778,291	$ 25,990	$ 7,532
Other Investments	521	--	--
Taxes Receivable (Net of Allowance for Uncollectibles of $29,890)	1,060,101	--	--
Accounts Receivable (Net of Allowance for Uncollectibles of $560,034)	252,141	--	--
Special Assessments Receivable	5,430	--	--
Investment Income Receivable	15,185	206	31
Intergovernmental Receivable	197,231	--	232
Lease and PPPs Receivable	803	--	--
Loans Receivable (Net of Allowance for Uncollectibles of $2,648,897)	7,426	--	--
Due from Other Funds	189,539	--	--
Inventories	50,689	--	--
Prepaid Items and Other Assets	549	--	--
Advances to Other Funds	17,342	--	37,875
Restricted Assets	--	--	--
Properties Held for Housing Development	44,784	--	--
TOTAL ASSETS	$ 3,620,032	$ 26,196	$ 45,670
LIABILITIES			
Accounts, Contracts and Retainage Payable	$ 325,653	$ 26,179	$ 77
Obligations Under Securities Lending Transactions	9,295	33	--
Accrued Salaries and Overtime Payable	212,525	--	--
Accrued Compensated Absences Payable	138,969	--	--
Claims and Judgments Payable	83,788	--	--
Intergovernmental Payable	3,279	--	--
Due to Other Funds	154,911	17,380	--
Unearned Revenue	31,923	--	--
Deposits and Advances	18,427	--	--
Interest Payable	--	--	--
Advances from Other Funds	88,696	--	--
Other Liabilities	81,189	81	--
Liability for Excess CRA Bond Proceeds	--	--	--
TOTAL LIABILITIES	1,148,655	43,673	77
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	134,975	--	--
Taxes Other than Property	661,641	--	--
Receivables from Other Government Agencies	135,820	--	--
Interest Receivable on Loans and Others	201,354	--	--
Leases and PPPs	740	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	1,134,530	--	--
FUND BALANCES			
Nonspendable	68,580	--	--
Restricted	--	--	45,593
Committed	115,283	--	--
Assigned	338,048	--	--
Unassigned	814,936	(17,477)	--
TOTAL FUND BALANCES	1,336,847	(17,477)	45,593
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 3,620,032	$ 26,196	$ 45,670

Continued...

CITY OF LOS ANGELES

Balance Sheet - (Continued)
Governmental Funds
June 30, 2025
(amounts expressed in thousands)

	Nonmajor Governmental Funds	Total
ASSETS		
Cash and Pooled Investments	$ 6,084,811	$ 7,896,624
Other Investments	--	521
Taxes Receivable		
(Net of Allowance for Uncollectibles of $29,890)	85,494	1,145,595
Accounts Receivable		
(Net of Allowance for Uncollectibles of $560,034)	183,361	435,502
Special Assessments Receivable	9,294	14,724
Investment Income Receivable	34,047	49,469
Intergovernmental Receivable	190,914	388,377
Lease and PPPs Receivable	95,088	95,891
Loans Receivable		
(Net of Allowance for Uncollectibles of $2,648,897)	2,022,575	2,030,001
Due from Other Funds	126,407	315,946
Inventories	1,772	52,461
Prepaid Items and Other Assets	8,651	9,200
Advances to Other Funds	119,685	174,902
Restricted Assets	11,335	11,335
Properties Held for Housing Development	132,054	176,838
TOTAL ASSETS	$ 9,105,488	$ 12,797,386
LIABILITIES		
Accounts, Contracts and Retainage Payable	$ 384,822	$ 736,731
Obligations Under Securities Lending Transactions	19,884	29,212
Accrued Salaries and Overtime Payable	24,110	236,635
Accrued Compensated Absences Payable	--	138,969
Claims and Judgments Payable	--	83,788
Intergovernmental Payable	9,251	12,530
Due to Other Funds	194,846	367,137
Unearned Revenue	211,432	243,355
Deposits and Advances	247,111	265,538
Interest Payable	242	242
Advances from Other Funds	93,733	182,429
Other Liabilities	49,368	130,638
Liability for Excess CRA Bond Proceeds	10,325	10,325
TOTAL LIABILITIES	1,245,124	2,437,529
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	13,952	148,927
Taxes Other than Property	--	661,641
Receivables from Other Government Agencies	79,544	215,364
Interest Receivable on Loans and Others	667,645	868,999
Leases and PPPs	90,995	91,735
TOTAL DEFERRED INFLOWS OF RESOURCES	852,136	1,986,666
FUND BALANCES		
Nonspendable	10,423	79,003
Restricted	5,285,167	5,330,760
Committed	1,824,892	1,940,175
Assigned	5,003	343,051
Unassigned	(117,257)	680,202
TOTAL FUND BALANCES	7,008,228	8,373,191
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 9,105,488	$ 12,797,386

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025
(amounts expressed in thousands)

Total Fund Balances - Governmental Funds	$	8,373,191
Amounts Reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		9,301,131
Deferred outflows of resources are reported in the statement of net position, but not recognized in the governmental funds.		2,775,575
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized as revenues when earned in governmental activities.		1,894,931
Deferred inflows of resources are reported in the statement of net position, but not recognized in the governmental funds.		(1,288,932)
Long-term liabilities, including net pension and OPEB liabilities and bonds payable, are not due and payable in the current period, and net pension and OPEB assets will not be amortized in the current period and, therefore, are not reported in the funds.		(14,646,424)
Net Position of Governmental Activities	$	6,409,472

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

		Municipal Improvement Corporation	
	General	Special Revenue	Debt Service
REVENUES			
Property Taxes	$ 2,914,112	$ --	$ --
Sales Taxes	662,059	--	--
Utility Users Taxes	701,237	--	--
Business Taxes	849,091	--	--
Other Taxes	760,587	--	--
Licenses and Permits	29,212	--	--
Intergovernmental	47,336	--	471
Charges for Services	482,534	--	--
Services to Enterprise Funds	406,696	--	--
Fines	112,129	--	--
Special Assessments	2,998	--	--
Investment Earnings	92,646	1,469	826
Change in Fair Value of Investments	71,922	679	--
Program Income	2	--	--
Other	48,096	--	--
TOTAL REVENUES	7,180,657	2,148	1,297
EXPENDITURES			
Current			
General Government	1,694,255	2	2,148
Protection of Persons and Property	3,926,373	--	--
Public Works	311,785	--	--
Health and Sanitation	255,636	--	--
Transportation	131,568	--	--
Cultural and Recreational Services	102,628	--	--
Community Development	211,225	--	--
Capital Outlay	174,292	203,315	--
Debt Service			
Principal	36,482	--	160,794
Interest	58,977	--	64,952
Cost of Issuance	863	--	--
TOTAL EXPENDITURES	6,904,084	203,317	227,894
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	276,573	(201,169)	(226,597)
OTHER FINANCING SOURCES (USES)			
Transfers In	347,424	--	185,046
Transfers Out	(858,703)	--	(59)
Issuance of Long-Term Debt	--	171,000	--
Premium on Issuance of Long-Term Debt	--	--	--
Loans from Financed Purchase	8,264	--	--
Lease and Subscription Liabilities Issued	125,641	--	--
TOTAL OTHER FINANCING SOURCES (USES)	(377,374)	171,000	184,987
NET CHANGE IN FUND BALANCES	(100,801)	(30,169)	(41,610)
FUND BALANCES, JULY 1	1,437,648	12,692	87,203
FUND BALANCES, JUNE 30	$ 1,336,847	$ (17,477)	$ 45,593

Continued...

CITY OF LOS ANGELES

Statement of Revenues, Expenditures and Changes in Fund Balances - (Continued) Governmental Funds For the Fiscal Year Ended June 30, 2025 (amounts expressed in thousands)

	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES		
Property Taxes	$ 149,243	$ 3,063,355
Sales Taxes	--	662,059
Utility Users Taxes	--	701,237
Business Taxes	--	849,091
Other Taxes	556,798	1,317,385
Licenses and Permits	54,878	84,090
Intergovernmental	1,792,582	1,840,389
Charges for Services	1,119,390	1,601,924
Services to Enterprise Funds	8,323	415,019
Fines	8,509	120,638
Special Assessments	169,475	172,473
Investment Earnings	164,949	259,890
Change in Fair Value of Investments	109,761	182,362
Program Income	25,350	25,352
Other	106,254	154,350
TOTAL REVENUES	4,265,512	11,449,614
EXPENDITURES		
Current		
General Government	211,372	1,907,777
Protection of Persons and Property	515,003	4,441,376
Public Works	301,969	613,754
Health and Sanitation	443,976	699,612
Transportation	538,197	669,765
Cultural and Recreational Services	796,105	898,733
Community Development	979,105	1,190,330
Capital Outlay	391,729	769,336
Debt Service		
Principal	117,817	315,093
Interest	54,831	178,760
Cost of Issuance	1,129	1,992
TOTAL EXPENDITURES	4,351,233	11,686,528
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(85,721)	(236,914)
OTHER FINANCING SOURCES (USES)		
Transfers In	767,948	1,300,418
Transfers Out	(222,344)	(1,081,106)
Issuance of Long-Term Debt	150,000	321,000
Premium on Issuance of Long-Term Debt	2,082	2,082
Loans from Financed Purchase	--	8,264
Lease and Subscription Liabilities Issued	721	126,362
TOTAL OTHER FINANCING SOURCES (USES)	698,407	677,020
NET CHANGE IN FUND BALANCES	612,686	440,106
FUND BALANCES, JULY 1	6,395,542	7,933,085
FUND BALANCES, JUNE 30	$ 7,008,228	$ 8,373,191

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2025 (amounts expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds		$ 440,106
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Donated capital assets are reported as capital contributions in governmental activities but are not financial resources and are not reported in governmental funds. This is the amount by which donated capital assets and capital outlays exceeded depreciation in the current period.		322,310
Amortization of gains (losses) on refunding of debt is reported as interest expense in governmental activities, but is not reported for governmental funds.		(3,600)
Changes in unavailable revenues are reported as changes in deferred inflows of resources for governmental funds, but were recognized as revenues for governmental activities.		370,454
Accrued interest expense on long-term debt is reported in the statement of activities, but does not require the use of current financial resources. Amortization of bond premiums and discounts are expensed as a component of interest expense on the statement of activities. This amount represents the net accrued interest expense and the amortization of bond premiums and discounts not reported in governmental funds.		
Change in accrued interest expense	$ (383)	
Net amortization of bond premiums and discounts	24,848	
Total net interest expense and amortization of discount/premium		24,465
The issuance of long-term debt (e.g. bonds) provides current financial resources to the governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position.		(140,533)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		(201,512)
Changes in net pension asset, net pension liability, net OPEB asset, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB do not require the use of current financial resources, and therefore, are not reported in the governmental funds.		414,466
Change in Net Position of Governmental Activities		$ 1,226,156

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts (Budgetary)	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES				
Taxes	$ 5,924,331	$ 5,850,818	$ 5,878,772	$ 27,954
Licenses, Permits, Fees and Fines	1,531,407	1,552,743	1,481,598	(71,145)
Intergovernmental	229,961	185,784	180,349	(5,435)
Interest	84,501	81,050	77,817	(3,233)
Other	10,715	9,554	9,109	(445)
TOTAL REVENUES	7,780,915	7,679,949	7,627,645	(52,304)
EXPENDITURES				
Current				
General Government	2,565,604	2,871,036	2,476,906	394,130
Protection of Persons and Property	2,991,550	3,240,970	3,177,306	63,664
Public Works	465,741	536,101	492,486	43,615
Health and Sanitation	417,400	427,298	406,304	20,994
Transportation	216,572	235,677	213,662	22,015
Cultural and Recreational Services	58,725	63,971	57,449	6,522
Community Development	257,408	266,493	232,471	34,022
Pension and Retirement Contributions	3,360	3,360	2,968	392
Capital Outlay	130,972	143,013	24,859	118,154
TOTAL EXPENDITURES	7,107,332	7,787,919	7,084,411	703,508
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	673,583	(107,970)	543,234	651,204
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	1,603,048	2,632,299	2,099,970	(532,329)
Loans from Other Funds	--	--	50,326	50,326
Transfers to Other Funds	(2,383,918)	(2,524,329)	(2,522,727)	1,602
TOTAL OTHER FINANCING SOURCES (USES)	(780,870)	107,970	(372,431)	(480,401)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(107,287)	--	170,803	170,803
FUND BALANCE, JULY 1	107,287	107,287	--	(107,287)
Appropriation of Fund Balance and Carryforward Appropriations	--	(107,287)	--	107,287
Encumbrances Lapsed	--	--	57,302	57,302
Reversion to Reserve Fund	--	--	(228,105)	(228,105)
FUND BALANCE, JUNE 30	$ --	$ --	$ --	$ --

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Net Position
Proprietary Funds
June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	Harbor	Power	Water
ASSETS				
CURRENT ASSETS				
Cash, Pooled and Other Investments				
Unrestricted	$ 1,854,711	$ 1,705,860	$ 1,085,572	$ 551,529
Restricted	732,313	206,257	997,295	294,177
Investments Held by Escrow and Fiscal Agents				
Unrestricted	2,386	--	--	--
Restricted	1,736,420	--	--	--
Accounts Receivable				
(Net of Allowance for Uncollectibles of $473,612)	44,598	15,203	1,113,766	230,687
Accrued Unbilled Revenue	87,006	--	--	--
Investment Income Receivable	16,031	3,122	11,494	601
Intergovernmental Receivable	76,867	9,081	4,804	9,375
Leases Receivable	23,490	32,211	--	--
Restricted Passenger/Customer Facility Charges Receivable	31,966	--	--	--
Due from Other Funds	--	--	60,811	--
Inventories	1,584	2,874	362,412	62,035
Prepaid Items and Other Assets	19,850	893	1,196,709	319,603
TOTAL CURRENT ASSETS	4,627,222	1,975,501	4,832,863	1,468,007
NONCURRENT ASSETS				
Restricted Assets				
Pooled Cash and Cash Equivalents, and Other Investments	--	11,171	592,482	66,617
Investments Held by Escrow and Fiscal Agents	92,785	125	787,324	60,059
Total Restricted Assets	92,785	11,296	1,379,806	126,676
Long-term Investment				
Investment in Joint Ventures	--	5,114	--	--
Capital Assets				
Land	1,279,540	1,116,717	262,503	218,707
Construction in Progress	3,951,987	503,596	934,753	2,148,988
Buildings, Facilities and Equipment	19,957,636	5,291,742	26,691,209	13,768,111
Natural Gas Field	--	--	100,710	--
Nuclear Fuel	--	--	42,064	--
Right-to-use Lease Assets	105,098	2,103	74,766	34,612
Right-to-use Subscription Assets	53,213	31,020	22,857	4,257
Intangible Assets	115,715	12,900	345,093	--
Accumulated Depreciation/Amortization	(6,656,110)	(3,269,830)	(11,538,907)	(4,334,183)
Total Capital Assets, Net	18,807,079	3,688,248	16,935,048	11,840,492
Other Noncurrent Assets				
Advances to Other Funds	--	--	--	--
Regulatory Assets	--	--	727,058	173,746
Net Pension Asset	4,978	5,223	--	--
Net OPEB Asset	25,137	8,907	--	--
Leases Receivable, Net of Current Portion	123,006	326,397	22,505	1,562
Prepaid Items and Other Assets	4,154	--	106,374	--
Total Other Noncurrent Assets	157,275	340,527	855,937	175,308
TOTAL NONCURRENT ASSETS	19,057,139	4,045,185	19,170,791	12,142,476
TOTAL ASSETS	23,684,361	6,020,686	24,003,654	13,610,483
DEFERRED OUTFLOWS OF RESOURCES				
Debt Refunding	13,338	--	15,119	6,258
Derivative Instruments	--	--	14,334	--
Asset Retirement Obligation	--	--	72,217	--
Pensions	178,326	64,284	906,534	422,058
OPEB	17,567	7,561	420,086	191,947
TOTAL DEFERRED OUTFLOWS OF RESOURCES	209,231	71,845	1,428,290	620,263

Continued...

CITY OF LOS ANGELES

Statement of Net Position - (Continued)
Proprietary Funds
June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
ASSETS			
CURRENT ASSETS			
Cash, Pooled and Other Investments			
Unrestricted	$ 254,151	$ 21,122	$ 5,472,945
Restricted	153,710	--	2,383,752
Investments Held by Escrow and Fiscal Agents			
Unrestricted	--	--	2,386
Restricted	--	--	1,736,420
Accounts Receivable			
(Net of Allowance for Uncollectibles of $473,612)	215,385	6,754	1,626,393
Accrued Unbilled Revenue	53,763	--	140,769
Investment Income Receivable	1,740	--	32,988
Intergovernmental Receivable	801	--	100,928
Leases Receivable	--	--	55,701
Restricted Passenger/Customer Facility Charges Receivable	--	--	31,966
Due from Other Funds	51,298	--	112,109
Inventories	24,310	--	453,215
Prepaid Items and Other Assets	--	453	1,537,508
TOTAL CURRENT ASSETS	755,158	28,329	13,687,080
NONCURRENT ASSETS			
Restricted Assets			
Pooled Cash and Cash Equivalents, and Other Investments	67,332	--	737,602
Investments Held by Escrow and Fiscal Agents	8,299	--	948,592
Total Restricted Assets	75,631	--	1,686,194
Long-term Investment			
Investment in Joint Ventures	--	--	5,114
Capital Assets			
Land	40,859	139,592	3,057,918
Construction in Progress	789,075	--	8,328,399
Buildings, Facilities and Equipment	9,516,974	597,351	75,823,023
Natural Gas Field	--	--	100,710
Nuclear Fuel	--	--	42,064
Right-to-use Lease Assets	18,452	--	235,031
Right-to-use Subscription Assets	--	--	111,347
Intangible Assets	--	--	473,708
Accumulated Depreciation/Amortization	(5,238,492)	(389,358)	(31,426,880)
Total Capital Assets, Net	5,126,868	347,585	56,745,320
Other Noncurrent Assets			
Advances to Other Funds	7,527	--	7,527
Regulatory Assets	--	--	900,804
Net Pension Asset	--	--	10,201
Net OPEB Asset	--	--	34,044
Leases Receivable, Net of Current Portion	--	--	473,470
Prepaid Items and Other Assets	--	--	110,528
Total Other Noncurrent Assets	7,527	--	1,536,574
TOTAL NONCURRENT ASSETS	5,210,026	347,585	59,973,202
TOTAL ASSETS	5,965,184	375,914	73,660,282
DEFERRED OUTFLOWS OF RESOURCES			
Debt Refunding	8,003	--	42,718
Derivative Instruments	--	--	14,334
Asset Retirement Obligation	--	--	72,217
Pensions	--	--	1,571,202
OPEB	--	--	637,161
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,003	--	2,337,632

Continued...

CITY OF LOS ANGELES

Statement of Net Position - (Continued)
Proprietary Funds
June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	Harbor	Power	Water
LIABILITIES				
CURRENT LIABILITIES				
Accounts, Contracts and Retainage Payable	$ 468,097	$ 63,222	$ 435,099	$ 199,379
Obligations Under Securities Lending Transactions	9,346	6,786	9,265	3,219
Accrued Salaries and Overtime Payable	19,468	8,252	104,614	52,011
Accrued Compensated Absences Payable	47,758	5,937	165,464	72,555
Due to Other Funds	--	--	--	60,811
Deposits and Advances	--	--	--	278,338
Accrued Interest Payable	91,909	6,210	268,935	135,769
Bonds and Notes Payable - Current Portion	320,445	36,060	282,740	133,052
Lease and Subscription Liabilities - Current Portion	14,806	1,439	11,714	4,689
PPP Availability Payment Liabilities - Current Portion	11,612	--	--	--
Other Current Liabilities	74,240	45,468	150,000	317,067
TOTAL CURRENT LIABILITIES	1,057,681	173,374	1,427,831	1,256,890
LONG-TERM LIABILITIES				
Bonds and Notes Payable - Noncurrent Portion (Net of Unamortized Premiums and Discounts of $3,782,357)	14,095,471	290,679	13,229,762	7,190,357
Net Pension Liability	828,693	264,163	147,444	66,795
Net OPEB Liability	--	--	19,112	8,658
Asset Retirement Obligation	--	--	283,041	--
Derivative Instrument Liabilities	--	--	14,334	--
Lease Liabilities - Noncurrent Portion	42,044	281	35,884	15,683
Subscription Liabilities - Noncurrent Portion	8,687	1,720	9,934	1,715
PPP Availability Payment Liabilities - Noncurrent Portion	561,849	--	--	--
Other Long-term Liabilities	173,389	117,205	924,148	394,435
TOTAL LONG-TERM LIABILITIES	15,710,133	674,048	14,663,659	7,677,643
TOTAL LIABILITIES	16,767,814	847,422	16,091,490	8,934,533
DEFERRED INFLOWS OF RESOURCES				
Regulated Business Activities	--	--	227,190	--
Debt Refunding	101,500	21,208	177,700	96,045
Pensions	80,797	19,753	185,849	80,919
OPEB	50,467	16,934	265,436	122,057
Leases	130,197	328,646	20,182	1,865
TOTAL DEFERRED INFLOWS OF RESOURCES	362,961	386,541	876,357	300,886
NET POSITION				
Net Investment in Capital Assets	5,218,787	3,335,755	3,055,115	4,405,211
Restricted for:				
Debt Service	--	125	943,691	156,723
Passenger/Customer Facility Charges	461,694	--	--	--
Pension/OPEB	30,115	14,130	--	--
Operations and Maintenance and Other Reserves	294,387	189,430	774,508	68,240
Unrestricted	757,834	1,319,128	3,690,783	365,153
TOTAL NET POSITION	$ 6,762,817	$ 4,858,568	$ 8,464,097	$ 4,995,327

Continued...

CITY OF LOS ANGELES

Statement of Net Position - (Continued)
Proprietary Funds
June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
LIABILITIES			
CURRENT LIABILITIES			
Accounts, Contracts and Retainage Payable	$ 62,862	$ 4,282	$ 1,232,941
Obligations Under Securities Lending Transactions	--	--	28,616
Accrued Salaries and Overtime Payable	--	752	185,097
Accrued Compensated Absences Payable	--	314	292,028
Due to Other Funds	107	--	60,918
Deposits and Advances	--	2,445	280,783
Accrued Interest Payable	10,590	--	513,413
Bonds and Notes Payable - Current Portion	137,340	--	909,637
Lease and Subscription Liabilities - Current Portion	1,825	--	34,473
PPP Availability Payment Liabilities - Current Portion	--	--	11,612
Other Current Liabilities	2,610	--	589,385
TOTAL CURRENT LIABILITIES	215,334	7,793	4,138,903
LONG-TERM LIABILITIES			
Bonds and Notes Payable - Noncurrent Portion (Net of Unamortized Premiums and Discounts of $3,782,357)	2,594,024	--	37,400,293
Net Pension Liability	--	--	1,307,095
Net OPEB Liability	--	--	27,770
Asset Retirement Obligation	--	--	283,041
Derivative Instrument Liabilities	--	--	14,334
Lease Liabilities - Noncurrent Portion	10,304	--	104,196
Subscription Liabilities - Noncurrent Portion	--	--	22,056
PPP Availability Payment Liabilities - Noncurrent Portion	--	--	561,849
Other Long-term Liabilities	39,238	317	1,648,732
TOTAL LONG-TERM LIABILITIES	2,643,566	317	41,369,366
TOTAL LIABILITIES	2,858,900	8,110	45,508,269
DEFERRED INFLOWS OF RESOURCES			
Regulated Business Activities	--	--	227,190
Debt Refunding	63,185	--	459,638
Pensions	--	--	367,318
OPEB	--	--	454,894
Leases	--	--	480,890
TOTAL DEFERRED INFLOWS OF RESOURCES	63,185	--	1,989,930
NET POSITION			
Net Investment in Capital Assets	2,424,113	347,585	18,786,566
Restricted for:			
Debt Service	23,192	--	1,123,731
Passenger/Customer Facility Charges	--	--	461,694
Pension/OPEB	--	--	44,245
Operations and Maintenance and Other Reserves	67,731	--	1,394,296
Unrestricted	536,066	20,219	6,689,183
TOTAL NET POSITION	$ 3,051,102	$ 367,804	$ 28,499,715

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	Harbor	Power	Water
OPERATING REVENUES				
Charges for Services	$ 368,616	$ 540,307	$ 5,243,939	$ 1,764,248
Rents, Concessions and Royalties	1,673,398	117,926	--	--
Other Operating Revenues	32,044	140,453	64,361	127,302
TOTAL OPERATING REVENUES	2,074,058	798,686	5,308,300	1,891,550
OPERATING EXPENSES				
Fuel for Generation	--	--	295,893	--
Purchased Power/Water	--	--	1,253,073	315,018
Maintenance and Repairs	--	--	561,768	580,219
Operating and Administrative	1,043,251	346,390	1,276,095	306,906
Depreciation and Amortization	800,981	152,673	841,217	265,250
TOTAL OPERATING EXPENSES	1,844,232	499,063	4,228,046	1,467,393
OPERATING INCOME (LOSS)	229,826	299,623	1,080,254	424,157
NONOPERATING REVENUES (EXPENSES)				
Investment Income	182,750	96,598	184,424	50,389
Interest Expense	(481,903)	(10,360)	(420,432)	(227,754)
Interest Income from Leases	5,134	11,666	--	--
Grant Revenues	6,832	5,011	--	--
Other Income (Expenses), Net	183,290	7,361	163,948	7,856
TOTAL NONOPERATING REVENUES (EXPENSES)	(103,897)	110,276	(72,060)	(169,509)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	125,929	409,899	1,008,194	254,648
Capital Contributions	202,440	15,098	63,915	51,289
Transfers Out	--	--	(219,312)	--
CHANGE IN NET POSITION	328,369	424,997	852,797	305,937
NET POSITION, JULY 1, AS PREVIOUSLY REPORTED	6,434,448	4,431,030	7,611,300	4,689,390
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPAL, GASB 101 IMPLEMENTATION	--	2,541	--	--
NET POSITION, JULY 1, AS RESTATED	6,434,448	4,433,571	7,611,300	4,689,390
NET POSITION, JUNE 30	$ 6,762,817	$ 4,858,568	$ 8,464,097	$ 4,995,327

Continued...

CITY OF LOS ANGELES

Statement of Revenues, Expenses and Changes in Fund Net Position - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
OPERATING REVENUES			
Charges for Services	$ 833,389	$ 5,027	$ 8,755,526
Rents, Concessions and Royalties	--	32,455	1,823,779
Other Operating Revenues	14,705	18,323	397,188
TOTAL OPERATING REVENUES	848,094	55,805	10,976,493
OPERATING EXPENSES			
Fuel for Generation	--	--	295,893
Purchased Power/Water	--	--	1,568,091
Maintenance and Repairs	--	5,176	1,147,163
Operating and Administrative	444,532	52,821	3,469,995
Depreciation and Amortization	195,429	11,657	2,267,207
TOTAL OPERATING EXPENSES	639,961	69,654	8,748,349
OPERATING INCOME (LOSS)	208,133	(13,849)	2,228,144
NONOPERATING REVENUES (EXPENSES)			
Investment Income	20,328	817	535,306
Interest Expense	(110,903)	--	(1,251,352)
Interest Income from Leases	--	--	16,800
Grant Revenues	--	--	11,843
Other Income (Expenses), Net	112,266	--	474,721
TOTAL NONOPERATING REVENUES (EXPENSES)	21,691	817	(212,682)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	229,824	(13,032)	2,015,462
Capital Contributions	8,014	--	340,756
Transfers Out	--	--	(219,312)
CHANGE IN NET POSITION	237,838	(13,032)	2,136,906
NET POSITION, JULY 1, AS PREVIOUSLY REPORTED	2,813,264	380,836	26,360,268
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPAL, GASB 101 IMPLEMENTATION	--	--	2,541
NET POSITION, JULY 1, AS RESTATED	2,813,264	380,836	26,362,809
NET POSITION, JUNE 30	$ 3,051,102	$ 367,804	$ 28,499,715

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	**Harbor**	**Power**	**Water**
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	2,056,867	810,939	5,263,758	1,946,324
Receipts for Interfund Services	--	--	1,141,105	945,974
Payments to Suppliers	(377,696)	(139,608)	(2,456,130)	(573,024)
Payments to Employees	(540,692)	(153,496)	(1,058,567)	(538,949)
Payments for Interfund Services	(145,679)	(52,101)	(1,278,896)	(1,176,296)
Cash Received from Nonoperating Revenues	--	--	--	--
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	992,800	465,734	1,611,270	604,029
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers Out	--	--	(219,312)	--
Cash Received from Noncapital Grants	6,832	5,011	--	--
Payments for Grant Expenses	--	--	--	--
Proceeds from Line of Credit for Operations	--	--	150,000	300,000
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	6,832	5,011	(69,312)	300,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(1,934,439)	(171,800)	(1,919,538)	(725,331)
Proceeds from Sales of Capital Assets	--	223	--	--
Receipts from Passenger/Customer Facility Charges	218,481	--	--	--
Proceeds from Bonds, Notes and Loans	3,032,701	--	1,141,773	10,991
Payments from Existing Funds for Refunded Bonds and Notes	--	(128,540)	--	--
Payments on Bonds, Notes and Loans – Principal	(1,186,479)	(39,356)	(223,610)	(144,120)
Payments on Bonds, Notes and Loans – Interest	(534,758)	(22,004)	(531,214)	(285,165)
Payments of Bonds and Notes Expenses	(1,036)	--	--	--
Payments on Lease and Subscription Liabilities	(24,576)	(943)	--	--
Federal Bond Interest Subsidies	--	--	19,602	8,609
Interest Received on Leases	5,179	11,666	--	--
Capital Contributions/Grants Received	148,259	14,864	63,915	56,451
Proceeds from Insurance Recovery for Damage of Capital Assets	--	6,706	--	--
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(276,668)	(329,184)	(1,449,072)	(1,078,565)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	188,214	57,635	178,052	49,535
Cash Collateral Under Securities Lending Transactions	6,880	5,063	--	--
Sale (Purchase) of Investment Securities, Net	(27,559)	42,373	(81,778)	(2,997)
Payments to Bond Reserve Fund	--	37,192	--	--
NET CASH PROVIDED BY INVESTING ACTIVITIES	167,535	142,263	96,274	46,538

Continued...

CITY OF LOS ANGELES

Statement of Cash Flows - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	800,521	55,054	10,933,463
Receipts for Interfund Services	--	--	2,087,079
Payments to Suppliers	(103,308)	(41,147)	(3,690,913)
Payments to Employees	--	(12,918)	(2,304,622)
Payments for Interfund Services	(345,918)	(5,699)	(3,004,589)
Cash Received from Nonoperating Revenues	107,734	--	107,734
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	459,029	(4,710)	4,128,152
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers Out	--	--	(219,312)
Cash Received from Noncapital Grants	3,165	--	15,008
Payments for Grant Expenses	(7,611)	--	(7,611)
Proceeds from Line of Credit for Operations	--	--	450,000
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	(4,446)	--	238,085
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(340,356)	(38)	(5,091,502)
Proceeds from Sales of Capital Assets	--	--	223
Receipts from Passenger/Customer Facility Charges	--	--	218,481
Proceeds from Bonds, Notes and Loans	81,666	--	4,267,131
Payments from Existing Funds for Refunded Bonds and Notes	(25,325)	--	(153,865)
Payments on Bonds, Notes and Loans – Principal	(108,311)	--	(1,701,876)
Payments on Bonds, Notes and Loans – Interest	(126,439)	--	(1,499,580)
Payments of Bonds and Notes Expenses	(6,637)	--	(7,673)
Payments on Lease and Subscription Liabilities	(2,049)	--	(27,568)
Federal Bond Interest Subsidies	1,566	--	29,777
Interest Received on Leases	--	--	16,845
Capital Contributions/Grants Received	10,088	--	293,577
Proceeds from Insurance Recovery for Damage of Capital Assets	--	--	6,706
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(515,797)	(38)	(3,649,324)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	21,431	817	495,684
Cash Collateral Under Securities Lending Transactions	--	--	11,943
Sale (Purchase) of Investment Securities, Net	--	--	(69,961)
Payments to Bond Reserve Fund	--	--	37,192
NET CASH PROVIDED BY INVESTING ACTIVITIES	21,431	817	474,858

Continued...

CITY OF LOS ANGELES

Statement of Cash Flows - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	**Harbor**	**Power**	**Water**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	890,499	283,824	189,160	(127,998)
CASH AND CASH EQUIVALENTS, JULY 1	2,812,283	1,628,293	2,486,189	1,040,321
CASH AND CASH EQUIVALENTS, JUNE 30	3,702,782	1,912,117	2,675,349	912,323
CASH AND CASH EQUIVALENTS COMPONENTS				
Unrestricted Cash, Pooled and Other Investments	1,854,711	1,705,860	1,085,572	551,529
Restricted Cash, Pooled and Other Investments	732,313	206,257	1,589,777	360,794
Unrestricted Investments, Held by Escrow and Fiscal Agents	2,386	--	--	--
Restricted Investments, Held by Escrow and Fiscal Agents	1,113,372	--	--	--
TOTAL CASH AND CASH EQUIVALENTS, JUNE 30	3,702,782	1,912,117	2,675,349	912,323
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating Income (Loss)	229,826	299,623	1,080,254	424,157
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:				
Depreciation and Amortization	800,981	152,673	841,217	265,250
Depletion	--	--	8,765	--
Amortization of Nuclear Fuel	--	--	10,224	--
Bad Debts Provision	200	1,170	93,192	11,677
Other Nonoperating Revenues	225	--	--	--
Changes in Assets, Liabilities, and Deferred Outflows and Inflows of Resources:				
Accounts Receivable	(17,598)	17,029	(289,517)	(78,617)
Accrued Unbilled Revenue	(30,238)	--	--	--
Leases Receivable	16,695	(62,380)	(22,505)	(1,562)
Prepaid Items and Other Assets	(3,202)	(360)	(519,548)	(1,621)
Due from Other Funds	--	--	116,990	--
Inventories	--	221	(71,593)	(9,956)
Other Assets	--	--	(6,475)	119,773
Asset Retirement Obligation	--	--	8,716	--
Accounts, Contracts and Retainage Payable	12,470	965	45,495	(33,876)
Accrued Salaries and Overtime Payable	(2,032)	8,006	12,980	20,763
Accrued Compensated Absences Payable	8,574	--	35,820	--
Overrecovered Costs-Pension	--	--	116,331	53,308
Overrecovered Costs-OPEB	--	--	91,697	37,285
Due to Other Funds	--	--	--	(116,990)
Deposits and Advances	--	--	--	6,867
Net Pension and OPEB Assets, Liabilities and Related Deferred Outflows and Inflows of Resources	(32,229)	(1,286)	56,346	(90,592)
Deferred Inflows Related to Leases	(18,184)	56,434	(1,490)	(521)
Other Liabilities	27,312	(6,361)	4,371	(1,316)
TOTAL ADJUSTMENTS	762,974	166,111	531,016	179,872
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	992,800	465,734	1,611,270	604,029
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Net Proceeds of Refunding Bonds Deposited with an Escrow Trust Account	684,726	243,564	1,307,400	--
Defeased Debt and Costs Paid Through Escrow with Revenue Bonds	(684,726)	(243,564)	(1,307,600)	--
Acquisition of Capital Assets Included in Accounts and Contracts Payable	178,782	3,853	180,900	124,444
Net Change in Grants Receivable	(44,576)	--	--	--
Write-Off (Loss) on Discontinued Construction Projects	--	251	--	--
Sewage Disposal Contracts Capital Contributions	--	--	--	--

Continued..

CITY OF LOS ANGELES

Statement of Cash Flows - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(39,783)	(3,931)	1,191,771
CASH AND CASH EQUIVALENTS, JULY 1	514,976	25,053	8,507,115
CASH AND CASH EQUIVALENTS, JUNE 30	475,193	21,122	9,698,886
CASH AND CASH EQUIVALENTS COMPONENTS			
Unrestricted Cash, Pooled and Other Investments	254,151	21,122	5,472,945
Restricted Cash, Pooled and Other Investments	221,042	--	3,110,183
Unrestricted Investments, Held by Escrow and Fiscal Agents	--	--	2,386
Restricted Investments, Held by Escrow and Fiscal Agents	--	--	1,113,372
TOTAL CASH AND CASH EQUIVALENTS, JUNE 30	475,193	21,122	9,698,886
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income (Loss)	208,133	(13,849)	2,228,144
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Depreciation and Amortization	195,429	11,657	2,267,207
Depletion	--	--	8,765
Amortization of Nuclear Fuel	--	--	10,224
Bad Debts Provision	2,041	--	108,280
Other Nonoperating Revenues	112,540	--	112,765
Changes in Assets, Liabilities, and Deferred Outflows and Inflows of Resources:			
Accounts Receivable	(47,573)	(751)	(417,027)
Accrued Unbilled Revenue	--	--	(30,238)
Leases Receivable	--	--	(69,752)
Prepaid Items and Other Assets	--	(222)	(524,953)
Due from Other Funds	--	--	116,990
Inventories	(2,208)	--	(83,536)
Other Assets	--	--	113,298
Asset Retirement Obligation	--	--	8,716
Accounts, Contracts and Retainage Payable	180	(752)	24,482
Accrued Salaries and Overtime Payable	--	(155)	39,562
Accrued Compensated Absences Payable	--	110	44,504
Overrecovered Costs-Pension	--	--	169,639
Overrecovered Costs-OPEB	--	--	128,982
Due to Other Funds	(4,707)	--	(121,697)
Deposits and Advances	--	(748)	6,119
Net Pension and OPEB Assets, Liabilities and Related Deferred Outflows and Inflows of Resources	--	--	(67,761)
Deferred Inflows Related to Leases	--	--	36,239
Other Liabilities	(4,806)	--	19,200
TOTAL ADJUSTMENTS	250,896	9,139	1,900,008
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	459,029	(4,710)	4,128,152
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Net Proceeds of Refunding Bonds Deposited with an Escrow Trust Account	1,311,559	--	3,547,249
Defeased Debt and Costs Paid Through Escrow with Revenue Bonds	(1,438,105)	--	(3,673,995)
Acquisition of Capital Assets Included in Accounts and Contracts Payable	34,192	--	522,171
Net Change in Grants Receivable	--	--	(44,576)
Write-Off (Loss) on Discontinued Construction Projects	202	--	453
Sewage Disposal Contracts Capital Contributions	(2,074)	--	(2,074)

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025
(amounts expressed in thousands)

	Pension and Other Postemployment Benefits Trust Funds	Custodial Funds
ASSETS		
Cash and Pooled Investments	$ 102,331	$ 424,163
Accounts Receivable	96,472	--
Special Assessments Receivable	--	273
Investment Income Receivable	344,189	45
Advance to Other Entities	780,558	--
Investments		
Short-term Investments	2,467,671	--
U.S. and Other Government Obligations	7,437,661	--
Domestic Stocks and Bonds	29,523,130	--
International Stocks and Bonds	18,177,560	--
Real Estate	5,521,555	--
Alternative Investments	17,256,216	--
Securities Lending Collateral	2,239,885	--
Fixed Income and Other Investments	2,726,420	--
Prepaid Health Subsidy	13,487	--
Capital Assets (Net of Accumulated Depreciation/Amortization of $26,080)	75,358	--
TOTAL ASSETS	86,762,493	424,481
LIABILITIES		
Accounts Payable and Accrued Expenses	173,170	--
Accrued Compensated Absences Payable	11,355	--
Accrued Investment Expenses	26,487	--
Benefits in Process of Payment	21,646	--
Due to Brokers	1,387,606	--
Fiduciary Liabilities	--	223
Obligations Under Securities Lending Transactions	2,239,886	32
Due to Other Entities	--	4,796
Mortgage Loan Payable - Noncurrent Portion	203,418	--
Deposits and Advances	27	9,477
TOTAL LIABILITIES	4,063,595	14,528
DEFERRED INFLOWS OF RESOURCES		
Leases	686	--
TOTAL DEFERRED INFLOWS OF RESOURCES	686	--
NET POSITION		
Restricted for:		
Pension Plans	71,170,754	--
Disability Plan	38,270	--
Death Benefit Plan	68,304	--
Postemployment Healthcare Plans	11,420,884	--
Individuals, Organizations and Other Governments	--	409,953
TOTAL NET POSITION	$ 82,698,212	$ 409,953

The notes to the financial statements are an integral part of this statement.

CITY OF LOS ANGELES

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Pension and Other Postemployment Benefits Trust Funds	Custodial Funds
ADDITIONS		
Contributions		
Employer	$ 2,166,485	$ --
Plan Member	653,793	--
Total Contributions	2,820,278	--
Self-Funded Insurance Premium	13,127	--
Health Insurance Premium Reserve	1,083	--
Tax Collections from Community Facilities Districts	--	8,788
Collections for Clean Fuel Rewards Program	--	185,828
Investment Income		
Net Appreciation in Fair Value of Investments	7,009,241	331
Interest Income	880,711	13,155
Income from Alternative Investments	88,523	--
Dividend Income	735,455	--
Securities Lending Income	57,755	--
Other Investment Income	79,781	--
Income from Real Estate Investments	121,748	--
Investment Income	8,973,214	13,486
Investment Expense	(493,204)	--
Securities Lending Expense	(45,877)	--
Net Investment Income	8,434,133	13,486
Other Income	423	--
TOTAL ADDITIONS	11,269,044	208,102
DEDUCTIONS		
Benefits Payments	4,056,146	--
Refunds of Member Contributions	34,771	--
Administrative Expenses	84,185	--
Payments for Clean Fuel Rewards Program	--	41,791
Contingent Disability Benefit Advance Write-off	3,310	--
Debt Service Payments for Community Facilities Districts	--	11,090
TOTAL DEDUCTIONS	4,178,412	52,881
CHANGE IN NET POSITION		
Pension Plans	5,973,934	--
Disability Plan	(1,597)	--
Death Benefit Plan	12,013	--
Postemployment Healthcare Plans	1,106,282	--
Individuals, Organizations and Other Governments	--	155,221
TOTAL CHANGE IN NET POSITION	7,090,632	155,221
NET POSITION JULY 1	75,618,151	--
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE, GASB 101 IMPLEMENTATION	(10,571)	--
NET POSITION JULY 1, AS RESTATED	75,607,580	254,732
NET POSITION, JUNE 30	$ 82,698,212	$ 409,953

The notes to the financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The Notes to the Basic Financial Statements (Notes) include disclosures considered necessary for a better understanding of the accompanying basic financial statements. An index to the Notes follows:

	Page
Note 1 - Summary of Significant Accounting Policies	
A. General	57
B. Reporting Entity	57
C. Government-wide and Fund Financial Statements	59
D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	59
E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position	61
Note 2 - Reconciliation of Government-wide and Fund Financial Statements	
A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position	73
B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities	73
Note 3 - Stewardship, Compliance, and Accountability	
A. Budgets and Budgetary Basis of Accounting	75
B. Reconciliation of Operations on Budgetary Basis to the GAAP Basis	77
C. Deficit Fund Balances	78
Note 4 - Detailed Notes on All Funds	
A. Cash, Deposits and Investments	79
B. Receivables	109
C. Restricted Assets	110
D. Regulatory Assets and Deferred Inflows of Resources	110
E. Joint Ventures	112
F. Capital Assets	113
G. Interfund Receivables, Payables, and Transfers	116
H. Accounts Payable and Accrued Expenses	117
I. Long-term Liabilities	118
J. Current and Advance Refunding of Debt	142
K. Current and Prior Years Defeasance of Debt	143
L. Tax and Revenue Anticipation Notes	143
M. Leases, PPPs and Subscription-Based Information Technology Arrangements (SBITA)	143
N. Risk Management - Estimated Claims and Judgments Payable	160
O. Accrued Landfill Liability	164
P. Pollution Remediation Obligations	165
Q. Economic Development Incentives and Tax Abatement	167
Note 5 - Other Information	
A. Pension Plans	170
B. Other Postemployment Benefits (OPEB)	185
C. Commitments, Litigations, and Contingencies	197
D. Third-Party Obligations	213
E. Other Matters	214
F. CRA/LA, a Designated Local Authority and Successor Agency for the Former Community Redevelopment Agency (Former Agency) and Related Contingencies	222
G. Subsequent Events	224

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The City of Los Angeles (City) was incorporated in 1850 under the provisions of a city charter. The current Charter was approved by the electorate on June 8, 1999 and became operative on July 1, 2000.

The City operates under a mayor-council form of government. As Executive Officer, the Mayor supervises the administrative process of the City and works with the Council in matters relating to legislation, budget, and finance. As governing body of the City, the 15-member full-time Council enacts ordinances, levies taxes, approves utility rates, authorizes contracts and public improvements, adopts zoning and other land use controls, and provides the necessary resources for the budgetary departments and offices of the City. Council action is subject to the approval or veto of the Mayor, and Council may override a mayoral veto by a two-thirds vote. The Charter provides for an independently elected City Attorney and independently elected City Controller.

Public services provided by the City include: police; fire and emergency medical services; residential refuse collection and disposal, wastewater collection and treatment, street maintenance, and other public works functions; enforcement of ordinances and statutes relating to building safety; public libraries; recreation and parks; community and economic development; housing and aging services; land use planning; airports; harbor; power and water services; sewer, and the convention center.

B. Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body's financial accountability and a financial benefit or burden relationship. A primary government is financially accountable and shares a financial benefit or burden relationship if it appoints a voting majority of an organization's governing body and is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens, on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

1. Blended Component Unit

Although the following is legally separate from the City, it has been "blended" as though it is part of the City because there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component unit; and the component unit provides services entirely to the City.

Municipal Improvement Corporation of Los Angeles

The Municipal Improvement Corporation of Los Angeles (MICLA) is a non-profit corporation formed in 1984 for the sole purpose of providing financial assistance to the City for the acquisition of property and equipment, and the construction of buildings and other improvements, for the benefit of the public, through the issuance of lease revenue bonds and commercial paper notes. MICLA's Board of Directors (Board) consists of five members. Appointments to fill vacancies are made by the Board, subject to City Council approval. Board members do not receive compensation. The City indemnifies Board members for any liabilities occurring in connection with the performance of their duties. The City elects to report MICLA as major special revenue and debt service funds.

2. Investment in Joint Ventures

The following entities are joint ventures of the Department of Harbor:

Intermodal Container Transfer Facility Joint Powers Authority (ICTF)
Alameda Corridor Transportation Authority (ACTA)

3. Excluded Organizations

Jointly Governed Organizations

The Los Angeles Memorial Coliseum Commission (Commission) was created by a joint powers agreement between the City, the County of Los Angeles (County), and the California Museum of Science and Industry. Its purpose is to provide for the operation and maintenance of the Coliseum. The Commission is not a City function and operates independent of City oversight and financial accountability. City appointees comprise 33% of the Commission.

The Los Angeles Homeless Services Authority (LAHSA) was created by a joint exercise of powers agreement with the County to provide homeless services to residents. It is governed by a ten-member commission. Five members are appointed by the City and five by the County Board of Supervisors. LAHSA operates independently of City oversight and financial accountability.

Related Organization

The Housing Authority of the City of Los Angeles (HACLA) is an organization for which the City has appointed the voting majority of the members of the governing body but for which the City is not financially accountable.

The City retains and exercises its authority over the entity only as provided by the Municipal Code and Federal laws. The entity is fiscally independent from the City. The City is unable to impose its will on the daily operations of the entity. The City's accountability to this entity is limited to removal of a commissioner by the Mayor or the entire board by the City Council for cause and under due process.

4. Separately Audited Financial Statements

City Departments and Component Unit

Separately audited financial statements may be obtained through the Office of the City Controller, 200 North Main Street, Room 300, Los Angeles, California 90012, for the following:

Department of Airports (Airports)

Department of Harbor (Harbor)

Department of Water and Power (DWP)

Sewer Construction and Maintenance Fund (Sewer)

Los Angeles City Employees' Retirement System (LACERS)

Fire and Police Pension System (Pensions)

Water and Power Employees' Retirement, Disability and Death Benefit Insurance Plans (DWP Plans)

Municipal Improvement Corporation of Los Angeles (MICLA)

Jointly Governed and Related Organizations

Coliseum Commission: 500 West Temple Street, Los Angeles, CA 90012

LAHSA: 707 Wilshire Blvd., 10th Floor, Los Angeles, CA 90017

HACLA: 2600 Wilshire Blvd., Los Angeles, CA 90057

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's business-type activities and certain other governmental functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Included in the direct expenses are indirect costs, such as fringe benefits, administrative overhead, and liability claims, which are allocated to the specific function or program. Charges for workers' compensation, telephone and information technology services, postage, and fleet services are not allocated and are included as part of the general government functional activity. Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided; and operating and capital grants and contributions, including special assessments, that are restricted to meeting operational or capital requirements of a particular function or segment. Revenues that do not meet the criteria to be reported as program revenues are reported as general revenues. All taxes, even those levied for a specific purpose, are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

While the City's policy is to use restricted resources first and then unrestricted resources as they are needed when both restricted and unrestricted resources are available, the management for enterprise funds have the discretion to use unrestricted resources first to meet their business needs.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due, while expenditures related to compensated absences, claims and judgments, and landfill closure and postclosure care costs are recognized to the extent that they are normally expected to be liquidated with expendable available resources and are due and payable at year-end.

Revenues susceptible to accrual are property taxes, business taxes, sales taxes, utility users taxes, transient occupancy tax, charges for services, special assessments, franchise income, licenses and permits, investment income, and Federal and State grants and subventions. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from Federal and State grants and subventions are recognized when applicable eligibility requirements, including time requirements, are met and the resources are available.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services while operating expenses include cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

The *General Fund* is the primary operating fund of the City. It is used to account for all financial resources of the general government, except those required to be accounted for in other funds.

The *MICLA Special Revenue and Debt Service Funds* account for the activity of the City's public financing entity component unit, which finances the acquisition of real property and equipment, the construction of buildings, and other improvements for the benefit of the public. The assets acquired or constructed by MICLA are leased to the City under long-term lease agreements and become property of the City at the termination of the lease. MICLA derives its operating revenues primarily from rental income (interest portion) paid by the City. The effects of the lease arrangements have been eliminated from the basic financial statements.

The City reports the following major enterprise funds:

The *Airports Fund* accounts for the operation, maintenance and development of City airports: Los Angeles International Airport and Van Nuys Airport.

The *Harbor Fund* accounts for the operations of the Harbor formed for purposes of maritime commerce, navigation, fisheries and water-dependent activities for the benefit of the State of California.

The *Power and Water Funds* account for the operations of DWP in supplying the City and its inhabitants with water and electric power by constructing, operating, and maintaining facilities located throughout the City, and Inyo and Mono Counties.

The *Sewer Fund* accounts for the construction, operations, and maintenance of the City's wastewater collection and treatment system.

The City reports the Convention Center Fund as a nonmajor enterprise fund. The Convention Center Fund accounts for the operation of the Los Angeles Convention Center and Exhibition Hall and other related facilities.

Additionally, the City reports the following fund types:

The *Pension and Other Postemployment Benefits Trust Funds* account for the activities of the City's three single-employer defined benefit pension plans, namely: Fire and Police Pension Plan; Los Angeles City Employees' Retirement Plan; and Water and Power Employees' Retirement and Disability Benefit Plans; and defined benefit postemployment plans provided through the defined benefit pension plans, namely: Fire and Police Health Subsidy Plan, Los Angeles City Employees' Postemployment Healthcare Plan, and Water and Power Employees' Retirees Health and Death Benefit Plans, respectively.

The *Custodial Funds* account for activities carried out exclusively for the benefit of that outside of the City but not administered through other fiduciary trusts or equivalent arrangements such as Clean Fuel Rewards Program, assessments for payments of certain conduit debt and monies seized by law enforcement pending judgment.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, all governmental and proprietary fund cash and pooled investments with the City Treasurer, cash deposits and other short-term investments that are both readily convertible to known amounts of cash and have maturities of three months or less at the time of purchase, are considered to be cash and cash equivalents.

2. Receivables

The City's receivables are comprised mainly of loans, notes, taxes, accounts, lease and PPPs. Loans receivable, taxes receivable and accounts receivable are reported net of an allowance for uncollectible amounts.

Loans Receivable

The City uses funds generated from the former Community Redevelopment Agency (CRA), State and Federal funding sources to offer financial assistance and below-market interest rates to qualified developers, individuals and families primarily for housing development, rehabilitation, economic development, and voter approved debt. Repayment terms on these loans can be classified in the following categories: 1) Deferred loans which are due and payable only upon sale or transfer of title to the property; 2) Amortizing loans which have a set monthly payment, which may be interest bearing or principal only; 3) Service payback loans which by their terms result in no money being paid to the City; 4) Forgivable loans which may convert to grants depending on the terms of the loan agreements; 5) Residual receipts loans which require repayments only when the properties have positive cash flows pursuant to a formula set forth in the loan agreement; 6) Renewal deferred loans which have no scheduled debt service other than renewable maturity dates and may be routinely extended; 7) Term loans which are essentially balloon payment loans; and 8) Equity share loans which have a 30-year term with the original principal amount plus a percentage share of the home appreciation paid upon sale, transfer or other repayment event.

In the financial statements, loans receivable are reported net of the allowance for uncollectibles. In estimating the allowance, the following were considered: a) composition of the loan portfolio; b) past write-off experience, c) past market valuation; and d) average year-end allowance balance as a percentage of the total portfolio. The allowance estimate is continually evaluated and adjusted to reflect what management believes to be the net realizable value of the total loan portfolio.

3. Inventories

Inventories for materials and supplies, valued on an average cost basis for governmental activities and governmental funds, consist of expendable supplies held for consumption. Such inventories are recorded as expenditures in the fund financial statements and expenses in the government-wide statement of activities when consumed.

For the business-type activities and proprietary funds, inventories for materials and supplies are stated at the lower of average cost or fair value except for Airports, which uses cost on a first-in, first-out basis. Fuel is recorded at the lower of cost or fair value on an average cost basis.

4. Restricted Assets

For governmental activities and governmental funds, assets of $11.3 million are classified as restricted because their use is limited to activities related to low and moderate income housing projects and public works projects.

Business-type activities' and proprietary funds' restricted assets of $5.8 billion include amounts restricted for accumulated resources for bond proceeds to be used for capital expenditures, debt service payments, nuclear decommissioning funds, natural gas fund, hazardous waste treatment storage and disposal fund, bond security funds, construction funds, restricted passenger/customer facility charges, customer security deposits, China Shipping and Community Mitigation Fund, Narcotics/Customs Enforcement Forfeiture Fund, Clean Truck Program and Fee Fund, Batiquitos Environmental Fund, Harbor Restoration Fund, and various other miscellaneous purposes.

5. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g. streets and bridges) are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position and in the proprietary funds statement of net position. Generally, assets with an individual cost of at least $5,000 and an estimated useful life of more than one year are capitalized. Assets whose individual acquisition costs below the capitalization threshold of $5,000 are also capitalized if in the aggregate or collectively are significant. Purchased or constructed capital assets and intangible assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Assets acquired by donation are recorded at estimated acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation, which includes amortization of assets under leases and subscriptions, is computed using the straight-line method over the estimated useful or service lives of the related assets, except as noted below. Lease and subscription assets are amortized over the lease/subscription term or the life of the asset, whichever is shorter. See Note 4M for details regarding the City's lease and subscription assets.

Power's nuclear fuel is amortized and charged to fuel for generation on the basis of actual thermal energy produced relative to total thermal energy expected to be produced over the life of the fuel.

Power uses the successful efforts method of accounting for its investment in gas-producing properties. Costs to acquire the mineral interest in gas-producing properties, to drill and equip exploratory wells that find proven reserves, and to drill and equip development wells are capitalized. Costs to drill exploratory wells that do not find proven reserves are expensed. Capitalized costs of gas-producing properties are depleted by the unit-of-production method based on the estimated future production of the proven wells. Depletion expense related to the gas field is recorded as a component of fuel for generation expense. During fiscal year 2025, Power recorded $8.8 million of depletion expense.

The estimated useful lives of the City's capital assets are as follows:

Category	Governmental Activities	Business-type Activities
Infrastructure	10 - 138 years	--
Buildings and facilities	20 - 40 years	10 - 75 years
Equipment and vehicles	3 - 20 years	3 - 20 years
Wastewater collection system	--	80 years
Landplane ports	--	10 - 35 years
Power distribution, hydraulic and steam production, transmission plants	--	4 - 75 years
Treatment and pumping plants	--	5 - 50 years
Wharves and sheds	--	15 - 30 years
Intangible assets	5 - 22 years	20 years
Lease assets	Shorter of the asset's useful life or the lease term, or the asset's useful life if there is a purchase option likely to be exercised	
Subscription assets	Shorter of the asset's useful life or the agreement term	

The City's collection of artwork, certain scientific equipment, and zoo animals are not capitalized or depreciated. These capital assets are maintained for public exhibition, education, or research, and are being preserved for future generations. The proceeds from sales of any pieces of the collection are used to purchase other items for the collection.

The City's infrastructure assets and the methods the City uses to report them are as follows:

Infrastructure	Reporting Method
Bridges	Modified
Stormwater system	Depreciation
Streets	Depreciation
Traffic signals	Depreciation
Automated traffic surveillance and control	Depreciation
Bikepaths	Depreciation
Fiber optic telecommunication system	Depreciation
Street lighting system	Depreciation
Street pavement markings	Depreciation
Traffic signs	Depreciation

The modified approach is used in reporting the City's bridges infrastructure system. A comprehensive bridge database system, the Bridges and Tunnels System, enables the City to track the entire bridge inventory, the structural condition of various bridge elements, and bridge sufficiency ratings. Condition assessments of these structures are completed in a three-year cycle. The latest assessment report was as of December 2025. A system of letter grades identifies the condition of each structure. Letter grades "A" through "D" represent the condition of the structure as Very Good, Good to Fair, Fair to Poor, and Very Poor. "F" rating symbolizes a failed condition where replacement of the structure is necessary. These letter grades are based on sufficiency ratings, or the overall condition of the structure based on the last inspection. It is the City's policy that at least 70% of the bridges are rated "B" or better and that no bridge shall be rated worse than "D". Based on the most recent bridge inspections, two of the City's bridges received a grade of "F". The City is actively pursuing mitigation measures to address the condition of both bridges and to bring them up to an acceptable rating.

The City performs regular inspection and maintenance of the various structural elements for any defects. Funds for annual estimated inspection, maintenance and repair costs are provided in the City's budget. Bridges are excluded in the determination of depreciation provisions for capital assets, while preservation and maintenance costs are charged to expense. Additional information on the condition ratings of City bridges, sufficiency ratings, estimated and actual maintenance, and preservation costs are found in the Required Supplementary Information.

6. Compensated Absences

Accrued Vacation and Sick Leave

The City accrues a liability for compensated absences, including earned vacation and sick leave, when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise settled through cash or noncash means. In the government-wide, proprietary, and fiduciary fund financial statements, all compensated absences are accrued when incurred and reported as a liability. In the governmental fund financial statements, compensated absences are reported as expenditures and liabilities only to the extent that they are due and payable at year-end and are expected to be liquidated with expendable available financial resources. Compensated absences related to governmental activities are generally liquidated by the General Fund.

Eligible civilian employees accumulate vacation leave up to a maximum of 600 hours, depending on the length of service. Fire sworn employees accumulate vacation leave of up to 900 hours, while Police sworn employees accumulate vacation leave of up to 600 hours, depending on the length of service and duty assignment. All employees are paid their accumulated leave upon termination or retirement.

City employees (except those of the DWP) are entitled to 96 hours of sick leave at full pay and 40 hours at 75% of full pay for each calendar year of employment. Police sworn employees are also entitled to 40 hours at 50% of full pay. Fire sworn employees are entitled to up to 60 hours at 50% of full pay, depending on the duty assignment. Civilian and Police sworn employees may accumulate sick leave up to 800 hours at full pay and 800 hours at 75% of full pay. Fire Department sworn employees under Memoranda of Understanding (MOU) 22 and 23 may accumulate up to 1,632 hours at full pay

and 1,200 hours at 75% of full pay, depending on the duty assignment.

For eligible civilian employees, the City pays 100% of the excess over the maximum accumulated 800 hours at full pay in the subsequent calendar year. Upon retirement, the City pays 100% of the accumulated sick time at full pay. Employees who have exhausted all their 100% of full pay sick time, may use their 75% of full pay sick time. There is no provision for the payment of the unused accumulated sick time at 75% of full pay upon retirement.

For Fire sworn employees, the City pays 100% of the excess over the maximum accumulated 1,632 hours sick time, depending on the duty assignment, at full pay in the subsequent calendar year. For Police sworn employees, the City pays 100% of the excess over the maximum accumulated 800 hours sick time at full pay in the subsequent calendar year. For both Fire and Police sworn employees, the City pays 100% of the accumulated sick time at full pay upon retirement. Sworn employees' unused and accrued sick time at 75% and 50% of full pay are available for usage only and there is no provision for the payment of the unused accumulated 75% and 50% of full pay upon retirement.

DWP employees accumulate 40 hours of sick leave per year to a maximum of 80 hours. Any excess over the maximum is paid to the employee at 100% of their current salary rate. The employee goes on disability after taking ten consecutive days of sick leave.

Vacation and sick leave are accrued as determined by the agreement between the City and the respective employees' collective bargaining group. For governmental funds, compensated absence obligations are recorded in the appropriate governmental funds for leave that has been used but not yet paid at year-end. Compensated absences liability for earned and accumulated leave that has not been used at year-end are recorded in the government-wide financial statements. For proprietary funds, compensated absences are expensed when earned by employees. At year-end, the accrued but unpaid compensated absence obligations are recorded as current and noncurrent liabilities in the appropriate proprietary funds.

7. Regulatory Assets and Deferred Inflows of Resources

Regulatory assets and deferred inflows of resources related to regulated business activities were created by the actions of the Board of Water and Power by deferring certain expenses and revenues that are recoverable or payable by future rate charges in accordance with current rate ordinances to more evenly match the recognition of revenue and expenses with the electric and water rates charged to retail customers.

8. Prepaid Items and Other Assets

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in government-wide and fund financial statements. Prepaids are amortized on a consumption basis. Since these amounts are not available for appropriation, the fund balances in the governmental fund types have been classified as nonspendable for amounts equal to the prepaid items in the fund-level statements. For governmental activities and funds, assets of $9.2 million are classified as prepaid items and other assets, including prepaid expenses and deferred charges by departments and real estate owned under several special revenue funds related to home investment partnership programs and community development projects.

Business-type activities' and proprietary funds' prepaid items and other assets of $1.6 billion primarily consist of other assets from the Power and Water systems totaling $1.5 billion as of June 30, 2025, which represent the current portion of underrecovered costs, which are the net amount of the balancing accounts required by Power and Water System Rate Ordinances to record differences between specific costs incurred and amounts billed through rates to recover those costs.

9. Risk Management

The City is self-administered and self-funded for workers' compensation, most property damage, and the majority of tort liability exposures. Commercial insurance is used where it is legally required, contractually required, or judged to be the most effective way to finance risk. Indemnity and insurance protection is also required from all City contractors, vendors, lessees and permit holders. Insurance coverage has exceeded claims settlements in each of the past three years.

Claims and judgments are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. The recorded estimated liability for claims and judgments includes a provision for incurred but not reported (IBNR) liabilities for workers' compensation, tort cases and liabilities for allocated expenses.

For the governmental funds, only that portion of the liability is recognized that is normally expected to be liquidated with expendable available resources and is due and payable at year-end. For governmental activities, liability for claims and judgments is generally liquidated by the General Fund.

10. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses from refunding of debt are reported as deferred inflows or outflows of resources and amortized over the shorter of the life of the refunded debt or refunding debt. Amortization of these balances is recorded as a component of interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. More detailed information on the City's long-term obligations can be found in Note 4I of the Notes to the Basic Financial Statements.

11. Leases and Subscription-Based Information Technology Arrangements

Leases are defined by the general government as the right to use an underlying asset. As a lessee, the City recognizes a lease liability and an intangible right-to-use (RTU) lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. RTU lease assets are measured based on the net present value of the future lease payments at inception, using the City's incremental borrowing rate, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to impact the lease liability significantly.

The City calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources. Incremental borrowing rates (IBRs) are used for leases that do not have implicit interest rates. IBRs are estimated rates the City would be charged for borrowing the lease payment amounts during the lease term. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As a lessor, the City recognizes a lease receivable. The lease receivable is measured using the net present value of future lease payments to be received for the lease term and the deferred inflow of resources at the beginning of the lease term. Periodic amortization of the discount on the receivable is reported as interest revenue for that period. Deferred inflows of resources are recognized as inflows on a straight-line basis over the lease term.

This recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. Any initial direct costs are reported as an outflow of resources for that period. Re-measurement of lease receivables occurs when there are modifications, including but not limited to changes in the contract price, lease term, and adding or removing an underlying asset to the lease agreements. In the case of a partial or full lease termination, the carrying value of the lease receivable and the related deferred inflow of resources will be reduced and will include a gain or loss for the difference.

The City reports the major governmental and enterprise funds, including MICLA Special Revenue and Debt Service Funds, Airports Fund, Harbor Fund, Power and Water Funds, and Sewer Fund, under one primary government reporting legal entity.

The lease transactions among City departments, Airports, Harbor, Water and Power, Sewer, and MICLA are excluded from GASB Statement No. 87 because the control is not conveyed to another legal entity; therefore, the lease agreements should not be reported as leases in the City's basic financial statements. See Note 4M for additional information.

Subscription-Based Information Technology Arrangements (SBITA)

A SBITA is a contract that conveys control of the right to use a third-party's information technology software. SBITAs with the maximum possible term under the SBITA contract of 12 months or less are considered short-term SBITA and recognized as outflows of resources.

The City recognized a subscription liability and an intangible right-to-use (RTU) subscription asset at the commencement of the contract unless the SBITA is considered a short-term SBITA or the contract is considered a transfer of ownership of the underlying assets. The subscription liability is measured at the present value of subscription payments expected to be made during the subscription term using the City's IBRs or implicit rates. A subscription asset is initially recorded at the initial measurement of the subscription liability, plus subscription payments made at the commencement of the subscription term, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription term begins when the City has obtained control of the right to use the underlying subscription assets and the subscription asset is placed into service.

A subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. Remeasurement of the subscription liability occurs when there is a change in the subscription term and/or other changes that are likely to impact the subscription liability significantly.

The City calculates the amortization of the discount on the subscription liability and reports that amount as outflows of resources. For SBITAs that do not have implicit interest rates, the IBRs are used. IBRs are estimated rates the City would be charged for borrowing the payment amounts during the subscription term. Payments are allocated first to accrued interest and then to the SBITA liability. Variable payments based on the usage of the underlying assets are not included in the subscription liability calculations but are recognized as outflows of resources when the obligation was incurred. See Note 4M for additional information.

12. Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)

A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. The PPP term is defined as the period during which an operator has a noncancellable right to use an underlying PPP asset, plus, if applicable, certain periods if it is reasonably certain, based on all relevant factors, that the transferor or the operator either will exercise an option to extend the PPP or will not exercise an option to terminate the PPP. As a transferor, the City recognized PPP receivable, accrued interest receivable and deferred inflow of resources in its governmental fund statements calculated at the net present value of the payments expected to be received during the PPP term, discounted at the contract's specific or implicit interest rate or if none exists, using the City's incremental borrowing rate (IBR). The underlying PPP assets are owned by the City and are part of the capital assets in the City's financial statements.

An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. APAs have been used and practiced by one of the City's business-type activities to procure governmental services. Airports recognized a PPP liability for its agreements for Automated People Mover System (APM) and Consolidated Rental Car Facility (ConRAC) projects. See Note 4I.2 Other Significant Obligations for more detailed information.

13. Property Taxes

Secured property taxes are levied on or before the first business day of September of each year. They become a lien on real property on January 1 preceding the fiscal year for which taxes are levied. These tax payments can be made in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10.

Secured property taxes that are delinquent and unpaid as of June 30 are declared to be tax defaulted and are subject to redemption penalties, costs, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property can be sold at public auction. The proceeds are used to pay the delinquent amounts due, and any excess is remitted, if claimed, to the taxpayer. Additional tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates but are generally due within one year.

Unsecured personal property taxes are not a lien against real property. These taxes are due on January 1 and become delinquent, if unpaid, on August 31. The County assesses, bills, and collects property taxes for all jurisdictions within its borders and remits the applicable portion less an administrative fee to the City throughout the year. Payments are normally remitted on the 20th day of the month.

14. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination in the government-wide financial statements. Services provided are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation. More detailed information on the City's interfund transactions can be found in Note 4G of the Notes to the Basic Financial Statements.

15. Fund Balance

In the fund financial statements, governmental funds report fund balances based on the extent to which the City is bound to observe constraints on the use of the governmental funds' resources. Fund balances are classified as follows:

- Nonspendable - includes amounts that are either 1) not in spendable form, or 2) legally or contractually required to be maintained intact. Inventories, prepaid items, and certain advances to other funds are classified as nonspendable fund balances.
- Restricted - includes amounts that can only be used for specific purposes due to constraints imposed by external resource providers or by enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.
- Committed - includes amounts that can be used for specific purposes pursuant to an ordinance passed by the Council and approved by the Mayor. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally.
- Assigned - includes amounts that are not classified as nonspendable, restricted or committed, but are intended to be used by the City for specific purposes. Intent is expressed by action of the Council to assign amounts to be used for specific purposes. The Council may authorize executive officers to assign fund balances for specific purposes through Council files.
- Unassigned - includes amounts that are not assigned to other funds and do not meet the criteria for being classified as restricted, committed, or assigned in the General Fund, which is the only fund that reports a positive unassigned fund balance amount. Fund balances that can be utilized for economic stabilization, emergencies and contingencies that do not qualify as restricted or committed are reported as unassigned. In other governmental funds, the unassigned classification

is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance categories, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

Fund balances for all the major and nonmajor governmental funds as of June 30, 2025, were distributed as follows (in thousands):

		MICLA			
	General	MICLA Special Revenue	MICLA Debt Service	Nonmajor Governmental Funds	Total
NONSPENDABLE					
Advances to Other Funds	$ 17,342	$ --	$ --	$ --	$ 17,342
Inventories	50,689	--	--	1,772	52,461
Prepaid Items and Other Assets	549	--	--	8,651	9,200
	68,580	--	--	10,423	79,003
RESTRICTED					
Affordable Housing, Community Development and Services	--	--	--	2,754,779	2,754,779
Debt Service	--	--	45,593	147,499	193,092
Fee Supported Programs	--	--	--	2,479	2,479
Fire and Crime Prevention and Emergency Services	--	--	--	66,583	66,583
Fire and Police Facilities	--	--	--	7,369	7,369
Governmental Functions and Services	--	--	--	50,492	50,492
Library and Cultural Activities	--	--	--	186,926	186,926
Other Capital Projects and Improvements	--	--	--	3,902	3,902
Recreation and Parks	--	--	--	988,946	988,946
Stormwater and Sanitation Projects and Services	--	--	--	323,623	323,623
Street Projects and Maintenance	--	--	--	19,324	19,324
Transit Projects and Services	--	--	--	733,245	733,245
	--	--	45,593	5,285,167	5,330,760
COMMITTED					
Affordable Housing, Community Development and Services	110,811	--	--	370,820	481,631
Fee Supported Programs	--	--	--	731,189	731,189
Fire and Crime Prevention and Emergency Services	3,846	--	--	11,387	15,233
Governmental Functions and Services	626	--	--	91,682	92,308
Library and Cultural Activities	--	--	--	44,404	44,404
Other Capital Projects and Improvements	--	--	--	2,874	2,874
Recreation and Parks	--	--	--	33,648	33,648
Stormwater and Sanitation Projects and Services	--	--	--	84,646	84,646
Street Projects and Maintenance	--	--	--	351,148	351,148
Transit Projects and Services	--	--	--	103,094	103,094
	115,283	--	--	1,824,892	1,940,175
ASSIGNED					
Affordable Housing, Community Development and Services	2,238	--	--	5,003	7,241
Community and Economic Development	3,928	--	--	--	3,928
Fire and Crime Prevention and Emergency Services	9,365	--	--	--	9,365
Governmental Functions and Services	115,768	--	--	--	115,768
Health and Sanitation	16,192	--	--	--	16,192
Library and Cultural Activities	5,048	--	--	--	5,048
Other Capital Projects and Improvements	24,171	--	--	--	24,171
Public Safety	85,147	--	--	--	85,147
Public Works and Transportation	76,191	--	--	--	76,191
	338,048	--	--	5,003	343,051
UNASSIGNED					
Reserve, Emergency and Contingency	608,700	--	--	--	608,700
Budget Stabilization	206,236	--	--	--	206,236
Unassigned	--	(17,477)	--	(117,257)	(134,734)
	814,936	(17,477)	--	(117,257)	680,202
	$ 1,336,847	$ (17,477)	$ 45,593	$ 7,008,228	$ 8,373,191

Reserve Fund

The Reserve Fund is where unrestricted cash is set aside outside the budget for unforeseen expenditures and emergencies. The Charter and Administrative Code provide for a Reserve Fund Policy which establishes an Emergency Reserve Account and a Contingency Reserve Account.

Funds for urgent economic necessity based on a significant economic downturn, an earthquake or other natural disaster after the budget is completed are provided in the Emergency Reserve Account. To utilize funds from this account, a finding by the Mayor, with confirmation by the Council is required, as well as a determination that no other viable sources of funds are available.

The Contingency Reserve Account provides additional funding in the event that there are unanticipated expenses or revenue shortfalls impacting programs approved in the current year budget. Funds must be appropriated by a vote of at least a majority of the Council with mayoral concurrence, or by a super-majority of the Council in the event of a mayoral veto.

The Reserve Fund Policy establishes a minimum level for the Reserve Fund of 5% of the budgeted General Fund receipts, with a minimum of 2.75% in the Emergency Account, and any additional funds allocated to the Contingency Reserve Account. As of June 30, 2025, the City's unassigned Reserve Fund balance was $608.7 million.

Budget Stabilization Fund

The purpose of the Budget Stabilization Fund (BSF) is to set aside savings during periods of robust economic growth that can then be drawn upon to stabilize revenues during economic downturns. This BSF is comprised of excess revenue from seven economy-sensitive General Fund taxes: Property Tax, Utility Users Tax, Business Tax, Sales Tax, Transient Occupancy Tax, Documentary Tax, and Parking Users Tax.

Pursuant to the Los Angeles Administrative Code Section 5.120.4, when budgeted growth in the cumulative receipts from the seven General Fund taxes exceeds the Average Annual Ongoing Growth Threshold (the average ongoing annual growth over the prior 20 years), the budget must include a deposit into the BSF, subject to certain exceptions. For every one-half percent that revenues exceed the Average Annual Ongoing Growth Threshold, five percent of the value of that excess revenue must be deposited into the BSF, not to exceed 25 percent of the excess growth. When growth of these receipts falls short of the Average Annual Ongoing Growth Threshold, the Budget may include a withdrawal from the BSF in the amount of five percent of the value of the lost revenue for each one percent of growth below the Growth Threshold.

The City's BSF does not meet the criteria for a stabilization arrangement for reporting the funds as either restricted or committed. As such, the BSF is reported as unassigned fund balance in the General Fund. As of June 30, 2025, the BSF's balance was $206.2 million.

16. Deferred Outflows/Inflows of Resources

A deferred outflow of resources is defined as a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred inflow of resources is defined as an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unamortized portions of the gain and loss on refunding debt are reported as deferred inflows and deferred outflows of resources, respectively. Deferred outflows of resources are reported for loss on debt refunding, changes in the fair value of hedging derivative instruments, changes in the value of the asset retirement obligation, and changes related to pensions and other postemployment benefits (OPEB). Deferred inflows of resources are reported for changes related to pensions and OPEB, gains on debt refunding, leases and PPPs, and regulated business activities. In addition to this, when an asset is recorded in the governmental fund financial statements but the revenue is not available, a deferred inflow of resources is reported until such time as the revenue becomes available.

For purposes of measuring the net pension and OPEB assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension and OPEB expenses, information about the fiduciary net position, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by Pensions, LACERS, and DWP Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Reported results pertain to liability and asset information as of the measurement date of June 30, 2024. Deferred inflows of resources related to leases and PPPs are measured at the value of the lease and PPP receivables in addition to any payments received at or before the commencement of the lease or PPP term that relate to future periods, which are recognized as revenue over the respective lease or PPP terms.

Power reported deferred inflows of resources from regulated business activities of $227.2 million at June 30, 2025, which pertain to revenues collected from customers where funds are deferred for future stabilization or deferred because the earnings process is not complete, consistent with accounting standards applicable to regulated utilities. As of June 30, 2025, Power did not defer any of this revenue.

17. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as follows:

- Net investment in capital assets - This category groups all capital assets into one component of net position. Accumulated depreciation/amortization and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are also included in this component of net position.
- Restricted net position - This category represents either external restrictions imposed by creditors (such as bond covenants), grantors, contributors, or laws and regulations of other governments, or restrictions imposed by law through constitutional provisions or enabling legislation. At June 30, 2025, the governmental activities restricted net position totaled $5.5 billion, of which $1.4 billion is restricted by enabling legislation. Business-type activities' restricted net position totaled $3.0 billion, of which $628.3 million is restricted by enabling legislation.
- Unrestricted net position - This category represents net position of the City that is not "restricted" or "net investment in capital assets."

18. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts in the financial statements and accompanying notes. Actual results could differ from the estimates.

19. Reclassifications

Certain reclassifications have been made to amounts reported in the governmental funds and separately audited financial statements of certain proprietary funds, pension and other postemployment benefits trust funds, and the City's component unit to conform to the City reporting entity's report format and to account for transactions between the City's reporting entity and such entities in accordance with GAAP.

20. Adoption of New GASB Pronouncements

The City adopted the following GASB statements in fiscal year 2025:

GASB Statement No. 101, "Compensated Absences." Issued in June 2022, the statement provides guidance on the recognition and measurement of compensated absences by amending and updating certain previously required disclosures under a unified model better to meet the information needs of financial statement users. The City adopted GASB Statement No. 101 effective July 1, 2024, using the facts and circumstances that existed as of the beginning of the period of implementation. As a result of this adoption, the beginning net position as of July 1, 2024, for governmental activities, business-type activities, and fiduciary activities was restated by cumulative effects of $147.0 million, $2.5 million, and $10.6 million, respectively, as presented in Note 1E.22. Additional disclosures related to the City's implementation of GASB Statement No. 101 are included in Note 1E.6, *Compensated Absences*, and Note 4I, *Long-Term Liabilities*.

GASB Statement No. 102, "Certain Risk Disclosures." Issued in December 2023, the statement provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The statement is intended to enhance users' understanding of and ability to anticipate risks affecting a government's financial condition. The City implemented GASB Statement No. 102 at the beginning of fiscal year 2025, and its adoption did not have a material impact on the City's financial statements.

21. Recent GASB Pronouncements for Future Adoption

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements of the following recent GASB statements:

GASB Statement No. 103, "Financial Reporting Model Improvements." Issued in April 2024, the objective of this statement is to improve key components (listed below) of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The statement will be effective beginning fiscal year 2026.

- Management's discussion and analysis (MD&A)
- Unusual or infrequent items
- Presentation of proprietary fund statement of revenues, expenses and changes in fund net position
- Major component unit information
- Budgetary comparison information
- Financial trends information in the statistical section

GASB Statement No. 104, "Disclosure of Certain Capital Assets." Issued in September 2024, this statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *"Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*." It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The statement will be effective beginning fiscal year 2026.

GASB Statement No. 105, "Subsequent Events." Issued in December 2025, this statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. It also clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The statement will be effective beginning fiscal year 2027.

22. Restatements and Effects of New Pronouncement

The City recognized the cumulative effect of applying the provisions of GASB Statement No. 101 as a restatement of the beginning net position. Accordingly, beginning net position was adjusted by $(147.0) million, $2.5 million, and $(10.6) million for governmental activities, business-type activities, and fiduciary activities, respectively, as summarized below.

	Beginning of Year (amounts expressed in thousands)		
	July 1, 2024 As Previously Reported	Cumulative Effect of Change in Accounting Principle	July 1, 2024 As Restated
Governmental Activities			
Compensated Absences	$ 1,051,454	$ 146,973	$ 1,198,427
Net Position	5,330,289	(146,973)	5,183,316
Business-type Activities			
Harbor			
Accrued Salaries and Employee Benefits	$ 39,441	$ (39,441)	$ --
Accrued Salaries Payable	--	7,364	7,364
Compensated Absences	--	29,536	29,536
Net position	4,431,030	2,541	4,433,571
Fiduciary Activities			
LACERS			
Compensated Absences	$ --	$ 5,978	$ 5,978
Net Position	23,041,225	(5,978)	23,035,247
Pensions			
Compensated Absences	$ --	$ 4,593	$ 4,593
Net Position	31,399,887	(4,593)	31,395,294

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between *total fund balances-governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including net pension and OPEB liabilities, and bonds payable, are not due and payable in the current period, and net pension and OPEB assets will not be amortized in the current period and, therefore, are not reported in the funds. The details of this $14.6 billion difference are as follows (in thousands):

Direct Placements	$ 22,655
Bonds and Notes	2,806,192
Add: Issuance Premium/Discount (to be amortized as interest expense)	156,544
Loans Payable to HUD	9,462
Financed Purchase Obligations	6,916
Lease and Subscription Liabilities	227,397
Accrued Interest Payable	29,839
Accrued Compensated Absences	1,069,383
Claims and Judgments Payable	3,595,732
Landfill Liability	42,698
Estimated Pollution Remediation Liability	46,234
Net Pension Liability (net of Net Pension Asset)	6,010,471
Net OPEB Liability (net of Net OPEB Asset)	622,901
Net adjustments to reduce governmental fund balances to arrive at governmental activities net position	$ 14,646,424

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net change in fund balances-total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this $322.3 million difference are as follows (in thousands):

Capital Outlays	$ 769,336
Capital Outlays Not Capitalized	(47,823)
Donated Capital Assets	12,999
Depreciation Expense	(412,202)
Net adjustments to increase net change in fund balances of governmental funds to arrive at change in net position of governmental activities	$ 322,310

Another element of that reconciliation states that the issuance of long-term debt provides current financial resources to the governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of this $140.5 million difference are as follows (in thousands):

Debt Issued or Incurred	
General Obligation Bonds	$ (150,000)
MICLA Commercial Paper Notes	(171,000)
Lease and Subscription Liabilities	(126,362)
Loan from Financed Purchase	(8,264)
Principal Repayments	
General Obligation Bonds	73,845
Lease Revenue Bonds	110,890
Revenue Bonds	25,575
MICLA Commercial Paper Notes	42,849
Direct Placements	7,055
Financed Purchase Obligations	10,468
Lease and Subscription Liabilities	41,349
HUD Loans	3,062
Net adjustments to decrease net change in fund balances of governmental funds to arrive at change in net position of governmental activities	$ (140,533)

Another element of that reconciliation states that some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The details of this $201.5 million difference are as follows (in thousands):

Decrease in Accrued Compensated Absences	$ 114,961
Increase in Estimated Claims and Judgments	(314,996)
Increase in Accrued Landfill Liability	(1,001)
Increase in Pollution Remediation Liability	(476)
Net adjustments to decrease net change in fund balances of governmental funds to arrive at change in net position of governmental activities	$ (201,512)

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgets and Budgetary Basis of Accounting

Under the City Charter, the Mayor is required each year to submit to the Council a proposed budget by April 20th for the forthcoming fiscal year commencing July 1st. The proposed budget is based on the Mayor's budget priorities, the responses of the City Administrative Officer and City departments to the Mayor's Budget Policy Letter, which is distributed early in the fiscal year, and estimates of receipts from the City's various revenue sources. The Council's Budget and Finance Committee reviews the Mayor's Proposed Budget and reports its recommendations to the full Council. The Council must legally adopt the Mayor's Proposed Budget, as modified by the Council, by June 1st. The Mayor has five working days after adoption to approve or veto any items modified by the Council. The Council then has five working days to override by a two-thirds vote any items changed by the Mayor.

The City Council adopts an annual operating budget for 41 City departments, bureaus, and offices. The annual budget is essentially prepared on a departmental basis, with budgeted receipts and appropriations provided for the General Fund and certain Special Revenue, Debt Service, and Capital Projects Funds. Budgets are generally limited to funds which, in addition to the General Fund, finance the operations of the City departments.

Furthermore, the budgeted receipts and appropriations for the Allocations from Other Governmental Agencies nonmajor special revenue fund (which includes Affordable Housing and Sustainable Communities Fund, Animal Sterilization Fund, Business Improvement Trust Fund, CASp Certification and Training Fund, City Attorney Consumer Protection Fund, Coastal Transportation Corridor Trust Fund, CRA Non-Housing Bond Proceeds Fund, Deferred Compensation Plan Trust Fund, Digital Inclusion Fund, DOT Expedited Fee Trust Fund, Economic Development Trust Fund, Federal Emergency Shelter Grant Fund, Foreclosure Registry Program Fund, HOME-ARP Fund, Housing Impact Trust Fund, Housing Production Revolving Fund, Innovation Fund, Lead Grant 12 Fund, LA Regional Agency Trust Fund, Low and Moderate Income Housing Fund, Off-Site Sign Periodic Inspection Fee Fund, Opioids Settlement Trust Fund, Permit Parking Program Revenue Fund, RAISE LA Fund, Repair and Demolition Fund, SB 2 Permanent Local Housing Allocation Fund Short-term Rental Enforcement Trust Fund, Sidewalk and Park Vending Trust Fund, Street Banners Revenue Trust Fund, LA County Youth Job Program Fund, Traffic Safety Education Program Fund, Transportation Regulation and Enforcement Fund, Trust of Floor Area Ratio Public Benefits, Used Oil Collection Trust Fund, Ventura/Cahuenga Corridor Plan Fund, Warner Center Mobility Trust Fund, Warner Center Transportation Trust Fund, and West LA Transportation Improvement and Mitigation Fund) are not all-inclusive because the budget provides for only the portion of fund receipts that are expended to finance City department operations. The combining budgetary comparison schedule for the above funds, including Low and Moderate Income Housing Fund, can be found on page 321.

The City does not budget for the financial activities of all its governmental funds. The following governmental funds are not included in the City's legally adopted annual operating budget:

General Fund
Reserve, Budget Stabilization, and certain other account components

Special Revenue
Major Fund:
- Municipal Improvement Corporation

Nonmajor Funds:
- Proposition HHH-Loans Program
- Recreation and Parks
- Covid-19 Federal Relief
- Section 108 Loan Guarantee Program
- Transportation Grants
- Certain Other Nonmajor Grant Funds
- Certain Other Nonmajor Special Revenue Funds

Debt Service
Major Fund:
Municipal Improvement Corporation

Nonmajor Funds:
Solid Waste Resources
Certain Other Nonmajor Debt Service Funds

Capital Projects
Nonmajor Funds:
General Obligation Bonds Series 2003-A
General Obligation Bonds Series 2004-A
General Obligation Bonds Series 2005-A
General Obligation Bonds Series 2006-A
General Obligation Bonds Series 2008-A
General Obligation Bonds Series 2009
General Obligation Bonds Series 2011-A
Recreation and Parks Grant
Parks Assessment
Certain Other Nonmajor Capital Project Funds

For the majority of the funds listed above, expenditure authority is approved by Council action during the fiscal year.

The City's original budget is subject to revision to reflect changes in revenue projections and to make necessary adjustments to appropriations. Transfers of appropriations are approved by the Mayor subject to certain limitations and conditions. Funds appropriated in the general City budget or thereafter by the Council may be transferred to the Reserve Fund or Unappropriated Balance of the General Fund, or appropriated for the same or other purposes amending the budget and other spending authority, upon approval of the Mayor. The City permits intra-departmental transfer between department accounts in an amount not to exceed the limit of $67,865 or 1% of the budget for the receiving account, whichever is greater. Approval of the Mayor is required for transfers between departments and/or funds in an amount not to exceed $50,000. Transfers above these limits require Council approval.

During the fiscal year, capital related appropriations of $328.5 million that were reappropriated from prior budget years were included in the current annual operating budget.

Unused and unencumbered appropriations lapse at year-end, with the exception of non-capital related continuing appropriations for certain Special Revenue and Capital Projects Funds that are carried forward to the next budget year. Capital related appropriations that are unused and unencumbered at year-end are reappropriated in the subsequent budget year.

The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is as follows: The General Fund is by line item within each department by function and by object, except for capital improvement program expenditures, which are controlled by projects. Object levels of expenditures are salaries, expense, equipment, special, capital outlay, and transfers. For the Special Revenue Funds, Debt Service Funds and Capital Projects Funds, the line items consist of departments, projects, debt service, equipment and programs. Because of the large volume of detail, the budget and actual schedules on a budgetary basis have been aggregated by fund and function in the combining and individual fund budgetary schedules. Budgetary comparisons at the legal level of control are presented in the Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses by Function and Object for General Fund and presented as by Fund and Function for Special Revenue Funds and Capital Projects Funds.

The City's annual budget is prepared on a modified cash basis of accounting, which is different from GAAP. Revenues are recognized when cash is received, and expenditures include both cash disbursements and current year encumbered appropriations that have not been paid at the end of the budget year. Where no appropriation is adopted, payments of interfund borrowings (or payment of loans to other funds), though recorded as a component of other financing uses, are not treated as budgetary transactions and are excluded in the separate budget and actual schedules.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in the governmental funds, except for certain Special Revenue and Capital Projects Funds whose assets are managed by a third-party trustee. Encumbrance balances will be included within restricted, committed or assigned fund balance based on the source of the constraints as described in Note 1E.15 and Note 5C.5. These commitments will be honored in the subsequent year carryforward appropriations.

B. Reconciliation of Operations on a Budgetary Basis to the GAAP Basis

The actual results of operations on a budgetary basis compared to the appropriations adopted by the City Council for budgeted major governmental funds are included in the fund financial statements. The comparisons of actual results with the budget for nonmajor funds are presented as supplemental information in the combining schedules.

Because accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial information in accordance with GAAP, a reconciliation of the resultant basis and perspective differences on operations for the fiscal year ended June 30, 2025 is presented in the following pages for the City's budgeted major fund. The dollar amounts are expressed in thousands.

	General Fund
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses - Budgetary Basis	$ 170,803
Basis Differences	
Adjustment for net changes to accrued assets and liabilities. The GAAP basis operating statement recognizes revenues as soon as they are both measurable and available, and expenditures generally are recorded when liability is incurred and is due and payable; whereas, the budgetary basis operating statement reflects revenue when received and expenditures when paid.	43,621
Interfund borrowings are recorded in the debtor fund as an other financing source "Loans from Other Funds" and in the creditor fund as an other financing use "Loans to Other Funds" (Budgetary) as opposed to "Due to Other Funds" in the debtor fund and "Due from Other Funds" in the creditor fund (GAAP).	(50,326)
Encumbrances, which represent commitments to acquire goods and services, are recorded as the equivalent of expenditures in the budget year incurred (budgetary), as opposed to a reservation of fund balance (GAAP).	
Encumbrances reported as budgetary expenditures	588,752
Prior year encumbrances expended in current year	(533,306)
Perspective Difference	
For purposes of the budget, the General Fund is a legal entity that is separate and distinct from the Reserve Fund and other accounts that are classified to have General Fund activity for GAAP purposes.	(316,718)
Additional Budgeted Funds included as General category but Reported in Nonmajor Special Revenue Funds	
Department of Neighborhood Empowerment	(231)
City Ethics Commission	17
Accessible Housing Fund	(3,413)
Net Change in Fund Balance - GAAP Basis	$ (100,801)

C. Deficit Fund Balances

At the end of fiscal year 2025, the MICLA Special Revenue Fund reported a fund balance deficit of $17.5 million. The deficit primarily resulted from timing differences between the receipt of proceeds from commercial paper issuances and the accrual of expenditures related to the City's capital projects. Subsequent to year-end, the MICLA Special Revenue Fund's cash balance was replenished through the issuance of $20.0 million commercial paper on July 1, 2025, which resolved the fund balance deficit.

At the end of fiscal year 2025, the Special Parking Revenue Fund (SPRF) reported a deficit of $1.3 million. The deficit was primarily attributable to timing differences between the receipt of revenues and the accrual of expenditures. This deficit is temporary in nature and is not expected to continue in subsequent fiscal years.

At the end of fiscal year 2025, the Street Lighting Maintenance Assessment Fund (SLMAF) reported a deficit of $60.2 million. The deficit was primarily attributable to a one-time charge of $56.8 million in arrears assessed by the Department of Water and Power. The Fund is scheduled to repay this amount over fiscal years 2025 through 2030. To mitigate the resulting deficit, the City plans to pursue a new assessment vote, tentatively scheduled for Spring 2026.

The Workforce Innovation Opportunity Act Fund (WIOA) reported a deficit fund balance of $15.3 million mainly from timing differences in the receipt of grant funds and front funding by the City of expenditures for various grant related projects. The WIOA deficit will be paid by future grant receipts from reimbursements of eligible government expenditures that have been incurred or transfer from other special revenue funds.

NOTE 4. DETAILED NOTES ON ALL FUNDS

A. Cash, Deposits and Investments

1. Summary of Cash and Investments

At June 30, 2025, the summary of cash, pooled, and other investments for governmental activities, business-type activities, and fiduciary funds is as follows (in thousands):

			Fiduciary Funds		
	Governmental Activities	Business-Type Activities	Pension and Other Postemployment Benefits Trust Funds	Custodial Funds	Total
Cash and Pooled Investments	$ 7,896,624	$ 5,472,945	$ 102,331	$ 424,163	$ 13,896,063
Other investments with Escrow and Fiscal Agents	521	2,386	-	-	2,907
Restricted Assets					
Cash and Pooled Investments	11,335	3,121,354	-	-	3,132,689
Cash and Investments with Escrow and Fiscal Agents	-	2,685,012	-	-	2,685,012
Investments of Retirement Systems	-	-	85,350,098	-	85,350,098
Total Deposits and Investments	$ 7,908,480	$ 11,281,697	$ 85,452,429	$ 424,163	$ 105,066,769

Cash on hand	$ 279
Deposits	538,557
Investments	
Pooled	16,439,121
Other	88,088,812
Total Deposits and Investments	$ 105,066,769

Cash and Pooled Investments Held by the City Treasurer. The City maintains a cash and investment pool governed by the City's investment policy (the Policy) and established pursuant to the California Government Code. Each fund's portion of this pool is displayed on the accompanying governmental fund balance sheets, proprietary fund and fiduciary fund statements of net position as "Cash and Pooled Investments" and "Restricted Assets".

Other Investments. The City has investments outside the City Treasurer that are invested pursuant to various governing bond covenants and California Government Code provisions.

Other investments consist primarily of deposits and investments with trustees related to the issuance of bonds, contractor agreements and to certain loan programs operated by the City. These investments are pledged for the payment or security of the bonds, and in lieu of retention upon pending satisfactory completion of a contract.

Restricted Assets. Assets that are set aside for a particular purpose, primarily to satisfy regulatory or contractual requirements.

Investments of Retirement Systems. LACERS, Pensions and DWP Plans (Retirement Systems) funds are invested pursuant to the Los Angeles City Charter and the Retirement Systems' investment policies established by the Retirement Systems' Boards as required by Article XI Section 1106(d) of the City Charter. The Retirement Systems' Boards adopted asset allocation policies on the types of investments to ensure a diversified portfolio. The objective of each investment policy is to maximize the expected return of the funds at an agreed upon level of risk.

Investment Risk. The investments are subject to certain types of risk:

Interest Rate Risk. The risk that changes in interest rates will adversely affect the fair value of an investment.

Credit Risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Concentration of Credit Risk. The risk of loss attributed to the magnitude of a government's investment in a single issuer.

Custodial Credit Risk. For deposits, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or collateral securities from an outside party. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities from an outside party.

Foreign Currency Risk. The risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.

These risks are addressed separately for the investments related to governmental and business-type activities and those related to the Retirement Systems.

2. Deposits

At June 30, 2025, the book balance of the City's deposits was $538.5 million and the balance per various financial institutions was $538.4 million. The difference of $0.1 million represents primarily deposits in transit and other reconciling items. Of the bank balance, $14.3 million was covered by Federal Deposit Insurance Corporation (FDIC) and $524.1 million was uninsured. The uninsured deposits of $524.1 million are held by financial institutions that are legally required by the California Government Code Section 53630 to collateralize the City's deposits by pledging certain eligible securities with a fair value of at least 110% of the City's deposits. The collateral is held by a third-party agent of the bank separate from the depository institution.

The City has a daylight overdraft facility with a bank that maintains the City's operating account, which may be used to facilitate intra-day transfers between City accounts. Any overdraft in the City's account, including any charges, must be repaid immediately without demand, except when the City and the bank agree otherwise or when the bank advises otherwise in writing.

3. Pooled Investments

The cash balances of substantially all funds on deposit in the City Treasury are pooled and invested by the City Treasurer for the purpose of maximizing interest earnings through pooled investment activities, but safety and liquidity still take precedence over return. Investments in special investment pools will be managed in accordance with the respective pool's policy, if no policy exists, investments must comply with the California State Government Code Sections 53600-53635 et seq. Special pool participants include the City, Airports, Power, Water, Harbor, Sewer, and MICLA. Interest earned on pooled investments is allocated to and recorded in certain participating funds, as authorized by the Council and permitted by the City Charter and the California Government Code, based on each fund's average daily deposit balance. Unless allocation provisions are specifically stipulated in City ordinance, Council action, or funding source, interest earned on certain funds is allocated to and recorded in the General Fund. The City measures and categorizes its investments using fair value measurement guidelines established by generally accepted accounting principles.

Pursuant to California Government Code Section 53607 (State Code) and the Council File No. 94-2160, the City Treasury shall render to the Council a statement of investment policy (the Policy) annually. Council File No. 24-1416 was adopted on March 21, 2025, as the City's investment policy. This policy shall remain in effect until the Council and the Mayor approve a subsequent revision. The Policy governs the City's pooled investment practices. The Policy addresses soundness of financial institutions in which the City Treasurer will deposit funds and types of investment instruments permitted by California Government Code Sections 53600-53638, 16340 and 16429.1. The City Treasury further reports that the current policy allows for the purchase of bonds issues by a local agency, United States Treasury obligations and Federal agency or United States government-sponsored enterprises with maturities up to thirty (30) years.

For the City's cash and pooled investments, all deposits are either insured or collateralized per California Government Code 53652. All investments are held in the City's name by the City's agent and are not subject to custodial credit risk.

At June 30, 2025, the investments held in the City Treasury's General and Special Investment Pool Programs and their maturities are as follows (in thousands):

		Investment Maturities				
Type of Investments	Amount	1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days to 5 Years	Over 5 Years
U.S. Treasury Bills	$ 587,897	$ 40,000	$ 428,726	$ 119,171	$ -	$ -
U.S. Treasury Notes	9,561,439	-	164,548	1,362,313	5,490,335	2,544,243
U.S. Agencies Securities	1,296,087	410,695	19,982	437,066	236,809	191,535
Medium-Term Notes	1,883,039	19,991	81,888	417,199	1,363,961	-
Commercial Paper	2,575,007	1,820,523	688,251	66,233	-	-
Asset-Backed Securities	48,310	-	-	-	48,310	-
Supranational Obligations	179,570	-	-	100,583	78,987	-
Short-Term Investment Funds	249,886	249,886	-	-	-	-
Securities Lending Short-Term Repurchase Agreements	57,886	57,886	-	-	-	-
Total General and Special Pools	$ 16,439,121	$ 2,598,981	$ 1,383,395	$ 2,502,565	$ 7,218,402	$ 2,735,778

4. Fair Value Measurements

The City measures and categorizes its investments using fair value measurement guidelines established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset or liability. The levels of valuation inputs are as follows:

Level 1 - Quoted prices for identical assets or liabilities in an active market

Level 2 - Observable inputs other than quoted market prices

Level 3 - Unobservable inputs

At June 30, 2025, the fair value hierarchy of the City's General and Special Pool investments are as follows (in thousands):

		Fair Value Measurements Using	
Investments	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments Subject to Fair Value Hierarchy			
U.S. Treasury Notes	$ 9,561,439	$ 150,843	$ 9,410,596
U.S. Agencies Securities	562,437	-	562,437
Medium-Term Notes	1,883,039	-	1,883,039
Asset-Backed Securities	48,310	-	48,310
Supranational Obligations	144,752	-	144,752
Total Investments Subject to Fair Value Hierarchy	$ 12,199,977	$ 150,843	$ 12,049,134
Investments Not Subject to Fair Value Hierarchy			
U.S. Treasury Bills *	$ 587,897		
U.S. Agencies Securities *	733,650		
Commercial Paper *	2,575,007		
Supranational Obligations*	34,818		
Short-Term Investment Funds *	249,886		
Securities Lending Short-Term Repurchase Agreement **	57,886		
Total Investments not Subject to Fair Value Hierarchy	4,239,144		
Total Investments	$ 16,439,121		

* These investments are recorded at amortized cost and have remaining maturities of one year or less at the time of purchase.
** These investments are recorded based on the cash collateral received and reinvested in repurchase agreements.

Investments classified in Level 1 of the fair value hierarchy, valued at $150.8 million, are valued using observable unadjusted quoted prices in an active market.

Investments classified in Level 2, totaling $12.0 billion, are valued using matrix pricing obtained from

various pricing sources by our custodian bank. At the time of purchase, securities are automatically assigned a primary pricing source, that are used in the portfolio valuation report which are evaluated based on market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data.

Interest Rate Risk. The Policy limits the maturity of its investments to five years for the U.S. Treasury, U.S. Agency obligations, medium-term notes, CD placement service, negotiable certificates of deposit, collateralized bank deposits, mortgage pass-through and asset-backed securities, and supranational obligations; one year for repurchase agreements; 270 days for commercial paper; 92 days for reverse repurchase and securities lending agreements; and no maturity for mutual funds. The Policy also allows City funds with longer-term investments horizons, to be invested in securities that at the time of the investment have a term remaining to maturity in excess of five years, but with a maximum final maturity of thirty years.

Credit Risk. The Policy establishes minimum credit rating requirements for investments. There are no credit quality requirements for Local Agency Bonds, U.S. Treasury Obligations, State of California Obligations, California Local Agency Obligations, and U.S. Agencies (U.S. government sponsored enterprises) Obligations. The City's $1.3 billion investments in U.S. government sponsored enterprises consist of securities issued by the Federal Home Loan Bank - $631.6 million, Federal National Mortgage Association (Fannie Mae) - $246.4 million, Federal Home Loan Mortgage Corporation (Freddie Mac) - $162.9 million, Federal Farm Credit Bank - $199.3 million, and Tennessee Valley Authority - $55.9 million. Of the City's $1.3 billion investments in U.S. Agencies securities, $562.4 million were rated AA+ by S&P and Aa1 by Moody's while the remaining $733.7 million from discount notes were rated A-1+ by S&P and P-1 by Moody's.

Medium-term notes must have at least an A rating at the time of purchase. The City's investments in medium-term notes of $1.8 billion were rated A3 or better by Moody's and S&P as of June 30, 2025.

Commercial paper must be issued by corporations organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be in a rating category of A or its equivalent or higher by a nationally recognized statistical rating organization (NRSRO), or the issuing corporation must be organized within the United States as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated A-1 or higher, or the equivalent, by a NRSRO. The City's investments in commercial paper of $2.6 billion were rated P-1 by Moody's and rated A-1+/A-1 by S&P.

Mutual funds must receive the highest ranking by not less than two NRSROs. The City did not have any investments in mutual funds as of June 30, 2025.

Municipal bonds have no minimum rating requirement. The City did not have any investments in Municipal bonds as of June 30, 2025.

Supranational obligations must have a minimum of AA rating or its equivalent or better. Of the City's $179.6 million investments in supranational obligations, $144.8 million were rated AAA by S&P and Aaa by Moody's while the remaining $34.8 million were rated A-1+ by S&P and rated P-1 by Moody's. .

Investments in asset-backed securities of $14.0 million were rated AAA by S&P and Aaa by Moody's, $19.0 million were rated AAA by S&P and not rated by Moody's, and the remaining $15.3 million were not rated by S&P but were rated Aaa by Moody's.

Concentration of Credit Risk. The Policy does not allow more than 40% of its investment portfolio be invested in commercial paper, 30% in negotiable certificates of deposit, medium-term notes and supranational obligations, 20% in money market and money market mutual funds, mortgage pass-through and asset-backed securities, reverse repurchase and securities lending agreements. The Policy further provides for a maximum concentration limit of 10% in any one issuer including its related entities. There is no percentage limitation on the amounts that can be invested in U.S. Treasury and U.S. Agency obligations. The City's pooled investments comply with these requirements. GAAP requires disclosure of certain investments in any one issuer that represent 5% or more of total investments. Of the City's total pooled investments as of June 30, 2025, there were no investments in any one issuer exceeding the 5% threshold.

The following table identifies the investment types that are authorized by the Policy as of June 30, 2025:

Investment Type	Maximum Maturity	Maximum Specified % of Portfolio	Minimum Credit Quality Requirements
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State Obligations: CA and Others	5 Years	None	None
CA Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
Bankers' Acceptances	180 Days	40%[A]	None
Commercial Paper - Non-Pooled Funds (under $100,000,000 of Investments)[B]	270 Days or less	25% of the agency's money[C]	Highest letter and number rating by NRSRO[D]
Commercial Paper - Non-Pooled Funds (min. $100,000,000 of Investments)[E]	270 Days or less	40% of the agency's money[C]	Highest letter and number rating by NRSRO[D]
Commercial Paper - Pooled Funds[F]	270 Days or less	40% of the agency's money[C]	Highest letter and number rating by NRSRO[D]
Negotiable Certificates of Deposit	5 Years	30%[G]	None
Non-Negotiable Certificates of Deposits	5 Years	None	None
Placement Service Deposits	5 Years	50%[H]	None
Placement Service Certificates of Deposit	5 Years	50%[H]	None
Repurchase Agreements	1 Year	None	None
Reverse Repo/Securities Lending Agreements	92 Days[I]	20% of the base value of the portfolio	None[J]
Medium-Term Notes [K]	5 Years or less	30%[C]	A rating category or its equivalent or better
Mutual Funds and Money Market Mutual Funds	N/A	20%[L]	Multiple[M, N]
Collateralized Bank Deposits[O]	5 Years	None	None
Mortgage Pass-through and Asset-Backed Securities[P]	5 Years or less[P]	20%[P]	AA rating category or its equivalent or better[P]
County Pooled Investments Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple[Q]
Voluntary Investment Program Fund[R]	N/A	None	None
Supranational Obligations[S]	5 Years or less	30%	AA rating category or its equivalent or better
Local Agency Investment Fund (LAIF)	N/A	None	None
Public Bank Obligations	5 Years	None	None

Other restrictions on investments are summarized as follows:

[A] No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.

[B] Applies to local agencies, other than counties or a city and county, with less than $100 million of investment assets under management. Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body.

[C] Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.

[D] Issuing corporation must be organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be in a rating category of A or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated A-1 or higher, or the equivalent, by a nationally recognized statistical rating organization.

[E] Applies to counties or a city and county, and the City of Los Angeles that have $100 million or more of investment assets under management.

[F] Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).

[G] No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).

[H] Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.

[I] Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.

[J] Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.

[K] Medium-term notes are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."

[L] No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.

[M] A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.

[N] A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of $500 million.

[O] Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.

[P] Security types authorized under Section 53601(o) that are issued or guaranteed by an issuer identified in subdivisions (b) or (f), are not subject to the limitations placed on privately issued securities authorized in Section 53601 (o)(2)(A)(B).

[Q] A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).

[R] Local entities can deposit between $200 million and $10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.

[S] Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

General Investment Pool Securities Lending Program. Securities Lending Program (SLP) is permitted and limited under provisions of California Government Code Section 53601. The City Treasurer is authorized to engage contractors to perform securities lending activities or to permit custodian banks to subcontract for securities lending services as delineated in the securities lending authorization agreement dated November 13, 2017. The objectives of the SLP in priority order are safety of loaned securities and prudent investment of cash collateral to enhance revenue from the investment program. The SLP is governed by a separate policy and guidelines.

The City's custodial bank acts as the securities lending agent. In the event a counterparty defaults by reason of an act of insolvency, the bank shall take all actions, which it deems necessary or appropriate to liquidate permitted investments and collateral in connection with such transaction, and shall make a reasonable effort for two business days (Replacement Period) to apply the proceeds thereof to the purchase of securities identical to the loaned securities not returned. If during the Replacement Period the collateral liquidation proceeds are insufficient to replace any of the loaned securities not returned, the bank shall, subject to payment by the City of the amount of any losses on any permitted investments, pay such additional amounts as necessary to make such replacement.

Under the provisions of the SLP, and in accordance with the California Government Code, no more than 20% of the fair value of the General Investment Pool (the Pool) is available for lending. The City loans out U.S. Treasury Bills and Notes, U.S. Agencies Securities, Medium-Term Notes, and Supranational Obligations. The City receives cash as collateral on the loaned securities, which is reinvested in securities permitted under the Policy. In addition, the City receives securities as collateral on loaned securities, which the City has no ability to pledge or sell without borrower default. In accordance with the California Government Code, the securities lending agent marks to market the value of both the collateral and the reinvestments daily. Except for open loans where either party can terminate a lending contract on demand, term loans have a maximum life of 92 days. Earnings from securities lending accrue to the Pool and are allocated on a pro-rata basis to all Pool participants.

During fiscal year 2025, collateralizations on all loaned securities were compliant with the required 102% of the fair value. The City can sell collateral securities only in the event of borrower default. The lending agent provides indemnification for borrower default. There were no violations of legal or contractual provisions and no borrower or lending agent default losses during the fiscal year. There was no credit risk exposure to the City because the amounts owed to the borrowers exceeded the amounts borrowed. Loaned securities are held by the City's agents in the City's name and are not subject to custodial credit risk.

The following table provides information on securities lent and collateral received as of June 30, 2025 (in thousands):

Type of Investments Lent		
For Cash Collateral		
U.S. Treasury Bills	$	27,000
U.S. Agencies Securities		3,470
Medium-Term Notes		6,067
Supranational Obligations		20,232
Total Cash Collateral		56,769
For Non-Cash Collateral		
U.S. Treasury Notes		464,732
Total Fair Value of Securities Lent	$	521,501
Type of Collateral Received		
Cash Collateral *	$	57,886
Non-Cash Collateral **		
For Lent U.S. Treasury Notes		473,705
Total Collateral Received	$	531,591

* Amount represents cash collateral received and reinvested in repurchase agreements that have the mark-to-market value of the cash collateral pool at 102% for the liquidity of the portfolio and 100% for the duration portfolio for fiscal year 2025.

** The City has no ability to pledge or sell collateral securities without borrower default.

5. Other Investments

Other deposits and investments maintained outside the City Treasury are invested pursuant to policies adopted by the boards of commissioners of the City's pension systems and Water and Power, governing bond covenants or California Government Code provisions. Investments made under these provisions are reported as follows:

- Investments are stated at fair value and are reported in accordance with generally accepted accounting principles.
- Real estate investments are recorded in the financial statements under the equity method, and are carried at fair value as determined by real estate fund managers based on a periodic appraisals, and reports of investment advisors. The fair value of real estate investments was determined using a practical expedient based on the investments' net asset values per share or its equivalent.
- Investments denominated in foreign currencies are translated to the U.S. dollar at the rate of exchange in effect at the statement of fiduciary net position date, with resulting gains and losses recorded in the statement of changes in fiduciary net position.
- The fair value of alternative investments is estimated based on audited financial statements provided by the individual fund managers, which are based on the net asset value.
- Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar investments.

The City's other investments as of June 30, 2025 are as follows (in thousands):

DWP	$	847,383
Pensions		35,678,687
LACERS		25,501,114
DWP Plans		24,170,297
Others		1,891,331
Total	$	88,088,812

Department of Water and Power (DWP)

The City Charter grants the Board of Water and Power Commissioners control over the investments of all financial assets of DWP.

At June 30, 2025, the investments of DWP outside of the City's investment pool programs and their maturities are as follows (in thousands):

		Investment Maturities				
Type of Investments	Amount*	1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days to 5 Years	Over 5 Years
U.S. Government Securities	$ 9,360	$ -	$ -	$ -	$ 9,360	$ -
U.S. Agencies Securities	603,528	2,500	997	18,705	524,312	57,014
Supranational Obligations	6,951	5,986	-	-	965	-
Medium-Term Notes	138,059	-	15,998	40,015	82,046	-
Commercial Paper	5,933	-	-	5,933	-	-
California Local Agency Bonds	25,052	-	8,429	2,203	14,420	-
California State Bonds	7,111	-	-	2,204	4,907	-
Other State Bonds	18,888	-	-	11,089	7,799	-
Money Market Funds	32,501	32,501	-	-	-	-
Total	$ 847,383	$ 40,987	$ 25,424	$ 80,149	$ 643,809	$ 57,014

*Excluded investment derivative instruments of ($14.3) million.

DWP holds investment derivative instruments that are measured at fair value in the amount of ($14.3) million on a recurring basis. Because investing is not a core part of the DWP's mission, DWP determines that the disclosures related to these investments only need to be disaggregated by major type. DWP categorizes its fair value measurements within the fair value hierarchy established by U.S. generally accepted accounting principles. More detailed information on the Power Derivative Instruments can be found in Note 4N.2.

At June 30, 2025, DWP's summary of the fair value hierarchy of investments are as follows (in thousands):

		Fair Value Measurements Using			
	Amount*	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Classified
Investments by Fair Value Level					
Debt Securities					
U.S. Government Securities	$ 9,360	$ 9,360	$ -	$ -	$ -
U.S. Agencies Securities	603,528	-	603,528	-	-
Supranational Obligations	6,951	-	6,951	-	-
Medium-Term Notes	138,059	-	138,059	-	-
California Local Agency Bonds	25,052	-	25,052	-	-
California State Bonds	7,111	-	7,111	-	-
Other State Bonds	18,888	-	18,888	-	-
Total Debt Securities	808,949	9,360	799,589	-	-
Other					
Commercial Paper	5,933	-	5,933	-	-
Money Market Funds	32,501	-	-	-	32,501
Total Other	38,434	-	5,933	-	32,501
Total Investments by Fair Value Level	$ 847,383	$ 9,360	$ 805,522	$ -	$ 32,501

*Excluded investment derivative instruments of ($14.3) million.

Debt and other securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a multidimensional relationship model or matrix pricing model utilizing market data, including, but not limited to, benchmark yields, reported trades, and broker-dealer quotes. Money market funds with maturity dates of one year or less from the statement of net position are recorded at amortized cost and not required to be categorized.

Interest Rate Risk. DWP's investment policy limits the maturity of its investments to a maximum of 30 years for U.S. Government and U.S. Agencies securities; 5 years for supranational securities, medium-term corporate notes, municipal bonds, California local agency bonds, California State bonds, and other state obligations; 270 days for commercial paper; 397 days for certificates of deposit; and 180 days for bankers' acceptances.

Credit Risk. Under its investment policy and the California Government Code, DWP is subject to the prudent investor standard of care in managing all aspects of its portfolios. The prudent investor standard requires that DWP "shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent investor acting in a like capacity and in familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The U.S. Government securities in the portfolio consist of securities issued by or explicitly guaranteed by the U.S. government. All of the U.S. Government securities in the portfolio, $9.4 million as of June 30, 2025 carried the highest or second highest credit ratings of the nationally recognized statistical rating organizations (NRSROs) that rated them.

The U.S. Government agency securities in the portfolio consist of securities issued by government-sponsored enterprises, which are not explicitly guaranteed by the U.S. Government. As of June 30, 2025, $531.2 million (88.0%) was rated with AAA or AA credit ratings by the NRSROs that rated them and $72.3 million (12.0%) was not rated.

DWP's investment policy specifies that supranational notes must be rated AA or its equivalent or better by an NRSRO upon purchase. As of June 30, 2025, $7.0 million were rated with the highest possible credit ratings by each of the NRSROs.

DWP's investment policy specifies that medium-term corporate notes must be rated in a rating category of A or its equivalent or better by an NRSRO. Of DWP's investments in corporate notes as of June 30, 2025, $10.4 million (7.5%) was rated in the category of AAA, $51.5 million (37.3%) was rated in the category of AA, $76.2 million (55.2%) was rated in the category of A by at least one NRSRO.

DWP's investment policy specifies that commercial paper must be of the highest ranking or of the highest letter and number rating as provided for by at least two NRSROs. As of June 30, 2025, there were $5.9 million of investments in commercial paper, all rated with the highest letter and number rating as provided by at least two NRSROs.

DWP's investment policy provides that negotiable certificates of deposit must be of the highest ranking or letter and number rating as provided for by at least two NRSROs and that for non-negotiable certificates of deposit, the full amount of principal and interest is insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration. As of June 30, 2025, there were no investments in certificates of deposit.

DWP's investment policy specifies that bankers' acceptances must be of the highest ranking or letter and number rating as provided for by at least two NRSROs. As of June 30, 2025, there were no investments in bankers' acceptances.

DWP's investment policy specifies that California Local Agency bonds, which include municipal bonds, must be rated in a rating category of A or its equivalent or better by an NRSRO. Of DWP's investments in California Local Agency bonds as of June 30, 2025, $4.5 million (18.0%) was rated in the category of AAA and $20.5 million (82.0%) was rated in the category of AA. All of DWP's investments in California Local Agency bonds were rated in the category of A or the equivalent or better rating by at least one NRSRO.

DWP's investment policy specifies that State of California obligations must be rated in a rating category of A or its equivalent or better by an NRSRO. Of DWP's investments in State of California obligations as of June 30, 2025, $1.0 million (13.5%) was rated in the category of AAA, and $6.1 million (86.5%) was rated in the category of AA. All of DWP's investments in California State bonds were rated in the category of A or the equivalent or better rating by at least one NRSRO.

DWP's investment policy specifies that obligations of other states in addition to California must be rated in a rating category of A or its equivalent or better by an NRSRO. Of DWP's investments in other state obligations as of June 30, 2025, $6.0 million (31.5%) was rated in the category of AAA, and $12.9 million (68.5%) was rated in the category of AA. All of DWP's investments in other state bonds were rated in the category of A or better short-term rating by at least one NRSRO.

DWP's investment policy specifies that money market funds may be purchased as allowed under the California Government Code, which requires that the fund must have either (1) attained the highest ranking or highest letter and numerical rating provided by not less than two NRSROs or (2) retained an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience in managing money market mutual funds with assets under management in excess of $500.0 million. As of June 30, 2025, each of the money market funds in the portfolio had the highest possible ratings by at least two NRSROs.

Concentration of Credit Risk. DWP's investment policy specifies that there is no percentage limitation on the amount that can be invested in U.S. Government agencies securities, except that a maximum of 30% of the cost value of the portfolio may be invested in the securities of any single U.S. Government agency issuer. Included within DWP's total investments as of June 30, 2025, $128.1 million (15.1%) was invested in securities issued by the Federal Farm Credit Bank, $145.7 million (17.2%) was invested in securities issued by the Federal Home Loan Mortgage Corporation, $206.9 million (24.4%) was invested in securities issued by the Federal Home Loan Bank, $50.5 (6.0%) million was invested in securities issued by the Federal National Mortgage Association, and $72.3 million (8.5%) was invested in securities issued by the Federal Agricultural Mortgage Corporation.

Fire and Police Pension and Health Subsidy Plans (Pensions)

At June 30, 2025, the Pensions' investments are as follows (in thousands):

Investment Type	Pensions Plan	Health Subsidy Plan	Total
Short-Term Investments	$ 929,908	$ 109,851	$ 1,039,759
U.S. Government Obligations	3,143,613	371,359	3,514,972
Domestic Corporate Bonds	3,397,311	401,329	3,798,640
International Bonds	227,092	26,827	253,919
Domestic Stocks	10,565,482	1,248,114	11,813,596
International Stocks	5,251,896	620,413	5,872,309
Real Estate	1,744,826	206,119	1,950,945
Alternative Investments	5,751,201	679,397	6,430,598
Securities Lending Collateral	897,881	106,068	1,003,949
Total	$ 31,909,210	$ 3,769,477	$ 35,678,687

At June 30, 2025, Pensions has the following recurring fair value measurements (in thousands):

	Amount	Fair Value Measurements Using: Quoted Prices for Identical Assets in an Active Market (Level 1)	Observable Inputs Other than Quoted Market Prices (Level 2)	Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities				
U.S. Treasuries	$ 2,407,907	$ -	$ 2,407,907	$ -
U.S. Agencies	1,096,005	-	1,090,143	5,862
Municipal/Provincial Bonds	11,060	-	11,060	-
Collateralized Debt Obligations	768,861	-	766,478	2,383
Commercial Paper	256,017	-	255,697	320
Corporate Bonds	2,995,483	-	2,985,160	10,323
Total Debt Securities	7,535,333	-	7,516,445	18,888
Equity Securities				
Common Stock	17,514,800	17,496,915	90	17,795
Preferred Stock	171,105	140,522	-	30,583
Total Equity Securities	17,685,905	17,637,437	90	48,378
Real Estate	679,216	120,036	-	559,180
Derivatives	19,775	-	19,775	-
Total Investments by Fair Value Level	$ 25,920,229	$ 17,757,473	$ 7,536,310	$ 626,446
Investments Measured at the Net Asset Value (NAV)				
Private Equity Partnerships/ Private Credit	$ 6,410,823			
Real Estate	1,271,729			
Corporate Debt Securities	32,198			
Total Investments Measured at NAV	$ 7,714,750			

Note: Short-term investments and Securities Lending Collateral of $1.04 billion and $1.0 billion, respectively, are not included in the fair value hierarchy above.

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities such as U.S. Treasuries, U.S. Agencies, municipal bonds, collateralized debt obligations, commercial paper, corporate bonds and other equity securities are classified in Level 2. They are valued using quoted prices for identical securities in markets that are not active. The value prices observed used market-based inputs.

Debt securities, namely collateralized debt obligations and corporate bonds, classified in Level 3 are valued using unobservable inputs which can be extrapolated data, proprietary models or indicative quotes. Other equity securities classified in Level 3 are valued using uncorroborated indicative quotes.

Real estate corporate accounts investments are valued based on an independent appraisal or other methods using various techniques including models. Real estate corporate accounts are scheduled for independent appraisal on a rolling 3-year period.

Pensions' investments such as private equity and private credit partnerships, commingled real estate funds, asset/mortgage-backed security funds and commercial mortgages are valued using the net asset value (NAV). Real estate pooled investments are valued based on an independent appraisal or other methods using various techniques including models.

Investments measured at the NAV are as follows (in thousands):

Investment Strategy	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Private Equity Partnerships	$ 6,195,146	$ 2,652,493	N/A	
Private Credit Partnerships	215,677	369,614	Quarterly	
Real Estate[1]	1,271,729	599,290	Quarterly	90 - 179 days
Corporate Debt Securities	32,198	--	Anytime	
Total Investments Measured at NAV	$ 7,714,750	$ 3,621,397		

[1] This type of investment includes $719.1 million of commingled real estate committed and funded that can be redeemed quarterly with 90 to 179 days redemption notice period.

Interest Rate Risk. Pensions manages its exposure to interest rate risk by requiring a fixed income investment manager to maintain the effective duration of their portfolio within a specified range of (1) the Bloomberg US Aggregate Bond Index for core fixed income investments, (2) the Bloomberg US Mortgage Backed Securities Index for mortgage backed investments, (3) the Bloomberg US Government/Credit Long-Term Bond Index for long duration investments, (4) the B of A ML High Yield Master II Index for high yield investments (5) the Bloomberg US Treasury TIPS 1-5 Years Index for inflation-linked investments, and (6) a blend of the Bloomberg Global Aggregate Credit Index USD, ICE B of A ML Developed Markets High Yield Index USD, JP Morgan Emerging Markets Bond Index Global Diversified USD and Credit Suisse Leveraged Loan Index for global credit investments. The longer the duration, the greater the sensitivity to interest rate changes. Information about the sensitivity of the Pensions' investments to interest rate fluctuations is provided in the following table that shows the weighted average maturity of the Pensions' fixed income investments by investment type:

Investment Type	Amount (in thousands)	Weighted Average Maturity (in years)
Asset-Backed Securities	$ 357,772	7.55
Bank Loans	256,018	5.16
Commercial Mortgage-Backed	176,726	17.40
Corporate Bonds	2,594,901	8.97
Corporate Convertible Bonds	37,100	17.11
Government Agencies Bonds	104,134	8.11
Government Bonds	1,467,233	12.60
Government Mortgage-Backed Securities	1,068,622	25.37
Government Issued Commercial Mortgage-Backed	4,581	36.87
Index Linked Government Bonds	1,205,065	3.01
Municipal/Provincial Bonds	24,295	17.66
Non-Government Backed Collateralized Mortgage Obligations	234,362	29.52
Sukuk	4,524	3.55
Asset/Mortgage-Backed Securities/Other Fixed Income Funds	32,198	N/A
Total	$ 7,567,531	

Investments that are highly sensitive to interest rate risk at June 30, 2025 are as follows (in thousands):

Investment Type	Amount
Asset-Backed Securities	$ 357,772
Commercial Mortgage-Backed	176,726
Government Agencies Bonds	104,134
Government Mortgage-Backed Securities	1,068,622
Non-Government Backed Collateralized Mortgage Obligations	234,362
Total	$ 1,941,616

Credit Risk. Pensions seeks to maintain a diversified portfolio of fixed income securities in order to obtain the highest total return at an acceptable level of risk within this asset class.

As of June 30, 2025, the quality ratings of Pensions' fixed income investments in U.S. Government obligations, domestic corporate and foreign bonds are as follows:

Credit Rating	Amount (in thousands)	Percentage
AAA	$ 355,848	5.59 %
AA	2,395,025	37.63
A	696,260	10.94
BBB	862,456	13.55
BB	491,307	7.72
B	656,634	10.32
CCC	103,260	1.62
CC	1,089	0.02
C	116	-
Not Rated	803,107	12.61
Subtotal	6,365,102	100.00 %
U.S. Government Issued or Guaranteed Securities	1,202,429	
Total Fixed Income Investments	$ 7,567,531	

Concentration of Credit Risk. As of June 30, 2025, Pensions' investment portfolio has no concentration of investments of 5% or more of the total investment portfolio in any one entity except those issued or guaranteed by the U.S. Government.

Custodial Credit Risk. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Pensions' deposits and collateral securities in the possession of an outside party would not be recoverable. Deposits are exposed if they are not insured or are not collateralized. As of June 30, 2025, Pensions' exposure to custodial credit risk comprised of foreign currencies held outside the custodial bank amounted to $41.3 million.

For investment securities, custodial credit risk is the risk that, in the event of the failure of the counterparty, Pensions will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are not insured, or are not registered in Pensions' name, and held by the counterparty. As of June 30, 2025, the Pensions' investments in publicly traded stocks and bonds were not exposed to custodial risk since they are all held by the custodian and are registered in the Pensions' name. As of June 30, 2025, the private equity of $6.2 billion, private credit of $0.2 billion and commingled real estate funds of $1.3 billion, were exposed to custodial credit risk.

Foreign Currency Risk. The Pensions' asset allocation policy sets a target of 18% of the total portfolio for non-U.S. equity investments. The majority of Pensions' currency exposure comes from its holdings of foreign stocks. In addition, fixed income, real estate, and private equity managers may hold non-U.S. investments depending on their individual investment strategies. Pensions' foreign investment holdings, including foreign currencies in temporary investments at June 30, 2025, are as follows (in thousands):

Foreign Currency	Fair Value
Australian Dollar	$ 219,578
Brazilian Real	164,893
British Pound Sterling	791,128
Canadian Dollar	155,059
Chilean Peso	601
Chinese Yuan Renminbi	15
Colombian Peso	3,949
Czech Koruna	173
Danish Krone	145,658
Euro	2,207,962
HK Offshore Chinese Yuan Renminbi	28,164
Hong Kong Dollar	238,338
Hungarian Forint	2,347
Indian Rupee	57,553
Indonesian Rupiah	2,728
Japanese Yen	1,092,393
Mexican Peso	118,456
New Israeli Shekel	13,269
New Romanian Leu	2,323
New Taiwan Dollar	106,599
New Zealand Dollar	4,477
Norwegian Krone	13,940
Peruvian Nuevo Sol	12,372
Polish Zloty	3,137
Singapore Dollar	80,656
South African Rand	25,336
South Korean Won	145,049
Swedish Krona	113,765
Swiss Franc	412,512
Turkish Lira	2,679
Uruguayan Peso Uruguayo	3,233
Total	$ 6,168,342

Note: The foreign currency total comprises foreign stocks, foreign bonds, and currency holdings.

Money-Weighted Rate of Return. The money-weighted rate of return expresses investment performance, gross of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on Pensions' investments, gross of Pensions' investment expense, for the fiscal year ended June 30, 2025 was 11.26%. The source for the rate of return was the June 30, 2025 Monthly Returns Analysis provided by the custodian bank, Northern Trust.

Securities Lending Transactions. Pensions has entered into various short-term arrangements with its custodian, whereby investments are loaned to various brokers, as selected by the custodian. The lending arrangements are collateralized by cash, letters of credit, and marketable securities held on the Pensions' behalf by the custodian. These agreements provide for the return of the investments and for a payment of: a) a fee when the collateral is marketable securities or letters of credit, or b) interest earned when the collateral is cash on deposit.

Upon direction of the Board, the custodian may loan securities to brokers or dealers or other borrowers upon such terms and conditions as it deems advisable. Collateral for the securities on loan will be maintained at a level of at least 102% of their fair value plus any accrued interest for U.S. securities lending and 105% of the fair value plus any accrued interest for non-U.S. securities lending. At year-end, Pensions has no credit risk exposure to borrowers because the amounts Pensions owes the borrowers exceed the amounts the borrowers owe Pensions.

The borrower has all incidents of ownership with respect to the borrowed securities and collateral including the right to vote and transfer or loan borrowed securities to others. Pensions is entitled to receive all distributions, which are made by the issuer of the borrowed securities, directly from the borrower. Under the agreement, the custodian will indemnify Pensions as a result of the custodian's failure to: (1) make a reasonable determination of the creditworthiness of a potential borrower before lending and, during the term of the loan or loans, the borrower files a petition of bankruptcy or similar action, (2) demand adequate collateral, or (3) otherwise maintain the securities lending program in compliance with the Federal Financial Institutions Examinations Council Supervisory Policy on Securities Lending.

These agreements provide the return of the securities and revenue determined by the type of collateral received (from which the custodian's fee is deducted). The securities on loan to brokers are shown at their fair value on Pensions' statement of fiduciary net position.

Cash received as collateral on securities lending transactions is reported as an asset, and the liabilities from these transactions are reported in the statement of fiduciary net position. Pensions cannot pledge or sell non-cash collateral unless the borrower defaults.

As of June 30, 2025, the fair value of securities on loan was $1.6 billion and the fair value of collateral received was $1.6 billion. Of the $1.6 billion collateral received as of June 30, 2025, $1,003.9 million was cash collateral and $627.4 million represented the fair value of non-cash collateral. Non-cash collateral, which Pensions does not have the ability to pledge or sell unless the borrower defaults, is not reported in the statement of fiduciary net position.

The following represents the balances relating to the security lending transactions (in thousands):

Fair value of collateral received for loaned securities as of June 30, 2025:

Securities Lent	Cash	Non-Cash	Total Collateral Securities
U.S. Government and Agency Securities	$ 205,478	$ 42,851	$ 248,329
Domestic Corporate Fixed Income Securities	213,627	68,689	282,316
Domestic Equities	379,579	422,258	801,837
International Fixed Income Securities	4,027	26	4,053
International Equities	201,238	93,588	294,826
	$ 1,003,949	$ 627,412	$ 1,631,361

Fair value of loaned securities as of June 30, 2025:

Securities Lent	Cash	Non-Cash	Total Loaned Securities
U.S. Government and Agency Securities	$ 202,229	$ 42,016	$ 244,245
Domestic Corporate Fixed Income Securities	209,189	67,068	276,257
Domestic Equities	371,602	413,275	784,877
International Fixed Income Securities	3,797	23	3,820
International Equities	184,493	87,506	271,999
	$ 971,310	$ 609,888	$ 1,581,198

For fiscal year ended June 30, 2025, securities lending income amounted to $5.6 million, while securities lending expenses amounted to $0.8 million.

Derivative Instruments. Pensions, through its outside investment managers, holds investments in swaps, options, rights, and warrants and enters into futures and forward foreign currency contracts to manage portfolio risk or use them as substitutes for owning securities. Forward contracts are subject to credit risk if the counterparties to the contracts are unable to meet the terms of the contract. Futures contracts have little credit risk, as organized exchanges are the guarantors. Due to the level of risk associated with derivative investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amount reported in the financial statements.

The fair values of the futures that are traded on various exchanges are determined by the price on that exchange. Fair values for the currency forward contracts are determined by the exchange rate of the reference currency on the last day of the reporting period. For options, swaps, rights, and warrants pricing would come from the exchange they are traded on if they are exchange traded securities.

They can also trade as over-the-counter securities and the fair values would then be determined by the value of a reference security or value that would typically be publicly priced. For assets traded over the counter and held at the custodian bank, an independent pricing service is involved in calculating the price of the derivative security using the value of the reference security or reference value.

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2025, classified by type, and the changes in fair value of such derivative instruments are as follows (in thousands):

	Changes in Fair Value		Fair Value at June 30, 2025		Notional
Type	Classification	Amount	Classification	Amount	Amount
Investment Derivatives:					
Futures - Shorts	N/A	$ --	Investment	$ --	$ (74,260)
Futures - Longs	Investment Revenue	3,696	Investment	--	728,128
Forwards	Investment Loss	(11,081)	Investment	(3,851)	--
Options	Investment Loss	(1,337)	Investment	26	--
Rights/Warrants	Investment Revenue	615	Investment	--	--
Swaps	Investment Revenue	11,798	Investment	19,749	--

Los Angeles City Employees' Retirement and Postemployment Health Care Plans (LACERS)

At June 30, 2025, LACERS' investments are as follows (in thousands):

Investment Type	Retirement Plan	Postemployment Health Care Plan	Total
Short-Term Investments	$ 486,733	$ 96,170	$ 582,903
U.S. Government Obligations	1,480,880	292,598	1,773,478
Municipal Bonds	14,353	2,836	17,189
Domestic Corporate Bonds	894,494	176,738	1,071,232
International Bonds	1,035,722	204,641	1,240,363
Other Fixed Income	499,977	98,788	598,765
Bank Loans	127,121	25,117	152,238
Opportunistic Debts	267,815	52,916	320,731
Domestic Stocks	5,810,676	1,148,093	6,958,769
International Stocks	4,146,886	819,356	4,966,242
Mortgage-Backed Securities	626,416	123,770	750,186
Government Agencies	12,716	2,512	15,228
Derivative Instruments	1,788	354	2,142
Real Estate	1,139,474	225,141	1,364,615
Alternative Investments	4,575,896	904,121	5,480,017
Securities Lending Collateral	172,862	34,154	207,016
Total	$ 21,293,809	$ 4,207,305	$ 25,501,114

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 or 3 of the fair value hierarchy are valued using a matrix pricing technique based on the availability of the market price, the pricing source and type, and the country of incorporation of the securities. The hierarchy levels are determined based on the level of corroborative information obtained from other market sources to assert that the prices provided represent observable data.

The exchange traded Future Contracts classified in Level 1 of the fair value hierarchy are valued using a daily settlement when available or as a daily mark to market. The Foreign Exchange Contracts (liabilities) classified in Level 2 of the fair value hierarchy are valued using independent pricing services including London Close mid-evaluation, WM/Reuters Company, Bloomberg, and Thomson Reuters.

Real estate funds classified in Level 3 of the fair value hierarchy are valued based on periodic appraisals in accordance with industry practice, or other valuation methods and techniques including models.

LACERS remaining investments not categorized under the fair value hierarchy, such as private equity partnerships, real estate commingled funds and other investments which do not have a readily determinable fair value have been valued at the Net Asset Value (NAV). NAV is calculated and used as a practical expedient to estimate fair value of LACERS' interest, unless it is probable that all or a portion of the investments will be sold for an amount different from the NAV. As of June 30, 2025, LACERS had no specific plans to sell investments at amounts different from NAV. These investments are disclosed in the Investments Measured at the NAV.

LACERS has the following recurring fair value measurements as of June 30, 2025 (in thousands):

		Fair Value Measurements Using		
	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Investments by Fair Value				
Debt Securities				
Government Bonds	$ 2,544,309	$ -	$ 2,544,309	$ -
Government Agencies	125,240	-	125,240	-
Municipal/Provincial Bonds	17,785	-	17,785	-
Corporate Bonds	1,430,155	-	1,410,906	19,249
Bank Loans	152,238	-	150,826	1,412
Government Mortgage Bonds	647,285	-	647,285	-
Commercial Mortgage Bonds	102,901	-	102,901	-
Opportunistic Debts	19,329	-	-	19,329
Total Debt Securities	5,039,242	-	4,999,252	39,990
Equity Securities				
Common Stock				
Basic Industries	1,596,653	1,596,601	-	52
Capital Good Industries	520,829	520,749	-	80
Consumer and Services	2,308,208	2,308,129	-	79
Energy	599,776	599,681	-	95
Financial Services	2,003,414	2,003,204	-	210
Health Care	923,275	923,201	-	74
Information Technology	2,146,847	2,146,662	-	185
Real Estate	834,334	834,025	-	309
Other Funds - Common Stock	963,617	-	963,617	-
Miscellaneous	1,413	2	-	1,411
Total Common Stock	11,898,366	10,932,254	963,617	2,495
Preferred Stock	20,758	20,758	-	-
Stapled Securities	4,125	4,125	-	-
Convertible Equity	1,762	1,762	-	-
Total Equity Securities	11,925,011	10,958,899	963,617	2,495
Private Equity Funds	140,314	-	-	140,314
Real Estate Funds	252,763	-	-	252,763
Total Investments by Fair Value Level	17,357,330	$ 10,958,899	$ 5,962,869	$ 435,562
Investments Measured at the Net Asset Value (NAV)				
Common Fund Assets	598,766			
Private Credit /Private Equity Funds	5,339,703			
Real Estate Funds	1,111,852			
Opportunistic Debts	301,402			
Total Investments Measured at NAV	7,351,723			
Total Investments Measured at Fair Value [1]	$ 24,709,053			
Investment Derivative Instruments				
Future Contracts (Liabilities)	$ 147	$ 147	$ -	$ -
Foreign Exchange Contracts (Liabilities)	1,063	-	1,063	-
Rights/Warrants/Options/Swaps	932	1,591	(877)	218
Total Investment Derivative Instruments	$ 2,142	$ 1,738	$ 186	$ 218

[1] Excluded $2.1 million of investment derivative instruments, $207.0 million of securities lending collateral and $582.9 million of short-term investments.

Investments Measured at NAV (in thousands):

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Common Fund Assets (1)	$ 598,766	$ -	Daily	2 days
Private Credit/Private Equity Funds (2) (3)	5,339,703	2,813,792	N/A	N/A
Real Estate Funds (4)	1,111,852	218,864	Daily, Quarterly	1-90 days
Opportunistic Debts (5)	301,402	-	Monthly	30 days
Total Investments Measured at NAV	$ 7,351,723	$ 3,032,656		

(1) Common fund assets - This investment type includes one fund that primarily invests in U.S. bonds. The fair value of the investment has been determined using a practical expedient based on the investment's NAV per share (or its equivalent). This investment can be redeemed daily, with a two-day advance redemption notice period.

(2) Private credit funds - This investment type includes 10 closed-end commingled private credit funds, 1 co-investment sidecar fund, and 3 separately managed accounts that invest primarily in debt and other credit instruments issued by privately held U.S. and non-U.S. companies. The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). These investments are not redeemable. It is expected that these investments will be held for the entire lives of the funds and will not be sold in the secondary market. Distributions from each fund will be received as the underlying loans and other assets are repaid or liquidated by the fund managers. It is expected that the underlying assets of these funds will be realized over the next 5 to 10 years, depending on the vintage year of each fund.

(3) Private equity funds - This investment type includes 343 closed-end commingled private equity funds that invest primarily in securities of privately held U.S. and non-U.S. companies. The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). These investments are not redeemable. It is expected that these investments will be held for the entire lives of the funds and will not be sold in the secondary market. Distributions from each fund will be received as the underlying assets are liquidated by the fund managers. It is expected that the underlying assets of these funds will be liquidated over the next one to 13 years, depending on the vintage year of each fund.

(4) Real estate funds - This investment type includes 29 commingled real estate funds that invest primarily in U.S. commercial real estate. The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). Nine investments, representing approximately 68.3% of the value of this investment type, are in open-end funds, which may be redeemed according to terms specific to each fund. Redemptions generally are subject to the funds' available cash and redemption queues. Twenty investments, representing approximately 31.7% of the value of this investment type, are in closed-end funds and are not redeemable. It is expected that these investments will be held for the entire lives of the funds and will not be sold in the secondary market. Distributions from each fund will be received as underlying assets are liquidated by the fund managers. It is expected that the underlying assets of these funds will be liquidated over the next one to 12 years, depending on the vintage year of each fund.

(5) Opportunistic debts - This investment type includes three commingled funds: two that invest primarily in senior loans of non-investment grade companies (senior loan fund) and another one invests primarily in the securities and obligations of companies experiencing operational or financial distress (distressed investment fund). The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). The larger of the two senior loan funds, representing approximately 93.9% of the value of this investment type, can be redeemed monthly. The other senior loan fund, representing 6.0% of the investment type, can be redeemed bi-monthly. The distressed investment fund, representing approximately 0.1% of the value of this investment type, is being dissolved and is no longer making new underlying investments. Distributions from this fund will be received as underlying investments are liquidated by the fund manager. The fund is being liquidated.

Interest Rate Risk. One of the ways LACERS manages its exposure to interest rate risk is by requiring the fixed income investment managers to maintain their portfolio effective duration within a specified range of the BC U.S. High Yield 2% Capped Index, the BC Intermediate Government Credit Index, the BC Aggregate Bond Index, or the J.P. Morgan EMBI Global Diversified Index, depending on the LACERS' Board's mandates. The effective duration is a measure, in years, of interest-rate sensitivity in debt investments. The longer the effective duration, the greater the sensitivity to interest rate changes.

Information about the sensitivity of the fair values of LACERS investments to market interest rate fluctuations as of June 30, 2025 is provided by the following table that shows the weighted average effective duration of LACERS fixed income securities by investment type:

Investment Type	Fair Value (in thousands)	Weighted Average Duration (in years)
Asset-Backed Securities	$ 91,469	2.40
Bank Loans	152,238	(0.03)
Commercial Mortgage-Backed Securities	102,901	2.04
Corporate Bonds	1,295,935	4.99
Government Agencies	125,240	6.10
Government Bonds	1,684,354	7.21
Government Mortgage-Backed Securities	647,285	6.88
Index Linked Government Bonds	859,955	4.27
Municipal/Provincial Bonds	17,785	5.99
Non-Government Backed Collateralized Mortgage Obligations (C.M.O.s)	42,751	3.02
Opportunistic Debts and Private Credit	553,164	0.09
Other Fixed Income (Funds)	598,765	6.05
Total	$ 6,171,842	

Credit Risk. LACERS seeks to maintain a diversified portfolio of fixed income instruments in order to obtain the highest total return for the fund at an acceptable level of risk within this asset class. The credit quality ratings of investments in fixed income securities by S&P Global Ratings (S&P), a nationally recognized statistical rating organization, as of June 30, 2025, are as follows:

S&P Ratings	Fair Value (in thousands)	Percentage
AAA	$ 63,224	1.46 %
AA+	5,163	0.12
AA	1,219,523	28.14
AA-	19,868	0.46
A+	32,391	0.75
A	88,744	2.05
A-	159,793	3.69
BBB+	237,262	5.47
BBB	226,049	5.22
BBB-	181,604	4.19
BB+	141,647	3.27
BB	187,097	4.32
BB-	120,439	2.78
B+	62,460	1.44
B	430,926	9.94
B-	111,042	2.56
CCC+	91,790	2.12
CCC	55,680	1.28
CCC-	17,956	0.41
CC	33	--
D	545	0.01
Not Rated	881,052	20.33
	4,334,288	100.00 %
U.S. Government Guaranteed Securities *	1,837,554	
Total Fixed Income Investments	$ 6,171,842	

* Consists of U.S. Government Bonds and GNMA Mortgage-Backed Securities which had the AA+ rating.

Concentration of Credit Risk. The investment portfolio as of June 30, 2025, contained no concentration of investments in any one entity that represented 5% or more of the total net position.

Custodial Credit Risk. Deposits are exposed to custodial credit risk if they are not insured or not collateralized. As of June 30, 2025, LACERS has exposure to such risk in the amount of $40.6 million, or 0.6% of the fair value of total international investments. The amount represents non-invested cash denominated in foreign currencies, managed by 15 different investment managers, and held outside of LACERS' custodial bank. LACERS' policy requires each individual publicly traded equities investment manager to hold no more than 10% of their portfolios in the form of cash. LACERS is in compliance

with the policy.

Investment securities are exposed to custodial credit risk if the securities are not insured, are not registered in LACERS' name, and are held by the counterparty, or the counterparty's trust department or agent but not in LACERS name. As of June 30, 2025, LACERS' investments were not exposed to custodial credit risk because all securities were registered in the name of LACERS.

Foreign Currency Risk. LACERS' Asset Allocation policy sets a target of 20% of the total portfolio for non-U.S. investments in equities. In addition, fixed income, real estate, and private equity managers may hold non-U.S. investments depending on their individual mandates. Forward currency contracts are permitted primarily to reduce the foreign currency risk.

LACERS' non-U.S. currency investment holdings as of June 30, 2025, which represent 23.33% of the fair value of total investments, are as follows (in thousands):

Foreign Currency	Fair Value
Argentine Peso	$ 2,308
Australian Dollar	132,689
Brazilian Real	93,242
British Pound Sterling	582,765
Canadian Dollar	300,612
Chilean Peso	13,593
Chinese Yuan Renminbi	86,516
Colombian Peso	16,449
Czech Koruna	26,051
Danish Krone	72,926
Dominican Peso	819
Egyptian Pound	14,080
Euro	1,653,275
Hong Kong Dollar	312,224
Hungarian Forint	18,139
Indian Rupee	378,792
Indonesian Rupiah	88,102
Japanese Yen	657,004
Kazakhstan Tenge	2,347
Kuwaiti Dinar	3,299
Malaysian Ringgit	68,743
Mexican Peso	118,245
Moroccan Dirham	4,870
New Israeli Shekel	48,945
New Romanian Leu	17,065
New Taiwan Dollar	238,916
New Zealand Dollar	2,696
Nigerian Naira	(40)
Norwegian Krone	60,577
Peruvian Nuevo Sol	21,244
Philippine Peso	16,683
Polish Zloty	58,024
Qatari Riyal	5,116
Saudi Riyal	37,607
Serbian Dinar	3,479
Singapore Dollar	17,238
South African Rand	87,490
South Korean Won	138,104
Swedish Krona	116,685
Swiss Franc	206,662
Thai Baht	45,550
Turkish Lira	24,501
United Arab Emirates Dirham	17,642
Uruguayan Peso Uruguayo	3,114
Total	$ 5,814,388

Highly Sensitive Investments. Highly-sensitive investments are certain debt investments whose terms may cause their fair value to be highly-sensitive to market interest rate changes. Terms include embedded options, coupon multipliers, benchmark indexes, and reset dates. LACERS' asset-backed investments have embedded prepayment options that will typically cause prepayments by the obligees of the underlying investments when interest rates fall. Prepayments eliminate the stream of future interest payments and, therefore, diminish the fair value of the asset-backed investment.

The following table shows the fair value of LACERS' asset-backed investments by investment type (in thousands):

Investment Type	Fair Value
Asset-Backed Securities	$ 91,469
Commercial Mortgage-Backed Securities	102,901
Government Agencies	125,240
Government Mortgage-Backed Securities	647,285
Non-Government Backed C.M.O.s	42,751
Total	$ 1,009,646

Money-Weighted Rate of Return. The money-weighted rate of return is a measure of the performance of an investment calculated by finding the rate of return that will set the present values of all cash flows equal to the value of the initial investment. It expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. For the fiscal year ended June 30, 2025, the aggregate annual money-weighted rate of return on LACERS investments, net of investment expenses was 11.5%.

Derivative Instruments. LACERS enters into derivative contracts for investment purposes and to manage risks associated with its investment portfolio. For financial reporting purposes, all of LACERS derivatives are classified as investment derivatives.

The notional amount and the fair value of derivative instruments as of June 30, 2025, are as follows (in thousands):

Derivative Type	Notional Amount	Fair Value	Change in Fair Value
Future Contracts:			
Equity Index	$ 32,111	$ 25	$ (3)
Interest Rate	54,427	122	153
Currency Forward Contracts	639,938	1,063	3,485
Currency Options	N/A	(877)	(418)
Right / Warrants	N/A	257	207
Swaps-Interest Rate	N/A	553	6,692
Swaps-Credit Contracts	N/A	999	104
Total Value		$ 2,142	$ 10,220

Credit Risk. Derivatives are subject to credit risk that the counterparty to a contract will default. LACERS is exposed to credit risk on reported assets of the investment derivatives that are traded over the counter. The credit risk of exchange traded derivatives for future contracts is considered minimal because the exchange clearing house is the counterparty and guarantees the performance.

LACERS permits investment managers, under the terms of individual guidelines, to use derivative instruments as set forth in each manager's investment guidelines to control portfolio risk. It is the responsibility of these investment managers to actively monitor counterparties on their financial safety and ensure compliance with the investment restrictions. LACERS has no general investment policy with respect to netting arrangements or collateral requirements. However, these individual investment managers have set up the arrangements with the counterparties to net off the positive and negative contracts with the same counterparty in case of the counterparty's default.

As of June 30, 2025, without respect to netting arrangements, LACERS' maximum income on derivative instruments subject to credit risk, namely currency forward contracts, is $6.1 million. All counterparties of these investment derivatives had the credit rating of “A”, "AA" or “BBB+” assigned by S&P.

Securities Lending Transactions. Under authority granted by the City Charter, LACERS has entered into various short-term arrangements with its custodian to lend securities to various brokers. There are no restrictions on the number of securities that may be lent, and the custodian determines which lenders’ accounts to lend securities from by using an impartial sequential system that matches loan requests with various lenders’ accounts. All lenders are deemed to have relatively equal opportunity to profit from the lending of securities. Therefore, should a collateral deficiency occur beyond the custodian’s responsibilities, the deficiency is allocated pro rata among all lenders.

Minimum collateralization is 102% of the fair value of the borrowed U.S. securities and 105% for international securities. Collateral consists of cash, government and corporate securities, and commercial bank obligations. Cash collateral is invested in a separate account comprised of money market or high quality short-term investments.

During the reporting period, LACERS had no losses on securities lending transactions resulting from default of a borrower or lending agent. Due to the nature of the securities lending program and the custodian bank’s collateralization of loans at amounts greater than the fair value of the loaned securities, it is deemed that there were no material credit risks to LACERS by its participation in the securities lending program. However, similar to any other investment portfolio, there is risk associated with investing cash collateral in securities. The value of the invested collateral may fall below the value of the cash collateral pledged by the borrowers and may impair LACERS ability to return cash collateral to the borrowers upon the redemption of loans. If this scenario were to occur, LACERS would be required to make up the deficiency in collateral and would incur a loss.

All securities loans can be terminated on demand by either LACERS or the borrower. Because of this nature, their duration did not generally match the duration of the investment made with the cash collateral. LACERS cannot pledge or sell non-cash collateral unless the borrower defaults.

The following table represents the fair value of securities on loan, corresponding cash collateral received and cash reinvestment value as of June 30, 2025 (in thousands):

Securities on Loan	Fair Value of Securities on Loan	Cash Collateral Received
U.S. Government and Agency Securities	$ 7,432	$ 7,639
Domestic Corporate Fixed Income Securities	70,947	72,931
International Fixed Income Securities	9,111	9,365
Domestic Stocks	61,275	62,988
International Stocks	52,622	54,093
	$ 201,387	$ 207,016

The fair value of cash collateral is reported in the statement of fiduciary net position. However, the non-cash collateral of $1.0 billion, which LACERS does not have the ability to sell unless the borrower defaults, is not reported in the statement of fiduciary net position.

Water and Power Employees' Retirement, Disability Benefit, Retirees Health Benefit and Death Benefit Plans (DWP Plans)

At June 30, 2025, DWP Plans' investments are as follows (in thousands):

Investment Type	Retirement and Disability Benefit Plans	Retirees Health and Death Benefit Plans	Total
Domestic Stocks	$ 3,599,626	$ 691,778	$ 4,291,404
International Stocks	4,064,093	781,040	4,845,133
Mortgage-Backed Securities	311,494	59,863	371,357
Domestic Corporate Bonds	1,333,262	256,227	1,589,489
International Bonds	838,458	161,136	999,594
Private Credit	425,812	81,833	507,645
Alternative Investments	4,535,934	809,667	5,345,601
Real Estate	1,833,470	372,525	2,205,995
U.S. Treasuries	749,239	143,989	893,228
U.S. Agency Notes	1,040,744	200,011	1,240,755
Municipal Bonds	5,173	994	6,167
Short-Term Investments	708,793	136,216	845,009
Securities Lending Collateral	843,322	185,598	1,028,920
Total	$ 20,289,420	$ 3,880,877	$ 24,170,297

DWP Plans has the following recurring fair value measurements as of June 30, 2025 (in thousands):

	Fair Value Measurements Using			
Investments by Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total
Equity Securities				
Domestic Equities	$ 4,291,404	$ -	$ -	$ 4,291,404
International Equities	4,845,133	-	-	4,845,133
Preferred Securities	8,035	-	-	8,035
Fixed Income Securities				
U.S. Treasuries	-	893,228	-	893,228
U.S. Agencies	-	1,240,755	-	1,240,755
Mortgage and Asset-Backed Securities	-	371,357	-	371,357
Corporate Debt - Domestic	-	1,581,454	-	1,581,454
Corporate Debt - International	-	588,150	-	588,150
Government Debt - International	-	411,444	-	411,444
Municipal / Provincial Bonds	-	6,167	-	6,167
Total Investments by Fair Value	$ 9,144,572	$ 5,092,555	$ -	$ 14,237,127

* Mutual funds of $845.0 million and security lending short-term investments of $1.03 billion are not included in fair value hierarchy. Investments measured at the NAV are also not included within the fair value hierarchy.

Equity and preferred securities classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in level 2 of the fair value hierarchy are valued based on evaluated quotes provided by independent pricing services and matrix pricing techniques. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Mortgage and asset-backed securities classified in level 2 are valued on the basis of discounted future principal and interest payments.

Fair Value of Investments Measured at the Net Asset Value (NAV). Below is a summary of the DWP Plans' investments at June 30, 2025 for which fair value is measured based on the NAV (in thousands):

Investments Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Private Equity				
Direct Partnership	$ 2,367,300	$ 1,017,712	Not Eligible	Not Eligible
Fund of Funds	740,061	357,713	Not Eligible	Not Eligible
Private Credit				
Open Ended	192,173	56,282	Annually*	90 days
Close Ended	315,472	231,196	Not Eligible	Not Eligible
Real Estate				
Open Ended	979,317	15,400	Quarterly	45-90 days
Close Ended	1,226,678	822,604	Not Eligible	Not Eligible
Real Return				
Commodities	303,300	-	Daily	2 days
Timberland	38,193	-	Not Eligible	Not Eligible
Short Duration TIPS	733,944	-	Daily	3 days
Hedge Fund				
Fund of Funds	1,162,803	-	Daily	60 days
Total Investments Measured at NAV	$ 8,059,241	$ 2,500,907		

* Certain investment has five and a half years lock before eligible for redemption.

DWP Plans' private equity portfolio consists of ventured capital, leveraged buyouts, distressed debt, and other special equity funds. DWP Plans' participation is either through direct partnership or fund of funds. Both structures are not eligible for redemption. Instead, distributions are received as underlying investments within the partnerships and funds are liquidated, which on average can occur over the span of 10 to 15 years.

DWP Plans' private credit portfolio includes asset-backed, opportunistic, stressed, special situations and direct lending investments. These investments are in both open ended and closed ended funds/partnerships. Open ended funds/partnerships can be redeemed subject to their redemption schedule. Closed ended funds/partnerships are not eligible for redemption. Instead, distributions are received as underlying investments within the funds/partnerships are liquidated, which on average can occur over the span of 5 to 8 years.

The real estate portfolio consists of investments in domestic and international commercial and industrial real property. DWP Plans is invested in both open ended and close ended funds/partnerships. Open ended funds/partnerships can be redeemed subject to the redemption schedule as listed above. Close ended funds/partnerships are not eligible for redemption. Instead, distributions are received as underlying investments within the funds/partnerships are liquidated, which on average can occur over the span of 10 to 15 years.

Real return investments include a commingled commodities fund, a commingled short duration treasury inflation protected securities fund, and two timberland direct partnerships. The timberland partnerships are not eligible for redemption. The estimated duration of these partnerships ranges from 10 to 15 years.

One hedge fund investment is executed through fund of funds. The underlying third-party hedge fund managers' strategies could include, but are not limited to, convertible arbitrage, distressed securities, fixed income arbitrage, merger arbitrage, long/short credit, long/short equity, etc.

Credit Risk. DWP Plans' investment policy is to apply the "prudent investor" standards. Investments are made with care, skill, prudence, and diligence under the circumstances then prevailing that a prudent investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. DWP Plans' investment policy has been designed to produce the most favorable long-term total portfolio return consistent with reasonable levels of risks. Prudent risk-taking is warranted within the context of overall portfolio diversification.

DWP Plans can invest in both investment-grade and high yield fixed income securities. Investment-grade fixed income securities that are rated by Moody's, S&P, and Fitch, should have a minimum rating of BBB- or Baa3 by two or more rating agencies. Investment managers for investment-grade fixed income securities will notify the DWP Plans' management of subsequent decline in ratings and will develop an investment strategy for investments rated below Baa3 or BBB-.

Active high yield fixed income investments are composed primarily of non-investment grade securities as rated by Moody's, S&P or Fitch. If a bond is rated by all three rating agencies, then it must be graded BB+ or Ba1 or below by two or more rating agencies. If a bond is rated by two rating agencies, it must be rated below investment grade by at least one rating agency.

The credit ratings of DWP Plans' investments at June 30, 2025 are as follows:

Credit Rating	Amount (in thousands)	Percentage
AAA	$ 176,487	4.09 %
A or Better	282,212	6.53
B or Better	1,846,437	42.74
C or Better	287,822	6.66
Not Rated	1,726,303	39.97
Subtotal	4,319,261	100.00 %
U.S. Government Issued or Guaranteed Securities	2,133,983	
Total Fixed Income Investments	$ 6,453,244	

Custodial Credit Risk. As of June 30, 2025, DWP Plans' cash balances consist primarily of cash deposits in the City Treasury. DWP Plans' investments were not exposed to custodial credit risk because all securities were registered in the name of the DWP Plans.

Concentration of Credit Risk. According to DWP Plans' investment policy, no more than 5% of investments shall be invested in any one issue, except for investment in the fixed income asset class where no more than 10% of investments shall be invested in any one issue. United States Treasury or United States Agency issues are exempted from this limitation. As of June 30, 2025, there were no investment holdings of more than 5% in any one issue of each fund's net position or in DWP Plans' aggregate net position, except investments issued or guaranteed by the U.S. Government and investments in commingled funds.

Interest Rate Risk. As of June 30, 2025, DWP Plans' exposure to interest rate risk is as follows:

Investment Type	Amount (in thousands)	Weighted Average Maturity (Years)
U.S. Treasuries	$ 893,228	4.85
U.S. Agency Notes	1,240,755	22.59
Preferred Securities	8,035	--
Mortgage and Asset-Backed Securities	371,357	13.79
Corporate Debt - Domestic	1,581,454	9.37
Corporate Debt - International	588,150	10.56
Government Debt - International	411,444	11.78
Municipal / Provincial Bonds	6,167	14.10
Mutual Funds	845,009	--
Total*	$ 5,945,599	10.67

* Not included are private credit investments of $507.6 million with average redemption periods ranging 5 to 8 years.

Foreign Currency Risk. DWP Plans' investment policy permits the investment in foreign currency of up to 21.4% of total investments in non-U.S. investments. As of June 30, 2025, DWP Plans' exposure to foreign currency risk is 14.04% of the fair value of total investments, as follows (in thousands):

Foreign Currency	Fair Value
Australian Dollar	$ 55,096
Brazilian Real	50,324
British Pound Sterling	492,251
Canadian Dollar	175,347
Chilean Peso	1,421
HK Offshore Chinese Yuan	22,952
Colombian Peso	4,981
Czech Koruna	906
Danish Krone	26,250
Egyptian Pound	1,410
Euro Currency Unit	1,264,037
Hong Kong Dollar	127,899
Hungarian Forint	4,527
Indonesian Rupiah	17,064
Indian Rupee	18,067
Japanese Yen	443,414
Malaysian Ringgit	21,623
Mexican New Peso	32,192
New Taiwan Dollar	134,904
Nigerian Naira	326
Norwegian Krone	13,218
Peruvian Nuevo Sol	1,966
Philippine Peso	8,375
Polish Zloty	21,355
Russian Ruble	5,842
Singapore Dollar	24,569
South African Rand	36,098
South Korea Won	149,483
Swedish Krona	46,583
Swiss Franc	151,575
Thailand Baht	18,536
Turkish Lira	2,691
Ukrainian Hryvnia	2
United Arab Emirates Dirham	18,747
Total	$ 3,394,031

Money-Weighted Rate of Return. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested. For the fiscal year ended June 30, 2025, the annual money-weighted rate of return on DWP Plans' fund investments for retirement, health and death benefits, net of investment expense, were 10.79%, 10.72% and 6.03%, respectively.

Derivative Instruments. The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2025, classified by type, and the changes in fair values of such derivative instruments are as follows (in thousands):

	Changes in Fair Value		Fair Value		Notional
Type	Classification	Amount	Classification	Amount	Amount
Forward Contracts	Investment Income/ (Loss)	$ (22,553)	Investment	$ (19,162)	$ 3,449,310

At June 30, 2025, DWP Plans had direct commitments to purchase and/or sell foreign currency in the forms of forward contracts as part of the strategy of hedging its currency risk. The fair values of forward contracts were based on the market price.

Securities Lending Transactions. DWP Plans is authorized by the City Charter and the DWP Plans Board's investment policy to lend its investment securities to various brokers, without limit. The lending is managed by the DWP Plans' custodial bank. DWP Plans or the borrowers can terminate the contract with advance notice. The lending arrangements are collateralized by cash and marketable securities (guaranteed by the full faith and credit of the U.S. Government) at (i) 102% with respect to U.S. Securities; (ii) 105% with respect to foreign securities; or (iii) a percentage mutually agreed of the underlying securities' market value. Equities received are required to be collateralized at 110% with respect to loaned securities' value. The custodial bank will assume the equity risk and indemnify DWP Plans 100% for any shortfall if a loan position is not returned, and proceeds from the sale of equity collateral were insufficient to replace the loan position.

These arrangements provide for the return of the investments and a share of the interest earned on the collateral. The securities on loan to brokers remain the property of the DWP Plans and continue to be included in their respective accounts on the statement of fiduciary net position. DWP Plans does not have the ability to pledge or sell collateral assets unless the borrower is in default of its obligation. As of June 30, 2025, DWP Plans has no credit risk exposure because the value of the collateral received exceeded the value of the securities on loan.

DWP Plans' custodian is the authorized agent to handle DWP Plans' securities lending activity. DWP Plans' custodian may invest the cash collateral received in connection with securities on loan in investments permitted by DWP Plans. DWP Plans bears sole risk of all losses of the invested collateral, including losses incurred in the event of liquidation of the permitted investments. The custodian bank is responsible for the return of loaned securities from borrowers. In lending domestic securities, cash collateral is invested in the lending agent's short-term investment pool, which has an average maturity of 84 days as of June 30, 2025.

The fair values of the underlying securities on loan, collateralized by cash and securities as of June 30, 2025 are (in thousands):

Securities on Loan	Amount
Global Agencies	$ 4,586
Global Equities	258,721
Global Corporate Fixed	36,385
Global Government Fixed	71,737
U.S. Agency Notes	689
U.S. Corporate Fixed	338,507
U.S. Equities	493,080
U.S. Government Fixed	486,966
Total	$ 1,690,671

Others

Other investments are generally those required to be deposited in accounts established under various bond indentures and will be held, invested and reinvested by the trustees/fiscal agents in permitted investments as defined in the indentures. Investment maturities are scheduled to coincide with bond retirement and interest payments. At June 30, 2025, other investments are as follows (in thousands):

		Investment Maturities			
Investment Type	Amount	1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days to 5 Years
U.S. Government Securities	$ 881,785	$ 173	$ 165,779	$ 623,048	$ 92,785
Common Stock	345	345	-	-	-
Short-Term Investments	1,009,201	61,608	947,593	-	-
Total	$ 1,891,331	$ 62,126	$ 1,113,372	$ 623,048	$ 92,785

Credit Risk. At June 30, 2025, The $947.6 million of short-term investments were rated AAAm by S&P and Aaa by Moody's, and the remaining balance was not rated by either S&P or Moody's.

There are no credit quality requirements for Local Agency Bonds, U.S. Treasury Obligations, State of California Obligations, California Local Agency Obligations, and U.S. Agency (U.S. government sponsored enterprises) Obligations.

Concentration of Credit Risk. According to the City's Investment Policy, no more than 10% of the portfolio, except U.S. Treasuries and Agencies, may be invested in securities of a single issuer including its related entities. There is no specific requirement in the agreements with fiscal agents that limits the amount fiscal agents may invest in any one issuer. At June 30, 2025, the City had no investment holdings of more than 10% in any one issuer.

At June 30, 2025, the fair value hierarchy of the City's Other Investments are as follows (in thousands):

		Fair Value Measurements Using	
Investments	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments Subject to Fair Value Hierarchy			
U.S. Government Securities	$ 881,785	$ 881,785	$ -
Common Stock	345	345	-
Total Investments Subject to Fair Value Hierarchy	$ 882,130	$ 882,130	$ -
Investments Not Subject to Fair Value Hierarchy			
Short-Term Investments	$ 1,009,201		
Total Investments not Subject to Fair Value Hierarchy	1,009,201		
Total Investments Measured at Fair Value	$ 1,891,331		

B. Receivables

1. Primary Government

The primary government's net receivables at June 30, 2025 are as follows (in thousands):

	Governmental Activities	Business-type Activities
Gross Receivables		
Taxes	$ 1,175,485	$ --
Accounts	995,536	2,240,774
Special Assessments	14,724	--
Investment Income	49,469	32,988
Intergovernmental	388,377	100,928
Leases and PPPs	95,891	529,171
Loans and Notes	4,678,898	--
Total	7,398,380	2,903,861
Allowance for Uncollectibles		
Taxes	(29,890)	--
Accounts	(560,034)	(473,612)
Loans and Notes	(2,648,897)	--
Total	(3,238,821)	(473,612)
Net Receivables	$ 4,159,559	$ 2,430,249
Net Receivables not Scheduled for Collection During the Subsequent Year:		
Loans, Notes, Leases, PPPs, and Intergovernmental	$ 2,231,674	$ 473,470

The majority of the governmental activities loans consist of grant funded loans provided as follows:

- Loans to finance multi-family affordable housing development projects for low-income seniors, family and special needs households;
- Loans to promote the creation and growth of businesses in low-income and underserved communities by providing financial support and other types of services that will result in economic development and job creation; and
- Loans to provide purchase assistance to eligible, first-time low income and moderate income homebuyers seeking to purchase a home in the City of Los Angeles. Interest rates ranged from 0.0% to 14.0% for outstanding interest bearing loans.

The principal and interest are paid either monthly, quarterly or annually (amortizing loans); when residual receipts are generated in accordance with the loan agreements (residual receipts loans), or deferred until maturity, transfer of title or sale of property occurs (deferred loans). The net loans receivable balance of $2.0 billion includes net interest receivable of $525.7 million at June 30, 2025.

In March 2024, the Los Angeles Housing Department (LAHD) management revisited and updated the allowance for uncollectibles methodology and valuation to determine the best estimate of the net amounts anticipated to be collected for loans receivable and interest receivable balances based on current trends. LAHD conducted and completed the LAHD Portfolio Valuation 2024 establishing new percentages for the estimated allowance for uncollectible amounts based on the Discounted Net Present Value calculation. With this methodology the average allowance for uncollectible loans receivable and interest on loans receivable for fiscal year 2025 is 57%.

Only the governmental activities have receivables related to PPP agreements by the Zoo and Recreation and Parks departments with a total amount of $30.6 million as of June 30, 2025.

C. Restricted Assets

The primary government's restricted assets consisted of the following at June 30, 2025 (in thousands):

	Governmental Activities	Business-type Activities
Cash and Investments		
Pooled Cash and Cash Equivalents, and Other Investments	$ 11,335	$ 3,121,354
Investments Held by Escrow and Fiscal Agents	--	2,685,012
Subtotal	11,335	5,806,366
Other Restricted Assets		
Restricted Passenger/Customer Facility Charge Receivable	--	31,966
Total (Refer to Note 1E.4)	$ 11,335	$ 5,838,332

D. Regulatory Assets and Deferred Inflows of Resources

Regulatory assets and deferred inflows of resources are created by the actions of the Board of Water and Power Commissioners by deferring certain expenses and revenues that are recoverable or payable by future rate charges in accordance with the current rate ordinances so as to more evenly match the recognition of revenues and expenses with the electric rates charged to retail customers.

1. Power Enterprise Fund

Below is a summary of Power's regulatory assets and deferred inflows of resources at June 30, 2025 (in thousands):

Description	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025
Assets				
Regulatory Assets - Solar Incentive Program	$ 136,480	$ --	$ (13,165)	$ 123,315
Regulatory Assets - Energy Efficiency Program	625,958	80,042	(115,607)	590,393
Regulatory Assets - Customer Care and Billing System	16,392	--	(3,042)	13,350
Regulatory Assets - Other	778,830	80,042	(131,814)	727,058
Total Regulatory Assets - noncurrent	778,830	80,042	(131,814)	727,058
Underrecovered Costs - current	341,486	196,334	--	537,820
Total Regulatory Assets	$ 1,120,316	$ 276,376	$ (131,814)	$ 1,264,878
Deferred Inflows of Resources				
Deferred Inflows from Regulated Business Activities	227,190	--	--	227,190
Total Regulatory Deferred Inflows	$ 227,190	$ --	$ --	$ 227,190

Regulatory assets for legal settlements pertain to payments to governmental organizations as a result of an agreement reached from the courts related to the inclusion of capital components in the rates charged. Beginning July 2014, customers' bills include a charge for this legal settlement to be collected over a 10-year period.

Starting April 2011, customers' bills include a charge for Power's solar incentive programs, a multiyear program to provide customers with solar incentives for installing solar panels and necessary equipment to generate energy, which will be collected over a 20-year period.

Effective July 2011, customers' bills include a charge for energy efficiency programs to be collected over a 5 to 15 year period, depending on the program.

Beginning January 2014, customers' bills include a charge related to training for Customer Care and Billing (CC&B) system, to be collected over a 15-year period.

During fiscal year 2019, Power determined certain costs originally capitalized as a regulatory asset were not expected to move forward for regulatory asset rate recovery. Remaining costs in customer care and billing system regulatory assets relate to training costs on the system and will be recovered through future rates.

The OPEB regulatory asset was established in connection with the implementation of GASB Statement No. 75.

As provided in the Electric Rate Ordinance, Power is required to maintain balancing accounts to record the differences between specific costs incurred and amounts billed through rates to recover those costs. The net amount of these balancing accounts is presented on the statement of net position as a current asset when costs are underbilled (current portion of underrecovered costs) or as a current liability when costs are overbilled (overrecovered costs). All of these balancing accounts are expected to be settled within a 12-month period through the adjustment of pass-through rates during the billing process and are reported as a component of underrecovered costs in the accompanying statement of net position.

Deferred inflows from regulated business activities represent revenue collected from customers where funds are deferred for future stabilization or deferred because the earnings process is not complete. For the fiscal year ended June 30, 2025, Power did not utilize these funds and did not recognize any of this revenue.

Regulatory asset related to underrecovered costs of $537.8 million as of June 30, 2025 was included in the prepaid items and other assets in the statement of net position.

2. Water Enterprise Fund

Below is the summary of Water's regulatory assets at June 30, 2025 (in thousands):

Description	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025
Assets				
Regulatory Assets - Water Conservation Rebates	$ 94,360	$ 11,230	$ (14,353)	$ 91,237
Regulatory Assets - Stormwater Capture Program	46,149	119	(1,677)	44,591
Regulatory Assets - Customer Care and Billing System	7,213	--	(1,367)	5,846
Regulatory Assets - Advanced Water Purification Facility Projects	--	32,431	(359)	32,072
Regulatory Assets - Other	147,722	43,780	(17,756)	173,746
Underrecovered Costs	300,378	109,631	(300,378)	109,631
Total	$ 448,100	$ 153,411	$ (318,134)	$ 283,377

Water conservation is an integral part of the water resources management efforts and is a key element of maintaining a sustainable supply of water for the City. Water provides customers with 26 water conservation programs that are designed to reduce indoor and outdoor water usage. Initially the programs included low-flow showerheads and incentives to customers who purchase the high-efficiency toilets and high-efficiency clothes washing machines in an effort to reduce water use. In 2015, the program was expanded to include outdoor water savings through a turf reduction program to encourage replacing water-guzzling grass with low-water use shrubs and permeable walkways. Beginning June 2011, water bills include a charge related to water conservation program payments to be collected over the useful life of the program, ranging from 5 to 20 years.

The goal of Water's Stormwater Capture Program is to capture stormwater for recharging the basin with water that would otherwise run off to the ocean, and thus, be lost as a usable source to customers. Regulatory assets related to the Watershed Management Programs include investing in dams, reservoirs, and spreading grounds owned by other agencies, but the water collected benefits Water customers. Beginning August 2013, customers' bills include a related charge to be collected over a period of at least 20 years.

In 2013, Water implemented the customer care and billing system (CC&B). The implementation of the system required significant investment in training of the Water's employees. Beginning January 2014, customers' bills include a charge related to training for the CC&B to be collected over a 15-year period. As rates are established at a level sufficient to recover all such costs, Water recorded a regulatory asset.

The Advanced Water Purification Projects at the Donald C. Tillman Water Reclamation Plant will recycle 100 percent of the available wastewater flows to produce up to 40,000 acre-feet per year of purified recycled water for replenishment of the San Fernando Groundwater Basin to supplement the City's drinking water supply. These assets are under the jurisdiction of the City of Los Angeles Department of Public Works, Bureau of Sanitation and Environment (LASAN), rather than assets under the possession, management, and control of Water. Water currently plans to spend up to $668.0 million related to assets for these Advanced Water Purification Facility Projects. The costs will be capitalized as a regulatory asset, financed with debt issued by Water, amortized over a period no less than 30 years, and included with other allowable costs for rate-making purposes in the future.

The OPEB regulatory asset was established in connection with the implementation of GASB Statement No. 75.

As provided in the Water System Rate Ordinance, Water is required to maintain balancing accounts to record differences between specific costs incurred and amounts billed through rates to recover those costs. At June 30, 2025, underrecovered costs of $109.6 million was included in the prepaid items and other assets in the statement of net position.

E. Joint Ventures

1. Intermodal Container Transfer Facility Joint Powers Authority

Harbor and the Port of Long Beach (POLB) entered into a joint powers agreement to form the Intermodal Container Transfer Facility Joint Powers Authority (ICTF) for the purpose of financing and constructing a facility to transfer cargo containers between trucks and railroad cars. Harbor contributed $2.5 million to the ICTF as part of the agreement. The facility, which began operations in December 1986, was developed and operated by Southern Pacific Transportation Company (SPTC) under a long-term lease agreement. SPTC was subsequently merged and continues operations as Union Pacific Corporation (UPC). Harbor appoints two members of the ICTF's five-member governing board and accounts for its investment using the equity method. Both Harbor and POLB share income and equity distributions equally.

ICTF has issued bonds in prior years. At June 30, 2025, there were no outstanding bonds.

The ICTF's operations are financed from lease revenues by ICTF activities. The ICTF is empowered to perform those actions necessary for the development of the facility, including acquiring, constructing, leasing, and selling any of its property. Harbor's share of the ICTF's net position at June 30, 2025 was $5.1 million.

2. Alameda Corridor Transportation Authority

In August 1989, the Alameda Corridor Transportation Authority (ACTA) was established through a Joint Exercise of Powers Agreement between the Cities of Los Angeles and Long Beach, California. The purpose of ACTA is to acquire, construct, finance, and operate a 20-mile-long consolidated transportation corridor; including an improved railroad expressway between the Harbor, the POLB, and downtown Los Angeles.

Harbor has no share of the ACTA's net position and income at June 30, 2025, and accordingly, they have not been recorded in Harbor's financial statements. If in the future, ACTA is entitled to distribute income or make equity distributions, Harbor and POLB shall share such income and equity distributions equally.

F. Capital Assets

1. Governmental Activities

Capital asset activity for governmental activities for the fiscal year ended June 30, 2025 is as follows (in thousands):

	Balance July 1, 2024	Additions / Transfers	Deductions / Transfers	Balance June 30, 2025
Capital Assets not Depreciated / Amortized				
Land	$ 918,719	$ 20,687	$ --	$ 939,406
Infrastructure	464,082	572,277	--	1,036,359
Construction in Progress	1,570,613	334,169	(682,307)	1,222,475
Subscription in Progress	215	--	(215)	--
Intangible Assets	36,829	5,909	(1,540)	41,198
Total Capital Assets not Depreciated / Amortized	2,990,458	933,042	(684,062)	3,239,438
Capital Assets Depreciated / Amortized				
Buildings and Improvements	5,762,790	63,373	(3,046)	5,823,117
RTU Buildings, Facilities, and Improvements	145,325	121,604	(27,400)	239,529
Machinery, Furniture and Equipment	2,115,069	192,935	(72,107)	2,235,897
RTU Machinery, Furniture and Equipment	12,076	42	(2,031)	10,087
Infrastructure	4,204,912	98,259	(729)	4,302,442
RTU Subscription Assets	149,812	4,716	(646)	153,882
Intangible Assets	122,112	4,615	(420)	126,307
Total Capital Assets Depreciated / Amortized	12,512,096	485,544	(106,379)	12,891,261
Less: Accumulated Depreciation / Amortization				
Buildings and Improvements	(2,719,991)	(140,537)	3,047	(2,857,481)
RTU Buildings, Facilities, and Improvements	(66,462)	(24,069)	27,427	(63,104)
Machinery, Furniture and Equipment	(1,573,978)	(122,093)	72,107	(1,623,964)
RTU Machinery, Furniture and Equipment	(4,963)	(2,123)	1,990	(5,096)
Infrastructure	(2,003,176)	(86,942)	729	(2,089,389)
RTU Subscription Assets	(46,390)	(32,859)	647	(78,602)
Intangible Assets	(108,773)	(3,579)	420	(111,932)
Total Accumulated Depreciation / Amortization	(6,523,733)	(412,202)	106,367	(6,829,568)
Total Capital Assets Depreciated / Amortized, Net	5,988,363	73,342	(12)	6,061,693
Governmental Activities Capital Assets, Net	$ 8,978,821	$ 1,006,384	$ (684,074)	$ 9,301,131

Depreciation/amortization expense was charged to functions/programs of the governmental activities as follows (in thousands):

Function/Program	Amount
General Government	$ 57,218
Protection of Persons and Property	93,674
Public Works	57,599
Health and Sanitation	42,358
Transportation	74,518
Cultural and Recreational Services	72,225
Community Development	14,610
Total Depreciation/Amortization Expense - Governmental Activities	$ 412,202

RTU lease and subscription assets by major class of underlying assets consist of the following (in thousands):

Right-to-use Asset Class	Balance June 30, 2025	Accumulated Amortization	Net Balance June 30, 2025
Land and Easements	$ 6,092	$ (2,427)	$ 3,665
Buildings, Facilities, and Improvements	233,437	(60,677)	172,760
Machinery, Furniture and Equipment	10,087	(5,096)	4,991
Total RTU Lease Assets	249,616	(68,200)	181,416
RTU Subscription Assets	153,882	(78,602)	75,280
Total RTU Lease and Subscription assets	$ 403,498	$ (146,802)	$ 256,696

The City recognized $59.1 million of amortization expense for the fiscal year ended June 30, 2025.

2. Business-type Activities

Capital asset activity for business-type activities for the fiscal year ended June 30, 2025 is as follows (in thousands):

	Balance July 1, 2024	Additions / Transfers	Deductions / Transfers	Balance June 30, 2025
Capital Assets not Depreciated / Amortized				
Land	$ 3,043,824	$ 14,094	$ --	$ 3,057,918
Construction in Progress	7,520,016	3,080,966	(2,272,583)	8,328,399
Intangible Assets	60,585	--	--	60,585
Nuclear Fuel	40,092	12,196	(10,224)	42,064
Natural Gas Field	109,437	38	(8,765)	100,710
Total Capital Assets not Depreciated / Amortized	10,773,954	3,107,294	(2,291,572)	11,589,676
Capital Assets Depreciated / Amortized				
Buildings, Facilities and Equipment	71,764,809	4,220,983	(162,769)	75,823,023
RTU Buildings, Facilities, and Improvements	156,357	455	--	156,812
RTU Machinery, Furniture and Equipment	67,618	10,601	--	78,219
RTU Subscription Assets	59,040	53,873	(1,566)	111,347
Intangible Assets	354,795	70,788	(12,460)	413,123
Total Capital Assets Depreciated / Amortized	72,402,619	4,356,700	(176,795)	76,582,524
Less: Accumulated Depreciation / Amortization				
Buildings, Facilities and Equipment	(29,283,944)	(2,018,896)	111,507	(31,191,333)
RTU Buildings, Facilities, and Improvements	(41,295)	(14,880)	--	(56,175)
RTU Machinery, Furniture and Equipment	(46,756)	(12,864)	--	(59,620)
RTU Subscription Assets	(34,617)	(22,106)	1,566	(55,157)
Intangible Assets	(76,657)	(398)	12,460	(64,595)
Total Accumulated Depreciation / Amortization	(29,483,269)	(2,069,144)	125,533	(31,426,880)
Total Capital Assets Depreciated / Amortized, Net	42,919,350	2,287,556	(51,262)	45,155,644
Business-type Activities Capital Assets, Net	$ 53,693,304	$ 5,394,850	$ (2,342,834)	$ 56,745,320

Additions to accumulated depreciation/amortization are accounted for as follows (in thousands):

Depreciation and Amortization Expense by Functions of Business-type Activities:	Amount
Airport	$ 800,981
Harbor	152,673
Power	841,217
Water	265,250
Sewer	195,429
Convention Center	11,657
Total	$ 2,267,207

For Water and Power, depreciation and amortization expense on the statement of revenues, expenses and changes in net position, and cash flows include amortization expense on software in capital assets and regulatory assets, which is not included in the additions to accumulated depreciation above.

RTU lease and subscription assets by major class of underlying assets consist of the following (in thousands):

Right-to-use Asset Class	Airports	Harbor	Power	Water	Sewer	Total
Land	$ 45,911	$ --	$ 3,272	$ 1,686	$ --	$ 50,869
Buildings, Facilities and Improvements	8,688	909	54,136	24,040	18,170	105,943
Machinery, Furniture and Equipment	50,499	1,194	17,358	8,886	282	78,219
Subscription Assets	53,213	31,020	22,857	4,257	--	111,347
Total lease and subscription assets	158,311	33,123	97,623	38,869	18,452	346,378
Accumulated Amortization	(99,332)	(5,088)	(41,666)	(17,414)	(7,452)	(170,952)
Net RTU Assets	$ 58,979	$ 28,035	$ 55,957	$ 21,455	$ 11,000	$ 175,426

Power has undivided direct interests in several electric generating stations and transmission systems that are jointly owned with other utilities. Power will incur certain minimal operating costs related to the jointly owned facilities regardless of the amount or its ability to take delivery of its share of energy generated. Power's proportionate share of the operating costs of the joint plants is included in the corresponding categories of operating expenses. The following schedule shows the ownership interest in each jointly owned utility plant as included in capital assets in the statement of net position at June 30, 2025:

	Ownership Interest	Share of Capacity (megawatts)	Utility Plant in Service (in thousands) Cost	Accumulated Depreciation
Palo Verde Nuclear Generating Station	5.7 %	224	$ 653,483	$ 471,421
Mojave Generating Station	30.0	--	3,409	229
Pacific Intertie DC Transmission Line	40.0	1,240	346,304	123,105
Other Transmission Systems	Various	Various	134,854	83,978
Total			$ 1,138,050	$ 678,733

3. Fiduciary Funds

LACERS' office furniture, equipment and software includes costs for developing the LACERS' Pension Administration System (PAS). The total capitalized cost of $9.4 million is being amortized over 15 years using the straight-line method. Office furniture and equipment acquisitions of at least $5,000 are capitalized and depreciated over five years.

In April 2023, LACERS occupied its headquarters building located at 977 N. Broadway in Los Angeles, California purchased in October 2019 in the amount of $33.8 million. This cost was allocated to Land valued at $4.0 million and Building valued at $29.8 million, based on the assessment performed on the fair value of acquired assets. The acquisition cost and associated building improvements were capitalized as part of the building cost. The building and improvements total capitalized cost of $49.2 million is being depreciated over its estimated useful life of 25 years using the straight-line method.

G. Interfund Receivables, Payables, and Transfers

The following tables are summaries of the City's interfund balances at June 30, 2025 (in thousands):

1. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
General	MICLA Special Revenue	$ 17,380
	Nonmajor Governmental	172,126
	Sewer	33
		189,539
Nonmajor Governmental	General	103,696
	Nonmajor Governmental	22,637
	Sewer	74
		126,407
Power	Water	60,811
Sewer	General	51,215
	Nonmajor Governmental	83
		51,298
Total		$ 428,055

The receivable balances of the General Fund are mainly from the various governmental funds, which represent short-term loans to cover tardy receipts of revenues, while the payable balance is composed primarily of encumbered and unexpended budgetary transfers for certain costs allocated to the various Nonmajor Governmental funds. Power's receivable from Water is related to outstanding costs of certain services provided by the fund. The receivable balance of Sewer pertains to reconciliation of related cost reimbursements as of June 30, 2025.

2. Advances To/From Other Funds

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	$ 17,342
MICLA Debt Service	Nonmajor Governmental	35,875
	General	2,000
		37,875
Nonmajor Governmental	General	80,605
	Nonmajor Governmental	39,080
		119,685
Sewer	General	6,091
	Nonmajor Governmental	1,436
		7,527
Total		$ 182,429

The above balances represent interfund borrowings payable beyond one year. Advances from the General Fund represent borrowings to cover temporary revenue shortfalls required to be maintained intact. The $35.9 million MICLA Debt Service advances to other funds represent loans for redeeming Special Parking Revenue Fund bonds, Sixth Street Viaduct Improvement Fund, and Bridge Improvement Program Fund. The $6.1 million Sewer advances to the General Fund pertain to expenditures incurred for the repair of various wastewater facilities damaged during the Northridge earthquake.

3. Interfund Transfers

Transfer In	Transfer Out	Amount
General	MICLA Debt Service	$ 59
	Nonmajor Governmental	128,053
	Power Revenue	219,312
		347,424
MICLA Debt Service	General	185,046
Nonmajor Governmental	General	673,657
	Nonmajor Governmental	94,291
		767,948
Total		$ 1,300,418

Transfers are used to 1) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and 3) move unrestricted revenues collected in certain enterprise funds to partially finance various programs in the General Fund in accordance with budgetary authorizations.

In fiscal year 2025, significant transfers include the following: 1) $219.3 million from Power to the General Fund; 2) $185.0 million from General Fund for the purpose of debt requirement obligations; and 3) $673.7 million budget allocation from the General Fund to finance various departmental programs including $297.3 million to the Recreation and Parks, $256.7 million for Library Department, $26.4 million for cultural activities, $21.8 million for stormwater and sanitation projects and services, $13.7 million for payments of sidewalk and curbside repairs, and $5.2 million for engineering special services.

H. Accounts Payable and Accrued Expenses

The primary government's accounts payable and accrued expenses at June 30, 2025 are broken down as follows (in thousands):

	Governmental Activities	Business-type Activities
Accounts, Contracts and Retainage Payable	$ 736,731	$ 1,232,941
Accrued Salaries and Overtime Payable	236,635	185,097
Intergovernmental Payable	12,530	--
Total	$ 985,896	$ 1,418,038

I. Long-Term Liabilities

1. Governmental Activities

Changes in Long-Term Liabilities

The changes in the governmental activities long-term liabilities for the fiscal year ended June 30, 2025 are as follows (in thousands):

	Balance July 1, 2024 Restated	Additions	Deductions	Balance June 30, 2025	Due within One Year
General Obligation Bonds	$ 948,610	$ 150,000	$ (73,845)	$ 1,024,765	$ 74,690
Lease Revenue Bonds	1,300,596	--	(110,890)	1,189,706	113,928
Direct Placements	29,710	--	(7,055)	22,655	7,211
Commercial Paper Notes	210,785	171,000	(42,849)	338,936	--
Revenue Bonds	278,360	--	(25,575)	252,785	26,380
Subtotal Bonds and Notes	2,768,061	321,000	(260,214)	2,828,847	222,209
Add: Unamortized Premiums and Discounts	181,392	2,082	(26,930)	156,544	--
Total Bonds and Notes	2,949,453	323,082	(287,144)	2,985,391	222,209
Claims and Judgments	3,451,839	777,547	(549,866)	3,679,520	442,063
Loans Payable to HUD	12,524	--	(3,062)	9,462	941
Financed Purchase Obligations	9,120	8,264	(10,468)	6,916	1,025
Lease Liabilities	91,492	121,646	(22,592)	190,546	25,011
Subscription Liabilities	50,892	4,716	(18,757)	36,851	19,121
Compensated Absences*	1,198,427	9,925	--	1,208,352	586,937
Landfill Liability	41,697	1,001	--	42,698	--
Estimated Pollution Remediation Liability	45,758	19,312	(18,836)	46,234	2,553
Total Other Liabilities	4,901,749	942,411	(623,581)	5,220,579	1,077,651
Net Pension Liability	6,576,677	45,447	(366,498)	6,255,626	--
Net OPEB Liability	850,028	--	(32,804)	817,224	--
Governmental Activities Long-term Liabilities	$ 15,277,907	$ 1,310,940	$ (1,310,027)	$ 15,278,820	$ 1,299,860

*The beginning balance of $1.2 billion has been restated (see Note 1E.22) for the adoption of GASB Statement No. 101, Compensated Absences. The increase of $9.9 million represents the net change in FY25.

General Obligation Bonds (GO Bonds)

The following summarizes the various voter authorizations for GO Bonds that were outstanding as of June 30, 2025 (in thousands):

Election Date	Project	Amount Authorized	Amount Issued as of June 30, 2025	Amount Authorized But Unissued
November 2000	Fire, Paramedic, Helicopter and Animal Shelter Projects	$ 532,648	$ 532,648	$ --
March 2002	Emergency Operations, Fire Dispatch and Police Facilities	600,000	600,000	--
November 2004	Stormwater Projects	500,000	439,500	60,500
November 2016	Homelessness Reduction and Prevention and Housing Projects	1,200,000	1,113,985	86,015
Total		$ 2,832,648	$ 2,686,133	$ 146,515

The bonds are general obligations of the City payable as to principal and interest from proceeds of ad valorem taxes that may be levied, without limitation as to rate or amount, upon property subject to taxation by the City. Principal and interest payments are enforceable through a writ of mandamus, a legal process by which a court can compel specific performance of the City. In the event of a default, bondholders may take the City to court to compel a tax levy given the City's ad valorem taxing power.

In the case of defeasance, all obligations of the City with respect to the outstanding bonds or such portion thereof shall cease and terminate, except (i) the obligation of the City to pay the bond owners all sums due thereon, (ii) the obligation of the City to make deposits to and payments from the Excess Earnings Fund for the specific bond series, and (iii) the obligation of the City to pay the Paying Agent, if other than the Treasurer or any other officer of the City, the amounts owing to the Paying Agent. The source of funds for the obligations described above is proceeds based on the City's ad valorem taxing power.

The GO Bonds outstanding as of June 30, 2025 and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Series 2016-A, Refunding	9/1/31	1.050%-3.150%	$ 143,815	$ 47,450
Series 2017-A	9/1/37	1.470%-3.500%	86,370	56,130
Series 2017-B, Refunding	9/1/27	5.000%	81,895	9,010
Series 2018-A	9/1/38	2.900%-4.000%	276,240	193,350
Series 2018-B, Refunding	9/1/29	5.000%	34,665	28,950
Series 2018-C, Refunding	9/1/29	3.300%-4.000%	10,435	8,620
Series 2021-A	9/1/41	1.500%-3.000%	211,940	180,140
Series 2021-B, Refunding	9/1/25	4.000%-5.000%	65,490	630
Series 2022-A	9/1/42	4.375%-5.000%	389,435	350,485
Series 2024-A	9/1/43	4.600%-6.000%	150,000	150,000
Total			$ 1,450,285	$ 1,024,765

On July 09, 2024, the City issued the General Obligation Bonds (GOB) Series 2024-A for $150.0 million to finance certain projects for providing safe, clean affordable housing for the homeless and for those in danger of becoming homeless, and provide facilities to increase access to mental health care, drug and alcohol treatment, and other services.

Annual debt service requirements to maturity for the GO bonds are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 74,690	$ 40,479	$ 115,169
2027	73,915	37,337	111,252
2028	72,455	34,327	106,782
2029	73,910	31,398	105,308
2030	69,195	28,497	97,692
2031 - 2035	291,445	105,789	397,234
2036 - 2040	257,985	50,302	308,287
2041 - 2044	111,170	8,082	119,252
Subtotal	1,024,765	336,211	1,360,976
Unamortized Premiums and Discounts	11,322	--	11,322
Total	$ 1,036,087	$ 336,211	$ 1,372,298

Lease Revenue Bonds

In 1984, the Mayor and the City Council directed that a lease-purchase program for the acquisition and improvement of real property and capital equipment be established. A 501(c)(4) nonprofit corporation, MICLA, was created to serve as the lessor. The City and MICLA have entered into a number of lease-purchase agreements funded through the sale of certificates of participation, direct placements, and lease revenue bonds.

The aggregate outstanding balance at June 30, 2025 and the aggregate original amount issued for MICLA's lease revenue bonds and direct placements are as follows (in thousands):

MICLA Projects	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Project 2010-C	11/1/40	1.647%-7.842%	$ 18,170	$ 14,035
Project 2016-A	11/1/26	2.000%-5.000%	125,235	32,670
Project 2016-B	11/1/39	2.000%-5.000%	685,270	478,930
Project 2018-A	11/1/27	5.000%	54,430	19,490
Project 2018-B	11/1/37	5.000%	31,270	23,920
Project 2018-C	11/1/27	2.020%-3.417%	25,630	8,630
Project 2020-A	11/1/30	5.000%	84,725	55,810
Project 2020-B	11/1/40	5.000%	80,850	44,975
Project 2020-C	11/1/41	0.415%-2.863%	102,265	47,725
Project 2021-A	11/1/38	0.269%-2.924%	177,470	113,495
Project 2021-B	11/1/38	5.000%	60,481	60,481
Project 2021-C	11/1/41	5.000%	154,205	129,750
Project 2023-A	5/1/43	5.000%	176,450	159,795
Subtotal Lease Revenue Bonds			1,776,451	1,189,706
Project 2017 Streetlights	6/1/27	2.460%	39,298	8,671
Project 2019 Streetlights	6/1/29	2.010%	17,845	8,329
Project 2020 Streetlights	6/1/31	1.470%	9,088	5,655
Subtotal Direct Placements			66,231	22,655
Total			$ 1,842,682	$ 1,212,361

The City has pledged, as security for bonds issued by MICLA, revenues consisting of basic lease payments pursuant to the equipment lease and real property agreements and earnings from investment of money held. The City includes all necessary MICLA lease payments in its annual budget appropriations. Principal and interest paid on MICLA bonds and commercial paper notes for fiscal year 2025 totaled $225.7 million, while revenue from leases received (reported as transfers in from other funds in the MICLA Debt Service Fund) and investment earnings totaled $185.9 million.

The lease revenue bonds of $1.2 billion in 2025 are secured with collateral of various facilities and capital equipment subleased and leased by MICLA to the City, respectively. If the City defaults under the Lease and Trust Agreements, the Trustee may terminate the lease and re-let the properties, except for the Streetlights Financing Series.

MICLA's outstanding direct placements of $22.7 million in 2025 are secured with collateral of various facilities and capital equipment of the City. For the MICLA 2017 Streetlights Financing, MICLA 2019 Streetlights Financing, and MICLA 2020 Streetlights Financing, in the event of default, the City shall transfer all remaining funds in the Construction Fund to MICLA, in which the amounts shall be applied to the rental payments.

Annual debt service requirements to maturity for MICLA lease revenue bonds and direct placements are as follows (in thousands):

	Lease Revenue Bonds		Direct Placements		
Fiscal Year	Principal	Interest	Principal	Interest	Total
2026	$ 113,928	$ 50,652	$ 7,211	$ 424	$ 172,215
2027	118,338	45,895	7,372	264	171,869
2028	99,879	41,091	3,038	128	144,136
2029	93,616	36,737	3,094	71	133,518
2030	86,141	32,664	963	25	119,793
2031 - 2035	385,833	106,436	977	11	493,257
2036 - 2040	248,221	33,634	--	--	281,855
2041 - 2044	43,750	3,126	--	--	46,876
Subtotal	1,189,706	350,235	22,655	923	1,563,519
Unamortized Premiums and Discounts	117,997	--	--	--	117,997
Total	$ 1,307,703	$ 350,235	$ 22,655	$ 923	$ 1,681,516

MICLA's bond payments are secured primarily by revenues from base rental payments, revenues earned by the facility when available, and revenues collected pursuant to the Gap Funding Agreement relative to the Staples Arena Development.

Commercial Paper Notes

The City has created two commercial paper (CP) programs secured by lease agreements payable from the General Fund.

In 2004, the City established a commercial paper program authorizing MICLA to issue up to $200.0 million in lease revenue CP notes to finance and refinance capital equipment, the acquisition and improvement of real property, and other financing needs of the City (the General MICLA CP). The General MICLA CP program increased from time to time and is currently authorized for up to $425.0 million. This program allows MICLA to access financial markets quickly; to obtain flexible, short-term maturities; to borrow only those amounts needed as invoices are received; and to borrow at more favorable rates. The notes issued mature at a specific time between one and 270 days of issuance. Upon maturity, they are either re-sold in the open market or refinanced with longer-term bonds. The notes are secured by irrevocable letters of credit issued by three commercial banks. The City and MICLA entered into certain agreements with these commercial banks and a trustee on which, on behalf of the noteholders, have a security interest and lien on certain capital assets with a carrying net book value of $79.2 million and estimated fair value of $498.5 million as of December 2024.

In 2015, the City has created a second CP program to issue up to $100.0 million in lease revenue CP notes to finance and refinance capital improvements to the Los Angeles Convention Center facility (the LACC CP), which also represents a lease obligation of the General Fund. These notes are secured by a $100.0 million letter of credit from U.S. Bank National Association with a security interest and lien on $226.9 million in leased assets.

The notes are further secured by direct-pay letters of credit (LOCs) from three commercial banks. Should the City draw on the LOCs and not repay the advance within ninety days, the advance is converted to a term loan with quarterly payments due for five years at various interest rates based on the different letter of credit and reimbursement agreement with banks in the continuing event of default. These commercial paper notes were classified as a long-term liability as the liquidity facilities give the City the ability to refinance on a long-term basis and the City intends to renew the facility or exercise its right to tender the debt as a long-term financing.

In the event of default, the obligations shall bear interest at the default rate, the banks may stop the issuance of additional commercial paper notes, and reduce the stated amount of the letter of credit. In the event of termination, the City agrees to pay the bank a termination fee in an amount equal to the applicable LOC fee rate, the original stated amount, and a prorated amount payable on the date the LOC is terminated.

The table below summarizes the direct pay letters of credit that currently support the payment of principal and interest on the General MICLA CP and the LACC CP programs, respectively (in thousands):

	Authorized Amount	Outstanding Amount	LOC Fee Rate	Expiration Date
Convention Center	$ 100,000	$ 49,700	0.280 %	6/30/2025
Series A-1/B-1	150,000	97,000	0.290 %	6/30/2025
Series A-2/B-2	100,000	72,225	0.290 %	6/30/2025
Series A-3/B-3	175,000	120,011	0.290 %	6/30/2025
	$ 525,000	$ 338,936		

For the fiscal year ended June 30, 2025, MICLA paid $1.9 million of the LOC fees for the general commercial paper and the Los Angeles Convention Center commercial paper programs. During the year, MICLA issued $171.0 million of commercial paper notes for the acquisition of capital assets. At June 30, 2025, outstanding commercial paper notes amounted to $338.9 million with interest rates ranging from 2.72% to 4.45%.

Pursuant to Council File 25-0326, the City extended the expiration dates of the irrevocable direct-pay LOC facilities supporting the MICLA Lease Revenue Commercial Paper Programs, as summarized below (in thousands):

	Authorized Amount	Outstanding Amount	LOC Fee Rate	Expiration Date
Convention Center	$ 100,000	$ 49,700	0.350 %	6/30/2028
Series A-1/B-1	150,000	97,000	0.380 %	6/30/2028
Series A-2/B-2	100,000	72,225	0.390 %	6/30/2028
Series A-3/B-3	175,000	120,011	0.350 %	6/30/2028
	$ 525,000	$ 338,936		

Recovery Zone Economic Development Bonds

MICLA has designated Series 2010-C as “Recovery Zone Economic Development Bonds” under the provisions of the American Recovery and Reinvestment Act of 2009. MICLA expects to receive a direct subsidy of 45% of the interest due to bondholders from the United States Treasury for "Recovery Zone Economic Development Bonds". For the fiscal year ended June 30, 2025, MICLA recorded $0.5 million of the interest subsidy as revenues on the statement of revenues, expenditures and changes in fund balances. Due to the actions by Congress relative to sequestration, the subsidy amount of the interest due to bondholders was reduced by 5.7% for federal fiscal year 2025 (October 1 - September 30).

Revenue Bonds

The revenue bonds outstanding at June 30, 2025 and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Solid Waste Resources Revenue Bonds				
2013-A Series	2/1/27	2.000%-5.000%	$ 73,665	$ 18,000
2013-B Series, Refunding	2/1/29	2.000%-5.000%	78,780	3,875
2018-A Series	2/1/33	3.000%-5.000%	110,530	70,375
2023-A Series	2/1/38	5.000%	173,490	160,535
Total			$ 436,465	$ 252,785

The Solid Waste Resources revenue bonds were issued to finance the acquisition of certain equipment and construction of certain facilities for the refuse collection and disposal system of the City. The bonds are payable from and secured by a pledge of revenues, which include the solid waste collection, transfer, recycling, recovery of waste resources and disposal fees, received by the Solid Waste Resources Revenue Fund.

Principal and interest paid for the current year and total solid waste resources revenue were $38.3 million and $312.6 million, respectively.

Annual debt service requirements to maturity for the Solid Waste Resources revenue bonds are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 26,380	$ 11,765	$ 38,145
2027	27,225	10,720	37,945
2028	19,105	9,607	28,712
2029	20,040	8,677	28,717
2030	19,985	7,697	27,682
2031 - 2035	93,510	23,722	117,232
2036 - 2038	46,540	4,730	51,270
Subtotal	252,785	76,918	329,703
Unamortized Premiums	27,225	--	27,225
Total	$ 280,010	$ 76,918	$ 356,928

Loans Payable to HUD

The Loans Payable to HUD consist of $8.1 million fixed-rate loans and $1.4 million interim financing loans. The loans will be repaid from program income generated by Home Partnership Act Grant (HOME), Community Development Block Grant (CDBG) entitlements and Section 108 Loan Program Funds. The debt service requirements to maturity are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 941	$ 319	$ 1,260
2027	892	290	1,182
2028	929	261	1,190
2029	976	231	1,207
2030	348	209	557
2031 - 2033	5,376	155	5,531
Total	$ 9,462	$ 1,465	$ 10,927

The interest rates on the fixed-rate loans of $8.1 million range from 2.620% to 7.210% and have maturity dates through 2033. The interim financing loans of $1.4 million bear interest payable quarterly at 35 basis points (0.350%) above the applicable 3-month T-Bill rate. The loans mature on various dates through 2033. The interest rate in effect (3-month T-Bill rate of 4.230% + 0.350%) as of June 30, 2025 of 4.580% was used in the debt service requirement schedule.

Financed Purchase Obligations

On February 4, 2025, the City entered into Equipment Lease-Purchase agreement with Zoll Medical Corporation (Zoll) with the discount rate of 4.660% for the total lease payment amount of $9.4 million to finance the acquisition of Cardiac Monitors. This financing agreement will mature in fiscal year 2031. The lease payment to maturity is shown below (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 1,025	$ 318	$ 1,343
2027	1,073	270	1,343
2028	1,123	220	1,343
2029	1,176	168	1,344
2030	1,231	113	1,344
2031	1,288	55	1,343
Total	$ 6,916	$ 1,144	$ 8,060

The City grants to Zoll a first priority security interest in any and all right, title and interest of Zoll in the equipment and in all additions, attachments, accessions, and substitutions thereto, and on any proceeds therefrom. Any lease payment received later than one hundred twenty (120) days from the lease payment due date set forth in the lease-purchase agreement will bear interest at a rate of 1.0% per annum from such lease payment due date until paid, limited, however, to the maximum allowed by law.

Further, in the event of default such as the City's failure to make any lease payment as it becomes due and continues for one hundred twenty (120) days after the due date, Zoll may require the City to promptly return all equipment, and also at its option, with or without repossession, may terminate this lease-purchase agreement. The City shall continue to remain liable for the payment of the lease payments and damages for breach of the equipment lease.

Upon the termination of the lease term, provided that all lease payments due have been fully paid, any and all of Zoll's right, title and interest in all of the equipment shall automatically transfer to and be vested in the City.

2. Business-type Activities

Changes in Long-term Liabilities

The changes in the business-type activities long-term liabilities for the fiscal year ended June 30, 2025 are as follows (in thousands):

	Balance July 1, 2024 Restated	Additions	Deductions	Balance June 30, 2025	Due Within One Year
Airports Revenue Bonds and Notes	$ 11,225,362	$ 3,060,422	$ (1,357,504)	$ 12,928,280	$ 320,445
Harbor Revenue Bonds	493,770	215,265	(411,460)	297,575	36,060
Power System Revenue Bonds and Revenue Certificates	11,384,995	2,269,410	(1,531,245)	12,123,160	282,740
Water System Revenue Bonds and Loans	6,762,177	10,990	(144,120)	6,629,047	133,052
Wastewater System Revenue Bonds, Notes, and Loans	2,683,300	1,311,406	(1,445,195)	2,549,511	137,340
Subtotal Revenue Bonds, Notes, and Loans	32,549,604	6,867,493	(4,889,524)	34,527,573	909,637
Add (Less):					
Net Unamortized Premiums and Discounts	3,829,815	442,269	(489,727)	3,782,357	--
Net Revenue Bonds, Notes, and Loans	36,379,419	7,309,762	(5,379,251)	38,309,930	909,637
Compensated Absences*	337,580	98,071	(39,911)	395,740	292,028
Claims and Judgments	239,956	40,374	(27,728)	252,602	29,266
Lease Liabilities	143,502	11,056	(26,550)	128,008	23,812
Subscription Liabilities	22,578	26,751	(16,612)	32,717	10,661
PPP Availability Payment Liabilities	584,131	--	(10,670)	573,461	11,612
Estimated Pollution Remediation Liability	157,975	4,502	(3,278)	159,199	19,392
Other Liabilities	879,430	309,575	(6,494)	1,182,511	634
Subtotal	38,744,571	7,800,091	(5,510,494)	41,034,168	1,297,042
Net Pension Liability	1,718,134	--	(411,039)	1,307,095	--
Net OPEB Liability	--	27,770	--	27,770	--
Asset Retirement Obligation	274,325	10,488	(1,772)	283,041	--
Derivative Instrument Liabilities	1,391	12,943	--	14,334	--
Total	$ 40,738,421	$ 7,851,292	$ (5,923,305)	$ 42,666,408	$ 1,297,042

*The beginning balance of $337.6 million has been restated (see Note 1E.22) for the adoption of GASB Statement No. 101, Compensated Absences.

Airports Revenue Bonds and Notes

Bonds issued by Airports are payable solely from revenues of Airports and are not general obligations of the City. The bonds are subject to optional and mandatory sinking fund redemption prior to maturity. Airports has agreed to certain covenants with respect to bonded indebtedness. Significant covenants include the requirement that Airports' pledged revenues, as defined in the master senior and subordinate indentures, shall be the security and source of payment for the bonds which will remain in place until the bonds are no longer outstanding.

Upon the occurrence and continuance of any senior or subordinate event of default, the senior trustee or the subordinate trustee, as applicable, in its discretion may, and upon the written direction of holders of 25 percent or more of the principal amount of the applicable bonds then outstanding and receipt of indemnity satisfactory to the trustee shall, in its own name as trustee of an express trust, take actions permitted under the indenture to enforce the rights of bondholders. Such remedies may include instituting legal or equitable proceedings to compel performance of obligations, enforce agreements, or otherwise protect the interests of bondholders, subject to the terms and limitations of the applicable indenture.

Revenue bonds and revenue refunding bonds outstanding at June 30, 2025, and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Fixed Rate Revenue Bonds	2055	0.264% - 7.053%	$ 14,121,360	$ 12,928,280
Net Unamortized Bond Premiums and Discounts				1,487,636
Net Revenue Bonds				$ 14,415,916

On April 3, 2025, Airports issued $1.3 billion of LAX subordinate revenue and refunding bonds Series 2025A with a premium of $47.3 million; $123.2 million of LAX subordinate revenue and refunding bonds Series 2025B with a premium of $2.4 million and $167.7 million of LAX subordinate refunding revenue bonds Series 2025C with a premium of $18.6 million. The Series 2025ABC bonds were issued to fund certain capital projects at LAX and refund a portion of the senior revenue bonds series 2015A and 2015D, all of the outstanding senior revenue bonds Series 2015B, 2015C and 2015E, and a portion of the outstanding subordinate commercial paper notes.

On April 22, 2025, Airports issued $971.3 million of LAX subordinate revenue and refunding revenue bonds Series 2025D with a premium of $63.1 million; $285.1 million of LAX subordinate revenue and refunding revenue bonds Series 2025E with a premium of $16.2 million; and $74.8 million of LAX subordinate refunding revenue bonds Series 2025F with a premium of $2.8 million. The Series 2025DEF bonds were issued to fund certain capital projects at LAX, refund all of the outstanding subordinate revolving obligations, refund all of the outstanding senior revenue bonds Series 2015A and 2015D, and refund all of the outstanding Series A subordinate commercial paper notes.

These transactions resulted in cash flow savings of $99.0 million, an economic gain of $37.5 million; and a net gain for accounting purposes of $55.3 million, which is included in deferred inflows of resources and is being amortized over the life of the bonds.

Airports has received approval from the FAA to collect and use passenger facility charges (PFCs) to pay for debt service on bonds issued to finance the Automated People Mover (APM) System, Tom Bradley International Terminal (TBIT) Renovations, Bradley West projects and Terminal 6 improvements. The Board of Airport Commissioners authorized the amount of $161.5 million for debt service in fiscal year 2025. Airports Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) grants' remaining balance in the amount of $9.2 million was used for concession relief in fiscal year 2025. Airports did not receive any American Rescue Plan Act (ARPA) grant reimbursement in fiscal year 2025. Airports got reimbursed $22.4 million for the Minimum Annual Guarantee (MAG) waiver provided to concessionaires in 2021, and provided rent relief of $9.9 million to concessionaires in fiscal year 2025.

The total principal and interest remaining to be paid on the bonds is $21.6 billion as of June 30, 2025. Principal and interest paid in fiscal year 2025 and the net pledged revenues as defined in the master senior and subordinate indentures, after application of the $161.5 million PFCs funds, were $752.4 million and $1.3 billion, respectively.

Airports' net pledged revenues include substantially the total operating revenue with the Build America Bonds (BABs) subsidy, nonoperating Transportation Security Administration (TSA) revenue, interest income net of Passenger Facility Charges (PFC), Customer Facility Charges (CFC) and construction funds, but do not include PFC revenues, CFC revenues, and certain other nonoperating revenues. Airports' pledged revenue coverage is found in the Statistical Section-Pledged Revenue Coverage.

Scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 320,445	$ 638,275	$ 958,720
2027	371,350	608,878	980,228
2028	395,685	591,035	986,720
2029	427,875	572,060	999,935
2030	448,235	551,646	999,881
2031 - 2035	2,531,065	2,417,468	4,948,533
2036 - 2040	2,982,100	1,749,999	4,732,099
2041 - 2045	2,729,540	1,055,965	3,785,505
2046 - 2050	2,076,275	414,390	2,490,665
2051 - 2055	645,710	87,602	733,312
Subtotal	12,928,280	8,687,318	21,615,598
Net Unamortized Bond Premiums and Discounts	1,487,636	--	1,487,636
Total	$ 14,415,916	$ 8,687,318	$ 23,103,234

As of June 30, 2025, Airports had no outstanding commercial paper (CP) notes. The average interest rate in effect as of June 30, 2025 is 2.77%. The CP notes mature no more than 270 days from the date of issuance and were issued as a means of interim financing for certain capital expenditures and redemption of certain bond issues. All outstanding balances were paid off in fiscal year 2025.

As of June 30, 2025, Airports had letters of credit (LOC) and reimbursement agreements with the following institutions to provide credit support for the CP program: Barclays Bank PLC (Barclays) for $327.0 million to expire on August 24, 2026; Bank of America, N.A. for $109.0 million, to expire on August 24, 2026; and PNC Bank, National Association (PNC) for $109.0 million, to expire on August 24, 2027.

As of June 30, 2025, Airports had undrawn LOC balances of $327.0 million from Barclays, $109.0 million from PNC, and $109.0 million from Bank of America.

In fiscal year 2025, Airports paid the LOC banks an annual commitment fee ranging from 0.29% and 0.32% on the stated amount of the LOC. LOC fees of $1.3 million were paid for fiscal year 2025.

Airports had the following CP activities during fiscal year 2025 (in thousands):

	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025
Series A	$ 125,423	$ 94,868	$ (220,291)	$ --
Series B	195,504	35,019	(230,523)	--
	$ 320,927	$ 129,887	$ (450,814)	$ --

Build America Bonds

LAX Subordinate Revenue Bonds 2009 Series C and 2010 Series C with par amounts of $307.4 million and $59.4 million, respectively, were issued as federally taxable Build America Bonds (BABs) under the American Recovery and Reinvestment Act of 2009. Airports receives a direct federal subsidy payment in the amount equal to 35% of the interest expense on the BABs. The interest subsidy on the BABs was $6.3 million. The automatic cuts in spending (referred to as sequestration) were originally expected to end after fiscal year 2021, however, Congress has repeatedly extended the cuts, with the current annual cut of 5.7% expected to last through the federal fiscal year ending September 30, 2031. The subsidy is recorded as a non-capital grant, a component of other nonoperating revenue.

Other Significant Obligations

Aside from Airports' debt obligations incurred under the Master Senior and Subordinate Indentures, Airports' other significant obligations include:

Automated People Mover (APM) Agreement

The APM Agreement contains (1) a provision that if LAX terminates the agreement for any of the allowable reasons under the agreement, LAX will owe the APM Developer various amounts, as applicable, including amounts associated with equity and debt contributions made or arranged by the APM Developer and various other breakage costs, with such amounts being payable by LAX within 120 days of the termination date of the agreement, and (2) a provision that if the APM Developer terminates the agreement for any of the allowable reasons under the agreement, LAX will owe the APM Developer various amounts, as applicable, including amounts associated with equity and debt contributions made or arranged by the APM Developer and various other breakage costs, with such amounts being payable by LAX within 120 days of the termination date of the agreement.

Consolidated Rental Car Facility (ConRAC) Agreement

The ConRAC Agreement contains (1) a provision that if LAX terminates the agreement for any of the allowable reasons under the agreement, LAX will owe the ConRAC Developer various amounts, as applicable, including amounts associated with equity and debt contributions made or arranged by the ConRAC Developer and various other breakage costs, with such amounts being payable by LAX within 120 days of the termination date of the agreement, and (2) a provision that if the ConRAC Developer terminates the agreement for any of the allowable reasons under the agreement, LAX will owe the ConRAC Developer various amounts, as applicable, including amounts associated with equity and debt contributions made or arranged by the ConRAC Developer and various other breakage costs, with such amounts being payable by LAX within 120 days of the termination date of the agreement.

Public-Private and Public-Public Partnerships and Availability Payment Arrangements

According to GASB Statement No. 94, *"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"*, public-private and public-public partnerships, collectively referred to as PPPs, comprise a wide variety of arrangements between a government and another party that are engaged in providing services to a government's constituents. Availability payment arrangements (APAs) also have been used in practice to procure governmental services. Airports has Public-Private Partnership (PPP) agreements for APM and ConRAC projects.

Automated People Mover System (APM)

On April 11, 2018, Airports and LAX Integrated Express Solutions, LLC (APM Developer) entered into a design-build-finance-operate-maintain agreement, as amended (APM Agreement), for the purposes of developing, financing, operating and maintaining the approximately 2.25-mile elevated, grade-separated APM System that will generally run from the ConRAC to the Central Terminal Area (CTA). The APM System will include six stations: (i) one in the ConRAC; (ii) one to be located at the multi-modal/transit facility located at 96th Street and Aviation Boulevard, which facility will also contain a connection to the Los Angeles County Metropolitan Transportation Authority's light rail system; (iii) one to be located at the multi-modal/transit facility located north of 96th Avenue between Jetway Boulevard and Airport Boulevard; and (iv) three stations to be located in the CTA. Under the APM Agreement, Airports has granted the APM Developer the exclusive right, during a 30-year term, to design, build, finance, operate and maintain the APM System. Construction of the APM System is continuing and, based on the APM Developer's current projections, Airports currently estimates that the APM Passenger Service Availability date will occur in 2026.

The APM Agreement provides that beginning on the APM Passenger Service Availability (PSA) date, Airports must make monthly payments to the APM Developer (APM Availability Payments). The APM Availability Payments are intended to compensate the APM Developer for the costs of designing, building and financing the APM System not otherwise paid from the APM Milestone Payments, as well as the costs of operating and maintaining the APM System over the term of the APM Agreement. The original contractual PSA date of March 31, 2023 has been extended under various change orders and is now May 2026. For the extended period, Airports has agreed to make stepped-down Availability Payments to cover the APM Developer's financing costs. The Operations and Maintenance period of 25 years has been reduced by the same duration as the extended PSA date.

For the components of the APM Availability Payments that are related to the design, construction, and

financing of the APM in which ownership of the APM belongs to Airports, all future payments for these components will be reported as a financed purchase of the APM by Airports. For the components of the APM Availability Payments that are related to providing services for the operation or maintenance of the APM, future payments for these components will be accounted for as outflows of resources in the period to which the payments relate by Airports.

The APM Agreement provides that the APM Developer will be entitled to receive a series of six milestone payments from Airports upon its completion of certain design and construction milestones in the aggregate principal amount of approximately $1.01 billion, subject to deductions provided in the APM Agreement, as partial compensation for the APM Developer's performance of the work required to design and construct the APM System. Airports paid the last APM Milestone Payment of $168.3 million in September 2024.

On July 18, 2024, the Board approved a change order in the amount of $550.0 million to finalize the bilateral agreement on terms to settle claims between Airports and LAX Integrated Express Solutions, LLC (LINXS) for delay and compensation amounts, occurring prior to and including May 31, 2024 (Global Settlement) and establishes schedule certainty. In September 2024, Airports made a lump sum payment of $200.0 million as part of the settlement. Payments of $28.0 million and $119.0 million were made in December 2024. The remaining $203.0 million of the settlement will be disbursed through four lump sum payments, contingent upon LINXS achieving specific completion milestones. Additional information can be found in Note 5G of the notes to the financial statements.

Consolidated Rental Car Facility (ConRAC)

On November 6, 2018, Airports and LA Gateway Partners, LLC (ConRAC Developer) entered into a design-build-finance-operate-maintain agreement for the ConRAC (ConRAC Agreement). The ConRAC Developer is comprised of Fengate Capital Management Ltd., PCL Investments USA, LLC, Johnson Controls, and MVI Finance LLC. Under the ConRAC Agreement, subject to certain limitations, Airports granted to the ConRAC Developer the exclusive right, during 28-year term of the ConRAC Agreement, to design, build, finance, operate and maintain the ConRAC.

As construction of the ConRAC was substantially completed in fiscal year 2023, the ConRAC is currently in an Operation Readiness Phase. Because the ConRAC Date of Beneficial occurred prior to the APM PSA date, Airports has only partially activated the facility and is supporting a shuttle service that transports rental car customers between the CTA and the ConRAC. As of the date of this report, Airports has partially opened the ConRAC to accommodate the operations of the Avis Budget Group but has not made a final decision as to the timing of the move of the other rental car operator in to the new facility.

The ConRAC Agreement (as adjusted in accordance with the settlement of certain claims) further provides that, commencing on March 31, 2023, payments will be made to the ConRAC Developer to compensate the ConRAC Developer for the costs of designing, building and financing a portion of the ConRAC (ConRAC Capital Availability Payments), for the cost of operating and maintaining certain portions of the ConRAC (ConRAC Operations and Maintenance Availability Payments), and for the costs of renewing the ConRAC (ConRAC Renewal Availability Payments, and collectively with ConRAC Capital Availability Payments and ConRAC Operations and Maintenance Availability Payments, the ConRAC Availability Payments). Airports expects to make the ConRAC Capital Availability Payments and the ConRAC Renewal Availability Payments from CFC revenues, subject to the prior payment of the principal of and interest on the LAX CFC Bonds and the other deposits required to be made to the funds and accounts established and maintained pursuant to the trust indenture entered into with respect to the LAX CFC Bonds.

For the components of the ConRAC Capital Availability Payments that are related to the design, construction, and financing of the ConRAC in which ownership of the ConRAC belongs to Airports, all future payments for these components is reported as a financed purchase of the ConRAC by Airports in the statement of net position as PPP availability payment liability. For the components of the ConRAC Operations and Maintenance Availability Payments that are related to providing services for the operation or maintenance of the ConRAC, future payments for these components will be accounted for as outflows of resources in the period to which the payments relate by Airports. For the

components of the ConRAC Renewal Availability Payments that are related to the renewal of the capital assets for ConRAC in which ownership of the ConRAC belongs to Airports, all future payments for these components is reported as a financed purchase of the ConRAC by Airports.

Airports has capitalized ConRAC for approximately $1.5 billion on June 30, 2023, with depreciation starting from July 2023. The capitalization costs included three elements: Periodic Payments, Milestones Payments and Change Orders, Capital Availability Payments, and Capital Renewal Payments.

Capital Availability Payment of $525.2 million was computed based on the present value of future payments of $892.5 million with discount rate of 4.71%. Capital Renewal Payment of $69.6 million was computed based on the present value of future payments of $120.9 million with discount rate of 4.71%.

In connection with the capitalization, Airports recognized PPP availability payment liability of $561.8 million, current liabilities of $11.6 million, interest expense of $27.3 million, and depreciation of $73.2 million in fiscal year 2025. Airports made the Capital Availability Payment of $33.9 million, Capital Renewal Payment of $5.1 million, and Operations and Maintenance Availability Payment of $8.6 million in fiscal year 2025.

Subject to any limitations and exceptions expressly provided in the ConRAC Agreement, Annual Availability Payments (covering the ConRAC Capital Availability Payments, ConRAC Operations and Maintenance Availability Payments, and ConRAC Renewal Availability Payments) shall be paid to Developer in monthly installments. Each month, the maximum monthly payment shall be calculated as the sum of (a) the monthly amount of the annual maximum availability payment, plus (b) the amount of variable O&M costs projected to be paid by Developer in the immediately subsequent month, plus (c) for the month immediately following the end of each quarter, a Utility Rate Risk Share calculated pursuant to the terms of the ConRAC Agreement.

ConRAC has the following liabilities activities for fiscal year ended June 30, 2025 (in thousands):

	Balance June 30, 2024	Additions	Amortization	Balance June 30, 2025	Current Portion
Capital Payment Liability	$ 515,370	$ --	$ (9,775)	$ 505,595	$ 10,592
Capital Renewal Payment	68,761	--	(895)	67,866	1,020
Total	$ 584,131	$ --	$ (10,670)	$ 573,461	$ 11,612

Principal and interest payments to be made related to the Capital Availability Payment for each of the next five years and in five-year increments thereafter are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 10,592	$ 23,588	$ 34,180
2027	11,451	23,071	34,522
2028	12,355	22,512	34,867
2029	13,305	21,910	35,215
2030	14,306	21,262	35,568
2031 - 2035	88,435	94,809	183,244
2036 - 2040	122,372	70,219	192,591
2041 - 2045	165,838	36,577	202,415
2046 - 2047	66,941	2,799	69,740
Total	$ 505,595	$ 316,747	$ 822,342

Principal and interest payments to be made related to the Capital Renewal Payment for each of the next five years and in five-year increments thereafter are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 1,020	$ 3,175	$ 4,195
2027	1,155	3,124	4,279
2028	1,298	3,067	4,365
2029	1,450	3,002	4,452
2030	1,611	2,931	4,542
2031 - 2035	10,818	13,288	24,106
2036 - 2040	16,502	10,114	26,616
2041 - 2045	23,985	5,401	29,386
2046 - 2047	10,027	420	10,447
Total	$ 67,866	$ 44,522	$ 112,388

Harbor Revenue Bonds

Bonds issued by the Harbor are payable solely from the Harbor's revenues pledged under indentures and are not general obligations of the City. Harbor has agreed to certain covenants with respect to the bonds. Significant covenants include the requirement that the Harbor's revenues, as defined under indentures, will be sufficient to pay future bond interest and principal maturities.

In compliance with the bond indenture Article VII, Sections 7.01 and 7.02, in the event of default by the Harbor in the due and punctual payment of parity obligations, the trustee may and shall at the direction of the bond certificate owners of not less than a majority in aggregate principal amount of the bonds at the time outstanding, upon notice in writing to the Harbor, shall declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately. Proceeds from sales of bonds are used to finance capital projects around the Harbor or refund prior issuances to generate debt service savings.

Revenue bonds and revenue refunding bonds outstanding at June 30, 2025, and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Revenue Bonds	2045	5.000%	$ 378,345	$ 297,575
Net Unamortized Bond Premiums and Discounts				29,164
Net Revenue Bonds				$ 326,739

Revenue bonds and refunding bonds are collateralized by the future revenues of the Harbor Enterprise Fund. Principal and interest paid for the current year and net pledged revenue were $166.9 million and $574.3 million, respectively. Harbor's net pledged revenue is the difference between operating revenue, pledged pooled investment or interest income and noncapital grant revenues, and operating expenses excluding depreciation and amortization, interest and other nonoperating expenses. Information on Harbor's pledged revenue coverage is found in the Statistical Section-Pledged Revenue Coverage.

Harbor has established a Commercial Paper program (Program) supported by bank credit lines to issue commercial paper notes (Notes) to provide interim financing primarily for the construction, maintenance, and replacement of Harbor's structures, facilities, and equipment needs. There were no outstanding revolving obligations as of June 30, 2025.

Harbor's scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 36,060	$ 13,977	$ 50,037
2027	39,365	12,092	51,457
2028	11,650	10,816	22,466
2029	12,285	10,218	22,503
2030	13,040	9,585	22,625
2031 - 2035	65,385	38,601	103,986
2036 - 2040	65,565	21,276	86,841
2041 - 2045	54,225	5,865	60,090
Subtotal	297,575	122,430	420,005
Net Unamortized Bond Premiums and Discounts	29,164	--	29,164
Total	$ 326,739	$ 122,430	$ 449,169

On August 30, 2024, Harbor defeased an aggregate par amount of $103.4 million of its outstanding bonds comprised of 2015 Series A (Non-AMT) Bonds totaling $7.4 million, 2016 Series B (Non-AMT) Bonds totaling $60.8 million and 2016 Series C (Non-AMT) Bonds totaling $35.2 million. A total of $104.5 million was deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment of the defeased bonds. A portion of the Common Reserve allocated to 2015 Series A Bonds and 2016 Series B and C Bonds and debt service account balance totaling $12.7 million was released toward the defeasance. Net of interest to be earned on escrowed funds totaling $7.5 million, Harbor's outflow of cash toward this defeasance was $91.8 million. This refunding was undertaken to reduce total future debt service payments over a 15 year period through August 2039 by approximately $35.5 million. The debt is not included as a liability in the accompanying financial statements because sufficient assets have been placed in an irrevocable trust to cover all future principal and interest payments. At June 30, 2025, $103.4 million of defeased bonds remain outstanding.

On September 11, 2024, Harbor issued an aggregate par amount of $215.3 million in Refunding Revenue Bonds comprised of: $103.0 million of 2024 Series A-1 (AMT) Bonds, $26.7 million of 2024 Series A-2 (AMT) Bonds, $34.4 million of 2024 Series B-1 (Non-AMT) Bonds, $22.9 million of 2024 Series B-2 (Non-AMT) Bonds, and $28.3 million of 2024 Series C (Non-AMT) Bonds (collectively Series 2024 Bonds). Proceeds from the 2024 Series Bonds, together with certain moneys to be contributed by Harbor, were used to refund and defease an aggregate par amount of $264.7 million of Refunding Series 2014 Bonds comprised of Series 2014A totaling $156.4 million, Series 2014B totaling $72.3 million, and Series 2014C totaling $36.0 million to generate debt service savings and pay costs of issuance of Series 2024 Bonds. These securities were placed in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded portion of the refunded bonds. As a result, the refunded bonds are considered to be defeased in substance, and the liability has been removed from the statement of net position. The refunding resulted in a savings of $54.6 million for the difference between the cash flows required to service the refunded debt and the cash flows required to service new debt and obtained an economic gain of $26.1 million.

Power Revenue Bonds and Direct Placements

As of June 30, 2025, Power's revenue bonds and revenue refunding bonds due serially in varying annual amounts are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Fixed Rate Revenue Bonds	2056	1.146% - 4.675%	$ 12,958,015	$ 11,672,975
Variable Rate Revenue Bonds	2052	Various	450,185	450,185
Subtotal			$ 13,408,200	12,123,160
Net Unamortized Bond Premiums and Discounts				1,389,342
Net Revenue Bonds				$ 13,512,502

Revenue bonds generally are callable 10 years after issuance. Power has agreed to certain covenants with respect to bonded indebtedness. Significant covenants include the requirement that the Power's net income, as defined, will be sufficient to pay certain amounts of future annual bond interest and of future annual aggregate bond interest and principal maturities. Revenue bonds and refunding bonds are collateralized by the future revenues of Power.

During fiscal year 2025, Power issued the following new revenue bonds primarily to finance capital improvements and to refund outstanding fixed-rate and variable-rate debt, as described below.

In August 2024, Power issued $270.5 million of Power System Revenue Bonds, 2024 Series D. The net proceeds of $302.9 million, including a $32.4 million issue premium net of underwriter's discount, were used to pay for capital improvements.

In December 2024, Power issued $507.9 million of Power System Revenue Bonds, 2024 Series E. The net proceeds of $579.4 million, including a $71.5 million issue premium net of underwriter's discount, were used to pay for capital improvements and refund all the outstanding Power System Revenue Bonds, 2015 Series A, amounting to $415.9 million. The transaction resulted in a net present value savings of $57.8 million and a net gain for accounting purposes of $27.7 million, which was capitalized as deferred inflows on debt refunding and is being amortized over the life of the refunding bonds.

In May 2025, Power issued $990.0 million of Power System Revenue Bonds, 2025 Series A. The net proceeds of $1.0 billion, including a $30.5 million issue premium net of underwriter's discount and bond insurance, were used to pay for capital improvements and refund all the outstanding Power System Variable Rate Demand Revenue Bonds, 2023 Series C, amounting to $350.0 million.

In June 2025, Power issued $501.0 million of Power System Revenue Bonds, 2025 Series B. The net proceeds of $541.7 million, including a $40.7 million issue premium net of underwriter's discount, were used to refund all the outstanding Power System Variable Rate Demand Revenue Bonds, 2001 Series B, amounting to $322.8 million and all the outstanding Power System Variable Rate Demand Revenue Bonds, 2002 Series A, amounting to $218.9 million. The transaction resulted in a net loss for accounting purposes of $67.5 thousand, which was capitalized as deferred outflows on debt refunding and is being amortized over the life of the refunding bonds.

Separately from new bond issuances, the following transactions relate to Power's outstanding variable rate bonds.

As of June 30, 2025, Power had variable rate bonds outstanding in the amount of $450.2 million. In May 2025, Power issued the Power System Revenue Bonds, 2025 Series A, to refinance all the Power System Variable Rate Demand Revenue Bonds, 2023 Series C, amounting to $350.0 million. In June 2025, Power issued the Power System Revenue Bonds, 2025 Series B, to refinance all the Power System Variable Rate Demand Revenue Bonds, 2001 Series B, amounting to $322.8 million, and all the Power System Variable Rate Demand Revenue Bonds, 2002 Series A, amounting to $218.9 million. In December 2023, Power issued $200.2 million of Power System Variable Rate Demand Revenue Bonds, 2023 Series F, to refund all the outstanding direct placement Power System Revenue Bonds, 2014 Series A, amounting to $200.0 million. The variable rate bonds currently bear interest at weekly and daily rates ranging from 0.90% to 3.88% as of June 30, 2025. Power can elect to change the interest rate period of the bonds with certain limitations. The bondholders have the right to tender the bonds to the tender agent on any business day with seven days prior notice. Power has entered into standby and line of credit agreements with a syndicate of commercial banks to provide liquidity for the variable rate bonds in the amount $250.0 million and $200.0 million as of June 30, 2025. The extended standby agreements expire in July 2026 for the $250.0 million and June 2027 for the $200.0 million.

Under the agreements, $250.0 million variable rate bonds will bear interest that is payable monthly at the greatest of (a) the prime rate plus 1.00%, (b) the federal funds rate plus 2.00%, and (c) 7.50%; and $200.0 million variable rate bonds will bear interest that is payable monthly at the greatest of (a) the prime rate and (b) 7.50%. The unpaid principal of each liquidity advance made by the liquidity provider is payable in 10 equal semiannual installments 90 days immediately following the related liquidity advance. At its discretion, Power can convert the outstanding bonds to fixed-rate obligations, which cannot be tendered by the bondholders.

The variable rate bonds have been classified as long-term in the statement of net position as the liquidity facilities give Power the ability to refinance on a long-term basis and Power intends to either renew the facility or exercise its right to tender the debt as a long-term financing. The portion that would be due in the next fiscal year in the event that the outstanding variable rate bonds were tendered and purchased by the commercial banks under the standby agreements has been included in the current portion of long-term debt. As of June 30, 2025, there was no outstanding amount due in the next fiscal year.

Principal and interest paid for the current year and net pledged revenue were $783.1 million and $2.3 billion, respectively. Power's net pledged revenue is the difference between operating revenue, net nonoperating revenue, capital contributions and operating expenses excluding depreciation and amortization expense. Information on Power's pledged revenue coverage is found in the Statistical Section-Pledged Revenue Coverage.

Power has the following direct placement debt and unused line of credit:

In May 2020, Power entered into a Continuing Covenant Agreement (CCA) with Bank of America, N.A (Bank of America) for the placement of the $200.0 million Power System Revenue Bonds, 2014 Series A (Power 2014A Bonds) under a direct purchase structure. In May 2014, Power initially sold $200.0 million of Power 2014A Bonds in an index-floating rate mode under a direct purchase structure with Wells Fargo Municipal Capital Strategies, LLC (Wells Fargo) through a continuing covenant agreement that expired on May 5, 2017. The continuing covenant agreement with Wells Fargo was amended in May 2017 to extend for another three years and expired on May 4, 2020. The CCA with Bank of America was expected to expire on May 2, 2025. Under the CCA with Bank of America, the Power 2014A Bonds will pay interest at a fixed spread of 27 basis points (0.27%) above the Securities Industry and Financial Markets Association (SIFMA) Index for the five-year term. At the end of the five-year term, Power would have the option to either renegotiate and renew a new index floating rate term with Bank of America or another bank or convert the bonds to another mode, such as a fixed-rate mode or a traditional variable rate mode, which utilizes a standby agreement. Certain default provisions under the CCA include, but are not limited to, failure to pay amounts due under the CCA and certain other obligations of Power, failure to perform certain covenants under the CCA, actions taken in connection with a debt restructuring or similar of the DWP, significant rating downgrades of obligations payable from the Power Revenue Fund, and significant nonappealable judgments against the DWP. Such defaults may result in a mandatory redemption of the Power 2014A Bonds or other remedial actions taken by Bank of America. As of June 30, 2025, these terms are no longer applicable to Power, but they were applicable during the period that the direct purchase was outstanding. Power does not have any assets pledged as collateral for direct placement debt, termination events with finance-related consequences, or subjective acceleration clauses as of June 30, 2025.

On May 25, 2023, Power entered into a Second Amended and Restated Revolving Credit Agreement (Second Amended RCA) and the related Second Amended and Restated Fee and Interest Rate Agreement with Wells Fargo Bank, National Association with a $300.0 million commitment and the option to request additional commitment, as needed, up to a total commitment of $500.0 million. In March 2025, Power successfully executed the First Amendment to Second Amended RCA with Wells Fargo Bank, National Association to temporarily amend the Event of Default credit rating thresholds through October 31, 2025. In June 2025, the Board approved the authorization to execute a Third Amended and Restated Revolving Credit Agreement (Third Amended RCA), which was successfully executed on July 3, 2025. The DWP can request loans for Water System improvements, Power System improvements, and/or such other lawful purposes of the DWP.

Under the Second Amended RCA, the interest charged for tax-exempt and taxable loans is based on daily Secured Overnight Financing Rate (SOFR) plus a spread of 0.39% and 0.47%, respectively. The Second Amended RCA is effective through July 2, 2025. As of June 30, 2025, Power has $150.0 million, outstanding under the Second Amended RCA.

In June 2025, Power borrowed $150.0 million from the Wells Fargo Second Amended RCA, which was deposited into the Power Revenue Fund to offset a liquidity shortfall. The liquidity shortfall was primarily due to an increase in accounts receivable, largely driven by extended payment timelines and slower than anticipated collections. Under the Second Amended RCA, the $150.0 million draw is a taxable

loan bearing interest based on a daily Secured Overnight Financing Rate (SOFR) Index Rate plus a 0.47% spread, which will be paid from the Power Revenue Fund. Power expects to repay the loan on or before June 2026 as under-collections are recovered. As of June 30, 2025, in addition to the $150.0 million borrowed by Power, Water had also borrowed $300.0 million under the Wells Fargo Second Amended RCA. As a result, of the $500.0 million dollar borrowing capacity available under the Wells Fargo Second Amended RCA, the DWP had borrowed a total of $450.0 million.

Scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 282,740	$ 453,167	$ 735,907
2027	475,407	440,919	916,326
2028	327,388	424,995	752,383
2029	680,270	400,145	1,080,415
2030	369,020	390,847	759,867
2031 - 2035	2,206,275	1,732,642	3,938,917
2036 - 2040	2,210,300	1,324,454	3,534,754
2041 - 2045	2,522,875	839,150	3,362,025
2046 - 2050	1,877,460	342,571	2,220,031
2051 - 2055	959,605	75,052	1,034,657
2056 - 2060	100,155	--	100,155
Debt service payments already paid to sinking fund - 2010C bonds	111,665	--	111,665
Subtotal	12,123,160	6,423,942	18,547,102
Net Unamortized Bond Premiums and Discounts	1,389,342	--	1,389,342
Total	$ 13,512,502	$ 6,423,942	$ 19,936,444

Interest and amortization are net of $1.6 billion of unamortized discounts/premiums and gain/loss due to issuances of new and refunding bonds.

The schedule above is presented assuming that the tender options on the variable rate bonds will not be exercised and should the bondholders exercise the tender options, there will be no variable rate bonds that Power would be required to redeem over the next six years. Variable debt interest rate in effect at June 30, 2025 averages 3.3%. Should the tender options be exercised, the interest would be payable at the rate in effect at the time the standby agreements are activated. Power refinanced all outstanding variable rate bonds on a fixed-rate basis in October 2025 and the standby agreements ended. Accordingly, the statement of net position does not recognize the possibility of the exercise of the tender options that could be due in fiscal year 2026 as a current portion of long-term debt payable. Interest and amortization include interest requirements for variable rate bonds over the regularly scheduled maturity period.

Water Revenue Bonds and Loans

As of June 30, 2025, Water's revenue bonds, revenue refunding bonds due serially in varying annual amounts, and other long-term debt are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Fixed Rate Revenue Bonds	2055	0.624% - 4.374%	$ 5,746,140	$ 5,321,185
Variable Rate Revenue Bonds	2052	Various	754,765	582,300
Loans Payable to California SWRCB and DWR	2056	0.000% - 2.085%	959,694	725,562
Subtotal			$ 7,460,599	6,629,047
Net Unamortized Bond Premiums and Discounts				694,362
Net Revenue Bonds and Loans				$ 7,323,409

Revenue bonds generally are callable 10 years after issuance. Water has agreed to certain covenants with respect to bonded indebtedness. Significant covenants include the requirement that Water's net income, as defined, will be sufficient to pay certain amounts of future annual bond interest and of future

annual aggregate bond interest and principal maturities. Revenue bonds and refunding bonds are collateralized by the future revenue of Water.

Water entered into one new loan agreement with the State Water Resources Control Board (SWRCB) and none with the Department of Water Resources (DWR) during fiscal year 2025. Water did not receive funding from the new SWRCB loan agreement in fiscal year 2025. Existing SWRCB loans received $11.0 million to fund water quality capital improvements and made principal payments of $33.0 million, while the existing DWR Loan did not receive loan funding and made principal payments of $150.0 thousand.

Water did not issue any bonds during fiscal year 2025.

As of June 30, 2025, Water had outstanding $582.3 million in variable rate bonds. The variable rate bonds currently bear interest at daily and weekly rates ranging from 1.75% to 3.80% as of June 30, 2025. Water can elect to change the interest rate period of the bonds, with certain limitations. The bondholders have the right to tender the bonds to the tender agent on any business day with seven days' prior notice. Water has entered into standby agreements with a syndicate of commercial banks to provide liquidity for the variable rate bonds in the amount of $126.2 million (2001B, Subseries B-1 to B-3), $56.1 million (2001B, Subseries B-4), $130.0 million (2019A, Subseries A-1), $70.0 million (2019A, Subseries A-2), and $200.0 million (2021A, Subseries A-1 to A-2) as of June 30, 2025. The extended standby agreements expire in January 2026 for $256.1 million, January 2027 for $200.0 million, and January 2029 for $126.2 million.

Under the agreements, $256.1 million of variable rate bonds will bear interest that is payable monthly at the greatest of (i) Prime Rate plus 1.00%; (ii) the federal funds rate plus 2.00%; and (iii) 7.50%; and $200.0 million variable rate bonds will bear interest that is payable monthly at the greatest of (i) Prime Rate plus 2.50%, (ii) the federal funds rate plus 3.00%, and (iii) 8.00%; while $126.2 million variable rates bonds will bear interest that is payable monthly at the greatest of (i) Prime Rate plus 0.50% and (ii) 7.00%. The unpaid principal of each liquidity advance made by the liquidity provider is payable in 10 equal semiannual installments 90 days immediately following the related liquidity advance. At its discretion, Water has the ability to convert the outstanding bonds to fixed rate obligations, which cannot be tendered by the bondholders. The agreements were ended in October 2025 when Water refinanced all outstanding variable rate bonds on a fixed-rate basis.

The variable rate bonds have been classified as long-term on the statement of net position as the liquidity facilities give Water the ability to refinance on a long-term basis, and Water intends to either renew the facilities or exercise its right to tender the debt as a long-term financing. That portion, which would be due in the next fiscal year in the event that the outstanding variable rate bonds were tendered and purchased by the commercial banks under the standby agreements, are classified as the current portion of the long-term debt, which is zero as of June 30, 2025. The agreements were ended in October 2025 when Water refinanced all outstanding variable rate bonds on a fixed-rate basis and the current portion of long-term debt due reflects the ending of such agreements and refinancing of related indebtedness.

Principal and interest paid for the current year and net pledged revenue were $436.6 million and $798.9 million, respectively. Water's net pledged revenue is the difference between operating revenue, net nonoperating revenue, capital contributions and operating expenses excluding depreciation and amortization expense. Information on Water's pledged revenue coverage is found in the Statistical Section-Pledged Revenue Coverage.

Water has the following direct placement debt and unused line of credit:

The Drinking Water State Revolving Fund (DWSRF), administered by the State of California's State Water Resources Control Board, assists public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with Safe Drinking Water Act (SDWA) requirements. The DWSRF utilizes a prioritized project ranking system to ensure that program resources are applied to projects addressing public health risk problems, projects needed to comply with the SDWA, and projects assisting public water systems most in need on a per household-affordability basis. Water has applied for and received funding from the DWSRF for critical Water System capital projects required for compliance with federal drinking water regulations, specifically the

Long-Term 2 Enhanced Surface Water Treatment Rule and the Stage 2 Disinfection by Products Rule. This funding has been made available to Water in the form of low or 0% interest loans with a repayment period of up to 30 years.

The CalConserve Water Use Efficiency Loan Program, administered by the State of California Department of Water Resources (DWR), established a loan program to local agencies for specific types of water conservation and water use efficiency projects and programs to achieve urban water use targets. Water has applied for and received funding from the DWR that will be used to implement an Institutional Water Use Efficiency Loan Program. This funding has been made available to Water as a 0% interest loan with a repayment period of 20 years.

The direct borrowings from the DWSRF and DWR contain specified terms relating to certain default provisions as defined by each respective funding agreement. Certain default provisions under the funding agreements include, but are not limited to, material breach of the funding agreement, cessation of operations or bankruptcy, failure to pay amounts due, making false representations with respect to the funding agreements, and failure to meet compliance requirements. Some agreements may be terminated at the option of the lender upon material violation and failure to become compliant. Such termination may result in the immediate repayment of disbursed funds. Water does not have any assets pledged as collateral for direct borrowings or subjective acceleration clauses.

On May 25, 2023, Water entered into a Second Amended and Restated Revolving Credit Agreement (Second Amended RCA) and the related Second Amended and Restated Fee and Interest Rate Agreement with Wells Fargo Bank, National Association with a $300.0 million commitment and the option to request additional commitment, as needed, up to a total commitment of $500.0 million. In March 2025, Water successfully executed the First Amendment to Second Amended RCA with Wells Fargo Bank, National Association to temporarily amend the Event of Default credit rating thresholds through October 31, 2025. In June 2025, the Board approved the authorization to execute a Third Amended and Restated Revolving Credit Agreement (Third Amended RCA), which was successfully executed on July 3, 2025. The DWP can request loans for Water System improvements, Power System improvements, and/or such other lawful purposes of the DWP.

Under the Second Amended RCA, the interest charge for tax-exempt and taxable loans is based on daily Secured Overnight Financing Rate (SOFR) plus a spread of 0.39% and 0.47%, respectively. The Second Amended RCA is effective through July 2, 2025. As of June 30, 2025, Water has $300.0 million outstanding under the Second Amended RCA.

In June 2025, Water borrowed $300.0 million from the Wells Fargo Second Amended RCA, which was deposited into the Water Revenue Fund to offset a liquidity shortfall. The liquidity shortfall was primarily due to previous and current funding gaps in Proposition 1 grants from the State of California and higher than planned purchases of water.

Under the Second Amended RCA, the $300.0 million draw is a taxable loan bearing interest based on a daily SOFR Index rate plus a 0.47% spread, which will be paid from the Water Revenue Fund. Water expects to repay the loan on or before June 2026 as under-collections are recovered. As of June 30, 2025, in addition to the $300.0 million borrowed by Water, Power had also borrowed $150.0 million under the Wells Fargo Second Amended RCA. As a result, of the $500.0 million dollar borrowing capacity available under the Wells Fargo Second Amended RCA, the DWP had borrowed a total of $450.0 million.

Scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 133,052	$ 224,112	$ 357,164
2027	155,788	219,979	375,767
2028	175,093	215,229	390,322
2029	185,702	210,057	395,759
2030	201,936	204,437	406,373
2031 - 2035	1,147,981	922,640	2,070,621
2036 - 2040	1,403,733	717,478	2,121,211
2041 - 2045	1,547,864	465,255	2,013,119
2046 - 2050	1,182,060	195,638	1,377,698
2051 - 2055	495,793	17,464	513,257
2056 - 2060	45	--	45
Subtotal	6,629,047	3,392,289	10,021,336
Net Unamortized Bond Premiums and Discounts	694,362	--	694,362
Total	$ 7,323,409	$ 3,392,289	$ 10,715,698

The interest and amortization are net of $784.1 million of unamortized discounts/premiums and gain/loss due to issuances of new and refunding bonds.

The maturity schedule presented above reflects the scheduled debt service requirements for all of Water's long-term debt. The schedule is presented assuming that the tender options on the variable rate bonds will not be exercised. Should the bondholders exercise the tender options, Water could be required to redeem the variable rate bonds outstanding over the next six fiscal years which is zero as of the end of the fiscal year. Variable debt interest rate in effect at June 30, 2025 averages 3.17%. Should the tender options be exercised, the interest would be payable at the rate in effect at the time the standby agreements are activated. Water refinanced all outstanding variable rate bonds on a fixed-rate basis in October 2025 and the standby agreements ended. Accordingly, the statement of net position does not recognize the possibility of the exercise of the tender options that could be due in fiscal year 2026 as a current portion of long-term debt payable. Interest and amortization presented in the above schedule include interest requirements for the variable rate debt over the regularly scheduled maturity period.

Wastewater System Revenue Bonds, Notes, and Loans

Revenue bonds, commercial paper notes, and loans outstanding at June 30, 2025, and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Revenue Bonds	2055	1.350% - 5.962%	$ 2,679,055	$ 2,467,845
Loans Payable to WIFIA	2055	1.720%	223,921	66,666
Commercial Paper Notes	--	Variable	--	15,000
Subtotal			$ 2,902,976	2,549,511
Net Unamortized Bond Premiums and Discounts				181,853
Net Revenue Bonds, Notes and Loans				$ 2,731,364

Wastewater revenue bonds are issued under Senior Lien and Subordinate Lien General Resolutions dated November 10, 1987 and March 26, 1991, respectively, with a total authorization of $3.5 billion. The voters of the City subsequently approved a new Charter which became effective July 1, 2000. Under the new Charter, revenue bonds and notes of the City may be issued in accordance with the Procedural Ordinance and without any further authorization by the voters of the City.

On November 5, 2025, the City adopted amendments to the Senior Lien and Subordinate Lien General Resolutions to modernize certain provisions to reflect current industry practices, enhance flexibility, and provide more favorable terms to the City. Proceeds of wastewater revenue bonds and notes are restricted for the funding of the costs of construction, replacement and improvement of the wastewater

system of the City.

Under the terms of the General Resolutions, the City has pledged Sewer's revenues (as defined in the General Resolutions) to secure the payment of all bonds issued under the General Resolutions. Certain bond agreements provide for the early redemption of the revenue bonds at the City's option at various dates with redemption prices at 100% of the principal amount of the bonds called for redemption. Upon and during the continuance of an event of default, the principal of and interest accrued on all bonds may be declared to be due and payable immediately.

On June 10, 2025, Sewer issued Wastewater System Revenue Bonds, Refunding Series 2025-A, in the amount of $518.4 million plus $48.4 million premium with an interest rate of 5.0%. The proceeds of Series 2025-A bonds were used to pay a total of $565.5 million to refund all of the outstanding Wastewater System Revenue Bonds, Series 2010-A, Series 2015-A, Refunding Series 2015-B, Series 2015-C, and Refunding Series 2015-D, and to pay certain costs of issuing the Series 2025-A bonds.

On May 8, 2025, Sewer issued the following Wastewater System Subordinate Revenue Bonds: Series 2025-A, in the amount of $193.0 million; Series 2025-B, in the amount of $145.4 million; and Refunding Series 2025-C, in the amount of $372.9 million plus an aggregate net original issue premium of $33.4 million. The bonds bear interest at rates ranging from 4.45% to 5.96%, depending on series and maturity. Proceeds of the Series 2025-A Subordinate Bonds and Series 2025-B Subordinate Bonds were used to pay a portion of the outstanding Wastewater System Commercial Paper Revenue Notes in the amount of $344.0 million and pay the costs of issuance. Proceeds of the Series 2025-C Subordinate Bonds, together with other amounts from the City, were used to refund all of the outstanding Wastewater System Revenue Bonds Series 2013-A, Refunding Series 2013-B and Subordinate Revenue Bonds Refunding Series 2013-A and pay the costs of issuance.

Build America and Recovery Zone Economic Development Bonds

The City has designated the Senior Lien Bonds Series 2010-A and 2010-B as Build America Bonds and Recovery Zone Economic Development Bonds, respectively, under the provisions of the American Recovery and Reinvestment Act of 2009. The City expects to receive a direct subsidy of 35% and 45% of the interest due to bondholders from the United States Treasury for the Series 2010-A and 2010-B, respectively, less any scheduled federal sequestration amounts. Sewer recorded $1.6 million of interest subsidies for the fiscal year ended June 30, 2025, as other nonoperating revenues.

Due to the actions by Congress relative to sequestration, the subsidy amount of the interest due to bondholders was reduced by 5.7% for federal fiscal year 2025 (October 1 – September 30).

State Revolving Fund Loan

In 2003, the City Council adopted a resolution, approved by the Mayor, authorizing a State Revolving Fund Loan (Loan) from the State Water Resources and Control Board (State Water Board) in the amount of $262.9 million to assist in financing the construction of the North Outfall Sewer-East Central Interceptor Project (Project). The Project fulfills certain requirements of the Cease and Desist Order issued by the Regional Water Quality Control Board. The costs of the Project were shared by the contract agencies.

The Loan matured in fiscal year 2025 and annual repayments commenced in August 2005 based on a standard fully amortized loan calculation at an effective interest rate of 1.8%. The Loan is paid from Sewer's revenues subordinate to the Wastewater System senior and subordinate revenue bonds and commercial paper notes. The contract agencies were billed beginning August 2005 for their proportionate share of the debt service costs. Payments received from the contract agencies are recorded as capital contributions, which represents their proportionate share of the costs of the Project.

The City has pledged Sewer's net revenues as collateral for the Loan. In the case of termination of the Loan due to the City's failure to comply with any of the material provisions of the agreement, at the option of the State Water Board, the City would have to repay the loan amount, including accrued interest at the highest legal rate from the date that the notice of termination is mailed to the City. As of June 30, 2025, the Loan has been fully repaid and no balance remains outstanding. The City has satisfied all obligations under the agreement, and the pledge of net revenues as collateral has been

released.

Principal and interest paid for the current year and net pledged revenue were $223.1 million and $423.9 million, respectively. Sewer's net pledged revenue is the difference between operating revenues and investment income and operating expenses (excluding depreciation and amortization). Information on Sewer's pledged revenue coverage is found in the Statistical Section-Pledged Revenue Coverage.

Sewer's scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 137,340	$ 125,117	$ 262,457
2027	130,560	117,463	248,023
2028	120,248	111,061	231,309
2029	122,891	105,239	228,130
2030	127,283	99,260	226,543
2031 - 2035	590,549	405,396	995,945
2036 - 2040	517,177	275,840	793,017
2041 - 2045	465,467	151,010	616,477
2046 - 2050	204,954	55,373	260,327
2051 - 2055	133,042	17,214	150,256
Subtotal	2,549,511	1,462,973	4,012,484
Net Unamortized Bond Premiums and Discounts	181,853	--	181,853
Total	$ 2,731,364	$ 1,462,973	$ 4,194,337

The maturity schedule presented above reflects the scheduled debt service requirements for all of Sewer's long-term debt including the commercial paper notes.

Water Infrastructure Finance and Innovation Act (WIFIA) Loan

Sewer was approved for a WIFIA Loan in the original principal amount of up to $223.9 million from the United States Environmental Protection Agency under WIFIA for the Advanced Water Purification Facility which includes three component projects at Donald C. Tillman Water Reclamation Plant. The project is scheduled to be completed in September 2027 and will provide high quality recycled water for groundwater recharge. The WIFIA Loan is issued under the Subordinate Lien General Resolution as a Subordinate Bond and is secured on parity with all other Subordinate Bonds. Proceeds of the WIFIA Loan are expected to be disbursed during the first two years of the project's construction. As of June 30, 2025, Sewer has drawn $66.7 million against the loan principal.

On January 5, 2025, Sewer made a drawdown on the WIFIA Loan in the amount of $22.4 million. On February 14, 2025, Sewer made a drawdown on the WIFIA Loan in the amount of $14.4 million. On March 14, 2025, Sewer made a drawdown on the WIFIA Loan in the amount of $2.0 million. On April 15, 2025, Sewer made a drawdown on the WIFIA Loan in the amount of $13.8 million. On June 13, 2025, Sewer made a drawdown on the WIFIA Loan in the amount of $14.1 million.

Commercial Paper Notes

The City issues commercial paper (Notes) at prevailing interest rates for the maturities not to exceed 270 days under the commercial paper program on behalf of Sewer. The Notes are secured by Letters of Credit (LOCs) from Barclays Bank PLC and TD Bank, N.A that each expire on October 29, 2027. The aggregate maximum principal amount of the LOCs is $400.0 million, which consists of $280.0 million in principal for TD Bank, N.A and $120.0 million in principal for Barclays Bank PLC. Sewer is responsible for the payment of a non-refundable letter of credit fee for each of the LOCs. The reimbursement agreements with Barclays Bank PLC and TD Bank, N.A contain a number of covenants and agreements on the part of the City, and specify events of default, and remedies. In the event of default, the obligations shall bear interest at the default rate, and the banks may stop the issuance of additional commercial paper notes, and reduce the stated amount of the letter of credit. On October 30, 2024, Sewer issued commercial paper notes in the amount of $15.0 million. There were $15.0 million outstanding Notes as of June 30, 2025, with $11.5 million in interest expense.

3. Fiduciary Funds

Following is a summary of mortgages payable activity of Pensions for the fiscal year ended June 30, 2025 (in thousands):

	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025	Due Within One Year
Mortgages Payable	$ 183,020	$ 57,625	$ (29,050)	$ 211,595	$ --

The fair value of mortgage loans payable have been determined by giving consideration to one or more of the following criteria as appropriate: (i) interest rates and/or interest rate spreads for loans of comparable quality and maturity, (ii) the value of the underlying collateral, (iii) the credit risk of the borrower based on key elements of the real estate investment's valuation, (iv) market based loan-to-value and debt-service-coverage ratios relative to each mortgage loan payable valuation, and (v) key terms such as assumability, recourse provisions and guarantees. These inputs are considered within a discounted cash flow model used to determine the estimated fair value of mortgage loans payable.

The mortgages payable of the Pensions are secured by real estate. Interest rates range from 1.81% to 5.71% per annum. The debt service payments to maturity for these notes are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ --	$ 7,546	$ 7,546
2027	25,000	7,206	32,206
2028	--	7,096	7,096
2029	66,260	4,669	70,929
2030	62,375	2,220	64,595
2031 - 2033	57,960	1,401	59,361
Total	211,595	$ 30,138	$ 241,733
Add: Appreciation/(Depreciation) of Mortgage Payable	(8,177)		
	$ 203,418		

J. Current and Advance Refunding of Debt

Debt refunding activities occurred during the fiscal year that resulted in the redemption or defeasance of certain outstanding obligations. The proceeds from refunding issues and amounts available from the debt service funds of the refunded bonds were deposited into irrevocable trusts with escrow agents. Following are the refunding activities that represent in-substance defeasance such that the refunded debts were removed from the accompanying financial statements (in thousands):

Refunding Debt	Refunded Debt	Cash Flow Savings	Economic Gain
Business-type Activities			
Airport Subordinate Revenue and Refunding Revenue Bonds 2025 Series A B C F $1,674,125 4.000% - 5.500%	Airport Senior Revenue Bonds 2015 Series A B C D E $671,025 4.750% - 5.000%	$ 98,996	$ 37,492
Harbor Refunding Revenue Bonds 2024 Series A-1, A-2, B-1, B-2, C $215,265 5.000%	Harbor Revenue Bonds 2014 Series A, B, C $264,695 5.000%	54,575	26,109
Power System Revenue Bonds 2024 Series E $507,905 5.000%	Power System Revenue Bonds 2015 Series A $415,935 3.250-5.000%	70,002	57,460
Power System Revenue Bonds 2025 Series A $990,025 5.000-5.250%	Power System Variable Rate Demand Revenue Bonds 2023 Series C $350,000 Variable	--	--
Power System Revenue Bonds 2025 Series B $501,030 5.000%	Power System Variable Rate Demand Revenue Bonds 2001 Series B $322,800 Variable	--	--
	Power System Variable Rate Demand Revenue Bonds 2002 Series A $218,900 Variable	--	--
Wastewater System Revenue Bonds Refunding 2025 Series A $518,445 5.000%	Wastewater System Revenue Bonds 2010 Series A BABs, 2015 Series A, 2015 Series B Refunding 2015 Series C, 2015 Series D Refunding $563,600 4.000% - 5.713%	44,214	25,601
Wastewater System Subordinate Revenue Bonds Refunding 2025 Series C $372,940 5.000%	Wastewater System Senior and Subordinate Revenue Bonds 2013 Series A, 2013 Series A Sub Refunding, 2013 Series B Refunding $429,260 5.000%	68,136	30,229

K. Current and Prior Years Defeasance of Debt

In current and prior years, the City defeased certain bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements.

At June 30, 2025, the following bonds are considered defeased (in thousands):

Governmental Activities	
General Obligation Bonds	$ 4,960
Business-type Activities	
Harbor Revenue Bonds	$ 103,350
Power Revenue Bonds	546,875
Water Revenue Bonds	66,040
Total	$ 716,265

L. Tax and Revenue Anticipation Notes

On July 09, 2024, in anticipation of receiving taxes and other revenues, the City issued tax and revenue anticipation notes (TRAN) with a true interest cost of 3.429% and total premium of $22.8 million, depositing the proceeds in a General Fund account. The notes were issued to pay the City's annual contributions to Pensions and LACERS at the beginning of the fiscal year and to provide effective cash flow management of the General Fund. The additional interest earned by the pension funds from these early payments was used to discount the required City contribution without reducing the pension funds' annual receipts.

Short–term debt activity for the fiscal year ended June 30, 2025 was as follows (in thousands):

	Beginning Balance	Issued	Redeemed	Ending Balance
Tax and Revenue Anticipation Notes	$ --	$ 1,544,195	$ (1,544,195)	$ --

M. Leases, PPPs and Subscription-Based Information Technology Arrangements (SBITA)

Leases

A lease is defined as a contractual agreement that conveys control of the right-to-use (RTU) another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. Whether the City is the lessee or the lessor, nonfinancial assets involved in these lease contracts are land, buildings, building improvements, vehicles, machinery and equipment, etc.

The City recognized RTU lease assets with related accumulated amortization, lease liabilities, lease expense, amortization expense, and accrued interest payable as a lessee; while recognized lease receivable, accrued interest receivable, deferred inflows of resources related to leases, lease revenues, and interest received from leases as a lessor.

The City has a variety of variable payment clauses within its lease arrangements. Components of variable payments that are fixed in substance are included in the measurement of the lease liability, while variable payments based on the usage of the underlying asset are excluded from this liability.

Contracts with maximum terms of twelve months or less, those with termination clauses by either party without notice periods, or leases that transfer ownership of the underlying assets are excluded. Due to being under one primary government reporting legal entity, the leases among City departments, Airports, Harbor, Water and Power, and Sewer are excluded because the control is not conveyed to another legal entity. Leases with MICLA are also excluded as MICLA is a blended component unit and the intra-entity leases with the City are eliminated in the City's basic financial statements.

As of June 30, 2025, the total of City's lease-related RTU assets is $484.6 million with accumulated amortization of $184.0 million, and lease liability is $318.6 million along with $594.5 million lease receivable and $542.7 million lease related deferred inflow of resources.

Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)

A PPP is an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The City recognized PPP receivable, accrued interest receivable and corresponding deferred inflow of resources for its PPP contracts and recognized PPP liabilities for its APA contracts with nongovernmental operators to provide public services.

As of June 30, 2025, the City's PPP receivable and corresponding deferred inflow of resources is $30.6 million and $29.9 million, respectively. The total PPP liability for availability payment arrangements is $573.5 million. Please refer to Note 4I.2 under Airports for details on the PPP liability.

Subscription-Based Information Technology Arrangements (SBITA)

A SBITA is a contract that conveys control of the RTU another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. There are various IT assets that the City uses which it contracts with outside vendors in different models through cloud computing arrangements, such as software as a service (SaaS), platform as a service (PaaS) and infrastructure as a service (IaaS).

The City recognized intangible RTU subscription assets with related accumulated amortization, subscription liabilities, subscription expense, amortization expense, and accrued interest payable. SBITA asset is presented as RTU Subscription Assets under the Capital Assets section (Note 4F) with corresponding accumulated amortization.

As of June 30, 2025, the total of City's SBITA-related RTU assets is $265.2 million with accumulated amortization of $133.8 million, and SBITA liability is $69.6 million.

1. **Governmental Activities**

   City as Lessee

   The City as a lessee, entered into various lease agreements with third parties having terms expiring between fiscal years 2026 and 2062, including periods covered by the options to extend, which the City is reasonably certain to exercise. The terms and conditions for these leases and the materiality threshold applied vary by the type of underlying assets, including land, buildings, facilities, improvements, vehicles, machinery and equipment. All these agreements have fixed, periodic payments over the lease term, considering periodic payment escalations based on the Consumer Price Index rates if stipulated explicitly in the lease contract.

   As a lessee, the City recognizes an intangible RTU lease asset and corresponding lease liability at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. RTU lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

The City calculates the amortization of the discount on the lease liability and reports that amount as interest expense. Unless explicitly stated in the lease agreement or the City can determine the rate implicit within the lease, the discount rate used in the present value calculation is the City's incremental borrowing rate (IBR), ranging from 0.621% to 5.550%, applying the appropriate IBR to each contract based on the lease maturity year. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

At June 30, 2025, the City's lease related RTU lease assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2025
Land and Easements	$ 6,092
Buildings, Facilities, and Improvements	233,437
Machinery, Furniture and Equipment	10,087
Total RTU Lease Assets	249,616
Accumulated Amortization	(68,200)
Net RTU Lease Assets	$ 181,416

As of June 30, 2025, the City's principal and interest requirements to maturity for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 25,011	$ 7,733	$ 32,744
2027	24,439	6,833	31,272
2028	18,106	6,070	24,176
2029	15,350	5,563	20,913
2030	11,860	5,132	16,992
2031 - 2035	24,180	21,993	46,173
2036 - 2040	28,329	15,831	44,160
2041 - 2045	39,779	5,761	45,540
2046 - 2050	871	509	1,380
2051 - 2055	1,028	352	1,380
2056 - 2060	1,212	168	1,380
2061 - 2062	381	10	391
Total	$ 190,546	$ 75,955	$ 266,501

City as Lessor

The City also leases to third parties various facilities, office, and retail spaces located in buildings owned by the City with contract terms expiring between fiscal years 2026 and 2054, including options to extend that the City is reasonably certain to exercise. The underlying assets leased out to third parties are not derecognized by the City but remain part of the capital assets with corresponding accumulated depreciation in its basic financial statements.

As a lessor, the City recognizes a lease receivable and corresponding deferred inflow of resources at the lease commencement date measured as the present value of all future lease revenue to be received from tenants during the lease term. The City also recognizes interest on the lease receivable earned during the current fiscal year as interest revenue. Unless expressly provided for in the lease contract, discount rates used for calculating the present value of the lease receivable is the City's IBR, ranging from 1.156% to 3.307%, based on the lease maturity year of the eligible lease contracts. Deferred inflows of resources are recognized as inflows on a straight-line basis over the term of the lease. This recognition does not apply to short-term leases or certain regulated leases.

As of June 30, 2025, the City's principal and interest expected receipts to maturity for the lease receivables are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 1,750	$ 2,049	$ 3,799
2027	1,525	2,009	3,534
2028	1,670	1,965	3,635
2029	1,734	1,916	3,650
2030	1,673	1,866	3,539
2031 - 2035	8,536	8,563	17,099
2036 - 2040	9,611	7,151	16,762
2041 - 2045	12,444	5,382	17,826
2046 - 2050	15,935	3,099	19,034
2051 - 2054	10,449	636	11,085
Total	$ 65,327	$ 34,636	$ 99,963

As of June 30, 2025, City has $61.8 million lease related deferred inflow of resources.

Municipal Improvement Corporation of Los Angeles (MICLA)

The MICLA was formed to finance certain capital improvement projects of the City and enters into long-term lease agreements with the City. Under the lease agreements, title transfers to the City at the end of the lease term. If the City defaults under the Lease and Trust Agreements, the Trustee may terminate the lease and re-let the properties, except for the Streetlights Financing Series. Since MICLA is included in the City's reporting entity, the lease payments by the City are accounted for in the fund financial statements as transfers from the General Fund and certain special revenue funds to the MICLA Debt Service Fund. The leases have been eliminated in the government-wide financial statements.

City as PPP Transferor

The Zoo and Recreation and Parks are the two departments within the governmental activities who are involved in PPP agreements with nongovernmental operators to provide services to the public. These PPP agreements have expiration dates between fiscal years 2030 and 2037. The City recognized PPP receivable, interest receivable and deferred inflow of resources which were computed using the City's incremental borrowing rates between 4.500% to 5.170%.

As of June 30, 2025, the City has $29.9 million deferred inflow of resources from PPP agreements, while principal and interest expected to be received until maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 3,392	$ 1,443	$ 4,835
2027	3,522	1,278	4,800
2028	3,694	1,106	4,800
2029	3,875	925	4,800
2030	2,904	746	3,650
2031 - 2035	10,352	2,148	12,500
2036 - 2037	2,825	92	2,917
Total	$ 30,564	$ 7,738	$ 38,302

City as SBITA Service Receiver

The City recognizes a subscription liability and an intangible RTU subscription asset at the beginning of an SBITA unless it is considered a short-term SBITA. A subscription liability is measured at the present value of subscription payments expected to be made during the subscription term using the City's incremental borrowing rate. The City's SBITA contracts have terms expiring between 2026 and 2029, with IBR ranging from 0.62% to 4.89%, applying the appropriate IBR to each contract based on the contract commencement and maturity year.

Subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. Remeasurement of the subscription liability occurs when there is a change in the subscription term and/or other changes that are likely to have a significant impact on the subscription liability. Variable payments based on the usage of the underlying assets are not included in the subscription liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As of June 30, 2025, the City's SBITA RTU subscription assets are $153.9 million with accumulated amortization of $78.6 million, while the City's principal and interest requirements to maturity for the SBITA liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 19,121	$ 1,066	$ 20,187
2027	8,297	524	8,821
2028	5,661	227	5,888
2029	3,772	15	3,787
Total	$ 36,851	$ 1,832	$ 38,683

2. Business-type Activities

Airports

Airports as a lessee has entered into various agreements for land, buildings, equipment and vehicles with lease terms expiring between 2026 and 2042, with some leases containing options to renew. The terms and conditions for these leases vary by the type of underlying asset. Airports recognizes a lease liability and an intangible RTU asset at the commencement of the lease. Unless explicitly stated in the lease agreement, known by Airports, or Airports is able to determine the rate implicit within the lease, the discount rate used to calculate lease RTU assets and liabilities is Airports' incremental borrowing rate at the end of each fiscal year. The incremental borrowing rate was 3.72% as of June 30, 2025, and was the discount rate utilized for applicable leases beginning in fiscal year 2025.

At June 30, 2025, Airports' lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2025
Land	$ 45,911
Buildings, Facilities, and Improvements	8,688
Machinery, Furniture and Equipment	50,499
Total RTU Assets	105,098
Accumulated Amortization	(59,331)
Total	$ 45,767

As of June 30, 2025, Airports' principal and interest requirements to maturity for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 9,235	$ 1,571	$ 10,806
2027	7,897	1,291	9,188
2028	4,798	1,050	5,848
2029	2,903	939	3,842
2030	2,862	842	3,704
2031 - 2035	9,779	2,981	12,760
2036 - 2040	8,534	1,651	10,185
2041 - 2043	5,271	226	5,497
Total	$ 51,279	$ 10,551	$ 61,830

Airports as a lessor, leases terminal space (except for regulated leases), aircraft maintenance and overhaul facilities, cargo facilities, hangars, other building facilities and ancillary land facilities at LAX to air carriers and other tenants under various agreements, majority of which are non-cancelable and terminate no later than fiscal year 2040.

As a lessor, Airports recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for regulated leases and short-term leases. As lessor, the asset underlying the lease is not derecognized. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The leases typically include provisions for rent changes based on the consumer price index or other market indexes, resulting in additional variable lease revenues that are not included in the measurement of the lease receivables.

The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

Building and Land Leases

Airports leases terminal space, aircraft maintenance and overhaul facilities, cargo facilities, hangars, and other building facilities and ancillary land facilities at LAX to air carriers and other tenants under various agreements. The terms of these long-term leases range from more than one to forty years and generally expire between fiscal years 2026 and 2040. Airports also leases office spaces in Skyview Center to air carriers and other tenants under various agreements. The terms of these long-term leases range from two to ten years and generally expire between fiscal years 2026 and 2030.

Concessions Leases

Airports operates a comprehensive concessions program at LAX that includes advertising and sponsorship, duty free merchandise, food and beverage, retail, and services operators in the terminal facilities. Contractually, concessionaires pay rent to Airports in an amount equal to the greater of a percentage of gross sales or a Minimum Annual Guarantee (MAG). The decline in passenger traffic due to COVID-19 significantly reduced concession sales and prompted the Board of Airport Commissioners (Board) to temporarily authorize revised payment terms to suspend MAGs and require concessionaires to pay rent based on percentage of gross sales if the concession units are open and operational. Due to the variable nature of the above revenues from year-to-year, expected future minimum payments are indeterminable. Accordingly, these concession agreements with MAG waiver are not recognized as lease agreements in fiscal year 2025.

As of June 30, 2025, Airports' principal and interest payments on leases expected to be received through maturity are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 23,490	$ 4,474	$ 27,964
2027	22,586	3,764	26,350
2028	20,087	3,050	23,137
2029	16,875	2,421	19,296
2030	14,176	1,889	16,065
2031 - 2035	38,114	4,266	42,380
2036 - 2040	4,950	1,406	6,356
2041 - 2045	--	1,044	1,044
2046 - 2050	114	1,036	1,150
2051 - 2055	442	988	1,430
2056 - 2060	827	884	1,711
2061 - 2065	1,341	705	2,046
2066 - 2070	2,019	428	2,447
2071 - 2073	1,475	72	1,547
Total	$ 146,496	$ 26,427	$ 172,923

As of June 30, 2025, Airports have $130.2 million lease related deferred inflow of resources.

Regulated Leases

Airports entered into various Terminal Rate Agreements with airlines for usage of LAX facilities for the purpose of conducting business as air transportation businesses. The 2021 Rate Agreement Amendment was executed with a term that extends through December 2032. The Further Amended and Restated Rate Agreement extended the term through June, 2033. The 2023 Amended and Restated Rate Agreement extends the term through June 2035. Under the terms of these agreements, airlines pay LAX monthly fees based on an approved methodology of calculating rates and charges for airlines and airline consortia. The other regulated lease agreements expire between fiscal years 2026 and 2050.

Airports does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users.

For the fiscal year ended June 30, 2025, Airports recognized the following balances related to regulated leases (in thousands):

Regulated Lease Assets	Fixed Payments	Variable Payments	Total
Building Rentals	$ 546,733	$ --	$ 546,733
Land Rentals	37,094	--	37,094

Expected future minimum lease payments from regulated leases at June 30, 2025 based on the assumption that current agreements are carried to contractual termination, without considering the potential effect of the ongoing COVID-19 pandemic, and without considering future expansion and changes in operations by Airports or the signatory airlines, are as follows (in thousands):

Fiscal Year	Total
2026	$ 449,124
2027	402,357
2028	403,487
2029	382,415
2030	378,726
2031 - 2035	1,185,036
2036 - 2040	154,052
2041 - 2045	99,254
2046 - 2050	76,015
Total	$ 3,530,466

Under the agreements with the airlines, they may have preferential and exclusive use of certain space and facilities of the terminals and gates in LAX as summarized below:

Terminal	Total Terminal Area (SQFT)	Non-exclusively Used Terminal Area (SQFT)	Exclusively Used Terminal Area (SQFT)	Airlines using the Terminal Area Exclusively
T1 & T1.5	214,964	29,992	184,972	Southwest Airlines
T2	131,719	2,360	129,359	Delta Air Lines
T3	347,306	3,309	343,997	Delta Air Lines
T4	322,403	284	322,119	American Airlines
T5	467,323	33,750	433,573	American Airlines
T6	141,379	30,006	111,373	Alaska Airlines
T7	335,087	4,057	331,030	United Airlines
T8	17,278	583	16,695	United Airlines
TBIT/MSC	225,987	225,987	--	
Total	2,203,446	330,328	1,873,118	

Note: The information above is based on June 2025 billing.

Terminal	Total no. of Gates	Common Use Gates	Preferential Use Gates	Airlines using the Gates Preferentially
T1 & T1.5	13	--	13	Southwest Airlines
T2	12	--	12	Delta Air Lines
T3	19	--	19	Delta Air Lines
T4	17	--	17	American Airlines
T5	15	--	5	American Airlines
T5	--	--	5	JetBlue Airlines
T5	--	--	5	Spirit Airlines
T5	--	--	--	Various airlines
T6	15	2	11	Alaska Airlines
T6	--	--	2	Air Canada
T7	15	--	15	United Airlines
T8	8	--	8	United Airlines
TBIT & MSC	36	--	--	Delta Air Lines
TBIT & MSC	--	36	--	Various airlines
Remote	9	9	--	Various airlines
Commuter	9	--	9	Various airlines
Total	168	47	121	

Note: According to the lease agreements, the above airlines are entitled to use the gates on a preferential basis in accordance with the scheduling protocols. Airports has the rights to schedule aircraft operations of other airlines on the preferential-use gates if such scheduling will not interfere with the above airlines' operation.

Airports utilizes IT software contracts to purchase all software, including a variety of software products that are installed on servers, workstations, mobile devices, notebooks, and other hardware. These software products include core software used throughout the organization, such as Microsoft Office 365; Microsoft Teams; Adobe Acrobat Pro DC; Software-as-a-Service (SaaS), such as Amazon Web Services and Azure; and Firewall-as-a-Service (FWaaS), such as Cloudflare. These contracts are also used to purchase specialized programs, such as project scheduling, other airport-specific software, and associated software support services used throughout the organization, and to purchase software for capital and operating initiatives, including Interactive Kiosks, Workforce Central, SharePoint, OpenText, and software used for estimating, construction project management, drafting, aerial imagery, large document review and collaboration, Building Information Modeling, and project risk management, and others. In many cases, Airports is required to purchase the annual licenses for these products to obtain functional and security updates as well as maintenance support services.

Airports evaluates these contracts and identifies qualified Subscription-Based Information Technology Arrangements (SBITAs). The present value of the SBITAs are calculated based on the incremental borrowing rate which are aggregated on a portfolio basis.

At the time of the SBITA commencement or conversion, the term will include possible extension periods that are deemed to be reasonably certain given all available information, regarding the likelihood of renewal. For extension periods without explicit subscription payment amounts in the agreement, Airports assumed a CPI increase of 4.03% for fiscal year 2025 to prior payment amounts on an annual basis. Unless explicitly stated in the agreement, known by Airports, or Airports is able to determine the rate implicit within the agreement, the discount rate used to calculate the right-to-use subscription assets and liabilities is Airports' incremental borrowing rate at the end of each fiscal year.

At June 30, 2025, Airports has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2025
Subscription Assets	$ 53,213
Accumulated amortization	(40,001)
Total	$ 13,212

As of June 30, 2025, Airports' future principal and interest payments for subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 5,571	$ 190	$ 5,761
2027	2,627	149	2,776
2028	1,998	102	2,100
2029	1,866	60	1,926
2030	1,371	22	1,393
2031 - 2035	825	9	834
Total	$ 14,258	$ 532	$ 14,790

Harbor

Harbor as a lessee, has obtained right-to-use (RTU) lease assets such as office space, equipment, radio tower space, and vanpool vehicles through long-term leases. At June 30, 2025, RTU lease assets and related accumulated amortization are as follows (in thousands):

RTU Lease Assets	Balance June 30, 2025
Buildings, Facilities, and Improvements	$ 909
Machinery, Furniture and Equipment	1,194
Total RTU Assets	2,103
Accumulated Amortization	(1,499)
Total	$ 604

Harbor's future annual payments under these leases as of June 30, 2025 are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 355	$ 14	$ 369
2027	106	8	114
2028	115	4	119
2029	60	1	61
Total	$ 636	$ 27	$ 663

Harbor as a lessor, leases a portion of lands and facilities to tenants for purposes of supporting port operations and serves the surrounding communities. These leases generated 14.8% of Harbor's operating revenues in fiscal year 2025. These tenants operate restaurants, yacht clubs, ferry service, boat repair and maintenance shops, freight and logistics services, as well as oil and gas exploration. The terms of these leases are long-term in nature ranging from 1 to 66 years and are subject to periodic review and reset of base amounts. Certain provisions of these leases provide for fixed and variable rental payments.

For the fiscal year ended June 30, 2025, lease payments received by Harbor are as follows (in thousands):

Leased Assets	Fixed	Variable	Total
Land and facilities	$ 50,613	$ 5,882	$ 56,495

Harbor's future principal and interest receipts for these leases as of June 30, 2025 are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 32,211	$ 11,115	$ 43,326
2027	22,052	10,343	32,395
2028	19,185	9,725	28,910
2029	17,794	9,176	26,970
2030	18,048	8,634	26,682
2031 - 2035	86,091	34,712	120,803
2036 - 2040	48,528	24,166	72,694
2041 - 2045	58,949	15,046	73,995
2046 - 2050	53,925	3,831	57,756
2051 - 2055	1,825	111	1,936
Total	$ 358,608	$ 126,859	$ 485,467

Regulated Leases

The majority of Harbor's leases contain nonexclusive right-to-use of the premises and provide retention of ownership by Harbor under the State tidelands and Federal maritime regulations. These leases are considered regulated leases.

For the fiscal year ended June 30, 2025, the minimum rental income from such lease agreements was approximately $445.7 million, and was reported under shipping services revenue. Certain agreements relate to shipping services and certain concessions provide for the additional payments beyond the fixed portion, based upon tenant usage, revenues, or volumes.

Assuming that current agreements are carried to contractual termination including options to extend, minimum tenant commitments due to Harbor are as follows (in thousands):

Fiscal Year	Minimum Rental Income
2026	$ 447,291
2027	384,684
2028	376,161
2029	379,799
2030	383,432
2031 - 2035	2,036,284
2036 - 2040	1,592,185
2041 - 2043	604,460
Total	$ 6,204,296

As of June 30, 2025, Harbor has $358.6 million lease receivable and $328.6 million lease related deferred inflow of resources.

Harbor has SBITAs that provide subscriptions or license to use a third-party software supporting Harbor's operations. Those SBITAs include user licenses for enterprise resources planning (ERP) system and specialized software applications for real estate, port pilot, and customer billing operations.

At June 30, 2025, Harbor has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2025
Subscription Assets	$ 31,020
Accumulated Amortization	(3,589)
Total	$ 27,431

As of June 30, 2025, Harbor's future annual payments for subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 1,084	$ 36	$ 1,120
2027	806	30	836
2028	914	6	920
Total	$ 2,804	$ 72	$ 2,876

Power

Power is a lessee for various noncancelable leases of buildings, vehicles and land. At lease commencement, Power initially measures the lease liability at the present value of payments expected to be made during the lease term. If the present value of payments expected to be made is below the $100.0 thousand materiality threshold, then expenses will be recognized as short-term leases. Subsequently, for all other leases, the lease liability is reduced by the principal portion of lease payments made at or before the lease commencement date.

Power generally uses its estimated incremental borrowing rate as the discount for leases unless the rate that the lessor/vendor charges is known. Power's incremental borrowing rate is based on the long-term average Weighted Average Cost of Capital (WACC) for AA-rated utilities as the discount rate for leases unless the rate that the lessor charges is known. Power's incremental borrowing rate for leases is based on the rate of interest it would need to pay if it issued general obligation bonds to borrow an amount equal to the lease under similar terms at the commencement or remeasurement date.

Power monitors changes in circumstances that may require the remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the lease liability, the liability is remeasured and a corresponding adjustment is made to the lease asset. In fiscal year 2025, Power executed an optional lease term extension in accordance with the original contract. This extension resulted in the remeasurement of the related lease liability and RTU, with the revised amounts.

At June 30, 2025, Power’s lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2025
Land	$ 3,272
Buildings, Facilities, and Improvements	54,136
Machinery, Furniture and Equipment	17,358
Total RTU Assets	74,766
Accumulated Amortization	(32,063)
Total	$ 42,703

As of June 30, 2025, Power's future principal and interest payments for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 8,368	$ 1,663	$ 10,031
2027	4,465	1,647	6,112
2028	4,838	1,448	6,286
2029	5,243	1,223	6,466
2030	5,368	969	6,337
2031 - 2035	14,247	1,356	15,603
2036 - 2040	716	326	1,042
2041 - 2045	594	169	763
2046 - 2050	361	62	423
2051 - 2055	52	5	57
Total	$ 44,252	$ 8,868	$ 53,120

Power is a lessor for various noncancelable leases covering building, land and improvements. As a lessor, Power's long-term land leases cover periods of 30-55 years. A 30-year land lease has an escalation factor of 5% every five years which commenced on April 15, 2011. This land lease also contains an interconnection agreement for an oil terminal and tank farm for storage, handling and distribution of crude petroleum and petroleum related products, which can be terminated after ten years from the effective date or termination of lease agreement.

At lease commencement, Power initially measures the lease receivable at the present value of payments expected to be received during the lease term, reduced by any provision of estimated uncollectible amounts, if any. If the present value of payments expected to be received is below the $100.0 thousand materiality threshold, then revenues will be recognized as short-term leases. Subsequently, for all other leases, the lease receivable is reduced by the principal portion of lease payments received.

Power used the long-term average WACC for AA-rated utilities as the discount rate for leases, which approximates the Power's incremental borrowing rate.

Lease receivables are reported with long-term receivables under noncurrent assets and the corresponding deferred inflows are reported with other deferred inflows in the statement of net position. As of June 30, 2025, Power has a $22.5 million lease receivable and $20.2 million lease related deferred inflow of resources.

Power has various noncancelable SBITAs of cloud hosting fees, software subscription fees and enterprise services subscription fees. At the commencement of the subscription term, Power initially measures the subscription liability at the present value of payments expected to be made during the subscription term. If the present value of payments expected to be made are below the $100.0 thousand materiality threshold, then expenses will be recognized as short-term subscriptions. Subsequently, for all other subscriptions, the subscription liability is reduced by the principal portion of subscription payments made at or before the subscription commencement date.

Power generally uses its estimated incremental borrowing rate as the discount for subscriptions unless the rate that the vendor charges is known. Power's incremental borrowing rate is based on the long-term average WACC for AA-rated utilities as the discount rate for subscriptions unless the rate that the SBITA vendor charges is known. Power's incremental borrowing rate for subscriptions is based on the rate of interest it would need to pay if it issued general obligation bonds to borrow an amount equal to the subscription under similar terms at the commencement or remeasurement date.

At June 30, 2025, Power has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2025
Subscription Assets	$ 22,857
Accumulated Amortization	(9,603)
Total	$ 13,254

As of June 30, 2025, Power's future principal and interest payments to be made for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 3,346	$ 498	$ 3,844
2027	4,579	471	5,050
2028	2,587	244	2,831
2029	1,982	125	2,107
2030	786	41	827
Total	$ 13,280	$ 1,379	$ 14,659

Water

Water is a lessee for various noncancelable leases of buildings, vehicles and land. At lease commencement, Water initially measures the lease liability at the present value of payments expected to be made during the lease term. If the present value of payments expected to be made is below the $100.0 thousand materiality threshold, then expenses will be recognized as short-term leases. Subsequently, for all other leases, the lease liability is reduced by the principal portion of lease payments made at or before the lease commencement date.

Water generally uses its estimated incremental borrowing rate as the discount for leases unless the rate that the lessor/vendor charges is known. Water's incremental borrowing rate is based on the long-term average WACC for AA-rated utilities as the discount rate for leases unless the rate that the lessor charges is known. Water's incremental borrowing rate for leases is based on the rate of interest it would need to pay if it issued general obligation bonds to borrow an amount equal to the lease under similar terms at the commencement or remeasurement date.

Water monitors changes in circumstances that may require remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the lease liability, the liability is remeasured and a corresponding adjustment is made to the lease asset. In fiscal year 2025, Water executed an optional lease term extension in accordance with the original contract. This extension resulted in the remeasurement of the related lease liability and RTU, with the revised amounts.

At June 30, 2025, Water's lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2025
Land	$ 1,686
Buildings, Facilities, and Improvements	24,040
Machinery, Furniture and Equipment	8,886
Total RTU Assets	34,612
Accumulated Amortization	(15,450)
Total	$ 19,162

As of June 30, 2025, Water's future principal and interest payments to be made for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 4,029	$ 724	$ 4,753
2027	1,970	716	2,686
2028	2,133	629	2,762
2029	2,310	530	2,840
2030	2,340	420	2,760
2031 - 2035	6,090	596	6,686
2036 - 2040	337	160	497
2041 - 2045	290	86	376
2046 - 2050	187	33	220
2051 - 2055	26	22	48
Total	$ 19,712	$ 3,916	$ 23,628

Water is a lessor for various noncancelable leases covering building, land and improvements. As a lessor, Water's long-term Ranch Leases (land) cover a period of 5 years. The lease terms for these leases are determined each year and are based on three valuation components including 1) utility of land, 2) operating structures and 3) rental adjustments based on priced indexes specified in each lease.

At lease commencement, Water initially measures the lease receivable at the present value of payments expected to be received during the lease term, reduced by any provision of estimated uncollectible amounts, if any. If the present value of payments expected to be received is below the $100.0 thousand materiality threshold, then revenues will be recognized as short-term leases. Subsequently, for all other leases, the lease receivable is reduced by the principal portion of lease payments received.

Water used the long-term average WACC for AA-rated utilities as the discount rate for leases which approximates Water 's incremental borrowing rate.

Lease receivables are reported with long-term receivables under noncurrent assets and the corresponding deferred inflows are reported with other deferred inflows in the statement of net position.

As of June 30, 2025, Water has $1.6 million lease receivable and $1.9 million lease-related deferred inflow of resources.

Water has various noncancelable SBITAs of cloud hosting fees, software subscription fees and enterprise services subscription fees. At the commencement of the subscription term, Water initially measures the subscription liability at the present value of payments expected to be made during the subscription term. If the present value of payments expected to be made are below the $100.0 thousand materiality threshold, then expenses will be recognized as short-term subscriptions. Subsequently, for all other subscriptions, the subscription liability is reduced by the principal portion of subscription payments made at or before the subscription commencement date.

Water generally uses its estimated incremental borrowing rate as the discount for subscriptions unless the rate that the vendor charges is known. Water's incremental borrowing rate is based on the long-term average WACC for AA-rated utilities as the discount rate for subscriptions unless the rate that the SBITA vendor charges is known. Water's incremental borrowing rate for subscriptions is based on the rate of interest it would need to pay if it issued general obligation bonds to borrow an amount equal to the subscription under similar terms at the commencement or remeasurement date.

At June 30, 2025, Water has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2025
Subscription Assets	$ 4,257
Accumulated Amortization	(1,964)
Total	$ 2,293

As of June 30, 2025, Water's annual principal and interest payments to be made for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 660	$ 114	$ 774
2027	665	91	756
2028	720	57	777
2029	330	18	348
Total	$ 2,375	$ 280	$ 2,655

Sewer

At June 30, 2025, Sewer's lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2025
Buildings, Facilities, and Improvements	$ 18,170
Machinery, Furniture and Equipment	282
Total RTU Assets	18,452
Accumulated Amortization	(7,452)
Total	$ 11,000

As of June 30, 2025, Sewer's future principal and interest payments for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 1,825	$ 284	$ 2,109
2027	1,928	243	2,171
2028	1,805	199	2,004
2029	938	167	1,105
2030	997	141	1,138
2031 - 2035	4,636	267	4,903
Total	$ 12,129	$ 1,301	$ 13,430

As of the end of fiscal year 2025, Sewer had no SBITA contracts.

3. Fiduciary Funds

LACERS

As a lessee, LACERS has evaluated all potential lease agreements and determined that there were no new and existing lease contracts that would result in the recognition of lease liabilities and right-to-use lease assets during the fiscal year ended June 30, 2025.

LACERS as a lessor entered into a cell tower/antenna placement agreement under a five-year extended term expiring on November 30, 2023 with an option to automatically renew for four separate consecutive additional periods of five years each. The total amount of inflow of resources, including lease revenue, interest revenue and other lease-related inflows recognized in fiscal year 2025 was $61.0 thousand.

LACERS entered into a SBITA with various vendors that provides for the right to use their software and licenses for a period of three years which included option to renew for another term. LACERS recognizes intangible RTU subscription assets using LACERS estimated incremental borrowing rate and included extensions in the term if, after considering relevant economic factors, it is reasonably certain to be exercised. LACERS does not recognize subscription asset for SBITA with noncancelable term of 12 months or less.

LACERS has RTU subscription assets and related accumulated amortization as follows (in thousands)

RTU SBITA Assets	Balance June 30, 2025
Subscription Assets	$ 583
Accumulated Amortization	(271)
Total	$ 312

As of June 30, 2025, LACERS' annual principal and interest payments to be made for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 251	$ 17	$ 268
2027	172	6	178
2028	65	2	67
Total	$ 488	$ 25	$ 513

Pensions

Pensions, as a lessee, has evaluated its existing lease agreements and determined that the amounts are immaterial for accounting and reporting requirements.

Pensions, as a lessor, entered into three lease agreements to provide office and retail space in the headquarters building to external parties. Two lease agreements expired and one was terminated within fiscal year 2025.

As of June 30, 2025, Pensions has no remaining lease receivables or deferred inflows of resources associated with these leases. There are no future lease payments to be received as all leases were settled upon expiration or termination prior to year-end.

Pensions entered into a three-year subscription-based information technology arrangements for the right to use a document storage management system, and another three-year subscription for the right to use software and licenses. The agreements expire in June 2026 and December 2026, respectively.

As of June 30, 2025, Pensions has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2025
Subscription Assets	$ 475
Accumulated Amortization	(285)
Total	$ 190

As of June 30, 2025, Pensions' annual principal and interest payments for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2026	$ 162	$ 3	$ 165

N. Risk Management - Estimated Claims and Judgments Payable

1. Governmental Activities

Because of its size and financial capacity, the City has long followed the practice of directly assuming virtually all insurable risks without procuring commercial insurance policies, except for specific exposures where legally required, contractually required or when judged to be the most cost effective method of risk financing. The extent and variety of City exposure is such that the cost of the premiums would outweigh the benefits of such coverage. The City administers, adjusts, settles, defends and pays claims from budgeted resources. Funds are budgeted annually to provide for claims and other liabilities based both on the City's historical record of payments and an evaluation of known or anticipated claims.

As discussed in the summary of significant accounting policies (Note 1E.9), the City recognizes a liability for claims and judgments when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. Included in the account are amounts for tort liability and workers' compensation, which include IBNR liabilities, and provision for allocated expenses.

As of June 30, 2025, a number of lawsuits and claims were pending against the City that arose in the normal course of the City's general governmental operations. The City estimates the amount of tort and non-tort liabilities to be probable of occurring as of June 30, 2025 at approximately $1.3 billion. Of this amount, $206.9 million is estimated to be payable in the next fiscal year. The City will also review the filed protective refund claims for a pending lawsuit, which may lead to additional liability.

The City's liability for tort cases was actuarially estimated. The total of the present value of the estimated outstanding losses and loss adjustment expenses was used to record the City's liability for tort cases. The present value of the estimated outstanding losses and loss adjustment expenses was calculated based on a 2.61% yield on investments.

The liability for workers' compensation was recorded using the present value of the actuarially estimated outstanding losses, which were based on an analysis of the City's historical loss and allocated loss adjustment expenses. The present value of the estimated outstanding losses was calculated based on a 3.0% yield on investments. At June 30, 2025, the City estimates its workers' compensation liability at $2.3 billion. Of this amount, $235.1 million is estimated to be payable in the next fiscal year.

2. Business-type Activities

Airports Enterprise Fund

The Risk Management Division administers Airports' risk and claims management program by implementing a comprehensive risk identification, assessment, regulation and insurance program. The program addresses key risks that may adversely affect Airports' ability to meet its business goals and objectives and effectively insures against losses, transfers risk or otherwise mitigates risk losses.

Airports has purchased insurance to cover catastrophic property losses with limits of $2.5 billion. Additionally, Airports has purchased insurance coverage for earthquake losses up to $25.0 million at LAX and $5.0 million at VNY, with no deductible. Airports self-insures for earthquake losses in excess of $30 million. Airports also purchased $25.0 million primary Nuclear Chemical Biological Radiological Terrorism insurance coverage; $5.0 million primary Malicious Assailant insurance coverage; $9.0 million aggregate and primary excess Law Enforcement Liability insurance coverage; $15.0 million aggregate and primary excess Public Officials Errors and Omissions Liability insurance coverage; and $10.0 million aggregate and primary excess Employment Practices Liability insurance coverage.

Airports carries commercial aviation general liability insurance with coverage limits of $1.3 billion for losses arising out of liability for airport operations. The self-insured retention on the commercial aviation general liability coverage is $500,000 per occurrence for bodily injury and property damage. The liability coverage has endorsements to cover third-party bodily injury and property damage claims and suits, on premises automobile coverage, personal and advertising injury coverage, errors and omissions coverage and hangar and aircraft owner's liability coverage. As a separate coverage agreement, Airports carries employment practices liability insurance with coverage limits of $10.0

million for protection against employment-related losses, including coverage for defense costs and damages, with a self-insured retention of $1.5 million per occurrence.

Airports carries all-risk property insurance with coverage limits of $2.5 billion for all Airports properties. The deductible on this coverage is 5% per insured structure subject to $500.0 thousand per occurrence with no aggregate. Airports property insurance also incorporates a special endorsement that provides coverage of $2.0 billion for property losses resulting from acts of terrorism for declared foreign acts of terrorism and "business interruption" losses resulting from a covered property peril as well as terrorism. Airports property insurance coverage also incorporates a special endorsement that provides for coverage for "boiler and machinery" losses up to a covered limit of $250.0 million.

Airports carries cyber liability, ransomware and technical errors and omissions insurance (subject to a deductible) for protection against cyber liability risks as well as critical financial protection from loss, disclosure, or theft of data in any form, including but not limited to, media and content rights infringement and liability, network security failure, denial of service attacks and transmission of malicious code.

Airports also has purchased excess War and Risk Perils buy-back coverage with limits of $1.0 billion for any one occurrence and in the aggregate. War and Risk Perils coverage includes but is not limited to any act of one or more persons, whether or not agents for a sovereign for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional and any malicious act or act of sabotage. Coverage under the War and Allied Perils endorsement may be terminated at any time by the underwriters and terminates automatically upon the outbreak of war (whether there has been a declaration of war or not) between any two or more of the following: France, the People's Republic of China, the Russian Federation, the United Kingdom or the United States, and certain provisions of the endorsement are terminated upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force.

Airports maintains an insurance reserve fund pursuant to Board policy. This fund has been established to fund uninsured or under-insured losses or where insurance capacity is unavailable or excessive in cost relative to coverage. This reserve fund would provide primary funding for catastrophic losses with respect to both LAX and VNY and Palmdale Land Holdings. The insurance reserve fund balance was approximately $253.7 million at June 30, 2025.

A number of claims/lawsuits were pending against Airports that arose in the normal course of its operations. Airports recognizes a liability for claims and judgments when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. Outside counsel provides estimates for the amount of liabilities with a probability of occurring from these lawsuits. The probability weighted liability for litigation and other claims as of fiscal year ended June 30, 2025 was $10.1 million. There have been no settlements in the past three years that have exceeded Airports' insurance coverage.

Airports is self-insured as part of the City's program for workers' compensation. All workers' compensation cases are processed by Airports under the City's workers compensation program. Liability and risk are retained by Airports. The actuarially determined accrued liability for workers' compensation includes provision for incurred but not reported claims and loss adjustment expenses. The present value of the estimated outstanding losses was calculated based on a 3% yield on investments. Airports' accrued workers' compensation liabilities at June 30, 2025 was $108.4 million.

Harbor Enterprise Fund

Harbor purchases insurance for a variety of exposures associated with general liability, property, vessels, employment practices, crime, aircraft, travel, police, pilotage, special events, cyber and terrorism. The City is self-insured for workers' compensation, and Harbor participates in the City's self-insurance program. Automobile liability exposures are self-insured by Harbor for $1.0 million and multiple layers of excess liability up to $149.0 million is maintained over the self-insured retention. The excess liability policies also supplement Harbor's general and vessel liability policies. There have been no settlements in the past three years that have exceeded Harbor's insurance coverage.

The actuarially determined accrued liability for workers' compensation includes provision for incurred but not reported claims and loss adjustment expenses. The present value of the estimated outstanding losses was calculated based on a 3.0% yield on investments. Harbor's accrued workers' compensation liability at June 30, 2025 was $8.8 million.

A number of lawsuits were pending against Harbor that arose in the normal course of operations. Harbor recognizes a liability for claims and when it is probable that a loss has been incurred and the amount of that loss, including those incurred but not reported, can be reasonably estimated. The City Attorney provides estimates for the amount of liabilities to be probable of occurring from lawsuits. Harbor's liability for litigation and other claims at June 30, 2025 was $12.2 million.

Power and Water Enterprise Funds

DWP is subject to certain business risks common to the utility industry. The majority of these risks are mitigated by external insurance coverage obtained by DWP. For other significant business risks, however, DWP has elected to self-insure. DWP believes that exposure to loss arising out of self-insured business risks will not materially impact the Power's and Water's financial position, results of operations, or cash flows as of June 30, 2025.

Liabilities for unpaid workers' compensation claims are recorded at their net present value when they are probable of occurrence and the amount can be reasonably estimated. The liability is actuarially determined based on an estimate of the present value of the claims outstanding and an amount for claim events incurred but not reported based upon the DWP's loss experience, less the amount of claims and settlements paid to date. The discount rate used to calculate this liability at its present value was 2.0% at June 30, 2025. The DWP has third-party insurance coverage for workers' compensation claims over $1.0 million.

Overall indicated reserves for workers' compensation claims, for both the Power and Water, undiscounted, have been estimated at $119.0 million as of June 30, 2025. Workers' compensation claims typically take longer than one year to settle and close out.

Power Enterprise Fund

Derivative Instruments. Power enters into natural gas hedging contracts in order to stabilize the cost of gas needed to produce electricity to serve its customers. It is designed to cap gas prices over a portion of the forecasted gas requirements. DWP does not speculate when entering into financial transactions. Financial hedges are variable to fixed-rate swaps and hedge transactions are layered in to achieve dollar cost averaging.

As of June 30, 2025, Power's financial natural gas hedges by fiscal year are the following (fair value in thousands):

Derivative Description	Notional Amount (total contract quantities*)	Contract Price Range Dollar per Unit	First Effective Date	Last Termination Date	Fair Value
2026	28,835,000	$2.23 - 5.90	07/01/25	06/30/26	$ (8,035)
2027	21,010,000	3.49 - 5.04	07/01/26	06/30/27	(366)
2028	12,825,000	3.19 - 4.66	07/01/27	06/30/28	(3,246)
2029	7,300,000	3.05 - 4.31	07/01/28	06/30/29	(2,257)
2030	3,650,000	3.87 - 3.91	07/01/29	06/30/30	(430)
Total	73,620,000				$ (14,334)

* Contract quantities in MMBtu - Million British Thermal Units

The fair value of the natural gas hedges decreased by $12.9 million during the fiscal year ended June 30, 2025 due to a decrease in natural gas prices during the year, and the balance of $14.3 million at June 30, 2025 is reported as a noncurrent liability and is offset by deferred outflows on the statement of net position. All fair values were estimated using Platt's forward curves, based on published settlement prices and supplemented by Platt's proprietary models wherever there is less liquid market activity.

Credit Risk. Power is exposed to credit risk related to nonperformance by its wholesale counterparties under the terms of contractual agreements. In order to limit the risk of counterparty default, DWP has implemented a Counterparty Evaluation Credit Policy (Credit Policy). The Credit Policy has been

amended from time to time, and the latest board approval was on November 28, 2017. The Credit Policy's current scope includes physical power, transmission, physical natural gas, financial natural gas, and environmental products. Also, the credit limit structures are categorized into short-term and long-term structures where the short-term structure is applicable to transactions with terms of up to 18 months and the long-term structure covers transactions beyond 18 months.

The Credit Policy includes provisions to limit risk, including the assignment of internal credit ratings to all of the Power's counterparties based on counterparty and/or debt ratings; the use of expected default frequency equivalent credit rating for short-term transactions; the requirement for credit enhancements (including advance payments, irrevocable letters of credit, escrow trust accounts, and parent company guarantees) for counterparties that do not meet an acceptable level of risk; and the use of standardized agreements, which allow for the netting of positive and negative exposures associated with a single counterparty.

As of June 30, 2025, the five financial natural gas hedge counterparties were rated by Moody's as follows: one at Aa1, one Aa2, two at A1, and one at A2. The counterparties were rated by S&P as follows: one at AA-, one at A+, two at A-, and one at BBB+.

Based on the International Swap Dealers Association agreements, Power or the counterparty may be required to post collateral to support the financial natural gas hedges subject to credit risk in the form of cash, negotiable debt instruments (other than interest-only and principal-only securities), or eligible letters of credit. As of June 30, 2025, the fair values of the financial natural gas hedges were within the counterparties' credit limits and there were no cash and securities collateral posted.

Basis Risk. Power is exposed to minimal to no basis risk between the financial natural gas hedges and the equivalent physical gas deliveries as both are settled using the first of the month NW Rocky Mountains Index, while the physical gas deliveries are received at Kern River Opal, where Power negotiated firm transmission rights. Both locations are in the same region and are highly correlated.

Termination Risk. Power or its counterparties may terminate the contractual agreements if the other party fails to perform under the terms of the contract. No termination events have occurred and there are no out-of-the-ordinary termination events contained in contractual documents.

Sewer Enterprise Fund

Sewer has commercial insurance for risks of physical damage to real and personal properties. Certain claims and lawsuits are pending against Sewer for construction claims and other alleged liabilities arising during the ordinary course of Sewer's operations. Sewer recognizes liabilities for claims and lawsuits when it is probable that an asset has been impaired, or a liability has been incurred and the amount of the loss can be reasonably estimated. The City Attorney estimates the amount of liabilities that are probable of occurring from these claims and lawsuits. For fiscal year 2025, $3.1 million was accrued as claims payable.

Claim Changes

The Enterprise Funds' estimated claims and judgments payable of $252.6 million consisted of $25.4 million litigation-type claims and $227.2 million workers' compensation liability. The amount estimated to be payable in the next fiscal year is approximately $29.3 million.

The changes in the City's total governmental and business-type estimated claims and judgments liability are as follows (in thousands):

	FY 2025	FY 2024
Unpaid Claims, July 1	$ 3,691,795	$ 3,507,975
Provisions for Current Year's Events and Changes in Provision for Prior Years' Events	817,921	760,167
Claims Payments	(577,594)	(576,347)
Unpaid Claims, June 30	$ 3,932,122	$ 3,691,795

O. Accrued Landfill Liability

Until July 1996, the City operated the Lopez Canyon Sanitary Landfill under a Conditional Use Permit (CUP), which expired on July 1, 1996. State and Federal laws required the City to close the landfill upon cessation of disposal activities and expiration of the CUP, and to monitor and maintain the site for thirty years after closure. The City systematically recognized a portion of the estimated closure and post-closure care costs based on landfill capacity used.

The City completed the final closure of the landfill on March 30, 2012. In fiscal year 2013, all three regulatory agencies, the State of California Department of Resources Recycling and Recovery (CalRecycle), Regional Water Quality Control Board, and the City of Los Angeles Local Enforcement Agency, approved the final Closure Certification. As of June 30, 2025, the City's liability of $42.7 million is comprised of $40.3 million post-closure care costs of the landfill and $2.4 million corrective action costs for foreseeable release. Pursuant to Section 22211 of Title 27 of the California Code of Regulations, the post-closure care cost of $40.3 million represents post-closure duration of 18 years. The estimated costs of post-closure care are subject to changes due to inflation, changes in laws and regulations, or changes in technology. As of June 30, 2025, there was no liability due within one year.

As required by Title 27 of the California Code of Regulations, the City established and contributed to a trust fund to finance closure construction. Since the landfill was closed and certified by the applicable regulatory agencies, the closure trust fund was no longer necessary and therefore closed. The City is not currently required to advance fund post-closure care costs.

The City owns and maintains other landfills that were already closed before the State and Federal requirements became enforceable. Therefore, no liability was included in the financial statements for these landfills (Toyon Canyon, Gaffey, Bishops Canyon and Sheldon-Arleta). The Landfill Closure and Post-Closure Maintenance Trust Fund, reported as nonmajor other special revenue funds, was set up to defray the closure and post-closure maintenance costs of City landfills.

P. Pollution Remediation Obligations

1. Governmental Activities

The pollution remediation obligations for governmental activities for the fiscal year ended June 30, 2025 are as follows (in thousands):

	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025
Obligating Event				
Violation of Pollution Prevention-Related Permit or License	$ 6,188	$ 2,727	$ (1,522)	$ 7,393
Voluntary Commencement	39,570	16,585	(17,314)	38,841
Total	$ 45,758	$ 19,312	$ (18,836)	$ 46,234
Pollution Type				
Soil and/or Groundwater Remediation	$ 45,005	$ 18,117	$ (17,816)	$ 45,306
Lead Paint Removal	--	49	(49)	--
Methane Protection	55	--	--	55
Asbestos Removal	698	904	(729)	873
Mold Removal	--	242	(242)	--
Total	$ 45,758	$ 19,312	$ (18,836)	$ 46,234

The $46.2 million liabilities for governmental activities, net of $15.7 million recoveries, is mainly for voluntary commencement of pollution prevention-related activities. These obligations were determined based on construction contract amount, related direct costs and allocated indirect project costs. As of June 30, 2025, the total liability of $46.2 million included $1.1 million cost of remediation of contaminated soil for the PARC-Sixth Street Viaduct site including possible Hazardous Waste Generation Fee assessment, and demolition operations, cleanup, transportation, disposal of all hazardous materials for the Warner Grand Theater, $5.1 million for the removal of solvents in the groundwater caused by a leaking underground storage tank and remediation costs of underground hydrocarbon for various public work projects, $0.3 million for removal, abatement, remediation and disposal of lead, molds, and methane protection, $0.9 million in asbestos removal, and $38.8 million voluntary soil remediation for all 42 acres of the Taylor Yard G2 parcel. For fiscal year 2025, no remediation outlays were capitalized. Estimated expenditures for fiscal year 2026 and beyond are $2.5 million and $43.7 million, respectively. These estimates recognized potential changes due to additional work that may be required to remediate existing pollution projects, unanticipated site conditions that may necessitate modifications in project work plans, possible adoption or application of improved technologies that may require changes in estimates, and provision for additional unexpected pollution projects. Consequently, changes in estimates will be processed through change orders.

2. Business-type Activities

The pollution remediation obligations for business-type activities for the fiscal year ended June 30, 2025 are as follows (in thousands):

	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025
Obligating Event				
Violation of Pollution Prevention-Related Permit or License	$ 874	$ --	$ (42)	$ 832
Named by a Regulator as a Potential Party to Remediation	61,620	--	(2,826)	58,794
Voluntary Commencement	95,481	4,502	(410)	99,573
Total	$ 157,975	$ 4,502	$ (3,278)	$ 159,199
Pollution Type				
Soil and/or Groundwater Remediation	$ 157,975	$ 4,502	$ (3,278)	$ 159,199

Airports bears ultimate responsibility for the cleanup of environmental contamination on property it owns. However, there are instances where tenants accept responsibility for the cleanup actions. Under certain applicable laws, Airports may become liable for cleaning up soil and/or groundwater contamination on a property in the event that the previous responsible party does not perform its assessment or remediation obligations. No assurance can be given that any future investigation and/or remediation costs for any such contamination will not be material. Airports does not have any pollution remediation obligations as defined under GASB 49, "*Accounting and Financial Reporting for Pollution Remediation Obligations*," based on analysis of the obligating events and balancing equities.

Harbor's estimated pollution remediation liability as of June 30, 2025 was $59.8 million, of which $2.3 million is due within one year. These costs relate mostly to soil and ground water contamination on sites within Harbor premises. As certain sites were formerly used for a variety of industrial purposes, legacy contamination or environmental impairments exist. Harbor uses a combination of in-house specialists as well as outside consultants to perform estimates of potential liability and accrues pollution remediation liability when costs are incurred or amounts can be reasonably estimated based on expected outlays. Certain remediation contracts are included in site development plans as final uses for the sites have been identified.

Power's environmental liabilities are primarily related to generating and service stations it owns that have had release of hazardous materials or waste it is obligated by a regulator to clean up. The estimated time frame for clean-up and monitoring of these sites is 5-25 years. Power had identified sites that require remediation work and the estimated liability for these sites for fiscal year 2025 was approximately $82.4 million.

Water has identified underground storage tanks that require remediation work and is working with the Los Angeles Regional Water Quality Control Board, and the Lahontan Regional Quality Control Board, which have jurisdiction over these sites. Water's estimated liability for these sites was approximately $17.1 million, due within one year, and includes remediation and ongoing operation and maintenance costs where estimable.

Q. Economic Development Incentives and Tax Abatement

The City has economic development incentives programs which are agreements whereby the City provides financial assistance to development projects to be funded by net new tax revenues generated by the projects. The City also has a tax abatement program in which contracts are entered with property owners of qualified historical properties for their preservation, maintenance, and rehabilitation in return for property tax reduction.

The threshold for reporting economic development incentives agreements is $1.0 million, though agreements with no payments in the reporting year are reported if they are anticipated to exceed the threshold in future years.

1. Development Incentive Agreements

As of June 30, 2025, the City had entered into nine development incentive agreements. Each of these agreements is for a term of up to 25 years. The projects are projected to provide new General Fund tax revenues to the City, including but not limited to property taxes, sales taxes, utility users taxes, gross receipts taxes, parking occupancy taxes, transient occupancy taxes, and construction-related tax revenues. Certain portions of the projected new General Fund tax revenues are used by the City in providing project financing to the developers. City policy maintains that the financial assistance payments to the developers must be no more than 50% of the net new revenues generated by the project during the term of the agreement. These agreements require the approval of the Mayor and the City Council, and the Office of the City Administrative Officer administers incentive payments.

Convention Center Headquarters Hotel Project

In fiscal year 2007, this agreement was entered by the City and Anschutz Entertainment Group (Developer) for the development of a hotel within the LA Live/convention center complex at 900 W. Olympic Blvd., as a combination of an 878-room J.W. Marriott Hotel and a 123-room Ritz Carlton hotel. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $270.0 million over 25 years, or $62.0 million as net present value (NPV). In fiscal year 2025, the City paid $12.3 million in financial assistance to the Developer. A total of $158.4 million has been paid to the Developer since payments began in fiscal year 2010.

901 Olympic North Hotel Project

In fiscal year 2012, this agreement was entered by the City and 901 West Olympic Blvd. L.P. (Developer) for the development of two hotels, both 3-star rated Marriott properties, in one building with a total of 393 rooms. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $67.3 million over 25 years, or $21.9 million as NPV. A total of $33.3 million has been paid to the Developer since payments began in fiscal year 2015. Payments to the Developer were completed in fiscal year 2024.

Metropolis Hotel Project

In fiscal year 2015, this agreement was entered by the City and Greenland LA Metropolis Hotel Development, LLC (Developer) for the development of the Metropolis Hotel Project. The project includes a 350 room 18-story hotel, including residential parking, open space, 1,692 square feet of retail space and business center. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $18.7 million over 25 years, or $13.5 million NPV. A total of $20.3 million has been paid to the Developer since payments began in fiscal year 2017. Payments to the Developer were completed in fiscal year 2024.

Village at Westfield Topanga Project

In fiscal year 2014, this agreement was entered by the City and 21919 Erwin LLC, and West Valley Owner LLC for the development of the Village at Westfield Topanga (Developers). The project is comprised of the construction of a new 500,000 square foot, first class mixed-use development including upscale retail, boutique specialty shops, personal services, restaurants and community center. Annual incentive payments paid to the Developers are based on the total property taxes remitted, subject to an annual true-up, up to the total incentive amount of $47.7 million over 25 years, or $25.0 million NPV. In fiscal year 2025, the City paid $1.5 million in financial assistance to the Developers. A total of $12.2 million has been paid to the Developers since payments began in fiscal year 2016.

Wilshire Grand Hotel Project

In fiscal year 2011, the agreement was entered by the City and Hanjin International Corporation (Developer) for the development of a hotel and mixed-use project totaling approximately 2.5 million square feet. The project includes 560 hotel rooms and/or hotel-condo units, 100 residential units and 1.5 million square feet of office space. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $94.0 million over 9 years, or $60.8 million NPV. In fiscal year 2025, the City paid $9.7 million in financial assistance to the Developer. A total of $58.9 million has been paid to the Developer since payments began in fiscal year 2018.

Grand Avenue Hotel Project

In fiscal year 2017, the agreement was entered by the City and Grand Avenue L.A., LLC, and Grand Avenue M Housing Partners, LLC, (Developers) for the revitalization of Grand Avenue and downtown Los Angeles. The project includes development of hotel, residential, commercial, retail and entertainment components. Annual incentive payments paid to the Developers are equal to the total of transient occupancy taxes and parking occupancy taxes remitted in the year. The total incentive amount for transient occupancy taxes is up to $189.1 million over 25 years, or $59.3 million NPV. The total incentive amount for parking occupancy taxes is up to $12.7 million over 10 years, or $7.6 million NPV. The total combined transient occupancy and parking occupancy incentive amount is $201.8 million, or $66.9 million NPV. In fiscal year 2025, the City paid $4.4 million in financial assistance to the Developers. A total of $9.6 million has been paid to the Developer since payments began in fiscal year 2023.

Cambria Hotel Project

In fiscal year 2018, the agreement was entered by the City and 926 James M. Wood Boulevard, LLC (Developer) for the development of Cambria Hotel Project. The project includes a 247-room three diamond rated hotel. The hotel will include all facilities associated with a select service hotel, including parking, meeting rooms, ground-level retail and restaurant, a rooftop bar, and a pool and fitness center. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $48.4 million over 25 years, or $15.7 million NPV. No payment was made in fiscal year 2025.

Fig plus Pico Conference Center Hotels Project

In fiscal year 2019, the agreement was entered by the City and Lightstone DTLA, LLC (Developer) for the development of Fig plus Pico Conference Center Hotel Project. The project includes a 1,153-room and 13,145 square feet of ground-floor retail/restaurant uses within two hotel towers, totaling up to 505,335 square feet of floor area on approximately 1.22-acre site, with Hotel A/B Tower including up to 775 hotel guest rooms, 11,000 square feet of ground-floor retail/restaurant uses, and podium parking for all three hotels within a 38-story, 465-foot tower, and Hotel C Tower including up to 378 guest

rooms and 2,145 square feet of ground-floor retail/restaurant uses in a 27-story, 350-foot tower. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $103.3 million over 25 years, or $67.4 million NPV. In fiscal year 2025, the City paid $6.1 million in financial assistance to the Developers. A total of $10.2 million has been paid to the Developer since payments began in fiscal year 2024.

AECOM Hotel Project

This agreement was entered by the City and AECOM Capital (Developer) for the development of the AECOM Hotel Project. The project includes a 16-story, 258-room 3-star select-service hotel, including restaurant and retail space, meeting space, a rooftop deck with a pool and fitness center, and a 36-space underground parking garage totaling 16,422 square feet on the hotel project site. Annual incentive payments paid to the Developer are equal to the total transient occupancy tax remitted in the year, up to the total incentive amount of $28.5 million over 25 years, or $17.3 million NPV. No payment was made in fiscal year 2025.

2. Mills Act Historical Property Agreements

The Mills Act Historical Property Contracts program is the State of California's leading financial incentive for historic preservation projects and is implemented under the provisions of Ordinance No. 172857 implementing State Government Code Sections 50280 et seq., commonly known as the "Mills Act". The Mills Act allows the City to enter into contracts with owners of qualified historical properties for their preservation, maintenance and rehabilitation. The program is designed to assist under-utilized and under-valued properties. The property is assessed on an income basis rather than fair value. The result is property tax abatement. As of June 30, 2025, there are 947 existing Mills Act contracts in the City.

For fiscal year 2025, the City abated approximately $2.7 million in property taxes under existing Mills Act agreements. City Planning has paused acceptance of new Mills Act applications since fiscal year 2021, once it became aware that a $2.0 million cap on the City's forgone property tax revenue, last revised through a 2012 amendment to the Mills Act Ordinance, had been exceeded. Existing Mills Act contracts automatically renew each year and carry a minimum term of 10 years.

NOTE 5. OTHER INFORMATION

A. Pension Plans

1. Plan Descriptions

The City of Los Angeles contributes to three single-employer defined benefit pension plans: Los Angeles Fire and Police Pension System (Pensions), Los Angeles City Employees' Retirement System (LACERS), and Water and Power Employees' Retirement Plan (DWP Plans). Pensions and LACERS provide retirement benefits to sworn and civilian (other than DWP) employees, respectively. The DWP Plans provide retirement, disability, and death benefits to DWP employees. The City also provides three single-employer substantive Other Postemployment Benefits (OPEB) plans through the aforementioned defined benefit plans: Fire and Police Health Subsidy Plan (Pensions OPEB), Los Angeles City Employees' Postemployment Health Care Plan (LACERS OPEB), and Water and Power Employees' Retiree Health Benefits Plan (DWP OPEB). Each plan issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports may be obtained online or by writing or calling the plans.

Los Angeles Fire and Police Pension System
701 E. Third Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000
https://lafpp.lacity.gov/about/inside-lafpp/financial-reports

Los Angeles City Employees' Retirement System
977 N. Broadway
Los Angeles, CA 90012-1728
(800) 779-8328
http://www.lacers.org/aboutlacers/reports/index.html

Water and Power Employees' Retirement Plan
111 N. Hope Street, Room 357
Los Angeles, CA 90012
(213) 367-1692
https://retirement.ladwp.com/finstmt.html

2. Description of the Plans, Membership and Benefits

General Information About the Plans

Pensions

Pensions operates under the City of Los Angeles (City) Charter (Volume II, Article XI) and Administrative Code provisions (Division 4). It operates in accordance with the State Constitution Article XVI, Section 17(a). Pension benefits are administered by the Pensions Board that has exclusive responsibility to administer the system, providing benefits to Pensions participants and their beneficiaries and to ensure prompt delivery of those benefits. The City Charter and Administrative Code provide that the funding requirements of Pensions will be satisfied by the City. The funding requirements of Pensions are determined by the result of annual actuarial valuations. Pensions is a defined benefit single-employer pension plan covering all full-time active sworn firefighters, police officers, and certain Harbor Port Police and Airport police officers of the City of Los Angeles. Pensions also covers those certified paramedics and civilian ambulance employees who transferred from LACERS during the fiscal year ended June 30, 1983 or have since been hired. Pensions is composed of six tiers. Effective July 1, 2011, a new pension tier, Tier 6, was added. Benefits are based on the member's pension tier, pension salary base, and years of service. In addition, Pensions provides for disability benefits under certain conditions and benefits to eligible survivors.

Measure FF, approved by City voters on November 5, 2024, amended the City Charter to allow sworn peace officers employed by the Harbor, Airports, Police, and Recreation and Parks Departments, including eligible Park Rangers, to voluntarily transfer from the LACERS to Pensions Tier 6. Eligible

employees who elect to transfer from LACERS will do so effective January 11, 2026. Measure FF is expected to be cost-neutral to Pensions, as the City is responsible for paying the full actuarial cost of all transfers and any related future costs.

LACERS

LACERS is under the exclusive management and control of its Board of Administration (Board), whose authority is granted by statute in Article XVI, Section 17 of the California State Constitution, and Article XI of the Los Angeles City Charter. LACERS operates a single-employer defined benefit plan (Retirement Plan) and a single-employer Postemployment Health Care Plan established by ordinance and approved by the City Council and the Mayor. Members who entered the System prior to February 21, 2016 are Tier 1 Members of LACERS. On or after February 21, 2016, new Members become Members of LACERS Tier 3.

DWP Plans

DWP Plans is a single-employer public employee retirement system whose main function is to provide pension, death and disability benefits, to eligible employees of DWP. The authority for providing benefits is granted by the City Charter. Authority for changing DWP Plans benefits is adopted through resolution by the DWP Plan Board of Administration and the DWP Board of Commissioners. The DWP Plans have four separate funds – Retirement Fund, Disability Fund, Death Benefit Fund, and Retiree Health Benefits Fund (RHBF). Each fund is considered a separate plan and an independent trust fund of DWP. The Retirement Fund is a single-employer defined benefit pension plan. The Death Benefit Fund and Retiree Health Benefit Funds are single-employer defined benefit other postemployment benefits (OPEB) plans. The Disability Fund is for the payment of temporary disability and permanent total disability of DWP employees, and is not considered a pension plan nor an OPEB plan. On December 11, 2013, the DWP Retirement Board adopted an amendment to create a new tier, Tier 2 for DWP's new hires on or after January 1, 2014.

Membership

Pensions

The components of the Pensions' membership at June 30, 2025 were as follows:

Active Nonvested	
Tier 5	2,818
Tier 6	5,599
Subtotal	8,417
Active Vested	
Tier 2	3
Tier 3	269
Tier 4	141
Tier 5	3,468
Tier 6	11
Subtotal	3,892
Pensioners and Beneficiaries	
Tier 1	129
Tier 2	5,570
Tier 3	1,119
Tier 4	417
Tier 5	7,290
Tier 6	15
Subtotal	14,540
Vested Terminated	
Tier 3	15
Tier 5	246
Tier 6	574
Subtotal	835
Total	27,684

Pensions' Tier 1 includes members hired on or before January 28, 1967. Tier 2 includes members hired from January 29, 1967 through December 7, 1980, and those Tier 1 members who transferred to Tier 2 during the enrollment period of January 29, 1967 to January 29, 1968. Tier 3 includes members hired from December 8, 1980 through June 30, 1997, and those Tier 4 members hired during the period of July 1, 1997 through December 31, 1997 who elected to transfer to Tier 3 by the enrollment deadline of August 6, 1999. Tier 4 includes members hired from July 1, 1997 through December 31, 2001, and those Tier 3 members who elected to transfer to Tier 4 by the enrollment deadline of June 30, 1998. Tier 5 includes members hired from January 1, 2002 through June 30, 2011, and those Active members of Tiers 2, 3, and 4 who elected to transfer to Tier 5 during the enrollment period of January 2, 2002 through December 31, 2002. Tier 5 was the tier for all Harbor Port police officers hired on or after January 8, 2006 through June 30, 2011. Harbor Port police officers hired before January 8, 2006, who were members of LACERS, were allowed to transfer to Tier 5 during the enrollment period of January 8, 2006 to January 5, 2007.

Tier 6 was established for all firefighters, police and Harbor Port police officers hired on or after July 1, 2011. Tier 6 includes sworn officers from the Department of General Services who transferred to Los Angeles Police Department (LAPD) classifications and elected to opt out of LACERS by the December 12, 2014 deadline. Effective January 7, 2018, Tier 6 also includes all new Airport police officers, as well as any Airport police officers hired prior to January 7, 2018 who elected to transfer to Tier 6 from LACERS at their own expense.

LACERS

The components of LACERS' membership at June 30, 2025 were as follows:

Active Vested and Nonvested	
Tier 1	14,552
Tier 3	12,448
Subtotal	27,000
Inactive Nonvested and Terminated Entitled to Benefits	
Tier 1	7,847
Tier 3	4,418
Subtotal	12,265
Inactive	
Retired Tier 1	17,855
Retired Tier 3	11
Disabled Tier 1	763
Disabled Tier 3	4
Beneficiaries Tier 1	4,280
Beneficiaries Tier 3	2
Subtotal	22,915
Total	62,180

DWP Plans

As of June 30, 2025, DWP Plans' membership consisted of 9,935 retirees and beneficiaries; 1,801 terminated vested members and 11,955 active members.

Benefits

Benefits Provided by Pensions

Tier 1 members hired on or after January 17, 1927, with 20 or more years of service are entitled to annual pension benefits equal to 40%, increasing for each year of service over 20 years, to a maximum of 66-2/3% of the average monthly rate of salary assigned to the ranks or positions held by the member during the three years immediately preceding the date of retirement. Tier 1 has no minimum age requirement and provides for unlimited postemployment cost-of-living adjustments (COLA) based on the Consumer Price Index (CPI). Tier 1 members who were active as of July 1, 1982, and who terminated their employment after July 1, 1982, were entitled to a refund of contributions plus Board-approved interest if they did not qualify for a pension or if they waived their pension entitlements.

Tier 2 members with 20 or more years of service are entitled to annual pension benefits equal to 40% of their final compensation, increasing for each year of service over 20 years, to a maximum of 70% for 30 years. Tier 2 has no minimum age requirement and provides for unlimited postemployment COLAs based on the CPI. Tier 2 members who were active as of July 1, 1982, and who terminate their employment after July 1, 1982, are entitled to a refund of contributions plus Board-approved interest if they do not qualify for a pension or if they waive their pension entitlements.

Tier 3 members must be at least age 50 with 10 or more years of service to be entitled to a service pension. Annual pension benefits are equal to 20% of the monthly average of a member's salary during any 12 consecutive months of service as a Plan member (one-year average compensation), increasing for each year of service over 10 years, to a maximum of 70% for 30 years. Tier 3 provides for postemployment COLAs based on the CPI to a maximum of 3% per year. The Los Angeles City Council (City Council) may grant an ad-hoc COLA no more than every three years, subject to certain conditions. Members who terminate their employment are entitled to a refund of contributions plus Board-approved interest if they do not qualify for a pension or if they waive their pension entitlements.

Tier 4 members must have at least 20 years of service to be entitled to a service pension. There is no minimum age requirement. Annual pension benefits are equal to 40% of their one-year average compensation, increasing for each year of service over 20 years, to a maximum of 70% for 30 years. Tier 4 provides for postemployment COLAs based on the CPI to a maximum of 3% per year. The City Council may grant an ad-hoc COLA no more than every three years, subject to certain conditions. Members who terminate their employment before they are eligible for pension benefits do not receive a refund of contributions.

Tier 5 members must be at least age 50, with 20 or more years of service, to be entitled to a service pension. Annual pension benefits are equal to 50% of their one-year average compensation, increasing for each year of service over 20 years, to a maximum of 90% for 33 years. Tier 5 provides for postemployment COLAs based on the CPI to a maximum of 3% per year. However, any increase in the CPI greater than 3% per year is placed into a COLA bank for use in years in which the increase in CPI is less than 3%. The City Council may also grant an ad-hoc COLA no more than every three years, subject to certain conditions. Members who terminate their employment are entitled to a refund of their contributions plus Board-approved interest if they do not qualify for a pension or if they waive their pension entitlements.

Tier 6 members must be at least age 50, with 20 or more years of service, to be entitled to a service pension. Annual pension benefits are equal to 40% of their two-year average compensation, increasing for each year of service over 20 years, to a maximum of 90% for 33 years. Tier 6 provides for postemployment COLAs based on the CPI to a maximum of 3% per year. However, any increase in the CPI greater than 3% per year is placed into a COLA bank for use in years in which the increase in CPI is less than 3%. The City Council may also grant an ad-hoc COLA no more than every three years, subject to certain conditions. Members who terminate their employment are entitled to a refund of their contributions plus Board-approved interest if they do not qualify for a pension or if they waive their pension entitlements.

Benefits Provided by LACERS

Members of LACERS have a vested right to their own contributions and accumulated interest posted to their accounts. Generally, after five years of employment, members are eligible for future retirement benefits, which increase with length of service. If a member who has five or more years of continuous City service terminates employment, the member has the option of receiving retirement benefits when eligible or having his or her contributions and accumulated interest refunded. Benefits are based upon age, length of service, and compensation.

LACERS Tier 1 members are eligible to retire with unreduced benefits if they have 10 or more years of continuous City service at age 60, or at least 30 years of City service at age 55, or with any years of City service at age 70 or older. Members also are eligible to retire with age-based reduced benefits after reaching age 55 with 10 or more years of continuous City service, or at any age with 30 or more years of City service. Full (unreduced) retirement benefits are determined as 2.16% of the member's Final Average Monthly Compensation (FAMC) based on the average monthly pensionable salary during the member's last 12 months of service, or during any other 12 consecutive months of service designated by the member, multiplied by the member's years of service credit. Members with five years of continuous service are eligible for disability retirement, and the benefits are determined as 1/70 of the member's FAMC for each year of service or 1/3 of the member's FAMC, if greater. Upon an active member's death, a refund of the member's contributions and, depending on the member's years of service, a limited pension benefit equal to 50% of monthly salary may be paid up to 12 months. Or, if such member was eligible to retire, survivor benefits may be paid to an eligible spouse or qualified domestic partner. Upon a retired member's death, a $2,500 funeral allowance is paid, and a modified or unmodified allowance is continued to an eligible spouse or qualified domestic partner. Additionally, Public Safety Officer (PSO) Tier 1 Members, are eligible for the enhanced disability and death benefits. Airport Peace Officers (APO) members, hired on or before March 28, 2017, who elect to remain in LACERS and paid the mandatory additional contribution of $5,700 before January 8, 2019 or prior to the member's retirement date, whichever is earlier would be Tier 1 members, and be eligible for enhanced benefits including more favorable disability benefits, death benefits, and a higher retirement factor of 2.30% (versus 2.16% for all other Tier 1 Members).

LACERS Tier 3 members are eligible to retire with unreduced benefits if they have at least 10 or more years of City service at age 60 or at least 30 years of City service at age 55, provided that five years of service must be continuous. Full unreduced retirement benefits at age 60 with 10 years of City service are determined with a 1.5% retirement factor. Members also are eligible to retire with an age-based reduced benefit before reaching age 60 with 30 or more years of City service with a retirement factor of 2.0%. If the member is age 55 or older with 30 years of service at the time of retirement, his or her retirement allowance will not be subject to reduction on account of age. However, if the member is younger than age 55 with 30 years of service at the time of retirement, his or her retirement allowance will be reduced by the applicable early retirement reduction factor. In addition, LACERS also provides Tier 3 members enhanced retirement benefits with a 2.0% retirement factor if the member retires at age 63 with at least 10 years of service, or a retirement factor of 2.1% if the member retires at age 63 with 30 years of service. Tier 3 retirement benefits are determined by multiplying the member's retirement factor (1.5% - 2.1%), with the member's Final Average Monthly Compensation (FAMC) based on the member's pensionable salary for the last 36 months or any other 36 consecutive months designated by the member, and by the member's years of service credit (SC) as follows:

Age at Retirement	Required Years of Service	Retirement Benefit[1]
Under 55	30 Years	2.0% x FAMC x Yrs. of SC[2]
55 and Over	30 Years	2.0% x FAMC x Yrs. of SC
60 and Over	10 Years	1.5% x FAMC x Yrs. of SC
63 and Over	10 Years	2.0% x FAMC x Yrs. of SC
63 and Over	30 Years	2.1% x FAMC x Yrs. of SC

[1]Retirement allowance may not exceed 80% of final compensation except when benefit is based solely on the annuity component funded by the Member's contributions.

[2]A reduction factor will be applied based on age at retirement.

LACERS Tier 3 members with five years of continuous service are eligible for disability retirement, and the benefits are determined as 1/70 of the member's final average monthly salary for each year of service or 1/3 of the member's final average monthly salary, if greater. Upon an active member's death, a refund of the member's contributions and, depending on the member's years of service, a limited pension benefit equal to 50% of monthly salary may be paid up to 12 months to eligible beneficiaries. Or, if such member was eligible to retire, survivor benefits may be paid to an eligible spouse or qualified domestic partner. Upon a retired member's death, a $2,500 funeral allowance is paid, and a modified or unmodified allowance is continued to an eligible spouse or qualified domestic partner. Additionally, Public Safety Officer (PSO) Tier 3 Members, are eligible for the enhanced disability and death benefits.

Retirement allowances are indexed annually for inflation. LACERS has authority to determine, no later than May 1st of each year, the average annual percentage change in the Consumer Price Index (CPI) for the purpose of providing a COLA to the benefits of eligible members and beneficiaries in July. The adjustment is based on the prior year's change of Los Angeles area CPI subject to a maximum of 3.0% for Tier 1 members or 2.0% for Tier 3 members. For Tier 1 members, the COLA percentage greater than 3.0% is banked for future use.

Benefits Provided by DWP Plans

The DWP Plans' Retirement Fund consists of both defined contribution and defined benefit elements. Under Tier 1, members vest in the defined contribution element (annuity) after one year of service. Members vest in the defined benefit element (pension) only after qualifying for retirement and meeting the criteria for the formula pension. Generally, new and returning employees of DWP become eligible for Plan membership on the first day of the payroll period following entry into DWP service. New eligible employees must complete 26 weeks of continuous service before becoming entitled to disability and/or death benefits. During the fiscal year 2014, the City and the DWP agreed to a new tier of retirement benefits for new hires to DWP. On December 11, 2013, the Retirement Board adopted a Plan amendment to create a new tier, Tier 2, for the DWP's new-hires on or after January 1, 2014.

Tier 1 members are eligible for normal retirement at age 60. Early retirement at age 55 is generally available if the member has at least 10 years of qualifying service out of the last 12 years before retirement. Members with 30 or more years of qualifying service also may retire at any age and receive a reduced benefit. The early retirement benefit reduction is not applicable if the member is between the ages of 55 and 60, and has at least 30 years of service credits. Upon qualifying for retirement, Tier 1 members will also qualify for a formula pension if they have been employed by DWP or City for at least five years before retirement and have been a contributing member of the Plan for at least four of five years immediately preceding retirement or while eligible to retire (or during any of those four years if they were receiving either disability benefits under the Disability Benefit Plan or payments under any Workers' Compensation Law).

Eligible Tier 1 members are entitled to an annual retirement benefit, payable monthly for life currently in an amount equal to a retirement factor of 2.1% of their highest average salary, for each year of credited service. Members who have at least 30 years of service credit and are at least 55 years of age are entitled to a retirement factor of 2.3% in the calculation of their retirement allowance. "Highest average salary" is defined as the employee's average base salary over the highest 26 consecutive contributing payroll periods. Retirees who are receiving a formula pension are entitled to annual COLA. Adjustments are applied each July 1 based on the CPI (Los Angeles-Long Beach-Anaheim, CA – All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor for each of the two immediately preceding calendar years. The maximum adjustment, positive or negative, is 3% in any one year.

Tier 2 members are eligible for normal retirement at age 60 with at least 5 years of continuous DWP service (5 years must be as a contributing member and/or receiving either disability benefits under the Disability Benefit Plan or payments under any Workers' Compensation Law). A reduced benefit for early retirement at any age is generally available if the member has at least 30 years of service. Members with 30 or more years of credited service may retire at age 55 and receive unreduced benefits.

Eligible Tier 2 members are entitled to an annual retirement benefit, payable monthly for life currently in an amount equal to a retirement factor multiplying each year of credited service, and then multiplying their final average salary. The specific retirement factor is based on the combination of member's age and credited service as follows:

- 1.5% at age 60 with 5 years of continuous DWP service or 10 years of qualifying service
- 2.0% at any age with 30 years
- 2.0% at age 63 with 5 years of continuous DWP service or 10 years of qualifying service
- 2.1% at age 63 with 30 years

"Final average salary" is defined as the employee's average base salary over the highest 78 consecutive payroll periods. A member's monthly pension amount is capped at 80% of one's final average salary. Retirees who are receiving a formula pension are entitled to annual COLA. Adjustments are applied each July 1 based on the CPI for each of the two immediately preceding calendar years. The maximum adjustment, positive or negative, is 2% in any one year. Members may purchase additional post-retirement COLA coverage, not to exceed an additional 1% per year, at full actuarial cost to the Plan. Members, who are eligible for a deferred retirement (vesting), are also eligible for a formula pension, but they are not entitled to an annual COLA.

3. Contribution Information

Member Contributions

Pensions

As a condition of participation, members are required to contribute a percentage of their salaries to Pensions. Tier 1 members were required by the City Charter to contribute 6% of salary. Pensions' actuary recommended that Tier 2 members contribute 1% in addition to the 6% rate provided in the City Charter, for a total of 7% of salary. Tiers 3 and 4 members are required to contribute 8% of salary. Tier 5 members are required to contribute 9% of salary. However, the City shall pay 1% of the Tier 5 required contribution rate contingent on Pensions remaining at least 100% actuarially funded for pension benefits. Since July 1, 2006, Tier 5 members have been required to contribute 9% of salary because Pensions has remained less than 100% actuarially funded for pension benefits as determined by the Pensions' actuary. As of the June 30, 2025 valuation, Pensions was again more than 100% actuarially funded for pension benefits. Accordingly, the City will be required to pay 1% of the Tier 5 member required contribution rate beginning on July 1, 2026. Tier 6 members are required to contribute 9% of salary for regular pension contributions. Tier 6 members are also required to make an additional pension contribution of 2% of salary to support the City's ability to fund retiree health benefits. Airport police officers and municipal police officers who transferred to Tier 6 from LACERS, as well as eligible sworn officers and Park Rangers electing to transfer under Measure FF, continue contributing at their applicable LACERS contribution rates until retirement.

LACERS

The current contribution rate for Tier 1 and Tier 1 Enhanced Members is 11% of their pensionable salary including a 1% increase in the Member contribution rate pursuant to 2009 Early Retirement Incentive Program (ERIP) ordinance for all employees for a period of 15 years (or until the ERIP Cost obligation is fully recovered, whichever comes first). Contribution rates for Tier 1 and Tier 1 Enhanced Members are expected to decrease by 1% on June 30, 2026.

The contribution rate for Tier 3 members is 11% of their pensionable salary. Unlike Tier 1, Tier 3 members do not pay ERIP contribution, therefore, Tier 3 members' contribution rate will not decrease when Tier 1 members cease to pay the 1% ERIP contribution.

DWP Plans

Retirement contributions are determined by a member's Tier designation. Covered Tier 1 employees continue to contribute 6% of their annual covered payroll upon becoming a Plan member on or after June 1, 1984. Employees entering the Plan before June 1, 1984 contribute an amount based upon an entry-age percentage rate. If an employee leaves or dies while employed, employee contribution plus credited interest is refundable. After one year of membership, the employee may leave his or her contribution on account with the Plan along with the DWP's matching contributions and receive a money purchase allowance at retirement age. A surviving spouse of an employee who dies while eligible to retire or with at least 25 years of service may elect to receive a monthly allowance from the Retirement Fund for life rather than a refund of the employee's contributions and interest.

Covered Tier 2 employees are required to contribute 10% of their annual covered payroll upon becoming a Plan member. A Tier 2 member has the same benefits as a Tier 1 member upon termination or death while employed with a single exception. A Tier 2 member will not receive a money purchase allowance with vesting after one year. Instead a Tier 2 member will only receive a formula pension if one is at age 60 and has at least 5 years of continuous DWP service.

Each bi-weekly payroll period, both eligible Tiers 1 and 2 members contribute $1.00 each for temporary disability and permanent total disability. Contributing active Tiers 1 and 2 members contribute $1.00 per bi-weekly payroll period for insured lives death benefit (IDB). Active members contribute $2.25 per bi-weekly payroll period, and retired members contribute $4.90 per month for supplemental family death benefit.

Employer Contributions

Pensions

The City Charter specifies that the City will make contributions of an amount equal to the City's share of defined entry age normal costs each year and also the following:

For members of Tiers 1 and 2, a dollar amount or percentage necessary to amortize the "unfunded liability" of Pensions over a 70-year period, beginning with the fiscal year commencing July 1, 1967. Under Tiers 3, 4, and 5, any "unfunded liability" resulting from plan amendments shall be amortized over a 25-year period, and actuarial experience gains and losses shall be amortized over a 20-year period. For Tier 6, the unfunded liabilities shall be funded in accordance with the actuarial funding method adopted by the Board upon the advice of the consulting actuary. Charter Amendment G, effective April 8, 2011, now provides that with the advice of the consulting actuary, the Board shall establish amortization policies for unfunded actuarial accrued liabilities and surpluses for all Tiers.

Accordingly, the City's contributions as determined by the Pensions' actuary, net of early payment discount, for the fiscal year ended June 30, 2025, were as follows (in millions):

	Fire and Police						Harbor Port Police		Airports
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 5	Tier 6	Tier 6
Entry Age Normal Cost	$ --	$ 0.12	$ 10.69	$ 4.44	$ 218.92	$ 92.01	$ 3.52	$ 0.82	$ 3.31
Unfunded Supplemental Present Value amount	--	0.04	4.66	1.84	83.38	41.54	(0.21)	(0.06)	(0.40)
Pension Administrative Expense	--	--	0.77	0.31	13.84	6.90	0.22	0.06	0.24

During fiscal year 2025, total employer contributions of $487.1 million were made in accordance with actuarially determined contribution requirements through an actuarial valuation performed at June 30, 2023.

LACERS

The Los Angeles City Charter Sections 1158 and 1160 provide for periodic actuarially determined employer contribution rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the required assets to pay benefits when due. For the fiscal year ended June 30, 2025, the actuarially determined aggregate employer contribution rate to LACERS by the City was 29.97% (31.08% for Tier 1 and 27.61% for Tier 3) of projected payroll, based on the June 30, 2023 actuarial valuation. Upon closing the fiscal year 2025, LACERS re-calculated the employer contribution rate using actual payroll incurred during the fiscal year, which was smaller than projected covered payroll used by the City to make the advance payment on July 15, 2024. As a result, employer contributions received for LACERS were $32.9 million more than required, and this amount was credited to the employer toward employer contributions for fiscal year 2026. Based on actual payroll, the effective rate of employer contribution for LACERS was 29.92% for fiscal year 2025, with total actuarially determined contribution of $804.1 million.

DWP Plans

DWP contributes $1.10 for each $1.00 contributed by Tier 1 members, plus an actuarially determined percentage of covered payroll. DWP solely contributes an actuarially determined percentage of covered payroll for Tier 2 members. Contribution provisions are established and amended by the Retirement Board upon the advice of the DWP Plan actuary. The average employer contribution rate for fiscal year 2025 (based on the July 1, 2024 valuations) was 27.97% of compensation.

DWP contribution rate for fiscal year 2025 for temporary disability (based on the July 1, 2024 valuation) was $1.15 per $100 of covered payroll. DWP contribution for permanent total disability continues to be suspended, as current reserve significantly exceeds the target reserve amount.

In fiscal year 2025, the actuarially determined contributions of DWP's Retirement Fund was $420.1 million and actual contributions made were $426.1 million.

4. Net Pension (Asset) Liability

For the June 30, 2025 reporting date, the Net Pension Asset (NPA) of Pensions was measured as of June 30, 2024 and determined based upon assets as of each measurement date and upon rolling forward to each measurement date the Total Pension Liability (TPL) from the actuarial valuation as of June 30, 2024. The Fiduciary Net Position (FNP) was valued as of the measurement date.

LACERS' Net Pension Liability (NPL) was measured as of June 30, 2024 and determined based upon the FNP and TPL from the actuarial valuation as of June 30, 2024. FNP and TPL were valued as of the measurement date.

The NPL of DWP Plans was measured as of June 30, 2024 and determined based upon the results of the actuarial valuation as of July 1, 2024. The FNP and TPL were valued as of the measurement date.

The City's total pension liability, fiduciary net position and net pension (asset) liability as of the measurement date June 30, 2024 were as follows (in thousands):

	Total Pension Liability	Fiduciary Net Position	Net Pension (Asset) Liability	Fiduciary Net Position as % of Total Pension Liability
Pensions	$ 27,892,690	$ 28,148,046	$ (255,356)	100.92%
LACERS	26,492,518	19,144,037	7,348,481	72.26%
DWP Plans	18,026,937	17,812,697	214,240	98.81%
Total	$ 72,412,145	$ 65,104,780	$ 7,307,365	

Changes in Net Pension (Asset) Liability

The components of the net pension (asset) liability of Pensions, LACERS and DWP Plans as of the measurement date of June 30, 2024 were as follows (in thousands):

	Pensions	LACERS	DWP Plans	Total
Total Pension Liability				
Beginning Balance	$ 26,800,920	$ 25,299,537	$ 17,006,869	$ 69,107,326
Service Cost	442,649	461,844	350,358	1,254,851
Interest	1,855,769	1,758,842	1,102,391	4,717,002
Change of Benefit Terms	--	--	3,908	3,908
Benefit Payments, Including Refunds of Member Contributions	(1,465,169)	(1,270,139)	(794,717)	(3,530,025)
Difference of Expected and Actual Experience	258,521	242,434	358,128	859,083
Net Change	1,091,770	1,192,981	1,020,068	3,304,819
Ending Balance	27,892,690	26,492,518	18,026,937	72,412,145
Fiduciary Net Position				
Beginning Balance	26,437,300	17,953,292	16,424,801	60,815,393
Employer Contributions	480,810	714,338	431,968	1,627,116
Member Contributions	157,191	275,717	162,160	595,068
Net Investment Income	2,561,982	1,503,281	1,594,130	5,659,393
Benefit Payments, Including Refunds of Member Contributions	(1,465,169)	(1,270,139)	(794,717)	(3,530,025)
Administrative Expenses	(24,068)	(32,452)	(5,645)	(62,165)
Net Change	1,710,746	1,190,745	1,387,896	4,289,387
Ending Balance	28,148,046	19,144,037	17,812,697	65,104,780
Net Pension (Asset) Liability	$ (255,356)	$ 7,348,481	$ 214,240	$ 7,307,365

Sensitivity of the Net Pension (Asset) Liability to Changes in Discount Rates

Pensions and LACERS used a discount rate of 7.00 percent, and DWP Plans used a discount rate of 6.50 percent to measure the total pension liability for the measurement date of June 30, 2024. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rates for each tier and that employer contributions will be made at rates equal to the actuarially determined contribution rates for each tier. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2025 based on the measurement date of June 30, 2024.

The net pension (asset) liability will change when there are changes in the discount rate. The following presents the net pension (asset) liability (in thousands) calculated using the discount rate of 7.00 percent for Pension and LACERS, 6.50 percent for DWP Plans, as well as what the net pension (asset) liability would be if they were calculated using a discount rate that is 1-percentage point lower (6.00 percent or 5.50 percent) or 1-percentage point higher (8.00 percent or 7.50 percent) than the current rate of 7.00 percent for Pensions, LACERS, and 6.50 percent for DWP Plans:

	Pensions	LACERS	DWP Plans
1% Decrease (6.00% / 5.50%)	$ 3,546,617	$ 10,817,388	$ 2,687,978
Current Discount Rate (7.00% / 6.50%)	(255,356)	7,348,481	214,240
1% Increase (8.00% / 7.50%)	(3,352,623)	4,479,838	(1,818,296)

5. Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

The City recognized the following pension expense, deferred outflows of resources and deferred inflows of resources as of and for the fiscal year ended June 30, 2025 (in thousands):

	Pension Expense (Credit)			
	Pensions	LACERS	DWP Plans	Total
Service Cost	$ 442,649	$ 461,844	$ 350,358	$ 1,254,851
Interest on the Total Pension Liability	1,855,769	1,758,842	1,102,391	4,717,002
Expensed Portion of Current-period Difference between Expected and Actual Experience in the Total Pension Liability	47,874	50,507	49,126	147,507
Member Contributions	(157,191)	(275,717)	(162,160)	(595,068)
Projected Earnings on Plan Investments	(1,836,244)	(1,268,710)	(1,060,909)	(4,165,863)
Expensed Portion of Current-Period Benefit Changes	--	--	3,907	3,907
Expensed Portion of Current-period Differences between Actual and Projected Earnings on Plan Investments	(145,148)	(46,914)	(106,644)	(298,706)
Administrative Expense	24,068	32,452	5,645	62,165
Recognition of Beginning of Year Deferred Outflows of Resources as Pension Expense	1,138,875	996,647	638,641	2,774,163
Recognition of Beginning of Year Deferred Inflows of Resources as Pension Expense	(1,218,303)	(733,433)	(556,650)	(2,508,386)
	$ 152,349	$ 975,518	$ 263,705	$ 1,391,572

	Deferred Outflows of Resources			
	Pensions	LACERS	DWP Plans	Totals
Pension Contributions Subsequent to Measurement Date	$ 487,113	$ 804,057	$ 433,498	$ 1,724,668
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	--	73,738	7,729	81,467
Changes of Assumptions or Other Inputs	6,588	--	315,698	322,286
Differences between Expected and Actual Experience in the Total Pension Liability	457,323	461,451	571,667	1,490,441
Net Difference between Projected and Actual Earnings on Investments	--	279,496	--	279,496
	$ 951,024	$ 1,618,742	$ 1,328,592	$ 3,898,358

	Deferred Inflows of Resources			
	Pensions	LACERS	DWP Plans	Totals
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	$ --	$ 73,738	$ 7,729	$ 81,467
Changes of Assumptions or Other Inputs	167,092	64,743	--	231,835
Net Difference between Projected and Actual Earnings on Investments	185,734	--	211,944	397,678
Difference between Expected and Actual Experience in Total Pension Liability	102,456	64,241	47,095	213,792
	$ 455,282	$ 202,722	$ 266,768	$ 924,772

The amount reported as deferred outflows for contributions made subsequent to the measurement date will be recognized as an adjustment of the net pension (asset) liability in the fiscal year ending June 30, 2026. The other net amount of deferred outflows of resources and deferred inflows of resources related to pensions that will be recognized in pension expense during the next five years are as follows (in thousands):

Reporting Date under GASB 68 Year Ending June 30	Pensions	LACERS	DWP Plans
2026	$ (423,894)	$ (55,412)	$ (67,511)
2027	661,100	629,182	439,691
2028	(150,090)	44,702	24,340
2029	(97,637)	(6,509)	63,688
2030	19,150	--	97,587
Thereafter	--	--	70,531

6. Long-term Expected Rate of Return on Plan Investments

The discount rate used to measure the total pension liability was 7.00% for Pensions and LACERS, and 6.50% for DWP Plans. The long-term expected rate of return on pension investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation and beginning June 30, 2023 any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic real rate of return by weighting the expected arithmetic real rates of return by the target asset allocation percentage and by adding expected inflation and deducting expected investment expenses (beginning with June 30, 2023, including only investment consulting fees, custodian fees and other miscellaneous investment expenses) and a risk margin. Beginning June 30, 2023, this portfolio return is further adjusted to an expected geometric real rate of return for the portfolio.

The target allocation and projected arithmetic real rate of return for each major asset, after deducting inflation and applicable investment management expenses, used in the derivation of the long-term expected investment rate of return assumption for the actuarial funding valuation as of June 30, 2024 are summarized as follows:

	Pensions		LACERS		DWP Plans	
Asset Class	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2024	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2024	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2024
Large Cap U.S. Equity	23.00 %	6.00 %	15.00 %	6.00 %	21.10 %	5.13 %
Small Cap U.S. Equity	6.00	6.65	6.00	6.65	2.10	5.86
Developed International Large Cap Equity	16.00	7.01	15.00	7.01	12.20	6.01
Developed International Small Cap Equity	--	--	3.00	7.34	1.80	5.72
Emerging International Small Cap Equity	--	--	1.33	11.10	--	--
Emerging Market Equity	5.00	8.80	6.67	8.80	5.10	8.16
Global Equity	--	--	--	--	2.70	5.94
U.S. Core Fixed Income	9.90	1.97	--	--	--	--
Core Bonds	--	--	11.25	1.97	--	--
High Yield Bonds	2.75	4.63	1.50	4.63	--	--
Bank Loans	--	--	1.50	4.07	--	--
Emerging Market Debt (External)	--	--	2.00	4.72	--	--
Emerging Market Debt (Local)	--	--	2.00	4.53	--	--
Global Credit	2.75	0.89	--	--	--	--
Real Estate	7.00	3.86	--	--	--	--
Core Real Estate	--	--	4.20	3.86	7.00	4.60
Non-Core Real Estate	--	--	2.80	5.40	3.00	7.14
Real Estate Investment Trust	3.00	5.25	1.40	6.80	--	--
Private Equity	14.00	9.84	16.00	9.84	10.00	10.46
Hedge Funds	--	--	--	--	5.00	1.85
Private Credit/Debit	2.00	6.48	5.75	6.47	2.40	5.94
Treasury Inflation Protected Securities	4.40	1.77	3.60	1.77	3.50	(0.23)
Commodities	1.00	4.21	--	--	1.50	2.77
Cash	1.00	0.63	1.00	0.63	1.00	(0.77)
Unconstrained Fixed Income	2.20	2.50	--	--	21.60	0.68
	100.00 %		100.00 %		100.00 %	

7. Actuarial Methods and Assumptions

Significant actuarial methods and assumptions used to determine the total pension liabilities for the reporting period of June 30, 2025 are as follows:

	Pensions	LACERS	DWP Plans
Measurement Date	June 30, 2024	June 30, 2024	June 30, 2024
Valuation Date	June 30, 2024	June 30, 2024	June 30, 2024
Inflation Rate	2.50%	2.50%	2.50%
Actuarial Cost Method	Entry age actuarial cost method	Entry age actuarial cost method	Entry age actuarial cost method
Actuarial Assumptions:			
Salary Increases	3.90% to 12.00%	4.00% to 9.00%	4.25% to 10.00%
Investment Rate of Return	7.00% net of investment expense	7.00% net of investment expense	6.50% net of investment expense
Mortality Rates:			
Healthy	Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Disabled	Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Tables with rates increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Beneficiaries (Currently in pay status)	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table increased by 5% for males and 10% females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Contingent Survivor Amount-Weighted Above Median Mortality Tables with rates increased by 5% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Actuarial Experience Study	July 1, 2019 through June 30, 2022 Experience Study Report dated May 13, 2023	July 1, 2019 to June 30, 2022	July 1, 2018 to June 30, 2021

8. Deferred Retirement Option Plan

Effective May 1, 2002, members of Pensions have the option to enroll in the Deferred Retirement Option Plan (DROP) under Section 4.2100 of the Administrative Code. Members of Tiers 2 and 4 who have at least 25 years of service, and members of Tiers 3, 5, and 6 who have at least 25 years of service and who are at least age 50 are eligible for DROP.

Members who enroll continue to work and receive their active salary for up to five years. Enrolled members continue to contribute to Pensions until they have completed the maximum number of years required for their tier but cease to earn additional retirement service and salary credits. Monthly pension benefits that would have been paid to enrolled members are credited to their DROP accounts. DROP account balances earn interest at an annual rate of 5%.

Effective February 1, 2019, for members who enroll on or after this date, participation in DROP will be suspended for any calendar month in which a participant does not spend at least 112 hours on "active duty" status. However, if a participant sustains a serious injury on duty and is admitted to the hospital for at least three consecutive days as a result of that injury, their participation will not be suspended during the first 12 calendar months following the date of injury.

If a member's DROP participation is suspended, he/she is eligible to participate in DROP for a maximum of 30 additional months beyond his/her original five-year participation period. The participation period can only be extended for as many months as the member's participation was suspended and no interest is credited to the member's DROP account following the initial five-year participation period. Once the DROP participation period ends, enrolled members must terminate active employment. They then receive the proceeds from their DROP account and a monthly benefit based on their service and salary at the beginning date of their DROP participation, plus applicable COLAs.

At June 30, 2025, 1,342 pensioners were enrolled in the DROP program, with total estimated values of the DROP accounts of approximately $362.3 million.

9. Early Retirement Incentive Program

The City's Early Retirement Incentive Program (ERIP) in 2009 provided incentives for 2,400 members of LACERS to retire in the form of retirement benefit enhancement and/or separation pay incentives. Total severance and separation payment costs of $89.4 million were paid out in two installments in fiscal years 2011 and 2012. ERIP cost obligation shall be an obligation of the LACERS' members and shall be cost-neutral to the City. To this end, the base amount of retirement benefits (excluding COLA) of employees retiring under ERIP shall be reduced by 1.0%. The ERIP ordinance stipulated a 1.0% increase in member contribution rate for all employees effective July 1, 2011, for a period of 15 years, or until the ERIP cost obligation is fully paid, whichever comes first.

B. Other Postemployment Benefits (OPEB)

The City Charter, the Administrative Code and related ordinance define the postemployment healthcare benefits. The City provides four single-employer defined other postemployment benefit plans: Fire and Police Health Subsidy Plan (Pensions OPEB), Los Angeles City Employees' Postemployment Health Care Plan (LACERS OPEB), and Water and Power Employees' Retiree Health Benefits Plan and Death Benefit Plan (DWP OPEB). There are no member contributions for healthcare benefits. The City's OPEB and net OPEB (asset) liability for LACERS and Pensions are generally liquidated by the General Fund, Airports and Harbor Enterprise funds.

Pensions

Members of the System are entitled to postemployment health subsidy benefits under Sections 1330, 1428, 1518, 1618, and 1718 of the City Charter; Section 4.2018 of the Administrative Code; and related ordinances. Members who retire from the System with at least 10 years of service are eligible for health subsidy benefits. For retirement effective dates prior to July 1, 1998, regular benefits began at age 60. For retirement effective dates on or after July 1, 1998, regular benefits begin at age 55. Tier 6 members who retire on service-connected disability pension are eligible for a minimum health subsidy at age 55 if they have fewer than 10 years of service. Health subsidy benefits are available to members and their covered dependents (e.g. spouses/domestic partners, children) on disability and service retirement. Effective January 1, 2000, qualified surviving spouses/domestic partners are eligible for health subsidy benefits.

LACERS

LACERS administers and provides single-employer postemployment healthcare benefits to eligible retirees and their eligible spouses/domestic partners who participate in the Retirement Plan regardless of their membership tiers. These benefits consist of subsidies which may also apply to the coverage of other eligible dependent(s). To be eligible for LACERS postemployment healthcare benefits, member must: 1) be at least age 55; 2) have at least 10 whole years of service with LACERS; and 3) be enrolled in a LACERS-sponsored medical or dental plan or is a participant in the Medical Premium Reimbursement Program (MPRP). On November 9, 2018, the City Council approved Ordinance No. 185829 to amend Article 1 of Chapter 11, Division 4 of the Los Angeles Administrative Code to establish the LACERS Health Care Fund (115 Trust Account) for the sole purpose of funding the retiree healthcare benefits for eligible LACERS retirees and beneficiaries as well as to help stabilize premium rates over time. Retirees and surviving spouses/domestic partners can choose from the health plans that are available, which include medical, dental, and vision benefits, or participate in the MPRP if he/she resides in an area not covered by the available medical plans. Retirees and surviving spouses/domestic partners receive medical subsidies based on service years and service credit. The dental subsidies are provided to the retirees only, based on service years and service credit.

DWP Plans

The Water and Power Employees' Retirement Plan of the City of Los Angeles (DWP Plans) was established by the Los Angeles Department of Water and Power in 1938. Under the provisions of the Charter of the City of Los Angeles Retirement Board of Administration has the responsibility and authority to administer the DWP Plans and to invest its assets. In 1986, DWP Board adopted the Department Health Plans Board Resolution. This resolution established provisions for the health, dental and other medical plans of the DWP and its subsidies.

This resolution and subsequent amendments have created the DWP's Employees' Retiree Health Benefits Plan. The DWP Plans has four separate funds – Retirement Fund, Disability Fund, Death Benefit Fund, and Retiree Health Benefits Fund. Each fund is considered a separate plan and an independent trust fund of the DWP. The Death Benefit Fund and Retiree Health Benefits Fund are single-employer defined benefit OPEB plans.

1. Membership

As of June 30, 2025, Pensions, LACERS and DWP Plans OPEB members consisted of the following:

			DWP OPEB	
	Pensions OPEB	LACERS OPEB	Health Benefits	Death Benefits
Retired members and beneficiaries	12,367	18,004	8,648	8,102
Vested terminated members (may include retired members and surviving spouse) entitled to, but not yet receiving benefits	1,005	1,731	--	533
Active members	12,309	27,000	11,955	11,955
Total	25,681	46,735	20,603	20,590

2. Benefits

Benefits Provided by Pensions

Administrative Code Section 4.1154 (e) provides that, on an annual basis beginning in 2006, the Pensions Board is authorized to make discretionary changes to the maximum monthly subsidy, so long as no increase exceeds the lesser of a 7.0% increase or the actuarial assumed rate for medical inflation for pre-65 health benefits established by the Board for the applicable fiscal year. Pensions also reimburses Medicare Part B premiums for any pensioner enrolled in Medicare Parts A and B, and eligible to receive a subsidy.

On January 11, 2022, the City Council passed Ordinance No. 187351 to amend Chapter 11.5 of Division 4 of the Los Angeles Administrative Code to establish the Los Angeles Fire and Police Pensions Retiree Health Care Fund (LAFPP Health Care Fund) for the sole purpose of funding retiree health care benefits for eligible retirees and beneficiaries of Pensions. The City and the Board of Pensions entered into a trust agreement, providing the LAFPP Health Care Fund as an alternative funding mechanism to the pre-existing LAFPP Health Care Coverage Account (401(h) account). This measure was aimed to ensure the long-term viability and sustainability of retiree health care benefits for Fire and Police Pension Plan.

The LAFPP Health Care Fund is intended to qualify for federal tax exemption under Section 115 of the Internal Revenue Code. Effective July 1, 2022, the LAFPP Health Care Fund began receiving contributions from the City designated for retiree health benefits. The existing 401(h) account continues to operate, disbursing funds for health insurance and other benefits provided under Chapter 11.5 of Division 4 of the Los Angeles Administrative Code, until it is fully depleted.

On May 2, 2024, the Board adopted a new policy to determine future increases to the maximum non-Medicare Health Subsidy as the lesser of: 1) The average of the annual increase in the Los Angeles Medical Care Index published by the U.S. Bureau of Labor Statistics as of the previous December and 7%; or 2) The maximum allowable increase to the non-Medicare Health Subsidy pursuant to Los Angeles Administrative Code Section 4.1154 (e).

Effective January 1, 2001, members of Pensions are entitled to postemployment health insurance premium reimbursements under Section 4.1163 of the Administrative Code. The reimbursement paid is a percentage of the maximum health subsidy. Pensions also reimburses basic Medicare Part B premiums for any pensioner or qualified surviving spouse/domestic partner eligible to receive a subsidy and enrolled in Medicare Parts A and B. As of July 1, 2024, retired members may receive reimbursement of up to $2,241.39 per month for their own coverage and that of their eligible dependents.

Pensions members are also entitled to a dental subsidy. The benefit paid is a percentage of a maximum subsidy for dental care based on the lower of the dental subsidy in effect for LACERS

(civilian retirees) or active Safety Members. The maximum monthly subsidy for calendar year 2024 was $42.93. In determining the dental subsidy, members receive 4.0% for each completed year of service, up to 100% of the maximum.

Benefits Provided by LACERS

The maximum subsidies are set annually by the Board. Effective February 21, 2016, healthcare benefit eligibility requirements have changed for members who have periods of part-time service. Such members are now eligible to participate in the LACERS retiree medical programs with 10 whole years of service, even if some or all of that service was part-time, provided that the member meets the eligibility requirements. Both Tier 1 and Tier 3 members will be eligible for 40% of maximum medical plan premium subsidy for 1 – 10 whole years of service credit, and eligible members earn 4% per year of service credit for their annual medical subsidy accrual after 10 years of service. Eligible spouses/domestic partners of LACERS members are entitled to LACERS postemployment health care benefits after the retired member's death.

During fiscal year 2011, the City adopted an ordinance ("Subsidy Cap Ordinance") to limit the maximum medical subsidy at $1,190 for those members who retire on or after July 1, 2011; however, members who at any time prior to retirement made additional contributions are exempted from the subsidy cap and obtain a vested right to future increases in the maximum medical subsidy at an amount not less than the dollar increase in the Kaiser two-party non-Medicare Part A and Part B premium. As of June 30, 2025, all active Tier 1 and Tier 3 members were making the additional contributions, and therefore will not be subject to the medical subsidy cap.

Benefits Provided by DWP Plans

Retiree Health Benefits Fund (RHBF)

For retiree healthcare, a medical subsidy is computed by a formula related to years of service and attained age of retirement. The subsidy limit is applied to the combined medical carrier and Medicare Part B premium but not the dental premium. For Tier 1, the monthly medical subsidy ranges from $30.32 to $2,364.88 depending on age and service at retirement. For Tier 2, the monthly medical subsidy ranges from $30.32 to $1,182.44, depending on age and service at retirement. The monthly dental subsidy for most retirees is $37.71. The dental subsidy is not available to pay for premiums for married and surviving spouses or domestic partners. All members hired before January 1, 2014 are Tier 1. All members hired after January 1, 2014 are Tier 2.

Death Benefit Fund (DBF)

The Death Benefit Fund consists of the insured lives death benefit (IDB), family death benefit (FDB), and supplemental family death benefit (SFDB).

Insured Lives Death Benefit (IDB)

For contributing active members, death benefit coverage begins after completion of 26 weeks of continuous DWP service. If the death occurs while an active member of the DWP Plan, the benefit includes a single lump sum distribution equal to fourteen times the member's monthly salary, and the Retirement Fund contributions plus accrued interest, payable to the beneficiary.

For retired members, the benefits include a single lump sum distribution equal to fourteen times the member's full retirement allowance not to exceed $20,000, plus any unpaid retirement allowances due, and the unused portion of the Retirement Fund contributions upon death (if elected at retirement) payable to the beneficiary.

Family Death Benefit (FDB)

Coverage begins after completion of 26 weeks of continuous DWP service. The DWP Plan provides a monthly FDB allowance of $416 to each qualified surviving child plus $416 to the spouse, if the spouse has the care of one or more of the member's eligible children. The maximum monthly FDB allowance is $1,170.

Following an amendment adopted in August 23, 2023, and effective retroactively to October 1, 2022, the Plan now provides a monthly FDB allowance of $937 to each qualified surviving child, and $937 to the spouse if the spouse is caring for one or more eligible children. The maximum monthly FDB allowance is now $2,187.

Supplemental Family Death Benefit (SFDB)

The SFDB program supplements the FDB. Coverage begins after enrollment and payment of premiums for 39 consecutive biweekly payroll deductions. The DWP Plan provides for an additional monthly SFDB allowance of $520 to each qualified surviving child plus $520 to the spouse, if the spouse has the care of one or more of the member's eligible children. The maximum SFDB allowance is $1,066.

3. Contribution Information

Employer Contributions

Pensions

The Pensions Board establishes and may amend the contribution requirements of members and the City. The City's annual contribution for the Pensions plan is actuarially determined and represents a level of funding that, if paid on an ongoing basis, is expected to be sufficient to make all benefit payments to current members. The City Administrative Code and related ordinance define member contributions. The employer contribution rate as calculated by Pensions' actuary is 10% of covered payroll. Accordingly, the City's contributions as determined by the actuary, net of early payment discount, for the fiscal year ended June 30, 2025, were as follows (in millions):

	Fire and Police						Harbor Port Police		Airports
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 5	Tier 6	Tier 6
Health Subsidy Entry Age Cost	$ --	$ 0.01	$ 2.61	$ 1.04	$ 43.69	$ 35.82	$ 0.95	$ 0.31	$ 1.52
Health Subsidy Unfunded Actuarial Accrual Liability	--	0.03	3.32	1.31	59.38	29.58	(0.04)	(0.01)	(0.12)
Health Administrative Expenses	--	--	0.08	0.03	1.41	0.70	0.02	--	0.03

During fiscal year 2025, total employer contributions of $181.7 million in accordance with actuarially determined contribution requirements through an actuarial valuation performed at June 30, 2023.

On August 1, 2024, the Pension Board approved a surplus management policy that takes effect upon the Retirement or OPEB Plan becoming fully funded. Once fully funded, the Unfunded Actuarial Accrued Liability (UAAL) contribution rate that was determined in the previous valuation may be phased out linearly to 0.00% over a glide path of a certain number of years.

The glide path is designed to maintain stable contribution rates unless the Plan's funded status falls below 100%. In such cases, adjustments would be made to ensure adequate funding. The policy also details specific criteria for contribution adjustments and credits based on actuarial projections, including provisions for maintaining smooth contribution levels during the glide path phase-out period.

LACERS

The Los Angeles City Charter Sections 1158 and 1160 provide for periodic actuarially determined employer contribution rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the required assets to pay benefits when due. For the fiscal year ended June 30, 2025, the actuarially determined contribution of the employer to LACERS by the City was 3.32% (3.26% for Tier 1 and 3.45% for Tier 3) of projected payroll, based on the June 30, 2023 actuarial valuation. The total contributions for the fiscal year 2025 is $90.2 million.

Upon closing the fiscal year 2025, LACERS re-calculated employer contributions using actual payroll incurred during the fiscal year which was lower than projected covered payroll used by the City to make

the advance payment on July 15, 2024. As a result, employer contributions for Postemployment Health Care Plan were $3.6 million more than required, and this amount was returned to the employer as a credit toward employer contribution for fiscal year 2026. Based on actual payroll, the effective rate of employer contribution for Postemployment Health Care Plan was 3.36% for the fiscal year 2025.

DWP Plans

The DWP Board establishes rates for retiree healthcare plan based on an actuarially determined rate. For the fiscal year ended June 30, 2025, the DWP's average contribution rate was 8.2% of covered-employee payroll. Employees are not required to contribute to the retiree healthcare plan. DWP's contributions to the retiree healthcare plan were $129.4 million including administrative expenses of $1.3 million for the fiscal year ended June 30, 2025.

Prior to fiscal year 2019, Death Benefit was funded by the employer on a modified "pay-as-you-go" basis. The funding policy was changed for valuation period beginning July 1, 2019 and thereafter. Employer contributions shall be determined annually on the basis of Entry Age Actuarial Cost Method and amortizing the resulting unfunded liability or surplus identified in each year in equal dollar amounts over the subsequent fifteen-year period. The Department contribution rate for fiscal year 2025 was 1.12% of covered payroll.

The employer and member contribution rates as of June 30, 2025 are as follows:

		Members	
	DWP	Active	Retired
Total Death Benefit Fund	1.14% of payroll	N/A	N/A
Supplemental family death benefit		$2.25 biweekly	$4.90 monthly
Insured lives death benefit			
Contributing		$1.00 biweekly	N/A
Noncontributing		N/A	N/A

DWP's contributions to the death benefits plan were $19.8 million including administrative expenses of $2.6 million for the fiscal year ended June 30, 2025.

4. Net OPEB (Asset) Liability

For the June 30, 2025 reporting date, the Net Other Postemployment Benefits Liability (NOL) of Pensions was measured as of June 30, 2024 and determined based upon the Total OPEB Liability (TOL) from the actuarial valuation as of June 30, 2024. The Fiduciary Net Position (FNP) was valued as of the measurement date.

LACERS' Net OPEB Asset (NOA) was measured as of June 30, 2024 and determined based upon the FNP and TOL from the actuarial valuation as of June 30, 2024. FNP and TOL were valued as of the measurement date.

DWP Plans' NOA and NOL were measured as of June 30, 2024 and determined based upon the results of the actuarial valuation as of June 30, 2024. The FNP and TOL were valued as of the measurement date.

The City's total OPEB liability, fiduciary net position and net OPEB (asset) liability for each plan as of June 30, 2025 were as follows (in thousands):

	Total OPEB Liability	Fiduciary Net Position	Net OPEB (Asset) Liability	Fiduciary Net Position as % of Total OPEB Liability
Pensions	$ 4,066,715	$ 3,251,841	$ 814,874	79.96%
LACERS	3,570,148	3,796,165	(226,017)	106.33%
DWP Plans				
Health Benefits	3,192,082	3,268,186	(76,104)	102.38%
Death Benefit	160,165	56,291	103,874	35.15%
Totals	$ 10,989,110	$ 10,372,483	$ 616,627	

Changes in Net OPEB (Asset) Liability

The components of the net OPEB (asset) liability of Pensions, LACERS and DWP Plans as of the measurement date of June 30, 2024 were as follows (in thousands):

	Pensions	LACERS	DWP Plans	Totals
Total OPEB Liability				
Beginning Balance	$ 3,815,026	$ 3,405,088	$ 2,780,523	$ 10,000,637
Service Cost	83,191	96,467	72,042	251,700
Interest	267,221	239,773	175,573	682,567
Changes of Benefit Terms	--	--	3,055	3,055
Benefit Payments	(164,341)	(155,102)	(123,529)	(442,972)
Differences between Expected and Actual Experience	619	(38,374)	6,586	(31,169)
Assumption Changes	64,999	22,296	433,670	520,965
Other	--	--	4,327	4,327
Net Change	251,689	165,060	571,724	988,473
Ending Balance	4,066,715	3,570,148	3,352,247	10,989,110
Fiduciary Net Position				
Beginning Balance	2,966,814	3,540,386	3,017,588	9,524,788
Employer Contributions	164,560	97,094	134,291	395,945
Member Contributions	--	--	387	387
Net Investment Income	287,508	322,658	298,805	908,971
Benefit Payments	(164,341)	(155,102)	(123,529)	(442,972)
Administrative Expenses	(2,700)	(8,871)	(3,065)	(14,636)
Net Change	285,027	255,779	306,889	847,695
Ending Balance	3,251,841	3,796,165	3,324,477	10,372,483
Net OPEB (Asset) Liability	$ 814,874	$ (226,017)	$ 27,770	$ 616,627

Sensitivity of the Net OPEB (Asset) Liability to Changes in Discount Rates

Pensions and LACERS used a discount rate of 7.00 percent, and DWP Plans used a discount rate of 6.50 percent (2.75 percent for Death Benefit Plan) to measure the total OPEB liability for the measurement date of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current Plan Members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future Plan Members and their beneficiaries are not included. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2025 based on the measurement date of June 30, 2024.

The net OPEB (asset) liability changes when there are changes in the discount rate. The following presents the net OPEB (asset) liability (in thousands) calculated using the adopted discount rates of 7.00 percent for Pensions and LACERS, 6.50 percent for DWP Health Benefits Plan, and 2.75 percent for the DWP Death Benefit Plan, as well as what the net OPEB (asset) liability would be if they were calculated using a discount rate that is 1-percentage point lower (6.00 percent / 5.50 percent or 1.75 percent) or 1-percentage point higher (8.00 percent / 7.50 percent or 3.75 percent) than the current rates.

			DWP Plans	
	Pensions	LACERS	Health Benefits	Death Benefit*
1% Decrease (6.00% / 5.50% / 1.75%*)	$ 1,422,653	$ 253,957	$ 405,701	$ 130,708
Current Discount Rate (7.00% / 6.50% / 2.75%*)	814,874	(226,017)	(76,104)	103,874
1% Increase (8.00% / 7.50% / 3.75%*)	324,035	(622,567)	(469,476)	82,621

Sensitivity of the Net OPEB (Asset) Liability to Changes in Healthcare Cost Trend Rates

The net OPEB (asset) liability changes when there are changes in the healthcare cost trend rate. LACERS' current trend rates assumption is 7.37% graded down to 4.50% over 12 years for Non-Medicare medical plan costs, and actual premium increase in first year, then 3.76% and then graded from 6.87% to ultimate 4.50% over 10 years for Medicare medical plan costs, 1.50%, then 3.00% thereafter for Dental, and 6.20% for 9 years, then graded to 4.50% over 6 years for Medicare Part B subsidy cost. The current trend rates assumption for Pensions is 7.00%, then graded down to an ultimate of 4.50% over 10 years for Non-Medicare medical plan costs; 10.00%, then 6.50% graded down to 4.50% over eight years for Medicare medical plan costs and 3.00% for all years for Dental and 6.2% for nine years, then 5.75% graded to 4.50% ultimate over five years for Medicare Part B cost. DWP Plans current trend rates assumption is 7.50%, graded down to an ultimate of 4.50% over 12 years for Non-Medicare medical plan costs; 10.00%, then 6.50%, graded down to an ultimate of 4.50% over eight years for Medicare medical plan costs and 3.00% for all years for Dental and 6.20% for nine years, then 5.75%, graded down to an ultimate of 4.50% over five years for Medicare Part B cost.

The following presents the net OPEB (asset) liability (in thousands) as of June 30, 2024 measurement date, as well as what net OPEB (asset) liability would be if it were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate for Pensions, LACERS and DWP Plans:

	Pensions	LACERS	DWP Plans
1% Decrease	$ 305,891	$ (662,071)	$ (514,088)
Current Trend Rate	814,874	(226,017)	(76,104)
1% Increase	1,456,288	313,405	477,667

5. OPEB Expense (Credit), Deferred Outflows of Resources and Deferred Inflows of Resources

The City recognized the following OPEB expense (credit), deferred outflows of resources and deferred inflows of resources as of and for the fiscal year ended June 30, 2025 (in thousands):

	OPEB Expense			
	Pensions	LACERS	DWP Plans	Totals
Service Cost	$ 83,191	$ 96,467	$ 72,042	$ 251,700
Interest on the Total OPEB Liability	267,221	239,773	175,573	682,567
Expensed Portion of Current-Period Benefit Changes	--	--	3,055	3,055
Expensed Portion of Current-period Difference between Expected and Actual Experience in the Total OPEB Liability	92	(6,101)	785	(5,224)
Expensed Portion of Current-period Changes of Assumptions or Other Inputs	9,672	3,544	51,689	64,905
Member Contributions	--	--	(387)	(387)
Projected Earnings on Plan Investments	(212,870)	(248,601)	(194,513)	(655,984)
Expensed Portion of Current-period Differences between Actual and Projected Earnings on Plan Investments	(14,927)	(14,811)	(20,858)	(50,596)
Administrative Expense	2,700	8,871	3,065	14,636
Other expense	--	--	4,327	4,327
Recognition of Beginning of Year Deferred Outflows of Resources as OPEB Expense	139,970	184,174	112,796	436,940
Recognition of Beginning of Year Deferred Inflows of Resources as OPEB Expense	(245,555)	(306,994)	(184,342)	(736,891)
	$ 29,494	$ (43,678)	$ 23,232	$ 9,048

	Deferred Outflows of Resources			
	Pensions	LACERS	DWP Plans	Totals
OPEB Contributions Subsequent to Measurement Date	$ 181,495	$ 90,333	$ 146,456	$ 418,284
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	--	7,030	6,125	13,155
Changes of Assumptions or Other Inputs	94,730	39,237	421,995	555,962
Net Difference between Projected and Actual Earnings on Investments	--	13,517	3,070	16,587
Difference between Expected and Actual Experience	17,249	3,950	34,387	55,586
	$ 293,474	$ 154,067	$ 612,033	$ 1,059,574

	Deferred Inflows of Resources			
	Pensions	LACERS	DWP Plans	Totals
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	$ --	$ 7,030	$ 6,125	$ 13,155
Changes of Assumptions or Other Inputs	261,873	340,935	166,989	769,797
Net difference between Projected and Actual Earnings on Investments	10,305	--	53,107	63,412
Difference between Expected and Actual Experience	102,801	72,419	161,272	336,492
	$ 374,979	$ 420,384	$ 387,493	$ 1,182,856

The amount reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as an adjustment of the net OPEB (asset) liability in the fiscal year ending June 30, 2026. The other net amount of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows (in thousands):

Reporting Date under GASB 75 Year Ending June 30	Pensions	LACERS	DWP Plans
2026	$ (136,384)	$ (163,402)	$ (54,460)
2027	(9,265)	1,165	29,382
2028	(77,413)	(107,293)	(29,876)
2029	(54,989)	(77,555)	3,276
2030	8,021	(8,824)	28,212
2031	7,030	(741)	32,733
Thereafter	--	--	68,817

6. Long-term Expected Rate of Return on Plan Investments

The discount rate used to measure the total OPEB liability was 7.00% for Pensions and LACERS, 6.50% for DWP Health Benefits Plan, and 2.75% for DWP Death Benefit Plan. The long-term expected rate of return on OPEB investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation and beginning June 30, 2024 any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic real rate of return by weighing the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation, and subtracting expected investment expenses (beginning with June 30, 2024, including only investment consulting fees, custodian fees and other miscellaneous investment expenses) and a risk margin.

The target allocations and projected arithmetic real rates of return for each major asset, after deducting inflation and applicable investment management expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized as follows:

	Pensions		LACERS		DWP Plans	
Asset Class	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2024	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2024	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2024
Large Cap U.S. Equity	23.00 %	6.00 %	15.00 %	6.00 %	21.10 %	5.13 %
Small Cap U.S. Equity	6.00	6.65	6.00	6.65	2.10	5.86
Developed International Large Cap Equity	16.00	7.01	15.00	7.01	12.20	6.01
Developed International Small Cap Equity	--	--	3.00	7.34	1.80	5.72
Emerging International Small Cap Equity	--	--	1.33	11.10	--	--
Emerging Market Equity	5.00	8.80	6.67	8.80	5.10	8.16
Global Equity	--	--	--	--	2.70	5.94
U.S. Core Fixed Income	9.90	1.97	--	--	--	--
Core Bonds	--	--	11.25	1.97	--	--
High Yield Bonds	2.75	4.63	1.50	4.63	--	--
Bank Loans	--	--	1.50	4.07	--	--
Emerging Market Debt (External)	--	--	2.00	4.72	--	--
Emerging Market Debt (Local)	--	--	2.00	4.53	--	--
Global Credit	2.75	0.89	--	--	--	--
Core Real Estate	7.00	3.86	4.20	3.86	7.00	4.60
Non-Core Real Estate	--	--	2.80	5.40	3.00	7.14
Real Estate Investment Trust	3.00	5.25	1.40	6.80	--	--
Private Equity	14.00	9.84	16.00	9.84	10.00	10.46
Hedge Funds	--	--	--	--	5.00	1.85
Private Credit/Debit	2.00	6.48	5.75	6.47	2.40	5.94
Treasury Inflation Protected Securities	4.40	1.77	3.60	1.77	3.50	(0.23)
Commodities	1.00	4.21	--	--	1.50	2.77
Cash	1.00	0.63	1.00	0.63	1.00	(0.77)
Unconstrained Fixed Income	2.20	2.50	--	--	21.60	0.68
	100.00 %		100.00 %		100.00 %	

7. Actuarial Methods and Assumptions

Significant actuarial methods and assumptions used to determine the total OPEB liabilities for the reporting period of June 30, 2025 are as follows:

	Pensions	LACERS	DWP Plans
Measurement Date	June 30, 2024	June 30, 2024	June 30, 2024
Valuation Date	June 30, 2024	June 30, 2024	June 30, 2024
Inflation Rate	2.50%	2.50%	2.50%
Actuarial Cost Method	Entry age cost method	Entry age cost method	Entry age cost method
Actuarial Assumptions: Salary Increases	3.90% to 12.00%	4.00% to 9.00%	4.25% to 10.00%
Investment Rate of Return	7.00% net of investment expenses	7.00% net of investment expense	Health/Death* Plan: 6.50%/*2.75% net of investment expense
Healthcare cost trend rates	7.00% then graded down to 4.50% over 10 years for Non-Medicare medical plan costs and 10%, then 6.5% graded to 4.50% over 8 years for Medicare medical plan costs; and 3.00% for all years for dental and 6.20% for 9 years, then 5.75% graded to 4.50% over 5 years for Medicare Part B costs.	7.37% graded down to 4.50% over 12 years for Non-Medicare medical plan costs, and 3.76%, then 6.87% graded to 4.50% over 10 years for Medicare medical plan costs. 1.50%, then 3.00% thereafter for Dental, and 6.20% for 9 years, then graded to 4.50% over 6 years for Medicare Part B subsidy cost.	7.50% graded down to 4.50% over 12 years for non-Medicare medical plan costs; 10.00%, then 6.50%, graded down to 4.50% over 8 years for Medicare medical plan costs; and 3.00% for all years for dental and 6.20% for 9 years, then 5.75%, graded down to 4.50% over 5 years for Medicare Part B costs.
Mortality Rates:			
Pre-Retirement	Pub-2010 Safety Employee Headcount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Tables with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Employee Headcount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
Postemployment Healthy	Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Table increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) times 105% for males and 100% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Disabled	Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Table projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Tables with rates increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) times 105% for males and 100% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Beneficiaries (Currently in pay status)	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Table increased by 5% for males and increased by 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Contingent Survivor Headcount-Weighted Above-Median Mortality Table with rates increased by 5% for males and increased by 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Contingent Survivor Headcount-Weighted Above-Median Mortality Table (separate tables for males and females) times 105% for males and 100% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Actuarial Experience Study	July 1, 2019 to June 30, 2022	July 1, 2019 to June 30, 2022	July 1, 2018 to June 30, 2021

8. Two Percent Opt-In for Pension Members

On July 15, 2011, the City Council adopted an ordinance to permanently freeze the retiree health subsidies and reimbursements for members of Pensions who retired or entered DROP on or after July 15, 2011. This ordinance added language to the Los Angeles Administrative Code to freeze the maximum monthly non-Medicare subsidy at the July 1, 2011, rate of $1,097.41 per month, and freeze the maximum monthly Medicare subsidy as of the January 1, 2011, rate of $480.41 per month. However, the ordinance also provided that active members of Tiers 2 - 5 may make an irrevocable election to contribute towards vesting increases in the maximum medical subsidy, as allowed by an applicable MOU.

Members who opted-in to make an additional two percent pension contribution are entitled to the current maximum health subsidy benefit and all future subsidy increases once they retire and become eligible to receive a subsidy. The opt-in period for the majority of the members began August 15, 2011, and closed September 29, 2011.

C. Commitments, Litigations, and Contingencies

Contingencies

1. Governmental Activities

Pledges of Future Revenues

The City has pledged certain future revenues for the payment of certain outstanding long-term obligations. Discussions about pledged revenues are included in Note 4I on Long-Term Liabilities.

Pending Lawsuits and Claims

As mentioned in Note 4N, the City will also review the filed protective refund claims for a pending lawsuit described below, which may lead to additional liability. However, no amount has been accrued in the accompanying financial statements because it is not probable that a loss has been incurred as of June 30, 2025.

Angels Landing Partners, LLC v. City of Los Angeles.

On December 6, 2024, Angels Landing Partners LLC (ALP) sued the City asserting claims arising from the City's termination of an exclusive negotiating agreement (ENA) between ALP and the City. ALP asserts claims for breach of contract and breach of the implied covenant of good faith and fair dealing based on the City's failure to reimburse ALP for its costs following the termination of the ENA, which ALP alleges was improper because ALP was not in default at the time of termination. ALP's complaint seeks damages for the reimbursement of its reasonable and allowable costs under the ENA, which ALP estimates to exceed $20.0 million. The City denies any and all liability for all alleged claims and damages, and has filed a cross-complaint asserting its own claims against ALP for breach of contract and breach of the implied covenant of good faith and fair dealing. Trial on all claims and cross-claims is currently scheduled for August 24, 2026.

Griffin et al. v. City of Los Angeles et al.

On July 26, 2024, plaintiffs filed a putative class lawsuit against the City alleging that the City's park and park facilities violate the American with Disabilities Act and other related laws. The plaintiffs, based on the filed complaint, are seeking injunctive and declaratory relief and, in the event of an adverse ruling against the City, the City may be required to undertake improvements relating to ADA compliance with respect to certain City park and park facilities. A bench trial was agreed to by the parties, which concluded on October 16, 2025. On November 20, 2025, the court granted plaintiffs' request for injunctive relief against the City. Under the order, the parties are to meet and confer on the terms to which the City will remove barriers from certain newly constructed and altered park facilities and to address practices and policies to readily address and assess accessibility features of park facilities. The cost of compliance is not expected to be known until the parties meet and confer. The City may also be subject to attorneys fees on account of the court order.

Apartment Owners Association of Ca. v. City of Los Angeles.

On September 27, 2017, the plaintiffs filed a class action claim in Superior Court alleging the franchise fee collected by the City from private commercial waste haulers for the rights to service commercial and multi-family buildings should be treated as taxes under Proposition 218, and therefore require voter approval. The plaintiffs asserted two causes of action: (1) a refund of the franchise fees; and (2) a declaration that the franchise fees are taxes. On December 28, 2022, the California Court of Appeal reversed the judgment, relying on a superseding California Supreme Court decision in Zolly v. City of Oakland (2022) 13 Cal.5th 780, which addressed a similar challenge to waste hauling franchise fees paid to the City of Oakland. In Zolly, the California Supreme Court found that the plaintiffs had standing to challenge the franchise fees. The Court of Appeal expressed no opinion on the underlying substantive issues and the matter was remanded back to Superior Court for further adjudication. On remand, both sides moved for summary judgment and the trial court denied both motions. Plaintiffs then moved for class certification, which the trial court denied. Plaintiffs appealed and on October 7, 2025, the California Court of Appeal affirmed the trial court's denial of class certification. Plaintiffs' individual refund claims and their claim for prospective injunctive relief to stop the City from collecting the

franchise fee going forward remain to be litigated. Plaintiffs have sought California Supreme Court review of the decision. If the decision is affirmed, the plaintiffs' recovery, if they succeed on the underlying merits, would be limited to a refund to the named plaintiffs and an order that the City cease collecting the fee. No class-wide refund would be due in that scenario. Due to the unsettled nature of the law, an assessment of potential liability for the individual refunds or prospective relief is difficult to ascertain. However, if the California Supreme Court granted review and reversed the denial of class certification, the City could be required to pay back all franchise fees collected to date by the General Fund, and to cease collection of the franchise fees going forward. From fiscal year 2018 through fiscal year 2025, the City collected approximately $339.0 million in these franchise fees. The City expects to continue to collect approximately $60.0 million or more annually from these franchise fees through the term of the current agreement which expires on January 31, 2027.

Jesus Pimentel, et al. v. City of Los Angeles.

On October 12, 2015, plaintiffs filed a putative class action complaint in Federal District Court alleging that the City's parking meter violation fines violated the Excessive Fines clause of the Eighth Amendment of the Constitution of the United States. The fine for overstaying or nonpayment of a parking meter is $63.00, and the late fee for failing to timely pay the fine is also $63.00. The Federal District Court granted the City's motion for summary judgment and found that the initial parking meter violation fine was constitutional and was not excessive, which the Ninth Circuit affirmed on September 11, 2020. Subsequently, the Federal District Court granted the City's motion for summary judgment and found that the late fee was also constitutional and was not excessive. However, on September 9, 2024, the Ninth Circuit reversed the Federal District Court's ruling with respect to the late fee and held that a jury should determine if the late fee violated the Excessive Fines clause. The City filed a petition for a writ of certiorari in the United States Supreme Court, which was denied on May 27, 2025. The matter is before the Federal District Court regarding the constitutionality of the late fee. In the event of an adverse outcome at trial, liability could be in the tens of millions of dollars. The hearing for plaintiffs' motion for class certification is scheduled for January 29, 2026. The City is defending its interest in this matter.

Matthews et al. v. City of Los Angeles et al.

On May 3, 2022, plaintiffs filed a putative class action concerning the City's Concealed Carry Weapon (CCW) license policy. The putative class members are those who were arrested by the LAPD for violating California Penal Code sections 25400(a)(1) and 25850(a) (which prohibit carrying a concealed handgun in a vehicle or a loaded firearm on a person while in public without a valid CCW license). The plaintiffs allege that the CCW license policy made compliance with said Penal Code sections impossible and is unconstitutional. The plaintiffs are also seeking monetary damages. On October 31, 2023, the Federal District Court granted the City's motion to dismiss on grounds that the plaintiffs failed to state a claim and did not have standing. The Ninth Circuit Court of Appeals reversed the Federal District Court and remanded the matter. Mandate was issued by the Ninth Circuit on September 11, 2025. The Ninth Circuit deemed the City's CCW license policy unconstitutional under the Second Amendment and held that two of the individual plaintiffs had standing to sue on behalf of themselves and putative class members. Based on the information to date, the putative class members who were arrested, detained, and/or charged with the subject Penal Code offenses may be in the thousands. Due to the preliminary nature of this suit, the City's liability is unknown. However, based on the pleadings, in the event of an adverse ruling, the City's liability could be in the tens of millions of dollars. The City is defending its interests in this matter.

Nguyen v. City of Los Angeles et al.

The City was served with a putative class action complaint in state court alleging that the 3.5 percent surcharge in the City's new 5.5 percent gas utility franchise fee, which took effect in May 2022, violates Proposition 218 (California Constitution Article XIII C, Section 2) by creating a utility fee without voter approval. The previous franchise fee in effect for approximately 30 years prior to May 2022 was 2 percent. The new 2 percent franchise fee and 3.5 percent surcharge was approved by the City and California Public Utilities Commission. The trial court granted the City's summary judgment motion, finding that the undisputed evidence showed the franchise fee, including the surcharge, resulted from bona fide negotiations between SoCal Gas and the City. Since the amount of the franchise fee and surcharge was therefore reasonably related to the value of the franchise exchanged, then it did not

constitute an illegal tax. Plaintiff is challenging this ruling on appeal. If the ruling is reversed on appeal, the City could be required to pay back all amounts collected by the General Fund under the 3.5 percent surcharge to date, and to cease collection of the surcharge going forward. In fiscal years 2023 and 2024, the City collected approximately $66.0 million, collectively, under the 3.5 percent surcharge. In fiscal year 2025, the City collected approximately $26.0 million under the 3.5 percent surcharge.

Measure ULA Special Tax

On November 8, 2022, the City's voters approved "Measure ULA-Funding for Affordable Housing and Tenant Assistance Programs Through A Special Tax on Real Property Transfers Over $5.0 Million" (ULA), a voter initiative to fund affordable housing projects and programs. ULA, which passed with approximately 58 percent of the vote, amends the City's present documentary transfer tax by adding a new tax, subject to certain exemptions, of (a) 4.0 percent on the sale or transfer of real property exceeding $5.0 million but less than $10.0 million, and (b) 5.5 percent on the sale or transfer of real property of $10.0 million or more. The City presently imposes a documentary transfer tax at a rate of approximately 0.45 percent on properties sold for over $100. Proceeds of the City's present documentary transfer tax are deposited in the General Fund, while proceeds of the ULA special tax are deposited into a special fund to be used for affordable housing projects and programs as set forth under ULA. The ULA special tax became effective pursuant to its terms on April 1, 2023.

On December 21, 2022, Howard Jarvis Taxpayers Association and Apartment Association of Greater Los Angeles filed, in Los Angeles County Superior Court, a reverse validation action to invalidate the ULA special tax (Howard Jarvis Taxpayers Assn. et al. v. City of Los Angeles et al.) (Jarvis Action) pursuant to California Code of Civil Procedure section 860 et seq. On January 6, 2023, Newcastle Courtyards, LLC and Jonathan Benabou (collectively Newcastle) also filed a reverse validation action in Los Angeles County Superior Court (Newcastle Courtyards, LLC et al. v. City of Los Angeles et al.) pursuant to California Code of Civil Procedure section 860 et seq., which was consolidated with the Jarvis Action. Newcastle filed an additional complaint in the United States District Court for the Central District of California to challenge the validity of ULA and the ULA special tax (collectively Newcastle Actions). The Jarvis Action seeks to enjoin the ULA special tax by alleging that the enactment of the ULA special tax violates Section 450 of the Charter and Section 4 of Article XIIIA of the California Constitution. The Newcastle Actions, similarly, seek to enjoin the ULA special tax based on allegations that it violates Section 4 of Article XIIIA of the California Constitution and would infringe various taxpayer protections and rights granted under the U.S. Constitution and California Constitution. On September 5, 2023, the United States District Court dismissed Newcastle's federal court action for lack of subject matter jurisdiction, without prejudice to Newcastle's separate action filed in Los Angeles County Superior Court. This dismissal was upheld by the Ninth Circuit and Newcastle did not request U.S. Supreme Court review. The dismissal thus became final on or about January 17, 2025.

On October 24, 2023, the Superior Court for the consolidated Jarvis Action concluded that the plaintiffs failed to state facts sufficient to support any claim against the City and ULA to invalidate its enactment. In rejecting the plaintiff's arguments, the Superior Court ruled, amongst others, that (1) ULA did not violate Section 4 of Article XIII of the California Constitution because it was passed as a voter initiative, not as a City-sponsored tax measure; (2) Section 450 of the City Charter did not limit the initiative power of voters of the City; and (3) ULA either satisfied or did not violate a number of other constitutional considerations, such as the Equal Protection Clause and the Takings Clause. The plaintiffs appealed the Superior Court’s ruling to the California Court of Appeals. On December 15, 2025, the California Court of Appeals issued its decision to affirm the County Superior Court’s dismissal of the challenge to invalidate ULA. The City will continue to defend ULA and its interests in these matters if the decision is appealed to the California Supreme Court. The City, thus, cannot provide any assurances that ULA and the ULA special tax will ultimately be upheld in court. In the event the ULA special tax is invalidated in court, the General Fund may be at risk of repaying ULA special tax receipts that have been expended. The City, thus, cannot provide any assurances that ULA and the ULA special tax will ultimately be upheld in court. The City will continue to defend ULA and its interests in these matters. In the event the ULA special tax is invalidated in court, the General Fund may be at risk of repaying ULA special tax receipts that have been expended.

Notably, in the Fiscal Year 2024 Adopted Budget, ULA special tax revenues were projected to be approximately $672.0 million, but actual revenues for the year were approximately $306.0 million, including interest income. The City collected approximately $419.0 million in fiscal year 2025 ULA special tax receipts and $13.0 million in interest earnings. The estimated fiscal year 2026 total ULA special tax revenues is approximately $466.0 million ($438.0 million in tax receipts and $28.0 million in interest). From the total $753.0 million in ULA special tax revenues collected since April 2023, the City has appropriated approximately $743.0 million.

Litigation Relating to the Palisades Fire

Lawsuits have been filed, including two putative class actions (and additional lawsuits continue to be filed) against the City and LADWP, a proprietary department of the City, and other entities by people claiming damage from the Palisades Fire. The cases are pending in the Los Angeles Superior Court. As of December 8, 2025, the existing lawsuits consisted of a number of state court actions (approximately 91 cases) filed on behalf of approximately 2,361 individual plaintiffs, including two cases filed as putative class actions on behalf of an individual and all those similarly situated that seeks to certify as a class, all individuals and entities in the areas impacted by the Palisades Fire who suffered property damage, loss of use, evacuation, or other harm as a result.

Since December 30, 2025, the City has become aware that hundreds of additional cases have been filed, adding thousands of plaintiffs. The City has not yet been served with all such cases and is currently in the process of reviewing the cases it is aware of. The City anticipates that additional lawsuits will continue to be filed. The City believes most of the newly-filed lawsuits will be subject to the Master Complaint process described below. In addition, certain of the new plaintiffs are insurers asserting inverse condemnation under the subrogation clauses in their insurance policies.

Pursuant to an order of the judge overseeing the litigation, on October 8, 2025, plaintiffs liaison counsel (i.e., counsel appointed to organize the plaintiffs) filed the Master Complaint containing allegations that are intended to be common to some or all of the cases. The Master Complaint, generally allege, among other things, that: (1) LADWP failed to properly maintain its water system for the purpose of fighting fires (and specifically that it failed to properly maintain the Santa Ynez Reservoir and, in certain of such cases, the Chautauqua Reservoir), (2) LADWP chose to design its water system for urban use, not to fight wildfires, (3) after the fire ignited, power poles broke and LADWP failed to de-energize its distribution and transmission electrical facilities, which resulted in its overhead power lines arcing and causing additional fires, and (4) the Palisades Fire was foreseeable in light of data about the history of fires in the area, current fire risk and weather. The Master Complaint also alleges that the City did not clear brush from vacant lots in Pacific Palisades, including on lots that are owned by the City, and that embers landed on this brush, sparking a spot fire. With respect to the water system, the Master Complaint asserts a claim for inverse condemnation. With respect to the power system, the Master Complaint asserts claims for inverse condemnation, dangerous condition of public property, and nuisance. The doctrine of inverse condemnation is a “takings clause” cause of action under the State and federal constitutions that entitles property owners to just compensation if their private property is damaged by a public use. California courts have imposed liability on public agencies in legal actions brought by private property holders for damages, where the inherent risks in the public agency’s infrastructure, as deliberately designed, constructed or maintained, are determined to be a substantial cause of damage to the property. The Master Complaint also alleges dangerous condition of public property and nuisance claims related to vegetation management on certain lots owned by the City. Complaints filed before and after the filing of the Master Complaint allege other causes of action and additional theories of liability, which certain plaintiffs may choose to maintain when adopting the Master Complaint.

The cases are not yet at a stage where it is possible to reasonably estimate the potential ultimate financial exposure to the City or LADWP.

2. Business-type Activities

Airports Enterprise Fund

Aviation Security

Concerns about the safety and security of airline travel and the effectiveness of security precautions may influence passenger travel behavior and air travel demand, particularly in the light of existing international hostilities, potential terrorist attacks, and world health concerns, including epidemics and pandemics. As a result of terrorist activities, certain international hostilities and risk of violent crime, Airports has coordinated response and mitigation protocols with federal partners including the FAA, the Transportation Security Administration (TSA), the Department of Homeland Security and Airport management with the intent of enhancing security at Los Angeles International Airport (LAX) and other Airports properties. Current and future security measures may create significantly increased inconvenience, costs and delays at LAX which may deter members of the public from selecting air travel generally and may encourage switching from air to ground travel modes. Consequently, this may adversely affect Airports' operations, expenditures and revenues. Airports cannot predict whether LAX or Airports' other airport will be actual targets of terrorists or other violent acts in the future.

Environmental Matters

On November 7, 2019, the Board approved: (i) an update to the LAX Ground Support Equipment Emissions Reduction Policy (GSE ERP) with new emission reduction targets for 2023 and 2031; (ii) the LAX Air Quality Improvement Measures (AQIM), which consolidated existing air quality improvement programs or previously adopted policies into one plan to more efficiently track progress and align with Airports' Sustainability Action Plan; and (iii) a Memorandum of Understanding (MOU) with the South Coast Air Quality Management District (SCAQMD) to quantify emission reductions associated with the following LAX AQIM measures identified in the MOU to assist SCAQMD in obtaining emission reductions for these measures to meet its obligations under the Clean Air Act:

- Ground Support Equipment Emissions Reduction Policy
- Alternative Fuel Vehicle Incentive Program
- Zero-Emission Bus Program

Airports' primary obligations under the MOU are to implement the above measures and provide annual reports to SCAQMD on implementation of the measures, including equipment data and emission inventory calculations. In the event that actual emission reduction is less than the estimated emission reduction projected for these measures, Airports and SCAQMD will work together to consider potential new or enhanced programs, or better efforts to quantify existing programs, to help SCAQMD address any shortfalls. On June 15, 2023, the Board approved $0.5 million for LAX Electric Ground Support Incentive Program to accelerate the deployment of zero-emission ground support equipment (eGSE) at LAX. In fiscal year 2025, participating airport tenants and service providers have been reimbursed $0.4 million, leaving a balance of $100.0 thousand from the total allocated amount for further reimbursements related to eGSE purchases.

In 2022, California banned the use of class B firefighting foam containing Per- and Polyfluoroalkyl Substances (PFAS) with an exception made for certain facilities that utilize fixed foam fire suppression systems whose compliance deadline was extended to January 1, 2024. At that time, Aqueous Film-Forming Foam (AFFF) with PFAS can no longer be used in hangar systems. The United Reservoir in the West Campus at LAX has provided fire water to the Federal Express (FedEx) Hangar, the former United Airlines (United) Hangar, and the American Airlines (American) Superbay Hangar complexes, among other facilities. American asserts that it has invested approximately $20.0 million into a PFAS-free fire suppression system at the American Superbay and that they intended to activate the system, which is connected to the United Reservoir by January 1, 2024, but now may not activate it due to the contaminated fire water supply. Airports has pursued FedEx and United as potentially responsible parties to identify the source of the AFFF with PFAS, delineate the extent of contamination, and investigate remedies. While Airports continues to work with FedEx, United, and American, the time sensitive nature of the matter has required Airports to conduct sampling, delineate the extent of the

contamination, and retain both engineering and technical support staff to investigate and recommend solutions. The Board approved the increase of the contract authority of Geosyntec Consultants, Inc. from $4.5 million to $13.0 million to cover the cost of remediation of AFFF contamination of the United Reservoir and associated facilities on the West Campus at LAX.

Harbor Enterprise Fund

Alameda Corridor Transportation Authority (ACTA) Agreement

In August 1989, Harbor and the Port of Long Beach (Ports) entered into a joint exercise of powers agreement and formed ACTA for the purpose of establishing a comprehensive transportation corridor and related facilities consisting of street and railroad rights-of-way and an improved highway and railroad network along Alameda Street between the Santa Monica Freeway and the Ports in San Pedro Bay, linking the Ports to the central Los Angeles area. The Alameda Corridor began operating on April 15, 2002. ACTA is governed by a seven-member board, which is comprised of two members from each Port, one each from the Cities of Los Angeles and Long Beach and one from the Metropolitan Transportation Authority.

In October 1998, the Ports, ACTA, and the railroad companies, which operate on the corridor, entered into a Corridor Use and Operating Agreement (Corridor Agreement). The Corridor Agreement provides for operation of the corridor to transport cargo into and out of the Ports. Payment of use fees and container charges, as defined in the Corridor Agreement are used to pay (a) the debt service that ACTA incurs on outstanding bonds, (b) for the cost of funding required reserves and costs associated with the financing, including credit enhancement and rebate requirements, and (c) repayment and reimbursement obligations to the Ports, (collectively, ACTA Obligations). Use fees end in 2062 or sooner if the ACTA Obligations are paid off earlier.

If ACTA revenues are insufficient to pay ACTA Obligations outlined in (a) and (b) above, the Corridor Agreement obligates each Port to pay up to twenty percent (20%) of the shortfall (Shortfall) for each debt service payment date. If this event occurs, the Ports' payments to ACTA are intended to provide cash for debt service payments and to assure that the Alameda Corridor is available to maintain continued cargo movement through the Ports. The Ports are required to include expected Shortfall payments in their budgets, but Shortfall payments are subordinate to other obligations of Harbor, including the bonds and commercial paper currently outstanding. Harbor does not and is not required to take Shortfall payments into account when determining whether it may incur additional indebtedness or when calculating compliance with rate covenants under the respective bond indentures and resolutions related to each Port bond or indebtedness.

An amended and restated Corridor Agreement became effective December 15, 2016, which (1) incorporated the July 5, 2006 First Amendment to the Corridor Agreement; (2) replaced the Operating Committee with an alternative decision making process for management of Alameda Corridor maintenance and operations; and (3) removed construction related provisions and updated certain other provisions to reflect current conditions and practices. The Los Angeles Board of Harbor Commissioners approved the amended and restated Corridor Agreement at a meeting held on October 24, 2016.

In 2024, ACTA issued Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2024-A, Taxable Senior Lien Revenue Refunding Bonds, Series 2024-B, Tax Exempt Second Subordinate Lien Revenue Refunding Bonds Series 2024-C, and Tax-Exempt Senior Lien Revenue Refunding Bonds Series 2024-D (Series 2024 Bonds). With the intent of reducing future Shortfall payments, the issuance of the Series 2024 Bonds restructured ACTA's debt. There were no Shortfall payments in fiscal years 2025.

Power and Water Enterprise Funds

Litigation

A number of claims and suits are pending against Water and Power for alleged damages to persons and property and for other alleged liabilities arising out of Water and Power's operations. In the opinion of DWP management, any ultimate liability which may arise from these actions, is not expected to materially impact the Power and Water Enterprise Funds' financial statements as of June 30, 2025.

Numerous lawsuits have also been filed against the DWP by property owners whose properties were damaged during the severe fire fueled by windstorms that began in January 2025 and originated in the Pacific Palisades neighborhood. At this time, the DWP cannot reasonably estimate the potential financial impact of this litigation. The outcome of the case is uncertain, and it is not possible to determine the amount or range of potential loss. The uncertainty is due to the complexity of the legal issues involved and the potential for a lengthy legal process. The DWP intends to vigorously defend against these fire related lawsuits.

Power Enterprise Fund

Power Revenue Fund Surplus Transfer to City

Under the provision of the City Charter, at the close of each fiscal year, Power transfers funds at its discretion to the reserve fund of the City. Pursuant to the covenants contained in the bond indentures, the transfers may not be in excess of the increase in fund net position before transfers to the reserve fund of the City of the prior fiscal year.

On September 14, 2017, the Los Angeles County Superior Court preliminarily approved a settlement of a class action lawsuit under which the revenue collected under the 2016 Incremental Electric Rate Ordinance (the 2016 Ordinance) is precluded from being transferred to the reserve fund of the City. As of June 30, 2017, Power has billed approximately $52.0 million under the 2016 Ordinance that under the settlement needs to be returned to customers net of attorney's fees and other administrative costs. Accordingly, for fiscal year ended June 30, 2017, Power reduced retail revenue by the same $52.0 million and increased current accrued expenses accordingly.

In October 2017, $52.0 million was placed in escrow account for return to customers. Upon proof of such return, Power can request funds from the escrow account accordingly. Going forward, the 2016 Ordinance rates will be reduced through the Variable Energy Cost Adjustment so that no revenue for transfers is billed under the 2016 Ordinance.

During fiscal year 2025, the 2008 Electric Rate Ordinance (the 2008 Ordinance) and the 2016 Ordinance were in effect. Revenue from each ordinance is listed below as well as revenue from other sources, including contracts for wholesale energy and transmission revenue. The 12.628 cents under the 2008 Ordinance is determined based on the fiscal year's revenue billed and kilowatt hour (kWh) usage as of November 3, 2010. The 2008 Ordinance was the only ordinance in effect at that time.

The following table relates to revenue billed to customers for the fiscal year ended June 30, 2025 (in thousands):

Revenue Type	Basis of Revenue	kwh (in billions)	Rate per KWH Under the 2008 Ordinance	Revenue (in thousands)
Retail Sales	2008 Ordinance	21.2	$ 0.12628	$ 2,681,126
Retail Sales	2016 Ordinance	21.2		2,353,835
Wholesale Sales	Contract			60,759
Transmission Sales	Contract			87,206
Rent from Electric Property	Contract			2,227
Other Service Charges	Fee schedule			24,489
Unbilled Sales	Estimated			191,850
Bad Debts Expense	Estimated			(93,192)
				$ 5,308,300

Water Enterprise Fund

Surface Water Treatment Rule

The State of California Surface Water Treatment Rule (SWTR) imposed increased filtration requirements at any open distribution reservoir exposed to surface water runoff. Water had four major reservoirs in its system subject to SWTR: Upper and Lower Hollywood, Lower Stone Canyon, and Encino Reservoirs. To comply with SWTR, Water designed projects to remove these reservoirs from regular service through construction of larger pipelines and alternate covered storage facilities.

The Hollywood Water Quality Improvement Project was completed in July 2002. Upper and Lower Hollywood Reservoirs were removed from service and functionally replaced by two 30 million-gallon tanks and additional pipelines. Construction of the Encino Water Quality Improvement Project was completed in December 2007. Construction of the Lower Stone Canyon Water Quality Improvement Project was completed in November 2008. Water believes it is now in compliance with the SWTR.

Stage 2 Disinfectants and Disinfection Byproduct Rule

In January 2006, the Environmental Protection Agency (EPA) published the Stage 2 Disinfectants and Disinfection Byproduct Rule (Stage 2 DBP Rule) in the federal register. The Stage 2 DBP Rule strengthens public health protection for customers by tightening compliance monitoring requirements for two groups of disinfection by-products (DBPs): trihalomethanes (TTHM), and haloacetic acids (HAA5). DBPs form when naturally occurring materials in water (e.g., decomposing plant material) combine with chemicals added to disinfect the water. DBPs are associated with cancer. In order to comply with the requirements of the Stage 2 DBP Rule, Water changed its primary disinfectant from chlorine to chloramines, a less reactive disinfectant. In order to convert to chloramines, DWP constructed an ultraviolet filtration plant, two chloramination stations, three ammoniation stations, and two chlorination stations and has and will continue to install mixers in tanks and reservoirs. Water achieved compliance with the Stage 2 DBP Rule before April 1, 2014 compliance date.

Additional treatment facilities will be constructed as groundwater sources are improved and/or expanded. The cost of Stage 2 DBP compliance-related engineering studies and construction activities are expected to be approximately $470.2 million at completion. The actual expenditures as of June 30, 2025 are $367.0 million.

Long-Term 2 Enhanced Surface Water Treatment Rule

In January 2006, the EPA published the Long-Term 2 Enhanced Surface Water Treatment Rule (LT2) in the federal register. The LT2 builds upon the Safe Drinking Water Act and other earlier water quality rules to strengthen protection against microbial contaminants, especially cryptosporidium. Cryptosporidium is a significant concern in drinking water because it contaminates most watersheds used for the collection of drinking water and can cause gastrointestinal illness. All of the DWP's six open reservoirs are now compliant under the LT2. Santa Ynez, Elysian, and Upper Stone Canyon Reservoirs were covered. Silver Lake and Ivanhoe Reservoirs were removed from service. Construction of an ultraviolet treatment plant at Los Angeles Reservoir was completed in January 2023. The cost of LT2 compliance-related engineering studies and construction activities is expected to reach $1.7 billion at completion. The actual cost spent as of June 30, 2025 has been $1.6 billion.

Owens Lake

Historically, the Owens River was the main source of water for Owens Lake. Diversion of water from the river, was first performed by farmers in the Owens Valley and then by the City. By 1905, diversion of water by farmers in the Owens Valley, coupled with drought in the region, had shrunk the lake even further to approximately 60% of what it was in the mid-1800s. By 1913, the City had purchased much of the water rights in the Owens Valley and had completed the First Los Angeles Aqueduct to divert most of the remaining water in the Owens River south to Los Angeles. As a result, the lakebed has been essentially dry since the late 1920s. The exposed lakebed became a significant source of particulate matter of 10 micrometers or less in diameter (PM10), causing the U.S. EPA to classify the southern Owens Valley as a serious nonattainment area for PM10 in 1991. The Great Basin Unified Air Pollution

Control District (District), under the authority of Health and Safety code 42316, is responsible for bringing the airshed into attainment with national ambient air quality standards (NAAQS) for PM10, prepared the first State Implementation Plan (SIP) in 1998. Since then, there have been three other SIPs in 2003, 2008, 2016, and one amendment in 2013. In addition, there have been several settlement agreements, stipulated judgments, and orders that govern dust controls on the Lake.

Water has successfully constructed approximately 48.6 square miles of dust control facilities in 10 corresponding phases of construction in response to orders issued by the District over the past 22 years. In November 2014, DWP reached an agreement with the District. The agreement was memorialized in a stipulated judgment that provides several benefits to DWP, including provisions: (1) permitting the use of less water intensive and completely waterless measures to control dust at the lakebed, resulting in more water available for customer use; (2) limiting the City's liability for dust mitigation to no more than 53.4 square miles below the regulatory shoreline defined by elevation contour at 3,600 feet above mean sea level; (3) forming an Owens Lake Scientific Advisory Panel; (4) addressing the discovery of Native American artifacts on or around the lakebed; and (5) providing a clear path to reaching attainment of NAAQS.

Water completed construction of the Owens Lake Dust Mitigation Program – Phase 9/10 Project by the compliance deadline of December 31, 2017. The Phase 9/10 Project entailed mitigating dust emissions from an additional 3.62 square miles of Owens Lake playa through use of Gravel Blanket, Managed Vegetation, and Shallow Flooding Best Available Control Measures at a cost of $268.0 million. At completion of Phase 9/10, the DWP has now controlled dust emission on 48.6 square miles of Owens Lake playa resulting in 99.4% overall reduction in PM10 emissions. These mitigating efforts for dust control require an average of 60,000 acre-feet per year, which equates to roughly 13% of the City's annual water demand. In accordance with the 2014 Stipulated Judgment, and as modeled by the District in the 2016 SIP, the Owens Valley Planning Area reached the regulatory finish line necessary for attainment of NAAQS by the end of 2017. The annual cost of operating and maintaining all infrastructure constructed at Owens Lake in the last three years runs at an average of $44.5 million. All improvements made to Owens Lake as part of dust mitigation efforts are recorded as Utility Plant in the year made.

Sewer Enterprise Fund

Claims Payable

As mentioned in Note 4N, Sewer accrued $3.1 million in fiscal year 2025 as claims payable to recognize liabilities for claims and lawsuits that are probable of occurring.

3. Los Angeles Fire and Police Pension System

Pensions Retiree Health Subsidy Freeze Litigation

In fiscal year 2025, there were two cases before the courts that involved the retiree health insurance premium subsidy program that the System administers (retiree medical subsidy). Both pending actions were brought by the Los Angeles Police Protective League (LAPPL) against the Board and the City.

The two cases (the LAPPL I Action and the LAPPL II Action) both seek to determine what retiree medical subsidy benefit the additional 2% salary contribution provides members who make the contribution under the unions' and City's 2011 Letter of Agreement (LOA). The union argues that the 2% contribution grants members the ceiling amount under Los Angeles Administrative Code (LAAC) § 4.1167, meaning either 7% or the medical trend rate for that year, whichever of the two is lower, with no discretion reserved to the Board. The City argues that the 2% contribution gives members only the right to get out from under the 2011 Freeze Ordinance and participate in the process that existed under LAAC § 4.1154(e) prior to the 2011 Freeze Ordinance. Under the pre-Freeze Ordinance process, the Board may exercise its discretion in setting the annual subsidy rate and can set it up to the maximum amount of 7% or the medical trend rate, whichever is lower.

In the LAPPL I Action, on April 15, 2016, the plaintiffs agreed to dismiss Pensions from the action in exchange for Pensions' agreement to be bound by the final judgment rendered in the case. Until a court

of competent jurisdiction renders a final judgment on the interpretation of the LOA, Pensions has a fiduciary duty to follow LAAC § 4.1154(e) as written and its Board must continue to exercise its discretion in setting the retiree medical subsidy as it did before the 2011 Freeze Ordinance.

The LAPPL Action I proceeded to trial, and on November 1, 2016, the trial court ruled in favor of the plaintiffs, finding that the language of the LOA was unambiguous without weighing the conflicting evidence regarding the interpretation of the LOA and the parties' intent. The City appealed, and on October 30, 2018, the Second District Court of Appeal reversed and remanded the case for further proceedings consistent with the Court of Appeal's decision. In its decision, the Court of Appeal found that the provisions at issue in the LOA were ambiguous, which required the trial court to consider and weigh the evidence of the parties' intent in its interpretation of the provisions, which the trial court did not do. While the LAPPL Action I was pending on appeal, on August 10, 2017, the union filed LAPPL Action II. The LAPPL Action II raises the same issues as the LAPPL Action I regarding the 2% contribution and the interpretation of the LOA, but also asserts a new breach of fiduciary duty claim against Pensions, which preserves the union's rights to challenge Pensions' 2017 discretionary action to set the subsidy should the union lose the issues in the pending LAPPL Action I. On July 3, 2018, the LAPPL filed a First Amended Complaint, asserting the same claims based on Pensions' 2018 discretionary action in setting the subsidy. The union filed a Second Amended Complaint to add Pensions' 2019 and 2020 discretionary actions in setting the subsidy. The union later sought to file a Third Amended Complaint to add Pensions' 2021 discretionary actions in setting the subsidy, and on or around August 11, 2021, the parties stipulated to permit the union to file its Third Amended Complaint. The union has not filed any further amended pleadings for Pensions' 2022, 2023, 2024 and 2025 discretionary actions.

On February 15, 2019, the LAPPL I Action was remanded back to the Superior Court and reassigned to Judge Holly Fujie for further trial proceedings. The City filed a motion to consolidate the two actions before Judge Fujie, which the Court granted. On September 30, 2019, Judge Fujie ordered that the case be heard in phases. In Phase One, the LOA interpretation issues common to LAPPL I and LAPPL II are to be heard in a bench trial. Upon resolution of Phase One, the Court will then address the residual fiduciary duty claims against Pensions unique to LAPPL II in Phase Two, which is currently stayed.

On September 20 and 21, and October 28, 2021, Judge Fujie held a bench trial in Phase One of the consolidated action. On May 2, 2022, Judge Fujie issued the trial court's Final Statement of Decision for Phase One in favor of the City on the LOA interpretation issues. On June 23, 2022 the union plaintiff appealed the trial court's Final Statement of Decision for Phase One. As of October 3, 2025, Phase One of the consolidated action is pending on appeal and briefing has commenced with the Appellants' Opening Brief due on December 8, 2025. Phase Two of the consolidated action will continue to be stayed pending the final resolution of Phase One.

Current Status of the Retiree Medical Subsidy

Pensions provides a subsidy frozen at the 2011 levels to current and future retired members who chose not to "opt-in" and contribute an additional 2% of their salaries in order to avoid the Freeze Ordinance.

For members who opted-in to pay the 2% contribution, Pensions will continue to abide by its fiduciary duty to follow LAAC § 4.1154(e) as written. Specifically, Pensions continues to set and implement the retiree health insurance premium subsidy increases in the same manner as it did prior to the 2011 Freeze Ordinance and will do so until a final judgment is rendered in Phase One of the consolidated LAPPL Action I and LAPPL Action II. This means that the Pensions Board continues to exercise its discretion provided under the Los Angeles Administrative Code to set the subsidy up to and including the medical trend rate or 7%, whichever is lower, until the courts render final judgment.

Commitments

1. Governmental Activities

The City uses encumbrance accounting under which contracts and other commitments for expenditures are recorded to reserve applicable appropriations. Encumbrances are reported as part of restricted, committed or assigned fund balance on the governmental funds balance sheet. As of June 30, 2025, the City's encumbrances totaled $1.4 billion of which $357.6 million were contractual commitments for various capital projects. Below are details of encumbrances by fund categories (in thousands):

	Restricted	Committed	Assigned	Totals
General Fund	$ --	$ 15,587	$ 338,048	$ 353,635
Nonmajor Governmental Funds	775,674	250,430	--	1,026,104
	$ 775,674	$ 266,017	$ 338,048	$ 1,379,739

The City is committed to fulfilling certain agreements entered by the City with respect to its litigation matters. The following describes certain litigation matters where the City, through settlement or agreement, has agreed to a liability or committed to spend $10.0 million or more.

LA Alliance for Human Rights et al. v. City of Los Angeles et al.

On March 10, 2020, the plaintiffs filed suit against the City and the County of Los Angeles (County) for violating various State and federal laws in connection with homeless individuals. The plaintiffs contended that the County and the City have not made sufficient progress in providing housing and other services to the homeless population. Such failure has allegedly resulted in impassable sidewalks and exposed the public to health risks, environmental hazards, increased crime, and untreated mental illness and addiction. The plaintiffs demanded that the defendants provide immediate shelter for all homeless individuals to abate the degradation of the cities and communities.

On May 15, 2020, the Federal District Court of Central District issued a preliminary injunction requiring the City and the County to relocate and shelter all homeless individuals living near freeway overpasses, underpasses, and ramps. On June 18, 2020, the City and County entered into an agreement (Roadmap Agreement) under which the City agreed to provide 6,700 shelter beds, permanent supporting housing units, safe parking spaces and other interventions (collectively, "beds" or "interventions") to shelter homeless individuals, and the County agreed to pay up to $60.0 million in annual service funding, totaling up to $300.0 million over the five-year agreement term, based on the number of interventions opened and occupied within 60 days of July 1 each year for part of the annual cost of operations and services for this population. The City is complying with this agreement, the term of which ended on June 30, 2025.

On June 14, 2022, the Federal District Court approved a settlement between the City and the plaintiffs and dismissed the City from the lawsuit. Under the settlement, the City agreed to create shelter or housing to accommodate 60 percent of unsheltered persons experiencing homelessness (PEH) in the City that do not require more acute services that can only be provided by the County. Based on the 2022 Point In Time Count by the Los Angeles Homeless Services Authority (a joint powers authority formed by the City and the County known as LAHSA), the City agreed to create 12,915 new interventions (e.g., interim housing beds, time-limited subsidies, permanent supportive housing units, etc.) for which total capital and operating costs could be as high as $3 billion during the five-year period. Such estimates do not include the beds that were agreed to be provided, or related costs, under the City's June 18, 2020 Roadmap Agreement. The majority of the funding needed under this settlement is expected to be provided by the City's Proposition HHH general obligation bonds and other available funding. On May 2, 2024, the City and County signed a cooperation Memorandum of Understanding (Housing MOU). Under the Housing MOU, which expires on June 30, 2027, the County has allocated $259.0 million for services for the City's interim housing requirements under the settlement. Any additional financing that would be needed has yet to be identified, but could come from other

government sources including the County, State, and federal agencies.

In its order approving the settlement between the City and the plaintiffs, the Federal District Court retained jurisdiction for a period of five years to enforce the terms of the settlement and appointed a special master to assist the Federal District Court to monitor and enforce the terms of the settlement. On February 7, 2024, the plaintiffs filed a motion alleging that the City violated the settlement agreement and requested monetary sanctions. The parties stipulated to a resolution of such sanctions motion requiring the City to pay for an audit, for which Council approved the expenditure of up to $2.9 million, and to pay attorneys' fees of $725.0 thousand.

On June 24, 2025, following an evidentiary hearing, the Federal District Court denied the plaintiffs' request for a receiver and decided that the City did not breach the Roadmap Agreement. Additionally, with respect to the settlement agreement with the plaintiffs, the Federal District Court ordered the City to (a) provide an updated bed plan for all the 12,915 required shelter or housing solutions (or interventions), and updated milestones, (b) report new information in quarterly reports about how the City "created" each shelter or housing solution (or intervention), and attend quarterly hearings beginning in November 2025, (c) meet and confer with the plaintiffs on selecting a third-party monitor to select a monitor, subject to court approval, and (d) report encampment reductions going forward based on the court's ruling. The City has provided its bed plan and updated milestones as required by said order. On October 14, 2025, the Federal District Court, over the City's objection, ordered the appointment of a monitor and a data team to be assisted by the City Controller. The Federal District Court also invited the plaintiffs and intervenors in the matter to file a motion for attorneys' fees, and on January 6, 2026 issued an order mandating the City to pay attorneys fees and costs to the Plaintiffs, LA Alliance in the amount of $1.6 million, and to the intervenors in the amount of $201.0 thousand. The City appealed the Court's June 24, 2025 Order, the October 14, 2025 Order, appointing the third-party monitor, and the January 6, 2026 attorneys' fees order to the Ninth Circuit Court of Appeals. On December 4, 2025, the Ninth Circuit Court of Appeals stayed the District Court's October 14, 2025 Order appointing a monitor pending resolution of the appeal. The appeals of the June 24, 2025 and October 14, 2025 Orders have been consolidated, and a motion to consolidate the appeal of the January 6, 2026 Order has been filed and is pending. In addition, the Federal District Court issued an Order to Show Cause re Contempt concerning various allegations that the City has delayed in reporting information required under the Settlement Agreement. An evidentiary hearing on the Order to Show Cause is currently proceeding, and the City is defending its interests in this matter.

2. Business-Type Activities

As of June 30, 2025, the following Enterprise Funds have commitments for construction contracts and open purchase orders in the following approximate amounts (in thousands):

Airports*	$	89,000
Harbor		24,600
Power		123,340
Water		32,160
Sewer		273,300
	$	542,400

*Excludes unpaid portion of total commitments on major construction contracts.

Airports Enterprise Fund

As of June 30, 2025, Airports had commitments for open purchase orders of approximately $89.0 million. Additionally, Airports had various commitments on major construction contracts and tenant-based acquisitions, approximately amounting to $4.7 billion and $461.0 million, respectively. Airports has approved the following Multiple Award Task Order Contracts (MATOC) in fiscal year 2025:

- the award of 51 five-year MATOC, with two one-year renewal options for each contract, in the amount not to exceed $5.0 billion, to pre-qualified contractors to provide Design-Build and

Construction Services, on as needed basis, in support of the Capital Improvement Program and other key initiatives.

Harbor Enterprise Fund

In 1985, Harbor received a parcel of land, with an estimated value of $14.0 million, from the federal government, for the purpose of constructing a marina. Harbor has agreed to reimburse the federal government up to $14.0 million from excess revenues, if any, generated from marina operations after Harbor has recovered all costs of construction. No such payment was made in fiscal year 2025.

Power Enterprise Fund

Purchased Power Commitments

As of June 30, 2025, the Power has entered into a number of energy and transmission service contracts, which involve substantial commitments as follows (amounts in thousands):

			DWP's Interest in Agency Share		
	Agency	Agency Share (percentage)	Interest (percentage)	Capacity (Megawatts)	Outstanding Commitment
Intermountain Power Project	IPA	100.0 %	61.7 %	1,111	$ --
Intermountain Repower Project FY26-28	IPA	100.0	61.7	519	233,798
Intermountain Repower Project FY29-46	IPA	100.0	71.4	600	1,840,039
Mead-Adelanto Transmission Project	SCPPA	68.0	48.9	539	16,217
Mead-Phoenix Transmission Project	SCPPA	17.8-22.4	50.4	647	13,167
Southern Transmission System	SCPPA	100.0	59.5	1,429	57,194
Southern Transmission System Renewal Project*	SCPPA	100.0	90.5	--	2,194,382
Miford Wind I Project	SCPPA	100.0	92.5	185	67,423
Windy Point/Windy Flats Project	SCPPA	100.0	100.0	262	171,837
Linden Wind Energy Project	SCPPA	100.0	100.0	50	115,880
Miford Wind II Project	SCPPA	100.0	100.0	102	70,414
Apex Power Project	SCPPA	100.0	100.0	520	250,466
					$ 5,030,817

* Power will receive 100% of the energy, unless City of Glendale exercises its option to repurchase any of its contract output entitlement share.

IPA – The Intermountain Power Agency (IPA) is an agency of the State of Utah established to own, acquire, construct, operate, maintain, and repair the Intermountain Power Project (IPP). Power serves as the project manager and operating agent of IPP. IPA and the Power Purchasers including the Power executed the Second Amendatory Power Sales Contracts which provide that the IPP be repowered, and the IPA offer the Purchasers renewal in their generation and transmission entitlements through the Renewal Power Sales Contracts, the term of which commences upon the termination of the current Power Sales Contracts on June 15, 2027. IPA and Purchasers approved changes to the repowering that constitute an Alternative Repowering under the Power Sale Contracts.

SCPPA – The Southern California Public Power Authority (SCPPA) is a California joint powers agency that finances the construction or acquisition of generation, transmission, and renewable energy projects. Power is a member of SCPPA. SCPPA is considered a related party.

Power does not have ownership of any assets related to these service contracts. As costs are paid each year, they are recorded as purchased power expense. In addition to commitments noted above for debt service, Power is required to pay an average annual fixed charge of approximately $181.0 million during each of the next five years for fixed expenses and an average annual charge of approximately $600.0 million during each of the next five years for operating and maintenance costs related to purchased power agreements. Power made total payments under these agreements of approximately $1.0 billion in fiscal year 2025. These agreements are scheduled to expire from 2027 to 2051.

Power is reimbursed for services provided to IPP under the IPP project manager and operating agent agreements totaling $71.6 million in fiscal year 2025.

Long-term Notes Receivable

Under the terms of its purchase power agreement with IPA, DWP is charged for its output entitlements

based on its share of IPA's costs, including debt service. During fiscal years 2000 and 2005, DWP restructured a portion of this obligation by transferring $1.28 billion to IPA in exchange for long-term notes receivable. The funds transferred were obtained from the debt reduction funds and through the issuance of new variable rate debentures. IPA used the proceeds from these transactions to defease and to tender various bonds.

The IPA notes are subordinate to all of IPA's publicly held debt obligations. Power's future payments to IPA will be partially offset by interest payments and principal maturities from the subordinated notes receivable. The net IPA notes receivable balance was $0 as of June 30, 2025.

Energy Entitlement Contracts

Power has a contract through 2067 with the U.S. Department of Energy for the purchase of available energy generated at the Hoover Power Plant through the Boulder Canyon Project (BCP). Power's contractual share of contingent capacity at Hoover Power plant is 23.90% of the available capacity. The BCP cost was approximately $16.8 million as of June 30, 2025. The BCP cost includes power purchased under the contract as well as fund contributions to the Lower Colorado River Multi-Species Conservation Program.

Power has also entered into contracts with SCPPA to purchase available renewable energy generated at various renewable energy project sites.

As of June 30, 2025, Power's energy entitlement contracts with SCPPA, which involve the annual costs for the power purchased, are as follows (in millions):

			Power's Interest in Agency's Share		
	Agency	Agency Share	Interest	Capacity (MWs)	Cost of Power Purchased
Pebble Springs Wind	SCPPA	100.0	70.0	69.0	$ 17.0
Don A Campbell I	SCPPA	100.0	85.0	14.0	9.0
Don A Campbell II	SCPPA	100.0	100.0	16.0	8.0
Copper Mountain Solar 3	SCPPA	100.0	84.0	210.0	50.0
Heber-1 Geothermal	SCPPA	100.0	78.0	41.0	27.0
Springbok 1 Wind Farm	SCPPA	100.0	100.0	105.0	20.0
Springbok 2 Wind Farm	SCPPA	100.0	100.0	155.0	24.0
Ormat Northern Nevada	SCPPA	100.0	100.0	185.0	92.0
Ormesa	SCPPA	100.0	86.0	30.0	18.0
Springbok 3 Wind Farm	SCPPA	100.0	100.0	90.0	13.0
Roseburg Biomass Project	SCPPA	62.0	79.0	5.0	1.0
Red Cloud Wind Project	SCPPA	100.0	100.0	331.0	50.0
Eland Solar 1 + Storage	SCPPA	100.0	88.0	175.0	21.0
Total energy costs under entitlement agreement					$ 350.0

Transfers to the Reserve Fund of the City of Los Angeles

Under the provisions of the City Charter, Power transfers funds at its discretion to the Reserve Fund of the City. The transfer is based on the prior year's operating revenue. Pursuant to covenants contained in the bond indentures, the transfers may not be in excess of the increase in net position before transfers to the Reserve Fund of the City of the prior fiscal year. Such payments are not in lieu of taxes and are recorded as a transfer in the statement of revenues, expenses and changes in net position. DWP authorized total transfers of $219.3 million in fiscal year 2025 from Power to the Reserve Fund of the City.

Asset Retirement Obligation (ARO)

Power is the minority owner of Palo Verde Nuclear Generating Station. Power's minority share interest is 5.7% of the total decommissioning liability of $4.0 billion at June 30, 2025. Arizona Public Service has operating responsibility as well as minority interest (29.1%). Other minority owners are Salt River Project (17.5%), El Paso Electric Company (15.8%), Public Service Company of New Mexico (10.2%) and Southern California Public Power Authority (5.9%). Power recorded its proportionate share of the asset retirement obligation based on its ownership percentage of estimates made by the primary owner of the asset.

Power had the following asset retirement obligation at June 30, 2025 (in thousands):

Asset	Obligating event	Timeframe required for decommissioning	June 30, 2024	Additions	Payments	June 30, 2025
Navajo Generating Station	Legal agreements resulting from Sales Contract with Sales Contract with Salt River Project	Plant was put out of commission as of December 2019	$ 43,696	$ 2,561	$ (1,727)	$ 44,530
Palo Verde Nuclear Generating Station	Ownership agreement	Unit 1: June 1, 2045 Unit 2: April 24, 2046 Unit 3: November 25, 2047	221,210	7,742	--	228,952
Other	Lessee or ownership agreements	2029 - 2064	9,419	185	(45)	9,559
Total asset retirement obligation liability			$ 274,325	$ 10,488	$ (1,772)	$ 283,041

Power has restricted investments in the amount of $167.3 million as of June 30, 2025 related to this reserve. Deferred outflows related to Power's assets retirement obligation are as follows for the year ended June 30, 2025:

Asset		Remaining useful life of asset/lease term	June 30, 2024	Additions	Payments	June 30, 2025
Palo Verde Nuclear Generating Station		20	$ 62,964	$ 7,743	$ (2,862)	$ 67,845
Other		4-39	4,487	185	(300)	4,372
Total Deferred outflows - asset retirement obligation			$ 67,451	$ 7,928	$ (3,162)	$ 72,217

La Kretz Innovative Campus

Power has entered into a 50-year prepaid lease agreement to lease an office building to the La Kretz Innovative Campus (LKIC), a 501(c)3 nonprofit organization. LKIC leased some of the workspaces in the building to assist energy innovation companies with the resources needed to validate energy efficient technology. Power also had energy efficiency staff located at the building to work with inventors and determine if there are new energy efficiency programs to launch.

Credit Risk

Financial instruments, which potentially expose Power to concentrations of credit risk, consist primarily of retail and wholesale receivables. Power's retail customer base is concentrated among commercial, industrial, residential, and governmental customers located within the City. Although Power is directly affected by the City's economy, management does not believe significant credit risk exists at June 30, 2025 except as provided in the allowance for losses. Power manages its credit exposure by requiring credit enhancements from certain customers and through procedures designed to identify and monitor credit.

Water Enterprise Fund

Purchase Water Commitments

As a member of the Metropolitan Water District (Metropolitan), DWP purchases supplemental water from Metropolitan pursuant to water supply purchase orders entered into with Metropolitan for specific periods. In January 2015, Water and Metropolitan executed a new purchase order for Imported Water Supply Agreement (Purchase Order Agreement), which required Water to purchase at least 2,033,130 acre-feet of water over a 10-year period commencing on January 1, 2015 that expired on December 31, 2024.

Water has fulfilled its Purchase Order commitment with Metropolitan. Metropolitan adopted a new rate structure effective on January 1, 2025 that only reflects a single tier supply rate, and did not renew the Purchase Order Agreement. Water will continue to purchase supplemental water from Metropolitan on an as-needed basis based on system demands and operational needs. There are currently no financial commitments for the purchase of supplemental water beyond fixed charges due to Metropolitan.

Sewer Enterprise Fund

As of June 30, 2025, Sewer had outstanding commitments to fund planned modification and improvement of the City's wastewater collection and treatment system of approximately $273.3 million.

3. Los Angeles Fire and Police Pension System

Pensions has commitments to contribute capital for real estate and alternative investments in the aggregate amount of approximately $3.6 billion at June 30, 2025.

All members who were active on or after July 1, 1982, have a vested right to their past contributions and accrued interest in the event of their termination prior to retirement, except Tier 4 members. The dollar amount of contributions and interest subject to this right was $2.2 billion as of June 30, 2025. The City Charter and the Administrative Code provide that member contributions as of June 30 and December 31 of each year earn interest at a rate based on investment earnings, exclusive of gains and losses on principal resulting from sales of securities.

4. Los Angeles City Employees' Retirement System

At June 30, 2025, LACERS was committed to future purchases of real estate, private credit and private equity investments at an aggregate cost of approximately $3.2 billion, including agreements for acquisition not yet initiated.

D. Third-Party Obligations

GASB Statement No. 91, *"Conduit Debt Obligations,"* provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

The City participated, with a limited commitment, in the issuance of the following indebtedness to provide financing to private-sector entities for the acquisition, construction and improvements of housing, commercial, educational, medical, and other facilities deemed to be in the public interest (in thousands):

Issue	Amount Outstanding June 30, 2025
Multifamily Housing Bonds - 189 Issues The proceeds were used by an entity other than the government issuing the bonds (conduit issuer) for a defined qualified purpose, such as low-income multi-family housing. The City, through the LAHD, acts as the primary issuer of tax-exempt and taxable private activity bonds for qualified multifamily residential developments located in the city. The notes are a limited obligation, payable strictly from revenue derived from the affordable housing projects. The City is a conduit issuer and will not incur liability for repayment of the notes.	$ 1,714,813
Multifamily Housing Bonds Transferred from CRA - 8 Issues Bond proceeds were used to provide mortgage loans for the construction and financing of multi-family rental and single-family residences in the City. The indebtedness is secured solely by the property financed by the respective bond issues and by credit guarantees by reinvestment-grade financial institutions.	72,367
Industrial Development Bonds - 4 Issues The proceeds were used to provide manufacturers low cost financing to expand industrial capacity and stimulate job creation in the City. The City has no financial obligation as each bond is secured through a letter of agreement between the borrower and the bank.	36,140
Community Facilities District No. 4 Special Tax Bonds The proceeds were used to fund acquisition and construction of public improvements for the Playa Vista Development project. The City's obligation is limited to collecting the special taxes annually levied within the District primarily for debt service payments.	33,105
Community Facilities District No. 8 Special Tax Bonds The proceeds were used to fund acquisition and construction of public improvements for the Legends at Cascades Development. The City's obligation is limited to collecting the special taxes annually levied within the District primarily for debt service payments.	4,940
Community Facilities District No. 11 Special Tax Bonds The proceeds were used to fund acquisition and construction of public improvements for the Ponte Vista Development. The City's obligation is limited to collecting the special taxes annually levied within the District primarily for debt service payments.	20,830
Street Improvement Assessment 1911/1913 Act Bonds The proceeds were used to finance certain public improvements for various assessment districts. The City's obligation is limited to collecting the assessments annually levied for debt service payments.	108
	$ 1,882,303

When the issuer makes a limited commitment to, at a minimum, the issuer assumes no responsibility for debt service payments beyond the resources, if any, provided by the third-party obligator. Accordingly, the City did not recognize a conduit debt obligation as a liability in the accompanying financial statements.

E. Other Matters

1. Airports Enterprise Fund

Terminal Rates and Charges

On September 17, 2012, the Airports (Board) approved a methodology of calculating rates and charges for airlines and airline consortia using passenger terminals at LAX. The rates, which will recover the costs of acquiring, constructing, operating and maintaining terminal facilities, are as follows: terminal building rate, federal inspection services area (FIS) rate, common use holdroom rate, common use baggage claim rate, common use outbound baggage system rate, common use ticket counter rate, and terminal special charges for custodial services, outbound baggage system maintenance, terminal airline support systems, and loading bridge capital and maintenance.

The rates were effective January 1, 2013 to airlines and airline consortia (signatory airlines) agreeing to the methodology and executing a rate agreement with Airports. The rate agreement provided a Signatory Transitional Phase-in (STP) program that allowed for reduced rates during the first five years of the implementation period; this program expired in fiscal year 2018 for the calendar 2018 rate setting. Signatory airlines in good standing are also eligible to participate to rate agreement revenue sharing programs.

In December 2019, the Board approved a ten year extension of the Rate Agreement (Amended and Restated Rate Agreement or Rate Agreement Amendment) which would, among other things: (i) extended the term of the Rate Agreement through December 2032; (ii) require airlines executing a Rate Agreement Amendment to pay an “extraordinary debt service coverage charge” to Airports designed to maintain a debt service coverage ratio equal to not less than 1.40X; and (iii) under certain circumstances, eliminate the requirement that a participating airline provide a performance guarantee and instead pay to Airports a "bad debt surcharge", a pooled surcharge designed to compensate Airports for bad debt costs.

Prior to fiscal year 2019, airlines with existing leases that opted not to sign an agreement under the methodology (non-signatory tenant airlines) continued to pay rates and charges based on their legacy leases. During fiscal year 2019, all such remaining aeronautical leases were transitioned to the rate agreement methodology.

In response to the COVID-19 pandemic, Airports is proactively implementing measures intended to mitigate operational and financial impacts. Among those measures are the April 2020 approvals of the Passenger Airline Temporary Relief Program and the Concessionaires and Services Temporary Relief Program. On October 21, 2021, the Board approved to amend concession agreements at LAX to revise payment terms due to the continuing impacts of COVID-19. For concessions that are open and conducting business at LAX, the Board approved to extend the revised rent payment terms, require payment of percentage rents instead of MAG rent for the period July 1, 2021 through June 30, 2022, and establish new MAG rents effective July 1, 2022.

In addition, Airports developed an Airline Cost Stability and Recovery Plan (ACSRP) aimed at managing rates and charges at LAX through fiscal year 2023. The key objectives of this plan were to: 1) make LAX rates and charges more competitive; 2) mitigate the increase in rates and charges for airlines due to reduced activity; 3) harmonize common use costs across the airport; and 4) achieve stability in LAX financial operations. As part of the ACSRP, Airports has completed taking over the operations and maintenance and rate setting responsibilities for the common use facilities from the Tom Bradley International Terminal Equipment Company, an airline consortium. Airports completed the following actions according to the Plan: (1) amended the methodology for establishing rates and charges for the use of terminal facilities and equipment (Amended Rate Methodology); (2) amended and restated the Amended and Restated Rate Agreement (Further Amended and Restated Rate Agreement or FARRA); (3) revised terminal rates and charges to include costs previously collected by the consortium and cost reduction and deferral measures per the ACSRP; and (4) revised landing and apron fees to include cost deferrals, per the ACSRP.

In June 2021, the Board adopted the Amended Rate Methodology and the FARRA. The FARRA, which extended the Agreement to fiscal year 2033, implemented the Amended Rate Methodology and

streamlined Airports' common use rate structure. Passenger airlines and approved airline consortiums that are party to the current Amended and Restated Rate Agreement were given a deadline of September 30, 2021 to execute and deliver to Airports the FARRA. Overall, about 69% of passenger airlines have executed the FARRA.

As aeronautical activity continues to recover from the adverse impact of the COVID-19 pandemic, Airports revised and amended the Rate Methodology and Rate Agreement to complete the rate stabilization and harmonization efforts started several years ago. The revisions to the Methodology further streamline the common use rates and charges, permit Airports to defer common use cost requirements due to exogenous causes, and allow Airports to expense capital outlays into the current year rate base. The Amended and Restated Agreement (Amended and Restated Rate Agreement, or 2023 ARRA) implements the Amended Rate Methodology and offer signatory carriers certain concessions, including a gradual phase-in of newly-developed access facilities acreage and costs allocable to airline cost centers and cost reductions to certain activity based requirements, collectively, the fiscal year 2024 Adjustments.

In June 2023, the Board approved the Tariff Amendment No.6, the Amended Rate Methodology, and the 2023 ARRA effective July 1, 2023. Airports is providing the airlines currently operating at LAX the opportunity to execute and deliver the 2023 ARRA to Airports by the deadline of December 31, 2023. Airports reserves the right to reverse the mitigations for the carriers who choose not to sign the 2023 ARRA by the deadline. After December 31, 2023, 2023 ARRA signatories will be charged pursuant to that agreement; carriers that are signatories to prior Rate Agreements, but do not sign 2023 ARRA, will be charged according to their Rate Agreement in effect.

Airlines and consortiums that choose to execute the Agreement but deliver after the deadline date do not receive the benefit of the fiscal year 2024 Adjustments. Such airlines only receive the benefit of the Access Area Phase-In from the fiscal year that immediately follows the execution date. At the end of August 2025, approximately 70 carriers, comprising about 97% of terminal revenues, have signed the 2023 ARRA.

Passenger Facility Charges (PFCs)

Passenger Facility Charges (PFCs) are fees imposed on enplaning passengers by airports to finance eligible airport related projects that preserve or enhance safety, capacity, or security of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers. Both the fee and the intended projects are reviewed and approved by the Federal Aviation Administration (FAA). Airlines operating at LAX have been collecting PFCs on behalf of Airports. PFCs are recorded as nonoperating revenue and presented as restricted assets in the financial statements. The current PFCs at LAX is $4.50 per enplaned passenger. PFCs collection authorities approved by FAA is $9.5 billion at LAX as of June 30, 2025. Airports has received approval from the FAA to collect and use PFCs to pay for debt service on bonds issued to finance the Automated People Mover (APM) System, TBIT Renovations, Bradley West projects and Terminal 6 improvements. Airports Board authorized $161.5 million for debt service in fiscal year 2025.

LAX’s PFCs collected and the related interest earnings through June 30, 2025 was $3.6 billion. As of June 30, 2025, LAX's cumulative expenditures on approved PFCs projects totaled $3.3 billion.

Customer Facility Charges (CFCs)

California CFC Legislation permits Airports to require the collection by rental car companies of CFCs at a rate charged on a per-day basis up to $9.00 per day (for up to 5 days), and CFCs collected by the rental car companies on behalf of Airports are permitted under the California CFC Legislation to finance, design and construct the ConRAC; to finance, design, construct and operate the APM System, as well as acquiring vehicles for use in that system; and to finance, design and construct terminal modifications to accommodate the common-use transportation system.

In November 2001, in anticipation of constructing a ConRAC identified in LAX's master plan, the Board approved collection of CFCs of $10.00 per rental contract and began collections in August 2007. On October 5, 2017, the Board authorized collection of an updated CFC pursuant to the California CFC Legislation to fund costs of a ConRAC and its share of a common-use transportation system (CTS) at

LAX. The Board authorized collection of CFCs of $7.50 per day for the first five days of each car rental contract, effective January 1, 2018, by rental car companies serving LAX. On June 20, 2019, the Board authorized collection of $9.00 per day for the first five days of each car rental contract, effective September 1, 2019, by rental car companies serving LAX.

LAX's CFCs collected and the related interest earnings through June 30, 2025 was $842.9 million. As of June 30, 2025, cumulative expenditures to date on approved CFCs projects totaled $793.8 million.

Airports is in the stages of delivering Landside Access Modernization Program (LAMP) to modernize and improve landside access at LAX with the ConRAC as a critical component. Pursuant to Board Resolution No. 26684 that was adopted on January 17, 2019, Airports has authority to use up to $2.1 billion for the payment/reimbursement of Design-Build-Finance-Operate-Maintain (DBFOM) Agreement with LA Gateway Partners for the ConRAC from sources of revenue including but not limited to CFCs, LAX non-aeronautical revenues, special facility bond proceeds, and revenues derived from concession and lease agreements between Airports and rental car companies using the ConRAC. In this regard, the amount of CFC funds that was used for ConRAC Design and Construction (D&C) payments was $64.7 million in fiscal year 2025.

2. Harbor Enterprise Fund

Cash Funding of Reserve Fund

As of June 30, 2025, Harbor had $326.7 million of outstanding parity bonds (including net unamortized premiums). Harbor holds cash reserves for each Indenture of the outstanding bonds. The cash funding of the reserve took place to reassure bond holders of the strong commitment of Harbor to its financial wherewithal as rating agencies had reduced the AAA ratings of the surety companies that had provided insurance for the bonds that Harbor had issued.

As of June 30, 2025, the balance in the Common Reserve fund totaled $0.1 million. Any excess amounts in the Common Reserve resulting from principal repayments will be transferred to the interest fund and/or redemption fund to be used to pay interest and redeem bonds. The required amount for the reserve fund will be reevaluated on a yearly basis. The funds in the reserve are invested in the U.S. Treasury securities and money market funds.

3. Sewer Enterprise Fund

California Water and Wastewater Arrearage Payment Program

The State's fiscal year 2022 budget, utilizing funds sourced by the American Rescue Plan Act, included financial relief programs to address pandemic related utility arrearages for residential and commercial customers that occurred during the period of March 4, 2020, to June 15, 2021. The State Water Resources and Control Board (State Water Board) initiated the California Water and Wastewater Arrearage Payment Program (CWWAPP). Payments were made to wastewater treatment providers to credit customer bills.

On July 10, 2023, Governor Newsom signed a budget trailer bill expanding the Arrearages Program. This new Extended Water and Wastewater Arrearage Payment Program extended the COVID Relief Period to December 31, 2022. Sewer submitted an application to the State Water Board estimating $66.5 million in arrearages, based on a snapshot prepared by DWP on December 7, 2023. The payment from the State, of the aforementioned requested amount, was received on April 3, 2024, with $1.0 million added for administrative costs. On April 13, 2024, arrearage credits were implemented. As of June 30, 2024, arrearage credits from the Extended Arrearage Program were made to residential and commercial accounts, for a total of $59.3 million. DWP and Sewer combined, expended $544.9 thousand for administrative costs. Based on this data, excess funds of $7.6 million were returned to the State Water Board during fiscal year 2025.

Contract Agencies

The City has Universal Terms Contracts with twenty-two contract agencies and Sewage Disposal Contracts with seven other agencies for which the City provides wastewater treatment services. The Universal Term Contracts and Sewage Disposal Contracts are referred to as the "Wastewater Service Contracts." Initial billings for a fiscal year, including Amalgamated System Sewerage System Charges

(ASSSCs), are estimated based on the City's budgeted costs and the agencies' projected wastewater flows and strength. After the close of the fiscal year, these estimated bills are then reconciled based on actual costs, flows, and strengths.

Revenues in fiscal year 2025 for Wastewater Service Contracts Operation and Maintenance (O&M) Charges were $29.4 million and Wastewater Service Contracts Capital revenues were $8.0 million. Reconciliation bills for service in fiscal year 2024 and fiscal year 2025 have not been completed at this time, so the City does not have sufficient data to determine if there is a likelihood of reconciliation amounts that would have a material impact to the Sewer in fiscal year 2025. The reconciliation bills will include interest for any late payments by agencies.

Disagreements over flow and strength monitoring of the City of Burbank's wastewater are currently being addressed and negotiated. As of June 30, 2025, the remaining unpaid O&M balances and estimated O&M billings total approximately $22.4 million and the remaining unpaid Capital related billings total approximately $22.6 million. Burbank has indicated that it will continue to pay the City based on Burbank's own calculation of the flow and strength of its wastewater discharged to the Amalgamated Sewerage System. The City continues to work with Burbank to resolve the remaining disputed amount. At this time, the City does not have sufficient data to determine when the issue will be resolved or what may be the longer-term impact to Sewer.

The City of Glendale and the City are partners in the Los Angeles-Glendale Water Reclamation Plant (LAGWRP) and, though the City operates the plant, each is responsible to pay half the cost of capital projects at the plant, pursuant to cost-sharing agreements between the two cities. The construction costs for the projects proposed by the City and provided to the City of Glendale in January 2018 have increased from an estimated $43.1 million to an estimated $232.3 million as of April 2025. The agreement requires that the City of Glendale approve the capital expenditures proposed by the City or they may decline to pay their share. The City of Glendale has objected to paying its portion of the estimated cost increases for nine projects, which accounts for substantially all of the estimated costs. Communication between the two cities has improved after meeting on a monthly basis since March 2024. The cities have discussed cost sharing of projects and have proceeded with the billing of non-disputed O&M and capital projects to bring billings current and to negotiate the cost sharing of the disputed projects.

Major Recycled Water Projects – Donald C. Tillman Water Reclamation Plant (DCTWRP) Advanced Water Purification Facility (AWPF)

DCTWRP - AWPF is a Recycled Water Project being implemented in partnership with DWP, a keystone project under the Los Angeles Groundwater Replenishment Program (LAGWR). The purpose of this project is to construct a 25.0 Million Gallons Per Day maximum capacity AWPF at the DCTWRP, then convey the purified recycled water to the spreading grounds. The LAGWR is estimated to cost approximately $740.0 million and is expected to be completed in fiscal year 2028.

The agreement with DWP to fund the design portion of the projects was executed in November 2022. The agreement with DWP to fund the construction phase of the LAGWR and 35-year obligation to operate and maintain the facilities was approved by the Board of DWP and Public Works in October 2024. Subsequent agreements to cover construction and operations of the facilities were executed in the third quarter of fiscal year 2025. In fiscal year 2026, construction expenditures are currently projected to be approximately $270.0 million.

Regulatory and Legal Issues

National Pollutant Discharge Elimination System (NPDES) Permits

The Los Angeles Regional Water Quality Control Board (LARWQCB) adopted the renewal of the WDR and NPDES permit for the TIWRP on June 10, 2021. The permit became effective on August 1, 2021, and expires on July 31, 2026. The permit carries-forward a requirement that the City stop the discharge of tertiary treated wastewater effluent from TIWRP into the Los Angeles Harbor by December 31, 2024, which deadline has been extended to August 11, 2025. Since these past deadlines were not met, the State issued a Time Schedule Order (TSO) for tertiary effluent discharge prohibition and requires quarterly updates. The TSO gives updated milestones with completion dates for the final distribution system and end user projects, Air Products internal retrofits and Dominguez Gap Barrier

Second Gap Connection, which are scheduled to be completed by the end of calendar 2025 and 2028, respectively.

Additionally, per- and polyfluoroalkyl substances (PFAS) are constituents of emerging concern for Sewer. Exposure to PFAS over certain levels may result in adverse health effects. Future NPDES permits for Sewer's four water reclamation plants may include discharge limits for PFAS. On July 15, 2020, the State Water Board issued its PFAS Investigation Order to Sewer's four plants to conduct PFAS sampling and analysis and to submit the results of the sampling, which has been submitted. On September 6, 2022, the U.S. Environmental Protection Agency (EPA) published in the Federal Register its Notice of Proposed Rulemaking (NPRM); Designation of Perfluorooctanoic acid (PFOA) and Perfluorooctanesulfonic acid (PFOS) as Comprehensive Environmental Response, Compensation, and Liability Act Hazardous Substances. If finalized, this proposal may present significant challenges and potential legal liabilities for Sewer including the discharge of wastewater effluent from Sewer's four treatment plants, recycled water and municipal stormwater, and biosolids management including the land application of biosolids containing PFOA/PFOS in the City's Green Acres Farm. Sewer is monitoring the proposed regulations; however, the impact of future costs is not known at this time.

Wastewater Sanitary Sewer Spills

Sewer has experienced several sewage overflows, classified as Category I Sanitary Sewer Overflows by the State Water Board in fiscal years 2022, 2023, 2024, and 2025. However, no fines or penalties have been calculated or assessed to date.

Hyperion Water Reclamation Plant (HWRP) Headworks Overflow

On July 11, 2021, an excessive amount of debris accumulated on bar screens at HWRP headworks screening facility, resulting in the flooding of the plant and raw sewage overflow (2021 Incident). HWRP's relief system was triggered, and sewage flows were controlled through use of the plant's one-mile outfall and the discharge of 12.5 million gallons of untreated sewage into Santa Monica Bay. Initially, 17.0 million gallons of untreated sewage was discharged, but 4.5 million gallons were contained within the one-mile outfall and pumped back to the plant for treatment. The spill and flood caused substantial damage to the plant's facilities and process equipment. The total damages and recovery costs were originally estimated at $160.0 million. It is expected that the City's third-party insurance provider will cover necessary and reasonable costs associated with the restoration of the physically damaged insured real and personal property, machinery and equipment, and vehicles. As of June 30, 2025, Sewer has received insurance reimbursements of $71.0 million against property damages. The final payment has been received and the claim is resolved. Several civil lawsuits have been filed against the City in connection with this incident. It is too early in the litigation process to evaluate the likelihood of an unfavorable outcome to the City or the amount or range of potential liability.

2025 Wildfire Damages

Wildfire insurance is serving as Sewer's primary means of cost recovery associated with 2025 Wildfire damages, while FEMA reimbursements are being sought as a secondary means of cost recovery for any claims not covered by insurance. Sewer Fund has received an advanced payment of $650.0 thousand from the insurance carriers. Sewer Fund has submitted to FEMA an estimated total cost of $0.5 million for wildfire response and recovery. The current insurance claim and FEMA claims that were submitted are being processed and reviewed for any additional information needed, thus Sewer is not aware at this time of any costs associated with 2025 Wildfire damages that are not eligible for reimbursement.

4. Public Corruption Matters

On June 13, 2023, the Los Angeles County District Attorney charged Curren D. Price, Jr., a member of the City Council, with two counts of conflict of interest in violation of California Government Code Section 1090(a), three counts of perjury, and five counts of embezzlement of government funds. The criminal complaint alleges that: (a) Delbra Richardson (or Del Richardson), Mr. Price's purported spouse, received payments totaling approximately $160,000 between 2019 and 2021 from developers before Mr. Price voted to approve projects; (b) Mr. Price failed to list certain payments allegedly received by Delbra Richardson on government disclosure forms; and (c) Mr. Price fraudulently

received about $33,800 in medical coverage premiums for Delbra Richardson between 2013 and 2018 before she was legally his wife. On or about August 12, 2025, the Los Angeles County District Attorney filed two additional public corruption charges against Mr. Price for allegedly voting in favor of projects for which Delbra Richardson had a financial interest. The matter remains under investigation by the District Attorney's Bureau of Investigation. The City cannot predict the outcome of this investigation.

5. City Mobility Plan Implementation Initiative (Measure HLA)

In August 2022, a citizen-sponsored initiative petition was qualified to submit a proposed ordinance to a vote of the electors of the City at the March 2024 election. On December 15, 2023, the City Council approved the initiative, Measure HLA, to be placed on the March 2024 ballot. On March 5, 2024, voters approved Measure HLA.

The ordinance requires the implementation of street modification projects whenever the City makes an improvement to at least a one-eighth mile segment of a road or sidewalk based on the City's Mobility Plan concept maps and general guidelines. The Mobility Plan is a 20-year City planning document that contains goals, objectives, and policy guidelines for creating a connected network of multimodal street modifications intended to provide safe access to public spaces and promote environmentally friendly modes of transportation for drivers, pedestrians, bicyclists, and users of public transportation. It does not identify nor require the implementation of specific street modification projects. The ordinance also requires the City to provide publicly accessible data through an open portal or website for monitoring Mobility Plan projects. Further, the ordinance allows any City resident to file a lawsuit against the City to require compliance with the requirements of the measure.

According to the City Administrative Officer, the cost to implement Bicycle Networks and sidewalk repair in the Pedestrian Enhanced Districts in the Mobility Plan is projected to be $3.1 billion. Other costs associated with implementing the Neighborhood, Transit, and Vehicle Enhanced Networks in the Mobility Plan are unknown. The ordinance may cause delays in the resurfacing of streets along Mobility Plan networks and reduce the amount of annual resurfacing. A delay of one year is projected to cost $73.0 million, while a delay of 10 years is anticipated to cost $1.39 billion or more, in addition to deferred maintenance and liability costs. Costs to administer the ordinance and develop the data portal are unknown. The ordinance may increase litigation costs against the City and does not identify a new funding source for the required expenditures.

6. Clean Water Compliance

On July 23, 2021, the Los Angeles Regional Water Quality Control Board (LARWQCB) adopted the National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit (MS4 Permit). Eighty-four of the 88 cities in Los Angeles County (including the City), the Los Angeles County Flood Control District (LACFCD), and the counties of Los Angeles and Ventura are covered by the MS4 permit, which requires the collective expenditure of tens of billions of dollars by the impacted municipalities through 2037. The City's share of the costs is estimated to be approximately $8.0 billion. While a portion of these costs are expected to be funded through the Measure W county-wide parcel tax, like many other impacted municipalities, the City has not identified funding sources for a significant portion of these costs. To the extent other funding sources are not available, the General Fund could be impacted.

The Clean Water Act (CWA) regulates the discharges of pollutants into the waters of the United States by establishing water quality standards. The CWA requires states to identify "impaired" water bodies and to develop a Total Maximum Daily Load (TMDL) for each pollutant contributing to the impairment. The CWA makes it unlawful to discharge any pollutant into waters protected by the CWA unless a permit is first obtained. With respect to the City, the U.S. EPA has delegated permitting and direct enforcement under its NPDES program to the LARWQCB. The MS4 permit allows the responsible agencies the option of working together to develop and implement Watershed Management Programs (WMPs) to address permit and TMDL requirements as long as the final compliance milestone has not passed. Non-compliance with the MS4 permit and applicable TMDLs could result in enforcement action by the LARWQCB, civil or administrative penalties and fines, and potentially third-party lawsuits.

To comply with the MS4 Permit where final milestones have not yet passed, significant funding is needed for capital, and operation and maintenance costs to implement the WMPs and its minimum

control measures established by the MS4 permit. The City has partially funded the monitoring and reporting programs required by the MS4 permit by using existing Stormwater Pollution Abatement (SPA) funds (primarily funded by the SPA Charge on property), Measure W – The Los Angeles Region Safe, Clean Water Program funds (Measure W, as described below), and by implementing cost sharing agreements between other municipalities. Unless relief is granted, the City could potentially face fines for failing to meet more TMDL milestones that will take effect by 2026. These upcoming deadlines are primarily for wet weather TMDLs, which presents an enormous challenge in terms of regulatory compliance, given the large volume of water that must be captured and treated during storm conditions in order to meet water quality standards.

One source of funding for these Clean Water costs is a special parcel tax approved by Los Angeles County voters. On November 6, 2018, Los Angeles County voters approved Measure W, a parcel tax of 2.5 cents per square foot of impermeable surface to support the costs of stormwater-related projects and activities. The City budgeted $36.3 million from this source (municipal returns) in the Fiscal Year 2025-26 Adopted Budget. In addition, the City competes for project funding from the Measure W Regional Program administered by the LACFCD. Under the regional program, the City (Bureau of Sanitation, Bureau of Street Services, and the Department of Water and Power) has secured funding totaling $314.0 million through fiscal year 2029 for capital improvement projects, operations and maintenance, and scientific studies.

As the regional program progresses, the City anticipates approximately $30.0 million to $35.0 million annually in regional returns. It is worth noting that as the regional program matures and more projects are implemented, the proportion of regional funds allocated to operation and maintenance of those projects will increase and a smaller proportion of funds will be available for new projects.

In November 2004, the City of Los Angeles voters passed Proposition O, the Clean Water General Obligation Bond, authorizing the sale of $500.0 million in general obligation bonds to finance projects that protect public health by cleaning up pollution in the City's rivers, lakes, and beaches. To date, the City has issued $439.5 million in general obligation bonds for Proposition O and has $60.5 million remaining in authorized but unissued authority, and expects to leverage bond proceeds to support Measure W projects seeking regional funding.

7. Los Angeles 2025 Wildfire Event

Beginning on January 7, 2025, a severe fire fueled by windstorms originated in the Pacific Palisades neighborhood (Palisades Fire) of Los Angeles County, which is part of the City. On January 7, 2025, the Mayor declared a local emergency throughout the City and the Governor of California proclaimed a State of Emergency with respect to the Palisades Fire. According to the California Department of Forestry and Fire Protection, almost 24,000 acres were burned in the Palisades Fire, with an estimate of more than 7,800 structures damaged or destroyed in the affected areas, as well as the loss of several lives.

The Federal Emergency Management Agency (FEMA) approved Fire Management Assistance Grants to support areas impacted by the fires, and on January 8, 2025, then President Biden approved a Major Disaster declaration for California. As a result of such declaration and subsequent federal action, funding from FEMA is generally available under FEMA's Public Assistance Program to recover 75 percent of eligible costs to restore facilities damaged as a result of natural disasters to their pre-disaster condition and 100 percent of the costs for emergency protective measures (emergency response activities) and debris removal in the public right of way for a 180-day period within the first 270 days of the incident.

The City is also pursuing cash flow loans in accordance with recently enacted Assembly Bill No. 100 that allows for the Governor's Office of Emergency Services (CalOES) to provide zero interest loans for FEMA reimbursable work, to be repaid with funding from FEMA as work is completed and submitted to FEMA for reimbursements. The City has submitted five loan requests to CalOES totaling approximately $45.0 million and anticipates submitting additional loan requests on a rolling basis. Thus far, the City has received $15.0 million from CalOES.

While the City is still in the process of assessing the overall financial impact, as of December 8, 2025 the City estimates approximately $227.0 million in costs to the City, which includes over $144.0 million in damage or destruction to structures and equipment. These estimates are preliminary and are

expected to change as the damage assessment and recovery efforts continue. As described above, the City expects to recover a significant portion of these costs from state and federal sources. However, the City may have to incur up to $87.0 million of such costs prior to any potential reimbursement, while the Fiscal Year 2025-26 Adopted Budget only includes $17.0 million to cover these costs. The City is in the process of determining the timing of this front-funding need and the portion that will be a General Fund obligation.

Investigations Relating to the Palisades Fire

A number of investigations and reviews of the fire events and of local agency preparation and response actions are being undertaken, including a Congressional investigation, an independent review at the direction of the Governor, an investigation and after-incident review by the Los Angeles Fire Commission, and reviews and investigations by other federal, State and local agencies. The federal Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) led the investigation into the cause of the Palisades Fire. LADWP provided information to the ATF and other agencies in connection with their investigations. The ATF examined LADWP's overhead transmission facilities that are near, but outside of, the area where the Palisades Fire reportedly ignited. As of the date of this report, the ATF has not issued publicly its origin and formal cause report.

8. Federal Grants and Other Impacts of Federal Policy

Recent actions taken by the current federal administration affect all or a portion of federal funding to states and local governments and present a fiscal risk to the City. In the Fiscal Year 2025-26 Adopted Budget, City departments (excluding proprietary departments) project $374.0 million in federal grant receipts, which includes $86.0 million of funds from competitive grants and $278.0 million from formula grants. The City anticipates that the cancellation by the federal government of numerous funding opportunities and Executive Orders conditioning or reducing grant opportunities may have an impact on future competitive grant receipts. In addition, the federal administration's proposed Fiscal Year 2025-26 budget eliminates a number of key formula grants the City has historically received. Further, the federal administration has made statements about potential plans to phase out FEMA, to provide less federal aid to states for natural disaster response, and to distribute funds directly from the President's office. The City is unable to predict if such potential plans will actually be made or implemented.

F. CRA/LA, a Designated Local Authority and Successor Agency for the Former Community Redevelopment Agency (Former Agency) and Related Contingencies

The enactment in June 2011 of the Assembly Bill 1X26 (Dissolution Act) resulted in the dissolution of all redevelopment agencies as of February 1, 2012. To help facilitate the winding down process, Successor Agencies have been established to manage redevelopment projects currently underway, make payments on enforceable obligations, and dispose of redevelopment assets and properties. On February 3, 2012, Governor Brown appointed three Los Angeles County residents as the governing board of CRA/LA-Designated Local Authority (CRA/LA), successor agency of the Former Agency.

On January 25, 2012, the City Council adopted a resolution wherein the City elected to opt-in as the Housing Successor Agency and designated the Housing and Community Investment Department (HCIDLA) now known as Los Angeles Housing Department (LAHD) as the City's representative in carrying out the housing functions and responsibilities of the Former Agency.

1. Housing Assets Transfer

On March 22, 2011, Council authorized the transfer of 74 properties from the Former Agency to the City, in connection with the implementation of a Cooperation Agreement (C.F. 11-0086-S1). Since some properties have more than one assessor parcel number (APN), the City Attorney reviewed the Council Motion and identified 130 parcels based on their discrete APN. As of February 1, 2012, 52 grant deeds, including 106 parcels, with historical cost of $93.4 million were transferred from the Former Agency to the City.

The City elected to retain the housing functions and responsibilities previously performed by the Former Agency. Pursuant to California Health and Safety Code (H&SC) Section 34176 (a) (2), the Housing Asset Transfer Schedule (HATS) prepared by CRA/LA staff was submitted by the City's HCIDLA to State Department of Finance (DOF) on August 1, 2012. DOF issued its final determination letters on March 27, 2013 and July 12, 2013, granting approval of most of the housing assets listed on HATS. Effective May 1, 2013, CRA/LA's housing assets including loans receivable, land held for redevelopment and land inventory unspent housing bond proceeds and functions were assumed by HCIDLA now known as LAHD.

In accordance with H&SC section 34176 (g)(1)(A), the Housing Successor is allowed to use or commit unspent housing bond proceeds for the purpose of affordable housing. DOF has advised the Housing Successor that, if it agrees to assume the obligations of the CRA/LA with respect to ensuring compliance with bond covenants and redevelopment objectives, it may drawdown the unspent bond proceeds in lump sum. In fiscal year 2025, there were no outstanding unspent housing bond proceeds listed on the Recognized Obligation Payment Schedule (ROPS) for distribution.

2. Transfer of Properties for Government Use

Pursuant to H&SC Section 34191, the Successor Agency must prepare a "Long-Range Property Management Plan" (LRPMP) that addresses the disposition and use of the real properties of the former redevelopment agencies. The report must be submitted to the Oversight Board and DOF for approval. The LRPMP must include an inventory of all properties in the Community Redevelopment Property Tax Trust Fund, the repository of all real properties of the Former Agency, and a proposal for how to use or dispose of each property. The LRPMP shall separately identify and list properties dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

On February 27, 2014, DOF approved the transfer from CRA/LA to the City of 31 real property interests, including seven public parks, 14 public rights of way and parcel remnants, two government facilities and eight access and use easements. In addition, the transfer of four real property interests representing approximately 5.6 million square feet of Transferable Floor Area Ratio development rights may become available for transfer to the City upon DOF approval. All received properties will be encumbered with restrictions that require that the properties continue to be used for government purposes in perpetuity, and will be conveyed by grant deed, quitclaim or easement transfer (Transfer Documents) at no cost to the City.

On May 6, 2014, the City Council and Mayor approved actions to assume ownership of the 35 real property interests for Government Use (C.F. 13-1482). As of June 30, 2025, properties transferred to the City net of certain real properties sold totaled $98.9 million.

3. Transfer of Excess CRA/LA Non-Housing Bond Proceeds

In accordance with H&SC section 34191.4, remaining bond proceeds that cannot be spent in a manner consistent with the bond covenants were to be used to defease the bonds or purchase those same bonds on the open market. CRA/LA's Governing Board and the Oversight Board approved a Bond Expenditure Agreement (BEA) with the City on November 6, 2014 and November 13, 2014, respectively. The BEA authorizes the listing of the agreement as an enforceable obligation on ROPS 14-15B and the transfer of the excess non-housing bond proceeds. As a result, CRA/LA identified and transferred total excess non-housing bond proceeds in the amount of $88.4 million, as of June 30, 2025. The $88.4 million consists of three allocations: (1) on November 4, 2014, DOF partially approved the BEA and authorized an initial transfer of $84.1 million; (2) in fiscal year 2018 the City received an additional $1.9 million; and (3) in fiscal year 2020 the City received an additional $2.4 million. These monies and accumulated interest have a cumulative total of approximately $98.9 million through June 30, 2025.

The City met its contractual obligation to encumber 100 percent of the Excess Non-housing Bond Proceeds (EBP), including interest for redevelopment projects within a five-year timeframe (January 2020). In 2025, the City received a one-year extension from the DOF and is committed to expending the full EBP and all accumulated interest by the final expenditure deadline of January 2026. The City recognized a liability for Excess Bond Proceeds for the $10.3 million at June 30, 2025.

G. Subsequent Events

1. Indebtedness

Subsequent to June 30, 2025, the City issued the following indebtedness:

Issue Date	Description	Amount (in thousands)	Interest Rate (Percentage)
January 27, 2026	General Obligation Bonds, Series 2026-A (Taxable)(Social Bonds)	$ 86,015	4.750%-5.040%
November 25, 2025	MICLA Lease Revenue Bonds, Series 2025-A (Los Angeles Convention Center)	851,630	5.000%-5.500%
November 25, 2025	MICLA Lease Revenue Bonds, Series 2025-B (Los Angeles Convention Center, Federally Taxable)	116,235	4.051%-4.745%
October 21, 2025	Power System Revenue Bonds, 2025 Series C	1,010,365	5.000%
September 2, 2025	Water System Revenue Bonds, 2025 Series A	372,380	5.000%
September 23, 2025	Water System Revenue Bonds, 2025 Series B	163,415	5.000%
November 18, 2025	Water System Revenue Bonds, 2025 Series C	976,445	5.000%

On November 4, 2025, S&P Global Ratings (S&P) affirmed the 'AA-' rating for the City's outstanding general obligation bonds and 'A+' rating for the outstanding lease revenue bonds issued by MICLA, with negative outlook. S&P believes that Los Angeles faces an uphill battle to maintain structural balance given evidence of softening revenue trends and significant underlying budget growth largely tied to personnel costs following negotiated labor agreements in recent years. In the short-term, we believe that the recently negotiated labor agreements, coupled with the need to retain and increase public safety staff, could make significant expenditure cuts more difficult. Moreover, the City could face resistance to significant reductions in key priorities and services to balance the budget.

On November 4, 2025, Fitch Ratings (Fitch) affirmed 'AAA' and 'AA' ratings for the City's general obligation bonds and solid waste resources bonds, respectively, with stable outlook. At the same time, Fitch assigned an 'AA' rating to MICLA's lease revenue bonds issued on November 25, 2025 and affirmed the 'AA+' rating in the Issuer Default Rating (IDR) for MICLA's previously issued and outstanding lease revenue bonds. The rating outlook remains negative for the IDR and MICLA bonds. Fitch's negative outlook primarily reflects the budgetary challenges and risks faced by the City. According to Fitch, these include a large structural budgetary imbalance going into fiscal year 2026, recent significant one-time unbudgeted litigation costs resulting in draws on reserves, as well as revenue loss and unplanned expenditures related to the 2025 wildfires.

On December 23, 2025, Moody's Ratings (Moody's) assigned a 'Aa2' rating to the City's $86.0 million General Obligation Bonds, Series 2026-A (Taxable)(Social Bonds), issued on January 27, 2026. Moody's maintains a 'Aa2' issuer rating for the City. Post issuance, the City will have roughly $1.0 billion in outstanding general obligation (GOULT) bonds. The outlook is negative. According to Moody's, the City's 'Aa2' issuer rating continues to reflect its diverse economy and exceptionally large tax base, which has experienced a long expansion that is continuing despite the effects of the Palisades Fire. The 'Aa2' GOULT rating reflects the City's dedicated, voter-approved unlimited pledge of ad valorem property taxes, which are restricted for use to pay the general obligation bonds debt service. Moody's added that the negative outlook reflects the risks stemming from potential liabilities related to the Palisades Fire, which could put financial strain on the government and the ability of its enterprise operations to achieve full cost recovery and maintain affordability.

On December 23, 2025, Fitch Ratings (Fitch) assigned a 'AAA' rating to the City's $86.0 million General Obligation Bonds, Series 2026-A (Taxable)(Social Bonds), issued on January 27, 2026. The rating outlook is stable. The Issuer Default Rating (IDR) is 'AA+' with a negative outlook. Fitch provided the same justification mentioned on November 4, 2025 for the negative outlook on the IDR. Fitch affirmed the 'AAA' rating with stable outlook for the outstanding general obligation bonds.

2. CRA/LA Bond Expenditure Agreement

On December 2, 2025, the City Council approved the recommendation by the CRA/LA Bond Oversight Committee to: 1. Request from the CRA/LA Board for an additional 12-month extension of the Bond Expenditure Agreement (BEA), through January 15, 2027, to provide the City additional time to expend the remaining interest earned, and complete the remaining projects, associated program activities, labor compliance reviews, and required financial reporting. 2. Request that the Mayor negotiate the terms of the BEA extension with the CRA/LA Board.

3. Airports Enterprise Fund

On July 17, 2025, the Board of Airport Commissioners approved the award of a 3-year contract to Sully-Miller Contracting Company covering construction of the Taxiway C Easterly Extension Project at LAX for a cost not to exceed $36.9 million and appropriation of $50.4 million for said project. The Airfield and Terminal Modernization Project (ATMP) includes airfield improvements at LAX to enhance operational management and safety. In the current airfield configuration, aircraft departing from Runway 25R must transition and queue on Taxiway B, east Taxilane C1. The same segment of Taxiway B is the only route for aircraft to enter and exit Taxilane B1 cargo ramp at the east end of Runway 25R. The result is bottleneck which creates delays in ramp entry and exit and requires breaks in the departure queue, reducing airfield capacity. The construction of the easterly extension of Taxiway C to Taxiway B1 will provide dual parallel taxiways and eliminate efficiencies, mitigate delays, improve safety, decrease emissions and provide better operational flexibility.

On July 17, 2025, the Board approved the appropriation of $158.4 million for the Infrastructure Capital Program (Asset Renewal) Projects at LAX. The program will decrease maintenance costs and improve the safety, reliability and user experience in Airports facilities. Many of Airports' critical mechanical, electrical, plumbing, fire protection, vertical transportation, civil, utilities, and other assets are beyond their useful life and are prone to failure. The project focuses on replacing and future proofing both above-ground and below ground infrastructure to ensure the airport’s operational excellence and alignment with industry standards.

On August 21, 2025, the Board authorized the acceptance of grant offers from the Federal Aviation Administration (FAA) for airfield improvements, noise mitigation, roadway projects, and relative to the purchase and installation of Phase 2 of Electric Ground Support Equipment Chargers at LAX and the Taxiway Reconstruction Project Phase 2 at Van Nuys Airport. LAX and VNY may receive up to $117.8 million from the FAA, pending award approval, to reimburse direct costs for these projects.

On August 21, 2025, the Board approved the award of a 3-year contract to Zones, LLC covering purchase of general information software licenses, renewals, and support services for LAWA, for a cost of $76.5 million. This contract will support critical airport business operations systems, applications, and security controls databases, as well as existing and new IT systems and applications, cyber security controls, including network, internet, and email threat prevention, analysis against potential attacks, malware, and ransomware, software used to support Multi-Factor Authentication (MFA) and Single Sign-on (SSO), Microsoft licenses and services to strengthen cyber security measures, including advanced threat protection, enhanced identity and access management, and compliance tools, web content management for public Airports websites, the Aerobahn Airport Surface Management (ASMS), which provides airfield awareness and intelligence to predict and respond to issues and identify operational improvements and capital project estimation and modeling tools for cost compliance.

On August 21, 2025, the Board approved the First Amendment to Contract DA-5732 with Webcor Construction, LP, adding $81.0 million, for a total contract authority of $104.9 million for the design and construction of the Wayfinding Enhancement Program at LAX, and to appropriate funds in the amount of $108.7 million for the project. The amendment will allow for the completion of design and preconstruction services for the Wayfinding Enhancement, and the construction of enabling work to include wayfinding related to the Automated People Mover (APM) activation, terminal gate renumbering, and the procurement of applicable trade subcontractors.

On August 21, 2025, the Board approved the appropriation of $160.0 million for the Tom Bradley International Terminal (TBIT) – Terminal Refresh Project at LAX. This Direct Project Budget will fund the long lead architectural and mechanical-electrical-plumbing (MEP) systems. The project is intended to refresh and modernize the TBIT Departures and Arrivals areas in pursuit of addressing Skytrax feedback deficiencies and passenger congestion in these areas.

On September 18, 2025, the Board approved the appropriation of $1.4 billion for the Terminal 5 (T5) Renovation and Reconstruction Project at LAX. The project will renovate, reconstruct, and replace worn and outdated systems, infrastructure, and layouts in T5 in its existing location.

On September 18, 2025, the Board approved a Contract of Sale and Escrow Instructions with the Los Angeles Community College District, a public agency, acting by order of and through its Board of Trustees. The agreement is for the acquisition of property located at 9700 South Sepulveda Boulevard, Los Angeles for $55.1 million plus closing costs in an amount not to exceed $0.5 million. The property is needed for the Airfield and Terminal Modernization Project at LAX. Of the total acquisition cost of $55.6 million, $34.5 was previously appropriated under a prior action for a partial acquisition and the additional amount of $21.1 was approved by the Board.

On October 16, 2025, the Board approved the appropriation of $65.2 million for Package 1 of the South Terminal Taxilane Reconstruction Project at Los Angeles International Airport.

On November 13, 2025, the Board approved the award of a five-year contract to LAZ Parking California LLC covering curb management and transportation services at Los Angeles International Airport for cost not to exceed $190.0 million.

On November 13, 2025, the Board approved the Third Amendment to Contract DA-5620 with Hensel Phelps Construction Co. to add $249.4 million in contract authority for a new total not to exceed $308.0 million and extend the contract term by one year for the Central Terminal Area Curbside Improvement Program at Los Angeles International Airport and to appropriate additional funds in the amount of $276.0 million for said program.

On November 13, 2025, the Board approved the appropriation of $16.6 million for the LAX Gateway design and planning at Los Angeles International Airport.

On November 13, 2025, the Board approved the incorporation of the Final Component Guaranteed Maximum Price Work Package to Contract DA-5609 with Skanska-Flatiron, a joint venture for the construction of the Airfield and Terminal Modernization Program – Roadway Improvements Project at Los Angeles International Airport for the amount of $867.6 million and appropriation of not to exceed $1.0 billion.

On December 18, 2025, the Board approved the appropriation of $168.8 million for the Tom Bradley International Terminal Refresh Project at Los Angeles International Airport.

On December 18, 2025, the Board approved the Second Amendment to Contract DA-5446 with SITA Information Networking Computing USA Inc. to increase the contract authority by $7.0 million for a new total of $36.1 million and update the information security requirements, covering operations and maintenance of the consolidated common-use platform at Los Angeles International Airport and ratification of the May 2025 letter exercising the one-year option to extend.

On December 18, 2025, the Board approved the Second Amendment to Contract DA-5504 with LAZ Parking California LLC to extend the term month-to-month for nine months through October 31, 2026, and increase the contract authority by $12.0 million for a new total of $69.0 million covering operation and management of transportation shuttles at Los Angeles International Airport.

On December 18, 2025, the Board approved the five-year contract with Genuine Parts Company dba NAPA Integrated Business Solutions by joining Sourcewell Contract covering automotive parts and heavy-duty equipment parts, accessories and services at Los Angeles International Airport and Van Nuys Airport for cost not to exceed $19.2 million.

On December 18, 2025, the Board approved the termination and partial termination of Concession Agreements and Convenience Termination payments in amount not to exceed $25.0 million for the

concession units in Terminal 5 for Areas USA LAXZ LLC, DN/Dakota JME, and Hudson Group to enable the Terminal 5 Renovation and Reconstruction Project at Los Angeles International Airport.

Airports issued $100.0 million on December 30, 2025, and $5.9 million on November 12, 2025, totaling $105.9 million in commercial paper for interim CIP financing.

4. Power and Water Enterprise Funds

On July 3, 2025, Power and Water entered into a Third Amended RCA and the related Third Amended and Restated Fee and Interest Rate Agreement with Wells Fargo Bank, National Association with a $500.0 million commitment. The DWP can request loans for Water improvements, Power improvements and/or such other lawful purposes of DWP. The interest charge for tax-exempt loans is based on a daily SOFR plus a spread of 0.50%. The interest charge for taxable loans is based on daily SOFR plus a spread of 0.64%. The Third Amended RCA expires in May 2026.

In September 2025, Water issued $372.4 million of fixed-rate revenue bonds, 2025 Series A. The net proceeds of $400.0 million, including a $27.6 million issue premium net of underwriter's discount, was used to refund all of the outstanding Water System Variable Rate Demand Revenue Bonds, 2019 Series A, and all of the outstanding Water System Variable Rate Demand Revenue Bonds, 2021 Series A.

In September 2025, Water issued $163.4 million of fixed-rate revenue bonds, 2025 Series B. The net proceeds of $182.3 million, including a $18.9 million issue premium net of underwriter's discount, was used to refund all of the outstanding Water System Variable Rate Demand Revenue Bonds, 2001 Series B.

On October 31, 2025, Power executed the First Amendment to Third Amended RCA with Wells Fargo Bank, National Association to extend the Event of Default credit rating thresholds through the term of the agreement.

In October 2025, Power issued $1.0 billion of fixed rate revenue bonds, 2025 Series C. The net proceeds of $1.1 billion, including an $82.8 million issue premium net of underwriter's discount, was used to refund all of the outstanding Power System Variable Rate Demand Revenue Bonds, 2021 Series A, all of the outstanding Power System Variable Rate Demand Revenue Bonds, 2023 Series F, and pay for capital improvements to Power.

On November 18, 2025, the Board of Water and Power Commissioners approved a resolution agreeing to the adoption of an ordinance to transfer $225.8 million from the Power Revenue Fund to the reserve fund of the City of Los Angeles during fiscal year 2026.

On October 31, 2025, Water executed the First Amendment to Third Amended RCA with Wells Fargo Bank, National Association to extend the Event of Default credit rating thresholds through the term of the agreement.

In November 2025, Water issued $976.4 million of fixed-rate revenue bonds, 2025 Series C. The net proceeds of $1.1 billion, including a $88.2 million issue premium net of underwriter's discount and bond insurance, was used to refund a portion of the outstanding Water System Revenue Bonds, 2016 Series A, refund all of the outstanding Water System Revenue Bonds, 2016 Series B, and pay for budgeted capital improvements to Water.

5. Sewer Enterprise Fund

On November 5, 2025, the City adopted amendments to the Senior Lien and Subordinate Lien General Resolutions to modernize certain provisions to reflect current industry practices, enhance flexibility, and provide more favorable terms to the City. Among the effectuated changes to the Senior Lien General Resolution was the elimination of the requirement for the City to maintain the Debt Service Reserve Fund for all of the City's Wastewater System Senior Revenue Bonds. As of November 5, 2025, the Debt Service Reserve Fund balance was approximately $67.5 million. The City is currently in the process of releasing the entire remaining Debt Service Reserve Fund balance to be used towards capital costs of the wastewater system.

Temporary Shutdown of the Los Angeles-Glendale Water Reclamation Plant (LAGWRP)

On December 2, 2025, due to an ongoing homicide investigation at the LAGWRP, all personnel at the plant were mandatorily evacuated. The incoming wastewater flows were thus bypassed around the plant and sent to the Hyperion Water Reclamation Plant (HWRP) for treatment. HWRP has more than enough treatment capacity to accommodate the additional flow, so there is no expected impact to the overall treatment of the wastewater. However, additional costs will be incurred as a result of complete stoppage of wastewater to LAGWRP. LAGWRP resumed operations on December 23, 2025, the financial impact is still being determined.

6. Los Angeles City Employees' Retirement System and Fire and Police Pension System

Measure FF – Sworn Officer Transfer from the Los Angeles City Employees' Retirement System (LACERS) to Los Angeles Fire and Police Pension System (LAFPP)

Measure FF, which was approved by voters on November 5, 2024 ballot, amended the City Charter to allow for the voluntary transfer of all sworn peace officers who were actively employed on and as of January 12, 2025, by the Harbor, Airports, Police, and Recreation and Parks Departments from LACERS to LAFPP Tier 6. Measure FF allowed for the inclusion of Park Rangers who were actively employed by the Department of Recreation and Parks on and as of January 12, 2025, and make an election to transfer to LAFPP Tier 6. Any Park Rangers hired after January 12, 2025, remain LACERS members and are not eligible to transfer to LAFPP.

The implementing ordinance (Ordinance 188756) was approved by the City Council on October 31, 2025. The deadline for an eligible employee to make an irrevocable decision to transfer is January 9, 2026. Under the ordinance, employees who elect to transfer will be required to transfer all prior City service from LACERS to LAFPP Tier 6. The ordinance also allows certain Tier 6 members who transferred to Tier 6 under a prior Charter amendment to transfer any remaining City service from LACERS to LAFPP Tier 6. The effective transfer date for members will be January 11, 2026. The implementing ordinance also authorizes interest-free refunds to eligible Tier 6 members who transferred pursuant to the Office of Public Safely (OPS) Service Purchase Program and Airport Peace Officer Service Purchase Program and purchased Tier 6 service credit with personal funds.

Measure FF will be cost-neutral for LAFPP because the City is required to pay the full actuarial cost to transfer personnel and prior service to Tier 6, pay any increased future costs, and to reimburse LAFPP for any refunds provided to eligible Tier 6 members.

Required Supplementary Information

Los Angeles Fire and Police Pension System
Benefit Pension Plan
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll [1]
2025	$ 486,958	$ 486,958	$ --	$ 1,745,822	27.9 %
2024	480,810	480,810	--	1,600,181	30.0 %
2023	481,824	481,824	--	1,608,133	30.0 %
2022	535,450	535,450	--	1,598,685	33.5 %
2021	543,819	543,819	--	1,603,349	33.9 %
2020	516,638	516,638	--	1,509,613	34.2 %
2019	504,877	504,877	--	1,487,978	33.9 %
2018	459,632	459,632	--	1,451,996	31.7 %
2017	454,309	454,309	--	1,397,245	32.5 %
2016	478,385	478,385	--	1,351,788	35.4 %

[1] Contribution rate as a percentage of covered payroll reflects discount applied when the employer prepays its contribution. This rate has been "backed" into by dividing the actual contributions by the budgeted covered payroll.

Los Angeles City Employees' Retirement System
Benefit Pension Plan
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2025	$ 803,985	$ 803,985	$ --	$ 2,687,404	29.9 %
2024	714,338	714,338	--	2,460,394	29.0 %
2023	669,391	669,391	--	2,307,336	29.0 %
2022	591,234	591,234	--	2,155,005	27.4 %
2021	554,856	554,856	--	2,276,768	24.4 %
2020	553,118	553,118	--	2,271,039	24.4 %
2019	478,717	478,717	--	2,108,171	22.7 %
2018	450,195	450,195	--	2,057,565	21.9 %
2017	453,356	453,356	--	1,973,049	23.0 %
2016	440,546	440,546	--	1,876,946	23.5 %

Water and Power Employees' Retirement Plan
Benefit Pension Plan
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2025	$ 420,137	$ 426,135	$ (5,998)	$ 1,520,422	28.0 %
2024	435,599	425,304	10,295	1,403,031	30.3 %
2023	372,209	361,586	10,623	1,259,246	28.7 %
2022	302,800	318,874	(16,074)	1,178,016	27.1 %
2021	373,374	378,990	(5,616)	1,121,883	33.8 %
2020	424,375	422,017	2,358	1,130,066	37.3 %
2019	408,750	410,165	(1,415)	1,028,212	39.9 %
2018	425,512	433,413	(7,901)	953,636	45.4 %
2017	403,780	391,717	12,063	892,332	43.9 %
2016	368,600	362,360	6,240	861,819	42.0 %

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
TOTAL PENSION LIABILITY					
Service Cost	$ 442,649	$ 452,190	$ 456,446	$ 455,362	$ 410,559
Interest	1,855,769	1,797,828	1,749,640	1,668,212	1,654,964
Benefit Payments, including Refunds of Member Contributions	(1,465,169)	(1,352,465)	(1,244,736)	(1,186,963)	(1,121,252)
Difference of Expected and Actual Experience	258,521	258,373	(214,833)	254,452	(23,348)
Assumption Changes	--	(262,300)	--	--	48,286
Changes of Benefit Terms	--	--	--	--	--
Other	--	--	--	--	--
Net Change in Total Pension Liability	1,091,770	893,626	746,517	1,191,063	969,209
Total Pension Liability at Beginning of Year	26,800,920	25,907,294	25,160,777	23,969,714	23,000,505
Total Pension Liability at End of Year (a)	$ 27,892,690	$ 26,800,920	$ 25,907,294	$ 25,160,777	$ 23,969,714
FIDUCIARY NET POSITION					
Employer Contributions	$ 480,810	$ 481,824	$ 535,450	$ 543,819	$ 516,638
Member Contributions	157,191	151,935	149,244	157,786	153,787
Net Investment Income (Loss)	2,561,982	1,920,463	(2,021,582)	6,972,104	606,244
Benefit Payments, Including Refunds of Member Contributions	(1,465,169)	(1,352,465)	(1,244,736)	(1,186,963)	(1,121,252)
Administrative Expenses	(24,068)	(22,994)	(22,146)	(21,372)	(20,685)
Other	--	--	--	--	--
Net Change	1,710,746	1,178,763	(2,603,770)	6,465,374	134,732
Fiduciary Net Position at Beginning of Year	26,437,300	25,258,537	27,862,307	21,396,933	21,262,201
Fiduciary Net Position at End of Year (b) [1]	$ 28,148,046	$ 26,437,300	$ 25,258,537	$ 27,862,307	$ 21,396,933
Net Pension Liability (Asset) (a) - (b)	$ (255,356)	$ 363,620	$ 648,757	$ (2,701,530)	$ 2,572,781
Fiduciary Net Position as a Percentage of the Total Pension Liability	100.92 %	98.64 %	97.50 %	110.74 %	89.27 %
Covered Payroll	$ 1,600,181	$ 1,608,133	$ 1,598,685	$ 1,603,349	$ 1,509,613
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(15.96)%	22.61 %	40.58 %	(168.49)%	170.43 %

[1] Fiduciary Net Position - The fiduciary net position is calculated based on financial information available to the actuary for the presentation of the actuarial valuation and does not include subsequent adjustments.

* Based on measurement periods

Details of changes in assumptions can be obtained from the actuarial valuation reports.

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
TOTAL PENSION LIABILITY					
Service Cost	$ 402,708	$ 390,743	$ 367,600	$ 365,956	$ 368,700
Interest	1,572,220	1,502,656	1,436,068	1,399,576	1,384,527
Benefit Payments, including Refunds of Member Contributions	(1,070,456)	(994,800)	(930,078)	(990,363)	(918,909)
Difference of Expected and Actual Experience	81,465	21,700	(320,404)	(595,188)	(310,882)
Assumption Changes	357,369	--	695,450	--	--
Changes of Benefit Terms	(79,650)	--	--	--	--
Other	--	2,505	--	--	--
Net Change in Total Pension Liability	1,263,656	922,804	1,248,636	179,981	523,436
Total Pension Liability at Beginning of Year	21,736,849	20,814,045	19,565,409	19,385,428	18,861,992
Total Pension Liability at End of Year (a)	$ 23,000,505	$ 21,736,849	$ 20,814,045	$ 19,565,409	$ 19,385,428
FIDUCIARY NET POSITION					
Employer Contributions	$ 504,877	$ 459,632	$ 454,309	$ 478,385	$ 480,332
Member Contributions	147,753	145,112	128,900	129,734	126,771
Net Investment Income (Loss)	1,218,138	1,892,870	2,260,130	159,313	686,470
Benefit Payments, Including Refunds of Member Contributions	(1,070,456)	(994,800)	(930,078)	(990,363)	(918,909)
Administrative Expenses	(20,244)	(19,908)	(20,816)	(19,346)	(17,815)
Other	--	2,505	--	--	--
Net Change	780,068	1,485,411	1,892,445	(242,277)	356,849
Fiduciary Net Position at Beginning of Year	20,482,133	18,996,722	17,104,277	17,346,554	16,989,705
Fiduciary Net Position at End of Year (b) [1]	$ 21,262,201	$ 20,482,133	$ 18,996,722	$ 17,104,277	$ 17,346,554
Net Pension Liability (Asset) (a) - (b)	$ 1,738,304	$ 1,254,716	$ 1,817,323	$ 2,461,132	$ 2,038,874
Fiduciary Net Position as a Percentage of the Total Pension Liability	92.44 %	94.23 %	91.27 %	87.42 %	89.48 %
Covered Payroll	$ 1,487,978	$ 1,451,996	$ 1,397,245	$ 1,351,788	$ 1,316,969
Net Pension Liability (Asset) as a Percentage of Covered Payroll	116.82 %	86.41 %	130.06 %	182.06 %	154.82 %

CITY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2025
(unaudited)

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios [1] *
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
TOTAL PENSION LIABILITY					
Service Cost[2]	$ 461,844	$ 412,247	$ 413,863	$ 451,426	$ 374,967
Interest	1,758,842	1,671,683	1,617,800	1,570,785	1,499,208
Changes of Benefit Terms	--	--	--	--	--
Benefit Payments, Including Refunds of Member Contributions	(1,270,139)	(1,219,616)	(1,168,633)	(1,077,691)	(979,305)
Difference of Expected and Actual Experience	242,434	469,172	(66,172)	(189,822)	308,184
Assumption Changes	--	(112,700)	--	--	530,720
Net Change in Total Pension Liability	1,192,981	1,220,786	796,858	754,698	1,733,774
Total Pension Liability at Beginning of Year	25,299,537	24,078,751	23,281,893	22,527,195	20,793,421
Total Pension Liability at End of Year (a)	$ 26,492,518	$ 25,299,537	$ 24,078,751	$ 23,281,893	$ 22,527,195
FIDUCIARY NET POSITION					
Employer Contributions	$ 714,338	$ 669,391	$ 591,234	$ 554,856	$ 553,118
Member Contributions	275,717	257,967	241,876	252,123	259,817
Net Investment Income (Loss)[4]	1,503,281	1,261,073	(1,542,473)	4,283,202	306,712
Benefit Payments, Including Refunds of Member Contributions	(1,270,139)	(1,219,616)	(1,168,633)	(1,077,691)	(979,305)
Administrative Expenses	(32,452)	(28,614)	(27,033)	(26,758)	(23,531)
Other (Transfer to Larger Annuity Reserve) [3]	--	--	(16)	--	--
Net Change	1,190,745	940,201	(1,905,045)	3,985,732	116,811
Fiduciary Net Position at Beginning of Year	17,953,292	17,013,091	18,918,136	14,932,404	14,815,593
Fiduciary Net Position at End of Year (b)	$ 19,144,037	$ 17,953,292	$ 17,013,091	$ 18,918,136	$ 14,932,404
Net Pension Liability (a) - (b)	$ 7,348,481	$ 7,346,245	$ 7,065,660	$ 4,363,757	$ 7,594,791
Fiduciary Net Position as a Percentage of the Total Pension Liability	72.26 %	70.96 %	70.66 %	81.26 %	66.29 %
Covered Payroll	$ 2,460,394	$ 2,307,336	$ 2,155,005	$ 2,276,768	$ 2,271,039
Net Pension Liability as a Percentage of Covered Payroll	298.67 %	318.39 %	327.87 %	191.66 %	334.42 %

[1] In calculating the Plan's net pension liability, the total pension liability and the Plan fiduciary net position exclude amounts associated with Family Death, and Larger Annuity Benefits.

[2] The service cost is based on the previous year's valuation.

[3] On July 1, 2015, LACERS segregated members' voluntary larger annuity contributions into the (non-pension related) Reserve for Larger Annuity Contributions pursuant to a suggestion made by the actuarial consultant. The Reserve balance for Larger Annuity Contributions as of June 30, 2015 was $5.2 million. On July 1, 2017, the System reallocated $0.47 million of interest from the Reserve for Mandatory Member Contributions into the Reserve for Voluntary Member Contributions. In fiscal year 2022, a prior period adjustment was made related to the implementation of GASB 87 – Lease, to restate fiscal year 2021 information presented in fiscal year 2022 financial report as comparative report.

[4] Building Lease and Other Income were included in the Net investment income (loss) starting in fiscal year 2020. Investment related administrative expenses is part of Administrative expenses and excluded from Net investment Income.

* Based on measurement periods

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios [1] *
(amounts in thousands)

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
TOTAL PENSION LIABILITY					
Service Cost[2]	$ 370,409	$ 352,283	$ 340,759	$ 322,574	$ 322,380
Interest	1,439,661	1,332,878	1,302,278	1,263,556	1,215,151
Changes of Benefit Terms	--	25,173	--	--	--
Benefit Payments, Including Refunds of Member Contributions	(915,192)	(851,885)	(804,089)	(770,317)	(740,567)
Difference of Expected and Actual Experience	(46,035)	144,224	(146,474)	(300,813)	(135,821)
Assumption Changes	--	483,717	340,718	--	--
Net Change in Total Pension Liability	848,843	1,486,390	1,033,192	515,000	661,143
Total Pension Liability at Beginning of Year	19,944,578	18,458,188	17,424,996	16,909,996	16,248,853
Total Pension Liability at End of Year (a)	$ 20,793,421	$ 19,944,578	$ 18,458,188	$ 17,424,996	$ 16,909,996
FIDUCIARY NET POSITION					
Employer Contributions	$ 478,717	$ 450,195	$ 453,356	$ 440,546	$ 381,141
Member Contributions	237,087	230,757	221,829	206,377	202,463
Net Investment Income (Loss)[4]	799,351	1,243,817	1,517,545	29,358	306,980
Benefit Payments, Including Refunds of Member Contributions	(915,192)	(851,885)	(804,089)	(770,318)	(740,567)
Administrative Expenses	(19,600)	(17,699)	(17,454)	(17,204)	(15,860)
Other (Transfer to Larger Annuity Reserve) [3]	--	(471)	--	--	(4,666)
Net Change	580,363	1,054,714	1,371,187	(111,241)	129,491
Fiduciary Net Position at Beginning of Year	14,235,230	13,180,516	11,809,329	11,920,570	11,791,079
Fiduciary Net Position at End of Year (b)	$ 14,815,593	$ 14,235,230	$ 13,180,516	$ 11,809,329	$ 11,920,570
Net Pension Liability (a) - (b)	$ 5,977,828	$ 5,709,348	$ 5,277,672	$ 5,615,667	$ 4,989,426
Fiduciary Net Position as a Percentage of the Total Pension Liability	71.25 %	71.37 %	71.41 %	67.77 %	70.49 %
Covered Payroll	$ 2,108,171	$ 2,057,565	$ 1,973,049	$ 1,876,946	$ 1,835,637
Net Pension Liability as a Percentage of Covered Payroll	283.56 %	277.48 %	267.49 %	299.19 %	271.81 %

CITY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2025
(unaudited)

Water and Power Employees' Retirement Plan
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
TOTAL PENSION LIABILITY					
Service Cost	$ 350,358	$ 322,734	$ 277,244	$ 275,366	$ 263,473
Interest	1,102,391	1,045,077	1,044,964	1,008,130	963,032
Benefit Payments, Including Refunds of Member Contributions	(794,717)	(749,460)	(716,008)	(677,717)	(635,652)
Change of Benefit Terms	3,908	(82,833)	--	--	--
Differences Between Expected and Actual Experience	358,128	341,242	(35,734)	(62,311)	62,540
Assumption Changes	--	--	550,825	--	--
Net Change in Total Pension Liability	1,020,068	876,760	1,121,291	543,468	653,393
Total Pension Liability at Beginning of Year	17,006,869	16,130,109	15,008,818	14,465,350	13,811,957
Total Pension Liability at End of Year (a)	$ 18,026,937	$ 17,006,869	$ 16,130,109	$ 15,008,818	$ 14,465,350
FIDUCIARY NET POSITION					
Employer Contributions	$ 431,968	$ 368,479	$ 325,326	$ 385,071	$ 427,655
Member Contributions	162,160	144,715	131,105	122,316	120,299
Net Investment Income (Loss)	1,594,130	1,153,143	(888,349)	3,489,200	459,024
Benefit Payments, Including Refunds of Member Contributions	(794,717)	(749,460)	(716,008)	(677,717)	(635,652)
Administrative Expenses	(5,645)	(6,000)	(5,613)	(5,115)	(4,705)
Net Change	1,387,896	910,877	(1,153,539)	3,313,755	366,621
Fiduciary Net Position at Beginning of Year	16,424,801	15,513,924	16,667,463	13,353,708	12,987,087
Fiduciary Net Position at End of Year (b)	$ 17,812,697	$ 16,424,801	$ 15,513,924	$ 16,667,463	$ 13,353,708
Net Pension Liability (Asset) (a) - (b)	$ 214,240	$ 582,068	$ 616,185	$ (1,658,645)	$ 1,111,642
Fiduciary Net Position as a Percentage of the Total Pension Liability	98.81 %	96.58 %	96.18 %	111.05 %	92.32 %
Covered Payroll	$ 1,403,031	$ 1,259,246	$ 1,178,016	$ 1,121,883	$ 1,130,066
Net Pension Liability (Asset) as a Percentage of Covered Payroll	15.27 %	46.22 %	52.31 %	(147.84)%	98.37 %

* Based on measurement periods

Details of changes in assumptions can be obtained from the actuarial valuation reports.

Water and Power Employees' Retirement Plan
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
TOTAL PENSION LIABILITY					
Service Cost	$ 243,263	$ 228,621	$ 217,277	$ 209,832	$ 214,735
Interest	952,071	913,798	887,134	837,977	821,048
Benefit Payments, Including Refunds of Member Contributions	(597,563)	(563,213)	(540,361)	(510,485)	(485,967)
Change of Benefit Terms	--	(59,019)	--	--	(144,008)
Differences Between Expected and Actual Experience	17,807	10,254	(196,177)	(189,469)	(162,913)
Assumption Changes	8,836	--	--	722,928	--
Net Change in Total Pension Liability	624,414	530,441	367,873	1,070,783	242,895
Total Pension Liability at Beginning of Year	13,187,543	12,657,102	12,289,229	11,218,446	10,975,551
Total Pension Liability at End of Year (a)	$ 13,811,957	$ 13,187,543	$ 12,657,102	$ 12,289,229	$ 11,218,446
FIDUCIARY NET POSITION					
Employer Contributions	$ 416,180	$ 439,299	$ 397,748	$ 368,259	$ 382,232
Member Contributions	104,742	93,659	83,239	75,069	68,552
Net Investment Income (Loss)	791,832	998,777	1,280,806	95,808	410,778
Benefit Payments, Including Refunds of Member Contributions	(597,563)	(563,213)	(540,361)	(510,485)	(485,967)
Administrative Expenses	(5,189)	(5,336)	(5,376)	(5,108)	(4,612)
Net Change	710,002	963,186	1,216,056	23,543	370,983
Fiduciary Net Position at Beginning of Year	12,277,085	11,313,899	10,097,843	10,074,300	9,703,317
Fiduciary Net Position at End of Year (b)	$ 12,987,087	$ 12,277,085	$ 11,313,899	$ 10,097,843	$ 10,074,300
Net Pension Liability (Asset) (a) - (b)	$ 824,870	$ 910,458	$ 1,343,203	$ 2,191,386	$ 1,144,146
Fiduciary Net Position as a Percentage of the Total Pension Liability	94.03 %	93.10 %	89.39 %	82.17 %	89.80 %
Covered Payroll	$ 1,028,212	$ 953,636	$ 892,332	$ 861,819	$ 839,213
Net Pension Liability (Asset) as a Percentage of Covered Payroll	80.22 %	95.47 %	150.53 %	254.27 %	136.34 %

Los Angeles Fire and Police Pension System
Other Postemployment Benefit Plan
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2025	$ 181,650	$ 181,650	$ --	$ 1,745,822	10.4 %
2024	164,560	164,560	--	1,600,181	10.3 %
2023	186,418	186,418	--	1,608,133	11.6 %
2022	193,140	193,140	--	1,598,685	12.1 %
2021	200,425	200,425	--	1,603,349	12.5 %
2020	193,213	193,213	--	1,509,613	12.8 %
2019	188,020	188,020	--	1,487,978	12.6 %
2018	178,462 (1)	178,462 (1)	--	1,451,996	12.3 %
2017	165,170	165,170	--	1,397,245	11.8 %
2016	150,315	150,315	--	1,351,788	11.1 %

(1) Excludes the transfer of employer contributions for all new Airport Police members from the Los Angeles City Employees' Retirement System (LACERS) who elected to join the Pension Plan in Tier 6.

Los Angeles City Employees' Retirement System
Other Postemployment Benefit Plan
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2025	$ 90,168	$ 90,168	$ --	$ 2,687,404	3.4 %
2024	97,094	97,094	--	2,460,394	3.9 %
2023	90,581	90,581	--	2,307,336	3.9 %
2022	91,623	91,623	--	2,155,005	4.3 %
2021	103,454	103,454	--	2,276,768	4.5 %
2020	112,136	112,136	--	2,271,039	4.9 %
2019	107,927	107,927	--	2,108,171	5.1 %
2018	100,909	100,909	--	2,057,565	4.9 %
2017	97,457	97,457	--	1,973,049	4.9 %
2016	105,983	105,983	--	1,876,946	5.7 %

Water and Power Employees' Retirement Plan
Other Postemployment Benefit Plan - Retiree Health Benefits
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2025	$ 86,635	$ 128,243	$ (41,608)	$ 1,520,422	8.4 %
2024	47,975	114,570	(66,595)	1,403,031	8.2 %
2023	55,585	113,571	(57,986)	1,259,246	9.0 %
2022	49,688	112,081	(62,393)	1,178,016	9.5 %
2021	63,165	109,282	(46,117)	1,121,883	9.7 %
2020	95,375	109,401	(14,026)	1,130,066	9.7 %
2019	80,851	101,595	(20,744)	1,028,212	9.9 %
2018	85,339	95,234	(9,895)	953,636	10.0 %
2017	93,920	90,310	3,610	892,332	10.1 %
2016	61,971	79,896	(17,925)	861,819	9.3 %

Water and Power Employees' Retirement Plan
Other Postemployment Benefit Plan - Death Benefits
Schedule of Employer Contributions
(in thousands)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency / (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2025	$ 17,029	$ 17,225	$ (196)	$ 1,520,422	1.1 %
2024	15,995	16,472	(477)	1,403,031	1.2 %
2023	15,237	14,632	605	1,259,246	1.2 %
2022	13,076	13,134	(58)	1,178,016	1.1 %
2021	12,565	12,899	(334)	1,121,883	1.1 %
2020	13,335	13,300	35	1,130,066	1.2 %
2019	7,260	7,260	--	1,028,212	0.7 %
2018	7,137	7,137	--	953,636	0.7 %
2017	7,138	7,138	--	892,332	0.8 %

This schedule is presented for those years for which information is available.

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
TOTAL OPEB LIABILITY				
Service Cost	$ 83,191	$ 77,653	$ 79,825	$ 80,618
Interest	267,221	255,593	266,035	260,018
Benefit Payments	(164,341)	(153,918)	(147,467)	(151,855)
Changes of Benefit Terms	--	--	--	--
Differences Between Expected and Actual Experience	619	18,082	(8,923)	8,191
Assumption Changes	64,999	(31,715)	(333,313)	(113,656)
Other	--	--	--	--
Net Change in Total OPEB Liability	251,689	165,695	(143,843)	83,316
Total OPEB Liability at Beginning of Year	3,815,026	3,649,331	3,793,174	3,709,858
Total OPEB Liability - Ending (a)	$ 4,066,715	$ 3,815,026	$ 3,649,331	$ 3,793,174
FIDUCIARY NET POSITION				
Employer Contributions	$ 164,560	$ 186,418	$ 193,140	$ 200,425
Member Contributions	--	--	--	--
Net Investment Income (Loss)	287,508	214,763	(209,565)	698,434
Benefit Payments	(164,341)	(153,918)	(147,467)	(151,856)
Administrative Expenses	(2,700)	(2,571)	(2,296)	(2,141)
Other	--	--	--	--
Net Change	285,027	244,692	(166,188)	744,862
Fiduciary Net Position at Beginning of Year	2,966,814	2,722,122	2,888,310	2,143,448
Fiduciary Net Position at End of Year (b) [1]	$ 3,251,841	$ 2,966,814	$ 2,722,122	$ 2,888,310
Net OPEB Liability - Ending (a) - (b)	$ 814,874	$ 848,212	$ 927,209	$ 904,864
Fiduciary Net Position as a Percentage of the Total OPEB Liability	79.96 %	77.77 %	74.59 %	76.14 %
Covered Payroll	$ 1,600,181	$ 1,608,133	$ 1,598,685	$ 1,603,349
Net OPEB Liability as a Percentage of Covered Payroll	50.92 %	52.75 %	58.00 %	56.44 %

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
TOTAL OPEB LIABILITY				
Service Cost	$ 79,394	$ 74,090	$ 69,940	$ 65,407
Interest	263,088	260,513	243,769	231,285
Benefit Payments	(143,600)	(137,874)	(130,722)	(122,561)
Changes of Benefit Terms				
Differences Between Expected and Actual Experience	(190,525)	(249,568)	(16,532)	(144,022)
Assumption Changes	80,297	85,911	63,332	248,048
Other			517	
Net Change in Total OPEB Liability	88,654	33,072	230,304	278,157
Total OPEB Liability at Beginning of Year	3,621,204	3,588,132	3,357,827	3,079,670
Total OPEB Liability - Ending (a)	$ 3,709,858	$ 3,621,204	$ 3,588,131	$ 3,357,827
FIDUCIARY NET POSITION				
Employer Contributions	$ 193,213	$ 188,020	$ 178,462	$ 165,170
Member Contributions				
Net Investment Income (Loss)	58,101	111,188	166,040	189,420
Benefit Payments	(143,600)	(137,874)	(130,722)	(122,562)
Administrative Expenses	(1,982)	(1,856)	(1,745)	(1,747)
Other		--	(517)	
Net Change	105,732	159,478	212,552	230,281
Fiduciary Net Position at Beginning of Year	2,037,716	1,878,238	1,665,686	1,435,404
Fiduciary Net Position at End of Year (b) [1]	$ 2,143,448	$ 2,037,716	$ 1,878,238	$ 1,665,685
Net OPEB Liability - Ending (a) - (b)	$ 1,566,410	$ 1,583,488	$ 1,709,893	$ 1,692,142
Fiduciary Net Position as a Percentage of the Total OPEB Liability	57.78 %	56.27 %	52.35 %	49.61 %
Covered Payroll	$ 1,509,613	$ 1,487,978	$ 1,451,996	$ 1,397,245
Net OPEB Liability as a Percentage of Covered Payroll	103.76 %	106.42 %	117.76 %	121.11 %

[1] Fiduciary Net Position - The fiduciary net position is calculated based on financial information available to the actuary for the presentation of the actuarial valuation and does not include subsequent adjustments. Employer contributions excludes the transfer of employer contributions.

The schedules for the Pensions OPEB Plan are intended to show information for 10 years. However, the schedules do not have an entire 10-year trend, and therefore, City presented information only for those years in which data is available. Additional years will be displayed in the future as they become available.

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
TOTAL OPEB LIABILITY				
Service Cost	$ 96,467	$ 81,028	$ 81,415	$ 84,817
Interest	239,773	250,838	246,694	244,776
Benefit Payments[2]	(155,102)	(159,351)	(157,245)	(149,103)
Changes of Benefit Terms	--	--	--	--
Differences Between Expected and Actual Experience[1]	(38,374)	(12,048)	(369)	10,672
Assumption Changes	22,296	(336,075)	(109,877)	(157,614)
Other	--	--	--	--
Net Change in Total OPEB Liability	165,060	(175,608)	60,618	33,548
Total OPEB Liability at Beginning of Year	3,405,088	3,580,696	3,520,078	3,486,530
Total OPEB Liability - Ending (a)	$ 3,570,148	$ 3,405,088	$ 3,580,696	$ 3,520,078
FIDUCIARY NET POSITION				
Employer Contributions	$ 97,094	$ 90,581	$ 91,623	$ 103,454
Member Contributions	--	--	--	--
Net Investment Income (Loss)[3]	322,658	269,611	(360,636)	983,522
Benefit Payments[2]	(155,102)	(159,351)	(157,245)	(149,103)
Administrative Expenses	(8,871)	(8,226)	(7,619)	(7,425)
Other[4]	--	--	(4)	--
Net Change	255,779	192,615	(433,881)	930,448
Fiduciary Net Position at Beginning of Year	3,540,386	3,347,771	3,781,652	2,851,204
Fiduciary Net Position at End of Year (b)	$ 3,796,165	$ 3,540,386	$ 3,347,771	$ 3,781,652
Net OPEB Liability (Asset) - Ending (a) - (b)	$ (226,017)	$ (135,298)	$ 232,925	$ (261,574)
Fiduciary Net Position as a Percentage of the Total OPEB Liability	106.33 %	103.97 %	93.49 %	107.43 %
Covered Payroll	$ 2,460,394	$ 2,307,336	$ 2,155,005	$ 2,276,768
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	(9.19)%	(5.86)%	10.81 %	(11.49)%

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios
(amounts in thousands)

	June 30, 2020	June 30, 2019[1]	June 30, 2018	June 30, 2017
TOTAL OPEB LIABILITY				
Service Cost	$ 76,423	$ 74,478	$ 74,611	$ 68,385
Interest	242,666	236,678	218,686	210,170
Benefit Payments[2]	(127,214)	(133,571)	(128,081)	(119,616)
Changes of Benefit Terms	--	--	948	--
Differences Between Expected and Actual Experience[1]	(135,720)	(134,053)	(7,321)	19,666
Assumption Changes	96,076	33,940	92,178	33,512
Other	--	--	--	--
Net Change in Total OPEB Liability	152,231	77,472	251,021	212,117
Total OPEB Liability at Beginning of Year	3,334,299	3,256,827	3,005,806	2,793,689
Total OPEB Liability - Ending (a)	$ 3,486,530	$ 3,334,299	$ 3,256,827	$ 3,005,806
FIDUCIARY NET POSITION				
Employer Contributions	$ 112,136	$ 107,927	$ 100,909	$ 97,457
Member Contributions	--	--	--	--
Net Investment Income (Loss)[3]	60,899	166,470	269,380	330,708
Benefit Payments[2]	(127,214)	(133,571)	(128,081)	(119,616)
Administrative Expenses	(6,715)	(5,099)	(4,699)	(4,564)
Other[4]	--	--	--	--
Net Change	39,106	135,727	237,509	303,985
Fiduciary Net Position at Beginning of Year	2,812,098	2,676,371	2,438,862	2,134,877
Fiduciary Net Position at End of Year (b)	$ 2,851,204	$ 2,812,098	$ 2,676,371	$ 2,438,862
Net OPEB Liability (Asset) - Ending (a) - (b)	$ 635,326	$ 522,201	$ 580,456	$ 566,944
Fiduciary Net Position as a Percentage of the Total OPEB Liability	81.78 %	84.34 %	82.18 %	81.14 %
Covered Payroll	$ 2,271,039	$ 2,108,171	$ 2,057,565	$ 1,973,049
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	27.98 %	24.77 %	28.21 %	28.73 %

[1] After the GASB Statement No. 74 valuation report was issued for the fiscal year June 30, 2017, the LACERS' consulting actuary reclassified $12.5 million of OPEB liability from the Changes of Assumption (revised from $46.0 million to $33.5 million) to the Differences Between Expected and Actual Experience (revised from $7.2 million to $19.7 million). However, this reclassification did not affect the recommended employer contribution rates or results of the OPEB valuation in total.

[2] Benefit payments associated with the self-funded insurance premium and Member's health insurance premium reserve that were reported as both additions and deductions in fiduciary net position beginning fiscal year 2019 were excluded from the above schedule.

[3] Building Lease and Other Income were included in the Net investment income (loss) starting in fiscal year 2020. Investment related administrative expenses is part of Administrative expenses and excluded from Net investment Income.

[4] In fiscal year 2022, a prior period adjustment was made related to the implementation of GASB 87 – Leases, to restate fiscal year 2021 information presented in fiscal year 2022 financial report as comparative report.

The schedules for the LACERS OPEB Plan are intended to show information for 10 years. However, the schedules do not have an entire 10-year trend, and therefore, City presented information only for those years in which data is available. Additional years will be displayed in the future as they become available.

Water and Power Employees' Retirement Plan - Retiree Health Benefits
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
TOTAL OPEB LIABILITY				
Service Cost	$ 65,785	$ 63,208	$ 49,615	$ 48,226
Interest	171,255	171,480	179,466	173,866
Benefit Payments	(114,570)	(113,571)	(112,081)	(109,282)
Changes of Benefit Terms	--	35,212	--	--
Differences Between Expected and Actual Experience	6,325	35,299	(62,373)	(27,834)
Assumption Changes	433,670	(197,180)	6,933	(5,918)
Other	4,327	--	--	--
Net Change in Total OPEB Liability	566,792	(5,552)	61,560	79,058
Total OPEB Liability at Beginning of Year	2,625,290	2,630,842	2,569,282	2,490,223
Total OPEB Liability - Ending (a)	$ 3,192,082	$ 2,625,290	$ 2,630,842	$ 2,569,281
FIDUCIARY NET POSITION				
Employer Contributions	$ 115,661	$ 114,618	$ 113,094	$ 110,261
Member Contributions	--	--	--	--
Net Investment Income (Loss)	296,950	209,846	(157,243)	614,234
Benefit Payments	(114,570)	(113,571)	(112,081)	(109,282)
Administrative Expenses	(910)	(879)	(850)	(822)
Net Change	297,131	210,014	(157,080)	614,391
Fiduciary Net Position at Beginning of Year	2,971,055	2,761,041	2,918,121	2,303,729
Fiduciary Net Position at End of Year (b) [1]	$ 3,268,186	$ 2,971,055	$ 2,761,041	$ 2,918,120
Net OPEB Liability (Asset) - Ending (a) - (b)	$ (76,104)	$ (345,765)	$ (130,199)	$ (348,839)
Fiduciary Net Position as a Percentage of the Total OPEB Liability	102.38 %	113.17 %	104.95 %	113.58 %
Covered Payroll	$ 1,403,031	$ 1,259,246	$ 1,178,016	$ 1,121,883
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	(5.42)%	(27.46)%	(11.05)%	(31.09)%

Water and Power Employees' Retirement Plan - Retiree Health Benefits
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios
(amounts in thousands)

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
TOTAL OPEB LIABILITY				
Service Cost	$ 52,964	$ 46,188	$ 49,191	$ 49,295
Interest	187,719	178,690	170,306	169,518
Benefit Payments	(109,401)	(101,595)	(95,234)	(90,310)
Changes of Benefit Terms	--	--	(286)	--
Differences Between Expected and Actual Experience	(288,180)	(40,432)	(6,956)	(44,554)
Assumption Changes	(36,325)	131,290	4,799	(70,508)
Other	--	--	--	--
Net Change in Total OPEB Liability	(193,223)	214,141	121,820	13,441
Total OPEB Liability at Beginning of Year	2,683,446	2,469,304	2,347,484	2,334,043
Total OPEB Liability - Ending (a)	$ 2,490,223	$ 2,683,445	$ 2,469,304	$ 2,347,484
FIDUCIARY NET POSITION				
Employer Contributions	$ 110,445	$ 102,631	$ 95,919	$ 91,024
Member Contributions	--	--	--	--
Net Investment Income (Loss)	83,021	134,707	173,674	218,836
Benefit Payments	(109,401)	(101,595)	(95,234)	(90,310)
Administrative Expenses	(887)	(883)	(549)	(585)
Net Change	83,178	134,860	173,810	218,965
Fiduciary Net Position at Beginning of Year	2,220,551	2,085,691	1,911,881	1,692,916
Fiduciary Net Position at End of Year (b) [1]	$ 2,303,729	$ 2,220,551	$ 2,085,691	$ 1,911,881
Net OPEB Liability (Asset) - Ending (a) - (b)	$ 186,494	$ 462,894	$ 383,613	$ 435,603
Fiduciary Net Position as a Percentage of the Total OPEB Liability	92.51 %	82.75 %	84.46 %	81.44 %
Covered Payroll	$ 1,130,066	$ 1,028,212	$ 953,636	$ 892,332
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	16.50 %	45.02 %	40.23 %	48.82 %

[1] Fiduciary Net Position - The fiduciary net position is calculated based on financial information available to the actuary for the presentation of the actuarial valuation and does not include subsequent adjustments. Employer contributions excludes the transfer of employer contributions.

The schedules for the DWP OPEB Plan are intended to show information for 10 years. However, the schedules do not have an entire 10-year trend, and therefore, City presented information only for those years in which data is available. Additional years will be displayed in the future as they become available.

Water and Power Employees' Retirement Plan - Death Benefits
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
TOTAL OPEB LIABILITY				
Service Cost	$ 6,257	$ 5,958	$ 5,052	$ 5,040
Interest	4,318	4,256	4,705	4,678
Benefit Payments	(8,959)	(8,724)	(9,340)	(10,245)
Changes of Benefit Terms	3,055	--	--	--
Differences Between Expected and Actual Experience	261	556	1,508	828
Assumption Changes	--	--	17,224	--
Net Change in Total OPEB Liability	4,932	2,046	19,149	301
Total OPEB Liability at Beginning of Year	155,233	153,187	134,038	133,737
Total OPEB Liability - Ending (a)	$ 160,165	$ 155,233	$ 153,187	$ 134,038
FIDUCIARY NET POSITION				
Employer Contributions	$ 18,630	$ 16,497	$ 14,992	$ 14,523
Member Contributions	387	378	372	374
Net Investment Income (Loss)	1,855	(280)	(4,381)	343
Benefit Payments	(8,959)	(8,724)	(9,340)	(10,245)
Administrative Expenses	(2,155)	(1,863)	(1,856)	(1,622)
Net Change	9,758	6,008	(213)	3,373
Fiduciary Net Position at Beginning of Year	46,533	40,525	40,738	37,365
Fiduciary Net Position at End of Year (b) [1]	$ 56,291	$ 46,533	$ 40,525	$ 40,738
Net OPEB Liability - Ending (a) - (b)	$ 103,874	$ 108,700	$ 112,662	$ 93,300
Fiduciary Net Position as a Percentage of the Total OPEB Liability	35.15 %	29.98 %	26.45 %	30.39 %
Covered Payroll	$ 1,403,031	$ 1,259,246	$ 1,178,016	$ 1,121,883
Net OPEB Liability as a Percentage of Covered Payroll	7.40 %	8.63 %	9.56 %	8.32 %

Water and Power Employees' Retirement Plan - Death Benefits
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
TOTAL OPEB LIABILITY				
Service Cost	$ 4,717	$ 4,780	$ 3,875	$ 3,657
Interest	4,725	5,059	5,141	5,095
Benefit Payments	(7,923)	(8,232)	(7,602)	(7,968)
Changes of Benefit Terms	--	--	91	--
Differences Between Expected and Actual Experience	(2,040)	485	(4,444)	125
Assumption Changes	--	(11,704)	--	--
Net Change in Total OPEB Liability	(521)	(9,612)	(2,939)	909
Total OPEB Liability at Beginning of Year	134,258	143,870	146,809	145,900
Total OPEB Liability - Ending (a)	$ 133,737	$ 134,258	$ 143,870	$ 146,809
FIDUCIARY NET POSITION				
Employer Contributions	$ 14,909	$ 8,778	$ 8,101	$ 8,207
Member Contributions	385	358	347	337
Net Investment Income (Loss)	2,793	2,293	(120)	(57)
Benefit Payments	(7,923)	(8,232)	(7,602)	(7,968)
Administrative Expenses	(1,606)	(1,600)	(1,100)	(1,119)
Net Change	8,558	1,597	(374)	(600)
Fiduciary Net Position at Beginning of Year	28,807	27,210	27,584	28,185
Fiduciary Net Position at End of Year (b) [1]	$ 37,365	$ 28,807	$ 27,210	$ 27,585
Net OPEB Liability - Ending (a) - (b)	$ 96,372	$ 105,451	$ 116,660	$ 119,224
Fiduciary Net Position as a Percentage of the Total OPEB Liability	27.94 %	21.46 %	18.91 %	18.79 %
Covered Payroll	$ 1,130,066	$ 1,028,212	$ 953,636	$ 892,332
Net OPEB Liability as a Percentage of Covered Payroll	8.53 %	10.26 %	12.23 %	13.36 %

[1] Fiduciary Net Position - The fiduciary net position is calculated based on financial information available to the actuary for the presentation of the actuarial valuation and does not include subsequent adjustments. Employer contributions excludes the transfer of employer contributions.

The schedules for the DWP OPEB Plan are intended to show information for 10 years. However, the schedules do not have an entire 10-year trend, and therefore, City presented information only for those years in which date is available. Additional years will be displayed in the future as they become available.

Actuarial Methods and Assumptions Used to Determine FY2025 Employer Contribution Rates - Pension

	Los Angeles Fire and Police Pension System	Los Angeles City Employees' Retirement System	Water and Power Employees' Retirement Plan
Valuation Date	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.	Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry age actuarial cost method	Entry age actuarial cost method	Entry age actuarial cost method
Amortization Method	For Tier 1, level dollar amortization is used with last period ending on June 30, 2037. For Tiers 2, 3, and 4, level percent of payroll amortization with multiple layers is used as a percent of total valuation payroll from the respective employer (i.e., City). For Tiers 5 and 6, level percent of payroll with multiple layers is used as a percent of combined payroll for these tiers from the respective employer (i.e., City, Harbor Port Police, or Airport Police).	Level Percent of Payroll	Level dollar amortization
Amortization Period	Any Surplus is amortized over an open (non-decreasing) 30-year period. Actuarial gains/losses are amortized over 20 years. Assumption changes are amortized over 20 years. Plan changes are amortized over 15 years.	Multiple layers, closed amortization periods. Actuarial gains/losses are amortized over 15 years. Assumption or method changes are amortized over 20 years. Plan changes, including the 2009 ERIP, are amortized over 15 years. Future ERIPs will be amortized over 5 years. Any actuarial surplus is amortized over 30 years. The existing layers on June 30, 2012, except those arising from the 2009 ERIP and the two GASB 25/27 layers, were combined and amortized over 30 years.	The July 1,2004 Unfunded Actuarial Accrued Liability is amortized over a 15-year period commencing July 1, 2004. Any subsequent changes in Unfunded Actuarial Liability are amortized over separate 15-year periods effective with that valuation. All amortization amounts are determined in equal dollar amounts over the amortization period. The Board may, by resolution, adopt a separate period of not more than 30 years to amortize the change in Surplus or Unfunded Actuarial Accrued Liability resulting from an unusual event, plan amendment or change in assumptions or methods.
Asset Valuation Method	The fair value of assets less unrecognized returns. Unrecognized return is equal to the difference between the actual and the expected return on fair value basis, and is recognized over a seven-year period. The actuarial value of assets is further adjusted, if necessary, to be within 40% of the fair value of assets.	Fair value of assets less unrecognized returns in each of the last 7 years. Unrecognized return is equal to the difference between the actual market return and the expected return on the fair value, and is recognized over a 7-year period. The actuarial value of assets is further adjusted, if needed, to be within the 40% of the fair value of assets.	The fair value of assets less unrecognized returns in each of the last 5 years. Unrecognized return is equal to the difference between the actual market returns and the expected returns on a fair value basis, and is recognized over a five-year period.
Actuarial Assumptions:			
Investment Rate of Return	7.00%	7.00%	6.50%
Inflation Rate	2.50%	2.50%	2.50%
Real Across-the-Board Salary Increase	0.50%	0.50%	0.5%
Project Salary Increase	Ranges from 3.90% to 12.00%	Ranges from 4.00% to 9.00%	4.25% to 10.00%
Cost of Living Adjustment	2.75% of retirement income for all Tiers. 3.0% COLA increases for Tier 5 and Tier 6 members until COLA banks are exhausted and 2.75% thereafter.	2.75% for Tier 1 and 2.00% for Tier 3; 3% COLA increases for Tier 1 members until COLA banks are exhausted and 2.75% thereafter.	2.75% (actual increases are contingent upon CPI increases with a 3.00% maximum for Tier 1, 2.00% maximum for Tier 2).
Mortality Rates:			
Healthy	Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Disabled	Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Tables with rates increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Beneficiary (Currently in pay status)	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table increased by 5% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Tables with rates increased by 5% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Actuarial Methods and Assumptions Used to Determine FY2025 Employer Contribution Rates - OPEB

			Water and Power Employee Retirement Plan	
	Los Angeles Fire and Police Pension System	Los Angeles City Employees' Retirement System	Retiree Health Benefits	Death Benefits
Valuation Date	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported	Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported	Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported
Actuarial Cost Method	Entry age actuarial cost method	Entry age actuarial cost method	Entry Age, Level Percent of Pay	Entry age actuarial cost method
Amortization Method	For Tier 1, level dollar amortization is used with last period ending on June 30, 2037. For Tiers 2, 3, and 4, level percent of payroll amortization with multiple layers is used as a percent of total valuation payroll from the respective employer (i.e., City). For Tiers 5 and 6, level percent of payroll with multiple layers is used as a percent of combined payroll from the respective employer (i.e., City, Harbor Port Police, or Airport Police).	Level Percent of Payroll	When the Plan has an UAAL: Single closed amortization period, level percent of pay; 30-years open amortization period. When the Plan has a Surplus: Single open amortization period, level percent of pay; 30-years open amortization period.	Level dollar amortization
Amortization Period	Actuarial gains/losses are amortized over 20 years. Assumption changes are amortized over 20 years. Plan changes are amortized over 15 years.	Multiple layers - closed amortization period. Assumption changes resulting from the triennial experience study will be amortized over 20 years. Health trend and premium assumption changes, plan changes, and gains and losses will be amortized over 15 years. Any actuarial surplus is amortized over 30 years on an open (non-decreasing) basis.	When the Plan has an UAAL: Single closed amortization period, level percent of pay; 30-years open amortization period. When the Plan has a Surplus: Single open amortization period, level percent of pay; 30-years open amortization period.	The July 1, 2019 Unfunded Actuarial Accrued Liability is amortized over a 15-year period commencing July 1, 2019 (fully amortized as of July 1, 2034). Any subsequent changes in Surplus or Unfunded Actuarial Accrued Liability are amortized over separate 15-year periods. All amortization amounts are determined in equal dollar amounts over the amortization period. The Board may, by resolution, adopt a separate period of not more than 30 years to amortize the change in Surplus or Unfunded Actuarial Accrued Liability resulting from an unusual event, plan amendment or change in assumptions or methods.
Asset Valuation Method	The fair value of assets less unrecognized returns. Unrecognized return is equal to the difference between the actual and the expected return on fair value basis, and is recognized over a seven-year period. The actuarial value of assets is further adjusted, if necessary, to be within 40% of the fair value of assets.	Fair value of assets less unrecognized returns in each of the last 7 years. Unrecognized return is equal to the difference between the actual and the expected return on the fair value basis, and is recognized over a 7-year period. The actuarial value of assets cannot be less than 60% or greater than 140% of the fair value of assets.	The fair value of assets less unrecognized returns in each of the last 5 years. Unrecognized return is equal to the difference between the actual market returns and the expected returns on a fair value basis, and is recognized over a 5-year period.	The fair value of assets less unrecognized returns in each of the last 5 years. Unrecognized return is equal to the difference between the actual and expected returns on a fair value basis and is recognized over a 5-year period.
Actuarial Assumptions:				
Investment Rate of Return	7.00%	7.00%	6.50%	2.75%
Inflation Rate	2.50%	2.50%	2.50%	2.50%
Real Across-the-Board Salary Increase	0.50%	0.50%	0.5%	0.5%
Project Salary Increase	Ranges from 3.90% to 12.00% based on years of service	Ranges from 4.00%-9.00% based on years of service.	4.25% to 10.00%	4.25% to 10.00%
Cost of Living Adjustment	2.75% of Tiers 1-6 retirement income	N/A	N/A	N/A
Healthcare cost trend rates	7.00% then graded down to 4.50% over 10 years for Non-Medicare medical plan costs and 10%, then 6.5% graded to 4.50% over 8 years for Medicare medical plan costs; and 3.00% for all years for dental and 6.20% for 9 years, then 5.75% graded to 4.50% over 5 years for Medicare Part B costs.	7.37% graded down to 4.50% over 12 years for Non-Medicare medical plan costs, and 3.76%, then 6.87% graded to 4.50% over 10 years for Medicare medical plan costs. 1.50%, then 3.00% thereafter for Dental, and 6.20% for 9 years, then graded to 4.50% over 6 years for Medicare Part B subsidy cost.	7.75% graded down to 4.50% over 13 years for non-Medicare medical plan costs; 7.00% graded to 4.50% over 10 years for Medicare medical plan costs; 3.00% for all years for dental, 11.60%, then 6.75% for 8 years, then 6.25% graded to 4.50% over 4 years for Medicare Part B costs.	N/A
Mortality Rates:				
Healthy	Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Table increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Headcount-weighted Above Median Pub-2010 General Healthy Retiree Mortality Table (separate tables for males and females) times 105% for males and 100% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Headcount-weighted Above Median Pub-2010 General Healthy Retiree Mortality Table (separate tables for males and females) times 105% for males and 100% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
Disabled	Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Table projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Tables with rates increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Same as above	Same as above
Beneficiary (Currently in pay status)	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Table increased by 5% for males and increased by 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Pub-2010 Contingent Survivor Headcount-Weighted Above-Median Mortality Tables with rates increased by 5% for males and increased by 10% females, projected generationally with the two-dimensional mortality improvement scale MP-2021.	Same as above	Same as above

Condition Rating for City Bridges
As of December 2025

Bridge Type	No. of Bridges	Rating A = 90% - 100% (Very Good)	B = 80% - 89% (Good to Fair)	C = 70% - 79% (Fair to Poor)	D = 50% - 69% (Very Poor)	F = Below 50% (Failure)
Vehicular	426	171	115	98	40	2
Pedestrian	71	5	61	4	1	--
Tunnel	16	6	6	4	--	--
Bikeway	3	--	3	--	--	--
Equestrian	1	--	1	--	--	--
Total	517	182	186	106	41	2
Percentage	100.0 %	35.2 %	36.0 %	20.5 %	7.9 %	0.4 %

Condition Rating for City Bridges
As of December 2022

Bridge Type	No. of Bridges	Rating A = 90% - 100% (Very Good)	B = 80% - 89% (Good to Fair)	C = 70% - 79% (Fair to Poor)	D = 50% - 69% (Very Poor)	F = Below 50% (Failure)
Vehicular	425	169	115	100	37	4
Pedestrian	72	8	59	4	1	--
Tunnel	16	5	7	4	--	--
Bikeway	3	1	2	--	--	--
Total	516	183	183	108	38	4
Percentage	100.0 %	35.4 %	35.5 %	20.9 %	7.4 %	0.8 %

Condition Rating for City Bridges
As of December 2019

Bridge Type	No. of Bridges	Rating A = 90% - 100% (Very Good)	B = 80% - 89% (Good to Fair)	C = 70% - 79% (Fair to Poor)	D = 50% - 69% (Very Poor)	F = Below 50% (Failure)
Vehicular	424	170	110	102	41	1
Pedestrian	69	5	59	4	1	--
Tunnel	16	5	7	4	--	--
Bikeway	3	1	2	--	--	--
Total	512	181	178	110	42	1
Percentage	100.0 %	35.3 %	34.8 %	21.5 %	8.2 %	0.2 %

Comparison of Needed-to-Actual Maintenance/Preservation Costs
(amounts expressed in thousands)

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Needed	$ 1,429	$ 1,189	$ 1,060	$ 811	$ 1,443
Actual	794	701	839	876	1,043

The Bridges and Tunnel System is a comprehensive bridge database system that enables the City to track the entire bridge inventory, inspection data, repair records, structural condition of various bridge elements, bridge sufficiency rating, cost data, traffic data, and geometric data. The Sufficiency Rating given to each bridge is in accordance with national standards developed by the Federal Highway Administration. The Sufficiency Rating ranges from 0% to 100% and is composed of the following elements: Structural Safety and Adequacy (S_1=55%), Serviceability and Functional Obsolescence (S_2=30%), Essentiality for Public Use (S_3=15%), and Special Reductions (S_4=up to a maximum of 13%). The Special Reductions is provided for long detour distance, traffic safety features, and structure type. The Sufficiency Rating is computed by summing the four elements (SR = S_1+ S_2+ S_3 –S_4).

Once every three years, the Bureau of Engineering (BOE) submits a report on the condition of the City's bridges, establishing the City's compliance (or lack thereof) with the City Council's adopted policy on maintaining the condition of the City's bridge inventory. The City's policy is to maintain the bridges such that at least 70% of the bridges are rated "B" or better, and that no bridge shall be rated less than "D".

According to the applicable GAAP guidelines and GASB guidance, compliance with the policy (and therefore ability to use the modified approach to capital asset accounting) should be judged based on the three most recent reports. It should also be noted that the guidance repeatedly states the requirement as "approximately at (or above)" the policy standard.

Based on the most recent bridge inspections, two of the City's 517 bridges received a grade of "F." These bridges are the Hyperion Avenue Viaduct over the Los Angeles River (State Bridge No. 53C1881) and the San Fernando Bridge over Tujunga Wash (State Bridge No. 53C0300). The Bureau of Engineering is actively pursuing mitigation measures to address the condition of both bridges and to bring them up to an acceptable rating.

The Hyperion Avenue Viaduct over the Los Angeles River is included in the Glendale-Hyperion Complex of Bridges Project, which will seismically retrofit and rehabilitate a complex of bridges along the historic corridor of Hyperion Avenue and Glendale Boulevard. The project scope includes widening the bridges, reconfiguring approach roadways, and upgrading multiple bridge components to meet current infrastructure standards. Construction is anticipated to begin in February 2026, with completion expected in 2030.

For the San Fernando Bridge over Tujunga Wash, the City has recently allocated local funds to conduct an in-depth assessment of the existing bridge condition and to identify a preferred rehabilitation alternative. This assessment is currently ongoing. In addition, the Bureau of Engineering is actively pursuing federal and state funding to supplement local funds for future construction.

The letter grades referenced above are not assigned by Caltrans; Caltrans provides only numerical sufficiency ratings. Letter grades are applied by the Bureau of Engineering for consistency with national standards and practice. A numerical rating below 50 does not necessarily indicate a failed bridge or an imminent safety hazard. Given that Caltrans periodically revises its rating methodology, the City continues to work toward aligning local grading conventions with evolving national standards to ensure meaningful and consistent reporting.

Consistent with GASB implementation guidance related to the modified approach for infrastructure reporting, individual low ratings or extraordinary circumstances identified in a single evaluation do not, by themselves, constitute noncompliance with the City's adopted policy. Based on the Bureau of Engineering's most recent condition assessment and the active mitigation efforts underway, management concludes that the City continues to maintain its bridge inventory approximately at (or above) the policy standard. Accordingly, the application of the modified approach under GAAP remains appropriate.

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Combining and Individual Fund Financial Statements and Schedules

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

The other governmental funds combining balance sheet and other governmental funds combining statement of revenues, expenditures and changes in fund balances provide the detail for the combined amounts presented in the financial statements. Subcombining statements are presented to provide the detail for the Nonmajor Special Revenue Funds, Nonmajor Debt Service Funds, and Nonmajor Capital Projects Funds. In addition, combining budgetary comparison schedules are presented for each of the Nonmajor Budgeted Funds.

The combining statements for the fiduciary funds are also presented for the Pension and Other Postemployment Benefits Trust Funds, and Custodial Funds to provide the detail for the combined amounts presented in the statement of fiduciary net position and statement of changes in fiduciary net position of the basic financial statements.

CITY OF LOS ANGELES

Combining Balance Sheet
Other Governmental Funds
June 30, 2025
(amounts expressed in thousands)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
ASSETS				
Cash and Pooled Investments	$ 5,606,298	$ 146,479	$ 332,034	$ 6,084,811
Taxes Receivable (Net of Allowance for Uncollectibles of $327)	69,239	16,255	--	85,494
Accounts Receivable (Net of Allowance for Uncollectibles of $10,248)	183,361	--	--	183,361
Special Assessments Receivable	7,991	--	1,303	9,294
Investment Income Receivable	31,511	632	1,904	34,047
Intergovernmental Receivable	186,324	--	4,590	190,914
Leases Receivable	95,088	--	--	95,088
Loans Receivable (Net of Allowance of Uncollectibles of $2,638,869)	2,022,575	--	--	2,022,575
Due from Other Funds	122,255	--	4,152	126,407
Inventories	1,772	--	--	1,772
Prepaid Items and Other Assets	8,651	--	--	8,651
Advances to Other Funds	119,685	--	--	119,685
Restricted Assets	11,335	--	--	11,335
Properties Held for Housing Development	132,054	--	--	132,054
TOTAL ASSETS	$ 8,598,139	$ 163,366	$ 343,983	$ 9,105,488
LIABILITIES				
Accounts, Contracts and Retainage Payable	$ 377,041	$ --	$ 7,781	$ 384,822
Obligations Under Securities Lending Transactions	18,293	441	1,150	19,884
Accrued Salaries and Overtime Payable	24,110	--	--	24,110
Intergovernmental Payable	9,251	--	--	9,251
Due to Other Funds	191,733	--	3,113	194,846
Unearned Revenue	211,432	--	--	211,432
Deposits and Advances	247,107	--	4	247,111
Interest Payable	--	242	--	242
Advances from Other Funds	93,733	--	--	93,733
Other Liabilities	45,456	1,086	2,826	49,368
Liability for Excess CRA Bond Proceeds	10,325	--	--	10,325
TOTAL LIABILITIES	1,228,481	1,769	14,874	1,245,124
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	26	13,926	--	13,952
Receivables from Other Government Agencies	76,573	--	2,971	79,544
Interest Receivable on Loans and Others	665,928	187	1,530	667,645
Leases and PPPs	90,995	--	--	90,995
TOTAL DEFERRED INFLOWS OF RESOURCES	833,522	14,113	4,501	852,136
FUND BALANCES				
Nonspendable	10,423	--	--	10,423
Restricted	4,813,075	147,484	324,608	5,285,167
Committed	1,824,892	--	--	1,824,892
Assigned	5,003	--	--	5,003
Unassigned	(117,257)	--	--	(117,257)
TOTAL FUND BALANCES	6,536,136	147,484	324,608	7,008,228
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,598,139	$ 163,366	$ 343,983	$ 9,105,488

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Other Governmental Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
REVENUES				
Property Taxes	$ 34,201	$ 115,042	$ --	$ 149,243
Other Taxes	554,311	--	2,487	556,798
Licenses and Permits	54,859	--	19	54,878
Intergovernmental	1,760,010	--	32,572	1,792,582
Charges for Services	1,118,964	--	426	1,119,390
Services to Enterprise Funds	8,323	--	--	8,323
Fines	8,509	--	--	8,509
Special Assessments	144,857	--	24,618	169,475
Investment Earnings	153,223	2,818	8,908	164,949
Change in Fair Value of Investments	99,226	3,051	7,484	109,761
Program Income	25,350	--	--	25,350
Other	106,254	--	--	106,254
TOTAL REVENUES	4,068,087	120,911	76,514	4,265,512
EXPENDITURES				
Current:				
General Government	211,372	--	--	211,372
Protection of Persons and Property	515,003	--	--	515,003
Public Works	301,969	--	--	301,969
Health and Sanitation	443,976	--	--	443,976
Transportation	538,197	--	--	538,197
Cultural and Recreational Services	796,105	--	--	796,105
Community Development	979,105	--	--	979,105
Capital Outlay	338,046	--	53,683	391,729
Debt Service:				
Principal	7,929	109,888	--	117,817
Interest	1,259	53,572	--	54,831
Cost of Issuance	1,129	--	--	1,129
TOTAL EXPENDITURES	4,134,090	163,460	53,683	4,351,233
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(66,003)	(42,549)	22,831	(85,721)
OTHER FINANCING SOURCES (USES)				
Transfers In	711,523	48,180	8,245	767,948
Transfers Out	(222,194)	--	(150)	(222,344)
Issuance of Long-Term Debt	150,000	--	--	150,000
Premium on Issuance of Long-Term Debt	2,082	--	--	2,082
Lease and Subscription Liabilities Issued	721	--	--	721
TOTAL OTHER FINANCING SOURCES (USES)	642,132	48,180	8,095	698,407
NET CHANGE IN FUND BALANCES	576,129	5,631	30,926	612,686
FUND BALANCES, JULY 1	5,960,007	141,853	293,682	6,395,542
FUND BALANCES, JUNE 30	$ 6,536,136	$ 147,484	$ 324,608	$ 7,008,228

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General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. General Fund revenues are derived from such sources as Taxes, Licenses and Permits, Intergovernmental Revenues, Charges for Services, Fines, Special Assessments, Interest and Others. Expenditures are expended for function of General Government, Protection of Persons and Property, Public Works, Health and Sanitation, Transportation, Cultural and Recreational Services, Community Development, Capital Outlay, and Debt Service.

CITY OF LOS ANGELES

**Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)**

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
GENERAL GOVERNMENT							
Cannabis Regulation	$ 9,562	$ (1,046)	$ 8,516	$ 6,934	$ 314	$ 7,248	$ 1,268
City Administrative Officer	32,956	14,798	47,754	34,950	8,465	43,415	4,339
City Attorney	176,344	33,663	210,007	185,707	23,536	209,243	764
City Clerk	20,090	16,701	36,791	34,125	895	35,020	1,771
Civil, Human Rights	5,141	340	5,481	4,636	724	5,360	121
Controller	20,867	2,100	22,967	20,975	1,290	22,265	702
Council	37,162	35,118	72,280	51,591	3,440	55,031	17,249
Employee Relations Board	497	--	497	431	27	458	39
Ethics Commission	6,348	--	6,348	5,476	399	5,875	473
Finance	49,481	1,608	51,089	46,132	4,477	50,609	480
General Services	259,414	152,458	411,872	283,231	35,270	318,501	93,371
Information Technology Agency	101,220	9,700	110,920	73,352	31,113	104,465	6,455
Mayor	10,130	82,121	92,251	56,532	13,723	70,255	21,996
Neighborhood Empowerment	3,930	120	4,050	3,800	225	4,025	25
Personnel	83,077	451	83,528	77,142	4,730	81,872	1,656
Public Accountability	4,135	--	4,135	744	17	761	3,374
Non-departmental							
Capital Finance Administration	405	(16)	389	180	210	390	(1)
General City Purposes	338,643	(35,595)	303,048	121,442	51,303	172,745	130,303
Human Resources Benefits	915,696	20,998	936,694	917,040	14,703	931,743	4,951
Leasing	27,795	7,841	35,636	28,724	2,143	30,867	4,769
Liability Claims	87,370	202,438	289,808	280,570	5,976	286,546	3,262
Unappropriated Balance	338,454	(241,691)	96,763	--	--	--	96,763
Water and Electricity	36,887	3,325	40,212	35,999	4,213	40,212	--
TOTAL GENERAL GOVERNMENT	2,565,604	305,432	2,871,036	2,269,713	207,193	2,476,906	394,130
PROTECTION OF PERSONS AND PROPERTY							
Animal Services	30,307	1,589	31,896	28,534	2,456	30,990	906
Building and Safety	155,758	1,062	156,820	128,788	6,037	134,825	21,995
Emergency Management	4,238	208	4,446	4,241	196	4,437	9
Fire	819,637	149,544	969,181	884,688	56,467	941,155	28,026
Police	1,981,610	97,017	2,078,627	1,930,521	135,378	2,065,899	12,728
TOTAL PROTECTION OF PERSONS AND PROPERTY	2,991,550	249,420	3,240,970	2,976,772	200,534	3,177,306	63,664
PUBLIC WORKS							
Board of Public Works	27,543	39,528	67,071	40,363	22,795	63,158	3,913
Bureau of Contract Administration	51,231	(457)	50,774	43,839	2,313	46,152	4,622
Bureau of Engineering	120,712	1,713	122,425	109,239	5,786	115,025	7,400
Bureau of Street Lightning	51,367	3,236	54,603	45,489	3,969	49,458	5,145
Bureau of Street Services	207,986	25,445	233,431	165,086	45,810	210,896	22,535
Non-departmental							
Water and Electricity	6,902	895	7,797	3,113	4,684	7,797	--
TOTAL PUBLIC WORKS	465,741	70,360	536,101	407,129	85,357	492,486	43,615
HEALTH AND SANITATION							
Public Works - Bureau of Sanitation	417,400	9,898	427,298	373,498	32,806	406,304	20,994

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function
Budget and Actual (Non-GAAP Budgetary Basis) - (Continued)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
TRANSPORTATION	$ 216,572	$ 19,105	$ 235,677	$ 201,618	$ 12,044	$ 213,662	$ 22,015
CULTURAL AND RECREATIONAL SERVICES							
City Tourism	2,063	--	2,063	1,497	268	1,765	298
Cultural Affairs	18,604	5,292	23,896	14,582	4,023	18,605	5,291
El Pueblo De Los Angeles Historical Monument	2,059	259	2,318	2,075	174	2,249	69
Zoo	30,989	(47)	30,942	27,771	2,307	30,078	864
Non-departmental							
Water and Electricity	5,010	(258)	4,752	4,603	149	4,752	--
TOTAL CULTURAL AND RECREATIONAL SERVICES	58,725	5,246	63,971	50,528	6,921	57,449	6,522
COMMUNITY DEVELOPMENT							
Aging	11,509	515	12,024	7,845	2,985	10,830	1,194
Economic and Workforce Development	25,718	(1,921)	23,797	17,511	1,250	18,761	5,036
Community Investment for Families	42,923	6,108	49,031	30,640	13,182	43,822	5,209
Disability	5,247	863	6,110	4,907	950	5,857	253
Los Angeles Housing	97,989	3,456	101,445	80,646	6,174	86,820	14,625
Planning	71,719	(984)	70,735	59,366	4,513	63,879	6,856
Youth Development	2,303	1,048	3,351	2,311	191	2,502	849
TOTAL COMMUNITY DEVELOPMENT	257,408	9,085	266,493	203,226	29,245	232,471	34,022
PENSION AND RETIREMENT CONTRIBUTIONS							
Non-Departmental							
General City Purposes	3,360	--	3,360	2,811	157	2,968	392
CAPITAL OUTLAY							
Non-Departmental							
Capital Improvement Projects	130,972	12,041	143,013	10,364	14,495	24,859	118,154
TRANSFERS TO OTHER FUNDS							
Non-Departmental							
Capital Financing Administration	211,854	16,049	227,903	226,776	--	226,776	1,127
General	2,172,064	124,362	2,296,426	2,295,951	--	2,295,951	475
TOTAL TRANSFERS TO OTHER FUNDS	2,383,918	140,411	2,524,329	2,522,727	--	2,522,727	1,602
GRAND TOTAL	$ 9,491,250	$ 820,998	$10,312,248	$ 9,018,386	$ 588,752	$ 9,607,138	$ 705,110

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function and Object
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
GENERAL GOVERNMENT							
CANNABIS REGULATION							
Salaries	$ 7,184	$ (37)	$ 7,147	$ 5,706	$ 248	$ 5,954	$ 1,193
Expenses	2,378	(1,009)	1,369	1,228	66	1,294	75
Subtotal	9,562	(1,046)	8,516	6,934	314	7,248	1,268
CITY ADMINISTRATIVE OFFICER							
Salaries	28,662	2,397	31,059	28,656	1,278	29,934	1,125
Expenses	4,294	12,401	16,695	6,294	7,187	13,481	3,214
Subtotal	32,956	14,798	47,754	34,950	8,465	43,415	4,339
CITY ATTORNEY							
Salaries	166,485	3,483	169,968	162,238	7,018	169,256	712
Expenses	9,859	30,180	40,039	23,469	16,518	39,987	52
Subtotal	176,344	33,663	210,007	185,707	23,536	209,243	764
CITY CLERK							
Salaries	15,131	(94)	15,037	13,860	579	14,439	598
Expenses	4,959	16,795	21,754	20,265	316	20,581	1,173
Subtotal	20,090	16,701	36,791	34,125	895	35,020	1,771
CIVIL, HUMAN RIGHTS							
Salaries	4,580	(110)	4,470	4,127	279	4,406	64
Expenses	561	450	1,011	509	445	954	57
Subtotal	5,141	340	5,481	4,636	724	5,360	121
CONTROLLER							
Salaries	19,899	1,989	21,888	20,585	886	21,471	417
Expenses	968	111	1,079	390	404	794	285
Subtotal	20,867	2,100	22,967	20,975	1,290	22,265	702
COUNCIL							
Salaries	36,243	26,946	63,189	48,310	2,171	50,481	12,708
Expenses	919	8,172	9,091	3,281	1,269	4,550	4,541
Subtotal	37,162	35,118	72,280	51,591	3,440	55,031	17,249
EMPLOYEE RELATIONS BOARD							
Salaries	431	--	431	391	20	411	20
Expenses	66	--	66	40	7	47	19
Subtotal	497	--	497	431	27	458	39
ETHICS COMMISSION							
Salaries	5,883	--	5,883	5,262	228	5,490	393
Expenses	465	--	465	214	171	385	80
Subtotal	6,348	--	6,348	5,476	399	5,875	473
FINANCE							
Salaries	39,691	148	39,839	37,822	1,642	39,464	375
Expenses	9,790	1,460	11,250	8,310	2,835	11,145	105
Subtotal	49,481	1,608	51,089	46,132	4,477	50,609	480
GENERAL SERVICES							
Salaries	135,942	59,986	195,928	147,015	6,123	153,138	42,790
Expenses	119,857	90,598	210,455	132,613	28,250	160,863	49,592
Equipment	120	789	909	203	99	302	607
Special	3,495	1,085	4,580	3,400	798	4,198	382
Subtotal	259,414	152,458	411,872	283,231	35,270	318,501	93,371

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function and Object
Budget and Actual (Non-GAAP Budgetary Basis) - (Continued)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
INFORMATION TECHNOLOGY AGENCY							
Salaries	$ 50,353	$ 2,186	$ 52,539	$ 47,514	$ 2,037	$ 49,551	$ 2,988
Expenses	34,687	1,297	35,984	19,002	16,482	35,484	500
Special	16,180	6,217	22,397	6,836	12,594	19,430	2,967
Subtotal	101,220	9,700	110,920	73,352	31,113	104,465	6,455
MAYOR							
Salaries	9,730	30,935	40,665	26,924	1,210	28,134	12,531
Expenses	400	50,263	50,663	29,554	12,324	41,878	8,785
Equipment	--	923	923	54	189	243	680
Subtotal	10,130	82,121	92,251	56,532	13,723	70,255	21,996
NEIGHBORHOOD EMPOWERMENT							
Salaries	3,424	240	3,664	3,510	154	3,664	--
Expenses	492	(116)	376	288	71	359	17
Special	14	(4)	10	2	--	2	8
Subtotal	3,930	120	4,050	3,800	225	4,025	25
PERSONNEL							
Salaries	72,596	(1,070)	71,526	67,334	2,881	70,215	1,311
Expenses	9,216	1,560	10,776	8,640	1,793	10,433	343
Special	1,265	(39)	1,226	1,168	56	1,224	2
Subtotal	83,077	451	83,528	77,142	4,730	81,872	1,656
PUBLIC ACCOUNTABILITY							
Salaries	1,798	--	1,798	726	15	741	1,057
Expenses	2,337	--	2,337	18	2	20	2,317
Subtotal	4,135	--	4,135	744	17	761	3,374
NON-DEPARTMENTAL							
Capital Finance Administration	405	(16)	389	180	210	390	(1)
General City Purposes	338,643	(35,595)	303,048	121,442	51,303	172,745	130,303
Human Resources Benefits	915,696	20,998	936,694	917,040	14,703	931,743	4,951
Leasing	27,795	7,841	35,636	28,724	2,143	30,867	4,769
Liability Claims	87,370	202,438	289,808	280,570	5,976	286,546	3,262
Unappropriated Balance	338,454	(241,691)	96,763	--	--	--	96,763
Water and Electricity	36,887	3,325	40,212	35,999	4,213	40,212	--
Subtotal	1,745,250	(42,700)	1,702,550	1,383,955	78,548	1,462,503	240,047
TOTAL GENERAL GOVERNMENT	2,565,604	305,432	2,871,036	2,269,713	207,193	2,476,906	394,130
PROTECTION OF PERSONS AND PROPERTY							
ANIMAL SERVICES							
Salaries	27,806	(177)	27,629	25,650	1,073	26,723	906
Expenses	2,501	1,766	4,267	2,884	1,383	4,267	--
Subtotal	30,307	1,589	31,896	28,534	2,456	30,990	906
BUILDING AND SAFETY							
Salaries	152,727	980	153,707	126,358	5,624	131,982	21,725
Expenses	3,031	82	3,113	2,430	413	2,843	270
Subtotal	155,758	1,062	156,820	128,788	6,037	134,825	21,995

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function and Object
Budget and Actual (Non-GAAP Budgetary Basis) - (Continued)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
EMERGENCY MANAGEMENT							
Salaries	$ 4,168	$ 219	$ 4,387	$ 4,188	$ 191	$ 4,379	$ 8
Expenses	70	(11)	59	53	5	58	1
Subtotal	4,238	208	4,446	4,241	196	4,437	9
FIRE							
Salaries	773,963	94,867	868,830	808,151	38,887	847,038	21,792
Expenses	45,674	54,677	100,351	76,537	17,580	94,117	6,234
Subtotal	819,637	149,544	969,181	884,688	56,467	941,155	28,026
POLICE							
Salaries	1,858,730	90,481	1,949,211	1,855,126	88,504	1,943,630	5,581
Expenses	98,560	5,291	103,851	75,059	22,408	97,467	6,384
Equipment	24,320	1,245	25,565	336	24,466	24,802	763
Subtotal	1,981,610	97,017	2,078,627	1,930,521	135,378	2,065,899	12,728
TOTAL PROTECTION OF PERSONS AND PROPERTY	2,991,550	249,420	3,240,970	2,976,772	200,534	3,177,306	63,664
PUBLIC WORKS							
BOARD OF PUBLIC WORKS							
Salaries	12,539	1,160	13,699	13,120	536	13,656	43
Expenses	15,004	38,368	53,372	27,243	22,259	49,502	3,870
Subtotal	27,543	39,528	67,071	40,363	22,795	63,158	3,913
BUREAU OF CONTRACT ADMINISTRATION							
Salaries	48,329	(357)	47,972	42,432	1,846	44,278	3,694
Expenses	2,902	(100)	2,802	1,407	467	1,874	928
Subtotal	51,231	(457)	50,774	43,839	2,313	46,152	4,622
BUREAU OF ENGINEERING							
Salaries	116,349	1,797	118,146	106,533	4,498	111,031	7,115
Expenses	4,217	(84)	4,133	2,560	1,288	3,848	285
Equipment	146	--	146	146	--	146	--
Subtotal	120,712	1,713	122,425	109,239	5,786	115,025	7,400
BUREAU OF STREET LIGHTING							
Salaries	40,769	2,745	43,514	38,097	1,685	39,782	3,732
Expenses	5,250	(241)	5,009	4,518	306	4,824	185
Equipment	1	(1)	--	--	--	--	--
Special	5,347	733	6,080	2,874	1,978	4,852	1,228
Subtotal	51,367	3,236	54,603	45,489	3,969	49,458	5,145
BUREAU OF STREET SERVICES							
Salaries	127,296	11,724	139,020	124,771	5,574	130,345	8,675
Expenses	80,313	13,520	93,833	40,315	40,194	80,509	13,324
Equipment	377	201	578	--	42	42	536
Subtotal	207,986	25,445	233,431	165,086	45,810	210,896	22,535
NON-DEPARTMENTAL							
Water and Electricity	6,902	895	7,797	3,113	4,684	7,797	--
TOTAL PUBLIC WORKS	465,741	70,360	536,101	407,129	85,357	492,486	43,615

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function and Object
Budget and Actual (Non-GAAP Budgetary Basis) - (Continued)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
HEALTH AND SANITATION							
PUBLIC WORKS - BUREAU OF SANITATION							
Salaries	$ 370,469	$ 6,766	$ 377,235	$ 347,846	$ 15,549	$ 363,395	$ 13,840
Expenses	46,931	3,132	50,063	25,652	17,257	42,909	7,154
TOTAL HEALTH AND SANITATION	417,400	9,898	427,298	373,498	32,806	406,304	20,994
TRANSPORTATION							
Salaries	189,563	14,373	203,936	185,298	7,630	192,928	11,008
Expenses	27,009	4,205	31,214	16,255	3,952	20,207	11,007
Equipment	--	527	527	65	462	527	-
TOTAL TRANSPORTATION	216,572	19,105	235,677	201,618	12,044	213,662	22,015
CULTURAL AND RECREATIONAL SERVICES							
CITY TOURISM							
Salaries	1,741	(46)	1,695	1,386	56	1,442	253
Expenses	322	46	368	111	212	323	45
Subtotal	2,063	--	2,063	1,497	268	1,765	298
CULTURAL AFFAIRS							
Salaries	9,861	1,350	11,211	10,595	483	11,078	133
Expenses	1,069	711	1,780	798	246	1,044	736
Special	7,674	3,231	10,905	3,189	3,294	6,483	4,422
Subtotal	18,604	5,292	23,896	14,582	4,023	18,605	5,291
EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT							
Salaries	1,545	--	1,545	1,472	51	1,523	22
Expenses	514	259	773	603	123	726	47
Subtotal	2,059	259	2,318	2,075	174	2,249	69
ZOO							
Salaries	25,743	(270)	25,473	23,928	1,050	24,978	495
Expenses	5,246	223	5,469	3,843	1,257	5,100	369
Subtotal	30,989	(47)	30,942	27,771	2,307	30,078	864
NON-DEPARTMENTAL							
Water and Electricity	5,010	(258)	4,752	4,603	149	4,752	--
TOTAL CULTURAL AND RECREATIONAL SERVICES	58,725	5,246	63,971	50,528	6,921	57,449	6,522
COMMUNITY DEVELOPMENT							
AGING							
Salaries	5,202	713	5,915	4,837	209	5,046	869
Expenses	6,307	(198)	6,109	3,008	2,776	5,784	325
Subtotal	11,509	515	12,024	7,845	2,985	10,830	1,194
ECONOMIC AND WORKFORCE DEVELOPMENT							
Salaries	18,631	536	19,167	15,735	733	16,468	2,699
Expenses	7,087	(2,457)	4,630	1,776	517	2,293	2,337
Subtotal	25,718	(1,921)	23,797	17,511	1,250	18,761	5,036

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses by Function and Object
Budget and Actual (Non-GAAP Budgetary Basis) - (Continued)
General Fund
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
COMMUNITY INVESTMENT FOR FAMILIES							
Salaries	$ 11,426	$ 503	$ 11,929	$ 10,481	$ 495	$ 10,976	$ 953
Expenses	31,497	5,605	37,102	20,159	12,687	32,846	4,256
Subtotal	42,923	6,108	49,031	30,640	13,182	43,822	5,209
DISABILITY							
Salaries	3,583	51	3,634	3,369	196	3,565	69
Expenses	1,571	817	2,388	1,506	719	2,225	163
Special	93	(5)	88	32	35	67	21
Subtotal	5,247	863	6,110	4,907	950	5,857	253
LOS ANGELES HOUSING							
Salaries	85,382	2,792	88,174	72,450	3,401	75,851	12,323
Expenses	12,607	664	13,271	8,196	2,773	10,969	2,302
Subtotal	97,989	3,456	101,445	80,646	6,174	86,820	14,625
PLANNING							
Salaries	63,418	(1,667)	61,751	54,611	2,348	56,959	4,792
Expenses	8,009	750	8,759	4,590	2,165	6,755	2,004
Equipment	292	(67)	225	165	--	165	60
Subtotal	71,719	(984)	70,735	59,366	4,513	63,879	6,856
YOUTH DEVELOPMENT							
Salaries	2,027	101	2,128	1,898	81	1,979	149
Expenses	186	935	1,121	327	110	437	684
Equipment	--	12	12	1	--	1	11
Special	90	--	90	85	--	85	5
Subtotal	2,303	1,048	3,351	2,311	191	2,502	849
TOTAL COMMUNITY DEVELOPMENT	257,408	9,085	266,493	203,226	29,245	232,471	34,022
PENSION AND RETIREMENT CONTRIBUTIONS							
Non-Departmental	3,360	--	3,360	2,811	157	2,968	392
CAPITAL OUTLAY							
Non-Departmental	130,972	12,041	143,013	10,364	14,495	24,859	118,154
TRANSFERS TO OTHER FUNDS							
Non-Departmental	2,383,918	140,411	2,524,329	2,522,727	--	2,522,727	1,602
GRAND TOTAL	$ 9,491,250	$ 820,998	$ 10,312,248	$ 9,018,386	$ 588,752	$ 9,607,138	$ 705,110

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Special Revenue Funds

Special Revenue Funds are used to account for revenues derived from specific taxes, governmental grants, or other revenue sources that are designated to finance particular functions and activities of the City.

SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for revenues derived from specific taxes, governmental grants, or other revenue sources that are designated to finance particular functions and activities of the City. Only one fund is reported as a major fund and is presented in the basic financial statements. Nineteen funds are separately identified in the Nonmajor Special Revenue funds combining schedules and they account for 48.3% of the combined revenues of the Nonmajor Special Revenue funds. Three groupings of numerous smaller funds are reported for other grants, other special revenue, and allocations from other governmental agencies funds.

Building and Safety Permit Fund - Accounts for the fees collected for plan check, permitting, and inspection of new construction in the City; testing of construction materials and methods; and examining the licensing of welders, equipment operators, and registered deputy building inspectors.

Citywide Recycling Trust Fund – Accounts for compliance fees collected from private solid waste haulers. Monies deposited in the fund are used to pay for industrial, commercial, and multi-family recycling programs that include program administration, public education, technical assistance to private businesses, research, market development, development of material recovery/diversion facilities, and other programs designed to increase solid waste diversion rates.

Proposition C Anti-Gridlock Transit Improvement Fund – Accounts for the City's 20.0% share of the additional one-half cent sales tax within the County of Los Angeles to improve transit service and operations, reduce traffic congestion, improve air quality and the condition of streets and freeways utilized by public transit, and reduce foreign fuel dependence.

Special Parking Revenue Fund – Accounts for all monies collected from parking meters in the City, except those monies from meters located in established vehicle parking districts. Monies in this fund may be used for the purchase, installation and maintenance of parking meters; the policing of parking meters and parking meter spaces; the collection of monies deposited in parking meters; the purchase, improvement, and operation of off-street parking facilities; the painting and marking of streets and curbs for the direction of traffic and parking of vehicles; and the installation of traffic signs, signals and other traffic control devices.

Stormwater Pollution Abatement Fund – Accounts for the charge on all properties in the City in order to treat and abate stormwater. The charge is based on stormwater runoff and pollutant loading associated with property size and land use.

Street Lighting Maintenance Assessment Fund – Accounts for revenues received for maintenance and operation of the majority of the streetlights in the City. Revenues are derived from benefit assessments to properties that comprise the Los Angeles City Lighting District. Expenditures include payments of electricity bills, replacement and modernization of older lighting systems, all repairs, engineering and administrative costs, purchase of supplies and equipment, and other items associated with the operation and maintenance of the street lighting system.

Proposition A Local Transit Assistance Fund - Accounts for the utilization of the one-half cent sales tax revenues for the planning, administration, and operation of Citywide public transportation programs. Funds are used to (a) improve and expand existing public transit Countywide, including reduction of transit fares, (b) construct and operate a rail rapid transit system, and (c) more effectively use State and Federal funds, benefit assessments, and fares. The City receives an allocation from a 25 percent share of the revenue collected, based on the City's percentage share of the population of Los Angeles County. Thirty-five percent of the proceeds are allocated to the Los Angeles County Transportation Commission for construction and operation of a rail system and 40 percent is allocated to the Commission for public transit purposes.

Low and Moderate Income Housing Fund – Accounts for housing assets and functions transferred from the former Community Redevelopment Agency when the City elected to be the successor agency for the low and moderate income housing functions.

Proposition HHH - Loans Program Fund - Accounts for funds received from the sale of General Obligation Bonds Series 2017-A, 2018-A, 2021-A, and 2022-A as authorized by over two-thirds of all qualified voters for the purpose of providing safe, clean affordable housing for homeless and for those in danger of becoming homeless, such as battered women and their children, veterans, seniors, foster youth, and the disabled; and provide facilities to increase access to mental health care, drug and alcohol treatment and other services.

Measure R Local Return Funds – Accounts for an additional one-half cent sales tax for a period of 30 years. Monies in this fund shall be used to: expand the Metro rail system; make street improvements; enhance safety and improve the flow of traffic; and, make public transportation more convenient and affordable.

Recreation and Parks Fund – Accounts for activities of parks, playgrounds, swimming pools, public golf courses, recreation centers, recreation camps and educational facilities, structures of historic significance, and all recreation activities at such facilities.

Solid Waste Resources Fund- Accounts for the solid waste collection, transfer, recycling, recovery of waste resources, and disposal fee imposed on all single dwellings in the City and on multiple (up to four) unit dwellings for which the City provides refuse collection services. The fees collected are to cover costs associated with the City's solid waste collection, recycling and disposal activities.

Special Gas Tax Street Improvement Fund – Accounts for the revenues received from the State for the City's share of the gasoline tax and Traffic Congestion Relief Fund to be used for preservation, maintenance, and rehabilitation of local streets and road system. The fund also accounts for Federal grants from the Surface Transportation Program to finance the upgrade of the most heavily traveled highways.

Covid-19 Federal Relief Fund - Accounts for receipts, retention and disbursement of the Federal Coronavirus Relief Funds. The monies received shall be spent at the direction of the Ad Hoc Committee on Covid-19 Recovery and Neighborhood Investment that is established to oversee the economic recovery from the Covid-19 public health crisis.

Community Development Trust Fund – Accounts for the Block Grant funds allocated by the United States Department of Housing and Urban Development (HUD) for the development of viable urban communities, including: decent housing and suitable living environment; expanding economic opportunities, principally for persons of low and moderate income; and physical improvements to communities accompanied by supportive social services.

Section 108 Loan Guarantee Program Fund – Accounts for loan guarantee funds from HUD for housing, commercial and industrial development projects.

Home Investment Partnership Program Fund – Accounts for the grants received from HUD to expand the supply of decent, safe, sanitary and affordable housing with the primary focus on rental housing, and to strengthen the abilities of state and local governments to provide housing to persons principally of low and very low income.

Transportation Grants Fund – Accounts for grant funds from the Metropolitan Transit Authority to implement the Transportation Improvement Program Call for Projects (TIP).

Workforce Innovation Opportunity Act Fund – Accounts for the grants received from the United States Department of Labor for the purpose of providing employment and training opportunities for the disadvantaged residents and dislocated workers of the City.

Other Nonmajor Grant Funds – Account for various grants received from the Federal and State governments used for a specific purpose, activity or facility. This group represents 13.7% of the combined revenues of the Nonmajor Special Revenue funds. Included in this group are eight annually budgeted funds: Disaster Assistance, Community Services Block Grant, Forfeited Assets Trust of Police Department, Household Hazardous Waste, Housing Opportunities for Persons with AIDS, Mobile Source Air Pollution Reduction, Older Americans Act, and Supplemental Law Enforcement Services.

Other Nonmajor Special Revenue Funds – Account for the activities of non-grant Special Revenue funds that represent 32.1% of the combined revenues of the Nonmajor Special Revenue funds. Included in this group are 20 annually budgeted funds: Arts and Cultural Facilities and Services, Arts Development Fee, City Employees Ridesharing, City of Los Angeles Affordable Housing, El Pueblo de Los Angeles Historical Monument, Local Public Safety, Los Angeles Convention and Visitors Bureau, Multi-Family Bulky Item Fee, Municipal Housing Finance, Planning Case Processing Special Fund, Rent Stabilization, Street Damage Restoration Fee, Code Enforcement Trust Fund, Telecommunications Liquidated Damages and Lost Franchise Fees, Traffic Safety, Zoo, Sidewalk Repair Fund, Code Compliance, Cannabis Regulation and Measure W.

Allocations From Other Governmental Agencies - Account for funds received by the City from various sources used for engineering design, fire protection, acquiring rights if any, construction and for various other programs. This group represents 5.9% of the combined revenues of the Nonmajor Special Revenue funds. Included in this group are 38 partially budgeted funds: Affordable Housing and Sustainable Communities Fund, Animal Sterilization Fund, Business Improvement Trust Fund, CASp Certification and Training Fund, City Attorney Consumer Protection Fund, Coastal Transportation Corridor Trust Fund, CRA Non-Housing Bond Proceeds Fund, Deferred Compensation Plan Trust Fund, Digital Inclusion Fund, DOT Expedited Fee Trust Fund, Economic Development Trust Fund, Federal Emergency Shelter Grant Fund, Foreclosure Registry Program Fund, HOME-ARP Fund, Housing Impact Trust Fund, Housing Production Revolving Fund, Innovation Fund, Lead Grant 12 Fund, LA Regional Agency Trust Fund, Low and Moderate Income Housing Fund, Off-Site Sign Periodic Inspection Fee Fund, Opioids Settlement Trust Fund, Permit Parking Program Revenue Fund, RAISE LA Fund, Repair and Demolition Fund, SB 2 Permanent Local Housing Allocation Fund Short-term Rental Enforcement Trust Fund, Sidewalk and Park Vending Trust Fund, Street Banners Revenue Trust Fund, LA County Youth Job Program Fund, Traffic Safety Education Program Fund, Transportation Regulation and Enforcement Fund, Trust of Floor Area Ratio Public Benefits, Used Oil Collection Trust Fund, Ventura/Cahuenga Corridor Plan Fund, Warner Center Mobility Trust Fund, Warner Center Transportation Trust Fund, and West LA Transportation Improvement and Mitigation Fund.

CITY OF LOS ANGELES

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2025
(amounts expressed in thousands)

	Building and Safety Permit	Citywide Recycling Trust	Proposition C Anti-Gridlock Transit Improvement	Special Parking Revenue	Stormwater Pollution Abatement
ASSETS					
Cash and Pooled Investments	$ 196,947	$ 30,913	$ 62,661	$ 28,647	$ 47,051
Taxes Receivable	--	--	--	--	--
Accounts Receivable (Net of Allowance for Uncollectibles of $10,248)	3,606	7,612	2,798	7,171	1,824
Special Assessments Receivable	702	--	--	--	1,607
Investment Income Receivable	1,443	190	389	351	293
Intergovernmental Receivable	--	--	18,728	--	27
Leases Receivable	--	--	--	32,516	--
Loans Receivable (Net of Allowance for Uncollectibles of $2,638,869)	--	--	--	--	--
Due from Other Funds	5,845	2,071	7,717	--	1,667
Inventories	--	--	--	--	--
Prepaid Items and Other Assets	--	--	--	--	--
Advances to Other Funds	50,863	--	--	150	--
Restricted Assets	--	--	--	--	--
Properties Held for Housing Development	--	--	--	--	--
TOTAL ASSETS	$ 259,406	$ 40,786	$ 92,293	$ 68,835	$ 52,469
LIABILITIES					
Accounts, Contracts and Retainage Payable	$ 4,154	$ 1,013	$ 539	$ 26,879	$ 2,849
Obligations Under Securities Lending Transactions	722	113	230	105	172
Accrued Salaries and Overtime Payable	5,189	--	--	--	--
Intergovernmental Payable	--	--	--	--	--
Due to Other Funds	345	34	4,996	402	--
Unearned Revenue	3,705	--	--	--	--
Deposits and Advances	--	--	463	261	--
Advances from Other Funds	--	--	--	3,499	--
Other Liabilities	1,775	279	565	258	424
Liability for Excess CRA Bond Proceeds	--	--	--	--	--
TOTAL LIABILITIES	15,890	1,439	6,793	31,404	3,445
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	--	--
Receivables from Other Government Agencies	--	--	--	--	46
Interest Receivable on Loans and Others	3,739	52	4,767	7,090	1,341
Leases and PPPs	--	--	--	31,687	--
TOTAL DEFERRED INFLOWS OF RESOURCES	3,739	52	4,767	38,777	1,387
FUND BALANCES					
Nonspendable	--	--	--	--	--
Restricted	--	39,295	80,733	--	47,637
Committed	239,777	--	--	--	--
Assigned	--	--	--	--	--
Unassigned	--	--	--	(1,346)	--
TOTAL FUND BALANCES	239,777	39,295	80,733	(1,346)	47,637
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 259,406	$ 40,786	$ 92,293	$ 68,835	$ 52,469

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2025
(amounts expressed in thousands)

	Street Lighting Maintenance Assessment	Proposition A Local Transit Assistance	Low and Moderate Income Housing	Proposition HHH - Loans Program	Measure R Local Return
ASSETS					
Cash and Pooled Investments	$ 7,171	$ 344,705	$ 13,002	$ 83,410	$ 237,144
Taxes Receivable	--	--	--	--	--
Accounts Receivable (Net of Allowance for Uncollectibles of $10,248)	3,289	2,011	--	--	1,405
Special Assessments Receivable	2,738	--	--	--	--
Investment Income Receivable	--	2,072	153	616	1,504
Intergovernmental Receivable	--	27,833	--	--	27,671
Leases Receivable	--	--	--	--	--
Loans Receivable (Net of Allowance for Uncollectibles of $2,638,869)	--	--	476,606	462,770	--
Due from Other Funds	4,106	2,162	203	--	19,092
Inventories	1,764	--	--	--	--
Prepaid Items and Other Assets	--	--	--	--	--
Advances to Other Funds	--	--	--	--	--
Restricted Assets	--	--	10,730	--	--
Properties Held for Housing Development	--	--	98,858	28,426	--
TOTAL ASSETS	$ 19,068	$ 378,783	$ 599,552	$ 575,222	$ 286,816
LIABILITIES					
Accounts, Contracts and Retainage Payable	$ 70,486	$ 52,000	$ --	$ 75	$ 10,459
Obligations Under Securities Lending Transactions	--	1,263	87	306	869
Accrued Salaries and Overtime Payable	--	23	--	8	--
Intergovernmental Payable	--	--	--	--	11
Due to Other Funds	1,052	1,028	78	280	9,750
Unearned Revenue	--	479	--	--	--
Deposits and Advances	32	1,619	824	--	--
Advances from Other Funds	3,134	--	--	--	--
Other Liabilities	--	3,108	250	752	2,138
Liability for Excess CRA Bond Proceeds	--	--	--	--	--
TOTAL LIABILITIES	74,704	59,520	1,239	1,421	23,227
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	--	--
Receivables from Other Government Agencies	58	6,727	--	--	11,784
Interest Receivable on Loans and Others	4,476	652	164,630	22,383	571
Leases and PPPs	--	--	--	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	4,534	7,379	164,630	22,383	12,355
FUND BALANCES					
Nonspendable	1,764	--	--	--	--
Restricted	--	311,884	433,683	551,418	251,234
Committed	--	--	--	--	--
Assigned	--	--	--	--	--
Unassigned	(61,934)	--	--	--	--
TOTAL FUND BALANCES	(60,170)	311,884	433,683	551,418	251,234
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 19,068	$ 378,783	$ 599,552	$ 575,222	$ 286,816

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2025
(amounts expressed in thousands)

	Grant Funds				
	Recreation and Parks	Solid Waste Resources	Special Gas Tax Street Improvement	Covid-19 Federal Relief	Community Development Trust
ASSETS					
Cash and Pooled Investments	$ 755,823	$ 119,542	$ 366,122	$ --	$ 1,592
Taxes Receivable	--	--	--	--	--
Accounts Receivable (Net of Allowance for Uncollectibles of $10,248)	4	8,591	--	--	--
Special Assessments Receivable	--	--	--	--	--
Investment Income Receivable	4,439	213	2,276	--	50
Intergovernmental Receivable	--	--	9,186	--	7,062
Leases Receivable	2,187	--	--	--	--
Loans Receivable (Net of Allowance for Uncollectibles of $2,638,869)	--	--	--	--	218,364
Due from Other Funds	705	9,323	17,287	--	--
Inventories	8	--	--	--	--
Prepaid Items and Other Assets	--	--	--	--	2,660
Advances to Other Funds	--	--	--	--	--
Restricted Assets	--	--	--	--	--
Properties Held for Housing Development	--	--	--	--	--
TOTAL ASSETS	$ 763,166	$ 137,669	$ 394,871	$ --	$ 229,728
LIABILITIES					
Accounts, Contracts and Retainage Payable	$ 28,320	$ 26,605	$ 10,957	$ --	$ 1,976
Obligations Under Securities Lending Transactions	2,770	124	1,342	--	6
Accrued Salaries and Overtime Payable	12,149	--	--	--	276
Intergovernmental Payable	46	--	--	--	245
Due to Other Funds	2,211	518	11,508	--	9,921
Unearned Revenue	260	--	--	--	--
Deposits and Advances	2,608	--	--	--	39
Advances from Other Funds	1,650	--	--	--	--
Other Liabilities	6,813	305	3,301	--	24
Liability for Excess CRA Bond Proceeds	--	--	--	--	--
TOTAL LIABILITIES	56,827	27,552	27,108	--	12,487
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	--	--
Receivables from Other Government Agencies	--	--	--	--	684
Interest Receivable on Loans and Others	1,262	6,554	649	--	82,648
Leases and PPPs	1,966	--	--	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	3,228	6,554	649	--	83,332
FUND BALANCES					
Nonspendable	8	--	--	--	2,660
Restricted	703,103	80,728	16,887	--	131,249
Committed	--	22,835	350,227	--	--
Assigned	--	--	--	--	--
Unassigned	--	--	--	--	--
TOTAL FUND BALANCES	703,111	103,563	367,114	--	133,909
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 763,166	$ 137,669	$ 394,871	$ --	$ 229,728

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2025
(amounts expressed in thousands)

	Grant Funds			
	Section 108 Loan Guarantee Program	Home Investment Partnership Program	Transportation Grants	Workforce Innovation Opportunity Act
ASSETS				
Cash and Pooled Investments	$ 21,182	$ 29,862	$ 53,488	$ 1,393
Taxes Receivable	--	--	--	--
Accounts Receivable (Net of Allowance for Uncollectibles of $10,248)	--	--	10,043	--
Special Assessments Receivable	--	--	--	--
Investment Income Receivable	2	205	371	23
Intergovernmental Receivable	--	--	8,638	27,324
Leases Receivable	--	--	--	--
Loans Receivable (Net of Allowance for Uncollectibles of $2,638,869)	38,587	558,976	--	--
Due from Other Funds	--	--	9	--
Inventories	--	--	--	--
Prepaid Items and Other Assets	--	5,820	--	--
Advances to Other Funds	--	--	--	--
Restricted Assets	--	--	--	--
Properties Held for Housing Development	--	--	--	--
TOTAL ASSETS	$ 59,771	$ 594,863	$ 72,549	$ 28,740
LIABILITIES				
Accounts, Contracts and Retainage Payable	$ --	$ 21	$ 7,761	$ 12,493
Obligations Under Securities Lending Transactions	1	109	196	8
Accrued Salaries and Overtime Payable	--	144	--	--
Intergovernmental Payable	--	3	--	--
Due to Other Funds	6	1,107	15,376	15,537
Unearned Revenue	--	--	5,299	--
Deposits and Advances	364	45	683	--
Advances from Other Funds	--	--	--	--
Other Liabilities	2	269	482	19
Liability for Excess CRA Bond Proceeds	--	--	--	--
TOTAL LIABILITIES	373	1,698	29,797	28,057
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	--	--	--	--
Receivables from Other Government Agencies	--	--	14,810	16,020
Interest Receivable on Loans and Others	1	169,077	236	6
Leases and PPPs	--	--	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	1	169,077	15,046	16,026
FUND BALANCES				
Nonspendable	--	5,820	--	--
Restricted	59,397	418,268	27,706	1,402
Committed	--	--	--	--
Assigned	--	--	--	--
Unassigned	--	--	--	(16,745)
TOTAL FUND BALANCES	59,397	424,088	27,706	(15,343)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 59,771	$ 594,863	$ 72,549	$ 28,740

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2025
(amounts expressed in thousands)

	Grant Funds			
	Other Nonmajor Grant Funds	Other Nonmajor Special Revenue Funds	Allocations from Other Governmental Agencies	Total
ASSETS				
Cash and Pooled Investments	$ 649,216	$ 2,189,826	$ 366,601	$ 5,606,298
Taxes Receivable	--	69,239	--	69,239
Accounts Receivable (Net of Allowance for Uncollectibles of $10,248)	1,101	79,520	54,386	183,361
Special Assessments Receivable	--	2,944	--	7,991
Investment Income Receivable	4,084	10,696	2,141	31,511
Intergovernmental Receivable	36,119	14,233	9,503	186,324
Leases Receivable	--	60,385	--	95,088
Loans Receivable (Net of Allowance for Uncollectibles of $2,638,869)	81,618	131,669	53,985	2,022,575
Due from Other Funds	6,606	40,338	5,124	122,255
Inventories	--	--	--	1,772
Prepaid Items and Other Assets	62	109	--	8,651
Advances to Other Funds	--	64,958	3,714	119,685
Restricted Assets	--	605	--	11,335
Properties Held for Housing Development	4,770	--	--	132,054
TOTAL ASSETS	$ 783,576	$ 2,664,522	$ 495,454	$ 8,598,139
LIABILITIES				
Accounts, Contracts and Retainage Payable	$ 37,882	$ 72,336	$ 10,236	$ 377,041
Obligations Under Securities Lending Transactions	2,125	6,452	1,293	18,293
Accrued Salaries and Overtime Payable	240	5,941	140	24,110
Intergovernmental Payable	3,594	4,975	377	9,251
Due to Other Funds	81,193	25,045	11,346	191,733
Unearned Revenue	199,853	1,831	5	211,432
Deposits and Advances	48	239,429	692	247,107
Advances from Other Funds	72,284	11,700	1,466	93,733
Other Liabilities	5,228	15,873	3,591	45,456
Liability for Excess CRA Bond Proceeds	--	--	10,325	10,325
TOTAL LIABILITIES	402,447	383,582	39,471	1,228,481
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	--	26	--	26
Receivables from Other Government Agencies	21,352	5,013	79	76,573
Interest Receivable on Loans and Others	21,343	123,054	51,397	665,928
Leases and PPPs	--	57,342	--	90,995
TOTAL DEFERRED INFLOWS OF RESOURCES	42,695	185,435	51,476	833,522
FUND BALANCES				
Nonspendable	62	109	--	10,423
Restricted	353,867	1,108,369	196,215	4,813,075
Committed	15,299	987,394	209,360	1,824,892
Assigned	--	5,003	--	5,003
Unassigned	(30,794)	(5,370)	(1,068)	(117,257)
TOTAL FUND BALANCES	338,434	2,095,505	404,507	6,536,136
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 783,576	$ 2,664,522	$ 495,454	$ 8,598,139

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Building and Safety Permit	Citywide Recycling Trust	Proposition C Anti-Gridlock Transit Improvement	Special Parking Revenue	Stormwater Pollution Abatement
REVENUES					
Property Taxes	$ --	$ --	$ --	$ --	$ --
Other Taxes	--	34,493	--	--	--
Licenses and Permits	32,784	--	--	--	--
Intergovernmental	--	--	82,311	--	6,331
Charges for Services	121,226	22	21,077	57,291	29,501
Services to Enterprise Funds	1,512	--	--	--	--
Fines	--	--	--	--	--
Special Assessments	2	--	--	--	--
Investment Earnings	8,519	1,066	3,696	1,505	1,128
Change in Fair Value of Investments	10,806	1,124	1,543	1,153	447
Program Income	--	--	--	--	--
Other	1,339	--	11	1,078	16,680
TOTAL REVENUES	176,188	36,705	108,638	61,027	54,087
EXPENDITURES					
Current					
General Government	--	--	--	--	--
Protection of Persons and Property	234,705	--	--	--	--
Public Works	--	--	--	--	--
Health and Sanitation	--	37,052	--	--	29,077
Transportation	--	--	109,656	48,684	--
Cultural and Recreational Services	--	--	--	--	--
Community Development	--	--	--	--	--
Capital Outlay	7,914	182	890	7,410	5,356
Debt Service					
Principal	526	--	--	134	181
Interest	57	--	--	55	12
Cost of Issuance	--	--	--	--	--
TOTAL EXPENDITURES	243,202	37,234	110,546	56,283	34,626
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(67,014)	(529)	(1,908)	4,744	19,461
OTHER FINANCING SOURCES (USES)					
Transfers In	--	--	--	8	--
Transfers Out	--	(784)	15	(24,623)	--
Issuance of Long-Term Debt	--	--	--	--	--
Premium on Issuance of Long-Term Debt	--	--	--	--	--
Lease and Subscription Liabilities Issued	4	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	4	(784)	15	(24,615)	--
NET CHANGE IN FUND BALANCES	(67,010)	(1,313)	(1,893)	(19,871)	19,461
FUND BALANCES, JULY 1	306,787	40,608	82,626	18,525	28,176
FUND BALANCES, JUNE 30	$ 239,777	$ 39,295	$ 80,733	$ (1,346)	$ 47,637

Continued...

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - (Continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Street Lighting Maintenance Assessment	Proposition A Local Transit Assistance	Low and Moderate Income Housing	Proposition HHH - Loans Program	Measure R Local Return
REVENUES					
Property Taxes	$ --	$ --	$ --	$ --	$ --
Other Taxes	--	--	--	--	--
Licenses and Permits	751	--	--	--	--
Intergovernmental	1,530	258,452	--	--	125,970
Charges for Services	13,225	8,018	151	--	577
Services to Enterprise Funds	--	--	--	--	--
Fines	--	--	--	--	--
Special Assessments	45,047	--	--	--	--
Investment Earnings	--	9,671	799	3,815	7,221
Change in Fair Value of Investments	--	7,828	879	340	5,545
Program Income	--	--	7,212	4,789	--
Other	457	--	7,804	--	401
TOTAL REVENUES	61,010	283,969	16,845	8,944	139,714
EXPENDITURES					
Current					
General Government	--	--	--	--	--
Protection of Persons and Property	--	--	--	--	--
Public Works	73,473	--	--	--	--
Health and Sanitation	--	--	--	--	--
Transportation	--	192,144	--	--	129,952
Cultural and Recreational Services	--	--	--	--	--
Community Development	--	--	5,934	97,468	--
Capital Outlay	--	21,180	--	75	13,667
Debt Service					
Principal	--	176	--	--	--
Interest	--	199	--	--	--
Cost of Issuance	--	--	--	1,129	--
TOTAL EXPENDITURES	73,473	213,699	5,934	98,672	143,619
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,463)	70,270	10,911	(89,728)	(3,905)
OTHER FINANCING SOURCES (USES)					
Transfers In	--	140	--	--	2,100
Transfers Out	--	(3,708)	(20)	(953)	(419)
Issuance of Long-Term Debt	--	--	--	150,000	--
Premium on Issuance of Long-Term Debt	--	--	--	2,082	--
Lease and Subscription Liabilities Issued	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	(3,568)	(20)	151,129	1,681
NET CHANGE IN FUND BALANCES	(12,463)	66,702	10,891	61,401	(2,224)
FUND BALANCES, JULY 1	(47,706)	245,182	422,792	490,017	253,458
FUND BALANCES, JUNE 30	$ (60,170)	$ 311,884	$ 433,683	$ 551,418	$ 251,234

Continued...

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - (Continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Grant Funds				
	Recreation and Parks	Solid Waste Resources	Special Gas Tax Street Improvement	Covid-19 Federal Relief	Community Development Trust
REVENUES					
Property Taxes	$ --	$ --	$ --	$ --	$ --
Other Taxes	--	--	--	--	--
Licenses and Permits	1,147	--	--	--	--
Intergovernmental	500	687	214,925	36,279	49,226
Charges for Services	213,350	290,447	50	--	9
Services to Enterprise Funds	--	6,781	--	--	--
Fines	--	--	--	--	--
Special Assessments	--	--	--	--	--
Investment Earnings	21,190	8,467	10,198	--	287
Change in Fair Value of Investments	19,817	1,247	6,851	--	60
Program Income	--	--	--	--	1,499
Other	551	5,680	37	--	82
TOTAL REVENUES	256,555	313,309	232,061	36,279	51,163
EXPENDITURES					
Current					
General Government	--	--	--	5	--
Protection of Persons and Property	--	--	--	--	--
Public Works	--	--	132,480	--	--
Health and Sanitation	--	325,518	--	--	--
Transportation	--	--	--	--	--
Cultural and Recreational Services	463,888	--	--	--	--
Community Development	--	--	--	--	46,437
Capital Outlay	70,232	70,460	37,546	--	--
Debt Service					
Principal	941	138	--	--	--
Interest	128	49	--	--	--
Cost of Issuance	--	--	--	--	--
TOTAL EXPENDITURES	535,189	396,165	170,026	5	46,437
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(278,634)	(82,856)	62,035	36,274	4,726
OTHER FINANCING SOURCES (USES)					
Transfers In	299,047	30,618	--	--	5
Transfers Out	--	(36,664)	(13)	(36,287)	(415)
Issuance of Long-Term Debt	--	--	--	--	--
Premium on Issuance of Long-Term Debt	--	--	--	--	--
Lease and Subscription Liabilities Issued	10	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	299,057	(6,046)	(13)	(36,287)	(410)
NET CHANGE IN FUND BALANCES	20,423	(88,902)	62,022	(13)	4,316
FUND BALANCES, JULY 1	682,688	192,465	305,092	13	129,593
FUND BALANCES, JUNE 30	$ 703,111	$ 103,563	$ 367,114	$ --	$ 133,909

Continued...

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - (Continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Grant Funds			
	Section 108 Loan Guarantee Program	Home Investment Partnership Program	Transportation Grants	Workforce Innovation Opportunity Act
REVENUES				
Property Taxes	$ --	$ --	$ --	$ --
Other Taxes	--	--	--	--
Licenses and Permits	--	--	--	--
Intergovernmental	--	34,851	40,768	33,999
Charges for Services	--	--	3,302	--
Services to Enterprise Funds	--	--	--	--
Fines	--	--	--	--
Special Assessments	--	--	--	--
Investment Earnings	787	1,314	21	118
Change in Fair Value of Investments	2	1,736	1,411	112
Program Income	5,151	5,182	--	--
Other	--	--	40	85
TOTAL REVENUES	5,940	43,083	45,542	34,314
EXPENDITURES				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	18,023	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	38,692	--	48,593
Capital Outlay	--	--	20,301	--
Debt Service				
Principal	3,062	18	--	--
Interest	385	1	--	--
Cost of Issuance	--	--	--	--
TOTAL EXPENDITURES	3,447	38,711	38,324	48,593
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,493	4,372	7,218	(14,279)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,840	15	471	--
Transfers Out	--	--	--	--
Issuance of Long-Term Debt	--	--	--	--
Premium on Issuance of Long-Term Debt	--	--	--	--
Lease and Subscription Liabilities Issued	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	2,840	15	471	--
NET CHANGE IN FUND BALANCES	5,333	4,387	7,689	(14,279)
FUND BALANCES, JULY 1	54,064	419,701	20,017	(1,064)
FUND BALANCES, JUNE 30	$ 59,397	$ 424,088	$ 27,706	$ (15,343)

Continued...

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - (Continued)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Grant Funds			
	Other Nonmajor Grant Funds	Other Nonmajor Special Revenue Funds	Allocations from Other Governmental Agencies	Total
REVENUES				
Property Taxes	$ --	$ 34,201	$ --	$ 34,201
Other Taxes	--	519,818	--	554,311
Licenses and Permits	--	15,058	5,119	54,859
Intergovernmental	531,057	207,142	135,982	1,760,010
Charges for Services	1,355	304,360	55,003	1,118,964
Services to Enterprise Funds	--	30	--	8,323
Fines	--	7,835	674	8,509
Special Assessments	--	95,634	4,174	144,857
Investment Earnings	14,744	48,500	10,177	153,223
Change in Fair Value of Investments	9,006	21,012	8,307	99,226
Program Income	655	827	35	25,350
Other	288	49,983	21,739	106,254
TOTAL REVENUES	557,105	1,304,400	241,210	4,068,087
EXPENDITURES				
Current				
General Government	171,688	36,797	2,882	211,372
Protection of Persons and Property	99,720	163,270	17,308	515,003
Public Works	1,733	90,049	4,234	301,969
Health and Sanitation	9,267	42,353	709	443,976
Transportation	3,720	17,886	18,132	538,197
Cultural and Recreational Services	2,309	329,908	--	796,105
Community Development	273,149	356,699	112,133	979,105
Capital Outlay	14,268	63,498	5,067	338,046
Debt Service				
Principal	937	1,816	--	7,929
Interest	140	233	--	1,259
Cost of Issuance	--	--	--	1,129
TOTAL EXPENDITURES	576,931	1,102,509	160,465	4,134,090
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,826)	201,891	80,745	(66,003)
OTHER FINANCING SOURCES (USES)				
Transfers In	7,609	355,266	13,404	711,523
Transfers Out	(8,279)	(85,836)	(24,208)	(222,194)
Issuance of Long-Term Debt	--	--	--	150,000
Premium on Issuance of Long-Term Debt	--	--	--	2,082
Lease and Subscription Liabilities Issued	--	707	--	721
TOTAL OTHER FINANCING SOURCES (USES)	(670)	270,137	(10,804)	642,132
NET CHANGE IN FUND BALANCES	(20,496)	472,028	69,941	576,129
FUND BALANCES, JULY 1	358,930	1,623,477	334,566	5,960,007
FUND BALANCES, JUNE 30	$ 338,434	$ 2,095,505	$ 404,507	$ 6,536,136

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Building and Safety Permit			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	72,830	22,830	32,801	9,971
Intergovernmental	--	--	--	--
Charges for Services	103,153	103,153	121,227	18,074
Services to Enterprise Funds	1,275	1,275	1,512	237
Special Assessments	--	--	--	--
Interest	5,677	5,677	9,077	3,400
Program Income	--	--	--	--
Other	5,361	5,361	1,349	(4,012)
Total Revenues	188,296	138,296	165,966	27,670
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	188,296	138,296	165,966	27,670
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	1,463,144	1,412,289	91,169	1,321,120
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	59,020	60,070	20,505	39,565
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	1,522,164	1,472,359	111,674	1,360,685
Other Financing Uses				
Transfers to Other Funds	243,167	245,581	134,646	110,935
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,765,331	1,717,940	246,320	1,471,620
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(1,577,035)	(1,579,644)	(80,354)	1,499,290
FUND BALANCES (DEFICIT), JULY 1	345,817	345,817	303,384	(42,433)
Appropriation of Fund Balances and Carryforward Appropriations	1,231,218	1,231,218	--	(1,231,218)
Encumbrances Lapsed	--	2,609	2,609	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 225,639	$ 225,639

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Citywide Recycling Trust			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ 30,150	$ 30,150	$ 30,319	$ 169
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	300	300	1,080	780
Program Income	--	--	--	--
Other	4,200	4,200	--	(4,200)
Total Revenues	34,650	34,650	31,399	(3,251)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	34,650	34,650	31,399	(3,251)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	97,474	97,345	17,094	80,251
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	97,474	97,345	17,094	80,251
Other Financing Uses				
Transfers to Other Funds	42,034	42,534	20,374	22,160
TOTAL EXPENDITURES AND OTHER FINANCING USES	139,508	139,879	37,468	102,411
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(104,858)	(105,229)	(6,069)	99,160
FUND BALANCES (DEFICIT), JULY 1	22,893	22,893	36,162	13,269
Appropriation of Fund Balances and Carryforward Appropriations	81,965	81,965	--	(81,965)
Encumbrances Lapsed	--	371	371	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 30,464	$ 30,464

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Proposition C Anti-Gridlock Transit Improvement			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	87,864	87,864	88,566	702
Charges for Services	14,542	14,542	15,161	619
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	1,581	1,581	3,711	2,130
Program Income	--	--	--	--
Other	150	150	11	(139)
Total Revenues	104,137	104,137	107,449	3,312
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	104,137	104,137	107,449	3,312
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	84,893	89,552	35,692	53,860
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	1,175	1,175	890	285
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	86,068	90,727	36,582	54,145
Other Financing Uses				
Transfers to Other Funds	87,061	86,710	66,704	20,006
TOTAL EXPENDITURES AND OTHER FINANCING USES	173,129	177,437	103,286	74,151
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(68,992)	(73,300)	4,163	77,463
FUND BALANCES (DEFICIT), JULY 1	35,552	35,552	57,105	57,105
Appropriation of Fund Balances and Carryforward Appropriations	33,440	37,737	--	(37,737)
Encumbrances Lapsed	--	11	11	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 61,279	$ 61,279

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Special Parking Revenue			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	63,305	63,305	57,907	(5,398)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	1,200	1,200	1,569	369
Program Income	--	--	--	--
Other	120	120	91	(29)
Total Revenues	64,625	64,625	59,567	(5,058)
Other Financing Sources				
Transfers from Other Funds	--	--	8	8
TOTAL REVENUES AND OTHER FINANCING SOURCES	64,625	64,625	59,575	(5,050)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	80,931	85,432	35,445	49,987
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	11,742	10,034	6,220	3,814
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	92,673	95,466	41,665	53,801
Other Financing Uses				
Transfers to Other Funds	31,700	31,827	30,673	1,154
TOTAL EXPENDITURES AND OTHER FINANCING USES	124,373	127,293	72,338	54,955
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(59,748)	(62,668)	(12,763)	49,905
FUND BALANCES (DEFICIT), JULY 1	16,385	16,385	20,282	3,897
Appropriation of Fund Balances and Carryforward Appropriations	43,363	43,376	--	(43,376)
Encumbrances Lapsed	--	2,907	2,907	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 10,426	$ 10,426

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Stormwater Pollution Abatement			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	4,081	4,081	5,084	1,003
Charges for Services	29,410	29,410	29,603	193
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	250	250	1,037	787
Program Income	--	--	--	--
Other	--	--	16,680	16,680
Total Revenues	33,741	33,741	52,404	18,663
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	33,741	33,741	52,404	18,663
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	21,033	42,947	6,131	36,816
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	7,963	8,128	3,876	4,252
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	28,996	51,075	10,007	41,068
Other Financing Uses				
Transfers to Other Funds	34,263	34,101	24,101	10,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	63,259	85,176	34,108	51,068
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(29,518)	(51,435)	18,296	69,731
FUND BALANCES (DEFICIT), JULY 1	11,720	11,720	23,878	12,158
Appropriation of Fund Balances and Carryforward Appropriations	17,798	38,604	--	(38,604)
Encumbrances Lapsed	--	1,111	1,111	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 43,285	$ 43,285

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Street Lighting Maintenance Assessment			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	950	950	751	(199)
Intergovernmental	--	--	--	--
Charges for Services	11,200	11,200	12,938	1,738
Services to Enterprise Funds	--	--	--	--
Special Assessments	47,000	47,000	45,073	(1,927)
Interest	--	--	--	--
Program Income	--	--	--	--
Other	2,320	2,320	1,767	(553)
Total Revenues	61,470	61,470	60,529	(941)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	61,470	61,470	60,529	(941)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	37,917	36,291	14,986	21,305
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	37,917	36,291	14,986	21,305
Other Financing Uses				
Transfers to Other Funds	53,510	52,855	44,371	8,484
TOTAL EXPENDITURES AND OTHER FINANCING USES	91,427	89,146	59,357	29,789
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(29,957)	(27,676)	1,172	28,848
FUND BALANCES (DEFICIT), JULY 1	1,829	1,829	(927)	(2,756)
Appropriation of Fund Balances and Carryforward Appropriations	28,128	24,907	--	(24,907)
Encumbrances Lapsed	--	940	940	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 1,185	$ 1,185

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Proposition A Local Transit Assistance			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	192,590	213,165	232,722	19,557
Charges for Services	5,003	5,003	7,493	2,490
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	8,219	8,219	9,627	1,408
Program Income	--	--	--	--
Other	5,984	5,984	--	(5,984)
Total Revenues	211,796	232,371	249,842	17,471
Other Financing Sources				
Transfers from Other Funds	--	--	140	140
TOTAL REVENUES AND OTHER FINANCING SOURCES	211,796	232,371	249,982	17,611
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	357,552	475,310	255,593	219,717
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	5,178	21,123	12,585	8,538
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	362,730	496,433	268,178	228,255
Other Financing Uses				
Transfers to Other Funds	10,877	3,658	1,686	1,972
TOTAL EXPENDITURES AND OTHER FINANCING USES	373,607	500,091	269,864	230,227
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(161,811)	(267,720)	(19,882)	247,838
FUND BALANCES (DEFICIT), JULY 1	4,817	4,817	78,514	73,697
Appropriation of Fund Balances and Carryforward Appropriations	156,994	111,220	--	(111,220)
Encumbrances Lapsed	--	151,683	151,683	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 210,315	$ 210,315

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Measure R Local Return			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	140,583	140,583	142,672	2,089
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	4,586	4,586	7,237	2,651
Program Income	--	--	--	--
Other	400	400	401	1
Total Revenues	145,569	145,569	150,310	4,741
Other Financing Sources				
Transfers from Other Funds	--	--	2,100	2,100
TOTAL REVENUES AND OTHER FINANCING SOURCES	145,569	145,569	152,410	6,841
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	241,010	237,116	70,177	166,939
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	37,671	50,769	16,883	33,886
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	278,681	287,885	87,060	200,825
Other Financing Uses				
Transfers to Other Funds	68,310	77,503	56,808	20,695
TOTAL EXPENDITURES AND OTHER FINANCING USES	346,991	365,388	143,868	221,520
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(201,422)	(219,819)	8,542	228,361
FUND BALANCES (DEFICIT), JULY 1	21,270	21,270	208,491	187,221
Appropriation of Fund Balances and Carryforward Appropriations	180,152	197,840	--	(197,840)
Encumbrances Lapsed	--	709	709	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 217,742	$ 217,742

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Solid Waste Resources			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	4,600	4,600	854	(3,746)
Charges for Services	312,828	312,828	295,670	(17,158)
Services to Enterprise Funds	4,500	4,500	4,938	438
Special Assessments	--	--	--	--
Interest	500	500	1,123	623
Program Income	--	--	--	--
Other	1,450	1,450	5,622	4,172
Total Revenues	323,878	323,878	308,207	(15,671)
Other Financing Sources				
Transfers from Other Funds	19,681	19,681	30,618	10,937
TOTAL REVENUES AND OTHER FINANCING SOURCES	343,559	343,559	338,825	(4,734)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	229,673	235,599	140,524	95,075
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	25,575	25,575	25,575	--
Interest	16,572	16,572	12,772	3,800
Total Expenditures	271,820	277,746	178,871	98,875
Other Financing Uses				
Transfers to Other Funds	208,200	208,692	179,369	29,323
TOTAL EXPENDITURES AND OTHER FINANCING USES	480,020	486,438	358,240	128,198
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(136,461)	(142,879)	(19,415)	123,464
FUND BALANCES (DEFICIT), JULY 1	27,831	27,831	(3,434)	(31,265)
Appropriation of Fund Balances and Carryforward Appropriations	108,630	110,782	--	(110,782)
Encumbrances Lapsed	--	4,266	4,266	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (18,583)	$ (18,583)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Special Gas Tax Street Improvement			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	216,806	216,806	214,843	(1,963)
Charges for Services	40	40	50	10
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	3,750	3,750	9,974	6,224
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	220,596	220,596	224,867	4,271
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	220,596	220,596	224,867	4,271
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	264,896	371,086	71,907	299,179
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	41,958	68,691	43,400	25,291
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	306,854	439,777	115,307	324,470
Other Financing Uses				
Transfers to Other Funds	93,246	91,249	79,874	11,375
TOTAL EXPENDITURES AND OTHER FINANCING USES	400,100	531,026	195,181	335,845
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(179,504)	(310,430)	29,686	340,116
FUND BALANCES (DEFICIT), JULY 1	24,389	24,389	270,955	246,566
Appropriation of Fund Balances and Carryforward Appropriations	155,115	281,058	--	(281,058)
Encumbrances Lapsed	--	4,983	4,983	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 305,624	$ 305,624

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Community Development Trust			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	22,058	61,099	49,675	(11,424)
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	279	279
Program Income	--	--	4,674	4,674
Other	--	--	82	82
Total Revenues	22,058	61,099	54,710	(6,389)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	22,058	61,099	54,710	(6,389)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	45,830	79,061	39,111	39,950
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	45,830	79,061	39,111	39,950
Other Financing Uses				
Transfers to Other Funds	29,482	30,704	14,791	15,913
TOTAL EXPENDITURES AND OTHER FINANCING USES	75,312	109,765	53,902	55,863
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(53,254)	(48,666)	808	49,474
FUND BALANCES (DEFICIT), JULY 1	--	--	(24,835)	(24,835)
Appropriation of Fund Balances and Carryforward Appropriations	53,254	41,774	--	(41,774)
Encumbrances Lapsed	--	6,892	6,892	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (17,135)	$ (17,135)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Home Investment Partnership Program			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	7,505	31,266	34,852	3,586
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	1,412	1,412
Program Income	--	--	6,591	6,591
Other	--	--	--	--
Total Revenues	7,505	31,266	42,855	11,589
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	7,505	31,266	42,855	11,589
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	117,650	144,588	52,280	92,308
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	117,650	144,588	52,280	92,308
Other Financing Uses				
Transfers to Other Funds	10,140	7,097	3,860	3,237
TOTAL EXPENDITURES AND OTHER FINANCING USES	127,790	151,685	56,140	95,545
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(120,285)	(120,419)	(13,285)	107,134
FUND BALANCES (DEFICIT), JULY 1	--	--	15,467	15,467
Appropriation of Fund Balances and Carryforward Appropriations	120,285	120,285	--	(120,285)
Encumbrances Lapsed	--	134	134	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 2,316	$ 2,316

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Workforce Innovation Opportunity Act			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	19,003	19,003	29,495	10,492
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	118	118
Program Income	--	--	--	--
Other	--	--	85	85
Total Revenues	19,003	19,003	29,698	10,695
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	19,003	19,003	29,698	10,695
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	48,857	91,142	40,351	50,791
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	48,857	91,142	40,351	50,791
Other Financing Uses				
Transfers to Other Funds	21,838	17,147	9,294	7,853
TOTAL EXPENDITURES AND OTHER FINANCING USES	70,695	108,289	49,645	58,644
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(51,692)	(89,286)	(19,947)	69,339
FUND BALANCES (DEFICIT), JULY 1	--	--	(30,476)	(7,095)
Appropriation of Fund Balances and Carryforward Appropriations	51,692	88,728	--	(88,728)
Encumbrances Lapsed	--	558	558	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (49,865)	$ (49,865)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Disaster Assistance			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	239,809	239,809	208,808	(31,001)
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	1,339	1,339	2,461	1,122
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	241,148	241,148	211,269	(29,879)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	241,148	241,148	211,269	(29,879)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	466,131	466,131	192,412	273,719
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	466,131	466,131	192,412	273,719
Other Financing Uses				
Transfers to Other Funds	842	842	279	563
TOTAL EXPENDITURES AND OTHER FINANCING USES	466,973	466,973	192,691	274,282
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(225,825)	(225,825)	18,578	244,403
FUND BALANCES (DEFICIT), JULY 1	30,216	30,216	30,170	(46)
Appropriation of Fund Balances and Carryforward Appropriations	195,609	195,609	--	(195,609)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 48,748	$ 48,748

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Community Services Block Grant			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	1,656	1,656	7,026	5,370
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	6	6
Program Income	--	--	--	--
Other	--	--	2	2
Total Revenues	1,656	1,656	7,034	5,378
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,656	1,656	7,034	5,378
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	5,327	5,395	5,322	73
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	5,327	5,395	5,322	73
Other Financing Uses				
Transfers to Other Funds	1,178	1,500	1,312	188
TOTAL EXPENDITURES AND OTHER FINANCING USES	6,505	6,895	6,634	261
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(4,849)	(5,239)	400	5,639
FUND BALANCES (DEFICIT), JULY 1	--	--	1,184	1,184
Appropriation of Fund Balances and Carryforward Appropriations	4,849	5,239	--	(5,239)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 1,584	$ 1,584

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Forfeited Assets Trust of Police Department			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	2,952	2,952
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	610	610
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	--	--	3,562	3,562
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	--	--	3,562	3,562
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	14,274	14,247	4,183	10,064
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	14,274	14,247	4,183	10,064
Other Financing Uses				
Transfers to Other Funds	410	395	65	330
TOTAL EXPENDITURES AND OTHER FINANCING USES	14,684	14,642	4,248	10,394
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(14,684)	(14,642)	(686)	13,956
FUND BALANCES (DEFICIT), JULY 1	6,434	6,434	15,142	8,708
Appropriation of Fund Balances and Carryforward Appropriations	8,250	8,182	--	(8,182)
Encumbrances Lapsed	--	26	26	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 14,482	$ 14,482

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Household Hazardous Waste			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	3,550	3,550	3,912	362
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	50	50	171	121
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	3,600	3,600	4,083	483
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,600	3,600	4,083	483
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	26,788	29,986	3,275	26,711
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	26,788	29,986	3,275	26,711
Other Financing Uses				
Transfers to Other Funds	4,618	4,618	2,895	(1,723)
TOTAL EXPENDITURES AND OTHER FINANCING USES	31,406	34,604	6,170	28,434
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(27,806)	(31,004)	(2,087)	28,917
FUND BALANCES (DEFICIT), JULY 1	4,737	4,737	3,119	(1,618)
Appropriation of Fund Balances and Carryforward Appropriations	23,069	23,069	--	(23,069)
Encumbrances Lapsed	--	3,198	3,198	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 4,230	$ 4,230

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Housing Opportunities for Persons with AIDS			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	916	28,047	25,847	(2,200)
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	7	7
Program Income	--	--	141	141
Other	--	--	--	--
Total Revenues	916	28,047	25,995	(2,052)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	916	28,047	25,995	(2,052)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	8,432	35,861	27,337	8,524
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	8,432	35,861	27,337	8,524
Other Financing Uses				
Transfers to Other Funds	645	645	545	100
TOTAL EXPENDITURES AND OTHER FINANCING USES	9,077	36,506	27,882	8,624
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(8,161)	(8,459)	(1,887)	6,572
FUND BALANCES (DEFICIT), JULY 1	--	--	(9,956)	(9,956)
Appropriation of Fund Balances and Carryforward Appropriations	8,161	4,297	--	(4,297)
Encumbrances Lapsed	--	4,162	4,162	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (7,681)	$ (7,681)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Mobile Source Air Pollution Reduction			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	4,398	4,398	5,024	626
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	82	82	197	115
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	4,480	4,480	5,221	741
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	4,480	4,480	5,221	741
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	7,228	7,253	2,047	5,206
Transportation	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	7,228	7,253	2,047	5,206
Other Financing Uses				
Transfers to Other Funds	3,432	2,793	2,199	594
TOTAL EXPENDITURES AND OTHER FINANCING USES	10,660	10,046	4,246	5,800
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(6,180)	(5,566)	975	6,541
FUND BALANCES (DEFICIT), JULY 1	1,359	1,359	4,875	3,516
Appropriation of Fund Balances and Carryforward Appropriations	4,821	4,207	--	(4,207)
Encumbrances Lapsed	--	--	--	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 5,850	$ 5,850

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Older Americans Act			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	3,210	24,560	29,974	5,414
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	3,210	24,560	29,974	5,414
Other Financing Sources				
Transfers from Other Funds	--	--	468	468
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,210	24,560	30,442	5,882
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	15,953	39,978	24,589	15,389
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	15,953	39,978	24,589	15,389
Other Financing Uses				
Transfers to Other Funds	14,886	14,635	2,911	11,724
TOTAL EXPENDITURES AND OTHER FINANCING USES	30,839	54,613	27,500	27,113
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(27,629)	(30,053)	2,942	32,995
FUND BALANCES (DEFICIT), JULY 1	--	--	(17,945)	(17,945)
Appropriation of Fund Balances and Carryforward Appropriations	27,629	28,693	--	(28,693)
Encumbrances Lapsed	--	1,360	1,360	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (13,643)	$ (13,643)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Grant Fund - Supplemental Law Enforcement Services			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	9,908	9,908	11,433	1,525
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	277	277	745	468
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	10,185	10,185	12,178	1,993
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	10,185	10,185	12,178	1,993
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	3,254	3,254	--	3,254
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	3,254	3,254	--	3,254
Other Financing Uses				
Transfers to Other Funds	27,375	27,375	8,690	18,685
TOTAL EXPENDITURES AND OTHER FINANCING USES	30,629	30,629	8,690	21,939
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(20,444)	(20,444)	3,488	23,932
FUND BALANCES (DEFICIT), JULY 1	2,261	2,261	3,142	881
Appropriation of Fund Balances and Carryforward Appropriations	18,183	18,183	--	(18,183)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 6,630	$ 6,630

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Arts and Cultural Facilities and Services			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	783	783	--	(783)
Charges for Services	300	300	939	639
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	195	195	487	292
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	1,278	1,278	1,426	148
Other Financing Sources				
Transfers from Other Funds	26,370	26,370	26,370	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	27,648	27,648	27,796	148
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	22,579	22,476	11,639	10,837
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	22,579	22,476	11,639	10,837
Other Financing Uses				
Transfers to Other Funds	41,532	42,179	20,228	21,951
TOTAL EXPENDITURES AND OTHER FINANCING USES	64,111	64,655	31,867	32,788
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(36,463)	(37,007)	(4,071)	32,936
FUND BALANCES (DEFICIT), JULY 1	5,623	5,623	16,956	11,333
Appropriation of Fund Balances and Carryforward Appropriations	30,840	31,368	--	(31,368)
Encumbrances Lapsed	--	16	16	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 12,901	$ 12,901

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Arts Development Fee			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	1,300	1,300	1,965	665
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	440	440	749	309
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	1,740	1,740	2,714	974
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,740	1,740	2,714	974
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	56,955	59,249	1,845	57,404
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	56,955	59,249	1,845	57,404
Other Financing Uses				
Transfers to Other Funds	9	9	--	9
TOTAL EXPENDITURES AND OTHER FINANCING USES	56,964	59,258	1,845	57,413
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(55,224)	(57,518)	869	58,387
FUND BALANCES (DEFICIT), JULY 1	572	572	23,944	23,372
Appropriation of Fund Balances and Carryforward Appropriations	54,652	56,965	--	(56,965)
Encumbrances Lapsed	--	(19)	(19)	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 24,794	$ 24,794

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - City Employees Ridesharing			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	90	90	125	35
Program Income	--	--	--	--
Other	2,200	2,200	3,391	1,191
Total Revenues	2,290	2,290	3,516	1,226
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,290	2,290	3,516	1,226
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	--	--	--	--
Other Financing Uses				
Transfers to Other Funds	9,585	5,461	2,448	3,013
TOTAL EXPENDITURES AND OTHER FINANCING USES	9,585	5,461	2,448	3,013
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(7,295)	(3,171)	1,068	4,239
FUND BALANCES (DEFICIT), JULY 1	3,633	3,633	3,675	42
Appropriation of Fund Balances and Carryforward Appropriations	3,662	(462)	--	462
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 4,743	$ 4,743

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - City of Los Angeles Affordable Housing			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	26	26	18	(8)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	1,516	1,516	1,558	42
Program Income	1,500	1,500	1,734	234
Other	--	--	--	--
Total Revenues	3,042	3,042	3,310	268
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,042	3,042	3,310	268
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	57,125	36,559	4,938	31,621
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	57,125	36,559	4,938	31,621
Other Financing Uses				
Transfers to Other Funds	3,793	3,984	2,329	1,655
TOTAL EXPENDITURES AND OTHER FINANCING USES	60,918	40,543	7,267	33,276
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(57,876)	(37,501)	(3,957)	33,544
FUND BALANCES (DEFICIT), JULY 1	11,636	11,636	42,396	30,760
Appropriation of Fund Balances and Carryforward Appropriations	46,240	25,576	--	(25,576)
Encumbrances Lapsed	--	289	289	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 38,728	$ 38,728

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - El Pueblo de Los Angeles Historical Monument			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	4,980	4,980	4,268	(712)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	15	15	49	34
Program Income	--	--	--	--
Other	305	305	524	219
Total Revenues	5,300	5,300	4,841	(459)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	5,300	5,300	4,841	(459)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	648	263	263	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	648	263	263	--
Other Financing Uses				
Transfers to Other Funds	5,836	4,970	4,839	131
TOTAL EXPENDITURES AND OTHER FINANCING USES	6,484	5,233	5,102	131
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(1,184)	67	(261)	(328)
FUND BALANCES (DEFICIT), JULY 1	422	422	586	164
Appropriation of Fund Balances and Carryforward Appropriations	762	(489)	--	489
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 325	$ 325

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Local Public Safety			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	59,930	59,930	55,649	(4,281)
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	59,930	59,930	55,649	(4,281)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	59,930	59,930	55,649	(4,281)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	--	--	--	--
Other Financing Uses				
Transfers to Other Funds	85,250	85,250	58,301	26,949
TOTAL EXPENDITURES AND OTHER FINANCING USES	85,250	85,250	58,301	26,949
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(25,320)	(25,320)	(2,652)	22,668
FUND BALANCES (DEFICIT), JULY 1	--	--	556	556
Appropriation of Fund Balances and Carryforward Appropriations	25,320	25,320	--	(25,320)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (2,096)	$ (2,096)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Los Angeles Convention and Visitors Bureau			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ 26,370	$ 26,370	$ 23,514	$ (2,856)
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	26,370	26,370	23,514	(2,856)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	26,370	26,370	23,514	(2,856)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	87,503	87,503	24,356	63,147
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	87,503	87,503	24,356	63,147
Other Financing Uses				
Transfers to Other Funds	874	874	732	142
TOTAL EXPENDITURES AND OTHER FINANCING USES	88,377	88,377	25,088	63,289
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(62,007)	(62,007)	(1,574)	60,433
FUND BALANCES (DEFICIT), JULY 1	7,238	7,238	470	(6,768)
Appropriation of Fund Balances and Carryforward Appropriations	54,769	54,769	--	(54,769)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (1,104)	$ (1,104)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Multi-Family Bulky Item Fee			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	7,020	7,020	6,950	(70)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	80	80	120	40
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	7,100	7,100	7,070	(30)
Other Financing Sources				
Transfers from Other Funds	598	598	598	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	7,698	7,698	7,668	(30)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	26,291	26,291	4,154	22,137
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	26,291	26,291	4,154	22,137
Other Financing Uses				
Transfers to Other Funds	16,749	16,749	5,874	10,875
TOTAL EXPENDITURES AND OTHER FINANCING USES	43,040	43,040	10,028	33,012
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(35,342)	(35,342)	(2,360)	32,982
FUND BALANCES (DEFICIT), JULY 1	4,044	4,044	4,930	886
Appropriation of Fund Balances and Carryforward Appropriations	31,298	31,298	--	(31,298)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 2,570	$ 2,570

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Municipal Housing Finance			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	7,400	7,400	10,240	2,840
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	500	500	650	150
Program Income	400	400	360	(40)
Other	145	145	--	(145)
Total Revenues	8,445	8,445	11,250	2,805
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	8,445	8,445	11,250	2,805
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	44,153	18,536	4,039	14,497
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	44,153	18,536	4,039	14,497
Other Financing Uses				
Transfers to Other Funds	9,897	9,035	6,694	2,341
TOTAL EXPENDITURES AND OTHER FINANCING USES	54,050	27,571	10,733	16,838
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(45,605)	(19,126)	517	19,643
FUND BALANCES (DEFICIT), JULY 1	16,823	16,823	17,539	716
Appropriation of Fund Balances and Carryforward Appropriations	28,782	1,793	--	(1,793)
Encumbrances Lapsed	--	510	510	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 18,566	$ 18,566

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Planning Case Processing Special			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	25,849	25,849	21,342	(4,507)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	827	827	470	(357)
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	26,676	26,676	21,812	(4,864)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	26,676	26,676	21,812	(4,864)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	4,577	88	88	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	4,577	88	88	--
Other Financing Uses				
Transfers to Other Funds	31,144	26,298	25,888	410
TOTAL EXPENDITURES AND OTHER FINANCING USES	35,721	26,386	25,976	410
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(9,045)	290	(4,164)	(4,454)
FUND BALANCES (DEFICIT), JULY 1	5,312	5,312	5,979	667
Appropriation of Fund Balances and Carryforward Appropriations	3,733	(5,602)	--	5,602
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 1,815	$ 1,815

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Rent Stabilization			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	22,203	22,203	23,173	970
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	893	893	1,266	373
Program Income	--	--	--	--
Other	20	20	--	(20)
Total Revenues	23,116	23,116	24,439	1,323
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	23,116	23,116	24,439	1,323
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	66,762	44,398	13,147	31,251
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	66,762	44,398	13,147	31,251
Other Financing Uses				
Transfers to Other Funds	16,375	13,538	10,873	2,665
TOTAL EXPENDITURES AND OTHER FINANCING USES	83,137	57,936	24,020	33,916
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(60,021)	(34,820)	419	35,239
FUND BALANCES (DEFICIT), JULY 1	29,286	29,286	35,449	6,163
Appropriation of Fund Balances and Carryforward Appropriations	30,735	5,381	--	(5,381)
Encumbrances Lapsed	--	153	153	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 36,021	$ 36,021

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Street Damage Restoration Fee			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	63,000	63,000	45,215	(17,785)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	1,800	1,800	448	(1,352)
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	64,800	64,800	45,663	(19,137)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	64,800	64,800	45,663	(19,137)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	44,405	36,468	11,767	24,701
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	44,405	36,468	11,767	24,701
Other Financing Uses				
Transfers to Other Funds	54,789	48,665	40,602	8,063
TOTAL EXPENDITURES AND OTHER FINANCING USES	99,194	85,133	52,369	32,764
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(34,394)	(20,333)	(6,706)	13,627
FUND BALANCES (DEFICIT), JULY 1	4,539	4,539	17,313	12,774
Appropriation of Fund Balances and Carryforward Appropriations	29,855	15,794	--	(15,794)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 10,607	$ 10,607

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Code Enforcement Trust			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	61,630	61,630	64,825	3,195
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	1,760	1,760	1,622	(138)
Program Income	--	--	--	--
Other	385	385	6	(379)
Total Revenues	63,775	63,775	66,453	2,678
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	63,775	63,775	66,453	2,678
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	103,973	73,543	28,449	45,094
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	103,973	73,543	28,449	45,094
Other Financing Uses				
Transfers to Other Funds	42,501	41,212	33,036	8,176
TOTAL EXPENDITURES AND OTHER FINANCING USES	146,474	114,755	61,485	53,270
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(82,699)	(50,980)	4,968	55,948
FUND BALANCES (DEFICIT), JULY 1	47,307	47,307	48,818	1,511
Appropriation of Fund Balances and Carryforward Appropriations	35,392	2,090	--	(2,090)
Encumbrances Lapsed	--	1,583	1,583	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 55,369	$ 55,369

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Telecommunications Liquidated Damages and Lost Franchise Fees			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ 5,565	$ 5,565	$ --	$ (5,565)
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	101	101	--	(101)
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	5,666	5,666	--	(5,666)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	5,666	5,666	--	(5,666)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	28,294	29,018	556	28,462
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	28,294	29,018	556	28,462
Other Financing Uses				
Transfers to Other Funds	2,106	2,016	--	2,016
TOTAL EXPENDITURES AND OTHER FINANCING USES	30,400	31,034	556	30,478
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(24,734)	(25,368)	(556)	24,812
FUND BALANCES (DEFICIT), JULY 1	645	645	30,673	30,028
Appropriation of Fund Balances and Carryforward Appropriations	24,089	24,089	--	(24,089)
Encumbrances Lapsed	--	634	634	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 30,751	$ 30,751

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Traffic Safety			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	1,300	1,300	685	(615)
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	1,300	1,300	685	(615)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,300	1,300	685	(615)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	--	--	--	--
Other Financing Uses				
Transfers to Other Funds	9,791	9,791	1,573	8,218
TOTAL EXPENDITURES AND OTHER FINANCING USES	9,791	9,791	1,573	8,218
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(8,491)	(8,491)	(888)	7,603
FUND BALANCES (DEFICIT), JULY 1	860	860	888	28
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ --	$ --

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Zoo			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	21,742	21,742	23,199	1,457
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	170	170	422	252
Program Income	--	--	--	--
Other	2,003	2,003	1,907	(96)
Total Revenues	23,915	23,915	25,528	1,613
Other Financing Sources				
Transfers from Other Funds	3,482	3,482	3,501	19
TOTAL REVENUES AND OTHER FINANCING SOURCES	27,397	27,397	29,029	1,632
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	10,393	2,419	263	2,156
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	10,393	2,419	263	2,156
Other Financing Uses				
Transfers to Other Funds	36,946	38,446	37,814	632
TOTAL EXPENDITURES AND OTHER FINANCING USES	47,339	40,865	38,077	2,788
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(19,942)	(13,468)	(9,048)	4,420
FUND BALANCES (DEFICIT), JULY 1	3,841	3,841	16,242	12,401
Appropriation of Fund Balances and Carryforward Appropriations	16,101	9,602	--	(9,602)
Encumbrances Lapsed	--	25	25	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 7,219	$ 7,219

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Sidewalk Repair			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	104	104	157	53
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	104	104	157	53
Other Financing Sources				
Transfers from Other Funds	13,695	13,695	13,695	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	13,799	13,799	13,852	53
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	8,314	8,314	4,828	3,486
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	2,921	3,321	1,687	1,634
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	11,235	11,635	6,515	5,120
Other Financing Uses				
Transfers to Other Funds	13,997	13,597	12,477	1,120
TOTAL EXPENDITURES AND OTHER FINANCING USES	25,232	25,232	18,992	6,240
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(11,433)	(11,433)	(5,140)	6,293
FUND BALANCES (DEFICIT), JULY 1	5,892	5,892	2,652	(3,240)
Appropriation of Fund Balances and Carryforward Appropriations	5,541	5,541	--	(5,541)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (2,488)	$ (2,488)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Code Compliance			
	Budgeted Amount		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	1,214	1,214	1,431	217
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	1,214	1,214	1,431	217
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,214	1,214	1,431	217
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current	--	--	--	--
General Government	--	--	--	--
Protection of Persons and Property	3,143	3,196	591	2,605
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	3,143	3,196	591	2,605
Other Financing Uses				
Transfers to Other Funds	1,230	1,230	808	422
TOTAL EXPENDITURES AND OTHER FINANCING USES	4,373	4,426	1,399	3,027
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(3,159)	(3,212)	32	3,244
FUND BALANCES (DEFICIT), JULY 1	281	281	347	66
Appropriation of Fund Balances and Carryforward Appropriations	2,878	2,878	--	(2,878)
Encumbrances Lapsed	--	53	53	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 432	$ 432

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Cannabis Regulation			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	15,000	15,000	15,031	31
Intergovernmental	2,285	2,285	1,761	(524)
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	195	195	195	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	17,480	17,480	16,987	(493)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	17,480	17,480	16,987	(493)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current	--	--	--	--
General Government	110,093	95,520	4,872	90,648
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	110,093	95,520	4,872	90,648
Other Financing Uses				
Transfers to Other Funds	22,461	22,461	10,193	12,268
TOTAL EXPENDITURES AND OTHER FINANCING USES	132,554	117,981	15,065	102,916
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(115,074)	(100,501)	1,922	102,423
FUND BALANCES (DEFICIT), JULY 1	4,864	4,864	4,495	(369)
Appropriation of Fund Balances and Carryforward Appropriations	110,210	95,637	--	(95,637)
Encumbrances Lapsed	--	--	--	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 6,417	$ 6,417

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Measure W			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses, Permits and Fines	-	-	-	-
Intergovernmental	36,983	36,983	45,104	8,121
Charges for Services	-	-	-	-
Services to Enterprise Funds	-	-	-	-
Special Assessments	-	-	-	-
Interest	800	800	1,914	1,114
Program Income	-	-	-	-
Other	-	-	-	-
Total Revenues	37,783	37,783	47,018	9,235
Other Financing Sources				
Transfers from Other Funds	-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	37,783	37,783	47,018	9,235
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	-	-	-	-
Protection of Persons and Property	-	-	-	-
Public Works	-	-	-	-
Health and Sanitation	47,992	84,402	16,866	67,536
Transportation	-	-	-	-
Cultural and Recreational Services	-	-	-	-
Community Development	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	47,992	84,402	16,866	67,536
Other Financing Sources				
Transfers to Other Funds	17,813	17,938	7,239	10,699
TOTAL EXPENDITURES AND OTHER FINANCING USES	65,805	102,340	24,105	78,235
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(28,022)	(64,557)	22,913	87,470
FUND BALANCES (DEFICIT), JULY 1	3,756	3,756	48,130	48,130
Appropriation of Fund Balances and Carryforward Appropriations	24,266	59,683	-	(59,683)
Encumbrances Lapsed	-	1,118	1,118	-
FUND BALANCES (DEFICIT), JUNE 30	$ -	$ -	$ 72,161	$ 72,161

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Central LA Recycling			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses, Permits and Fines	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	5,250	5,250	7,739	2,489
Services to Enterprise Funds	-	-	-	-
Special Assessments	-	-	-	-
Interest	90	90	273	183
Program Income	-	-	-	-
Other	-	-	-	-
Total Revenues	5,340	5,340	8,012	2,672
Other Financing Sources				
Transfers from Other Funds	37	37	37	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	5,377	5,377	8,049	2,672
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	-	-	-	-
Protection of Persons and Property	-	-	-	-
Public Works	-	-	-	-
Health and Sanitation	39,419	40,533	6,204	34,329
Transportation	-	-	-	-
Cultural and Recreational Services	-	-	-	-
Community Development	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	39,419	40,533	6,204	34,329
Other Financing Sources				
Transfers to Other Funds	1,972	2,128	912	1,216
TOTAL EXPENDITURES AND OTHER FINANCING USES	41,391	42,661	7,116	35,545
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(36,014)	(37,284)	933	38,217
FUND BALANCES (DEFICIT), JULY 1	2,699	2,699	3,215	3,215
Appropriation of Fund Balances and Carryforward Appropriations	33,315	33,315	-	(33,315)
Encumbrances Lapsed	-	1,270	1,270	-
FUND BALANCES (DEFICIT), JUNE 30	$ -	$ -	$ 5,418	$ 5,418

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - Planning Long-Range Plan			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses, Permits and Fines	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	9,023	9,023	6,985	(2,038)
Services to Enterprise Funds	-	-	-	-
Special Assessments	-	-	-	-
Interest	289	289	130	(159)
Program Income	-	-	-	-
Other	-	-	-	-
Total Revenues	9,312	9,312	7,115	(2,197)
Other Financing Sources				
Transfers from Other Funds	-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	9,312	9,312	7,115	(2,197)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	-	-	-	-
Protection of Persons and Property	-	-	-	-
Public Works	-	-	-	-
Health and Sanitation	-	-	-	-
Transportation	-	-	-	-
Cultural and Recreational Services	-	-	-	-
Community Development	1,767	400	302	98
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	1,767	400	302	98
Other Financing Sources				
Transfers to Other Funds	11,173	8,508	8,203	305
TOTAL EXPENDITURES AND OTHER FINANCING USES	12,940	8,908	8,505	403
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(3,628)	404	(1,390)	(1,794)
FUND BALANCES (DEFICIT), JULY 1	2,251	2,251	2,114	2,114
Appropriation of Fund Balances and Carryforward Appropriations	1,377	(2,655)	-	2,655
FUND BALANCES (DEFICIT), JUNE 30	$ -	$ -	$ 724	$ 724

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - City Planning System Development			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses, Permits and Fines	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	9,316	9,316	7,952	(1,364)
Services to Enterprise Funds	-	-	-	-
Special Assessments	-	-	-	-
Interest	298	298	127	(171)
Program Income	-	-	-	-
Other	-	-	-	-
Total Revenues	9,614	9,614	8,079	(1,535)
Other Financing Sources				
Transfers from Other Funds	-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	9,614	9,614	8,079	(1,535)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	-	-	-	-
Protection of Persons and Property	-	-	-	-
Public Works	-	-	-	-
Health and Sanitation	-	-	-	-
Transportation	-	-	-	-
Cultural and Recreational Services	-	-	-	-
Community Development	22,758	23,233	3,276	19,957
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	22,758	23,233	3,276	19,957
Other Financing Sources				
Transfers to Other Funds	15,985	15,985	7,817	8,168
TOTAL EXPENDITURES AND OTHER FINANCING USES	38,743	39,218	11,093	28,125
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(29,129)	(29,604)	(3,014)	26,590
FUND BALANCES (DEFICIT), JULY 1	4,337	4,337	4,672	4,672
Appropriation of Fund Balances and Carryforward Appropriations	24,792	25,267	-	(25,267)
FUND BALANCES (DEFICIT), JUNE 30	$ -	$ -	$ 1,658	$ 1,658

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Special Revenue Fund - House LA Fund			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ 264,211	$ 398,154	$ 418,583	$ 20,429
Licenses, Permits and Fines	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Services to Enterprise Funds	-	-	-	-
Special Assessments	-	-	-	-
Interest	5,440	5,440	12,997	7,557
Program Income	-	-	-	-
Other	-	-	-	-
Total Revenues	269,651	403,594	431,580	27,986
Other Financing Sources				
Transfers from Other Funds	-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	269,651	403,594	431,580	27,986
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	-	-	-	-
Protection of Persons and Property	-	-	-	-
Public Works	-	-	-	-
Health and Sanitation	-	-	-	-
Transportation	-	-	-	-
Cultural and Recreational Services	-	-	-	-
Community Development	1,005,075	309,917	31,741	278,176
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	1,005,075	309,917	31,741	278,176
Other Financing Sources				
Transfers to Other Funds	4,356	4,396	2,496	1,900
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,009,431	314,313	34,237	280,076
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(739,780)	89,281	397,343	(22,329)
FUND BALANCES (DEFICIT), JULY 1	138,219	138,219	251,072	251,072
Appropriation of Fund Balances and Carryforward Appropriations	601,561	(230,194)	-	230,194
Encumbrances Lapsed	-	2,694	2,694	-
FUND BALANCES (DEFICIT), JUNE 30	$ -	$ -	$ 651,109	$ 651,109

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Allocations from Other Governmental Agencies			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	10,073	10,073	2,239	(7,834)
Intergovernmental	7,716	7,716	4,902	(2,814)
Charges for Services	13,059	13,059	8,321	(4,738)
Services to Enterprise Funds	--	--	--	--
Special Assessments	2,890	2,890	3,061	171
Interest	9,066	9,066	4,320	(4,746)
Program Income	4,615	4,615	1,498	(3,117)
Other	12,358	12,358	3,182	(9,176)
Total Revenues	59,777	59,777	27,523	(32,254)
Other Financing Sources				
Transfers from Other Funds	4,345	4,345	2,867	(1,478)
TOTAL REVENUES AND OTHER FINANCING SOURCES	64,122	64,122	30,390	(33,732)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	655	655	455	200
Protection of Persons and Property	6,517	6,433	2,862	3,571
Public Works	2,006	2,006	1,048	958
Health and Sanitation	--	--	--	--
Transportation	5,228	5,228	2,171	3,057
Cultural and Recreational Services	--	--	--	--
Community Development	7,510	7,926	5,940	1,986
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	21,916	22,248	12,476	9,772
Other Financing Uses				
Transfers to Other Funds	42,206	40,205	22,316	17,889
TOTAL EXPENDITURES AND OTHER FINANCING USES	64,122	62,453	34,792	27,661
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	--	1,669	(4,402)	(6,071)
FUND BALANCES (DEFICIT), JULY 1	--	--	26,324	26,324
Appropriation of Fund Balances and Carryforward Appropriations	--	(1,669)	--	1,669
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 21,922	$ 21,922

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor General Fund - Department of Neighborhood Empowerment			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	114	114
Total Revenues	--	--	114	114
Other Financing Sources				
Transfers from Other Funds	3,622	3,622	3,622	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,622	3,622	3,736	114
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	1,007	508	39	469
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	1,007	508	39	469
Other Financing Uses				
Transfers to Other Funds	5,021	4,043	3,920	123
TOTAL EXPENDITURES AND OTHER FINANCING USES	6,028	4,551	3,959	592
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(2,406)	(929)	(223)	706
FUND BALANCES (DEFICIT), JULY 1	538	538	823	285
Appropriation of Fund Balances and Carryforward Appropriations	1,868	387	--	(387)
Encumbrances Lapsed	--	4	4	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 604	$ 604

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor General Fund - City Ethics Commission			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	--	--	--	--
Other Financing Sources				
Transfers from Other Funds	6,113	6,113	6,113	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	6,113	6,113	6,113	--
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	4,261	3,992	--	3,992
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	4,261	3,992	--	3,992
Other Financing Uses				
Transfers to Other Funds	10,801	10,801	6,096	4,705
TOTAL EXPENDITURES AND OTHER FINANCING USES	15,062	14,793	6,096	8,697
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(8,949)	(8,680)	17	8,697
FUND BALANCES (DEFICIT), JULY 1	503	503	611	108
Appropriation of Fund Balances and Carryforward Appropriations	8,446	8,177	--	(8,177)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 628	$ 628

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor General Fund - Accessible Housing			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	--	--	--	--
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	--	--	--	--
Other Financing Sources				
Transfers from Other Funds	14,845	14,845	16,827	1,982
TOTAL REVENUES AND OTHER FINANCING SOURCES	14,845	14,845	16,827	1,982
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	37,433	29,747	13,272	16,475
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	37,433	29,747	13,272	16,475
Other Financing Uses				
Transfers to Other Funds	18,023	11,041	10,086	955
TOTAL EXPENDITURES AND OTHER FINANCING USES	55,456	40,788	23,358	17,430
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(40,611)	(25,943)	(6,531)	19,412
FUND BALANCES (DEFICIT), JULY 1	23,845	23,845	18,706	(5,139)
Appropriation of Fund Balances and Carryforward Appropriations	16,766	196	--	(196)
Encumbrances Lapsed	--	1,902	1,902	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 14,077	$ 14,077

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Total Annually Budgeted Nonmajor Special Revenue Funds			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	$ 326,296	$ 460,239	$ 472,416	$ 12,177
Licenses, Permits and Fines	101,367	51,367	52,938	1,571
Intergovernmental	1,066,234	1,198,092	1,201,155	3,063
Charges for Services	791,579	791,579	773,180	(18,399)
Services to Enterprise Funds	5,775	5,775	6,450	675
Special Assessments	49,890	49,890	48,134	(1,756)
Interest	52,480	52,480	78,520	26,040
Program Income	6,515	6,515	14,998	8,483
Other	37,401	37,401	35,214	(2,187)
Total Revenues	2,437,537	2,653,338	2,683,005	29,667
Other Financing Sources				
Transfers from Other Funds	92,788	92,788	106,964	14,176
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,530,325	2,746,126	2,789,969	43,843
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	116,016	100,675	5,366	95,309
Protection of Persons and Property	2,097,044	2,016,425	325,050	1,691,375
Public Works	375,515	472,142	103,862	368,280
Health and Sanitation	469,607	538,065	192,141	345,924
Transportation	769,614	892,638	399,078	493,560
Cultural and Recreational Services	178,078	171,910	38,366	133,544
Community Development	1,489,209	866,829	265,733	601,096
Capital Outlay	167,628	223,311	106,046	117,265
Debt Service				
Principal	25,575	25,575	25,575	--
Interest	16,572	16,572	12,772	3,800
Total Expenditures	5,704,858	5,324,142	1,473,989	3,850,153
Other Financing Uses				
Transfers to Other Funds	1,519,429	1,483,271	1,029,241	454,030
TOTAL EXPENDITURES AND OTHER FINANCING USES	7,224,287	6,807,413	2,503,230	4,304,183
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(4,693,962)	(4,061,287)	286,739	4,348,026
FUND BALANCES (DEFICIT), JULY 1	886,476	886,476	1,613,871	727,395
Appropriation of Fund Balances and Carryforward Appropriations	3,807,486	2,978,659	--	(2,978,659)
Encumbrances Lapsed	--	196,152	196,152	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 2,096,762	$ 2,096,762

CITY OF LOS ANGELES

Reconciliation of Operations on Budgetary Basis to the GAAP Basis
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)		
Expenditures and Other Financing Uses - Budgetary	$	286,739
Basis Difference		
Adjustments for net changes to accrued assets and liabilities. The GAAP basis operating statement recognizes revenues as soon as they are both measurable and available, and expenditures generally are recorded when liability is incurred; whereas, the budget basis operating statement reflects revenues when received and expenditures when paid.		25,770
Grant funded loans are recorded as expenditures when disbursed and as program income when repaid (budget), as opposed to adjustments to the loans receivable account balance (GAAP).		26,657
Encumbrances, which represent commitments to acquire goods and services, are recorded as the equivalent of expenditures in the budget year incurred (budget), as opposed to a reservation of net position (GAAP).		
Encumbrances reported as budgetary expenditures		352,055
Prior year encumbrances expended in current year		(251,019)
Perspective Difference		
Certain Nonmajor Special Revenue Funds are not included in the legally adopted budget; while for some, the budget provides for only the portion of fund receipts that are expended for City department operations.		132,300
Certain Budgeted Funds reclassified as General category:		
Accessible Housing		3,413
Department of Neighborhood Department		231
City Ethics Commission		(17)
Net Change in Fund Balances - Nonmajor Special Revenue Funds	$	576,129

DETAILS OF RESTATEMENT OF JULY 1 FUND BALANCES		
Fund Balances, July 1, as previously reported	$	1,640,100
Certain funds were not budgeted in prior year and others were included in this year's budget.		(26,229)
Fund Balances, July 1, as restated	$	1,613,871

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Special Revenue Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
NONMAJOR FUNDS							
BUILDING AND SAFETY PERMIT							
Current - Special Purpose	$ 1,463,144	$ (50,855)	$ 1,412,289	$ 91,110	$ 59	$ 91,169	$ 1,321,120
Capital Outlay	59,020	1,050	60,070	13,504	7,001	20,505	39,565
Transfers to Other Funds	243,167	2,414	245,581	134,646	--	134,646	110,935
TOTAL	1,765,331	(47,391)	1,717,940	239,260	7,060	246,320	1,471,620
CITYWIDE RECYCLING TRUST							
Current - Special Purpose	97,474	(129)	97,345	16,629	465	17,094	80,251
Transfers to Other Funds	42,034	500	42,534	20,374	--	20,374	22,160
TOTAL	139,508	371	139,879	37,003	465	37,468	102,411
PROPOSITION C ANTI-GRIDLOCK TRANSIT IMPROVEMENT							
Current - Special Purpose	84,893	4,659	89,552	34,778	914	35,692	53,860
Capital Outlay	1,175	--	1,175	797	93	890	285
Transfers to Other Funds	87,061	(351)	86,710	66,704	--	66,704	20,006
TOTAL	173,129	4,308	177,437	102,279	1,007	103,286	74,151
SPECIAL PARKING REVENUE							
Current - Special Purpose	80,931	4,501	85,432	24,112	11,333	35,445	49,987
Capital Outlay	11,742	(1,708)	10,034	1,366	4,854	6,220	3,814
Transfers to Other Funds	31,700	127	31,827	30,673	--	30,673	1,154
TOTAL	124,373	2,920	127,293	56,151	16,187	72,338	54,955
STORMWATER POLLUTION ABATEMENT							
Current - Special Purpose	21,033	21,914	42,947	3,265	2,866	6,131	36,816
Capital Outlay	7,963	165	8,128	3,366	510	3,876	4,252
Transfers to Other Funds	34,263	(162)	34,101	24,101	--	24,101	10,000
TOTAL	63,259	21,917	85,176	30,732	3,376	34,108	51,068
STREET LIGHTING MAINTENANCE ASSESSMENT							
Current - Special Purpose	37,917	(1,626)	36,291	14,377	609	14,986	21,305
Transfers to Other Funds	53,510	(655)	52,855	44,371	--	44,371	8,484
TOTAL	91,427	(2,281)	89,146	58,748	609	59,357	29,789
PROPOSITION A LOCAL TRANSIT ASSISTANCE							
Current - Special Purpose	357,552	117,758	475,310	149,109	106,484	255,593	219,717
Capital Outlay	5,178	15,945	21,123	12,112	473	12,585	8,538
Transfers to Other Funds	10,877	(7,219)	3,658	1,686	--	1,686	1,972
TOTAL	373,607	126,484	500,091	162,907	106,957	269,864	230,227
MEASURE R LOCAL RETURN							
Current - Special Purpose	241,010	(3,894)	237,116	61,643	8,534	70,177	166,939
Capital Outlay	37,671	13,098	50,769	11,393	5,490	16,883	33,886
Transfers to Other Funds	68,310	9,193	77,503	56,808	--	56,808	20,695
TOTAL	346,991	18,397	365,388	129,844	14,024	143,868	221,520

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
SOLID WASTE RESOURCES							
Current - Special Purpose	$ 229,673	$ 5,926	$ 235,599	$ 108,835	$ 31,689	$ 140,524	$ 95,075
Debt Service							
Principal	25,575	--	25,575	25,575	--	25,575	--
Interest	16,572	--	16,572	12,772	--	12,772	3,800
Transfers to Other Funds	208,200	492	208,692	179,369	--	179,369	29,323
TOTAL	480,020	6,418	486,438	326,551	31,689	358,240	128,198
SPECIAL GAS TAX STREET IMPROVEMENT							
Current - Special Purpose	264,896	106,190	371,086	47,103	24,804	71,907	299,179
Capital Outlay	41,958	26,733	68,691	19,613	23,787	43,400	25,291
Transfers to Other Funds	93,246	(1,997)	91,249	79,874	--	79,874	11,375
TOTAL	400,100	130,926	531,026	146,590	48,591	195,181	335,845
COMMUNITY DEVELOPMENT TRUST							
Current - Special Purpose	45,830	33,231	79,061	31,522	7,589	39,111	39,950
Transfers to Other Funds	29,482	1,222	30,704	14,791	--	14,791	15,913
TOTAL	75,312	34,453	109,765	46,313	7,589	53,902	55,863
HOME INVESTMENT PARTNERSHIP PROGRAM							
Current - Special Purpose	117,650	26,938	144,588	26,782	25,498	52,280	92,308
Transfers to Other Funds	10,140	(3,043)	7,097	3,860	--	3,860	3,237
TOTAL	127,790	23,895	151,685	30,642	25,498	56,140	95,545
WORKFORCE INNOVATION OPPORTUNITY ACT							
Current - Special Purpose	48,857	42,285	91,142	23,433	16,918	40,351	50,791
Transfers to Other Funds	21,838	(4,691)	17,147	9,294	--	9,294	7,853
TOTAL	70,695	37,594	108,289	32,727	16,918	49,645	58,644
DISASTER ASSISTANCE							
Current - Special Purpose	466,131	--	466,131	192,412	--	192,412	273,719
Transfers to Other Funds	842	--	842	279	--	279	563
TOTAL	466,973	--	466,973	192,691	--	192,691	274,282
COMMUNITY SERVICES BLOCK GRANT							
Current - Special Purpose	5,327	68	5,395	5,322	--	5,322	73
Transfers to Other Funds	1,178	322	1,500	1,312	--	1,312	188
TOTAL	6,505	390	6,895	6,634	--	6,634	261
FORFEITED ASSETS TRUST OF POLICE DEPARTMENT							
Current - Special Purpose	14,274	(27)	14,247	1,459	2,724	4,183	10,064
Transfers to Other Funds	410	(15)	395	65	--	65	330
TOTAL	14,684	(42)	14,642	1,524	2,724	4,248	10,394
HOUSEHOLD HAZARDOUS WASTE							
Current - Special Purpose	26,788	3,198	29,986	1,075	2,200	3,275	26,711
Transfers to Other Funds	4,618	--	4,618	2,895	--	2,895	1,723
TOTAL	31,406	3,198	34,604	3,970	2,200	6,170	28,434

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS							
Current - Special Purpose	$ 8,432	$ 27,429	$ 35,861	$ 18,817	$ 8,520	$ 27,337	$ 8,524
Transfers to Other Funds	645	--	645	545	--	545	100
TOTAL	9,077	27,429	36,506	19,362	8,520	27,882	8,624
MOBILE SOURCE AIR POLLUTION REDUCTION							
Current - Special Purpose	7,228	25	7,253	2,044	3	2,047	5,206
Transfers to Other Funds	3,432	(639)	2,793	2,199	--	2,199	594
TOTAL	10,660	(614)	10,046	4,243	3	4,246	5,800
OLDER AMERICANS ACT							
Current - Special Purpose	15,953	24,025	39,978	17,029	7,560	24,589	15,389
Transfers to Other Funds	14,886	(251)	14,635	2,911	--	2,911	11,724
TOTAL	30,839	23,774	54,613	19,940	7,560	27,500	27,113
SUPPLEMENTAL LAW ENFORCEMENT SERVICES							
Current - Special Purpose	3,254	--	3,254	--	--	--	3,254
Transfers to Other Funds	27,375	--	27,375	8,690	--	8,690	18,685
TOTAL	30,629	--	30,629	8,690	--	8,690	21,939
ARTS AND CULTURAL FACILITIES AND SERVICES							
Current - Special Purpose	22,579	(103)	22,476	11,360	279	11,639	10,837
Transfers to Other Funds	41,532	647	42,179	20,228	--	20,228	21,951
TOTAL	64,111	544	64,655	31,588	279	31,867	32,788
ARTS DEVELOPMENT FEE							
Current - Special Purpose	56,955	2,294	59,249	1,768	77	1,845	57,404
Transfers to Other Funds	9	--	9	--	--	--	9
TOTAL	56,964	2,294	59,258	1,768	77	1,845	57,413
CITY EMPLOYEES RIDESHARING							
Transfers to Other Funds	9,585	(4,124)	5,461	2,448	--	2,448	3,013
CITY OF LOS ANGELES AFFORDABLE HOUSING							
Current - Special Purpose	57,125	(20,566)	36,559	4,486	452	4,938	31,621
Transfers to Other Funds	3,793	191	3,984	2,329	--	2,329	1,655
TOTAL	60,918	(20,375)	40,543	6,815	452	7,267	33,276
EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT							
Current - Special Purpose	648	(385)	263	263	--	263	--
Transfers to Other Funds	5,836	(866)	4,970	4,839	--	4,839	131
TOTAL	6,484	(1,251)	5,233	5,102	--	5,102	131
LOCAL PUBLIC SAFETY							
Transfers to Other Funds	85,250	--	85,250	58,301	--	58,301	26,949

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
LOS ANGELES CONVENTION AND VISITORS BUREAU							
Current - Special Purpose	$ 87,503	$ --	$ 87,503	$ 21,812	$ 2,544	$ 24,356	$ 63,147
Transfers to Other Funds	874	--	874	732	--	732	142
TOTAL	88,377	--	88,377	22,544	2,544	25,088	63,289
MULTI-FAMILY BULKY ITEM FEE							
Current - Special Purpose	26,291	--	26,291	4,068	86	4,154	22,137
Transfers to Other Funds	16,749	--	16,749	5,874	--	5,874	10,875
TOTAL	43,040	--	43,040	9,942	86	10,028	33,012
MUNICIPAL HOUSING FINANCE							
Current - Special Purpose	44,153	(25,617)	18,536	3,456	583	4,039	14,497
Transfers to Other Funds	9,897	(862)	9,035	6,694	--	6,694	2,341
TOTAL	54,050	(26,479)	27,571	10,150	583	10,733	16,838
PLANNING CASE PROCESSING SPECIAL							
Current - Special Purpose	4,577	(4,489)	88	88	--	88	--
Transfers to Other Funds	31,144	(4,846)	26,298	25,888	--	25,888	410
TOTAL	35,721	(9,335)	26,386	25,976	--	25,976	410
RENT STABILIZATION							
Current - Special Purpose	66,762	(22,364)	44,398	8,457	4,690	13,147	31,251
Transfers to Other Funds	16,375	(2,837)	13,538	10,873	--	10,873	2,665
TOTAL	83,137	(25,201)	57,936	19,330	4,690	24,020	33,916
STREET DAMAGE RESTORATION FEE							
Current - Special Purpose	44,405	(7,937)	36,468	11,717	50	11,767	24,701
Transfers to Other Funds	54,789	(6,124)	48,665	40,602	--	40,602	8,063
TOTAL	99,194	(14,061)	85,133	52,319	50	52,369	32,764
CODE ENFORCEMENT TRUST							
Current - Special Purpose	103,973	(30,430)	73,543	24,628	3,821	28,449	45,094
Transfers to Other Funds	42,501	(1,289)	41,212	33,036	--	33,036	8,176
TOTAL	146,474	(31,719)	114,755	57,664	3,821	61,485	53,270
TELECOMMUNICATIONS LIQUIDATED DAMAGES AND LOST FRANCHISE FEES							
Current - Special Purpose	28,294	724	29,018	462	94	556	28,462
Transfers to Other Funds	2,106	(90)	2,016	--	--	--	2,016
TOTAL	30,400	634	31,034	462	94	556	30,478
TRAFFIC SAFETY							
Transfers to Other Funds	9,791	--	9,791	1,573	--	1,573	8,218

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
ZOO							
Current - Special Purpose	$ 10,393	$ (7,974)	$ 2,419	$ 238	$ 25	$ 263	$ 2,156
Transfers to Other Funds	36,946	1,500	38,446	37,814	--	37,814	632
TOTAL	47,339	(6,474)	40,865	38,052	25	38,077	2,788
SIDEWALK REPAIR							
Current - Special Purpose	8,314	--	8,314	4,827	1	4,828	3,486
Capital Outlay	2,921	400	3,321	727	960	1,687	1,634
Transfers to Other Funds	13,997	(400)	13,597	12,477	--	12,477	1,120
TOTAL	25,232	--	25,232	18,031	961	18,992	6,240
CODE COMPLIANCE							
Current - Special Purpose	3,143	53	3,196	548	43	591	2,605
Transfers to Other Funds	1,230	--	1,230	808	--	808	422
TOTAL	4,373	53	4,426	1,356	43	1,399	3,027
CANNABIS REGULATION							
Current - Special Purpose	110,093	(14,573)	95,520	3,553	1,319	4,872	90,648
Transfers to Other Funds	22,461	--	22,461	10,193	--	10,193	12,268
TOTAL	132,554	(14,573)	117,981	13,746	1,319	15,065	102,916
MEASURE W							
Current - Special Purpose	47,992	36,410	84,402	11,645	5,221	16,866	67,536
Transfers to Other Funds	17,813	125	17,938	7,239	--	7,239	10,699
TOTAL	65,805	36,535	102,340	18,884	5,221	24,105	78,235
CENTRAL LA RECYCLING							
Current - Special Purpose	39,419	1,114	40,533	4,755	1,449	6,204	34,329
Transfers to Other Funds	1,972	156	2,128	912	--	912	1,216
TOTAL	41,391	1,270	42,661	5,667	1,449	7,116	35,545
PLANNING LONG-RANGE PLAN							
Current - Special Purpose	1,767	(1,367)	400	30	272	302	98
Transfers to Other Funds	11,173	(2,665)	8,508	8,203	--	8,203	305
TOTAL	12,940	(4,032)	8,908	8,233	272	8,505	403
CITY PLANNING SYSTEM DEVELOPMENT							
Current-Special Purpose	22,758	475	23,233	3,276	--	3,276	19,957
Transfers to Other Funds	15,985	--	15,985	7,817	--	7,817	8,168
TOTAL	38,743	--	39,218	11,093	--	11,093	28,125
HOUSE LA							
Current - Special Purpose	1,005,075	(695,158)	309,917	7,721	24,020	31,741	278,176
Transfers to Other Funds	4,356	40	4,396	2,496	--	2,496	1,900
TOTAL	1,009,431	(695,118)	314,313	10,217	24,020	34,237	280,076
ALLOCATIONS FROM OTHER GOVERNMENTAL AGENCIES							
Current - Special Purpose	21,916	332	22,248	12,476	--	12,476	9,772
Transfers to Other Funds	42,206	(2,001)	40,205	22,316	--	22,316	17,889
TOTAL	64,122	(1,669)	62,453	34,792	--	34,792	27,661
TOTAL BUDGETED SPECIAL REVENUE FUNDS	$ 7,147,741	$ (400,460)	$ 6,747,281	$ 2,122,854	$ 346,963	$ 2,469,817	$ 4,277,464

Continued...

CITY OF LOS ANGELES

Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Special Revenue Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
ALL ANNUALLY BUDGETED SPECIAL REVENUE FUNDS							
Current - Special Purpose	$ 5,452,382	$ (427,945)	$ 5,024,437	$ 1,012,490	$ 303,795	$ 1,316,285	$ 3,708,152
Capital Outlay	167,628	55,683	223,311	62,878	43,168	106,046	117,265
Debt Service							
Principal	25,575	--	25,575	25,575	--	25,575	--
Interest	16,572	--	16,572	12,772	--	12,772	3,800
Transfers to Other Funds	1,485,584	(28,198)	1,457,386	1,009,139	--	1,009,139	448,247
TOTAL	$ 7,147,741	$ (400,460)	$ 6,747,281	$ 2,122,854	$ 346,963	$ 2,469,817	$ 4,277,464
NONMAJOR GENERAL FUNDS							
DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT							
Current - Special Purpose	$ 1,007	$ (499)	$ 508	$ 40	$ (1)	$ 39	$ 469
Transfers to Other Funds	5,021	(978)	4,043	3,920	--	3,920	123
TOTAL	6,028	(1,477)	4,551	3,960	(1)	3,959	592
CITY ETHICS COMMISSION							
Current - Special Purpose	4,261	(269)	3,992	--	--	--	3,992
Transfers to Other Funds	10,801	--	10,801	6,096	--	6,096	4,705
TOTAL	15,062	(269)	14,793	6,096	--	6,096	8,697
ACCESSIBLE HOUSING							
Current - Special Purpose	37,433	(7,686)	29,747	8,179	5,093	13,272	16,475
Transfers to Other Funds	18,023	(6,982)	11,041	10,086	--	10,086	955
TOTAL	55,456	(14,668)	40,788	18,265	5,093	23,358	17,430
TOTAL BUDGETED GENERAL FUND	$ 76,546	$ (16,414)	$ 60,132	$ 28,321	$ 5,092	$ 33,413	$ 26,719
ALL ANNUALLY BUDGETED GENERAL FUNDS							
Current - Special Purpose	42,701	(8,454)	34,247	8,219	5,092	13,311	20,936
Transfers to Other Funds	33,845	(7,960)	25,885	20,102	--	20,102	5,783
TOTAL	$ 76,546	$ (16,414)	$ 60,132	$ 28,321	$ 5,092	$ 33,413	$ 26,719
GRAND TOTAL	$ 7,224,287	$ (416,874)	$ 6,807,413	$ 2,151,175	$ 352,055	$ 2,503,230	$ 4,304,183

Debt Service Funds

Debt Service Funds are used to account for the payment of maturing principal and interest on the City's general obligation and revenue bonds, and certificates of participation.

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CITY OF LOS ANGELES

Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds				
	Refunding Series 2016-A	Proposition HHH - Debt Service	Refunding Series 2017-B	Refunding Series 2018-B	Refunding Series 2018-C
ASSETS					
Cash and Pooled Investments	$ 7,759	$ 87,973	$ 5,246	$ 7,334	$ 2,202
Taxes Receivable					
(Net of Allowance for Uncollectibles of $327)	1,070	13,217	666	1,011	291
Investment Income Receivable	41	454	27	38	12
TOTAL ASSETS	$ 8,870	$ 101,644	$ 5,939	$ 8,383	$ 2,505
LIABILITIES					
Obligations Under Securities Lending Transactions	$ 28	$ 322	$ 19	$ 27	$ 8
Interest Payable	--	--	--	--	--
Other Liabilities	70	794	47	67	21
TOTAL LIABILITIES	98	1,116	66	94	29
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	917	11,323	571	866	249
Interest Receivable on Loans and Others	12	136	8	11	3
TOTAL DEFERRED INFLOWS OF RESOURCES	929	11,459	579	877	252
FUND BALANCES					
Restricted	7,843	89,069	5,294	7,412	2,224
TOTAL FUND BALANCES	7,843	89,069	5,294	7,412	2,224
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,870	$ 101,644	$ 5,939	$ 8,383	$ 2,505

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Debt Service Funds
June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds			
	Refunding Series 2021-B	Solid Waste Resources	Other Nonmajor Debt Service Funds	Total
ASSETS				
Cash and Pooled Investments	$ 780	$ 26,041	$ 9,144	$ 146,479
Taxes Receivable				
(Net of Allowance for Uncollectibles of $327)	--	--	--	16,255
Investment Income Receivable	5	--	55	632
TOTAL ASSETS	$ 785	$ 26,041	$ 9,199	$ 163,366
LIABILITIES				
Obligations Under Securities Lending Transactions	$ 3	$ --	$ 34	$ 441
Interest Payable	--	--	242	242
Other Liabilities	8	--	79	1,086
TOTAL LIABILITIES	11	--	355	1,769
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	--	--	--	13,926
Interest Receivable on Loans and Others	1	--	16	187
TOTAL DEFERRED INFLOWS OF RESOURCES	1	--	16	14,113
FUND BALANCES				
Restricted	773	26,041	8,828	147,484
TOTAL FUND BALANCES	773	26,041	8,828	147,484
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 785	$ 26,041	$ 9,199	$ 163,366

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds				
	Refunding Series 2016-A	Proposition HHH - Debt Service	Refunding Series 2017-B	Refunding Series 2018-B	Refunding Series 2018-C
REVENUES					
Property Taxes	$ 7,252	$ 94,461	$ 4,629	$ 6,738	$ 1,962
Investment Earnings	157	1,577	100	141	42
Change in Fair Value of Investments	278	1,814	153	215	66
TOTAL REVENUES	7,687	97,852	4,882	7,094	2,070
EXPENDITURES					
Debt Service					
Principal	7,295	48,210	4,465	5,715	1,815
Interest	1,734	36,326	562	1,590	342
TOTAL EXPENDITURES	9,029	84,536	5,027	7,305	2,157
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,342)	13,316	(145)	(211)	(87)
OTHER FINANCING SOURCES					
Transfers In	--	953	--	--	--
TOTAL OTHER FINANCING SOURCES	--	953	--	--	--
NET CHANGE IN FUND BALANCES	(1,342)	14,269	(145)	(211)	(87)
FUND BALANCES, JULY 1	9,185	74,800	5,439	7,623	2,311
FUND BALANCES, JUNE 30	$ 7,843	$ 89,069	$ 5,294	$ 7,412	$ 2,224

Continued...

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - (Continued)
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds			
	Refunding Series 2021-B	Solid Waste Resources	Other Nonmajor Debt Service Funds	Total
REVENUES				
Property Taxes	$ --	$ --	$ --	$ 115,042
Investment Earnings	65	477	259	2,818
Change in Fair Value of Investments	299	--	226	3,051
TOTAL REVENUES	364	477	485	120,911
EXPENDITURES				
Debt Service				
Principal	6,345	25,575	10,468	109,888
Interest	152	12,772	94	53,572
TOTAL EXPENDITURES	6,497	38,347	10,562	163,460
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,133)	(37,870)	(10,077)	(42,549)
OTHER FINANCING SOURCES				
Transfers In	--	36,665	10,562	48,180
TOTAL OTHER FINANCING SOURCES	--	36,665	10,562	48,180
NET CHANGE IN FUND BALANCES	(6,133)	(1,205)	485	5,631
FUND BALANCES, JULY 1	6,906	27,246	8,343	141,853
FUND BALANCES, JUNE 30	$ 773	$ 26,041	$ 8,828	$ 147,484

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2016-A			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	$ 9,029	$ 9,029	$ 7,235	$ (1,794)
Interest	--	--	167	167
TOTAL REVENUES	9,029	9,029	7,402	(1,627)
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	7,295	7,295	7,295	--
Interest	1,734	1,734	1,734	--
TOTAL EXPENDITURES	9,029	9,029	9,029	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(1,627)	(1,627)
FUND BALANCES, JULY 1	--	--	9,419	9,419
FUND BALANCES, JUNE 30	$ --	$ --	$ 7,792	$ 7,792

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Proposition HHH - Debt Service			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	$ 85,775	$ 85,775	$ 95,291	$ 9,516
Interest	--	--	1,558	1,558
TOTAL REVENUES	85,775	85,775	96,849	11,074
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	48,210	48,210	48,210	--
Interest	37,565	37,565	36,326	1,239
TOTAL EXPENDITURES	85,775	85,775	84,536	1,239
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	12,313	12,313
FUND BALANCES, JULY 1	--	--	76,023	76,023
FUND BALANCES, JUNE 30	$ --	$ --	$ 88,336	$ 88,336

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2017-B			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	$ 5,027	$ 5,027	$ 4,621	$ (406)
Interest	--	--	102	102
TOTAL REVENUES	5,027	5,027	4,723	(304)
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	4,465	4,465	4,465	--
Interest	562	562	562	--
TOTAL EXPENDITURES	5,027	5,027	5,027	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(304)	(304)
FUND BALANCES, JULY 1	--	--	5,572	5,572
FUND BALANCES, JUNE 30	$ --	$ --	$ 5,268	$ 5,268

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2018-B			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	$ 7,305	$ 7,305	$ 6,719	$ (586)
Interest	--	--	144	144
TOTAL REVENUES	7,305	7,305	6,863	(442)
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	5,715	5,715	5,715	--
Interest	1,590	1,590	1,590	--
TOTAL EXPENDITURES	7,305	7,305	7,305	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(442)	(442)
FUND BALANCES, JULY 1	--	--	7,806	7,806
FUND BALANCES, JUNE 30	$ --	$ --	$ 7,364	$ 7,364

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2018-C			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	$ 2,157	$ 2,157	$ 1,957	$ (200)
Interest	--	--	43	43
TOTAL REVENUES	2,157	2,157	2,000	(157)
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	1,815	1,815	1,815	--
Interest	342	342	342	--
TOTAL EXPENDITURES	2,157	2,157	2,157	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(157)	(157)
FUND BALANCES, JULY 1	--	--	2,367	2,367
FUND BALANCES, JUNE 30	$ --	$ --	$ 2,210	$ 2,210

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2021-B			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES				
Revenues				
Taxes	$ 6,497	$ 6,497	$ --	$ (6,497)
Interest	--	--	93	93
TOTAL REVENUES	6,497	6,497	93	(6,404)
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	6,345	6,345	6,345	--
Interest	152	152	152	--
TOTAL EXPENDITURES	6,497	6,497	6,497	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(6,404)	(6,404)
FUND BALANCES, JULY 1	--	--	7,187	7,187
FUND BALANCES, JUNE 30	$ --	$ --	$ 783	$ 783

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Debt Service Fund - Convention Center - Staples Arena Account			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Interest	--	--	262	262
TOTAL REVENUES	--	--	262	262
EXPENDITURES				
Expenditures				
Current				
General Government	10,782	10,782	--	10,782
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
TOTAL EXPENDITURES	10,782	10,782	--	10,782
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,782)	(10,782)	262	11,044
FUND BALANCES, JULY 1	10,782	10,782	8,677	(2,105)
Appropriation of Fund Balances and Carryforward Appropriations	--	--	--	--
FUND BALANCES, JUNE 30	$ --	$ --	$ 8,939	$ 8,939

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Debt Service Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Total Annually Budgeted Nonmajor Debt Service Funds			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	$ 115,790	$ 115,790	$ 115,823	$ 33
Interest	--	--	2,369	2,369
TOTAL REVENUES	115,790	115,790	118,192	2,402
EXPENDITURES				
Expenditures				
Current				
General Government	10,782	10,782	--	10,782
Debt Service				
Principal	73,845	73,845	73,845	--
Interest	41,945	41,945	40,706	1,239
TOTAL EXPENDITURES	126,572	126,572	114,551	12,021
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,782)	(10,782)	3,641	14,423
FUND BALANCES, JULY 1	10,782	10,782	117,050	106,268
Appropriation of Fund Balances and Carryforward Appropriations	--	--	--	--
FUND BALANCES, JUNE 30	$ --	$ --	$ 120,691	$ 120,691

CITY OF LOS ANGELES

Reconciliation of Operations on Budgetary Basis to the GAAP Basis
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

Excess of Revenues over Expenditures - Budgetary	$	3,641
Basis Difference		
Adjustments for net changes to accrued assets and liabilities. The GAAP basis operating statement recognizes revenues as soon as they are both measurable and available, and expenditures generally are recorded when liability is incurred; whereas, the budget basis operating statement reflects revenues when received and expenditures when paid.		3,198
Perspective Difference		
Certain Nonmajor Debt Service funds are not included in the legally adopted budget		(1,208)
Net Change in Fund Balances - Nonmajor Debt Service Funds	$	5,631

Capital Projects Funds

Capital Projects Funds are used to account for major capital improvements which are financed from the City's general obligation bonds and certificates of participation issues, special assessments, certain Federal grants, and specific receipts.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for capital improvements which are financed from the City's and component units' general obligation bonds, certificates of participation issues, special assessments, certain Federal grants and other specific receipts. All of the City's Capital Projects Funds are considered nonmajor funds. Nine funds are separately identified. These funds represent 90.93% of the combined revenues of the Capital Project Funds. The other smaller funds are grouped as other nonmajor capital project funds.

General Obligation Bonds – Series 2003-A, Series 2004-A, Series 2005-A, Series 2006-A, Series 2008-A, Series 2009, and Series 2011-A. These funds account for the proceeds from the sales of bonds authorized by the voters in November 2000, March 2002, and November 2004 for the acquisition, improvement, and construction of certain police and fire safety facilities, animal shelter and stormwater infrastructure assets.

Recreation and Parks Grant Fund – Accounts for grants received for major capital improvements undertaken by the City's Department of Recreation and Parks.

Parks Assessment Fund – Accounts for assessments levied pursuant to Proposition K – Los Angeles Kids program approved by City voters on November 5, 1996. The assessments from the City of Los Angeles Landscaping and Lighting District 96-1 will be used for the acquisition of land, construction of capital improvements and maintenance of facilities.

Other Nonmajor Capital Projects Funds - Account for the activities of smaller capital project funds and represent 9.1% of the combined revenues. Included in this group are two annually budgeted funds: Local Transportation and Park and Recreational Sites and Facilities.

CITY OF LOS ANGELES

Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds					
	Series 2003-A	Series 2004-A	Series 2005-A	Series 2006-A	Series 2008-A	Series 2009
ASSETS						
Cash and Pooled Investments	$ 325	$ 890	$ 2,685	$ 5,086	$ 1,335	$ 5,153
Special Assessments Receivable	--	--	--	--	--	--
Investment Income Receivable	2	--	16	31	8	33
Intergovernmental Receivable	--	--	--	--	--	--
Due from Other Funds	--	--	--	--	--	--
TOTAL ASSETS	$ 327	$ 890	$ 2,701	$ 5,117	$ 1,343	$ 5,186
LIABILITIES						
Accounts, Contracts and Retainage Payable	$ --	$ --	$ --	$ --	$ --	$ --
Obligations Under Securities Lending Transactions	1	--	10	18	5	19
Due to Other Funds	--	25	4	493	365	1,028
Deposits and Advances	--	--	--	--	--	--
Other Liabilities	3	--	24	46	12	46
TOTAL LIABILITIES	4	25	38	557	382	1,093
DEFERRED INFLOWS OF RESOURCES						
Receivables from Other Government Agencies	--	--	--	--	--	--
Interest Receivable on Loans and Others	1	--	4	9	2	9
TOTAL DEFERRED INFLOWS OF RESOURCES	1	--	4	9	2	9
FUND BALANCES						
Restricted	322	865	2,659	4,551	959	4,084
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 327	$ 890	$ 2,701	$ 5,117	$ 1,343	$ 5,186

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Capital Projects Funds
June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Series 2011-A	Recreation and Parks Grant	Parks Assessment	Other Nonmajor Capital Projects Funds	Total
ASSETS					
Cash and Pooled Investments	$ 23,893	$ 92,085	$ 181,251	$ 19,331	$ 332,034
Special Assessments Receivable	--	--	1,303	--	1,303
Investment Income Receivable	161	548	1,093	12	1,904
Intergovernmental Receivable	--	483	--	4,107	4,590
Due from Other Funds	--	3,494	448	210	4,152
TOTAL ASSETS	$ 24,054	$ 96,610	$ 184,095	$ 23,660	$ 343,983
LIABILITIES					
Accounts, Contracts and Retainage Payable	$ 1,872	$ 3,585	$ 1,042	$ 1,282	$ 7,781
Obligations Under Securities Lending Transactions	88	337	666	6	1,150
Due to Other Funds	894	1	301	2	3,113
Deposits and Advances	--	--	--	4	4
Other Liabilities	215	830	1,635	15	2,826
TOTAL LIABILITIES	3,069	4,753	3,644	1,309	14,874
DEFERRED INFLOWS OF RESOURCES					
Receivables from Other Government Agencies	--	2,971	--	--	2,971
Interest Receivable on Loans and Others	45	156	1,301	3	1,530
TOTAL DEFERRED INFLOWS OF RESOURCES	45	3,127	1,301	3	4,501
FUND BALANCES					
Restricted	20,940	88,730	179,150	22,348	324,608
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 24,054	$ 96,610	$ 184,095	$ 23,660	$ 343,983

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds					
	Series 2003-A	Series 2004-A	Series 2005-A	Series 2006-A	Series 2008-A	Series 2009
REVENUES						
Other Taxes	$ --	$ --	$ --	$ --	$ --	$ --
Licenses and Permits	--	--	--	--	--	--
Intergovernmental	--	--	--	--	--	103
Charges for Services	--	--	--	--	26	--
Special Assessments	--	--	--	--	--	--
Investment Earnings	10	--	79	148	38	177
Change in Fair Value of Investments	8	38	68	129	33	175
TOTAL REVENUES	18	38	147	277	97	455
EXPENDITURES						
Capital Outlay	--	--	--	--	1	1,159
TOTAL EXPENDITURES	--	--	--	--	1	1,159
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18	38	147	277	96	(704)
OTHER FINANCING SOURCES (USES)						
Transfers In	--	--	--	--	6	--
Transfers Out	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	6	--
NET CHANGE IN FUND BALANCES	18	38	147	277	102	(704)
FUND BALANCES, JULY 1	304	827	2,512	4,274	857	4,788
FUND BALANCES, JUNE 30	$ 322	$ 865	$ 2,659	$ 4,551	$ 959	$ 4,084

Continued...

CITY OF LOS ANGELES

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - (Continued)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	General Obligation Bonds Series 2011-A	Recreation and Parks Grant	Parks Assessment	Other Nonmajor Capital Projects Funds	Total
REVENUES					
Other Taxes	$ --	$ --	$ --	$ 2,487	$ 2,487
Licenses and Permits	--	--	--	19	19
Intergovernmental	329	27,858	--	4,282	32,572
Charges for Services	--	400	--	--	426
Special Assessments	--	--	24,618	--	24,618
Investment Earnings	837	2,486	5,061	72	8,908
Change in Fair Value of Investments	922	1,815	4,214	82	7,484
TOTAL REVENUES	2,088	32,559	33,893	6,942	76,514
EXPENDITURES					
Capital Outlay	7,990	26,203	15,755	2,575	53,683
TOTAL EXPENDITURES	7,990	26,203	15,755	2,575	53,683
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,902)	6,356	18,138	4,367	22,831
OTHER FINANCING SOURCES (USES)					
Transfers In	--	8,239	--	--	8,245
Transfers Out	--	--	--	(150)	(150)
TOTAL OTHER FINANCING SOURCES (USES)	--	8,239	--	(150)	8,095
NET CHANGE IN FUND BALANCES	(5,902)	14,595	18,138	4,217	30,926
FUND BALANCES, JULY 1	26,842	74,135	161,012	18,131	293,682
FUND BALANCES, JUNE 30	$ 20,940	$ 88,730	$ 179,150	$ 22,348	$ 324,608

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Capital Projects Fund - Local Transportation			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES				
Revenues				
Taxes	$ --	$ --	$ --	$ --
Intergovernmental	4,398	4,398	175	(4,223)
Interest	30	30	69	39
TOTAL REVENUES	4,428	4,428	244	(4,184)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Capital Outlay	17,222	18,827	5,774	13,053
Other Financing Uses				
Transfers to Other Funds	89	89	--	89
TOTAL EXPENDITURES AND OTHER FINANCING USES	17,311	18,916	5,774	13,142
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(12,883)	(14,488)	(5,530)	8,958
FUND BALANCES (DEFICIT), JULY 1	--	--	(215)	(215)
Appropriation of Fund Balances and Carryforward Appropriations	12,883	12,926	--	(12,926)
Encumbrances Lapsed	--	1,562	1,562	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ (4,183)	$ (4,183)

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Capital Projects Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Other Nonmajor Capital Projects Fund - Parks and Recreation Sites and Facilities			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES				
Revenues				
Taxes	$ 3,100	$ 3,100	$ 2,487	$ (613)
Intergovernmental	--	--	--	--
Interest	--	--	--	--
TOTAL REVENUES	3,100	3,100	2,487	(613)
EXPENDITURES AND OTHER FINANCING USES				
Capital Outlay	3,100	15,311	201	15,110
Other Financing Uses				
Transfers to Other Funds	1,866	2,398	476	1,922
TOTAL EXPENDITURES AND OTHER FINANCING USES	4,966	17,709	677	17,032
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(1,866)	(14,609)	1,810	16,419
FUND BALANCES (DEFICIT), JULY 1	--	--	15,488	15,488
Appropriation of Fund Balances and Carryforward Appropriations	1,866	14,609	--	(14,609)
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 17,298	$ 17,298

Continued...

CITY OF LOS ANGELES

Combining Budgetary Comparison Schedule
(Non-GAAP Budgetary Basis)
Annually Budgeted Nonmajor Capital Projects Funds - (Continued)
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Total Annually Budgeted Nonmajor Capital Projects Funds			
	Budgeted Amounts		Actual Amounts (Budgetary	Variance with Final Budget Positive
	Original	Final	Basis)	(Negative)
REVENUES				
Revenues				
Taxes	$ 3,100	$ 3,100	$ 2,487	$ (613)
Intergovernmental	4,398	4,398	175	(4,223)
Interest	30	30	69	39
TOTAL REVENUES	7,528	7,528	2,731	(4,797)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Capital Outlay	20,322	34,138	5,975	28,163
Other Financing Uses				
Transfers to Other Funds	1,955	2,487	476	2,011
TOTAL EXPENDITURES AND OTHER FINANCING USES	22,277	36,625	6,451	30,174
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(14,749)	(29,097)	(3,720)	25,377
FUND BALANCES (DEFICIT), JULY 1	--	--	15,273	15,273
Appropriation of Fund Balances and Carryforward Appropriations	14,749	27,535	--	(27,535)
Encumbrances Lapsed	--	1,562	1,562	--
FUND BALANCES (DEFICIT), JUNE 30	$ --	$ --	$ 13,115	$ 13,115

CITY OF LOS ANGELES

Reconciliation of Operations on Budgetary Basis to the GAAP Basis
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

Deficiency of Revenues Under		
Expenditures and Other Financing Uses - Budgetary	$	(3,720)
Basis Difference		
Adjustments for net changes to accrued assets and liabilities. The GAAP basis operating statement recognizes revenues as soon as they are both measurable and available, and expenditures generally are recorded when liability is incurred; whereas, the budget basis operating statement reflects revenues when received and expenditures when paid.		3,962
Encumbrances, which represent commitments to acquire goods and services, are recorded as the equivalent of expenditures in the budget year incurred (budget), as opposed to a reservation of fund balance (GAAP).		
Encumbrances reported as budgetary expenditures		4,926
Prior year encumbrances expended in current year		(985)
Perspective Difference		
Certain Nonmajor Capital Projects Funds are not included in the legally adopted budget; while for some, the budget provides for only the portion of fund receipts that are expended for City department operations.		26,743
Net Change in Fund Balances - Nonmajor Capital Projects Funds	$	30,926

CITY OF LOS ANGELES

**Supplemental Schedule of Budget Appropriations,
Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis)
All Budgeted Capital Projects Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)**

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2025	Total Actual	Variance with Final Budget Positive (Negative)
LOCAL TRANSPORTATION							
Capital Outlay	$ 17,222	$ 1,605	$ 18,827	$ 866	$ 4,908	$ 5,774	$ 13,053
Transfers to Other Funds	89	--	89	--	--	--	89
TOTAL	17,311	1,605	18,916	866	4,908	5,774	13,142
PARKS AND RECREATION SITES AND FACILITIES							
Capital Outlay	3,100	12,211	15,311	183	18	201	15,110
Transfers to Other Funds	1,866	532	2,398	476	--	476	1,922
TOTAL	4,966	12,743	17,709	659	18	677	17,032
TOTAL BUDGETED CAPITAL PROJECTS FUNDS	$ 22,277	$ 14,348	$ 36,625	$ 1,525	$ 4,926	$ 6,451	$ 30,174
ALL ANNUALLY BUDGETED CAPITAL PROJECTS FUNDS							
Capital Outlay	$ 20,322	$ 13,816	$ 34,138	$ 1,049	$ 4,926	$ 5,975	$ 28,163
Transfers to Other Funds	1,955	532	2,487	476	--	476	2,011
TOTAL	$ 22,277	$ 14,348	$ 36,625	$ 1,525	$ 4,926	$ 6,451	$ 30,174

Fiduciary Funds

Pensions and Other Employee Benefits Trust Funds are used to account for the activities of the City's single-employer defined benefit pension plans and other postemployment benefit plans. Custodial Funds are used to account for activities carried out exclusively for the benefit of those outside of the City but not administered through other fiduciary trusts.

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held by the City in a trustee or agency capacity for others and therefore cannot be used to support the City government's programs. These include Pension Trust Funds, Other Postemployment Benefits Trust Funds, and Custodial Funds.

Pension Trust Funds – These funds are used to report resources that are held in trust for the members and beneficiaries of the City's single-employer defined benefit pension plans namely: Fire and Police Pension Plan, Los Angeles City Employees' Retirement Plan, and Water and Power Employees' Retirement and Disability Pension Plans.

Other Postemployment Benefits Trust Funds – These funds are used to report resources that are held in trust for the members of the City's postemployment plans namely: Fire and Police Health Subsidy Plan, Los Angeles City Employees' Postemployment Health Care Plan, and Water and Power Employees' Retirees Health Benefit and Death Benefit Plans.

Custodial Funds – These funds are used to report activities carried out exclusively for the benefit of that outside of the City but not administered through other fiduciary trusts, such as collections for Clean Fuel Rewards Program, assessments for payments of certain conduit debt, and monies seized by the law enforcement pending judgment.

CITY OF LOS ANGELES

Combining Statement of Fiduciary Net Position
Pension and Other Postemployment Benefits Trust Funds
June 30, 2025
(amounts expressed in thousands)

	Pension Trust Funds	Other Postemployment Benefits Trust Funds	Total
ASSETS			
Cash and Pooled Investments	$ 94,459	$ 7,872	$ 102,331
Receivables			
Contributions	66,625	2,490	69,115
Accrued Investment Income	296,949	47,240	344,189
Other Receivables	24,766	2,591	27,357
Advance to Other Entities	689,516	91,042	780,558
Other Investments			
Short-Term Investments	2,125,434	342,237	2,467,671
U.S. Government Obligations	5,373,732	807,946	6,181,678
U.S. Agency Notes	1,040,744	200,011	1,240,755
Municipal Bonds	19,526	3,830	23,356
Domestic Corporate Bonds	5,625,067	834,294	6,459,361
International Bonds	2,101,272	392,604	2,493,876
Other Fixed Income	925,789	180,621	1,106,410
Bank Loans	127,121	25,117	152,238
Opportunistic Debts	267,815	52,916	320,731
Domestic Stocks	19,975,784	3,087,985	23,063,769
International Stocks	13,462,875	2,220,809	15,683,684
Mortgage-Backed Securities	937,910	183,633	1,121,543
Government Agencies	12,716	2,512	15,228
Derivative Instruments - Current	1,788	354	2,142
Real Estate	4,717,770	803,785	5,521,555
Alternative Investments	14,863,031	2,393,185	17,256,216
Securities Lending Collateral	1,914,065	325,820	2,239,885
Prepaid Health Subsidy	--	13,487	13,487
Capital Assets			
Land, Furniture, Equipment and Software (Net of Accumulated Depreciation and Amortization of $26,080)	64,050	11,308	75,358
TOTAL ASSETS	74,728,804	12,033,689	86,762,493
LIABILITIES			
Accounts Payable and Accrued Expenses	150,657	22,513	173,170
Accrued Compensated Absences Payable	9,775	1,580	11,355
Accrued Investment Expenses	22,117	4,370	26,487
Benefits in Process of Payment	14,026	7,620	21,646
Due to Brokers	1,226,616	160,990	1,387,606
Obligations Under Securities Lending Transactions	1,914,065	325,821	2,239,886
Mortgage Loan Payable - Noncurrent Portion	181,927	21,491	203,418
Deposits and Advances	24	3	27
TOTAL LIABILITIES	3,519,207	544,388	4,063,595
DEFERRED INFLOWS OF RESOURCES			
Leases	573	113	686
TOTAL DEFERRED INFLOWS OF RESOURCES	573	113	686
NET POSITION			
Restricted for Pension and Other Postemployment Benefits			
Pension Plans	71,170,754	--	71,170,754
Disability Plan	38,270	--	38,270
Death Benefit Plan	--	68,304	68,304
Postemployment Healthcare Plans	--	11,420,884	11,420,884
TOTAL NET POSITION	$ 71,209,024	$ 11,489,188	$ 82,698,212

CITY OF LOS ANGELES

Combining Statement of Changes in Fiduciary Net Position
Pension and Other Postemployment Benefits Trust Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Pension Trust Funds	Other Postemployment Benefits Trust Funds	Total
ADDITIONS			
Contributions			
Employer	$ 1,745,583	$ 420,902	$ 2,166,485
Plan Member	653,392	401	653,793
Total Contributions	2,398,975	421,303	2,820,278
Self-Funded Insurance Premium	--	13,127	13,127
Health Insurance Premium Reserve	--	1,083	1,083
Investment Income			
Net Appreciation in Fair Value of Investments	5,990,716	1,018,525	7,009,241
Interest Income	764,203	116,508	880,711
Income from Alternative Investments	78,597	9,926	88,523
Dividend Income	639,414	96,041	735,455
Securities Lending Income	47,044	10,711	57,755
Other Investment Income	68,227	11,554	79,781
Income from Real Estate Investments	105,861	15,887	121,748
Investment Income	7,694,062	1,279,152	8,973,214
Investment Expense	(420,414)	(72,790)	(493,204)
Securities Lending Expense	(36,812)	(9,065)	(45,877)
Net Investment Income	7,236,836	1,197,297	8,434,133
Other Income	375	48	423
TOTAL ADDITIONS	9,636,186	1,632,858	11,269,044
DEDUCTIONS			
Benefits Payments	3,557,424	498,722	4,056,146
Refunds of Member Contributions	34,771	--	34,771
Administrative Expenses	68,344	15,841	84,185
Contingent Disability Benefit Advance Write-off	3,310	--	3,310
TOTAL DEDUCTIONS	3,663,849	514,563	4,178,412
CHANGE IN NET POSITION			
Pension Plans	5,973,934	--	5,973,934
Disability Plan	(1,597)	--	(1,597)
Death Benefit Plan	--	12,013	12,013
Postemployment Healthcare Plans	--	1,106,282	1,106,282
TOTAL CHANGE IN NET POSITION	5,972,337	1,118,295	7,090,632
Net Position Restricted for Pension and Postemployment Benefits July 1, as restated			
Pension Plans	65,196,820	--	65,196,820
Disability Plan	39,867	--	39,867
Death Benefit Plan	--	56,291	56,291
Postemployment Healthcare Plans	--	10,314,602	10,314,602
NET POSITION RESTRICTED FOR PENSION AND OTHER POSTEMPLOYMENT BENEFITS, JUNE 30	$ 71,209,024	$ 11,489,188	$ 82,698,212

CITY OF LOS ANGELES

Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2025
(amounts expressed in thousands)

	Fire and Police Pension Plan	Los Angeles City Employees' Retirement Plan	Water and Power Employees' Retirement and Disability Benefit Plans	Total
ASSETS				
Cash and Pooled Investments	$ 723	$ 6,068	$ 87,668	$ 94,459
Receivables				
Contributions	6,904	--	59,721	66,625
Accrued Investment Income	131,099	96,373	69,477	296,949
Other Receivables	--	12,986	11,780	24,766
Advance to Other Entities	554,205	65,675	69,636	689,516
Other Investments				
Short-Term Investments	929,908	486,733	708,793	2,125,434
U.S. Government Obligations	3,143,613	1,480,880	749,239	5,373,732
U.S. Agency Notes	--	--	1,040,744	1,040,744
Municipal Bonds	--	14,353	5,173	19,526
Domestic Corporate Bonds	3,397,311	894,494	1,333,262	5,625,067
International Bonds	227,092	1,035,722	838,458	2,101,272
Other Fixed Income	--	499,977	425,812	925,789
Bank Loans	--	127,121	--	127,121
Opportunistic Debts	--	267,815	--	267,815
Domestic Stocks	10,565,482	5,810,676	3,599,626	19,975,784
International Stocks	5,251,896	4,146,886	4,064,093	13,462,875
Mortgage-Backed Securities	--	626,416	311,494	937,910
Government Agencies	--	12,716	--	12,716
Derivative Instruments - Current	--	1,788	--	1,788
Real Estate	1,744,826	1,139,474	1,833,470	4,717,770
Alternative Investments	5,751,201	4,575,896	4,535,934	14,863,031
Securities Lending Collateral	897,881	172,862	843,322	1,914,065
Capital Assets				
Land, Furniture, Equipment and Software (Net of Accumulated Depreciation and Amortization of $22,577)	16,946	47,104	--	64,050
TOTAL ASSETS	32,619,087	21,522,015	20,587,702	74,728,804
LIABILITIES				
Accounts Payable and Accrued Expenses	12,642	38,634	99,381	150,657
Accrued Compensated Absences Payable	4,414	5,361	--	9,775
Accrued Investment Expenses	--	22,117	--	22,117
Benefits in Process of Payment	14,026	--	--	14,026
Due to Brokers	1,012,962	93,699	119,955	1,226,616
Obligations Under Securities Lending Transactions	897,881	172,862	843,322	1,914,065
Mortgage Loan Payable - Noncurrent Portion	181,927	--	--	181,927
Deposits and Advances	24	--	--	24
TOTAL LIABILITIES	2,123,876	332,673	1,062,658	3,519,207
DEFERRED INFLOWS OF RESOURCES				
Leases	--	573	--	573
TOTAL DEFERRED INFLOWS OF RESOURCES	--	573	--	573
NET POSITION				
Restricted for Pension Benefits				
Pension Plans	30,495,211	21,188,769	19,486,774	71,170,754
Disability Plan	--	--	38,270	38,270
TOTAL NET POSITION	$ 30,495,211	$ 21,188,769	$ 19,525,044	$ 71,209,024

CITY OF LOS ANGELES

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Fire and Police Pension Plan	Los Angeles City Employees' Retirement Plan	Water and Power Employees' Retirement and Disability Benefit Plans	Total
ADDITIONS				
Contributions				
Employer	$ 486,958	$ 804,020	$ 454,605	$ 1,745,583
Plan Member	164,291	306,765	182,336	653,392
Total Contributions	651,249	1,110,785	636,941	2,398,975
Investment Income				
Net Appreciation in Fair Value of Investments	2,531,592	1,863,438	1,595,686	5,990,716
Interest Income	318,989	217,228	227,986	764,203
Income from Alternative Investments	68,564	--	10,033	78,597
Dividend Income	319,104	197,213	123,097	639,414
Securities Lending Income	5,027	3,278	38,739	47,044
Other Investment Income	753	66,704	770	68,227
Income from Real Estate Investments	54,447	--	51,414	105,861
Investment Income	3,298,476	2,347,861	2,047,725	7,694,062
Investment Expense	(173,403)	(140,242)	(106,769)	(420,414)
Securities Lending Expense	(703)	(466)	(35,643)	(36,812)
Net Investment Income	3,124,370	2,207,153	1,905,313	7,236,836
Other Income	337	38	--	375
TOTAL ADDITIONS	3,775,956	3,317,976	2,542,254	9,636,186
DEDUCTIONS				
Benefits Payments	1,394,213	1,318,706	844,505	3,557,424
Refunds of Member Contributions	4,777	15,767	14,227	34,771
Administrative Expenses	25,671	34,941	7,732	68,344
Contingent Disability Benefit Advance Write-off	--	--	3,310	3,310
TOTAL DEDUCTIONS	1,424,661	1,369,414	869,774	3,663,849
CHANGE IN NET POSITION				
Pension Plans	2,351,295	1,948,562	1,674,077	5,973,934
Disability Plan	--	--	(1,597)	(1,597)
TOTAL CHANGE IN NET POSITION	2,351,295	1,948,562	1,672,480	5,972,337
Net Position Restricted for Pension July 1, as restated				
Pension Plans	28,143,916	19,240,207	17,812,697	65,196,820
Disability Plan	--	--	39,867	39,867
NET POSITION RESTRICTED FOR PENSION, JUNE 30	$ 30,495,211	$ 21,188,769	$ 19,525,044	$ 71,209,024

CITY OF LOS ANGELES

Combining Statement of Fiduciary Net Position
Other Postemployment Benefits Trust Funds
June 30, 2025
(amounts expressed in thousands)

	Fire and Police Health Subsidy Plan	Los Angeles City Employees' Postemployment Health Care Plan	Water and Power Employees' Retirees Health and Death Benefit Plans	Total
ASSETS				
Cash and Pooled Investments	$ 85	$ 1,199	$ 6,588	$ 7,872
Receivables				
Contributions	--	--	2,490	2,490
Accrued Investment Income	15,487	19,041	12,712	47,240
Accounts Receivable	--	2,566	25	2,591
Advance to Other Entities	65,469	12,976	12,597	91,042
Other Investments				
Short-Term Investments	109,851	96,170	136,216	342,237
U.S. Government Obligations	371,359	292,598	143,989	807,946
U.S. Agency Notes	--	--	200,011	200,011
Municipal Bonds	--	2,836	994	3,830
Domestic Corporate Bonds	401,329	176,738	256,227	834,294
International Bonds	26,827	204,641	161,136	392,604
Other Fixed Income	--	98,788	81,833	180,621
Bank Loans	--	25,117	--	25,117
Opportunistic Debts	--	52,916	--	52,916
Domestic Stocks	1,248,114	1,148,093	691,778	3,087,985
International Stocks	620,413	819,356	781,040	2,220,809
Mortgage-Backed Securities	--	123,770	59,863	183,633
Government Agencies	--	2,512	--	2,512
Derivative Instruments - Current	--	354	--	354
Real Estate	206,119	225,141	372,525	803,785
Alternative Investments	679,397	904,121	809,667	2,393,185
Securities Lending Collateral	106,068	34,154	185,598	325,820
Prepaid Health Subsidy	13,487	--	--	13,487
Capital Assets				
Land, Furniture, Equipment and Software (Net of Accumulated Depreciation and Amortization of $3,503)	2,002	9,306	--	11,308
TOTAL ASSETS	3,866,007	4,252,393	3,915,289	12,033,689
LIABILITIES				
Accounts Payable and Accrued Expenses	1,494	7,634	13,385	22,513
Accrued Compensated Absences Payable	521	1,059	--	1,580
Accrued Investment Expenses	--	4,370	--	4,370
Benefits in Process of Payment	1,377	--	6,243	7,620
Due to Brokers	119,663	18,513	22,814	160,990
Obligations Under Securities Lending Transactions	106,068	34,154	185,599	325,821
Mortgage Loan Payable - Noncurrent Portion	21,491	--	--	21,491
Deposits and Advances	3	--	--	3
TOTAL LIABILITIES	250,617	65,730	228,041	544,388
DEFERRED INFLOWS OF RESOURCES				
Leases	--	113	--	113
TOTAL DEFERRED INFLOWS OF RESOURCES	--	113	--	113
NET POSITION				
Restricted for Postemployment Benefits				
Death Benefit Plan	--	--	68,304	68,304
Postemployment Healthcare Plans	3,615,390	4,186,550	3,618,944	11,420,884
TOTAL NET POSITION	$ 3,615,390	$ 4,186,550	$ 3,687,248	$ 11,489,188

CITY OF LOS ANGELES

Combining Statement of Changes in Fiduciary Net Position
Other Postemployment Benefits Trust Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Fire and Police Health Subsidy Plan	Los Angeles City Employees' Postemployment Health Care Plan	Water and Power Employees' Retirees Health and Death Benefit Plans	Total
ADDITIONS				
Contributions				
Employer	$ 181,650	$ 90,168	$ 149,084	$ 420,902
Plan Member	--	--	401	401
Total Contributions	181,650	90,168	149,485	421,303
Self-Funded Insurance Premium	--	13,127	--	13,127
Health Insurance Premium Reserve	--	1,083	--	1,083
Investment Income				
Net Appreciation in Fair Value of Investments	292,467	432,400	293,658	1,018,525
Interest Income	36,852	36,838	42,818	116,508
Income from Alternative Investments	7,921	--	2,005	9,926
Dividend Income	36,865	33,444	25,732	96,041
Securities Lending Income	581	555	9,575	10,711
Other Investment Income	87	11,312	155	11,554
Income from Real Estate Investments	6,290	--	9,597	15,887
Investment Income	381,063	514,549	383,540	1,279,152
Investment Expense	(20,033)	(32,542)	(20,215)	(72,790)
Securities Lending Expense	(81)	(108)	(8,876)	(9,065)
Net Investment Income	360,949	481,899	354,449	1,197,297
Other Income	39	9	--	48
TOTAL ADDITIONS	542,638	586,286	503,934	1,632,858
DEDUCTIONS				
Benefits Payments	175,659	185,293	137,770	498,722
Administrative Expenses	2,966	9,483	3,392	15,841
TOTAL DEDUCTIONS	178,625	194,776	141,162	514,563
CHANGE IN NET POSITION				
Death Benefit Plan	--	--	12,013	12,013
Postemployment Healthcare Plans	364,013	391,510	350,759	1,106,282
TOTAL CHANGE IN NET POSITION	364,013	391,510	362,772	1,118,295
Net Position Restricted for Postemployment Benefits July 1, as restated				
Death Benefit Plan	--	--	56,291	56,291
Postemployment Healthcare Plans	3,251,377	3,795,040	3,268,185	10,314,602
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS, JUNE 30	$ 3,615,390	$ 4,186,550	$ 3,687,248	$ 11,489,188

CITY OF LOS ANGELES

Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025
(amounts expressed in thousands)

	Unclaimed Money Seized	Bond Deposit Trust Fund	Custodial Assessment Funds	Clean Fuel Funds	Total
ASSETS					
Cash and Pooled Investments	$ 9,477	$ 4,796	$ 8,842	$ 401,048	$ 424,163
Special Assessments Receivable	--	--	273	--	273
Investment Income Receivable	--	--	45	--	45
TOTAL ASSETS	9,477	4,796	9,160	401,048	424,481
LIABILITIES					
Fiduciary Liabilities	--	--	223	--	223
Obligations Under Securities Lending Transactions	--	--	32	--	32
Due to Other Entities	--	4,796	--	--	4,796
Deposits and Advances	9,477	--	--	--	9,477
TOTAL LIABILITIES	9,477	4,796	255	--	14,528
NET POSITION					
Restricted for Individuals, Organizations and Other Governments	--	--	8,905	401,048	409,953
TOTAL NET POSITION	$ --	$ --	$ 8,905	$ 401,048	$ 409,953

CITY OF LOS ANGELES

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2025
(amounts expressed in thousands)

	Custodial Assessment Funds	Clean Fuel Funds	Total
ADDITIONS			
Tax Collections from Community Facilities Districts	$ 8,788	$ --	$ 8,788
Collections for Clean Fuel Rewards Program	--	185,828	185,828
Net Appreciation in Fair Value of Investments	331	--	331
Interest Income	70	13,085	13,155
TOTAL ADDITIONS	9,189	198,913	208,102
DEDUCTIONS			
Debt Service Payments for Community Facilities Districts	11,090	--	11,090
Payments for Clean Fuel Reward Program	--	41,791	41,791
TOTAL DEDUCTIONS	11,090	41,791	52,881
CHANGE IN NET POSITION	(1,901)	157,122	155,221
Net Position Restricted for Individuals, Organizations and Other Governments, July 1	10,806	243,926	254,732
NET POSITION RESTRICTED FOR INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS, JUNE 30	$ 8,905	$ 401,048	$ 409,953

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STATISTICAL SECTION

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

CONTENTS **PAGE**

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Category, Accrual Basis of Accounting, Last Ten Fiscal Years.....370
Changes in Net Position, Accrual Basis of Accounting, Last Ten Fiscal Years.....372
Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....376
Changes in Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....378
Tax Revenues by Source - Governmental Funds
Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....380

REVENUE CAPACITY

These schedules contain information to help the reader assess the City's most significant local revenue sources, the property taxes and energy sales.

Assessed Value and Estimated Actual Value of Property, Last Ten Fiscal Years.....383
Direct and Overlapping Property Tax Rates, Tax Rate Area No. 4, Last Ten Fiscal Years.....384
Ten Largest Property Taxpayers, Secured Assessed Valuation,
Current and Nine Years Ago.....385
Property Tax Levies and Collections, Last Ten Fiscal Years.....386
Energy Sold by Type of Customer, Power Enterprise Fund, Last Ten Fiscal Years.....387
Average Number of Customers for Energy Sales,
Power Enterprise Fund, Last Ten Fiscal Years.....387

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type, Last Ten Fiscal Years.....390
Ratios of Net General Bonded Debt to Assessed Value and Per Capita,
Last Ten Fiscal Years.....392
Direct and Overlapping Governmental Activities Debt.....393
Ratios of General Bonded Debt Outstanding and Legal Debt Margin,
Last Ten Fiscal Years.....394
Pledged Revenue Coverage, Last Ten Fiscal Years.....396

CONTENTS **PAGE**

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics, Last Ten Fiscal Years.....399
Principal Employers (Non-Government), Current Year and Nine Years Ago.....400

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Number of City Government Employees by Function/Program Full-Time Equivalent, Last Ten Fiscal Years.....402
Operating Indicators by Function/Program, Last Ten Fiscal Years.....406
Capital Assets Information, Governmental Activities, Last Ten Fiscal Years.....414
Capital Assets Information, Business-Type Activities, Last Ten Fiscal Years.....416

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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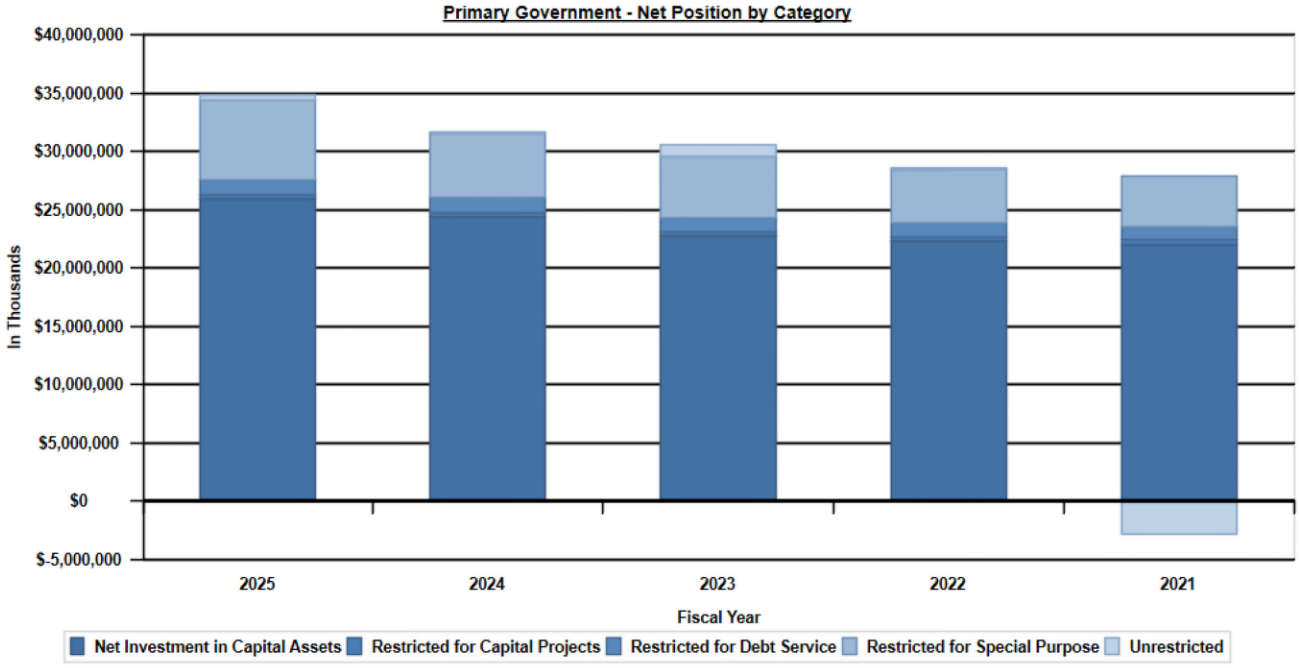
CITY OF LOS ANGELES

Net Position by Category
Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	$ 7,135,550	$ 6,758,687	$ 6,546,170	$ 6,465,677	$ 6,288,850
Restricted Net Position					
Capital Projects	361,668	367,647	315,377	320,098	362,062
Debt Service	207,208	240,572	307,232	286,112	281,238
Special Purposes	4,954,352	3,770,351	4,068,324	3,701,108	3,452,726
Unrestricted (Deficit)	(6,249,306)	(5,806,969)	(5,227,304)	(5,240,118)	(7,534,065)
SUBTOTAL GOVERNMENTAL ACTIVITIES NET POSITION	6,409,472	5,330,288	6,009,799	5,532,877	2,850,811
BUSINESS-TYPE ACTIVITIES					
Net Investment in Capital Assets	18,786,566	17,624,621	16,195,874	15,874,735	15,744,950
Restricted Net Position					
Debt Service	1,123,731	1,053,189	987,294	920,182	901,679
Special Purposes	1,900,235	1,726,953	1,195,648	866,804	938,385
Unrestricted	6,689,183	5,955,505	6,199,195	5,354,516	4,701,295
SUBTOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	28,499,715	26,360,268	24,578,011	23,016,237	22,286,309
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	25,922,116	24,383,308	22,742,044	22,340,412	22,033,800
Restricted Net Position					
Capital Projects	361,668	367,647	315,377	320,098	362,062
Debt Service	1,330,939	1,293,761	1,294,526	1,206,294	1,182,917
Special Purposes	6,854,587	5,497,304	5,263,972	4,567,912	4,391,111
Unrestricted (Deficit)	439,877	148,536	971,891	114,398	(2,832,770)
TOTAL PRIMARY GOVERNMENT NET POSITION	$ 34,909,187	$ 31,690,556	$ 30,587,810	$ 28,549,114	$ 25,137,120

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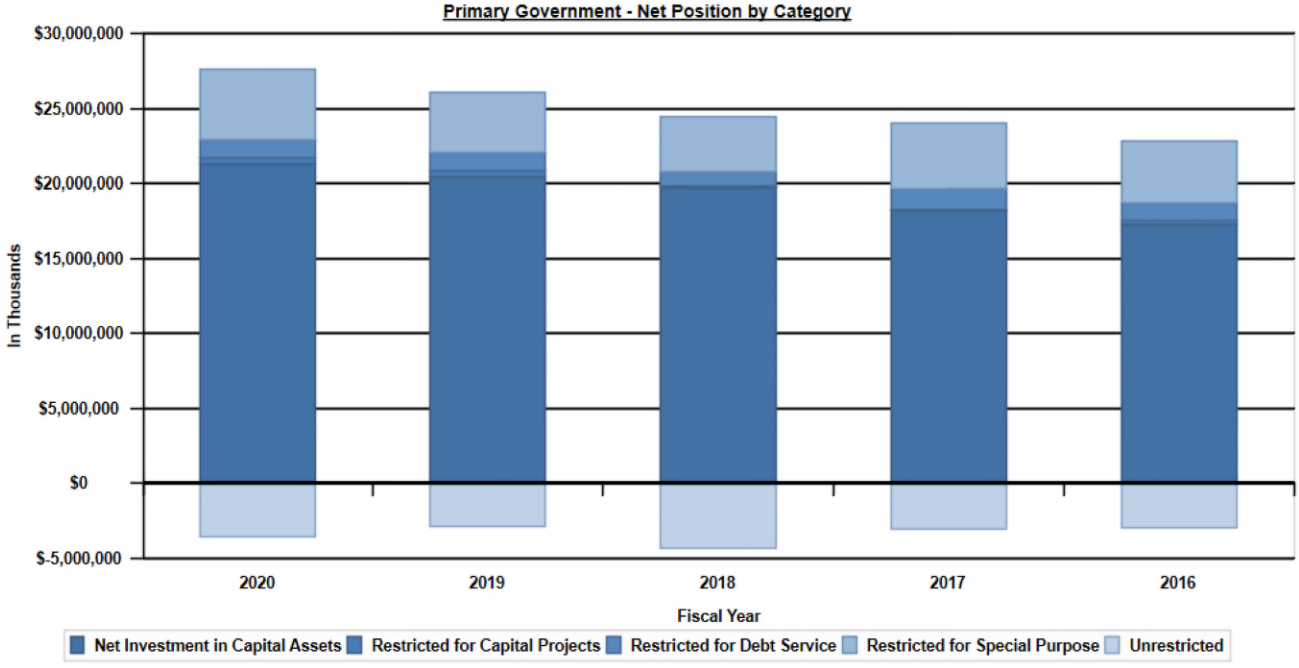
Note: GASB Statement No. 75, 84, 87, 94, 96 and 101 were implemented in fiscal years 2018, 2020, 2022, 2023, and 2025, respectively. Prior year amounts have not been restated for the implementation of these standards.



CITY OF LOS ANGELES

Net Position by Category
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2020	2019	2018	2017	2016
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	$ 6,113,258	$ 5,890,308	$ 5,699,812	$ 5,385,062	$ 5,267,860
Restricted Net Position					
Capital Projects	407,609	474,603	90,884	98,258	96,477
Debt Service	346,878	379,192	208,037	181,685	162,142
Special Purposes	3,371,035	2,643,601	2,387,135	2,191,572	1,877,242
Unrestricted (Deficit)	(7,444,581)	(6,980,964)	(8,022,270)	(6,579,324)	(6,559,669)
SUBTOTAL GOVERNMENTAL ACTIVITIES NET POSITION	2,794,199	2,406,740	363,598	1,277,253	844,052
BUSINESS-TYPE ACTIVITIES					
Net Investment in Capital Assets	15,181,630	14,515,311	14,032,397	12,798,720	11,990,919
Restricted Net Position					
Capital Projects	--	--	--	--	143,033
Debt Service	871,541	848,900	797,375	1,172,984	1,086,557
Special Purposes	1,351,593	1,352,280	1,204,517	2,248,391	2,177,049
Unrestricted	3,912,652	4,086,882	3,680,122	3,481,621	3,625,643
SUBTOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	21,317,416	20,803,373	19,714,411	19,701,716	19,023,201
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	21,294,888	20,405,619	19,732,209	18,183,782	17,258,779
Restricted Net Position					
Capital Projects	407,609	474,603	90,884	98,258	239,510
Debt Service	1,218,419	1,228,092	1,005,412	1,354,669	1,248,699
Special Purposes	4,722,628	3,995,881	3,591,652	4,439,963	4,054,291
Unrestricted (Deficit)	(3,531,929)	(2,894,082)	(4,342,148)	(3,097,703)	(2,934,026)
TOTAL PRIMARY GOVERNMENT NET POSITION	$ 24,111,615	$ 23,210,113	$ 20,078,009	$ 20,978,969	$ 19,867,253



CITY OF LOS ANGELES

Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2025	**2024**	**2023**	**2022**	**2021**
EXPENSES					
Governmental Activities					
General Government	$ 2,298,306	$ 2,120,582	$ 2,331,602	$ 1,726,188	$ 1,935,804
Protection of Persons and Property	3,975,529	4,112,076	3,632,760	2,624,309	3,990,018
Public Works	691,028	747,430	642,030	513,475	587,359
Health and Sanitation	755,063	764,082	735,974	552,619	677,878
Transportation	752,150	679,861	641,789	563,804	577,318
Cultural and Recreational Services	988,459	880,238	822,487	713,767	704,490
Community Development	1,209,874	1,775,524	988,699	987,179	909,542
Interest on Long-Term Debt	183,375	172,353	154,114	98,054	99,628
Subtotal Governmental Activities Expenses	10,853,784	11,252,146	9,949,455	7,779,395	9,482,037
Business-Type Activities					
Airports	2,362,235	2,204,192	2,050,387	1,742,407	1,558,137
Harbor	510,783	461,058	539,951	462,493	453,024
Power	4,658,269	4,469,614	4,698,985	4,370,903	3,886,405
Water	1,705,447	1,538,667	1,476,345	1,487,767	1,293,737
Sewer	752,894	756,820	793,809	669,062	627,866
Convention Center	69,654	65,864	55,917	43,337	36,847
Subtotal Business-type Activities Expenses	10,059,282	9,496,215	9,615,394	8,775,969	7,856,016
TOTAL PRIMARY GOVERNMENT EXPENSES	20,913,066	20,748,361	19,564,849	16,555,364	17,338,053
PROGRAM REVENUES					
Governmental Activities					
Charges for Services					
General Government	300,893	273,031	302,757	139,567	243,716
Protection of Persons and Property	815,530	674,719	629,643	764,516	575,127
Public Works	278,015	201,794	261,685	302,181	262,553
Health and Sanitation	530,508	510,336	502,944	497,516	484,383
Transportation	137,784	116,625	120,712	121,011	98,855
Cultural and Recreational Services	272,759	243,932	246,746	195,270	157,638
Community Development	275,357	239,734	255,808	215,229	171,533
Operating Grants and Contributions	2,044,316	1,550,919	1,857,329	2,086,187	2,123,367
Capital Grants and Contributions	126,482	126,031	136,257	99,390	99,905
Subtotal Governmental Activities Program Revenues	4,781,644	3,937,121	4,313,881	4,420,867	4,217,077
Business-type Activities					
Charges for Services					
Airports	2,074,058	1,958,111	1,752,855	1,407,938	1,072,156
Harbor	798,686	707,040	656,400	627,842	572,011
Power	5,308,300	4,825,368	4,958,539	4,593,760	4,268,478
Water	1,891,550	1,635,533	1,661,278	1,606,678	1,463,781
Sewer	848,094	704,175	775,945	739,666	788,755
Convention Center	55,805	53,367	49,972	33,606	18,897
Operating Grants and Contributions	11,843	80,216	119,074	367,456	--
Capital Grants and Contributions	340,756	507,112	616,983	211,269	554,659
Subtotal Business-type Activities Program Revenues	11,329,092	10,470,922	10,591,046	9,588,215	8,738,737
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	16,110,736	14,408,043	14,904,927	14,009,082	12,955,814

Continued...

CITY OF LOS ANGELES

Changes in Net Position
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2020	2019	2018	2017	2016
EXPENSES					
Governmental Activities					
General Government	$ 1,686,640	$ 1,409,022	$ 1,380,143	$ 1,480,735	$ 1,348,442
Protection of Persons and Property	3,660,482	3,176,379	3,209,073	3,348,298	2,797,651
Public Works	580,169	468,463	485,045	411,168	235,840
Health and Sanitation	634,141	605,078	496,132	478,040	504,364
Transportation	580,613	532,348	504,166	506,782	420,799
Cultural and Recreational Services	746,670	714,265	682,076	556,152	595,454
Community Development	657,301	295,571	216,225	242,636	187,453
Interest on Long-Term Debt	135,580	146,491	127,970	124,364	131,893
Subtotal Governmental Activities Expenses	8,681,596	7,347,617	7,100,830	7,148,175	6,221,896
Business-Type Activities					
Airports	1,684,907	1,483,713	1,388,201	1,284,299	1,174,620
Harbor	461,393	408,602	410,133	412,315	398,954
Power	3,816,543	3,916,279	3,429,928	3,414,456	3,229,174
Water	1,184,170	1,158,635	1,053,783	1,049,397	1,039,575
Sewer	669,193	678,253	568,199	577,240	584,971
Convention Center	52,138	62,846	59,408	53,686	49,531
Subtotal Business-type Activities Expenses	7,868,344	7,708,328	6,909,652	6,791,393	6,476,825
TOTAL PRIMARY GOVERNMENT EXPENSES	16,549,940	15,055,945	14,010,482	13,939,568	12,698,721
PROGRAM REVENUES					
Governmental Activities					
Charges for Services					
General Government	249,774	251,549	290,901	8,265	96,117
Protection of Persons and Property	691,176	650,442	540,702	600,720	520,550
Public Works	264,334	242,493	177,530	232,095	253,103
Health and Sanitation	506,121	554,868	480,670	565,941	600,117
Transportation	138,652	116,704	206,240	186,386	179,288
Cultural and Recreational Services	167,934	202,485	214,499	203,719	179,046
Community Development	186,120	176,811	150,932	194,568	183,890
Operating Grants and Contributions	1,331,396	1,697,057	866,203	774,953	827,258
Capital Grants and Contributions	153,045	136,649	152,315	145,509	123,757
Subtotal Governmental Activities Program Revenues	3,688,552	4,029,058	3,079,992	2,912,156	2,963,126
Business-type Activities					
Charges for Services					
Airports	1,365,494	1,537,949	1,446,226	1,372,730	1,285,816
Harbor	467,666	506,427	490,760	474,532	441,249
Power	3,807,291	4,070,930	3,804,221	3,697,924	3,517,040
Water	1,275,067	1,253,503	1,190,181	1,118,547	1,131,777
Sewer	752,727	694,963	677,886	634,060	613,092
Convention Center	39,502	50,996	50,174	47,173	44,311
Operating Grants and Contributions	--	--	--	--	--
Capital Grants and Contributions	226,943	144,066	153,892	186,635	232,183
Subtotal Business-type Activities Program Revenues	7,934,690	8,258,834	7,813,340	7,531,601	7,265,468
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	11,623,242	12,287,892	10,893,332	10,443,757	10,228,594

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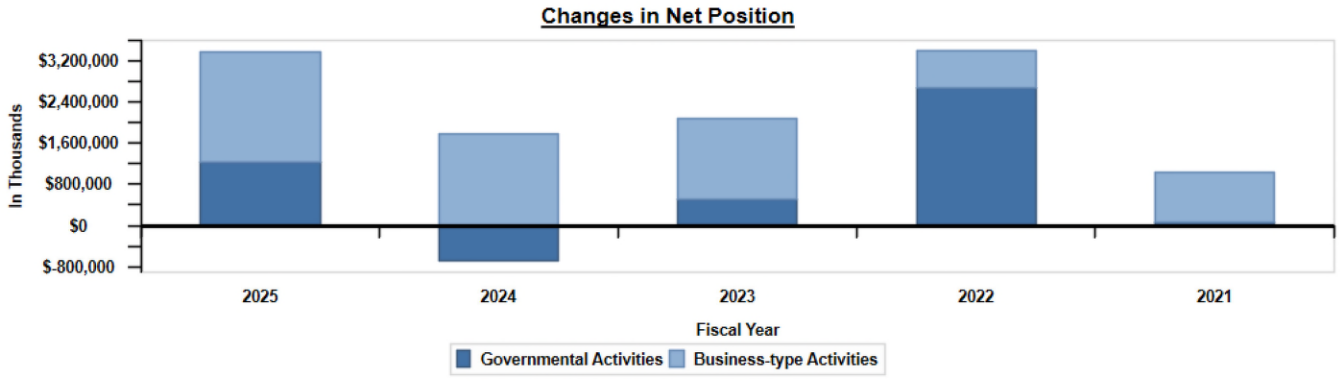
CITY OF LOS ANGELES

Changes in Net Position
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
NET (EXPENSE)/REVENUE					
Governmental Activities	$ (6,072,140)	$ (7,315,025)	$ (5,635,574)	$ (3,358,528)	$ (5,264,960)
Business-type Activities	1,269,810	974,707	975,652	812,246	882,721
TOTAL PRIMARY GOVERNMENT NET EXPENSE	(4,802,330)	(6,340,318)	(4,659,922)	(2,546,282)	(4,382,239)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental Activities					
Taxes					
Property Taxes	3,095,592	2,942,568	2,819,290	2,628,691	2,551,138
Utility Users Taxes	699,030	660,823	698,003	634,186	604,106
Business Taxes	1,057,779	832,888	626,620	1,019,226	743,877
Sales Taxes	661,782	677,032	704,815	693,438	560,962
Other Taxes	1,308,505	1,023,314	935,405	842,715	564,069
Unrestricted Grants and Contributions					
Other	49,308	38,430	49,341	35,874	41,161
Unrestricted Investment Earnings (Losses)	164,286	144,309	36,818	(110,102)	(4,485)
Other General Revenues	42,702	71,456	40,446	71,551	42,389
Transfers	219,312	244,695	232,043	225,015	218,355
Extraordinary Items					
Transfer of Assets from CRA	--	--	--	--	--
Subtotal Governmental Activities	7,298,296	6,635,515	6,142,781	6,040,594	5,321,572
Business-Type Activities					
Unrestricted Investment Earnings (Losses)	535,306	426,586	154,710	(281,224)	125
Other	551,102	625,660	663,168	409,490	304,402
Transfers	(219,312)	(244,695)	(232,043)	(225,015)	(218,355)
Special Item	--	--	--	--	--
Extraordinary Item	--	--	--	--	--
Subtotal Business-type Activities	867,096	807,551	585,835	(96,749)	86,172
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	8,165,392	7,443,066	6,728,616	5,943,845	5,407,744
CHANGES IN NET POSITION					
Governmental Activities	1,226,156	(679,510)	507,207	2,682,066	56,612
Business-Type Activities	2,136,906	1,782,258	1,561,487	715,497	968,893
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ 3,363,062	$ 1,102,748	$ 2,068,694	$ 3,397,563	$ 1,025,505

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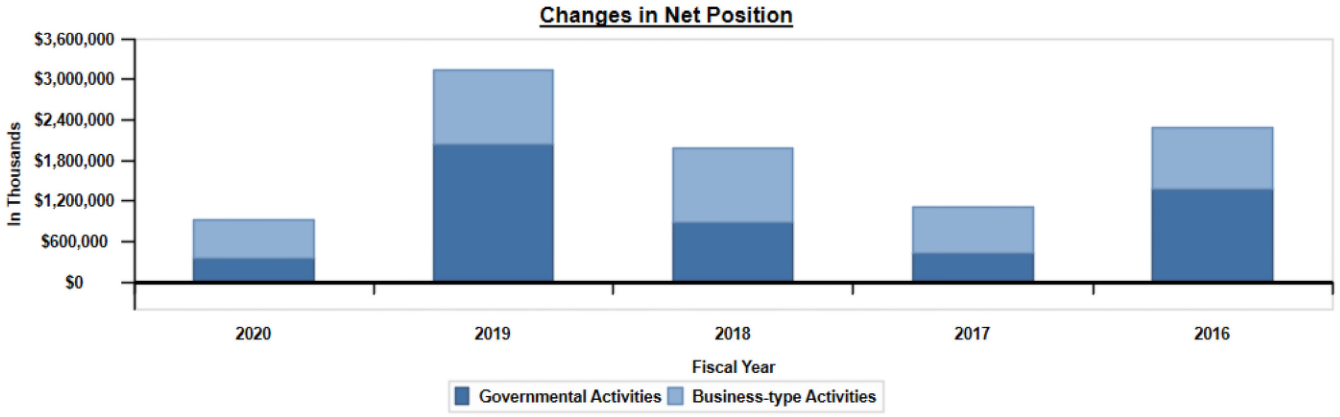
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CITY OF LOS ANGELES

Changes in Net Position
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2020	2019	2018	2017	2016
NET (EXPENSE)/REVENUE					
Governmental Activities	$ (4,993,044)	$ (3,318,559)	$ (4,020,838)	$ (4,236,019)	$ (3,258,770)
Business-type Activities	66,346	550,506	903,688	740,208	788,643
TOTAL PRIMARY GOVERNMENT NET EXPENSE	(4,926,698)	(2,768,053)	(3,117,150)	(3,495,811)	(2,470,127)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental Activities:					
Taxes					
Property Taxes	2,374,311	2,251,463	2,108,154	1,991,949	1,844,945
Utility Users Taxes	642,036	621,192	614,335	629,952	613,748
Business Taxes	677,241	607,786	542,349	433,985	610,467
Sales Taxes	534,631	607,211	517,495	538,651	538,123
Other Taxes	706,645	819,807	802,548	727,376	660,072
Unrestricted Grants and Contributions					
Other	24,703	22,001	22,053	16,758	8,009
Unrestricted Investment Earnings	94,910	86,819	7,142	1,291	39,737
Other General Revenues	64,767	112,865	57,051	63,831	57,531
Transfers	229,913	232,557	241,848	265,427	266,982
Extraordinary Items					
Subtotal Governmental Activities	5,349,157	5,361,701	4,912,975	4,669,220	4,639,614
Business-Type Activities:					
Unrestricted Investment Earnings	322,371	281,122	54,763	32,997	129,316
Other	398,696	489,891	377,160	386,934	252,429
Transfers	(229,913)	(232,557)	(241,848)	(265,427)	(266,982)
Special Item	--	--	--	(225,347)	--
Extraordinary Item	--	--	--	9,150	--
Subtotal Business-type Activities	491,154	538,456	190,075	(61,693)	114,763
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	5,840,311	5,900,157	5,103,050	4,607,527	4,754,377
CHANGES IN NET POSITION					
Governmental Activities	356,113	2,043,142	892,137	433,201	1,380,844
Business-Type Activities	557,500	1,088,962	1,093,763	678,515	903,406
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ 913,613	$ 3,132,104	$ 1,985,900	$ 1,111,716	$ 2,284,250

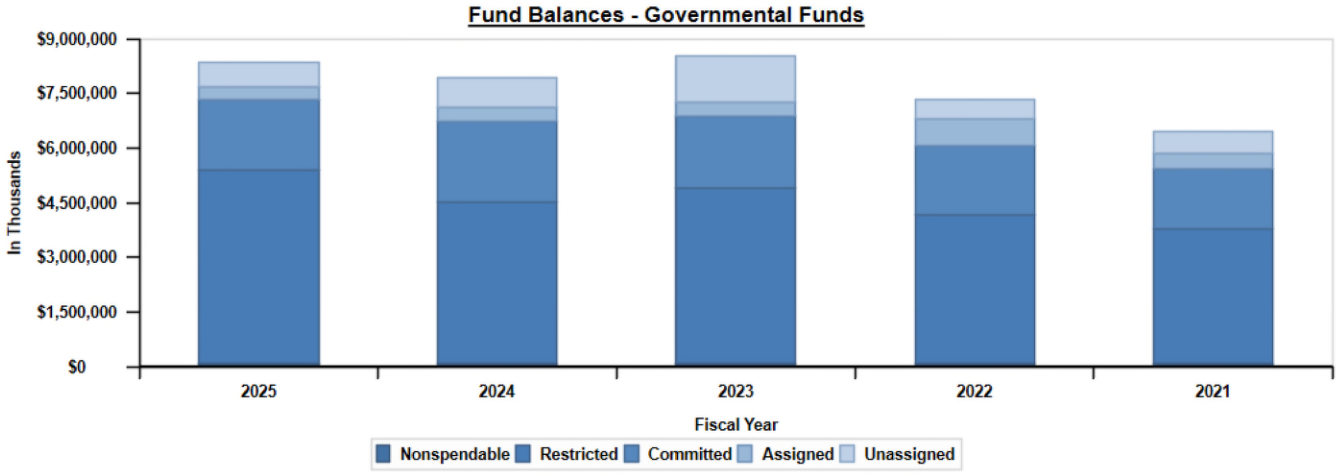


CITY OF LOS ANGELES

Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
GENERAL FUND					
Nonspendable	$ 68,580	$ 75,176	$ 69,936	$ 66,495	$ 61,168
Committed	115,283	93,011	52,600	85,078	71,733
Assigned	338,048	377,040	397,413	724,278	426,654
Unassigned	814,936	892,421	1,333,631	621,843	664,422
SUBTOTAL GENERAL FUND	1,336,847	1,437,648	1,853,580	1,497,694	1,223,977
ALL OTHER GOVERNMENTAL FUNDS					
Nonspendable	10,423	27,181	24,076	21,901	19,473
Restricted	5,330,760	4,440,718	4,821,912	4,089,885	3,723,738
Committed	1,824,892	2,121,928	1,910,869	1,810,604	1,563,121
Assigned	5,003	2,947	2,844	2,814	2,938
Unassigned	(134,734)	(97,337)	(62,796)	(92,822)	(60,562)
SUBTOTAL ALL OTHER GOVERNMENTAL FUNDS	7,036,344	6,495,437	6,696,905	5,832,382	5,248,708
ALL GOVERNMENTAL FUNDS					
Nonspendable	79,003	102,357	94,012	88,396	80,641
Restricted	5,330,760	4,440,718	4,821,912	4,089,885	3,723,738
Committed	1,940,175	2,214,939	1,963,469	1,895,682	1,634,854
Assigned	343,051	379,987	400,257	727,092	429,592
Unassigned	680,202	795,084	1,270,835	529,021	603,860
TOTAL ALL GOVERNMENTAL FUNDS	$ 8,373,191	$ 7,933,085	$ 8,550,485	$ 7,330,076	$ 6,472,685

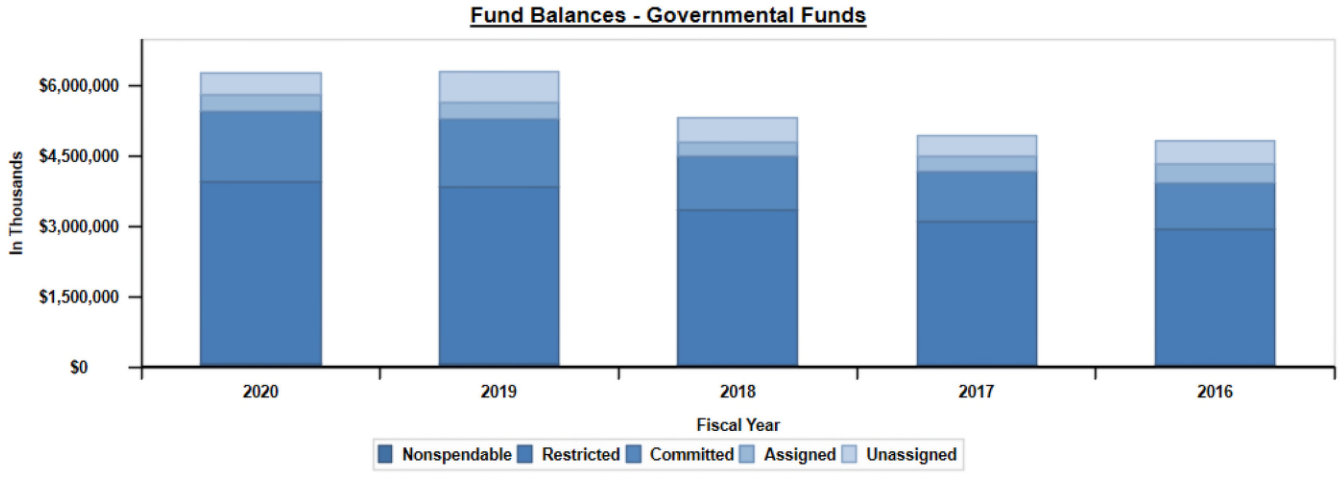
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CITY OF LOS ANGELES

Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2020	2019	2018	2017	2016
GENERAL FUND					
Nonspendable	$ 62,895	$ 55,348	$ 41,823	$ 45,480	$ 44,210
Committed	37,386	33,092	25,151	9,723	1,296
Assigned	356,167	334,195	289,080	304,482	392,418
Unassigned	535,681	683,406	573,161	526,543	590,441
SUBTOTAL GENERAL FUND	992,129	1,106,041	929,215	886,228	1,028,365
ALL OTHER GOVERNMENTAL FUNDS					
Nonspendable	10,771	10,025	8,833	8,884	8,893
Restricted	3,888,937	3,780,744	3,313,393	3,045,932	2,880,111
Committed	1,458,310	1,428,812	1,129,752	1,080,301	1,000,834
Assigned	3,982	1,843	1,770	153	15
Unassigned	(60,438)	(15,207)	(55,447)	(72,758)	(96,668)
SUBTOTAL ALL OTHER GOVERNMENTAL FUNDS	5,301,562	5,206,217	4,398,301	4,062,512	3,793,185
ALL GOVERNMENTAL FUNDS					
Nonspendable	73,666	65,373	50,656	54,364	53,103
Restricted	3,888,937	3,780,744	3,313,393	3,045,932	2,880,111
Committed	1,495,696	1,461,904	1,154,903	1,090,024	1,002,130
Assigned	360,149	336,038	290,850	304,635	392,433
Unassigned	475,243	668,199	517,714	453,785	493,773
TOTAL ALL GOVERNMENTAL FUNDS	$ 6,293,691	$ 6,312,258	$ 5,327,516	$ 4,948,740	$ 4,821,550



CITY OF LOS ANGELES

Changes in Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
REVENUES					
Taxes	$ 6,593,127	$ 6,186,421	$ 5,950,252	$ 5,553,699	$ 4,990,767
Licenses and Permits	84,090	76,722	91,570	97,301	89,661
Intergovernmental	1,840,389	1,624,833	1,935,773	2,256,069	2,037,881
Charges for Services	1,601,924	1,552,356	1,472,545	1,432,769	1,265,196
Services to Enterprise Funds	415,019	384,586	388,888	332,381	336,153
Fines	120,638	119,368	134,723	129,863	104,907
Special Assessments	172,473	168,255	172,201	151,865	134,223
Investment Earnings (Losses)	442,252	339,560	59,120	(284,555)	(36,801)
Other	179,702	153,070	173,569	146,385	169,086
TOTAL REVENUES	11,449,614	10,605,171	10,378,641	9,815,777	9,091,073
EXPENDITURES					
General Government	1,907,777	1,971,771	1,731,814	1,636,073	1,555,165
Protection of Persons and Property	4,441,376	4,229,076	3,858,849	3,844,946	3,745,662
Public Works	613,754	663,477	546,580	479,912	444,853
Health and Sanitation	699,612	678,721	638,682	537,022	577,572
Transportation	669,765	609,607	557,261	512,520	484,973
Cultural and Recreational Services	898,733	794,376	741,844	681,816	593,209
Community Development	1,190,330	1,745,597	966,485	990,688	879,769
Capital Outlay	769,336	619,525	444,717	420,068	611,105
Debt Service					
Principal	315,093	535,299	317,307	500,814	473,753
Interest	178,760	171,738	134,451	88,620	95,206
Cost of Issuance	1,992	2,342	2,006	3,084	3,346
Payment to Refunded Bond Escrow Agent	--	--	--	--	--
TOTAL EXPENDITURES	11,686,528	12,021,529	9,939,996	9,695,563	9,464,613
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(236,914)	(1,416,358)	438,645	120,214	(373,540)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,300,418	1,289,209	1,448,526	2,078,886	1,458,925
Transfers Out	(1,081,106)	(1,044,514)	(1,216,483)	(1,853,871)	(1,240,570)
Issuance of Long-Term Debt	321,000	293,490	523,435	291,940	182,088
Loans from Financed Purchase	8,264	--	--	--	--
Loans from HUD	--	--	--	--	--
Premium on Issuance of Long-Term Debt	2,082	25,513	5,598	2,859	--
Issuance of Refunding Bonds	--	176,450	--	219,695	505,791
Premium on Issuance of Refunding Bonds	--	17,001	--	45,268	50,110
Payment to Refunding Bond Escrow Agent	--	--	--	(69,369)	(403,810)
Lease and Subscription Liabilities Issued	126,362	41,809	20,688	21,769	--
TOTAL OTHER FINANCING SOURCES (USES)	677,020	798,958	781,764	737,177	552,534
EXTRAORDINARY ITEMS					
NET CHANGE IN FUND BALANCES	$ 440,106	$ (617,400)	$ 1,220,409	$ 857,391	$ 178,994
DEBT SERVICE AS A PERCENTAGE OF NON-CAPITAL EXPENDITURES	4.5 %	6.2 %	4.8 %	6.4 %	6.4 %

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CITY OF LOS ANGELES

Changes in Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

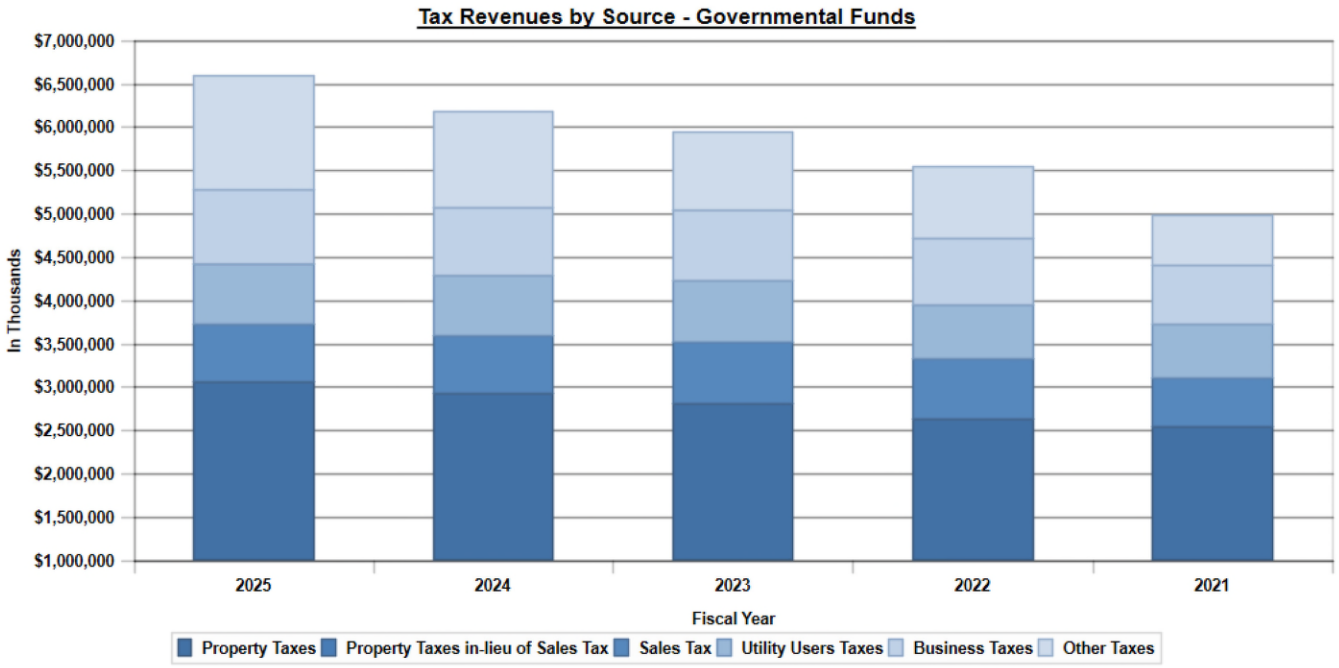
	Fiscal Year				
	2020	2019	2018	2017	2016
REVENUES					
Taxes	$ 4,897,805	$ 4,867,801	$ 4,584,006	$ 4,392,121	$ 4,163,430
Licenses and Permits	101,810	110,289	103,485	97,096	85,910
Intergovernmental	1,181,220	1,127,369	986,991	805,064	860,867
Charges for Services	1,397,862	1,399,841	1,267,718	1,221,306	1,209,467
Services to Enterprise Funds	375,175	334,185	325,183	335,416	326,481
Fines	119,972	149,096	147,224	153,014	159,254
Special Assessments	147,799	154,572	147,387	146,113	140,994
Investment Earnings (Losses)	267,449	219,097	75,848	56,535	88,844
Other	146,148	220,104	96,593	108,633	160,957
TOTAL REVENUES	8,635,240	8,582,354	7,734,435	7,315,298	7,196,204
EXPENDITURES					
General Government	1,596,223	1,373,924	1,357,581	1,379,386	1,339,233
Protection of Persons and Property	3,686,179	3,540,565	3,397,912	3,261,974	3,166,098
Public Works	482,006	409,688	413,393	414,443	361,380
Health and Sanitation	553,694	554,102	475,410	471,576	487,570
Transportation	514,264	484,307	452,610	434,815	378,821
Cultural and Recreational Services	656,045	646,414	599,560	490,530	512,474
Community Development	637,264	285,920	206,704	245,596	189,865
Capital Outlay	507,531	609,672	513,595	506,648	474,868
Debt Service					
Principal	338,584	523,918	376,188	298,189	465,129
Interest	130,386	139,617	121,139	120,357	139,030
Cost of Issuance	735	2,791	2,538	2,818	6,225
Payment to Refunded Bond Escrow Agent	--	50,252	--	--	--
TOTAL EXPENDITURES	9,102,911	8,621,170	7,916,630	7,626,332	7,520,693
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(467,671)	(38,816)	(182,195)	(311,034)	(324,489)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,113,738	1,113,917	1,023,374	992,041	1,117,660
Transfers Out	(883,825)	(881,360)	(781,526)	(726,614)	(850,678)
Issuance of Long-Term Debt	187,845	481,770	241,370	172,298	117,369
Loans from Financed Purchase	--	78,393	--	--	--
Loans from HUD	--	217	4,005	1,827	2,500
Premium on Issuance of Long-Term Debt	--	18,319	582	--	150,216
Issuance of Refunding Bonds	--	234,460	193,225	143,815	1,102,920
Premium on Issuance of Refunding Bonds	--	34,854	27,027	--	--
Payment to Refunding Bond Escrow Agent	--	(70,661)	(146,932)	(142,256)	(1,084,399)
Lease and Subscription Liabilities Issued	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	417,758	1,009,909	561,125	441,111	555,588
EXTRAORDINARY ITEMS					
NET CHANGE IN FUND BALANCES	$ (49,913)	$ 971,093	$ 378,930	$ 130,077	$ 231,099
DEBT SERVICE AS A PERCENTAGE OF NON-CAPITAL EXPENDITURES	5.4 %	8.3 %	6.8 %	5.8 %	8.8 %

CITY OF LOS ANGELES

Tax Revenues by Source - Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year					
	2025	Percent of Change 2016-2025	2024	2023	2022	2021
Property Taxes	$ 3,063,355	66 %	$ 2,925,585	$ 2,816,768	$ 2,632,145	$ 2,551,219
Property Tax In-lieu of Sales Tax	--	(100)	--	--	--	--
Sales Taxes	662,059	51	676,722	704,915	694,218	562,217
Utility Users Taxes	701,237	14	684,071	705,538	632,433	610,946
Business Taxes	849,091	67	782,139	817,325	756,960	686,520
Other Taxes	1,317,385	100	1,117,904	905,706	837,943	579,865
TOTAL REVENUES	$ 6,593,127	58	$ 6,186,421	$ 5,950,252	$ 5,553,699	$ 4,990,767

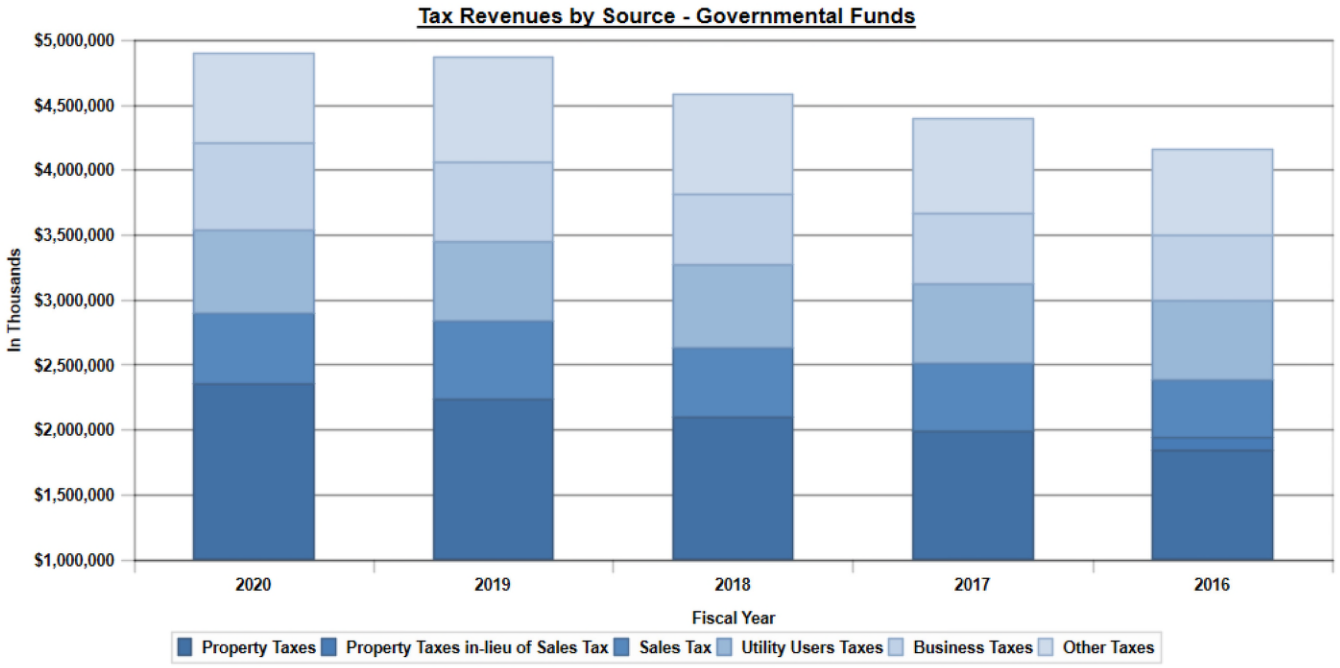
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CITY OF LOS ANGELES

Tax Revenues by Source - Governmental Funds
Modified Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2020	**2019**	**2018**	**2017**	**2016**
Property Taxes	$ 2,358,299	$ 2,243,485	$ 2,103,053	$ 1,992,582	$ 1,844,440
Property Tax In-lieu of Sales Tax	--	--	--	--	100,348
Sales Taxes	536,362	596,465	534,236	521,910	437,775
Utility Users Taxes	643,564	606,369	640,711	611,160	614,814
Business Taxes	668,035	617,169	534,994	546,494	507,635
Other Taxes	691,545	804,313	771,012	719,975	658,418
TOTAL REVENUES	$ 4,897,805	$ 4,867,801	$ 4,584,006	$ 4,392,121	$ 4,163,430



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Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources, the property taxes and energy sales.

CITY OF LOS ANGELES

Assessed Value and Estimated Actual Value of Property
Last Ten Fiscal Years

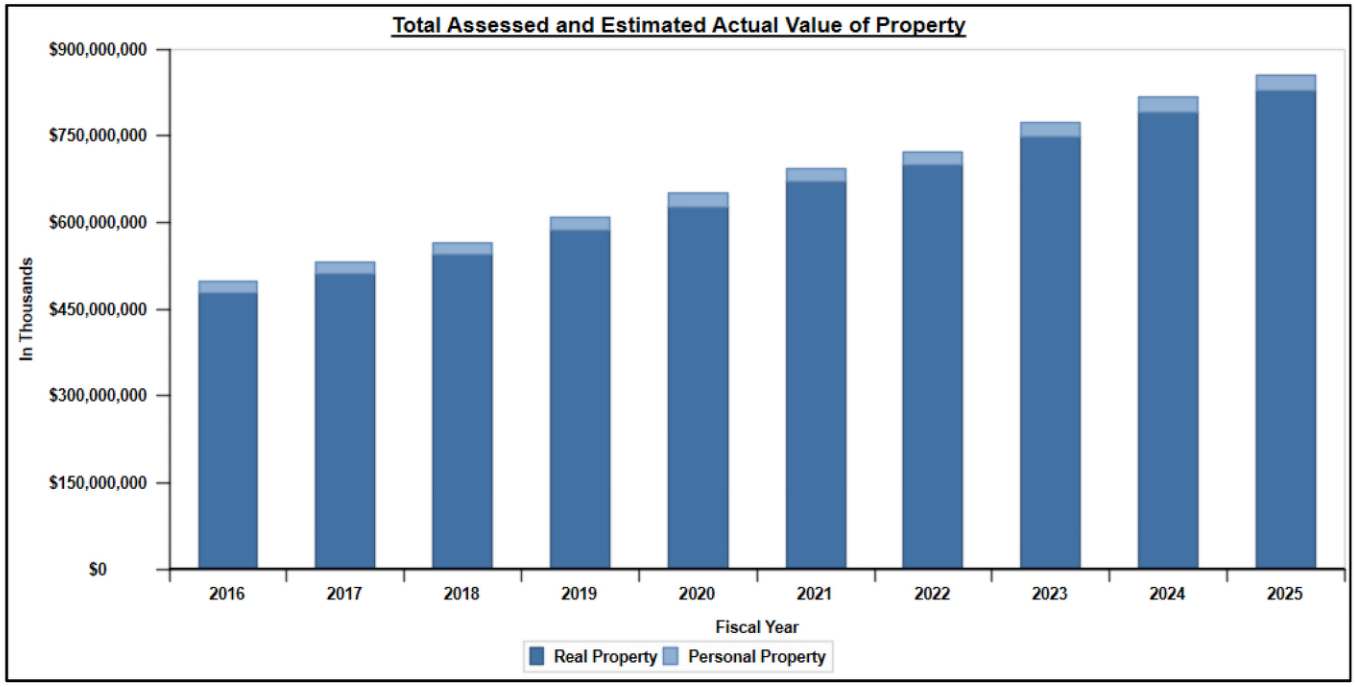
Fiscal Year	Assessed and Estimated Actual Value[1] Real Property[2] ($ 000's)	Personal Property ($ 000's)	Total ($ 000's)	Percent of Average Annual Growth	Total Direct Tax Rate[3] (per $1,000 of assessed value)	Assessed Value Per Capita ($ 000's)
2025	$ 828,564,955	$ 26,409,397	$ 854,974,352	4.57 %	1.013312	$ 223
2024	791,737,989	25,900,086	817,638,075	5.87	1.011448	214
2023	748,374,726	23,901,467	772,276,193	7.03	1.016066	205
2022	699,301,431	22,238,717	721,540,148	4.01	1.014721	189
2021	670,279,545	23,468,823	693,748,368	6.63	1.016538	177
2020	627,259,008	23,369,829	650,628,837	6.85	1.018084	162
2019	586,352,297	22,575,396	608,927,693	7.68	1.023107	151
2018	544,661,406	20,848,203	565,509,609	6.61	1.021345	139
2017	510,467,606	19,992,855	530,460,461	6.54	1.021297	131
2016	479,014,783	18,881,492	497,896,275	7.21	1.023030	124

Source: Taxpayer's Guide - Auditor Controller, County of Los Angeles.

(1) Net of Homeowners' Exemption.

(2) Assessed at 100% of estimated actual value. Includes State assessed valuation.

(3) Total Direct Tax Rate Area #4 is used as it applies to most properties within the City of Los Angeles. Since each property is subject to taxation by a number of taxing entities, the County groups all properties subject to taxation by the same entities into Tax Rate Areas (TRAs). There are over 274 TRAs in the City.



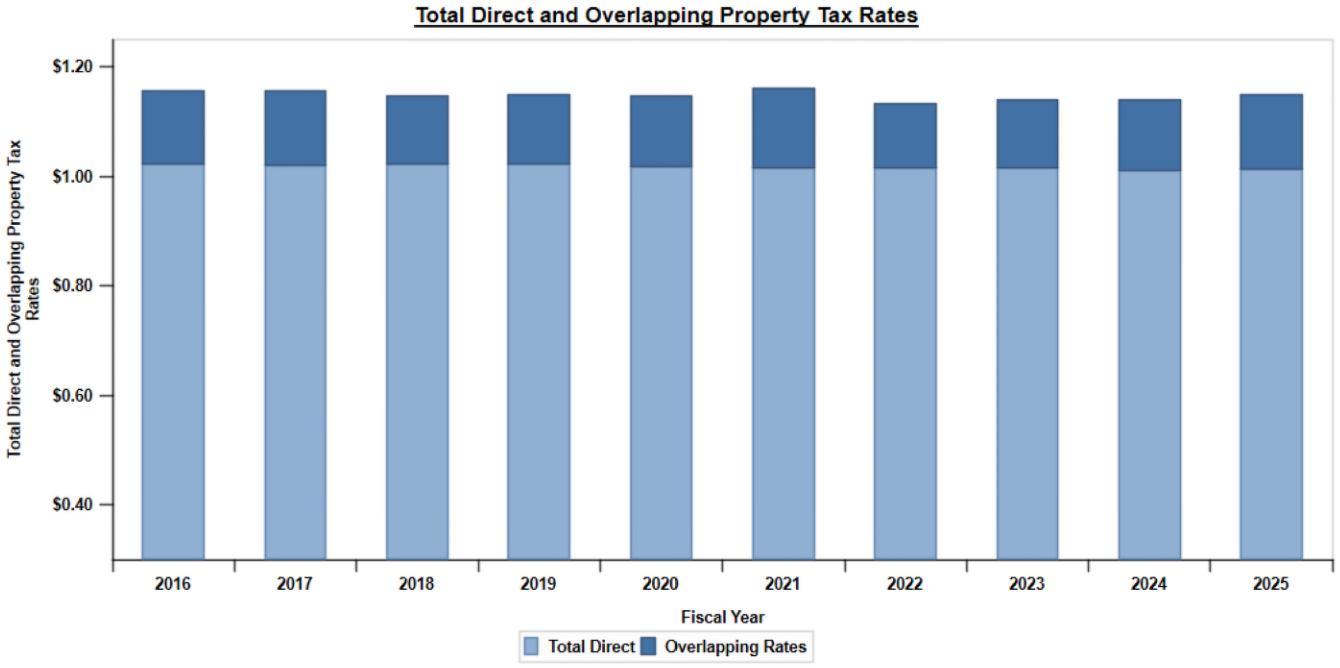
CITY OF LOS ANGELES

Direct and Overlapping Property Tax Rates
Tax Rate Area No. 4[(a)]
Last Ten Fiscal Years

Fiscal Year	City Direct Rates			Overlapping Rates		Total Direct and Overlapping Rates
	Basic Rate	General Obligation Debt Service	Total Direct	L.A. Unified School District	Metropolitan Water District	
2025	1.000000	0.013312	1.013312	0.128018	0.007000	1.148330
2024	1.000000	0.011448	1.011448	0.124219	0.003500	1.139167
2023	1.000000	0.016066	1.016066	0.121072	0.003500	1.140638
2022	1.000000	0.014721	1.014721	0.113228	0.003500	1.131449
2021	1.000000	0.016538	1.016538	0.139929	0.003500	1.159967
2020	1.000000	0.018084	1.018084	0.125520	0.003500	1.147104
2019	1.000000	0.023107	1.023107	0.123226	0.003500	1.149833
2018	1.000000	0.021345	1.021345	0.122192	0.003500	1.147037
2017	1.000000	0.021297	1.021297	0.131096	0.003500	1.155893
2016	1.000000	0.023030	1.023030	0.129709	0.003500	1.156239

Source: Tax Rates, Los Angeles County Tax Collector.

(a) Tax Rate Area # 4 is used to illustrate the breakdown of a tax rate within the City and applies the most properties within the City of Los Angeles. Since each property is subject to taxation by a number of taxing entities, the County groups all properties subject to taxation by the same entities into Tax Rate Areas (TRAs). There are over 274 TRAs in the City.



CITY OF LOS ANGELES

Ten Largest Property Taxpayers
Secured Assessed Valuation
Current and Nine Years Ago

	2025			2016		
Taxpayer	**Secured Assessed Valuation**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Secured Assessed Valuation**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Douglas Emmett LLC	$ 2,236,389,404	1	0.27 %	$ 2,625,138,199	1	0.55 %
Essex Portfolio LP	1,520,908,894	2	0.18	1,591,893,951	2	0.33
CP Propco LLC	1,506,046,490	3	0.18			
Next Century Partners LLC	1,171,681,027	4	0.14			
Century City Mall LLC	1,157,925,405	5	0.14			
Phillips 66	1,090,010,479	6	0.13	750,133,939	6	0.16
FSP South Flower Street	1,023,788,428	7	0.12	868,880,162	3	0.18
Valero Energy Corporation	1,000,329,156	8	0.12	774,549,383	5	0.16
Marathon Petroleum	993,789,935	9	0.12			
CJDB LLC	986,350,384	10	0.12			
Anheuser Busch Inc	--		--	793,569,250	4	0.17
Rochelle H. Sterling				712,248,965	7	0.15
One Hundred Towers, LLC				620,885,544	8	0.13
Trizec 333 LA LLC				606,847,300	9	0.13
Tishman Speyer Archstone Smith				588,816,361	10	0.12
TOTAL	$ 12,687,219,602		1.52 %	$ 9,932,963,054		2.08 %
Total City Secured Assessed Valuation*	$ 828,564,955,351			$ 478,976,707,293		

Source: California Municipal Statistics Inc.
Taxpayers' Guides, 2024-2025 and 2015-2016.

* Assessed at 100% of estimated actual value. Includes State assessed valuation.

CITY OF LOS ANGELES

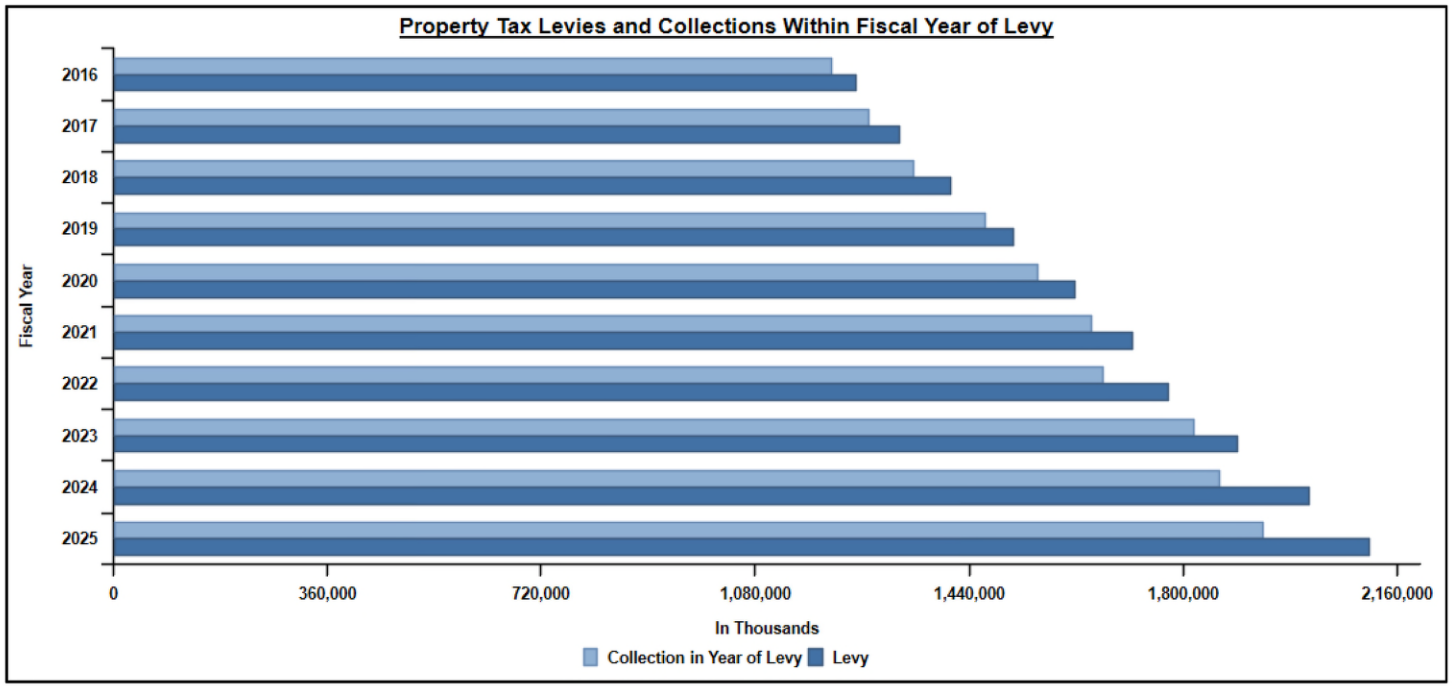
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Total Tax Levy[a] for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years[b]	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy[c]
2025	$ 2,113,429	$ 1,933,852	91.50 %	$ 23,646	$ 1,957,498	92.62 %
2024	2,011,079	1,861,647	92.57	21,583	1,883,230	93.64
2023	1,890,694	1,817,348	96.12	64,785	1,882,133	99.55
2022	1,775,646	1,664,040	93.71	25,082	1,689,122	95.13
2021	1,714,309	1,644,823	95.95	13,357	1,658,180	96.73
2020	1,618,316	1,555,461	96.12	12,848	1,568,309	96.91
2019	1,514,759	1,465,802	96.77	25,343	1,491,145	98.44
2018	1,408,319	1,346,492	95.61	21,781	1,368,273	97.16
2017	1,323,358	1,270,727	96.02	4,616	1,275,343	96.37
2016	1,249,297	1,209,196	96.79	7,034	1,216,230	97.35

(a) One percent basic levy only, which is a General Fund revenue; excludes City levy for debt service.

(b) Includes collections on adjustments for undetermined prior fiscal year(s).

(c) Based on available information by fiscal year. Details of delinquent taxes by levy year necessary to identify taxes remaining unpaid by taxpayers as applied to specific fiscal year are not available.



CITY OF LOS ANGELES

Energy Sold by Type of Customer
Power Enterprise Fund
Last Ten Fiscal Years

Fiscal Year	Sales of Energy (in thousands of megawatt hours)				Direct Rate per Kilowatt Hour	
	Residential	Commercial and Industrial	All Other	Total	Residential	Commercial and Industrial
2025	7,351	13,879	1,533	22,763	$ 0.26	$ 0.24
2024	7,077	13,954	1,026	22,057	0.24	0.22
2023	7,737	13,960	1,723	23,420	0.22	0.20
2022	7,383	14,092	1,891	23,366	0.22	0.20
2021	7,706	13,220	2,087	23,013	0.21	0.19
2020	7,218	14,030	1,050	22,298	0.19	0.17
2019	7,303	14,661	626	22,590	0.19	0.18
2018	7,258	15,210	532	23,000	0.17	0.16
2017	7,285	15,311	1,426	24,022	0.16	0.15
2016	7,482	15,938	1,880	25,300	0.15	0.15

CITY OF LOS ANGELES

Average Number of Customers for Energy Sales
Power Enterprise Fund
Last Ten Fiscal Years

Fiscal Year	Average Number of Customers (in thousands)			
	Residential	Commercial and Industrial	All Other	Total
2025	1,458	128	7	1,593
2024	1,453	128	7	1,588
2023	1,440	128	7	1,575
2022	1,430	128	7	1,565
2021	1,414	126	7	1,547
2020	1,405	126	7	1,538
2019	1,397	126	6	1,529
2018	1,386	124	6	1,516
2017	1,378	123	6	1,507
2016	1,371	123	5	1,499

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Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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CITY OF LOS ANGELES

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita)

	Governmental Activities							
Fiscal Year Ended June 30	General Obligation Bonds	Judgment Obligation Bonds	COP, Direct Placements, and Lease Revenue Bonds	Commercial Paper	Revenue Bonds	Loans Payable[1]	Lease Obligations	Subscription Obligations
2025	$ 1,036,087	$ --	$ 1,330,358	$ 338,936	$ 280,010	$ 16,378	$ 190,546	$ 36,851
2024	960,246	--	1,468,270	210,785	310,152	21,644	91,492	50,892
2023	1,054,340	--	1,415,005	322,600	138,182	49,915	104,868	38,557
2022	751,697	--	1,561,882	215,600	159,004	69,213	114,405	--
2021	642,248	--	1,536,336	330,600	179,181	89,122	--	--
2020	751,022	--	1,519,591	336,000	203,571	134,219	--	--
2019	865,478	6,256	1,668,256	189,800	245,932	152,095	--	--
2018	736,177	14,748	1,634,552	320,100	156,734	90,467	--	--
2017	756,414	22,933	1,693,317	274,000	192,264	105,659	--	--
2016	842,483	30,827	1,798,130	155,300	227,880	135,847	--	--

Continued...

[1] Loans payable include HUD loans payable and financed purchase obligations.

CITY OF LOS ANGELES

Ratios of Outstanding Debt by Type - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita)

Fiscal Year Ended June 30	Business-Type Activities								
	Revenue Bonds	Commercial Paper	Loans Payable	Lease Obligations	Subscription Obligations	PPP Availability Arrangement Obligations	Total Primary Government	Percentage of Personal Income[1]	Per Capita [2]
2025	$ 37,502,702	$ 15,000	$ 792,228	$ 128,008	$ 32,717	$ 573,461	$ 42,273,282	$ N/A	$ 11,022
2024	34,953,361	664,951	761,107	143,502	22,578	584,131	40,243,111	N/A	10,551
2023	34,998,723	428,565	762,368	156,740	15,786	593,905	39,817,946	5.26	10,466
2022	33,541,553	232,940	784,416	97,684	--	--	37,316,305	5.16	9,813
2021	30,467,657	243,341	740,084	--	--	--	34,228,569	4.76	8,883
2020	28,093,772	93,197	803,411	--	--	--	31,934,783	4.71	7,962
2019	27,536,607	99,791	726,867	--	--	--	31,491,082	5.00	7,847
2018	24,614,878	310,832	646,919	--	--	--	28,525,407	4.54	7,064
2017	23,589,506	200,000	632,124	--	--	--	27,466,217	4.60	6,830
2016	22,460,800	200,000	590,228	--	--	--	26,441,495	4.57	6,612

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

[1] Personal income data can be found in the Statistical Section, Demographic and Economic Information.

[2] Population data updated based on current estimates. See Statistical Section, Demographic and Economic Information.

N/A - Data not available

CITY OF LOS ANGELES

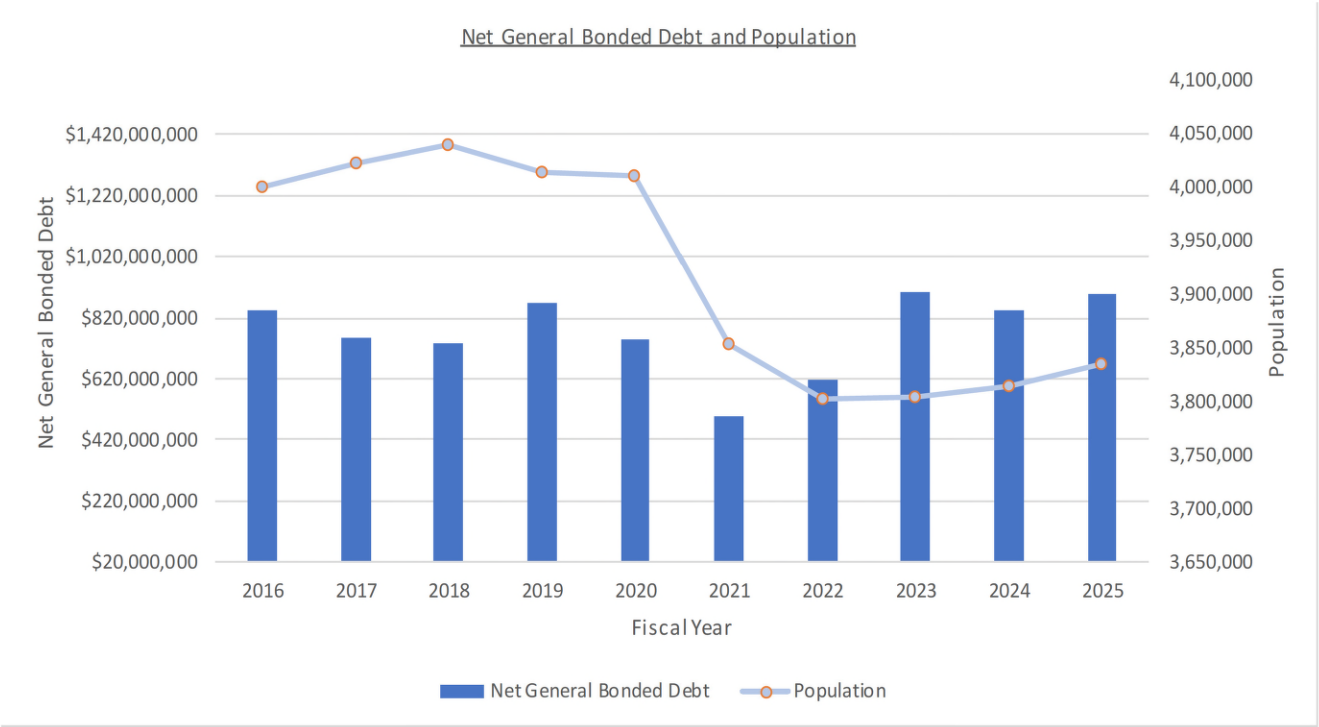
Ratios of Net General Bonded Debt to Assessed Value and Per Capita Last Ten Fiscal Years

Fiscal Year Ended June 30	Net General Bonded Debt	Assessed Value[1]	Net General Bonded Debt Ratio to Assessed Value	Population[2]	Net General Bonded Debt Per Capita
2025	$ 909,341,238	$ 854,974,352,325	0.11 %	3,835,263	$ 237
2024	842,465,000	817,638,074,795	0.10	3,814,318	221
2023	901,902,000	772,276,193,004	0.12	3,804,420	239
2022	615,689,000	721,540,148,478	0.09	3,802,725	161
2021	497,097,000	693,748,367,625	0.07	3,853,323	127
2020	751,022,000	650,628,836,497	0.12	4,010,684	187
2019	865,478,000	608,927,693,039	0.14	4,013,170	216
2018	736,177,000	565,509,608,703	0.13	4,038,313	182
2017	756,414,000	530,460,460,734	0.14	4,021,488	188
2016	842,483,000	497,896,274,993	0.17	3,999,237	211

(1) Net of homeowners exemptions.

(2) Population data updated based on current estimates.

(3) The total General Bonded Debt netted with the resources externally restricted for the repayment of the debt principal.



CITY OF LOS ANGELES

Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

	Debt Outstanding June 30, 2025	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt June 30, 2025
OVERLAPPING DEBT REPAID WITH PROPERTY TAXES			
Metropolitan Water District of Southern California	$ 17,155,000	21.055 %	$ 3,611,985
Los Angeles Community College District	4,919,505,000	72.102	3,547,061,495
Beverly Hills Unified School District	590,278,688	0.162	956,251
Inglewood Unified School District	156,040,000	0.630	983,052
Las Virgenes Joint Unified School District	168,423,158	0.869	1,463,597
Los Angeles Unified School District	11,062,275,000	88.049	9,740,222,515
Los Angeles Unified School District supported general obligation bonds[2]	(406,112,805)	100.000	(406,112,805)
Other School Districts	629,415,366	Various	404,732
City of Los Angeles Community Facilities District No. 4	33,105,000	100.000	33,105,000
City of Los Angeles Community Facilities District No. 8	4,940,000	100.000	4,940,000
City of Los Angeles Community Facilities District No. 11	20,830,000	100.000	20,830,000
Mountains Recreation and Conservation Authority Assessment Districts	11,710,000	100.000	11,710,000
OTHER OVERLAPPING DEBT			
Los Angeles County General Fund Obligations	3,165,002,390	40.776	1,290,561,375
Los Angeles County Superintendent of Schools Certificates of Participation	2,331,775	40.776	950,805
Pasadena Area Community College District Certificates of Participation	28,490,000	0.001	285
Inglewood Unified School District Certificates of Participation	975,000	0.630	6,143
Las Virgenes Joint Unified School District Certificates of Participation	7,823,882	0.630	49,290
Los Angeles Unified School District Certificates of Participation	443,040,000	88.049	390,092,290
OVERLAPPING TAX INCREMENT DEBT	221,675,000	100.000	221,675,000
SUBTOTAL- OVERLAPPING DEBT			$ 14,862,511,010
CITY OF LOS ANGELES DIRECT DEBT			
General Obligation Bonds	1,036,087,000	100.000	1,036,087,000
COP and Lease Revenue Bonds	1,307,703,000	100.000	1,307,703,000
Direct Placements	22,655,000	100.000	22,655,000
Revenue Bonds	280,010,000	100.000	280,010,000
Commercial Paper	338,936,000	100.000	338,936,000
RTU Lease Liabilities	190,546,000	100.000	190,546,000
RTU Subscription Liabilities	36,851,000	100.000	36,851,000
Financed Purchase Obligations	6,916,000	100.000	6,916,000
HUD Loans	9,462,000	100.000	9,462,000
SUBTOTAL - CITY OF LOS ANGELES DIRECT DEBT[3]			3,229,166,000
TOTAL DIRECT AND OVERLAPPING DEBT			$ 18,091,677,010

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the City.

(2) Represents applicable amount of accumulated set-aside deposits for Qualified School Construction Bonds as of June 30, 2025, deducted from outstanding principal.

(3) Includes all long-term debt instruments of the government activities, including bonds, notes, certificates of participation, loans and lease and subscription liabilities.

Source: City of Los Angeles, Office of the City Administrative Officer, for overlapping debt.

CITY OF LOS ANGELES

Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita)

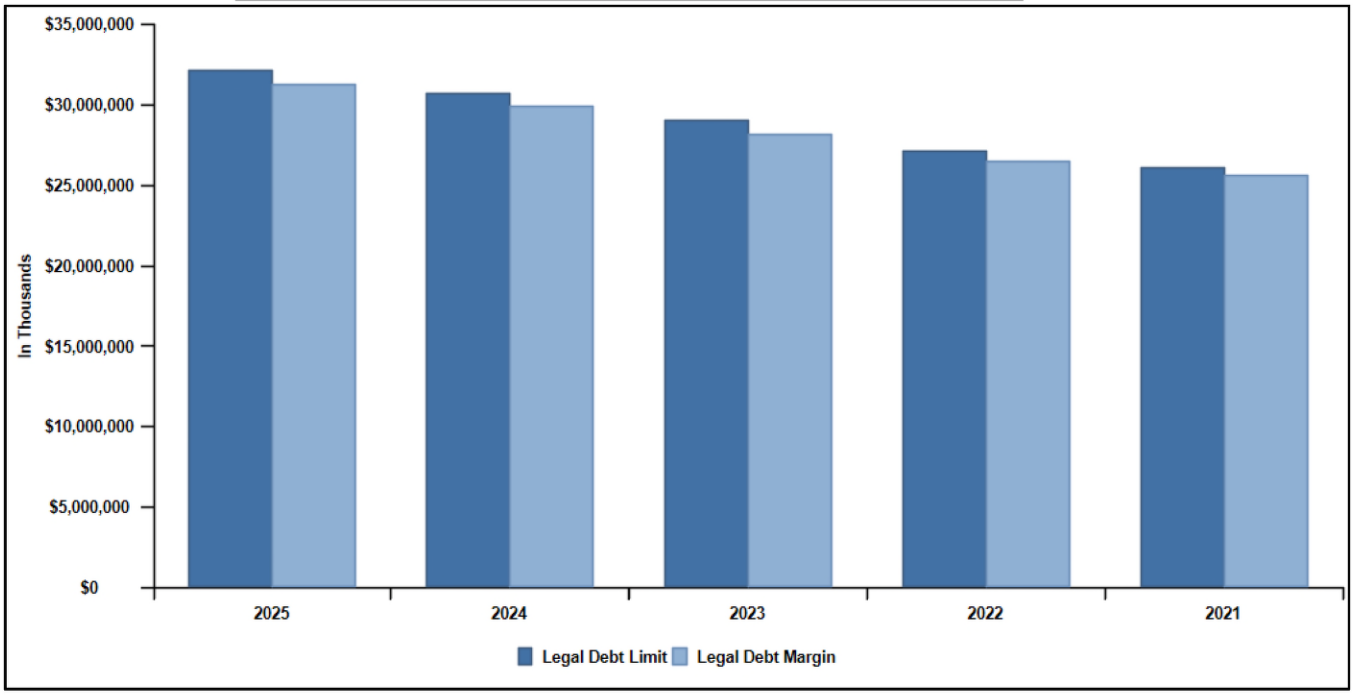
	Fiscal Year				
	2025	2024	2023	2022	2021
Assessed Valuation Net of Homeowners' Exemptions	$ 854,974,352	$ 817,638,075	$ 772,276,193	$ 721,540,148	$ 693,748,368
Add: Homeowners' Exemptions	2,103,464	2,134,631	2,187,495	2,226,637	2,264,753
Gross Assessed Valuation	$ 857,077,816	$ 819,772,706	$ 774,463,688	$ 723,766,785	$ 696,013,121
Adjusted Assessed Valuation[a]	$ 214,269,454	$ 204,943,177	$ 193,615,922	$ 180,941,696	$ 174,003,280
Legal Debt Limit (15% of the Adjusted Assessed Value)	$ 32,140,418	$ 30,741,477	$ 29,042,388	$ 27,141,254	$ 26,100,492
Less: Net General Obligation Bonds Outstanding	909,341	842,465	901,902	615,689	497,097
Legal Debt Margin	$ 31,231,077	$ 29,899,012	$ 28,140,486	$ 26,525,565	$ 25,603,395
Legal Debt Margin as a Percentage of the Debt Limit	97.17 %	97.26 %	96.89 %	97.73 %	98.10 %
Net General Obligation Bonds Outstanding as a Percentage of Adjusted Assessed Value	0.42 %	0.41 %	0.47 %	0.34 %	0.29 %
Population[b]	3,835,263	3,814,318	3,804,420	3,819,538	3,923,341
Net General Obligation Bonds Outstanding per Capita	$ 237	$ 221	$ 237	$ 161	$ 164

Continued...

(a) Section 43605 of the Government Code of the State of California requires conversion of gross assessed valuation to 25% level as the basis in arriving at the legal debt limit.

(b) Population data updated based on current estimates.

Legal Debt Limit (15% of the adjusted assessed value) and Legal Debt Margin

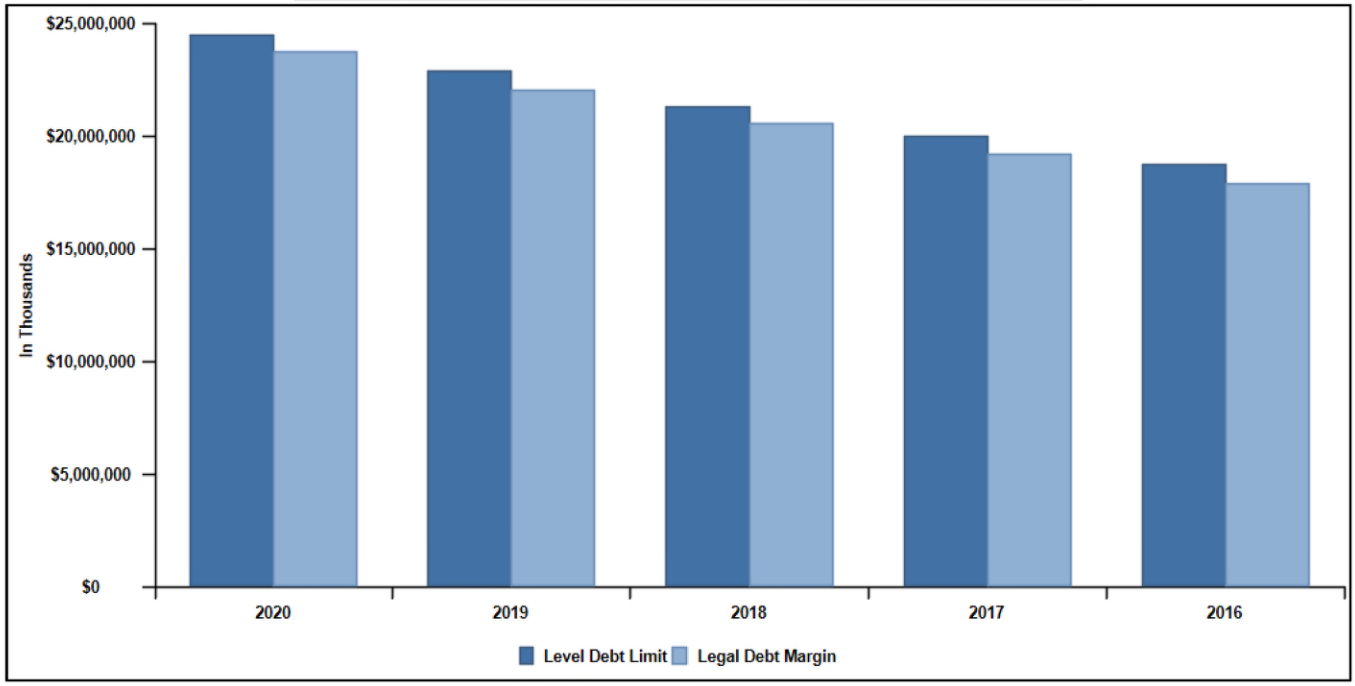


CITY OF LOS ANGELES

Ratios of General Bonded Debt Outstanding and Legal Debt Margin - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita)

	Fiscal Year				
	2020	2019	2018	2017	2016
Assessed Valuation Net of Homeowners' Exemptions	$ 650,628,837	$ 608,927,693	$ 565,509,609	$ 530,460,461	$ 497,896,275
Add: Homeowners' Exemptions	2,329,537	2,364,507	2,411,314	2,454,777	2,502,726
Gross Assessed Valuation	$ 652,958,374	$ 611,292,200	$ 567,920,923	$ 532,915,238	$ 500,399,001
Adjusted Assessed Valuation[a]	$ 163,239,594	$ 152,823,050	$ 141,980,231	$ 133,228,810	$ 125,099,750
Legal Debt Limit (15% of the Adjusted Assessed Value)	$ 24,485,939	$ 22,923,458	$ 21,297,035	$ 19,984,322	$ 18,764,963
Less: Net General Obligation Bonds Outstanding	751,022	865,478	736,177	756,414	842,483
Legal Debt Margin	$ 23,734,917	$ 22,057,980	$ 20,560,858	$ 19,227,908	$ 17,922,480
Legal Debt Margin as a Percentage of the Debt Limit	96.93 %	96.22 %	96.54 %	96.21 %	95.51 %
Net General Obligation Bonds Outstanding as a Percentage of Adjusted Assessed Value	0.46 %	0.57 %	0.52 %	0.57 %	0.67 %
Population[b]	4,010,684	4,013,170	4,054,400	4,021,488	3,999,237
Net General Obligation Bonds Outstanding per Capita	$ 187	$ 216	$ 182	$ 188	$ 211

Legal Debt Limit (15% of the adjusted assessed value) and Legal Debt Margin



CITY OF LOS ANGELES

Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Operating Revenues[1]	Less: Operating Expenses[2]	Net Available Revenue	Debt Service[3]	Net Available Revenue Coverage	Net Operating Cash Flow	Net Operating Cash Flow Coverage[4]
Airports Enterprise Fund Revenue Bonds and Notes							
2025	$ 2,372,487	$ 1,049,405	$ 1,323,082	$ 634,174	2.1	$ 985,274	1.6
2024	2,172,232	939,839	1,232,393	588,541	2.1	987,956	1.7
2023	1,894,804	671,224	1,223,580	485,459	2.5	991,262	2.0
2022	1,420,676	776,159	644,517	496,344	1.3	578,963	1.2
2021	1,156,493	462,118	694,375	456,422	1.5	405,607	0.9
2020	1,606,812	844,630	762,182	402,747	1.9	540,779	1.3
2019	1,735,243	786,919	948,324	375,825	2.5	717,845	1.9
2018	1,578,222	784,369	793,853	344,931	2.3	751,190	2.2
2017	1,460,713	725,190	735,523	325,681	2.3	614,930	1.9
2016	1,422,362	713,720	708,642	285,325	2.5	512,252	1.8
Harbor Enterprise Fund Revenue Bonds and Notes							
2025	$ 920,682	$ 346,390	$ 574,292	$ 166,941	3.4	$ 498,223	3.0
2024	761,361	293,075	468,286	68,447	6.8	441,701	6.5
2023	706,407	299,420	406,987	67,377	6.0	327,754	4.9
2022	665,857	253,900	411,957	118,968	3.5	356,591	3.0
2021	586,039	272,983	313,056	79,070	3.8	262,722	3.5
2020	524,346	273,570	250,776	82,806	3.0	237,631	2.9
2019	578,794	240,427	338,367	84,884	4.0	254,978	3.0
2018	501,663	236,955	264,708	80,147	3.3	228,920	2.9
2017	487,806	227,675	260,131	87,570	3.0	274,581	3.1
2016	457,521	226,261	231,260	91,831	2.5	189,992	2.0
Power Enterprise Fund Revenue Bonds and Notes							
2025	$ 5,720,587	$ 3,386,829	$ 2,333,758	$ 783,097	3.0	$ 1,611,270	2.1
2024	5,291,153	3,248,142	2,043,011	750,314	2.7	1,491,138	2.0
2023	5,449,289	3,454,645	1,994,644	708,133	2.8	1,241,636	1.8
2022	4,696,107	3,127,510	1,568,597	667,165	2.4	1,240,693	1.9
2021	4,517,240	2,853,249	1,663,991	638,818	2.6	1,384,300	2.2
2020	4,133,485	2,813,414	1,320,071	625,999	2.1	1,155,673	1.8
2019	4,373,557	2,973,389	1,400,168	580,192	2.4	1,319,164	2.3
2018	3,947,264	2,524,608	1,422,656	546,478	2.6	1,091,274	2.0
2017	3,853,514	2,564,978	1,288,536	538,814	2.4	957,064	1.8
2016	3,734,402	2,451,934	1,282,468	467,251	2.7	972,422	2.1

Continued...

CITY OF LOS ANGELES

Pledged Revenue Coverage - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Operating Revenues[1]	Less: Operating Expenses[2]	Net Available Revenue	Debt Service[3]	Net Available Revenue Coverage	Net Operating Cash Flow	Net Operating Cash Flow Coverage[4]
Water Enterprise Fund Revenue Bonds and Notes							
2025	$ 2,001,084	$ 1,202,143	$ 798,941	$ 436,555	1.8	$ 604,030	1.4
2024	1,923,011	972,546	950,465	434,240	2.2	707,843	1.6
2023	1,773,895	1,007,231	766,664	396,031	1.9	385,634	1.0
2022	1,639,691	981,543	658,148	356,845	1.8	562,131	1.6
2021	1,576,150	869,591	706,559	337,092	2.1	657,169	1.9
2020	1,384,804	759,931	624,873	336,922	1.9	543,528	1.6
2019	1,325,982	767,726	558,256	251,445	2.2	563,578	2.2
2018	1,256,737	685,894	570,843	309,825	1.8	565,679	1.8
2017	1,192,420	700,610	491,810	278,912	1.8	242,212	0.9
2016	1,215,469	735,769	479,700	241,123	2.0	184,462	0.8
Sewer Enterprise Fund Revenue Bonds and Notes							
2025	$ 868,422	$ 444,532	$ 423,890	$ 223,134	1.9	$ 459,029	2.1
2024	728,103	446,024	282,079	226,711	1.2	312,166	1.4
2023	791,270	443,764	347,506	230,099	1.5	288,742	1.3
2022	735,834	369,274	366,560	218,712	1.7	483,493	2.2
2021	788,803	318,637	470,166	218,634	2.2	418,648	1.9
2020	762,597	368,658	393,939	223,554	1.8	308,863	1.4
2019	710,020	375,442	334,578	214,273	1.6	361,112	1.7
2018	682,779	284,184	398,595	210,291	1.9	357,341	1.7
2017	634,376	303,483	330,893	199,572	1.7	343,761	1.7
2016	619,430	295,523	323,907	199,523	1.6	316,864	1.6

(1) For Airports, operating revenues include pledged pooled investment interest income, BABs subsidy, nonoperating TSA revenue, interest income net of PFCs, CFCs and construction funds. For Harbor, operating revenues include pledged pooled investment interest income and nonoperating revenues. For Power and Water, operating revenues include capital contributions, net nonoperating revenues. For Sewer, operating revenues include interest income from pooled investments.

(2) For Airports, Harbor and Sewer, operating expenses do not include interest, depreciation and amortization, and other nonoperating expenses. For Airport, operating expenses exclude CARES Act funded expenses. For Power and Water, operating expenses do not include depreciation and amortization expense.

(3) Debt service includes principal and interest payments on bonds.

(4) Net operating cash flow coverage is presented to show the Funds' ability to generate sufficient cash flow to cover debt service costs.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

CITY OF LOS ANGELES

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Estimated Population[1]	Personal Income (in thousands)[2]	Personal Income Per Capita[2]	Median Age[3]	Public School Enrollment[4]	Unemployment Rate[5]
2025	3,835,263	$ N/A	$ N/A	37.5	409,108	6.0 %
2024	3,814,318	N/A	N/A	37.2	418,907	5.9
2023	3,804,420	756,659,481	78,302	37.9	454,703	5.3
2022	3,802,725	722,935,767	74,378	37.1	455,530	4.6
2021	3,853,323	719,455,363	73,343	37.0	439,013	7.7
2020	4,010,684	678,548,600	67,904	35.9	504,468	12.0
2019	4,013,170	629,245,755	62,591	35.9	516,935	4.5
2018	4,038,313	628,808,732	62,224	35.8	532,102	5.1
2017	4,021,488	597,597,564	59,058	35.8	547,246	4.8
2016	3,999,237	578,154,382	57,127	35.6	560,991	5.6

(1) Data based on California Department of Finance report E-1, released May 1, 2025 with revised estimated population.

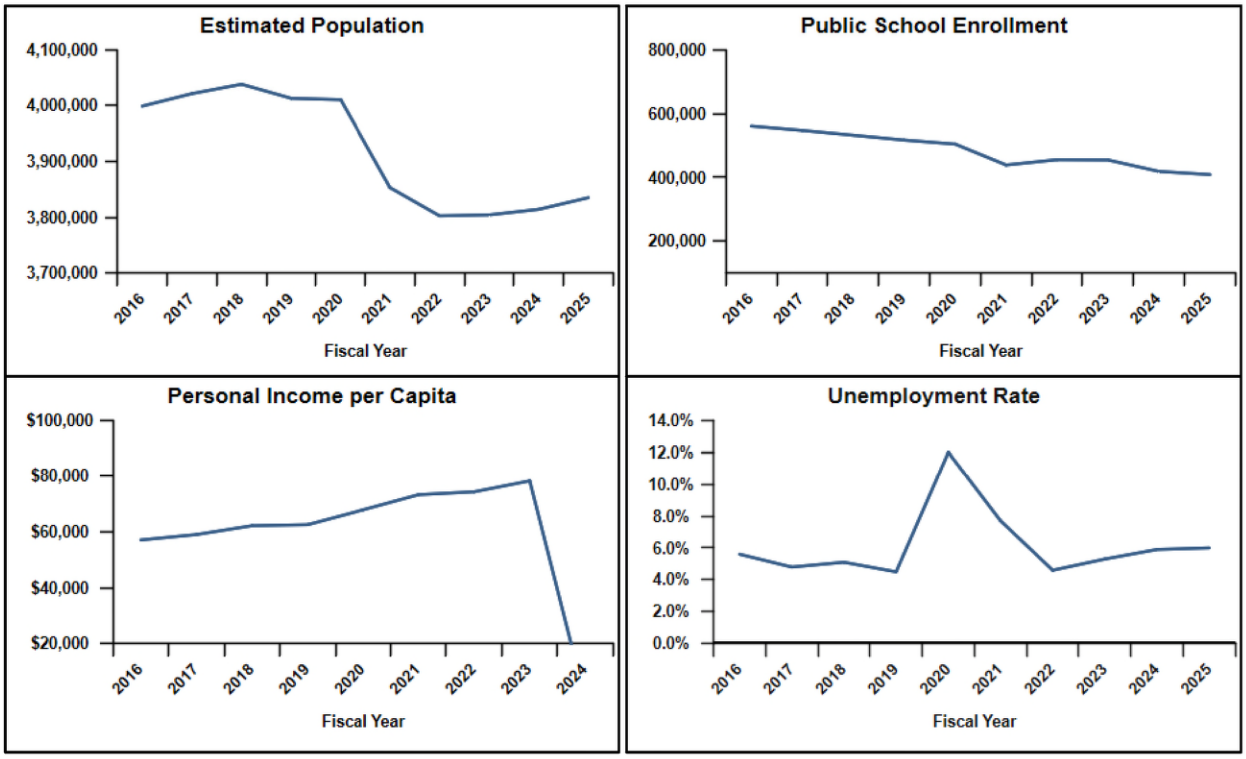
(2) U.S. Bureau of Economic Analysis, "Table SAINC1: Personal Income Summary" for information for the State and the United States and "Table CAINC1: Personal Income Summary" for information for the County (accessed September 2, 2025). County information for 2024 not yet available. Last updated: February 20, 2025.

(3) US Census Bureau American Community Survey for the City. Source: http://data.census.gov/

(4) Enrollment data determined at the beginning of each school year (October). Data include the City and all or significant portions of a number of smaller cities and unincorporated territories. Source: LAUSD Office of Data and Accountability as of September 2024. Annual Financial Report is not available.

(5) Data based on California Employment Development Department for City of Los Angeles - September 2025, data not seasonally adjusted, released December 12, 2025.

N/A - Data not available



CITY OF LOS ANGELES

Los Angeles County
Principal Employers (Non-Government)
Current Year and Nine Years Ago

	2025			2016		
Employer	**Employees**	**Rank[1]**	**Percentage of Total County Employment**	**Employees**	**Rank[1]**	**Percentage of Total County Employment**
Kaiser Permanente	47,897	1	0.9 %	36,987	1	0.7 %
University of Southern California	25,741	2	0.5	18,971	2	0.4
Cedars-Sinai Medical Center	18,087	3	0.4	11,625	10	0.2
Northrop Grumman Corp.	16,600	4	0.3	16,619	3	0.3
The Walt Disney Co.	13,400	5	0.3	12,500	8	0.3
NBC Universal	13,000	6	0.3	--		--
UPS	12,000	7	0.2	--		--
Providence Health & Services Southern California	11,500	8	0.2	13,000	7	0.3
The Home Depot	11,000	9	0.2	--	--	--
Target Corp.	11,000	10	0.2	15,000	4	0.3
Ralphs/Food 4 Less (Kroger Co. Div)	--	--	--	13,500	5	0.3
Bank of America Corp.	--	--	--	13,000	6	0.3
Albertsons/Vons/Pavilions	--	--	--	12,400	9	0.2
All Others	4,929,575	--	96.5	4,877,798	--	96.7
TOTAL [1][2]	5,109,800		100.0 %	5,041,400		100.0 %

Source:

(1) Los Angeles Business Journal (LABJ) - The information on this list was provided by representatives of the employers themselves. Companies are ranked by the current number of full-time employees in L.A. County. Several companies may have qualified for this list, but failed to submit information or do not break out local employment data.

(2) Total County Employment per California EDD labor force report (http://www.labormarketinfo.edd.ca.gov).

This report was completed based on information from various sources and is intended for use as a general guide only.
The City does not warrant accuracy of this data. Inquiries should be directed to the individual employer.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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CITY OF LOS ANGELES

Number of City Government Employees by Function/Program
Full-Time Equivalent
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
GOVERNMENTAL ACTIVITIES	**32,337**	**32,778**	**32,281**	**31,604**	**31,369**
General Government					
City Administrative Officer	168	177	166	126	109
City Attorney	936	996	946	933	914
City Ethics Commission	42	43	37	32	29
Controller	144	146	146	132	133
Council	447	424	398	387	375
Employees Relations Board	3	3	3	3	3
General Services	1,253	1,272	1,269	1,225	1,199
Information Technology Agency	343	356	355	326	336
Mayor	228	236	153	179	191
Personnel	550	581	542	502	481
Neighborhood Empowerment	35	37	35	24	25
City Clerk	107	113	107	100	95
Cannabis Regulation[2]	52	53	51	34	28
Civil, Human Rights, and Equity	30	36	34	19	9
Office of Finance[1]	322	321	297	273	261
Public Accountability[2]	1	3	3	3	3
Protection of Persons and Property					
Animal Services	314	330	321	296	307
Building & Safety	956	949	893	888	884
Fire- Civilian	340	339	337	335	344
Fire- Sworn	3,448	3,419	3,447	3,390	3,299
Police- Civilian	2,638	2,645	2,654	2,689	2,749
Police- Sworn	8,710	8,806	9,037	9,277	9,390
Emergency Management	30	29	28	21	20
Public Works					
Public Works- Contract Administration	323	344	292	292	303
Public Works- Engineering	766	783	779	756	742
Public Works- Street Lighting	279	323	298	278	289
Public Works- Street Services	1,113	1,189	1,131	1,081	1,070
Public Works- Board of Public Works	107	110	111	102	94
Health and Sanitation					
Public Works- Sanitation	3,024	3,107	3,005	2,890	2,839
Transportation					
Transportation	1,412	1,507	1,445	1,371	1,341
Cultural and Recreational Services					
Cultural Affairs	77	77	67	60	54
El Pueblo de los Angeles Historical Monument	9	9	9	6	6
Library	909	843	828	786	804
Recreation and Parks	1,505	1,472	1,463	1,329	1,259
Zoo	238	255	234	220	210
Community Development					
Aging	42	46	46	37	33
Economic and Workforce Development	143	129	119	110	103
Disability	30	26	28	26	24
LA Housing Department	687	656	624	584	636
City Planning	470	474	441	408	378
Youth Development[3]	15	19	13	7	--
Community Investment for Families[3]	91	95	89	67	--

Continued...

CITY OF LOS ANGELES

Number of City Government Employees by Function/Program - (Continued)
Full-Time Equivalent
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
GOVERNMENTAL ACTIVITIES	**33,973**	**33,059**	**32,535**	**32,100**	**31,306**
General Government					
City Administrative Officer	119	114	112	113	109
City Attorney	1,003	963	953	935	891
City Ethics Commission	31	25	24	24	22
Controller	146	150	146	142	135
Council	381	375	372	345	339
Employees Relations Board	3	3	3	3	3
General Services	1,394	1,341	1,352	1,342	1,356
Information Technology Agency	406	393	378	391	440
Mayor	210	219	203	185	170
Personnel	545	488	475	499	484
Neighborhood Empowerment	28	28	31	26	26
City Clerk	113	107	105	108	88
Cannabis Regulation[2]	29	21	7	--	--
Civil, Human Rights, and Equity	--	--	--	--	--
Office of Finance[1]	297	304	309	329	317
Public Accountability[2]	3	4	4	--	--
Protection of Persons and Property					
Animal Services	342	327	314	317	317
Building & Safety	920	903	892	935	849
Fire- Civilian	380	367	347	350	309
Fire- Sworn	3,391	3,348	3,356	3,311	3,265
Police- Civilian	3,070	2,992	3,002	2,920	2,754
Police- Sworn	9,963	10,004	9,990	9,948	9,866
Emergency Management	29	24	23	23	25
Public Works					
Public Works- Contract Administration	334	323	314	298	284
Public Works- Engineering	846	827	771	768	756
Public Works- Street Lighting	324	296	251	235	226
Public Works- Street Services	1,230	1,138	992	974	865
Public Works- Board of Public Works	106	106	95	96	95
Health and Sanitation					
Public Works- Sanitation	2,978	2,817	2,739	2,601	2,564
Transportation					
Transportation	1,474	1,368	1,340	1,324	1,340
Cultural and Recreational Services					
Cultural Affairs	65	61	60	58	46
El Pueblo de los Angeles Historical Monument	8	8	9	9	9
Library	830	813	822	774	748
Recreation and Parks	1,456	1,424	1,379	1,376	1,332
Zoo	238	228	216	204	202
Community Development					
Aging	41	36	32	36	38
Economic and Workforce Development	121	119	127	135	136
Disability	27	23	20	20	17
LA Housing Department	675	599	589	598	591
City Planning	417	373	381	348	292
Youth Development[3]	--	--	--	--	--
Community Investment for Families[3]	--	--	--	--	--

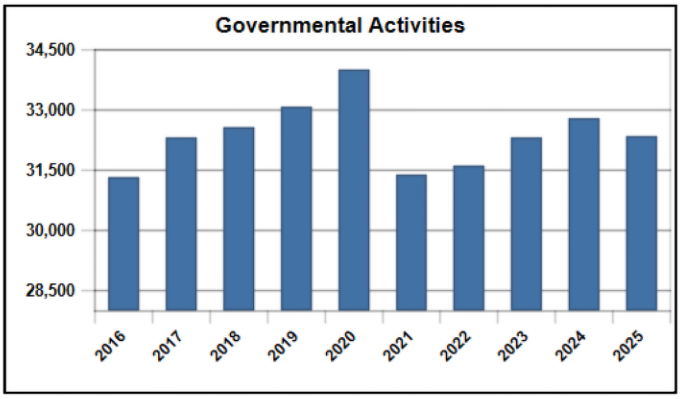
CITY OF LOS ANGELES

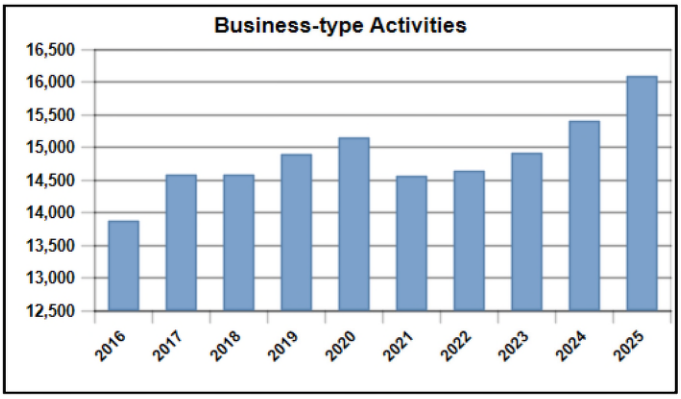
Number of City Government Employees by Function/Program - (Continued)
Full-Time Equivalent
Last Ten Fiscal Years

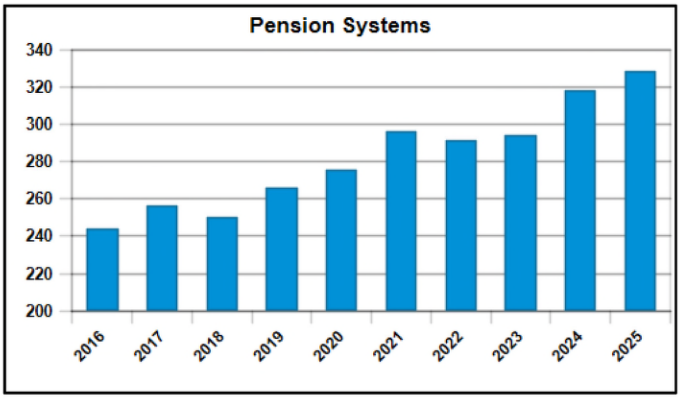
	Fiscal Year				
	2025	2024	2023	2022	2021
BUSINESS-TYPE ACTIVITIES	**16,079**	**15,396**	**14,902**	**14,636**	**14,547**
City Tourism	8	9	7	8	8
Water and Power[4]	11,941	11,514	11,142	10,804	10,550
Airports[1]	3,256	2,999	2,906	2,990	3,077
Harbor	874	874	847	834	912
PENSION SYSTEMS	**328**	**318**	**294**	**291**	**296**
City Employees' Retirement System	201	197	179	179	180
Fire and Police Pension System	127	121	115	112	116
GRAND TOTAL	**48,744**	**48,492**	**47,477**	**46,531**	**46,212**

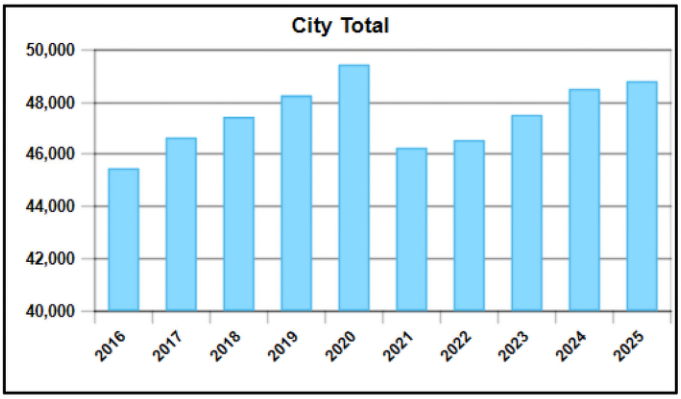
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Full-Time Equivalent Employees
Last Ten Fiscal Years









CITY OF LOS ANGELES

Number of City Government Employees by Function/Program - (Continued)
Full-Time Equivalent
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
BUSINESS-TYPE ACTIVITIES	**15,143**	**14,878**	**14,582**	**14,232**	**13,858**
City Tourism	10	9	8	11	12
Water and Power[4]	10,704	10,364	10,044	9,794	9,456
Airports[1]	3,519	3,625	3,646	3,544	3,484
Harbor	910	880	884	883	906
PENSION SYSTEMS	**275**	**266**	**250**	**256**	**244**
City Employees Retirement System	156	147	138	140	131
Fire and Police Pension System	119	119	112	116	113
GRAND TOTAL	**49,391**	**48,203**	**47,367**	**46,588**	**45,408**

(1) Department restated prior year's data due to timing adjustments.

(2) The Cannabis Regulation and Public Accountability Departments were established in fiscal year 2018.

(3) The Youth Development and Community Investment for Families Departments were established in fiscal year 2022.

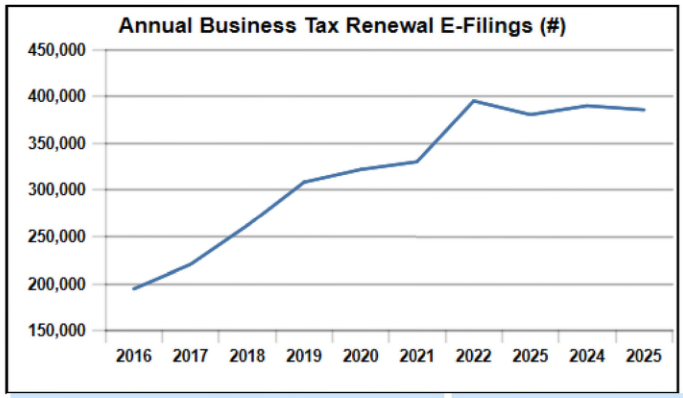
(4) Department includes DWP Retirement System.

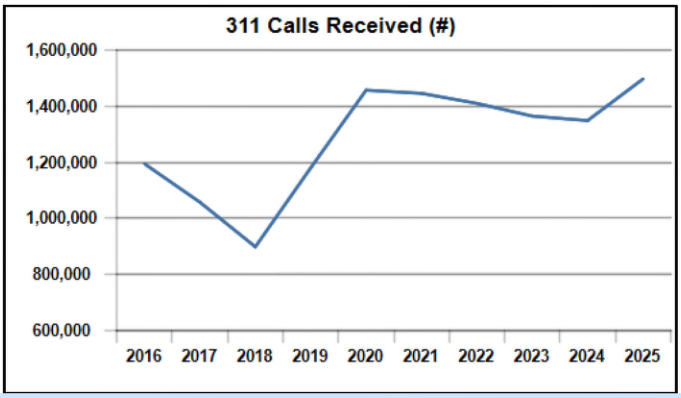
Sources:
Fiscal year 2021 through 2025: Data restated to conform with Office of the Controller Full-Time Active Employee Count as of the last pay period of the fiscal year, except those of Harbor and Water and Power.

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

General Government



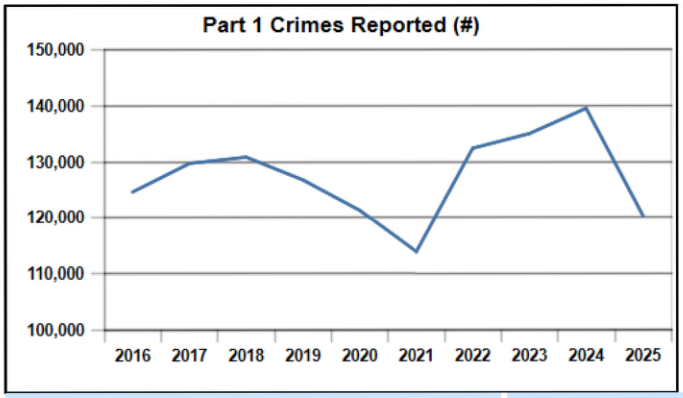


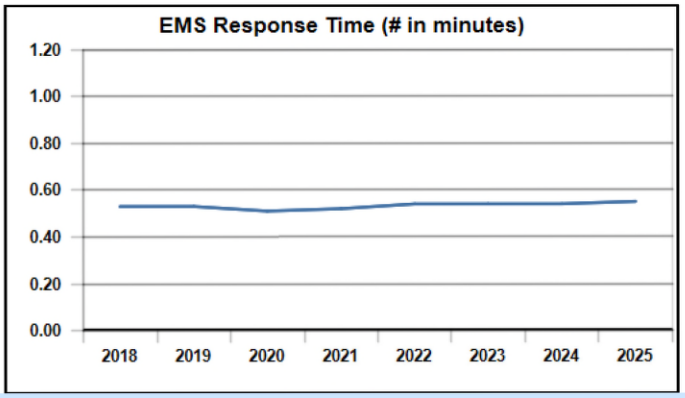
Department/Program	Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Cannabis Regulation (2)											
	Number of Cannabis Businesses	1,093	1,420	1,000	800	550	425	311	169	--	--
City Attorney											
Criminal Prosecution											
	Issues resolved in the neighborhood prosecutor program (%)	--	--	82	78	72	78	104	86	84	97
	Combined criminal jury and court trials (#)	210	156	182	372	414	325	343	344	321	352
	Consumer protection-cases reviewed (#)	272	60	189	210	290	213	123	200	200	230
	Consumer cases concluded (#)	96	71	67	75	86	65	51	130	120	146
	Environmental cases concluded (#)	11	22	435	475	463	471	459	465	452	383
	Housing/rent control cases concluded (#)	662	1,017	923	667	905	1,097	855	744	764	1,007
Public Rights (Civil Cases)											
	Public Rights # of Lawsuits Settled (#) (4)	7	8	--	--	--	--	--	--	--	--
	Public Rights Lawsuits Filed (#) (4)	10	37	--	--	--	--	--	--	--	--
General Services											
Building Maintenance											
	Maintenance work orders completed (%)	67	72	83	78	66	78	69	72	73	71
	Energy conservation audits completed (#)	17	20	13	12	--	9	19	20	20	20
Custodial Services											
	Municipal facilities cleaned per day (% of square feet)	90	100	100	100	100	100	100	100	100	90
Fleet Services											
	Vehicles available for Sanitation operations (%)	82	78	79	81	84	87	87	88	89	84
	Vehicles available for Street Services operations (%)	82	82	80	84	86	86	87	81	84	82
	Vehicles available for Dept of Transportation operations (%)	94	94	90	91	92	88	88	92	92	93
Real Estate Services											
	City-as-tenant leases remaining	158	158	111	84	85	84	71	71	75	77
Supply Services											
	Days to process orders under $100,000	29	27	30	32	24	31	36	44	27	35
Information Technology Agency											
3-1-1 Call Center Operations											
	Average wait time per caller (# of seconds)	441	190	282	222	190	158	174	294	370	142
	Number of calls received (#)	1,496,141	1,348,154	1,364,060	1,409,330	1,444,964	1,456,237	1,179,694	898,435	1,057,107	1,193,757
	Total Contacts	2,418,684	2,274,727	2,178,266	2,198,227	2,226,070	2,138,683	1,779,798	1,384,829	1,484,035	1,481,185
Neighborhood Empowerment											
	Community Impact Statements submitted by Neighborhood Councils	4,125	1,764	1,324	1,200	1,163	647	614	408	320	258
Office of Finance											
Revenue Billings, Audit and Collections											
	Annual Business Tax renewal e-filings (#)	385,877	390,175	380,660	395,290	330,422	322,104	308,506	261,926	220,381	194,545
	Collections from Citywide Collection unit ($ in thousands)	28,258	26,424	24,063	20,108	18,224	17,732	21,656	23,143	23,628	22,017
	Refund claims processed (#)	3,801	7,500	9,074	12,665	10,109	19,338	4,331	6,596	5,722	7,417
	Revenue enhancement unit investigations (#)	62,249	60,581	63,514	71,214	88,525	98,682	111,916	122,918	149,547	138,278
	Total tax accounts audited (#)	1,446	1,484	1,182	1,098	1,384	1,473	1,571	2,133	2,666	3,465
Personnel											
Employee Selection											
	Exams completed in 150 days (#)	85	86	88	74	67	86	73	73	65	71
Employee Training and Development											
	Non-mandated courses completed in the Online Training Academy	42,370	36,101	22,241	21,856	31,305	34,420	9,188	14,496	20,231	7,996

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Protection of Persons and Property



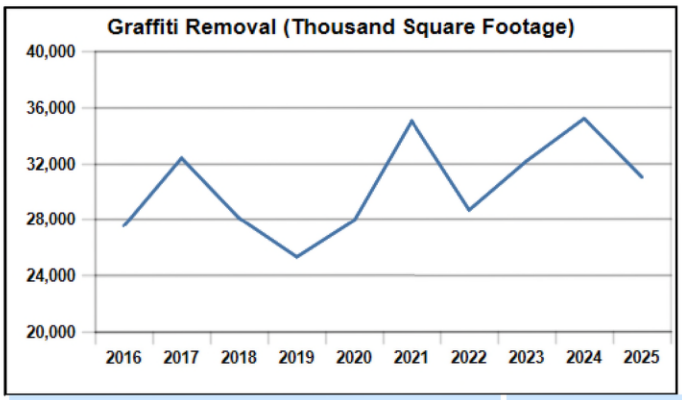


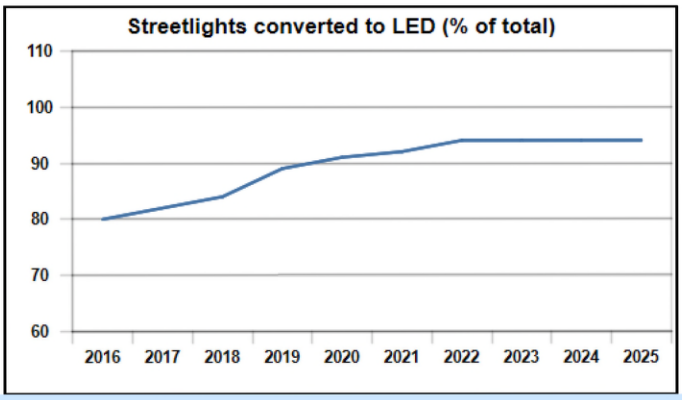
Department/Program / Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Animal Services										
Animal Licensing and Permitting Operations										
Dog licenses issued (#)	62,668	71,725	73,777	84,206	84,703	104,550	124,474	120,669	130,242	131,959
Animal Shelter Operations Program										
Animals adopted (#)	18,725	18,591	17,718	15,647	9,302	17,561	20,192	20,028	32,920	31,100
Animals euthanized (#)	7,417	7,246	6,439	5,979	2,195	4,024	6,497	7,015	8,425	10,931
Animals impounded (#)	47,295	43,135	42,176	40,396	33,314	44,682	55,515	53,595	52,460	51,676
Building and Safety										
Conservation of Existing Structures and Mechanical Devices										
Complaints responded to within 10 days (%)	61	56	70	84	80	74	78	74	69	59
Engineering Plan Checking										
Building Permits issued (#)	163,468	165,833	172,327	165,829	144,079	166,417	177,972	177,783	164,890	156,940
Plan reviews completed within 15 days (%)	81	86	83	73	69	76	77	81	75	82
New Construction Inspection										
Response to inspection requests within 24 hours (%)	97	98	95	97	97	96	84	84	91	90
Fire										
Emergency Medical Services										
Average time to leave station after notified - EMS (# in minutes)	0.55	0.54	0.54	0.54	0.52	0.51	0.53	0.53	0.59	1.04
Average travel time to incident - EMS (# in minutes)	5.27	5.16	5.08	4.58	4.43	4.36	4.31	4.30	4.25	4.28
Fire Suppression										
Actual Fires - Non structure fires (#)	43,274	37,903	32,718	33,812	31,213	22,063	17,521	17,016	13,971	13,137
Actual Fires - Structure fires (#)	2,646	2,650	3,896	3,743	3,871	3,896	4,002	4,012	4,449	4,430
Closure rate in criminal fires investigation (%)	--	--	--	--	5	--	--	--	56	82
Emergency responses - Fires (includes automatic alarms) (#)	65,770	73,328	103,098	115,441	106,824	97,667	91,492	133,401	140,933	132,546
Emergency responses - Hazardous conditions (#)	3,075	3,316	4,128	3,644	3,168	3,587	3,103	3,225	4,101	5,238
Emergency responses - Rescues and others (#)	21,405	24,419	34,309	30,943	27,202	26,173	28,558	31,771	35,366	44,604
Average time to leave station after notified - Fire (# in minutes)	0.55	0.54	0.54	0.54	0.52	0.51	0.52	0.53	0.59	1.00
Average travel time to incident - Fire (# in minutes)	5.17	5.13	5.05	4.51	4.34	4.30	4.30	4.30	4.20	4.26
Communications										
Call Processing Time (# in minutes)	1.00	1.00	1.11	1.06	1.06	1.05	1.08	1.07	1.03	1.02
Police										
Patrol										
Part I crimes reported (#) (5)	120,323	139,444	134,952	132,352	113,877	121,307	126,734	130,804	129,692	124,623
Part II crimes reported (#) (5)	149,319	183,201	99,020	96,792	83,997	89,715	92,489	97,218	96,128	98,535
Response to emergency calls (# in minutes)	7.10	7.30	7.20	6.30	5.99	5.99	5.95	5.62	6.15	6.10
Total arrests (#)	--	58,038	58,049	56,365	58,875	72,680	85,507	95,008	98,272	110,375
Specialized Crime Suppression and Investigation										
Number of backlogged fingerprint cases reduced (#)	3,180	2,864	3,466	3,833	3,554	3,096	4,049	4,929	4,241	4,105
Number of backlogged rape kits reduced (#)	1,047	1,174	1,196	988	833	1,166	1,072	1,254	1,275	1,158
Technical Support										
Complaint board calls received - 911 (#)	2,936,074	2,946,082	2,918,037	2,936,633	3,063,867	3,631,870	3,530,072	3,366,438	3,147,224	3,196,225
Traffic Control										
Fatal and injury traffic accidents (#)	1,179	1,802	1,805	1,885	1,579	1,444	1,533	1,544	1,437	1,330
Traffic citations issued (#)	93,885	98,047	111,773	107,729	142,938	220,062	200,439	216,673	219,911	234,311

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Public Works



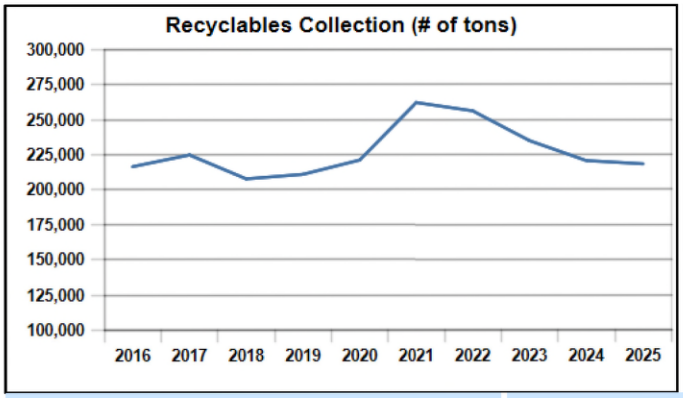


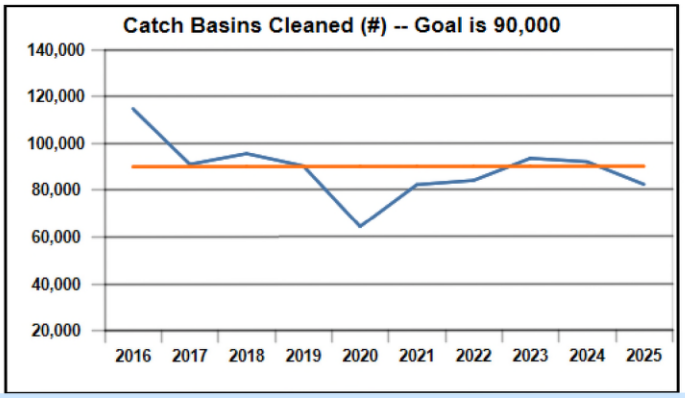
Department/Program / Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Board of Public Works										
Office of Community Beautification										
Graffiti eradicated/square footage (# per 1,000 sq ft)	31,013	35,190	32,173	28,677	35,021	27,943	25,319	28,096	32,388	27,545
Graffiti removal requests completed in 24 hrs (%)	66	63	73	74	73	68	62	73	77	55
Bureau of Contract Administration										
Construction Inspection										
Number of private development inspections (#)	33	33	30	27	27	33	38	34	26	22
Contract Compliance										
Prevailing Wage Restitution Completed ($ millions)	0.25	2.09	0.57	2.10	0.96	0.36	1.21	0.55	1.10	0.53
Bureau of Engineering										
All Capital Programs										
Completed capital projects (#)	79	84	90	110	155	173	115	143	106	144
Bureau of Street Lighting										
Design and Construction										
Streetlights converted to LED (% of total)	94	94	94	94	92	91	89	84	82	80
System Operation, Maintenance and Repair										
Percent of streetlights operating (%)	80.00	94.00	99.15	99.08	99.28	99.24	99.32	99.34	99.33	99.37
Street Services										
Maintaining Streets										
Small asphalt repairs (# of square feet)	863,543	1,256,617	862,735	554,887	881,243	824,393	908,679	820,592	1,513,764	1,121,767
Response time to pothole service requests (days)	2.9	2.3	2.4	1.7	0.9	1.3	2.9	2.3	1.3	--
Street Cleaning Program										
Completion frequency-posted routes (%)	100	100	100	99	96	96	97	98	99	91
Street Improvement Program										
Access ramps constructed (#)	404	426	324	350	376	362	308	532	526	742
Bus pads constructed (#)	72	57	68	76	63	53	86	55	49	58
Concrete bus landings installed (#)	31	10	8	10	11	13	--	--	50	65
Sidewalks repaired (# of square feet)	338,013	365,873	465,824	587,819	568,392	524,247	313,648	329,410	309,343	118,732
Street Resurfacing and Reconstruction Program										
Streets resurfaced (# of lane miles)	312	216	513	550	557	663	720	660	848	855
Streets slurry sealed (# of lane miles)	761	824	832	1,344	988	1,080	1,546	1,739	1,560	1,555
Street Tree and Parkway Maintenance Program										
Trees trimmed by contracted forces (#)	47,791	45,539	43,873	29,633	31,252	37,038	31,693	31,844	36,036	33,850

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Health and Sanitation



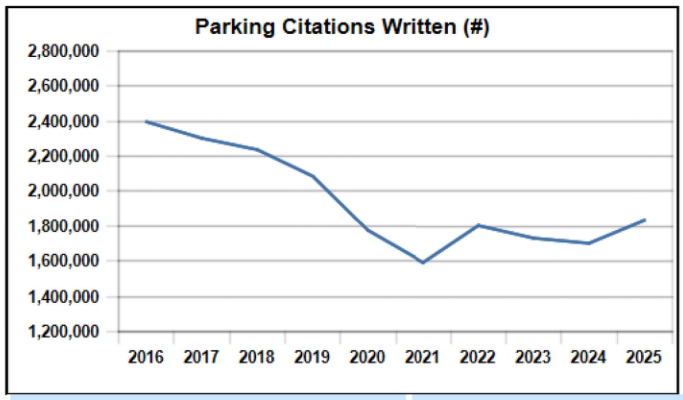


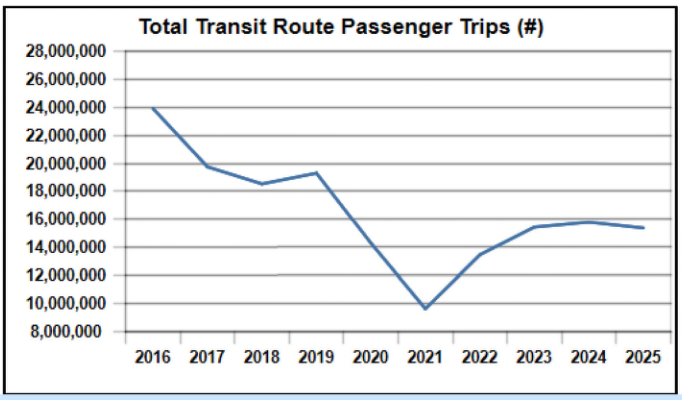
Department/Program / Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sanitation										
Household Refuse Collection Program										
Tons collected - Bulky items (# of tons)	40,806	41,861	19,246	44,299	55,499	52,090	54,238	53,766	91,225	60,101
Tons collected - Recyclables (# of tons)	218,200	220,547	234,801	256,040	262,021	221,089	210,944	207,756	224,796	216,542
Tons collected - Refuse (# of tons)	1,017,014	1,019,761	1,026,327	1,076,972	1,006,473	964,151	942,041	928,377	953,670	907,611
Tons collected - Yard Trimmings (# of tons)	424,970	426,112	402,297	392,610	425,133	462,175	411,188	414,729	417,354	417,325
Solid Resources										
Convert refuse collection fleet to clean fuels (%)	100	96	82	81	82	85	83	82	80	78
Watershed Protection										
Catch basin cleaning (#) (3)	82,258	91,962	93,441	84,012	82,213	64,222	90,279	95,561	91,021	114,699

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Transportation



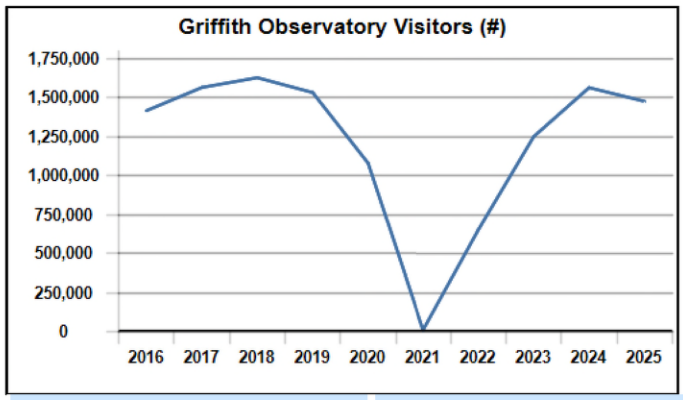


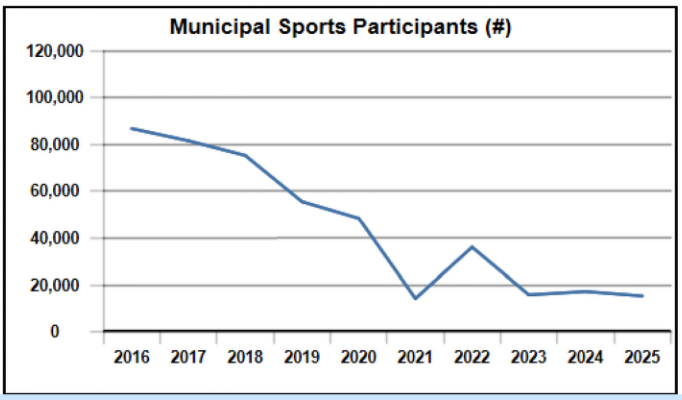
Department/Program	Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Transportation											
Parking Management and Intersection Control											
	Citations written (#)	1,835,343	1,704,235	1,733,033	1,805,286	1,593,817	1,775,106	2,086,277	2,237,086	2,302,206	2,395,778
	Crossing guard assignments (#)	455	527	604	566	541	544	538	537	529	523
	Hours of intersection control (#)	38,724	42,384	42,167	31,373	87,624	62,260	43,019	53,901	32,400	27,615
	Peak hour tows and other tows (#)	57,917	54,684	54,723	62,075	45,025	52,591	58,501	61,060	32,647	31,245
Traffic Control Devices											
	New signals (Traffic Pedestrian) installed (#)	10	20	11	19	29	16	32	32	19	31
	Traffic signals repaired (#)	16,528	7,531	12,270	15,302	694	694	735	626	725	766
Transit Capital Programming											
	Active traffic congestion relief projects (#)	71	74	78	75	64	68	69	64	62	96
	Increase in bicycle lane miles (# of miles)	30	9	23	26	32	40	10	10	12	9
Transit Operations											
	Total transit vehicle passenger trips (#)	15,359,174	15,779,761	15,424,048	13,451,113	9,629,615	14,277,781	19,292,796	18,527,770	19,741,533	23,895,017
Transportation System Operations											
	Red curb miles reinstalled/installed (#)	205	188	215	245	250	203	99	199	295	362
	Signs maintained/replaced (#)	43,987	39,853	29,398	39,327	47,876	38,275	20,978	28,115	46,189	52,422
	Temporary signs installed/removed (#)	529,416	604,685	651,765	641,705	290,468	654,822	770,211	726,009	726,200	646,724
	Thermoplastic longline striping installed/reinstalled (# of miles)	863	817	656	1,231	890	654	1,470	933	963	1,326

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Cultural and Recreational Services



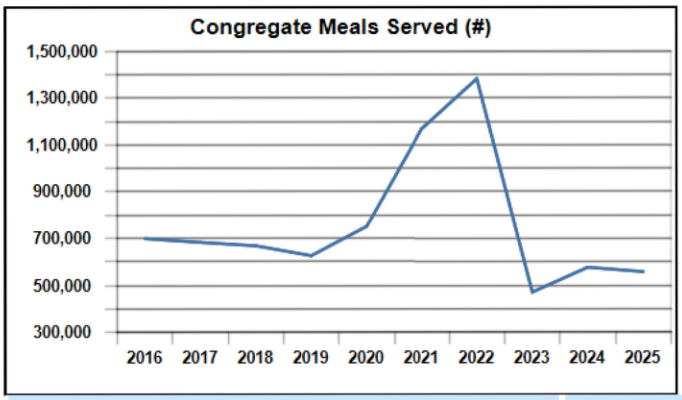


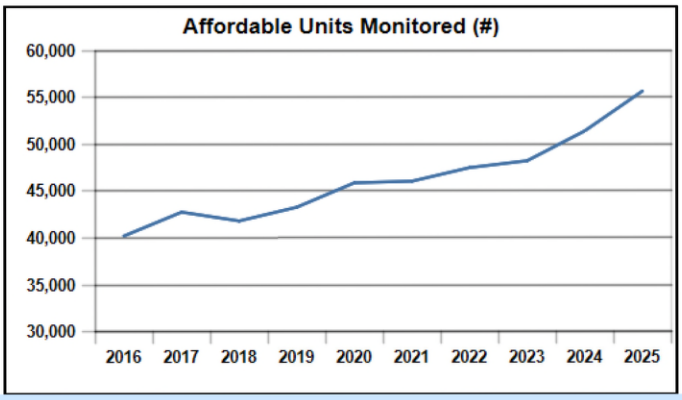
Department/Program	Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City Tourism											
City Tourism Development											
	Citywide conventions and center events (#) (3)	24	15	20	13	--	12	23	27	32	29
	Delegates attending Citywide conventions (#) (3)	231,085	233,064	376,525	124,852	--	227,059	362,442	440,634	503,036	496,886
	Exhibit hall events hosted (#) (3)	107	126	99	54	--	89	138	148	153	167
Cultural Affairs											
City Arts											
	Art class enrollment (#) (3)	221,513	156,938	138,867	150,052	136,966	162,216	228,646	185,546	182,078	121,356
	Theater attendance (#)	130,681	82,556	80,242	51,360	26,559	149,812	81,379	98,498	112,200	68,129
Community Arts											
	Art exhibitions presented (#)	2,367	1,949	2,902	3,031	1,502	2,079	2,852	1,371	692	655
	Special events/festivals (#) (3)	323	537	371	486	269	146	150	149	133	118
Performing Arts											
	Music/theatre programs presented	1,311	972	494	450	227	308	415	591	751	505
El Pueblo											
Events											
	Cultural and special events (#) (3)	113	133	76	30	32	114	93	122	152	137
History and Museums											
	Museum visitors (#) (3)	264,752	267,719	256,832	46,665	82,239	283,557	443,648	493,460	656,322	582,623
Library											
Public Library Services											
	Attendance level for cultural programming (#) (3)	225,844	225,407	161,584	50,655	79,116	270,482	349,820	402,881	417,831	368,339
	Items circulated (#)	27,545,327	25,569,226	21,866,853	18,874,937	15,203,658	16,282,884	17,153,200	16,142,466	16,276,897	16,353,158
	Number of people visiting library facilities (#) (3)	6,555,180	5,715,793	4,560,039	3,710,717	36,828	6,591,517	10,214,070	11,198,977	13,145,751	13,504,301
	Registered borrowers (#)	2,500,652	3,205,992	3,029,366	2,863,691	2,696,713	2,546,442	2,338,648	2,120,032	1,665,288	1,411,764
Recreation and Parks											
Advance Planning											
	New parks opened to the public (#)	1	1	1	--	2	2	4	2	5	8
	Maintenance job orders completed (#)	23,743	29,435	28,890	35,740	27,897	36,585	36,572	28,000	28,266	26,000
Educational Exhibits											
	Observatory attendance (#) (3)	1,476,748	1,564,508	1,250,733	653,836	10,575	1,080,718	1,532,916	1,628,315	1,565,700	1,417,282
Expo Center											
	Number of visitors to the Expo Center (#) (3)	566,462	859,617	747,493	534,672	68,995	628,184	744,509	709,056	675,291	456,607
Museums and Educational											
	Visitors to museums (excluding Griffith Observatory) (#) (3)	690,472	525,528	434,526	366,888	129,094	368,514	496,342	541,539	539,173	537,762
Recreational Opportunities											
	Aquatics - Pool Attendance (#) (3)	3,488,285	3,017,416	2,753,968	1,656,417	216,335	920,940	2,764,705	2,592,208	2,430,377	2,962,513
	Camps - Camper days (# of days)	208,391	257,927	103,468	207,097	91,301	67,065	63,060	73,929	70,654	65,283
	Municipal Sports - Team sports participants (3)	15,271	17,172	15,736	35,987	14,148	48,405	55,570	75,306	81,572	86,806
Zoo											
Educational Exhibits											
	Attendance (#) (3)	1,474,724	1,596,645	1,515,878	1,408,915	656,689	1,191,773	1,803,699	1,802,387	1,743,795	1,784,786

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Community Development



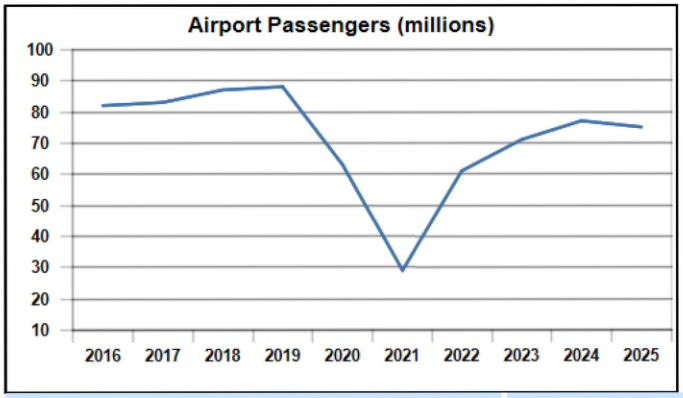


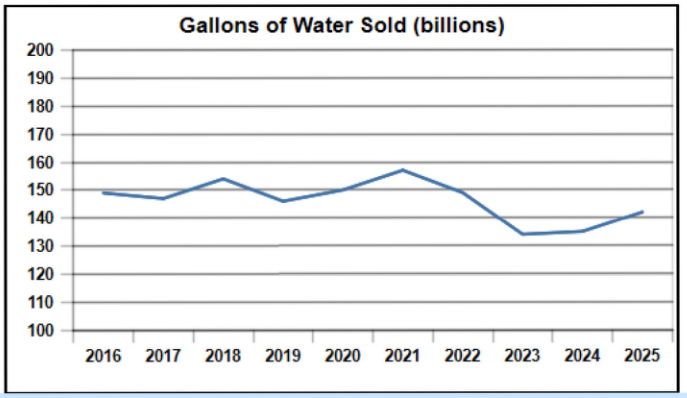
Department/Program	Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Aging											
Family Caregiver Services											
	Community education participants (#)	2,500	2,175	936	1,662	2,596	1,476	4,145	4,515	2,652	2,486
Senior Social Services											
	Congregate meals served	557,329	576,155	470,086	1,381,882	1,167,267	749,667	624,406	666,705	681,524	697,731
	Homebound meals served (#)	920,502	904,948	833,936	742,785	998,532	813,338	707,325	721,423	725,079	737,256
	Prop A - One-way transportation trips (#)	95,282	86,386	84,006	84,838	93,958	84,038	121,155	125,648	123,253	130,175
City Planning											
Community Planning											
	Community Plans Less than 10 Years Old (#)	16	13	11	7	6	6	6	6	3	5
Geographic Project Planning											
	Cases Completed (#)	2,600	2,876	2,723	2,983	3,078	3,005	3,042	2,853	2,110	3,522
Historic Resources											
Major Projects											
	Initial Studies, EIR and Entitlement Cases Requiring (#)	24	24	24	29	29	29	28	20	17	11
Disability											
ADA Compliance											
	Sign language and captioning requests processed (#)	501	195	176	186	303	397	490	327	320	501
AIDS Coordination											
	HIV tests/referrals provided (#)	6,771	5,299	952	17,242	19,491	18,793	18,630	18,000	10,000	--
	Individuals serviced by Prevention Program (#)	43,063	54,083	53,927	51,270	36,956	27,945	33,640	23,000	25,000	27,528
	Syringes removed (# in millions)	1	1	2	2	2	3	2	1	1	1
Economic and Workforce Development											
Economic Development											
	Businesses established by Business Source (#)	338	255	270	203	141	167	128	232	324	291
	New jobs created through business source and lending (#)	588	561	631	644	301	898	1,162	1,069	1,364	1,039
Workforce Development											
	HireLA Youth placed in employment (#)	6,022	6,004	8,461	13,262	10,817	7,264	20,060	16,834	15,500	15,070
	Job training enrollments for adults/dislocated workers (#)	15,085	13,749	13,181	13,389	13,860	23,182	26,898	32,430	32,075	34,946
LA Housing Department (1)											
Code Enforcement											
	Multi-family unit inspected every 4 years (#)	880,000	840,000	800,000	760,000	760,000	750,000	750,000	750,000	720,000	742,523
	Periodic unit inspections (#)	162,957	123,923	120,547	132,066	74,077	86,095	155,388	178,646	177,795	169,568
Compliance Monitoring											
	Affordable units monitored (#)	55,635	51,395	48,215	47,486	46,043	45,875	43,275	41,812	42,757	40,218
Finance & Development											
	New funded transit oriented development housing units (#)	317	1,427	855	2,472	820	824	1,653	669	459	585
Homeownership and Preservation											
	Number of housing units made lead safe (# housing units)	--	33	28	3	--	26	24	48	86	61
Housing Preservation and Production											
	Low income units financed under the Homeownership Pgm (#)	75	47	41	22	59	87	72	56	44	76
Rent											
	Complaints resolved within 120 days (%)	80	66	78	92	93	87	88	79	78	79
	Rent adjustments processed (#)	1,127	1,272	1,193	1,068	1,106	1,231	1,067	669	559	405
	Rental units registered (#)	724,607	417,108	555,468	559,825	423,829	445,977	514,464	508,064	528,716	532,046
	Tenant complaints processed (#)	8,979	10,058	8,673	8,711	6,924	10,163	9,405	9,728	7,661	6,897
Strategic Planning & Policy Development											
	Housing unit at risk of losing affordability restrictions contacts (#)	--	7	325	129	474	1,491	1,285	82	1,364	3,441

CITY OF LOS ANGELES

Operating Indicators by Function/Program
Last Ten Fiscal Years

Business-type Activities





Department/Program	Indicator	Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Airports											
	Air cargo (# in thousand tons)	2,239	2,328	2,375	2,945	2,817	2,285	2,401	2,416	2,316	2,655
	Aircraft movements (# in thousands)	857	912	875	846	664	770	937	957	933	970
	Passengers (# in millions) (3)	75	77	71	61	29	63	88	87	83	82
Harbor											
	Containerized cargo volume (# in millions of TEUs)	11	9	9	10	10	9	10	9	9	8
	Cruise passengers (3)	1,255,436	1,097,019	1,445,613	490,978	6,221	487,013	586,786	479,388	534,484	676,644
	Inbound tonnage (# in millions tons)	115	99	91	113	114	100	114	103	106	106
	Outbound tonnage (# in millions tons)	106	91	88	109	102	84	97	88	92	79
	Vessel arrivals (#)	1,852	1,735	1,757	1,917	1,668	1,731	1,917	1,904	2,060	2,014
Power											
	Cumulative Feed in Tariff (FiT) installations (# of kilowatts)	115,700	110,681	102,082	97,429	86,800	70,300	65,578	46,700	29,250	11,519
	Customers- number (# in thousands)	1,593	1,588	1,575	1,565	1,547	1,538	1,529	1,516	1,507	1,499
	Energy production (# of kwh in billions)	25	22	24	24	24	24	25	25	26	27
	Megawatt hours of power from energy efficiency (# of Mwh)	360,000	277,400	328,200	398,900	300,300	349,617	476,851	445,630	475,091	412,191
	Kilowatt hours sold (# of hours in billions)	23	22	23	23	23	22	23	23	24	25
	Power poles replaced, installed and reinforced (#)	2,743	2,931	3,459	3,799	3,944	4,033	3,757	3,018	2,656	2,436
	Solar Incentive Program (SIP) cumulative capacity (# of kilowatts)	297,700	295,943	295,943	295,492	295,358	271,850	282,858	250,528	221,798	176,330
	Solar Incentive Program (SIP) installed capacity (# of kilowatts) (3)	--	--	451	129	7,130	6,000	32,330	28,730	44,599	40,710
	System Average Interruption Duration Index - SAIDI (# of minutes per customer)	109	111	213	115	161	102	175	150	162	125
	System Average Interruption Frequency Index - SAIFI (# of interruptions per customer)	0.64	1.00	0.81	1.00	0.80	0.70	0.90	0.93	0.96	0.91
Wastewater											
	Wastewater treated (Volume in MGD)	330	341	336	325	316	327	339	331	337	335
	Water recycled (Volume in MGD)	102	103	109	97	120	120	113	120	118	96
	Sewer cleaning - miles of sewers cleaned (# of miles)	6,766	6,819	6,790	6,644	6,640	6,393	6,787	6,870	6,830	7,127
Water											
	DWP water sourced from local groundwater (%)	1	2	7	11	11	7	7	4	10	16
	Recycled water use (# of acre feet)	12,817	10,029	10,103	12,031	11,405	9,682	7,511	9,971	8,030	9,910
	Cumulative miles of water main replaced (# of miles)	39	34	38	32	30	27	32	41	242	207
	Customers - number (# in thousands)	696	698	697	694	692	689	687	683	680	678
	Gallons sold (billions of gallons)	142	135	134	149	157	150	146	154	147	149
	Per capita water use	108	104	101	113	113	105	105	112	102	104
	Water main breaks (# of breaks)	1,152	1,059	1,375	1,114	1,064	1,099	1,495	1,450	1,390	1,547
	Water purchased from MWD (% of total water supply)	48	32	51	75	63	32	30	36	45	71

Note: Prior fiscal year figures adjusted to correct total based on updated data.

(1) Department name changed from Housing and Community Investment in fiscal year 2022.

(2) Department developed a new indicator in fiscal year 2018.

(3) Data significantly decreased for the fiscal years 2020 and 2021 due to the impact of COVID-19.

(4) Department developed a new indicator in fiscal year 2024 due to reorganization.

(5) Data reflects a federally mandated transition to a blend of SRS and the National Incident Based Reporting System (NIBRS), which counts each offense type per incident regardless of the number of victims. This change affects how crime is counted and compared to historical data. The terminology of "Part I Crime" and "Part II Crime" no longer exist March 2024 in NIBRS. The data reported is what was based on the legacy database.

-- Data not available or no longer reported.

Sources: Various departments.

CITY OF LOS ANGELES

Capital Assets Information
Governmental Activities
Last Ten Fiscal Years

Function/Asset	Fiscal Year				
	2025	2024	2023	2022	2021
General Government					
Fiber optic cabling (fiber miles)	150	150	150	150	150
Protection of Persons and Property					
Animal shelters	6	6	6	6	6
Fire apparatus[(2)]	400	408	414	413	416
Fire stations	106	106	106	106	106
Patrol units	1,370	1,370	1,396	1,402	1,415
Police stations	29	29	29	29	29
Police training centers	3	3	3	3	3
Public Works					
Bridges	517	516	516	516	512
Street lights	214,824	213,619	216,210	211,437	205,025
Streets (centerline miles)	6,500	6,500	6,500	6,500	6,500
Health and Sanitation					
Refuse collection trucks	842	775	730	735	738
Refuse yards	6	6	6	6	6
Transportation					
Automated traffic signal and control systems	80	80	79	78	76
Bike paths (miles)	19	18	18	15	15
Commuter buses	470	599	498	470	469
Traffic signals	4,912	4,892	4,845	4,835	4,816
Cultural and Recreational Services					
Acres of beach land	232	232	232	232	232
Acres park land including beaches	16,273	16,188	16,188	16,172	16,172
Archery ranges	3	3	3	3	3
Baseball/softball diamonds	256	256	256	256	256
Children's play areas	419	419	411	411	410
Dog parks	15	13	13	13	12
Golf courses	13	13	13	13	13
Hiking trails (miles)	162	162	162	162	162
Historical sites	11	11	11	11	11
Horticulture centers	6	6	6	6	6
Indoor gyms	114	114	114	114	114
Lakes	13	13	13	13	13
Libraries	73	73	73	73	73
Licensed child-care centers	12	12	4	2	2
Museums	12	12	12	12	12
Park sites	491	490	490	490	490
Pools	59	59	59	59	59
Recreational centers	123	123	123	123	123
Recreational parks	7	7	7	7	7
Residential camps	7	7	7	7	7
Senior citizen centers	29	29	29	29	29
Skate parks	29	29	29	27	27
Tennis courts	319	319	319	319	319
Wedding sites	19	19	19	19	19

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CITY OF LOS ANGELES

Capital Assets Information - (Continued)
Governmental Activities
Last Ten Fiscal Years

Function/Asset	Fiscal Year				
	2020	2019	2018	2017	2016
General Government					
Fiber optic cabling (fiber miles)	150	150	150	150	150
Protection of Persons and Property					
Animal shelters	6	6	6	6	6
Fire apparatus[(2)]	401	462	400	381	380
Fire stations	106	106	106	106	106
Patrol units	1,358	1,382	1,380	1,347	1,345
Police stations	29	29	29	29	29
Police training centers	3	3	3	3	3
Public Works					
Bridges	512	512	515	515	515
Street lights	202,000	196,100	184,648	182,564	170,000
Streets (centerline miles)	6,500	6,500	6,500	6,500	6,500
Health and Sanitation					
Refuse collection trucks	726	707	727	709	697
Refuse yards	6	6	6	6	6
Transportation					
Automated traffic signal and control systems	75	75	72	68	68
Bike paths (miles)	15	15	15	14	14
Commuter buses	432	392	392	390	399
Traffic signals	4,789	4,775	4,744	4,703	4,697
Cultural and Recreational Services					
Acres of beach land	232	232	232	232	232
Acres park land including beaches	16,171	16,169	16,169	15,766	16,152
Archery ranges	3	3	3	3	3
Baseball/softball diamonds	256	256	256	256	256
Children's play areas	408	400	387	387	387
Dog parks	12	11	9	9	9
Golf courses	13	13	13	13	13
Hiking trails (miles)	162	162	92	92	92
Historical sites	11	11	11	11	11
Horticulture centers	6	6	6	6	6
Indoor gyms	114	114	95	95	95
Lakes	13	13	13	13	13
Libraries	73	73	73	73	73
Licensed child-care centers	2	2	2	2	2
Museums	12	12	12	12	12
Park sites	487	446	446	490	444
Pools	62	62	62	62	62
Recreational centers	123	184	184	184	184
Recreational parks	7	7	5	5	5
Residential camps	7	9	9	9	9
Senior citizen centers	29	30	29	35	30
Skate parks	27	27	26	26	26
Tennis courts	319	321	321	321	321
Wedding sites	19	19	19	19	19

CITY OF LOS ANGELES

Capital Assets Information
Business-Type Activities
Last Ten Fiscal Years

Function/Asset	Fiscal Year 2025	2024	2023	2022	2021
Airports					
Number of airports[1]	2	2	2	2	2
Harbor					
Number of cargo terminals	23	23	23	23	23
Number of major containers terminals	8	8	8	8	8
Power					
Generating units	199	200	200	200	201
Overhead distribution lines (miles)	10,569	10,587	10,717	10,493	10,462
Transmission lines (miles)	3,755	3,755	3,755	3,755	3,769
Underground distribution lines (miles)	4,042	4,012	3,998	3,973	3,942
Wastewater					
Sanitary sewers (miles)	6,750	6,750	6,750	6,700	6,700
Storm drain pipe mainline (miles)	1,220	1,220	1,220	1,220	1,220
Water					
Aqueduct (miles)	472	472	472	472	472
Distribution pipe (miles)	7,341	7,341	7,341	7,341	7,340
Number of storage reservoirs and tanks	124	124	124	117	118
Service connections	717,402	716,412	715,459	713,032	712,451

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CITY OF LOS ANGELES

Capital Assets Information - (Continued)
Business-Type Activities
Last Ten Fiscal Years

Function/Asset	Fiscal Year				
	2020	2019	2018	2017	2016
Airports					
Number of airports[1]	2	2	2	2	3
Harbor					
Number of cargo terminals	23	23	23	23	23
Number of major containers terminals	8	8	8	8	8
Power					
Generating units	250	269	245	245	245
Overhead distribution lines (miles)	10,470	10,350	10,397	10,329	10,300
Transmission lines (miles)	3,769	3,791	3,760	3,632	3,632
Underground distribution lines (miles)	3,857	3,732	3,710	3,693	3,680
Wastewater					
Sanitary sewers (miles)	6,700	6,700	6,700	6,700	6,700
Storm drain pipe mainline (miles)	1,319	1,306	1,306	1,293	1,272
Water					
Aqueduct (miles)	472	472	472	472	472
Distribution pipe (miles)	7,340	7,340	7,337	7,315	7,288
Number of storage reservoirs and tanks	118	118	118	118	120
Service connections	710,917	714,427	719,479	690,728	729,680

(1) Airports operates LAX and VNY. Ontario was transferred to City of Ontario on November 1, 2016.

(2) "Fire trucks" renamed to "Fire apparatus."

Source: City departments

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