

Annual Comprehensive Financial Report

**City of Los Angeles, California
For Fiscal Year Ended June 30, 2024**



City of Los Angeles

California



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

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, 2024

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, 2024

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.....	223
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios - Los Angeles Fire and Police Pension System.....	224
Los Angeles City Employees' Retirement System.....	226
Water and Power Employees' Retirement Plan.....	228
Benefit OPEB Plans, Schedules of Employer Contributions.....	230
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios - Los Angeles Fire and Police Pension System.....	232
Los Angeles City Employees' Retirement System.....	234
Water and Power Employees' Retirement Plan - Retiree Health Benefits.....	236
Water and Power Employees' Retirement Plan - Death Benefits.....	238

Table of Contents

Actuarial Methods and Assumptions Used to Determine Employer Contribution Rates.....	240
Condition Rating for City Bridges.....	242
Comparison of Needed-to-Actual Maintenance/Preservation Costs.....	243
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Combining Balance Sheet - Other Governmental Funds.....	246
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Other Governmental Funds.....	247
GENERAL FUND	
Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses by Function Budget and Actual (Non-GAAP Budgetary Basis).....	249
Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses by Function and Object Budget and Actual (Non-GAAP Budgetary Basis).....	251
SPECIAL REVENUE FUNDS	
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	260
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	265
Combining Budgetary Comparison Schedule (Non-GAAP Budgetary Basis) - Annually Budgeted Nonmajor Special Revenue Funds.....	270
Reconciliation of Operations on Budgetary Basis to the GAAP Basis - Nonmajor Special Revenue Funds.....	320
Supplemental Schedule of Appropriations, Expenditures and Other Financing Uses Budget and Actual (Non-GAAP Budgetary Basis) - All Budgeted Special Revenue Funds.....	321
DEBT SERVICE FUNDS	
Combining Balance Sheet - Nonmajor Debt Service Funds.....	328
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds.....	330
Combining Budgetary Comparison Schedule (Non-GAAP Budgetary Basis) - Annually Budgeted Nonmajor Debt Service Funds.....	332
Reconciliation of Operations on Budgetary Basis to the GAAP Basis - Nonmajor Debt Service Funds.....	340
CAPITAL PROJECTS FUNDS	
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	342
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	344
Combining Budgetary Comparison Schedule (Non-GAAP Budgetary Basis) - Annually Budgeted Nonmajor Capital Projects Funds.....	346
Reconciliation of Operations on Budgetary Basis to the GAAP Basis - Nonmajor Capital Projects Funds.....	349
Supplemental Schedule of Appropriations, Expenditures and Other Financing Uses Budget and Actual (Non-GAAP Budgetary Basis) - All Budgeted Capital Projects Funds.....	350
FIDUCIARY FUNDS	
Combining Statement of Fiduciary Net Position - Pension and Other Postemployment Benefits Trust Funds.....	352
Combining Statement of Changes in Fiduciary Net Position - Pension and Other Postemployment Benefits Trust Funds.....	353
Combining Statement of Fiduciary Net Position - Pension Trust Funds.....	354

Annual Comprehensive Financial Report

Table of Contents

Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds.....	355
Combining Statement of Fiduciary Net Position - Other Postemployment Benefits Trust Funds.....	356
Combining Statement of Changes in Fiduciary Net Position - Other Postemployment Benefits Trust Funds.....	357
Combining Statement of Fiduciary Net Position - Custodial Funds.....	358
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds.....	359

STATISTICAL SECTION

FINANCIAL TRENDS

Net Position by Category, Accrual Basis of Accounting, Last Ten Fiscal Years.....	364
Changes in Net Position, Accrual Basis of Accounting, Last Ten Fiscal Years.....	366
Fund Balances - Governmental Funds, Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....	370
Changes in Fund Balances - Governmental Funds, Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....	372
Tax Revenues by Source - Governmental Funds, Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....	374

REVENUE CAPACITY

Assessed Value and Estimated Actual Value of Property, Last Ten Fiscal Years.....	377
Direct and Overlapping Property Tax Rates, Tax Rate Area No. 4, Last Ten Fiscal Years.....	378
Ten Largest Property Taxpayers, Secured Assessed Valuation, Current and Nine Years Ago.....	379
Property Tax Levies and Collections, Last Ten Fiscal Years.....	380
Energy Sold by Type of Customer, Power Enterprise Fund, Last Ten Fiscal Years.....	381
Average Number of Customers for Energy Sales, Power Enterprise Fund, Last Ten Fiscal Years.....	381

DEBT CAPACITY

Ratios of Outstanding Debt by Type, Last Ten Fiscal Years.....	384
Ratios of Net General Bonded Debt to Assessed Value and Per Capita, Last Ten Fiscal Years.....	386
Direct and Overlapping Governmental Activities Debt.....	387
Ratios of General Bonded Debt Outstanding and Legal Debt Margin, Last Ten Fiscal Years.....	388
Pledged Revenue Coverage, Last Ten Fiscal Years.....	390

DEMOGRAPHIC AND ECONOMIC INFORMATION

Demographic and Economic Statistics, Last Ten Fiscal Years.....	393
Principal Employers (Non-Government), Current Year and Nine Years Ago.....	394

OPERATING INFORMATION

Number of City Government Employees by Function/Program, Full-Time Equivalent, Last Ten Fiscal Years.....	396
Operating Indicators by Function/Program, Last Ten Fiscal Years.....	400
Capital Assets Information, Governmental Activities, Last Ten Fiscal Years.....	408
Capital Assets Information, Business-Type Activities, Last Ten Fiscal Years.....	410

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INTRODUCTORY SECTION



KENNETH MEJIA
CONTROLLER

January 29, 2025

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, 2024. 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 2024.

The independent auditor expressed an opinion that the City's financial statements for fiscal year 2024 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, 2023. This was the twenty-ninth 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, 2025 12:43 PST)

KENNETH MEJIA
Los Angeles City Controller

LETTER OF TRANSMITTAL

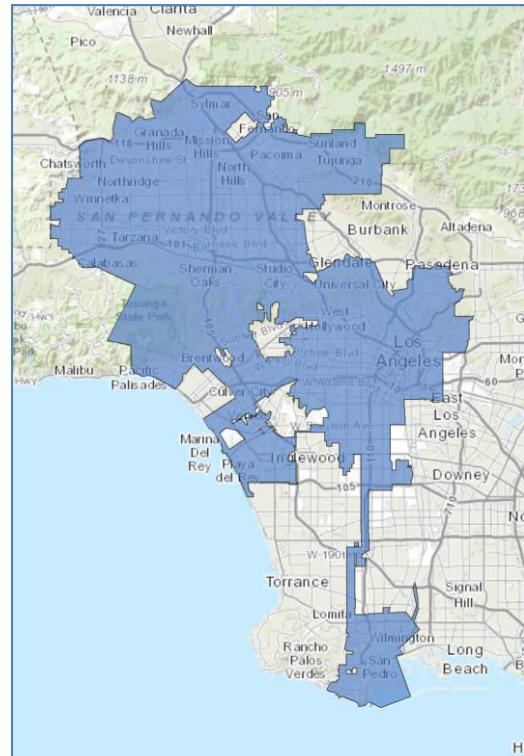
The Annual Comprehensive Financial Report (ACFR) is published annually by the City Controller (Controller) on the City of Los Angeles' (City) financial condition and results of operations at the conclusion of the fiscal year. The ACFR is issued as part of the Controller's City Charter mandate to monitor 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.

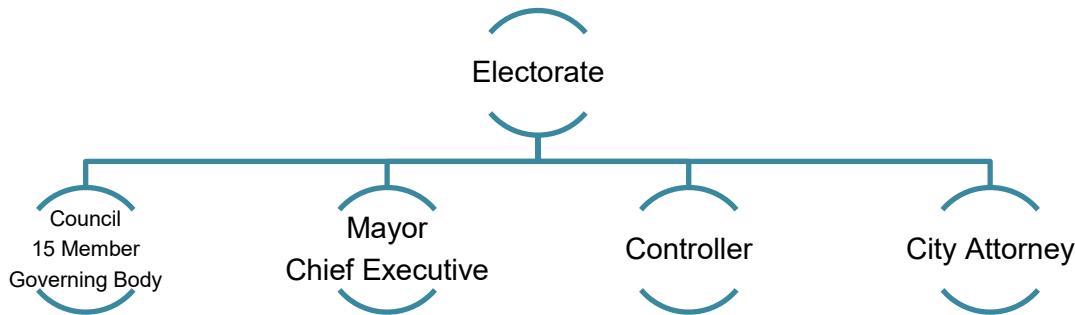
The Letter of Transmittal complements the ACFR as it provides context for the City's financial statements in presenting basic information on the profile of the government, local economy, major initiatives, and financial management policies of the City government.

I. Profile of the Government

The City of Los Angeles is the second most populous city in the nation with an estimated January 1, 2024 population of 3,814,318. It is home to 39% of the population of the County of Los Angeles (County) and 11.5% 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, commissions 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 paramedics; 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 development; housing and aging services; planning; two airports; harbor; power and water services; 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 by appropriations at the line item level within each object by department, consistent with the level set forth 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 (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 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 2023 Airport Traffic Report, in the calendar year 2023, Los Angeles International Airport (LAX) ranked as the eighth busiest airport in the world in terms of total passengers and the ninth busiest airport in the world in terms of total cargo. The Los Angeles MSA experienced strong economic growth in 2023, with an increase in economic output of 4.8%, as measured by Gross Domestic Product.

The fiscal year 2025 General Fund Budget assumes the City would see solid 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 2025, there remains several factors that could affect the City's future economic outlook and economically-sensitive revenue sources.

The Ports of Los Angeles and Long Beach reported increased activity in late 2024 as shipments are diverted away from the East Coast ports due to unresolved labor negotiations. The recent elections reportedly also had an impact on trade volume as the country braces for potential tariff under the incoming administration. With the President's promises to impose tariffs on the US top three trading partners, Mexico, Canada, and China, fearing the effect of the tariffs, many merchants are reportedly sending large shipments before the new administration takes office and tariffs kick in. While these recent activities bode well for the Los Angeles economy in the short run, the uncertainty of any long-term impact of tariffs policy remains very high.

A critical part of Los Angeles economy depends on the entertainment industry. 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. Some executives attributed the decline in production to increased cost of labor from the 2023 strike, a contention rejected by union leaders. An undisputed factor is California's inability to compete with tax incentives offered by other states and countries, a situation that Governor Newsom is now trying to address. Businesses that rely on the entertainment economy are rallying behind the Governor's proposal to increase annual film and TV tax credit allocation from \$330.0 million to \$750.0 million. This should help keep more production in Los Angeles. It is unclear, however, how much of the decline can be reversed with the new tax incentive policy.

Property taxes are the biggest source of revenue for the General Fund. Higher mortgage interest rates continue to affect affordability and real estate sales volume in Los Angeles and surrounding areas. However, the California Association of Realtors (C.A.R.) recently released its 2025 housing and economic forecast, predicting a lower interest rate environment that will ease the current "lock-in" effect (where sellers with lower mortgage rates have been unwilling to sell), leading to an



increase in housing inventory. C.A.R expects the shift to encourage both buyers and sellers to re-enter the market, boosting California home sales by 10.5 percent and prices by 4.6 percent in 2025. Locally, Zillow, a national real estate company, also predicts a steady growth in home sales and a 2.3 percent price appreciation for Los Angeles in 2025. These projections assume a stable economy and lower interest rates in 2025. Any improvement in housing sales and prices is expected to boost documentary transfer tax revenues to the General Fund.

Another significant factor affecting the outlook for the second half of the fiscal year is the lack of clarity on the economic impact of the proposed policies of the incoming federal administration. In January 2025, new U.S. President Donald Trump returns to the White House with plans to implement several economic policies he promised during the 2024 campaign. On one hand, small business optimism and consumer confidence have picked up, expectations of tax cuts, deregulations and energy policies have boosted projections of corporate earnings. On the other hand, according to the University of California (UCLA) Anderson Forecast, some of the policies could have a notable effect on California and Los Angeles' economy. Policies around tariffs on United States' three largest trading partners, immigration and regulations may stoke inflation while stifling economic growth. How these policies ultimately manifest is not necessarily clear at this time, as many of these policies would not come into focus until late 2025.

Finally, at the time of this report, the City is dealing with a major fire disaster in Pacific Palisades and other communities, the magnitude of which the City has never seen. Several widespread fires have burned thousands of acres, devastating many communities and families. The fires have reportedly burned thousands of homes and businesses, with many lives lost. While the firefighters and first responders are still working around the clock to put out fires in many areas, the disaster so far has been described as one of the worst disasters in United States' history, with preliminary property loss estimates ranging in the billions. The impacted Angelenos face a long road ahead as they try to rebuild their lives. Although the scale of the impact is unknown at this time, the loss of this magnitude is bound to significantly affect the local economy and revenues to the City.

Because of all these factors, the City is likely to be facing fiscal challenges for a foreseeable future. It is therefore incumbent on City policymakers to plan accordingly, rethink priorities and implement General Fund expenditure reduction measures, in case the projected growth in General Fund revenues fail to materialize. The City's initial damage estimate submitted to FEMA shows a total of \$358.0 million in costs related to emergency response, infrastructure/structural damages and debris removal estimated through January 10, 2025.

III. Major Initiatives

The City is continuously implementing significant initiatives outlined in its annual budget documents. The 2025 budget emphasizes efforts to address homelessness, enhance public safety, and improve City services, all while maintaining fiscal responsibility and restoring reserves to prepare for uncertainties in the year ahead.

The 2025 budget outlines a constructive plan with significant investments in the "Inside Safe" program, which is designed to effectively transition individuals from homeless encampments into permanent housing. It also includes proactive initiatives aimed at preventing homelessness. Furthermore, the budget encourages the recruitment and retention of police officers and firefighters while providing funding for unarmed response programs to responsibly handle non-violent incidents.



In addition, the budget places a strong focus on the upkeep of streets and sidewalks, the support of community park programs, and the enhancement of sanitation services for residents. To promote fiscal responsibility, the budget eliminates many long-vacant positions and reallocates those resources to active roles that directly improve service delivery and benefit the community as a whole.

Two of the largest current initiatives for the City include the following:

- Homelessness: In addition to grants from federal and State agencies, the voters passed funding measures to address the homelessness crisis in the City.

In November 2016, the voters of 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 2024, \$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, we have completed 92 housing projects (5,798 units) while 22 projects (1,735 units) are currently under construction, and 14 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.

On November 5, 2024, Los Angeles County voters approved Measure A, the Affordable Housing, Homelessness Solutions, and Prevention Now Transactions and Use Tax Ordinance. The measure authorized the implementation of a one-half cent sales tax, with a primary objective of expanding efforts to address the driver of homelessness through affordable housing construction, homelessness prevention, and support for vulnerable renters. 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). 60 percent of net proceeds will be allocated to Los Angeles County. Of this amount, at least 15 percent will be allocated to a Local Solutions Fund, which will provide funding for cities, councils of governments, and/or the County on behalf of its unincorporated areas for eligible programs to reduce and prevent homelessness. The City's estimated annual allocation of Measure A funding from the Local Solutions Fund is \$60.0 million. Measure A goes into effect on April 1, 2025.

The 2025 General Fund budget allocates \$185.0 million to Mayor Bass' Inside Safe program, leveraging its pilot phase to continue scaling the program, improving service delivery and streamlining the processes for transitioning participants from streets to interim housing to permanent housing. Inside Safe funding allows the program to address more RV encampments than the previous fiscal year.

- Airports is undertaking a multi-billion-dollar capital improvement program at LAX. This program consists of two main components: the 2018 Capital Program and the 2022 Capital Program. 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 and are estimated to cost approximately \$15.1 billion.

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. A transformation is underway from airside to landside as LAX and the City of Los Angeles prepare to welcome the world to 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 2023-24 actual compliance and 2024-25 budgetary compliance.

<u>Policy</u>	<u>2023-24</u>	<u>2024-25</u>
Reserve Fund Policy		
July 1st Percent of General Fund Receipts	8.20%	5.07%
Budget Stabilization Fund Policy		
Growth of seven major General Fund tax receipts	4.78%	4.40%
Amount of Revenue above growth threshold (millions)	\$ 25.9	\$ --
Amount of Deposit (millions)	\$ 2.1	\$ --
Capital and Technology Improvement Policy		
1.5 Percent of General Fund Receipts	2.02%	1.03%
Financial Management Policy		
One-Time Revenue (millions)	\$ 244.6	\$ 213.1
One-Time Expenditures (millions)	\$ 488.5	\$ 260.3
Debt Management Policy		
Non Voter-Approved	2.59%	2.63%
Total Debt Service	4.30%	4.02%

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 2023-24 was \$648.3 million, above the 5.0 percent policy target. In contrast, the adjusted Reserve Fund cash balance at the start of 2024-25 was \$330.6 million, falling \$76.4 million short of the reserve policy target.



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 2024-25, the growth rate used to determine BSF contributions was recalculated to be 4.4 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 2024-25 Adopted Budget is below the average annual ongoing growth threshold by approximately \$151.0 million. A withdrawal from the BSF of up to \$15.1 million, therefore, is permitted under the policy. The Fiscal Year 2024-25 Adopted Budget, however, does not include a withdrawal from the BSF. The BSF began the fiscal year with a cash balance of \$202.7 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 2023-24 and 2024-25, the City budgeted approximately \$160.0 million and \$82.5 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 2024-25 Budget satisfies this policy by allocating \$213.1 million in one-time revenues towards \$260.3 million in one-time expenditures.

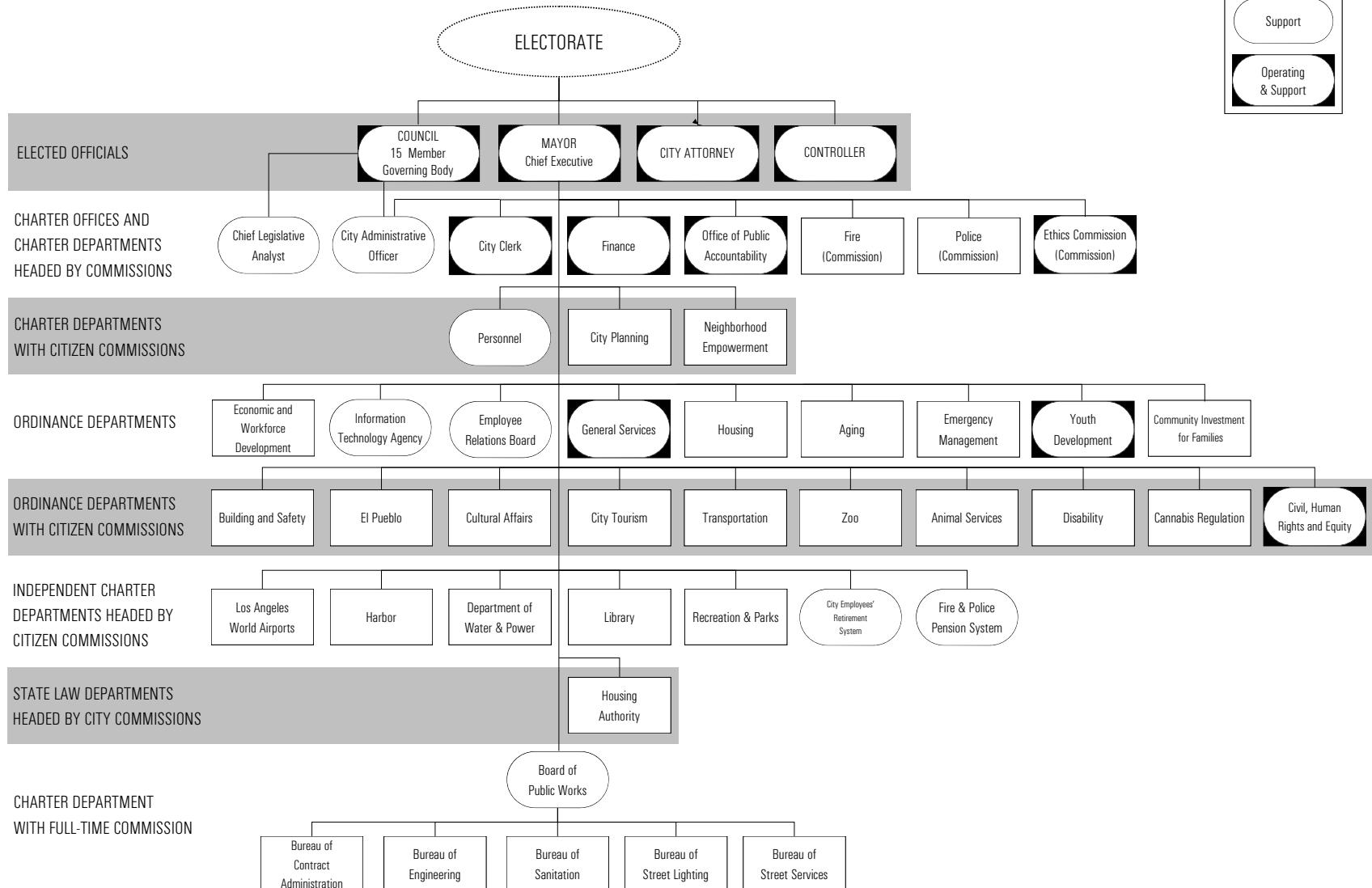
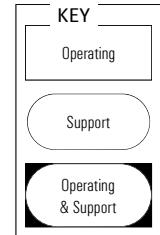
Debt Management Policy

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 six percent of General Fund revenue and a total debt service cap of 15% of General Fund revenue. The 2023-24 and 2024-25 Budget ratios of non-voted debt service and total debt service as a percent of General Fund revenue were below the Debt Policy cap.



ORGANIZATION OF THE CITY OF LOS ANGELES

FY 2023-24



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



Eunisses Hernandez
District 1



Adrin Nazarian
District 2



Nithya Raman
District 4



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).



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For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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, 2024, 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, 2024, 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, 2024:

Opinion Unit	Assets	Net Position/Fund Balances	Revenues/ Additions
Business-type Activities:			
Airports, Water, Power and Harbor	91%	88%	92%
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%	69%

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 4.B. to the basic financial statements, during the fiscal year ended June 30, 2024, the City revised its methodology for estimating the allowance for uncollectibles on loans receivable. As a result of this change in estimate, the allowance for uncollectibles on loans receivable increased by \$789.2 million. Our opinions are not modified with respect to this matter.

As discussed in Notes 5.G.1. 5.G.4., and 5.G.5. to the basic financial statements, nationally recognized statistical ratings organizations have taken various actions related to the credit watch outlook for the City's bond issues associated with the Los Angeles Region wildfires. Our opinions are not modified with respect to this matter.

As discussed in Note 5.G.7. to the basic financial statements, Los Angeles Region wildfires in January 2025 caused significant damage in Pacific Palisades and several other areas within the City. The City is in the process of assessing damage caused by the fire events and cannot currently estimate the impacts of the fires, including any resulting litigations, to the City's financial condition. The impacts are expected to affect various aspects of the City's finances and are likely to be significant. The City's preliminary assessments show that water, power, stormwater, and sewer service areas have experienced significant fires. While the City is still in the process of assessing the overall financial impact, the City's initial damage estimate submitted to the Federal Emergency Management Agency shows a total of \$358.0 million in costs related to emergency response, infrastructure/structural damages and debris removal estimated through January 10, 2025. 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, 2025, 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, 2025

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, 2024. 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 2024 by \$31.7 billion, an increase of \$1.1 billion over fiscal year 2023. The net position of \$31.7 billion consisted of: \$24.4 billion net investment in capital assets; \$7.2 billion restricted net position, which represents resources that are subject to certain restrictions on how they may be used; \$6.0 billion unrestricted net position which may be used to meet the City's obligations for its business-type activities; and a \$5.8 billion deficit of governmental activities.
- Of the \$1.1 billion total change in net position, business-type activities increased by \$1.8 billion, offset by a decrease in governmental activities of \$679.5 million.
- As of June 30, 2024, the aggregate fund balances of the City's governmental funds were \$7.9 billion, a net decrease of \$617.4 million from June 30, 2023. Of the aggregate fund balances, \$102.4 million, or 1.3%, were nonspendable, \$4.4 billion, or 56.0%, were restricted, \$2.2 billion, or 27.9% were committed, \$380.0 million, or 4.8%, were assigned to specific purposes, and \$795.1 million, or 10.0% were unassigned.
- At the end of the fiscal year, the General Fund showed a fund balance of \$1.4 billion, of which \$75.2 million were nonspendable, \$377.0 million were assigned for various purposes, \$93.0 million were committed, and \$892.4 million were unassigned.
- The City's bonded debt and long-term notes payable at June 30, 2024 totaled \$39.4 billion, an increase of \$180.8 million from the prior year's balance of \$39.2 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*).

Management's Discussion and Analysis (Unaudited)

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.

Management's Discussion and Analysis (Unaudited)

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 \$31.7 billion at the close of fiscal year 2024.

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 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Assets						
Current and other assets	\$ 11,286,414	\$ 11,881,362	\$ 15,036,581	\$ 15,355,854	\$ 26,322,995	\$ 27,237,216
Capital assets	8,978,821	8,660,969	53,693,304	50,982,461	62,672,125	59,643,430
Total assets	<u>20,265,235</u>	<u>20,542,331</u>	<u>68,729,885</u>	<u>66,338,315</u>	<u>88,995,120</u>	<u>86,880,646</u>
Deferred outflows of resources	3,227,009	3,267,313	2,055,716	1,924,276	5,282,725	5,191,589
Liabilities						
Current and other liabilities	1,545,802	1,452,020	1,985,212	1,921,007	3,531,014	3,373,027
Long-term liabilities	15,130,934	15,130,131	40,739,456	40,283,118	55,870,390	55,413,249
Total liabilities	<u>16,676,736</u>	<u>16,582,151</u>	<u>42,724,668</u>	<u>42,204,125</u>	<u>59,401,404</u>	<u>58,786,276</u>
Deferred inflows of resources	1,485,219	1,217,694	1,700,665	1,480,455	3,185,884	2,698,149
Net position						
Net investment in capital assets	6,758,687	6,546,170	17,624,621	16,195,874	24,383,308	22,742,044
Restricted	4,378,571	4,690,933	2,780,142	2,182,942	7,158,713	6,873,875
Unrestricted	(5,806,969)	(5,227,304)	5,955,505	6,199,195	148,536	971,891
Total net position	<u>\$ 5,330,289</u>	<u>\$ 6,009,799</u>	<u>\$ 26,360,268</u>	<u>\$ 24,578,011</u>	<u>\$ 31,690,557</u>	<u>\$ 30,587,810</u>

Of the total net position, \$24.4 billion or 76.9% 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, \$7.2 billion or 22.6%, represents resources subject to various restrictions on how they may be used. The balance in unrestricted net position of \$148.5 million or 0.5% is the net amount of the governmental activities deficit of \$5.8 billion, and \$6.0 billion unrestricted net position that may be used to meet the City's obligations for its business-type activities.

Management's Discussion and Analysis (Unaudited)

In fiscal year 2024, net investment in capital assets increased by \$1.6 billion or 7.2%, compared to fiscal year 2023. The restricted net position increased by \$284.8 million or 4.1%, mainly due to increases in the net pensions and OPEB assets, capital projects, public works and sanitation, culture and recreation, and the operation and maintenance of business-type activities. Reductions in the net position for other governmental functions, such as public safety, community development, and housing programs, partially offset this increase. Additionally, the unrestricted net position decreased by \$823.4 million or 84.7%, primarily attributed to a decrease in the unrestricted net position of governmental activities during fiscal year 2024.

The deficit balance for the governmental activities unrestricted net position of \$5.8 billion was mainly due to the net pension liability of \$6.6 billion, net OPEB liability of \$850.0 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 is primarily concerned with when a liability is incurred, financing focuses on when a liability will be paid. Like many other governments, the City raises and budgets resources needed to liquidate liabilities within the year in which the liabilities are to be liquidated rather than in the year in which the liabilities are incurred.

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

Capital Assets

Capital assets increased by \$3.0 billion, or 5.1%. The increase in governmental activities was \$317.9 million or 3.7%, and the increase in business-type activities was \$2.7 billion or 5.3%.

For governmental activities, the increase was primarily due to the addition of capital improvement projects. These projects included the construction of recreational, cultural, and community centers, as well as bridge housing and municipal facilities. There was also work on constructing and rehabilitating streets, stormwater systems, street lighting, and bridges. Additionally, there was an increase in the acquisition of machinery and transportation equipment and the recognition of right-to-use (RTU) leased assets and subscription assets. This increase was offset by accumulated depreciation of the existing facilities and equipment.

Business-type increases reflect additions and ongoing construction and improvements to modernize the LAX airport, such as renovations at various terminals, construction of runway, taxiways, other airfield projects, and construction of the Automated People Mover System (APM). Harbor's increase in capital assets related to its existing facilities and equipment. Power improved the general infrastructure of power plants in terms of generation, transmission, distribution, and fuel resources, and Water improved its water infrastructure.

Current and Other Assets

Current and other assets decreased by \$914.2 million, or 3.4%. Governmental activities were \$594.9 million, or 5.0% lower, while business-type activities declined by \$319.3 million, or 2.1%.

Governmental activities' current and other assets decreased mainly due to a reduction of \$566.0 million in net loans receivable in the fiscal year 2024. This decline resulted from a change in estimate, which increased the percentage in the allowance for doubtful accounts, reflecting the most recent valuation of the Los Angeles Housing Department's loan portfolio.

Business-type activities experienced a decline in current and other assets, mainly due to a \$933.2 million reduction in the Airport's year-end investment portfolio held by the fiscal agent. This decrease occurred because funds were drawn to support ongoing LAX projects during fiscal year 2024. However, this decline was partially offset by a \$196.3 million increase in net OPEB assets, which resulted from favorable investment returns. Additionally, a total increase of \$389.4 million in restricted cash and pooled investments in the City Treasury resulted from higher pooled investment income from all proprietary departments.

Deferred outflows of resources went up by \$91.1 million or 1.8%, primarily due to net changes in deferred outflows from pensions, OPEB, and asset retirement obligation. More detailed information on the deferred outflows from pensions and OPEB can be found in Note 5A and Note 5B of the Notes to the Basic Financial Statements.

Long-term Liabilities

The City's long-term liabilities increased by \$457.1 million or 0.8%. Business-type activities increased by \$456.3 million, or 1.1%, while governmental activities increased by \$0.8 million from the prior year. Besides the decrease in net OPEB liabilities of \$274.6 million, governmental activities mainly increased in claims and judgment liabilities of \$172.6 million, compensated absences liabilities of \$63.0 million, and estimated pollution remediation liabilities of \$32.5 million. The business-type activities rose by \$251.4 million associated with over-recovered costs, reported as other liabilities, \$189.8 million in bonds and notes payable from long-term debt, commercial paper issuances, and unamortized premium by Airports, Harbor, Water, Power, and Sewer funds, and \$56.3 million in asset retirement obligation by Power fund, offset by a decrease in net pension and OPEB liabilities of \$90.1 million.

Current and Other Liabilities

The City's current and other liabilities increased by \$158.0 million, or 4.7%. Governmental activities increased by \$93.8 million, or 6.5%, while business-type activities rose by \$64.2 million, or 3.3% from the prior year. Governmental activities mainly increased in accounts payable and accrued expenses by \$152.2 million, partially offset by a combined decrease of \$56.4 million in unearned revenue and accrued interest payable. Business-type activities primarily increased in accounts payable and accrued expenses of \$212.0 million, partially offset by a combined decrease of \$136.5 million in obligations under securities lending transactions, accrued interest payable, deposits and advances, and other liabilities.

Deferred inflows of resources increased by \$487.7 million, or 18.1%, primarily due to a combined increase of \$407.0 million in deferred inflows from pensions and OPEB, and an increase of \$89.6 million in debt refunding.

Net Position

Compared to the prior year, the total net position was higher by \$1.1 billion or 3.6%, with governmental activities down by \$679.5 million or 11.3% from the fiscal year 2023 net position of \$6.0 billion and business-type activities up by \$1.8 billion or 7.3%.

Net investment in capital assets increased by \$212.5 million for governmental activities and went up by \$1.4 billion for business-type activities. The restricted net position went down by \$312.4 million for governmental activities, and the deficit in the unrestricted net position increased by \$579.7 million. The restricted net position increased by \$597.2 million for business-type activities, while the unrestricted net position decreased by \$243.7 million.

The changes in the restricted net position included increases of \$52.3 million for capital projects, \$171.7 million for public works and sanitation, \$36.4 million for transportation, \$107.0 million for culture and recreation activities, \$29.3 million for passenger/customer facility programs, \$377.0 million for pension and OPEB, and \$240.5 million for operations and maintenance and other reserves. Offsetting these increases were a decrease of \$673.4 million for community development and housing and a decrease of \$55.3 million for public safety.

Management's Discussion and Analysis (Unaudited)

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.

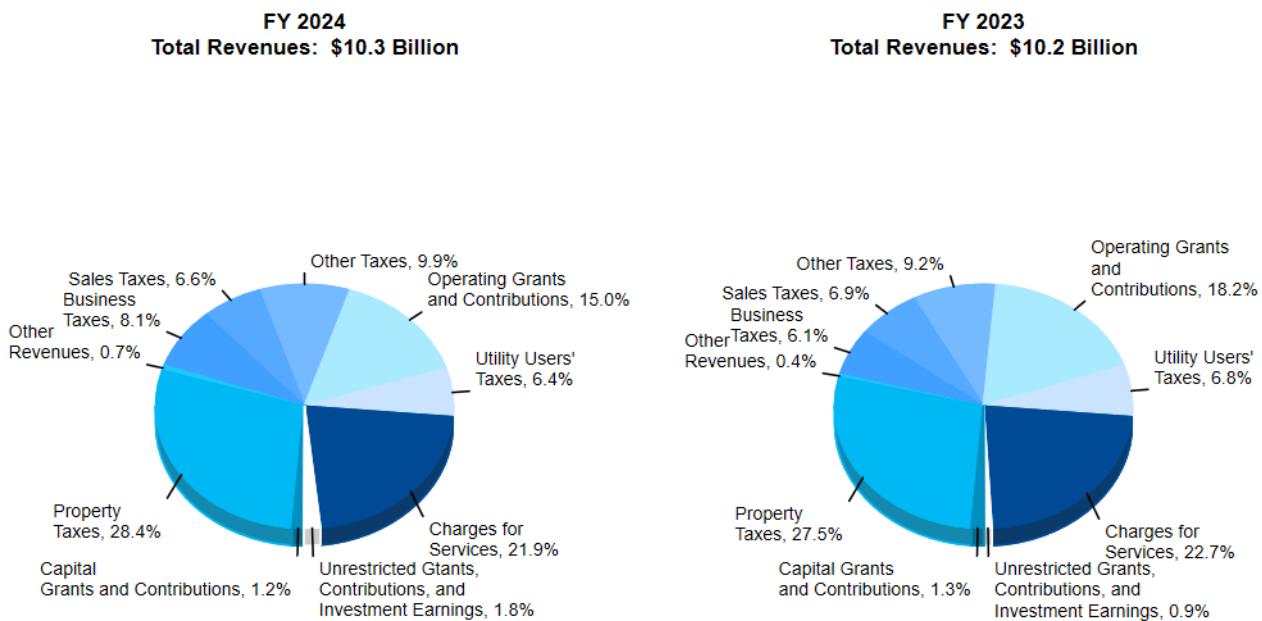
CITY OF LOS ANGELES
Condensed Statement of Activities
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Revenues						
Program Revenues						
Charges for Services	\$ 2,260,171	\$ 2,320,295	\$ 9,883,593	\$ 9,854,989	\$ 12,143,764	\$ 12,175,284
Operating Grants and Contributions	1,550,919	1,857,329	80,216	119,074	1,631,135	1,976,403
Capital Grants and Contributions	126,031	136,257	507,112	616,983	633,143	753,240
General Revenues						
Property Taxes	2,942,568	2,819,290	--	--	2,942,568	2,819,290
Utility Users Taxes	660,823	698,003	--	--	660,823	698,003
Business Taxes	832,888	626,620	--	--	832,888	626,620
Sales Taxes	677,032	704,815	--	--	677,032	704,815
Other Taxes	1,023,314	935,405	--	--	1,023,314	935,405
Unrestricted Grants and Contributions	38,430	49,341	--	--	38,430	49,341
Unrestricted Investment Earnings	144,309	36,818	426,586	154,710	570,895	191,528
Other Revenues	71,456	40,446	625,660	663,168	697,116	703,614
Total Revenues	10,327,941	10,224,619	11,523,167	11,408,924	21,851,108	21,633,543
Expenses						
General Government	2,120,582	2,331,602	--	--	2,120,582	2,331,602
Protection of Persons and Property	4,112,076	3,632,760	--	--	4,112,076	3,632,760
Public Works	747,430	642,030	--	--	747,430	642,030
Health and Sanitation	764,082	735,974	--	--	764,082	735,974
Transportation	679,861	641,789	--	--	679,861	641,789
Cultural and Recreational Services	880,238	822,487	--	--	880,238	822,487
Community Development	1,775,525	988,699	--	--	1,775,525	988,699
Interest on Long-Term Debt	172,352	154,114	--	--	172,352	154,114
Airports	--	--	2,204,192	2,050,387	2,204,192	2,050,387
Harbor	--	--	461,058	539,951	461,058	539,951
Power	--	--	4,469,614	4,698,985	4,469,614	4,698,985
Water	--	--	1,538,667	1,476,345	1,538,667	1,476,345
Sewer	--	--	756,820	793,809	756,820	793,809
Convention Center	--	--	65,864	55,917	65,864	55,917
Total Expenses	11,252,146	9,949,455	9,496,215	9,615,394	20,748,361	19,564,849
Excesses (Deficiency) of Revenues Over (Under) Expenses	(924,205)	275,164	2,026,952	1,793,530	1,102,747	2,068,694
Transfers	244,695	232,043	(244,695)	(232,043)	--	--
Change in Net Position	(679,510)	507,207	1,782,257	1,561,487	1,102,747	2,068,694
Net Position - July 1, As Previously Reported	6,009,799	5,532,877	24,578,011	23,016,237	30,587,810	28,549,114
Change in Accounting Principle, GASB 96 Implementation	--	(30,285)	--	287	--	(29,998)
Net Position - July 1 Restated	6,009,799	5,502,592	24,578,011	23,016,524	30,587,810	28,519,116
Net Position - June 30	\$ 5,330,289	\$ 6,009,799	\$ 26,360,268	\$ 24,578,011	\$ 31,690,557	\$ 30,587,810

Governmental Activities

For the fiscal year ended June 30, 2024, total revenues of governmental activities were \$10.3 billion while total expenses were \$11.3 billion. Of the \$11.3 billion total expenses, taxes and other general revenues of \$6.4 billion funded 56.8% of expenses, 6.0% of expenses were not funded by current year revenues, and program revenues and transfers from business-type funds funded the remaining 37.2%. 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 2024 and 2023:



Revenues from charges for services of \$2.3 billion, property taxes of \$2.9 billion, and operating grants and contributions of \$1.6 billion were the three largest revenue sources for governmental activities. Together, these accounted for \$6.8 billion or 65.3% of total revenues.

With revenues from departments and franchise activities from a slower-than-anticipated economic recovery, charges for services declined by \$60.1 million, or 2.6% in the fiscal year 2024 compared to the fiscal year 2023. Various revenue sources contributed to this decrease, including service fees from proprietary departments, telecommunication installed on street lights, building plan checks, parking fines, recreational subdivisions, contributions from non-governmental sources for climate equity, and solid waste fees.

Operating grants and contributions decreased by \$306.4 million, or 16.5%. This decline was primarily driven by a reduction in federal grant revenue from the American Rescue Plan Act (ARPA), as well as decreases in state grants for housing and community development, homeless housing assistance, and prevention programs. There was also a decrease in reimbursements from the Federal Emergency Management Agency (FEMA).

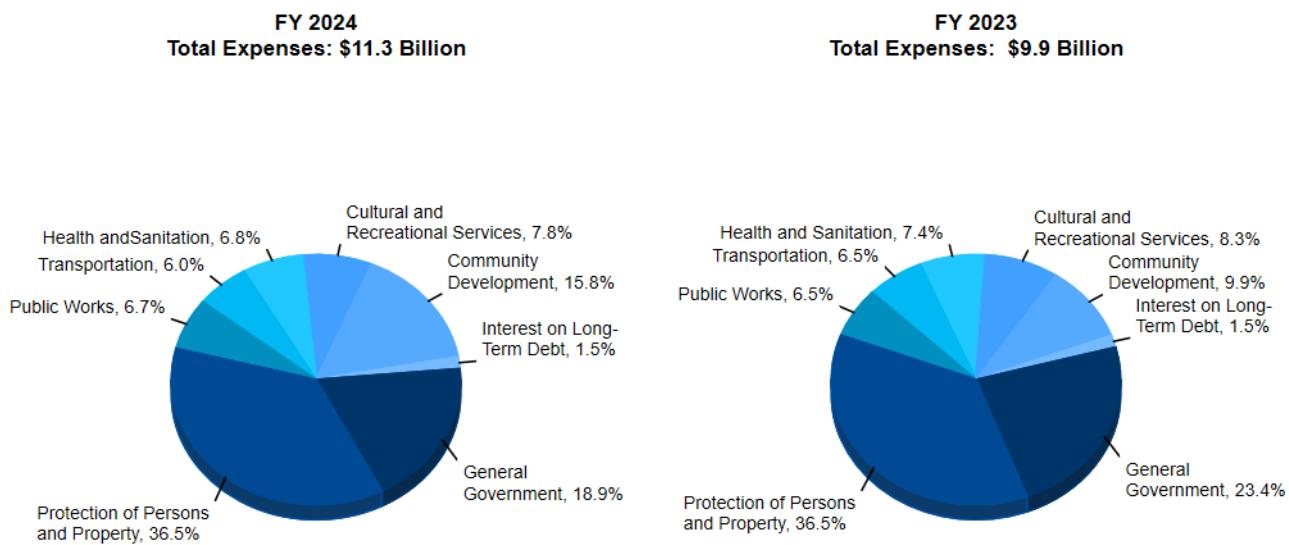
In addition, capital grants and contributions were \$10.2 million lower than in fiscal year 2023. This drop was attributed to decreased revenue from federal grants for the Sixth Street viaduct project and reductions in state grants for various local transportation projects.

Management's Discussion and Analysis (Unaudited)

Property tax revenue increased by \$123.3 million, or 4.4%, driven by the growth in the taxable assessed value of properties, which reflects the stable development of the real estate market. Business tax revenue rose by \$206.3 million primarily due to the recognition of more revenue from business tax receivable compared to the previous year. Sales tax revenue decreased by \$27.8 million, indicating persistent economic weakness. This decline is mainly linked to a prolonged period of inflation and higher interest rates, which have reduced consumer demand. Utility Users taxes decreased by \$37.2 million, or 5.3%, due to a drop in gas user tax revenues, as natural gas prices returned to historic levels after previously being high. Nonetheless, this decrease was partially offset by an increase in Communications Users tax revenue and a rise in Electrical Users tax revenues attributed to increasing energy prices and higher consumption.

Other taxes were up by \$87.9 million, or 9.4%, primarily attributed to an increase in the Measure ULA special tax on real property transfers over \$5.0 million, offset by reductions in franchise income taxes because of less business activity. Investment earnings and other revenues went up by \$138.5 million, mainly due to an increase in investment earnings and a change in the fair value of investments resulting from the higher interest rates and the positive change in investments' fair value.

The following charts are graphical comparisons of the City's governmental expenses by function for fiscal years 2024 and 2023:



Total expenses increased by \$1.3 billion or 13.1% over the fiscal year 2023, which was comprised of increases in the following functions: protection of persons and property of \$479.3 million, public works of \$105.4 million, health and sanitation of \$28.1 million, transportation of \$38.1 million, cultural and recreational services of \$57.8 million, community development of \$786.8 million, and interest on long-term debt of \$18.2 million, offset by a decrease in general government of \$211.0 million.

The primary expense categories contributing to the increases across various functions were retirement costs, contract services and procurement, and subsidies to outside organizations. Of these expense categories, the increase of \$408.2 million was in net pension and OPEB-related expenses for the Los Angeles Fire and Police Pension System (Pensions) and the City Employees' Retirement System (LACERS). The net operating expenses for contractual services, procurement, operating equipment, supplies, and payments to outside agencies rose by \$854.5 million. This increase was primarily driven by inflationary impacts, including rising prices for commodities, materials, and energy.

Business-type Activities

The \$9.9 billion combined operating revenues of the City's six business-type activities were \$1.7 billion more than the \$8.2 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, 2024, the City's governmental funds reported combined fund balances of \$7.9 billion, a decrease of \$617.4 million from the previous fiscal year. Of the total fund balances, \$102.4 million were nonspendable associated with inventories, prepaid items and certain advances to other funds, \$4.4 billion were classified as restricted, \$2.2 billion were committed and \$380.0 million were assigned. The remaining balances of \$795.1 million were classified as unassigned and mainly associated with the General Fund.

Governmental funds revenue totaled \$10.6 billion, while expenditures were \$12.0 billion. The revenues were \$1.4 billion 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, 2024, the General Fund reported a total fund balance of \$1.4 billion, composed of \$75.2 million nonspendable primarily from inventories of \$51.0 million and advances to other funds of \$23.6 million; \$93.0 million committed; \$377.0 million assigned for general government purposes; and \$892.4 million unassigned.

Annual Comprehensive Financial Report

Management's Discussion and Analysis (Unaudited)

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			Expenditures and Other Financing Uses			
	FY 2024	FY 2023	% Change	FY 2024	FY 2023	% Change	
Revenues	Expenditures						
Property Taxes	\$ 2,794,794	\$ 2,658,390	5.1 %	General Government	\$ 1,891,972	\$ 1,585,693	19.3 %
Sales Taxes	676,722	704,915	(4.0)	Protection of Persons and Property	3,746,815	3,419,259	9.6
Utility Users Taxes	684,071	705,538	(3.0)	Public Works	309,147	259,554	19.1
Business Taxes	782,139	817,325	(4.3)	Health and Sanitation	232,064	210,706	10.1
Other Taxes	754,788	820,981	(8.1)	Transportation	157,079	125,186	25.5
Licenses and Permits	28,640	33,344	(14.1)	Cultural and Recreational Services	87,000	92,120	(5.6)
Intergovernmental	42,055	53,143	(20.9)	Community Development	193,244	163,922	17.9
Charges for Services	489,930	367,473	33.3	Capital Outlay	135,936	67,738	100.7
Services to Enterprise Funds	376,943	377,220	(0.1)	Debt Service - Principal	36,636	35,589	2.9
Fines	114,892	120,670	(4.8)	Debt Service - Interest	49,710	38,970	27.6
Special Assessments	3,177	2,592	22.6	Debt Service - Cost of Issuance	677	806	(16.0)
Investment Earnings	98,062	77,448	26.6	Total Expenditures	6,840,280	5,999,543	14.0
Change in Fair Value of Investments	43,959	(40,425)	208.7	Other Financing Uses			
Other	55,547	46,360	19.8	Transfers Out	873,378	864,763	1.0
Program Income	--	22	(100.0)				-
	Total Expenditures and Other Financing Uses						
Total Revenues	6,945,719	6,744,996	3.0		\$ 7,713,658	\$ 6,864,306	12.4
Other Financing Sources							
Transfers In	317,081	460,094	(31.1)				
Lease and Subscription Liabilities Issued	34,926	15,102	131.3				
Total Revenues and Other Financing Sources	\$ 7,297,726	\$ 7,220,192	1.1				
Excess of Revenues Over Expenditures	\$ 105,439	\$ 745,453	(85.9)				
Net Change in Fund Balance	\$ (415,932)	\$ 355,886	(216.9)				

Revenues and Other Financing Sources

In fiscal year 2024, the City navigated several financial challenges, including elevated levels of overspending and some revenue shortfalls in comparison to the fiscal year 2023-24 budget. Nevertheless, the City experienced a growth of \$200.7 million, or 3.0%, in its General Fund revenues compared to the previous fiscal year. The primary contributors to this revenue increase were property taxes, service charges, and investment earnings, while most other tax categories experienced declines. Total taxes accounted for nearly \$5.7 billion or 82.0% of General Fund revenue. Overall, tax revenues decreased by \$14.6 million or 0.3% from the prior year compared to an 6.6% increase in the fiscal year 2023.

Total Property Taxes, which represent 40.2% of General Fund revenue, increased by \$136.4 million or 5.1%, mainly due to growth in current secured property tax receipts of \$110.7 million and a combined increase of \$38.5 million from vehicle license fees (VLF) Replacement and Ex-Community Redevelopment Agency (CRA) tax increment receipts, and the increase offset by a decrease of \$10.1 million in prior secured property tax receipts.

Economy-sensitive revenues, including sales, business, and utility users taxes, did not meet our growth expectations. This decline was primarily due to persistent inflation and delayed adjustments to the federal reserve rate, both of which continue to affect our economic landscape. The combination of ongoing inflation, higher interest rates, and the impacts of the entertainment industry strike negatively influenced revenue, resulting in decreases in both business and sales tax collections. Specifically, sales tax revenues dropped by \$28.2 million or 4.0%, while business tax revenues fell by \$35.2 million, or 4.3%. Utility users tax revenues, which consist of electric, gas, and communications users taxes, posted a decrease of \$21.5 million or 3.0%. This decline was primarily due to a drop of \$52.0 million in gas users tax receipts, following a return of previously high natural gas prices to historic levels. However, this decrease was partially offset by a growth of \$5.0 million in communications users tax revenue from one-time receipts of prior year tax liabilities, and an increase of \$25.5 million in electrical users tax revenues, which can be attributed to rising energy prices and higher consumption.

Other tax revenues were down by \$66.2 million or 8.1%, primarily due to several factors. Revenue from the documentary transfer tax fell by \$49.0 million, largely because of a decline in real estate sales volume linked to higher mortgage rates. Additionally, there was a combined drop of \$30.1 million from gas and television franchise income. In contrast to the decrease in documentary transfer tax revenue—reflecting a slowdown in the real estate market—parking occupancy and transient occupancy taxes increased by \$11.6 million. This growth is attributed to a continued recovery from the lows experienced during the pandemic, spurred by the return of international tourism from foreign countries. Furthermore, intergovernmental revenues decreased by \$11.1 million due to a reduction in State and Federal grant receipts.

The revenues from service charges increased \$122.5 million, which is 33.3% higher than prior year. This increase is primarily due to a \$50.5 million rise in charges for emergency ambulance services provided by the Fire Department and a \$64.6 million rise in services rendered to the Los Angeles County Metropolitan Transportation Authority (LACMTA) by the Police Department. Additionally, combined net investment earnings and other revenues rose by \$114.2 million. This increase included a \$105.0 million boost in investment earnings, benefiting from higher interest rates and a positive change in the fair value of investments, as well as a \$9.2 million increase in other revenues.

Expenditures and Other Financing Uses

In the fiscal year 2024, total General Fund expenditures were \$6.8 billion, representing an increase of \$840.7 million, or 14.0% from the previous fiscal year. This increase outpaced the growth rate of total General Fund revenues. All categories of expenditures across governmental functions increased, primarily driven by several specific areas of spending outlined below.

Salaries and human resource benefits rose by \$343.6 million, or 11.2%, compared to last year. This increase is primarily attributed to several factors, including labor costs related to the agreement with the Los Angeles Police Protective League, sworn employee hiring, increased sworn overtime for the Police Department, retirement sick payouts for the Fire Department, overtime for fire life safety inspections, and various cost-of-living adjustments and bonus pay provisions for civilian labor agreements. Additionally, payouts for liability claims related to tort, non-tort, and tax-related cases rose by \$246.6 million, or 211.4%. This significant increase is primarily due to numerous approved and pending liability payouts resulting from court judgments or settlements.

Management's Discussion and Analysis (Unaudited)

Total expenditures for contractual services, operating equipment, and supplies increased by \$138.8 million, or 12.6%. This rise is primarily attributed to higher costs in several areas, including homelessness programs, solid waste activities, fleet maintenance and repair, auto parts and equipment, fuel and energy, human resources management project, and outside legal counsel, among others across various departments. Capital outlays increased by \$68.2 million, or 100.7%. This rise is primarily comprised of a \$30.1 million increase in building acquisitions by the General Services Department, \$20.5 million attributed to right-to-use (RTU) subscription contracts, \$11.0 million in costs related to various capital improvement projects, and a \$7.1 million increase in vehicle and transportation equipment acquisitions by the Police Department.

The combined expenditures for retirement contributions and workers' compensation rose by \$31.7 million. Additionally, interest payments for debt service increased by \$10.7 million. This rise can be primarily attributed to \$9.4 million in interest payments for Tax and Revenue Anticipation Notes (TRAN), driven by higher interest rates. There was also a \$1.3 million interest payments increase related to RTU leases and subscription contracts.

Overall, General Fund revenues exceeded expenditures by \$105.4 million, compared to \$745.5 million in the fiscal year 2023. Transfers in from other funds amounted to \$317.1 million, while transfers out amounted to \$873.4 million. The ARPA Fund transfer of \$37.0 million, Special Parking Revenue Fund of \$32.4 million, and the Power Enterprise Fund transfer of \$244.7 million largely accounted for most transfers in. The \$873.4 million transfers out included \$194.5 million for debt service obligations, \$297.2 million for parks and recreational operation and facilities, \$241.8 million for libraries, \$38.6 million for housing and community programs, \$52.7 million for public works, sanitation, and transportation, \$26.3 million for arts and cultural facilities, and \$22.3 million for other departmental operations.

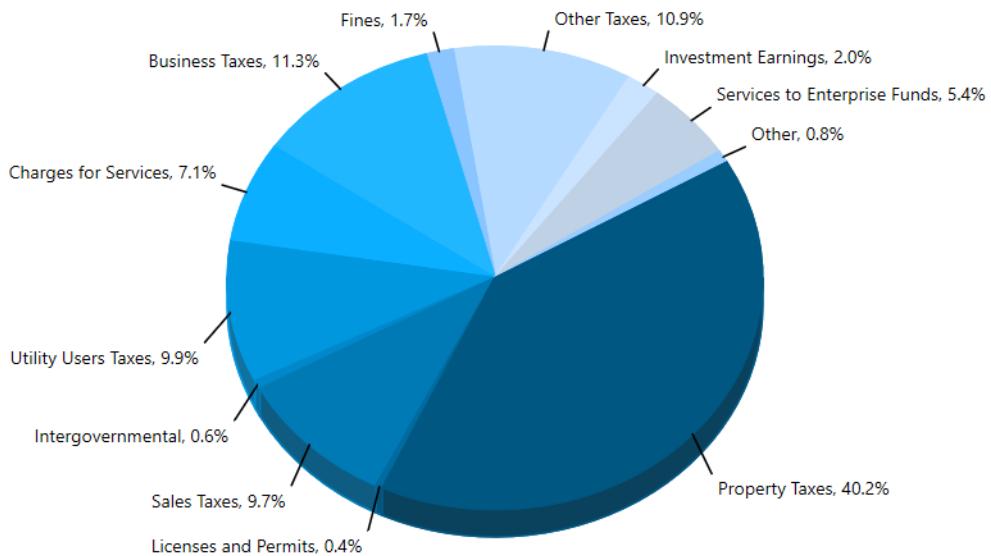
The net changes of the above items contributed to a year-end fund balance of \$1.4 billion, a decrease \$415.9 million from the prior year's fund balance of \$1.9 billion.

Annual Comprehensive Financial Report

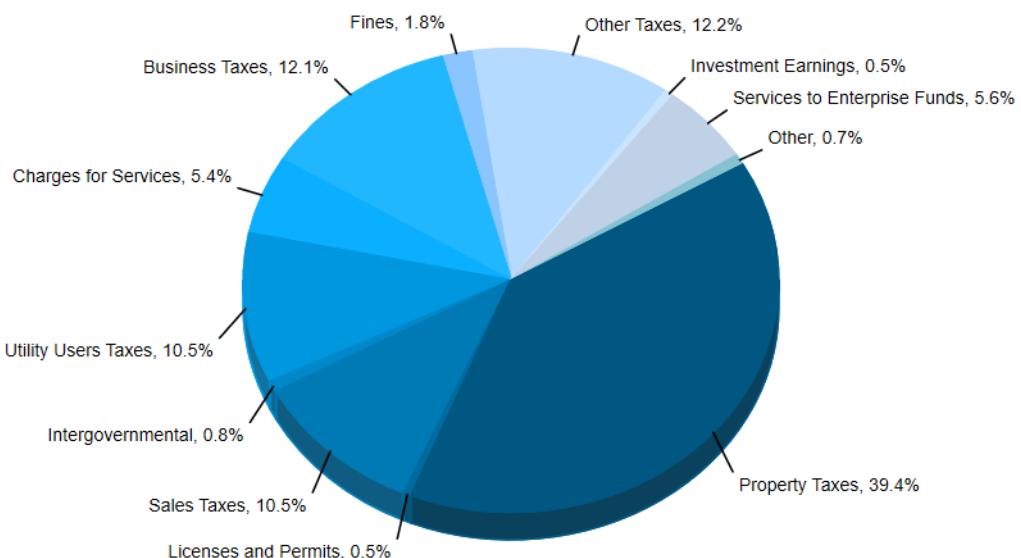
Management's Discussion and Analysis (Unaudited)

The following charts are graphical comparisons between June 30, 2024 and 2023, for General Fund revenues by source and expenditures by function:

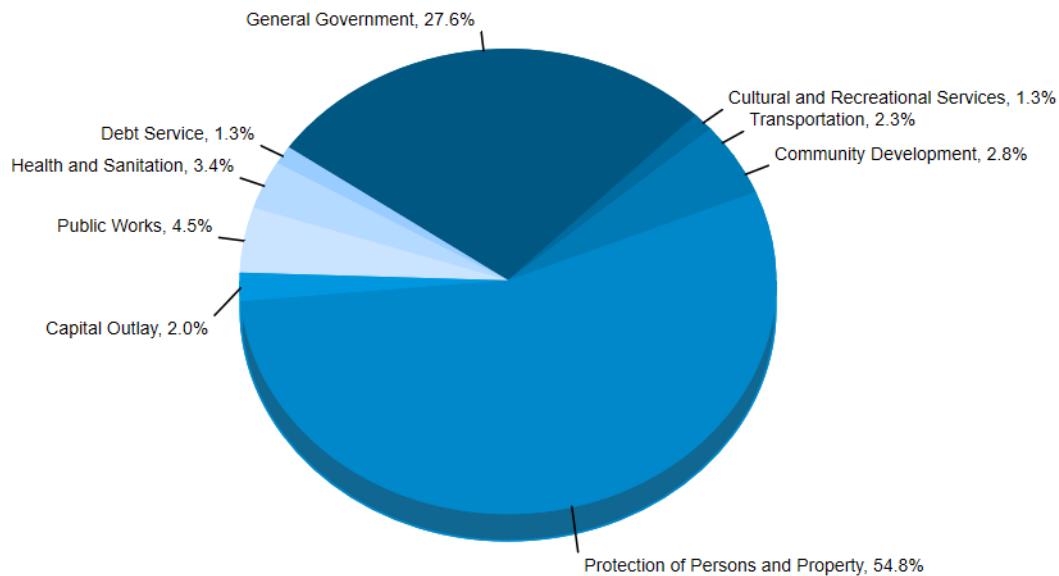
**General Fund Revenues by Source : \$6.9 Billion
Fiscal Year Ended June 30, 2024**



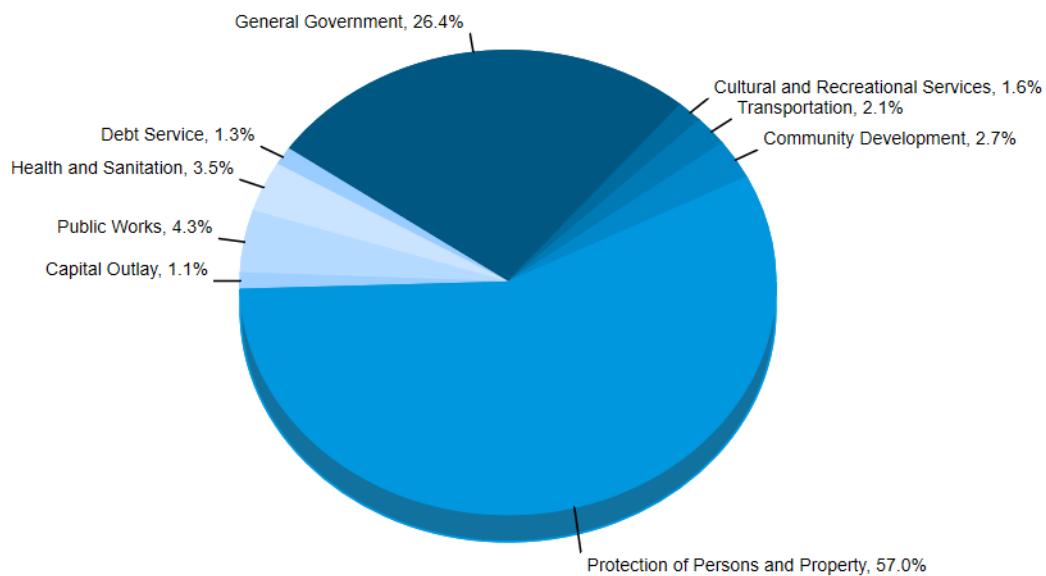
**General Fund Revenues by Source : \$6.7 Billion
Fiscal Year Ended June 30, 2023**



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



**General Fund Expenditures by Function : \$6.0 Billion
Fiscal Year Ended June 30, 2023**



The **Municipal Improvement Corporation of Los Angeles Special Revenue and Debt Service Funds** account for the activities of the City's public financing entity, MICLA. Acquisition of certain real property and equipment and construction of buildings and other improvements are financed through the issuance of MICLA lease revenue bonds and commercial paper.

For the fiscal year ended June 30, 2024, the MICLA Special Revenue and Debt Service Funds reported a total restricted fund balance of \$99.9 million, composed of \$12.7 million in the special revenue fund and \$87.2 million in the debt service fund.

As of June 30, 2024, the MICLA Special Revenue Fund reported a restricted fund balance of \$12.7 million, reflecting an increase of \$1.5 million from the previous year. Total revenues for the MICLA Special Revenue Fund remained stable, with interest earnings and the fair value of investments slightly changed. However, total expenditures decreased by \$24.5 million due to a reduction in capital acquisitions. Although the total expenditures exceeded revenues by \$116.5 million, compared to \$141.0 million in the fiscal year 2023, the issuance of long-term debt of \$120.0 million from other financing sources bridged the gap.

As of June 30, 2024, the MICLA Debt Service Fund reported a total restricted fund balance of \$87.2 million, which decreased by \$34.2 million from the prior year. Total MICLA Debt Service Fund revenues went up by \$1.1 million, while total expenditures increased by \$201.0 million, mainly attributed to an increase of \$199.1 million in principal payments. Although total expenditures exceeded revenues by \$414.8 million, compared to \$215.0 million in the prior year, lease payments of \$187.3 million from the General Fund and certain Special Revenue Funds and the total proceeds of \$193.5 million from issuance of refunding debt bridged the gap.

As a result of the above financial changes, the combined MICLA Funds' decrease in fund balances for the fiscal year 2024 amounted to \$32.7 million.

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, 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
Operating Expenses	(1,731,056)	(442,958)	(4,053,405)	(1,227,542)	(649,118)	(65,864)
Operating Income (Loss)	227,055	264,082	771,963	407,991	55,057	(12,498)
Net Nonoperating Revenues (Expenses)	(53,254)	36,221	(13,099)	(187,847)	23,654	515
Capital Contributions	128,606	54,252	70,492	238,774	14,988	--
Transfers Out	--	--	(244,695)	--	--	--
Change in Net Position	\$ 302,407	\$ 354,555	\$ 584,661	\$ 458,918	\$ 93,699	\$ (11,983)

Business-type Activities Change in Net Position For the Fiscal Year Ended June 30, 2023 (amounts expressed in thousands)						
	Airports	Harbor	Power	Water	Sewer	Nonmajor Convention Center
						Total
Operating Revenues	\$ 1,752,855	\$ 656,400	\$ 4,958,539	\$ 1,661,278	\$ 775,945	\$ 49,972
Operating Expenses	(1,550,604)	(494,289)	(4,216,363)	(1,243,239)	(634,984)	(55,917)
Operating Income (Loss)	202,251	162,111	742,176	418,039	140,961	(5,945)
Net Nonoperating Revenues (Expenses)	(182,776)	4,345	14,697	(197,624)	(121,807)	119
Capital Contributions	394,231	43,505	76,942	92,820	9,485	--
Transfers Out	--	--	(232,043)	--	--	--
Change in Net Position	\$ 413,706	\$ 209,961	\$ 601,772	\$ 313,235	\$ 28,639	\$ (5,826)

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 \$2.0 billion, a \$205.3 million or 11.7% increase from fiscal year 2023. Aviation revenue increased by \$138.4 million, and non-aviation revenue increased by \$66.9 million with a \$64.9 million increase in concession and an increase in other operating revenue of \$2.0 million. The increase in total operating revenue was mainly a result of the 7.8% increase in passenger traffic. Landing fees increased by \$16.2 million, or 4.9%. Building rental revenues increased by \$105.4 million or 12.8%, mainly attributable to the higher terminal building rentals rates 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 \$16.8 million or 12.7% due to an increase of 18.8% in international passenger activity, offset by a decrease of Federal Inspection Services (FIS) Fees by 16.6% from \$17.03 to \$14.20 per deplaned international passenger. Land rental revenue increased by \$4.8 million. At LAX, land rental revenue increased by \$0.9 million. Other aviation revenue increased by \$12.3 million. At LAX, other aviation revenue increased by \$11.3 million. The increase was mainly driven by higher aircraft parking rates that reflect market appropriate, duration based fees. Total revenue from concessions was higher by \$512.4 million or 14.5%, the increases in concession revenue were mainly a result of the 7.8% increase in passenger traffic.

Airports total operating expenses were \$1.7 billion, a \$180.5 million or 11.6% increase over the prior fiscal year. There was a \$50.1 million or 11.3% increase in salaries and benefits. Contractual services increased by \$27.9 million primarily across the board among all contractual expenses as a result of the increase in passenger traffic causing a higher demand for services. Materials and supplies increased by \$14.7 million mainly due to an increase in custodial supplies and services, electric maintenance materials, and maintenance expenses. Utilities expenses increased by \$3.5 million. The increase was primarily driven by an increase of \$3.7 million in electricity, an increase of \$3.2 million in water, offset by a decrease in gas charges of \$3.9 million. The increase in utilities was primarily a result of the increase in passenger traffic, in addition to the increase in utility rates in fiscal year 2024. Depreciation charges increased by \$68.2 million mainly due to the newly capitalized assets in fiscal year 2024 including the ConRAC (capitalized costs \$1.6 billion) and Utilities and LAMP Enabling Projects (LULEP) (capitalized costs \$321.2 million), with annual depreciation of approximately \$65.1 million and \$13.0 million, respectively. The increase was partially offset by a decrease in depreciation of fully depreciated and retired assets.

Airports nonoperating revenue increased by \$102.9 million due to a \$7.2 million increase in passenger facility charges, a \$4.2 million increase in customer facility charges, a \$104.9 million increase in interest and investment income, offset by a \$1.0 million decrease in interest income from leases and \$12.4 million decrease in other nonoperating revenue. Nonoperating expenses decreased by \$26.6 million due to \$35.2 million increase in interest expense, offset by a \$61.9 million decrease in other nonoperating expenses.

Federal and other government grants decreased by \$265.6 million. The decrease was primarily due to reimbursements for The American Rescue Plan Act (ARPA) grants of \$27.2 million in fiscal year 2024, which decreased by \$239.8 million.

As a result of the above financial changes, the Airports Enterprise Fund's change in net position for the fiscal year 2024 amounted to \$302.4 million.

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 \$707.0 million, reflecting a 7.7% increase from the prior year's revenue of \$656.4 million. The increase was primarily due to higher wharfage revenues, higher rental fees, higher clean truck fund rate fees, higher pilotage revenue and space assignment fees, which was only partially offset by lower Harbor Maintenance Tax revenues, lower utility charges and lower operating reimbursements. Harbor derives its operating revenues mainly from shipping services, rentals, and fees from royalties, concessions, and other fees. Shipping services increased by \$64.5 million mainly due to a \$74.6 million wharfage revenue increase due to higher cargo volumes and TEU rates. In addition, there was a \$1.2 million increase in dockage, demurrage and pilotage revenues, offset by an \$11.4 million decrease in revenue from assignment and other charges.

Management's Discussion and Analysis (Unaudited)

Harbor's operating expenses, excluding depreciation, decreased by \$6.3 million to \$293.1 million, or 2.1% decrease compared to the prior fiscal year. Salaries and benefits expenses, including pension and OPEB expenses increased by \$9.9 million, or 7.0% higher than the prior year due to increases of \$6.5 million in pension and \$3.9 million in salary and employee benefit expenses offset by a decrease of \$0.5 million in OPEB expense. Payments for City services decreased by \$2.7 million due to lower fire services, lower recreation and park services, lower public works services and lower miscellaneous other City services. Outside services increased by \$0.5 million due to higher spending in activities supporting implementation of new systems, labor costs for various maintenance projects on the Harbor's properties, and equipment maintenance. These increases were offset by lower environmental monitoring activities and regulatory support, higher overhead capitalization, and lower spending in other contractual services supporting the Harbor's operations. Other operating expenses decrease by \$14.1 million due to lower provisioning for litigation and claim expenses, lower provisioning for bad debts, and lower pollution remediation expenses offset by higher provisioning for workers' compensation liabilities based on claim experience, higher subsidies for clean truck programs, higher customer incentive payouts, and higher utility expenses.

Nonoperating revenues increased by \$4.3 million due to higher investment fair value fluctuations and higher other nonoperating revenues offset by lower noncapital grant revenues by \$28.6 million. Nonoperating expenses decreased by \$27.6 million due to reductions in pass-through grant expenditures and lower other nonoperating expenses.

As a result of the above financial changes and capital contributions of \$54.3 million, the Harbor Enterprise Fund's change in net position for fiscal year 2024 was \$354.6 million, an increase of 68.9% compared to the change in net position for fiscal year 2023.

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 decreased by \$133.2 million or 2.7% from the prior fiscal year primarily due to a decrease of \$208.2 million in Sales for Resale, a \$50.8 million increase in uncollectible accounts, and a \$15.3 million decrease in other revenue, offset by an increase of \$141.1 million in total revenue from retail customers due to an overall increase in consumption.

Power's operating expenses were \$163.0 million lower compared to fiscal year 2023, driven primarily by a \$227.9 million decrease in purchased power, a \$101.9 million decrease in fuel for generation, offset by an increase of \$123.3 million in maintenance and other operating expenses, and a \$43.6 million increase in depreciation and amortization expense. The \$26.0 million increase in maintenance expense for utility plant assets is mainly due to higher year-over-year maintenance costs for distribution plant, \$25.0 million; maintenance of steam plant, \$4.0 million; and maintenance costs for hydraulic plant, \$4.0 million; offset by a decrease of maintenance of nuclear plant, \$7.0 million. The \$97.0 million increase in other operating expense is mainly due to an increase of \$34.0 million in administrative and general corporate expense, a \$29.0 million increase in nuclear decommissioning expense, a \$28.0 million increase in customer service expense, a \$19.0 million increase in distribution expense, a \$9.0 million increase in transmission expense, and a \$3.0 million increase in marketing expense, offset by a decrease of \$25.0 million in production expense. The \$228.0 million decrease in purchased power costs can be primarily attributed to lower year-over-year costs of generating energy and California Independent System Operator energy purchases. The \$102.0 million decrease in fuel for generation is primarily due to lower year-over-year natural gas prices. The \$44.0 million increase in the depreciation and amortization expense can mainly be attributed to year-over-year increases in depreciation for distribution plant, \$19.0 million; amortization of intangible plant including software and regulatory assets, \$17.0 million; generation plant, \$6.0 million; and transmission plant, \$2.0 million.

The major nonoperating activities of Power for fiscal year 2024 included \$408.4 million in debt expenses, the transfer of \$244.7 million to the City's General Fund, \$229.5 million in other nonoperating income, investment income of \$149.3 million, and \$24.3 million in federal bond subsidies. The \$106.6 million increase in investment income can be primarily attributed to the change in the fair value of the general pool investment between fiscal year 2023 and fiscal year 2024. The \$123.5 million decrease in other nonoperating income is due mainly to a decrease in revenue recognized for emissions reduction credits. The \$9.3 million increase in debt expenses is mainly due to the interest expense from variable rate bonds and refunding.

Management's Discussion and Analysis (Unaudited)

As a result of the above financial changes, including capital contributions of \$70.5 million, Power's change in net position for fiscal year 2024 amounted to \$584.7 million, which is 2.8% lower than the change in net position for fiscal year 2023.

Water

During fiscal year 2024, operating revenues decreased by \$25.7 million, or 1.5%, from fiscal year 2023, primarily due to a decrease in consumption for multiple-dwelling units and commercial and industrial customers class.

Operating expenses for fiscal year 2024 were \$15.7 million lower than the previous fiscal year due to the decrease by \$39.0 million in purchased water and by \$13.1 million in other operating expenses offset by the year-over-year increase in maintenance expenses by \$17.5 million and \$18.9 million in depreciation and amortization expenses. The decrease in purchased water was the result of maximizing aqueduct deliveries and minimizing metropolitan water district purchases. Other operating expenses included a net decrease due to source of supply, distribution, purification, administrative and general expenses.

Nonoperating revenues (expenses), net expenses were \$28.9 million higher than in fiscal year 2023. The \$28.9 million increase in nonoperating income can be primarily attributed to a \$18.5 million increase in investment income, a \$6.8 million decrease in other nonoperating expenses, and an increase of \$3.6 million in other nonoperating income.

Capital contributions increased by \$146.0 million from the prior year and can be primarily attributed to an increase of \$150.0 million in Proposition 1 state grant funding, offset by a decrease of \$3.0 million in customer installations, and a decrease of \$1.0 million in other grant funding.

As a result of the above financial changes and capital contributions of \$238.8 million, the Water Enterprise Fund's change in net position for the fiscal year 2024 was \$458.9 million, or 46.5% higher 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 2024, Sewer generated total operating revenues of \$704.2 million, a decrease of \$71.8 million or 9.2% from fiscal year 2023. Sewer Service Charges decreased by \$58.5 million or 8.5% from fiscal year 2023, generating \$628.1 million or 89.2% 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 2024 totaled \$649.1 million, an increase of \$14.1 million or 2.2% compared to fiscal year 2023 primarily due to an increase in depreciation expense attributed to an increase in capital assets. No other material changes contributed to the increase. Operations and maintenance comprised 68.7% and depreciation and amortization expense was 31.3% of the total operating expenses.

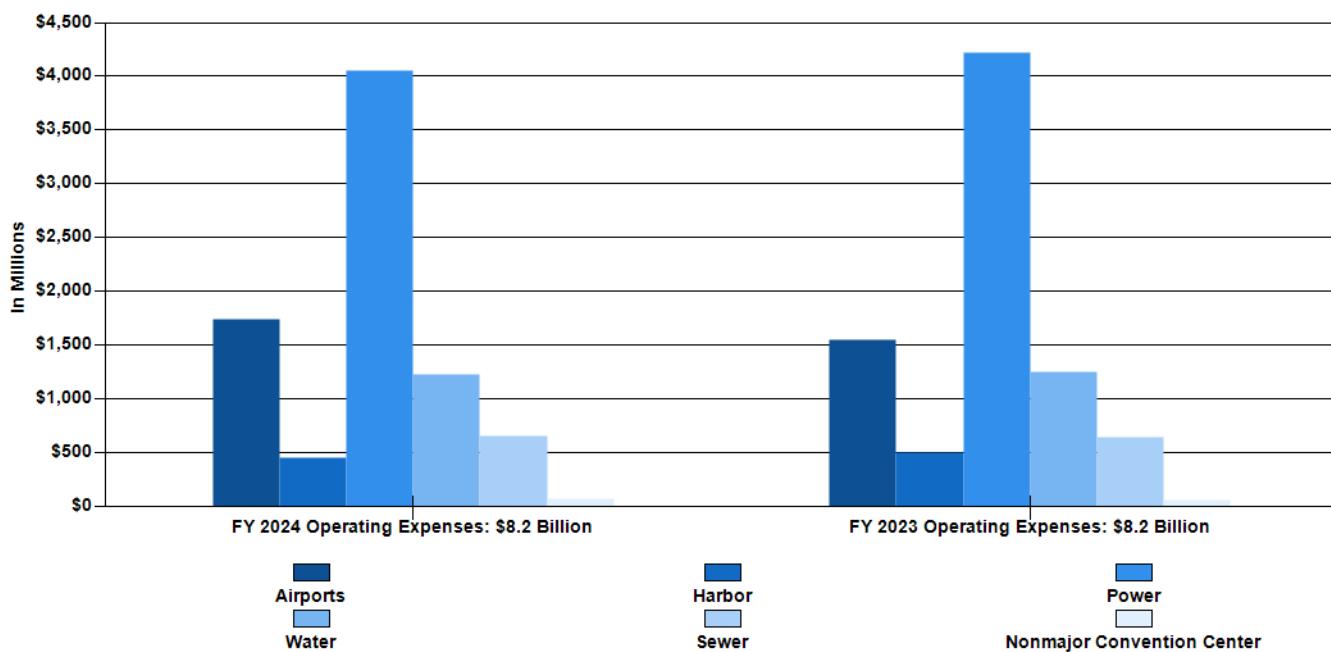
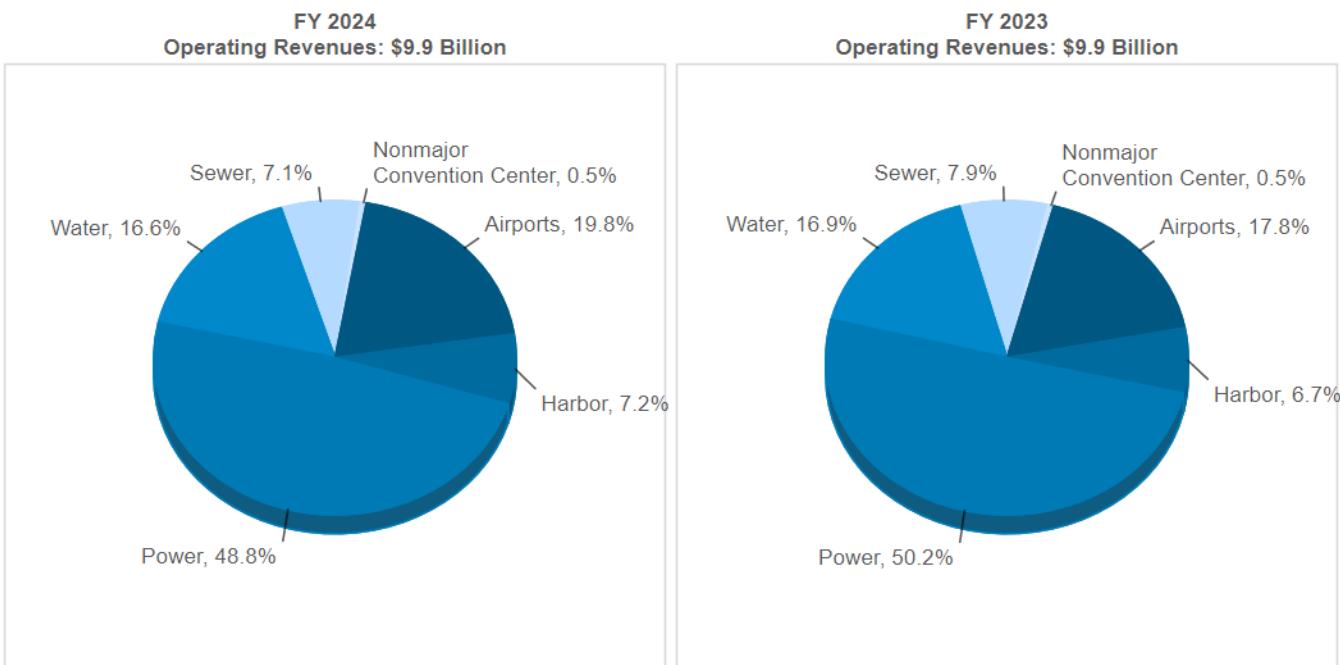
Major components of nonoperating revenues include investment income, lease and rentals, revenue from recycled water sales, non-recurring fees, and other nonoperating revenues. The interest rate earned on Sewer's investment pool averaged 4.8% in fiscal year 2024, an increase of 1.7% from fiscal year 2023. The Sewer's investment income for fiscal year 2024 increased by \$8.6 million or 56.1%. Although there was a slight decrease in investments, it was offset by higher interest rates. Other nonoperating revenues, excluding investment income, increased by \$78.1 million or 266.4% due primarily to the \$59.8 million in additional funds received from the State for the CWWAPP 2.0 program.

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 2024 increased by \$1.3 million or 1.3% as compared to 2023 reflecting a minor increase in interest paid on outstanding commercial paper notes.

Management's Discussion and Analysis (Unaudited)

Total other nonoperating expenses were \$60.1 million lower than the \$65.1 million in 2023 mainly due to a decrease in litigation expenses, as no substantial settlements were incurred during the fiscal year. Loss on abandonment of capital assets had a minimal increase. As a result of the above financial changes, including capital contributions of \$15.0 million, Sewer's change in net position for fiscal year 2024 was \$93.7 million, which is 227.2% higher than the change in net position for fiscal year 2023.

The following charts are graphical comparisons between June 30, 2024 and 2023, 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 2024, 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, 2024
(amounts expressed in thousands)

	Budgeted Amounts		Budgetary Basis Actual Amounts	Variance with Final Budget Above (Below)
	Original	Final		
Revenues and Other Financing Sources				
Taxes	\$ 5,818,855	\$ 5,702,343	\$ 5,694,395	\$ (7,948)
Licenses, Permits, Fees and Fines	1,478,324	1,463,477	1,417,403	(46,074)
Intergovernmental	113,187	61,218	58,370	(2,848)
Interest	77,000	81,589	87,926	6,337
Other	10,710	10,715	9,305	(1,410)
Total Revenues	7,498,076	7,319,342	7,267,399	(51,943)
Power Transfer	236,502	244,695	244,695	--
Loans from Other Funds	--	--	42,602	42,602
Transfers from Other Funds	1,541,144	2,649,673	2,235,195	(414,478)
Total Revenues and Other Financing Sources	9,275,722	10,213,710	9,789,891	(423,819)
Expenditures and Other Financing Uses				
General Government	2,621,127	2,917,892	2,436,077	(481,815)
Protection of Persons and Property	2,877,237	3,116,926	3,040,283	(76,643)
Public Works	502,476	599,050	553,124	(45,926)
Health and Sanitation	432,486	423,776	397,131	(26,645)
Transportation	216,896	222,271	205,489	(16,782)
Cultural and Recreational Services	60,267	66,415	54,642	(11,773)
Community Development	240,423	260,311	223,027	(37,284)
Pension and Retirement Contributions	2,876	3,097	3,097	--
Capital Outlay	167,340	175,152	67,791	(107,361)
Total Expenditures	7,121,128	7,784,890	6,980,661	(804,229)
Transfers to Other Funds	2,259,160	2,428,820	2,428,427	(393)
Total Expenditures and Other Financing Uses	9,380,288	10,213,710	9,409,088	(804,622)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(104,566)	--	380,803	380,803
Fund Balance, July 1	104,566	104,566	--	(104,566)
Appropriation of Fund Balance and Carryforward Appropriations	--	(104,566)	--	104,566
Encumbrances Lapsed	--	--	34,908	34,908
Reversion to Reserve Fund	--	--	(415,711)	(415,711)
Fund Balance, June 30	\$ --	\$ --	\$ --	\$ --

General Fund Revenues and Other Financing Sources

In the fiscal year 2024, total actual revenues and other financing sources were below the final budget by \$423.8 million or 4.2%, primarily due to transfers from other funds finishing the year with \$414.5 million lower than projected. Total combined taxes, licenses, permits, fees and fines, and grant receipts fell short by \$56.9 million from the budgeted amount.

Property taxes, utility taxes and franchise income taxes, were \$49.2 million higher than the anticipated budgeted amount. On the other hand, other taxes, such as business tax, sales tax and transient occupancy tax fell short by \$57.8 million compared to the budget.

Property taxes exceeded the budget by \$30.4 million, primarily due to moderate growth in property values. Higher receipts on utility and cost of energy prices were attributed to \$14.2 million and \$4.6 million higher than projected budget amounts for utility and franchise tax income, respectively.

A decline in business activities resulted in \$41.6 million less than expected in business tax revenue. Sales tax income also fell short of the budget by \$2.0 million, primarily due to reduced consumer spending stemming from persistent inflation. Lower-than-expected growth in tourism and hotel activities also led to a shortfall of \$14.2 million in transient occupancy tax revenue.

A shortfall of \$46.1 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 \$2.8 million in revenues from grant receipts.

General Fund Expenditures and Other Financing Uses

The General Fund's actual expenditures were below budget by \$804.2 million or 10.3%. All categories of spending were lower than the final budget. The general government's actual expenditures were \$481.8 million lower than estimates, mainly due to the unexpended appropriations during the fiscal year, including unused and set-aside resources in homelessness inside safe reserve, salaries, contractual services, construction materials, reserve for allocation of FEMA reimbursement, unarmed response to homelessness, unarmed crisis response, Los Angeles County MTA and other various City projects and programs.

The \$804.6 million lower expenditures and other financing uses and lapsed encumbrances of \$34.9 million were offset by a combined \$423.8 million lower budgeted revenues and other financing sources. As a result, a total of \$415.7 million was reverted from the General Fund to the Reserve Fund at fiscal year-end.

LONG-TERM DEBT

At June 30, 2024 the City's bonded indebtedness and long-term notes payable totaled \$39.4 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 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Debt Backed by the City						
General Obligation Bonds	\$ 960,246	\$ 1,054,340	\$ --	\$ --	\$ 960,246	\$ 1,054,340
Debt Secured by Specified Revenue Sources						
Lease Revenue Bonds	1,438,560	1,374,872	--	--	1,438,560	1,374,872
Direct Placements	29,710	40,133	--	--	29,710	40,133
Revenue Bonds and Notes Payable	520,937	460,782	36,379,419	36,189,656	36,900,356	36,650,438
Other Loan Obligations	21,644	49,915	--	--	21,644	49,915
Total	\$ 2,971,097	\$ 2,980,042	\$ 36,379,419	\$ 36,189,656	\$ 39,350,516	\$ 39,169,698

Significant new issuances during the year included the following:

- The City issued Solid Waste Resources Revenue Bonds Series 2023-A for \$173.5 million, to finance the acquisition of equipment, including vehicles and other items, and the installation thereof, if any, and facilities, including the construction and renovation of real property and other capital improvements for the refuse collection and disposal system of the City.
- MICLA issued Lease Revenue Bonds Series 2023-A for \$176.5 million to retire certain maturities of commercial paper notes, used to finance and refinance the acquisition of capital equipment and acquisition and improvement of certain real properties of the City.
- Power issued \$303.3 million of Power System Revenue Bonds, 2023 Series D to refund a portion of the outstanding Power System Revenue Bonds, 2014 Series B, and a portion of outstanding Power System Revenue Bonds, 2018 Series B; \$428.1 million of Power System Revenue Bonds, 2023 Series E to pay for capital improvements, and refund a portion of the outstanding Power System Revenue Bonds, 2014 Series B; \$200.2 million of Power System Variable Rate Demand Revenue Bonds, 2023 Series F to refund all of the outstanding Power System Revenue Bonds, 2014 Series A; \$372.5 million of Power System Revenue Bonds, 2024 Series A to refund a portion of the outstanding Power System Revenue Bonds, 2014 Series C, a portion of the outstanding Power System Revenue Bonds, 2014 Series D, and all of the outstanding Power System Revenue Bonds, 2014 Series E; \$275.6 million of Power System Revenue Bonds, 2024 Series B to refund all of the outstanding Power System Revenue Bonds, 2010 Series A; and \$507.3 million of Power System Revenue Bonds, 2024 Series C to pay for capital improvements, refund all of the outstanding Power System Revenue Bonds, 2014 Series C, and refund all of the outstanding Power System Revenue Bonds, 2014 Series D.
- Water issued \$281.3 million of Water System Revenue Bonds, 2024 Series A to pay for budgeted capital improvements; and \$447.4 million of Water System Revenue Bonds, 2024 Series B to refund a portion of the outstanding Water System Revenue Bonds, 2009 Series C and all of the outstanding Water System Revenue Bonds, 2014 Series A.
- Sewer issued five series of taxable commercial paper notes totaling \$145.0 million.

More detailed information on the City's bonds and other long-term debt can be found in Note 41 of the Notes to the Basic Financial Statements.

Credit Ratings

As of June 30, 2024, 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	AA-	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	AA-	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

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

In January 2025, three rating agencies, S&P Global Ratings, Fitch Ratings, and Kroll Bond Rating Agency, placed the City's ratings on watch negative status, indicating that the City's ratings are under review and that there is meaningful potential for a negative rating change. The actions reflect the risk of potential exposure of the City's General Fund to wildfire liability claims and the potential impact of recovery and response on the City's unbudgeted expenditures and available liquidity.

S&P Global Ratings placed the City's general obligation bonds and MICLA's lease revenue bonds on CreditWatch with negative implications. S&P Global Ratings expects to complete its review by April 15, 2025. Similarly, Kroll Bond Rating Agency placed both bonds on Watch Downgrade and expects to complete its review by April 16, 2025. Moody's Ratings also revised the outlooks on the City's issuer rating, general obligation bond rating, MICLA lease revenue bond rating, wastewater system senior and subordinate revenue bond ratings, and solid waste resources revenue bond rating from stable to negative. Fitch Ratings placed the City's Issuer Default Rating on Rating Watch Negative and expects to complete its review by July 17, 2025.

S&P Global Ratings lowered its long-term and underlying ratings on Power's revenue bonds outstanding from 'AA-' to 'A' and Water's revenue bonds outstanding from 'AA+' to 'AA-'. Both Power and Water ratings were placed on CreditWatch with negative implications in connection with the increasing frequency and severity of highly destructive wildfires within the DWP service territory. Additionally, Moody's Ratings revised the outlooks on the City's issuer rating for Sewer's senior and subordinate wastewater revenue bonds rating from stable to negative.

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

Management's Discussion and Analysis (Unaudited)

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 2024, the ratios were 4.3% for overall debt and 2.6% for non-voter approved debt. As of June 30, 2024, the City had \$948.6 million 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, 2024, 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, 2024 amounted to \$62.7 billion, net of accumulated depreciation and amortization. This investment in capital assets, which accounts for 70.4% 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 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Not Depreciated / Amortized						
Land	\$ 918,719	\$ 918,719	\$ 3,043,824	\$ 3,044,823	\$ 3,962,543	\$ 3,963,542
Infrastructure	464,082	460,166	--	--	464,082	460,166
Construction in Progress	1,570,613	1,324,138	7,520,016	6,879,777	9,090,629	8,203,915
Subscription In Progress	215	46,322	--	--	215	46,322
Intangible Assets	36,829	26,477	60,585	60,585	97,414	87,062
Nuclear Fuel	--	--	40,092	40,039	40,092	40,039
Natural Gas Field	--	--	109,437	119,129	109,437	119,129
Subtotal	2,990,458	2,775,822	10,773,954	10,144,353	13,764,412	12,920,175
Depreciated / Amortized, Net						
Buildings, Facilities and Equipment	3,583,890	3,497,628	42,480,865	40,372,649	46,064,755	43,870,277
RTU Lease Assets	85,976	100,602	135,924	151,587	221,900	252,189
Infrastructure	2,201,736	2,215,992	--	--	2,201,736	2,215,992
RTU Subscription Assets	103,422	57,337	24,423	20,389	127,845	77,726
Intangible Assets	13,339	13,588	278,138	293,483	291,477	307,071
Subtotal	5,988,363	5,885,147	42,919,350	40,838,108	48,907,713	46,723,255
Total	\$ 8,978,821	\$ 8,660,969	\$ 53,693,304	\$ 50,982,461	\$ 62,672,125	\$ 59,643,430

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

Governmental Activities

- Completed building construction and improvements, including transfers from construction in progress, amounted to \$93.3 million. These building projects included \$27.6 million for recreational, cultural and community centers, \$60.3 million for homeless housing, and \$5.4 million for municipal, fire and police facilities.
- Capitalized charges for various projects under construction totaled \$315.6 million. These projects included

Management's Discussion and Analysis (Unaudited)

\$180.2 million for various public works projects, \$109.0 million for recreational, cultural and community centers, \$13.6 million for transportation projects, \$10.7 million for the Sixth Street Viaduct replacement, and \$2.1 million for police and fire facilities.

- Total capitalized infrastructure assets amounted to \$73.5 million.
- Acquisition of capitalized machinery and equipment totaled \$237.3 million, while those retired, salvaged, deleted, or sold amounted to \$62.6 million.
- Capitalized intangible assets, including net additions to work in progress, amounted to \$14.8 million.
- RTU lease assets of \$9.1 million and RTU subscription assets of \$79.0 million, which includes transfers from subscription in progress of \$46.1 million.

The modified approach is used in reporting the City's bridges infrastructure system. The City's 2022 Infrastructure Assessment of Bridges and Tunnels Report reported that 70.9% of the City's structures have a grade of "B" or better and concluded that the current overall rating of the City structures comply with the adopted City's Condition Level Policy. The needed costs for preservation and maintenance were \$0.8 million, and \$0.9 million was actually spent. See additional information in Note 1E.5 of the Notes to the Basic Financial Statements and the Required Supplementary Information Section.

Business-type Activities

- Airports' net capital assets increased by \$1.2 billion, or 7.0%. Major capital assets activities at LAX included \$1.2 billion for improvements at Terminals 1 to 8, \$272.2 million for construction of runways, taxiways and other airfield projects, \$243.1 million for construction of Automated People Mover System (APM), \$65.8 million for construction of Consolidated Rental Car Facility (ConRAC), and \$29.2 million for construction of Intermodal Transportation Facility at Bradley West. Airports also recognized net RTU assets of \$67.7 million.
- Harbor's net capital assets increased by \$31.8 million or 0.9% as the increase in new capital assets associated with capital project development and construction in progress more than the increase in accumulated depreciation associated with the Harbor's existing facilities and equipment. Facilities and equipment, net of accumulated depreciation, decreased by \$54.8 million or 2.6% primarily due to annual depreciation associated with the Harbor's existing facility and equipment offset by capitalization of completed projects of \$91.5 million. Harbor has active construction projects as of June 30, 2024. 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: \$38.0 million for construction of San Pedro Waterfront and Wilmington Waterfront, \$23.5 million 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, \$16.0 million for various projects at buildings and facilities of Harbor including enterprise resources planning (ERP) system migration, electric vehicle charging stations, port pilot radio upgrade, warehouse and site improvements at AltaSea, and various facilities and buildings improvements and remodel projects, \$11.1 million for various projects at Pasha Terminal including electrical infrastructure improvement, wharf restoration, and facility improvements, \$9.4 million for various miscellaneous projects for parking deck waterproof improvement at Goods Movement Workforce Training Facility, and dockside facility improvements, \$7.7 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, \$4.8 million for various projects at Outer Harbor Cruise Facility and World Cruise Center including passenger terminal gangway and pedestrian deck improvements, passenger terminal roof replacement, and cruise terminal development, \$3.6 million for construction of new container wharf at Fenix terminal, on-deck railyard expansion project, and crane rail and foundation project, \$2.7 million for various homeland security projects including construction of Port Cyber Resilience Center, Port Police headquarter security enhancement, and port police radio system, \$2.7 million for various environmental enhancement projects including advanced electrical infrastructure and air quality monitoring stations upgrade, shore side electricity upgrade, \$2.3 million for various projects at berths with liquid bulk oil cargo handling facilities to comply with Marine Oil Terminal Engineering Maintenance Standards (MOTEMS), \$1.4 million for

Management's Discussion and Analysis (Unaudited)

redevelopment projects at Everport Terminal including wharf and backlands improvements, as well as terminal infrastructure reconstruction, and \$1.4 million for redevelopment projects at various terminals including wharf rehabilitation, facility expansion, and infrastructure improvements.

- Power's plant additions totaled \$1.2 billion. Approximately \$376.2 million of the \$1.2 billion in additions were construction work in progress (CWIP) expenditures and the remaining \$825.7 million were direct additions to utility plant categories. Major CWIP additions/expenditures during the year included \$45.0 million for design and construction of the new Receiving Station to serve LAX, \$45.0 million to upgrade the 230 kV transmission line between Barren Ridge and Haskell Canyon Switching Stations, \$35.0 million for the McCullough to Victorville Lines 1&2 Series Compensation upgrade project, \$23.0 million for the design and construction of the new Rosamond Switching Station, \$21.0 million for re-expansion of Barren Ridge Switching Station, \$20.0 million for implementation support and system infrastructure cost for new Enterprise Resource Planning (ERP) software, \$15.0 million for Distribution Automation System upgrade, \$11.0 million to upgrade existing circuit breakers at Victorville Switching Station, and \$10.0 million for the expansion of Distribution Station 111. \$285.0 million in CWIP projects were transferred from CWIP to plant accounts. Transfers from CWIP included \$143.0 million for installation of the new Scattergood-Olympic B cables, \$82.0 million to convert the existing 115 kV Power Plant 1 and Power Plant 2 transmission lines into new 230 kV transmission lines between Haskell Canyon and Sylmar Switching Stations, \$27.0 million to upgrade and increase the capacity of the Victorville to Los Angeles Basin Transmission Path, and \$7.0 million for Substation reliability improvements.

Approximately \$848.0 million and \$25.0 million were direct additions to distribution and transmission plant accounts, respectively. Major direct additions included \$189.0 million for replacement of deteriorated poles and crossarms, \$121.0 million for new business line customer facilities, \$102.0 million for reliability replacement of 4.8 kV and 34.5 kV cables, \$33.0 million to relocate and replace power distribution infrastructure for customer-driven projects, and \$27.0 million to replace deteriorated and faulty equipment.

- Water's utility plant additions totaled \$780.7 million. Approximately \$324.7 million of the \$780.7 million in additions were construction work in progress (CWIP) expenditures and \$456.0 million represents direct additions by utility plant categories. Approximately \$93.6 million in CWIP projects were transferred from CWIP to plant accounts. Major CWIP additions/expenditures during the year included \$56.0 million for the North Haiwee Dam #2 Seismic Improvement project, \$38.0 million for the Tujunga and North Hollywood centralized treatment projects to remove contamination, \$17.0 million for the Headworks Flow Control Station project, \$15.0 million for the River Supply Conduit Lower Reach Unit 1 installation project, \$14.0 million for the City Trunk Line North Unit #2 installation project, \$12.0 million for the North Hollywood West Wellhead Water Treatment project, \$9.0 million for the City Trunk Line North Unit #1 replacement project, \$9.0 million for modular office construction at the Van Norman and Silverlake Complex, and \$8.0 million for the Owens Lake Dust Mitigation Program. Approximately \$81.0 million and \$13.0 million of additions were transferred from CWIP to distribution and general plant accounts, respectively. Major projects transferred from CWIP included \$57.0 million to perform modifications and replace the floating cover at Green Verdugo Reservoir, and \$23.0 million for mainline replacement at various water districts. Direct additions are mostly related to improvements in distribution infrastructure as part of the Water's reliability program. Many of the 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 \$281.0 million of the additions are for improvements to the distribution system. During fiscal year 2024, Water invested \$238.0 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 depreciable assets amounted to \$319.8 million. Of this amount, \$69.3 million was a net addition from construction in progress, \$127.5 million was capitalized for the collection system, \$83.5 million relates to treatment plants and equipment, \$0.6 million for pumping plants, and \$38.8 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 \$35.6 million, and the North Outfall Sewer Rehabilitation for \$49.5 million. Additional CIP large projects capitalized during fiscal year 2024 are Terminal Island Wastewater Control System Replacement for \$19.0 million, Donald C Tillman - Berm

Management's Discussion and Analysis (Unaudited)

Improvements for \$14.1 million, Hyperion Treatment Plant Perimeter Road Improvement for \$12.2 million, Emergency Sewer Replacement - Fletcher Drive (2600 Block) for \$5.4 million, and the HTP-Ferric Chloride Facility Replacement for \$5.2 million.

Significant commitments that include construction contracts are discussed in Note 5C of the Notes to the Basic Financial Statements. As of June 30, 2024, the City's contractual commitments for various capital projects amounted to \$451.6 million for governmental activities and \$482.3 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 2025 is \$12.9 billion. Of this amount, \$5.9 billion (45.8%) is appropriated for departmental expenditures. The remaining \$7.0 billion (54.2%) 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 \$8.0 billion in General Fund receipts, \$3.9 billion in special fund revenues, and \$919.8 million in special fund available balances.

The 2025 General Fund budgeted receipts of \$8.0 billion, projected an increase of \$352.1 million or 4.6%, higher than the 2024 receipts, as shown below (in millions):

	FY 2025 Budget	FY 2024 Receipts	Increase (Decrease)	
			Amount	Percentage
Taxes	\$ 5,924.3	\$ 5,694.4	\$ 229.9	4.0 %
Licenses, permits, fees and fines	1,531.4	1,417.4	114.0	8.0
Intergovernmental	230.0	58.4	171.6	293.8
Interest	84.5	87.9	(3.4)	(3.9)
Other	10.7	9.3	1.4	15.1
Transfers from other funds	252.1	413.5	(161.4)	(39.0)
Total	\$ 8,033.0	\$ 7,680.9	\$ 352.1	4.6 %

Note: Transfers from other funds include the Reserve Fund, Power Fund and Special Parking Revenue Fund.

Although the economic activities were largely stable during fiscal year 2024, the City's projected growth of General Fund revenues over fiscal year 2023 did not materialize. The fiscal year 2024 actual revenues of \$7.68 billion was \$222.1 million or 2.8% below the adopted Budget, resulting in a necessary transfer from the City's Reserve Fund to make up the revenue deficit. The significant withdrawal from the Reserve Fund to balance the previous year's budget lowered the Reserve Fund's July 1, 2024 starting balance to \$330.6 million, approximately \$317.7 million less than July 1, 2023 balance, and \$71.1 million below the reserve policy target.

The fiscal year 2025 Budget assumes the City will see solid 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 2025, there was significant overspending across many departments. In its Second Financial Status Report (FSR), issued on December 6, 2024, the City Administrative Officer (CAO) reported that General Fund revenue through October was \$54.1 million above plan. It is however too early in the year to project year-end revenue since there continues to be a downside risk to certain economically sensitive revenues. In addition, the impact of the economic policies of the incoming federal administration remains unclear. Therefore, current revenue trends may or may not be an indication of year-end receipts. The status report concludes that the City is in a challenging position and raises budgetary concerns due to increasing overspending.

The FSR identified \$296.0 million in projected overspending and unfunded items across various departments and funds. The main drivers of the overspending include, among others, the liability claims, recently approved fire sworn labor agreement, Fire Department's increased retirement sick payout liabilities, overtime for fire life safety inspections and deployments in response to natural disasters, unbudgeted contract obligations, increased fleet maintenance and repair costs, the City Attorney's increased litigation expense and outside counsel costs, the

Management's Discussion and Analysis (Unaudited)

Police Department's sworn and civilian salary and sworn overtime costs, the Transportation Department's salary, as-needed, overtime, and the General Services Department's increased fuel and utilities costs.

The report recommended \$47.0 million in solutions, and identified \$119.0 million in future actions to further reduce the remaining year-end overspending to \$130.0 million. If the recommendations in the FSR to use the Reserve Fund to fill the Budget gap are implemented, the balance in the Reserve Fund would be reduced to \$320.5 million, approximately \$327.8 million lower than the July 1, 2023 balance, and \$81.2 million below the five percent policy level. While Departments are expected to absorb or manage remaining costs within existing funds and retain projected surpluses to the greatest extent possible, some Departments are likely not going to be able to absorb increased costs. The City cannot continue to rely on the Reserve Fund designated for fiscal emergency to fill the budget gap. It is therefore incumbent on the policy makers to prioritize expenditure reduction measures to balance current year and future budgets. Going forward, the City must work towards ensuring that annual budgeted spending is in line with revenues, and must develop a plan to restore the Reserve Fund balance to policy target in the near future.

Beginning January 7, 2025, severe fire events fueled by windstorms occurred throughout the Los Angeles Region, causing significant damage to the Pacific Palisades neighborhood and several other areas within the City. As of January 24, 2025, more than 25,000 acres have burned and thousands of structures have been destroyed within the City, and efforts to contain the fires are ongoing. While the City is still in the process of assessing the overall financial impact, the City's initial damage estimate submitted to FEMA shows a total of \$358.0 million in costs related to emergency response, infrastructure/structural damages and debris removal estimated through January 10, 2025. The estimated costs may be revised once the City is able to access the damaged areas to fully assess the extent of the damages.

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, 2024
(amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Pooled Investments	\$ 7,375,526	\$ 5,128,604	\$ 12,504,130
Other Investments	328	1,633	1,961
Receivables, Net	3,475,900	1,980,214	5,456,114
Inventories	66,525	369,611	436,136
Prepaid Items and Other Assets	12,251	1,460,376	1,472,627
Restricted Assets	11,023	4,903,486	4,914,509
Investment in Joint Ventures	--	4,576	4,576
Properties Held for Housing Development	229,333	--	229,333
Regulatory Assets	--	926,552	926,552
Net Pension Asset	--	2,878	2,878
Net OPEB Asset	115,528	258,651	374,179
Capital Assets			
Not Depreciated / Amortized	2,990,458	10,773,954	13,764,412
Depreciated / Amortized, Net	5,988,363	42,919,350	48,907,713
TOTAL ASSETS	20,265,235	68,729,885	88,995,120
DEFERRED OUTFLOWS OF RESOURCES			
Debt Refunding	30,240	83,327	113,567
Derivative Instruments	--	1,392	1,392
Asset Retirement Obligation	--	67,451	67,451
Pensions	2,709,709	1,616,387	4,326,096
OPEB	487,060	287,159	774,219
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,227,009	2,055,716	5,282,725
LIABILITIES			
Accounts Payable and Accrued Expenses	896,006	1,240,735	2,136,741
Obligations Under Securities Lending Transactions	7,713	7,648	15,361
Accrued Interest Payable	29,698	455,891	485,589
Internal Balances	61,232	(61,232)	--
Unearned Revenue	135,574	9,605	145,179
Deposits and Advances	265,721	269,503	535,224
Other Liabilities	149,858	63,062	212,920
Long-term Liabilities			
Due Within One Year	933,533	1,958,312	2,891,845
Due In More Than One Year			
Bonds and Notes Payable (Net of Amount Due Within One Year)	2,732,088	34,743,978	37,476,066
Net Pension Liability	6,576,677	1,718,134	8,294,811
Net OPEB Liability	850,028	--	850,028
Asset Retirement Obligation	--	274,325	274,325
PPP Availability Payment Liabilities	--	573,462	573,462
Other (Net of amount due within one year)	4,038,608	1,471,245	5,509,853
TOTAL LIABILITIES	16,676,736	42,724,668	59,401,404
DEFERRED INFLOWS OF RESOURCES			
Regulated Business Activities	--	227,190	227,190
Debt Refunding	4,150	345,281	349,431
Leases	11,792	444,651	456,443
Pensions	525,501	174,485	699,986
OPEB	943,776	509,058	1,452,834
TOTAL DEFERRED INFLOWS OF RESOURCES	1,485,219	1,700,665	3,185,884
NET POSITION			
Net Investment in Capital Assets	6,758,687	17,624,621	24,383,308
Restricted for:			
Capital Projects	367,648	--	367,648
Debt Service	240,572	1,053,189	1,293,761
Public Safety	142,938	--	142,938
Public Works and Sanitation	391,462	--	391,462
Transportation	713,298	--	713,298
Culture and Recreation	867,784	--	867,784
Community Development and Housing	1,539,341	--	1,539,341
Passenger/Customer Facility Charges	--	315,836	315,836
Pensions/OPEB	115,528	261,529	377,057
Operations and Maintenance and Other Reserves	--	1,149,588	1,149,588
Unrestricted (Deficit)	(5,806,969)	5,955,505	148,536
TOTAL NET POSITION	\$ 5,330,289	\$ 26,360,268	\$ 31,690,557

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, 2024
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 2,120,582	\$ 273,031	\$ 84,774	\$ --	\$ (1,762,777)	\$ --	\$ (1,762,777)
Protection of Persons and Property	4,112,076	674,719	167,163	307	(3,269,887)	--	(3,269,887)
Public Works	747,430	201,794	230,057	31,936	(283,643)	--	(283,643)
Health and Sanitation	764,082	510,336	103,441	1,819	(148,486)	--	(148,486)
Transportation	679,861	116,625	469,845	42,370	(51,021)	--	(51,021)
Cultural and Recreational Services	880,238	243,932	44,217	49,599	(542,490)	--	(542,490)
Community Development	1,775,525	239,734	451,422	--	(1,084,369)	--	(1,084,369)
Interest on Long-Term Debt	172,352	--	--	--	(172,352)	--	(172,352)
TOTAL GOVERNMENTAL ACTIVITIES	11,252,146	2,260,171	1,550,919	126,031	(7,315,025)	--	(7,315,025)
BUSINESS-TYPE ACTIVITIES							
Airports	2,204,192	1,958,111	9,343	128,606	--	(108,132)	(108,132)
Harbor	461,058	707,040	4,317	54,252	--	304,551	304,551
Power	4,469,614	4,825,368	--	70,492	--	426,246	426,246
Water	1,538,667	1,635,533	66,556	238,774	--	402,196	402,196
Sewer	756,820	704,175	--	14,988	--	(37,657)	(37,657)
Convention Center	65,864	53,366	--	--	--	(12,498)	(12,498)
TOTAL BUSINESS-TYPE ACTIVITIES	9,496,215	9,883,593	80,216	507,112	--	974,706	974,706
TOTAL	\$ 20,748,361	\$ 12,143,764	\$ 1,631,135	\$ 633,143	(7,315,025)	974,706	(6,340,319)
GENERAL REVENUES							
Property Taxes				2,942,568	--	2,942,568	
Utility Users Taxes				660,823	--	660,823	
Business Taxes				832,888	--	832,888	
Sales Taxes				677,032	--	677,032	
Other Taxes							
Documentary Transfer				460,031	--	460,031	
Transient Occupancy				247,568	--	247,568	
Parking Occupancy				127,829	--	127,829	
Franchise Income				181,343	--	181,343	
Miscellaneous				6,543	--	6,543	
Grants and Contributions Not Restricted to Specific Programs							
Other				38,430	--	38,430	
Unrestricted Investment Earnings				144,309	426,586	570,895	
Other				71,456	625,660	697,116	
TRANSFERS				244,695	(244,695)	--	
TOTAL GENERAL REVENUES AND TRANSFERS				6,635,515	807,551	7,443,066	
CHANGE IN NET POSITION							
NET POSITION, JULY 1				(679,510)	1,782,257	1,102,747	
NET POSITION, JUNE 30				6,009,799	24,578,011	30,587,810	
				\$ 5,330,289	\$ 26,360,268	\$ 31,690,557	

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

CITY OF LOS ANGELES

Balance Sheet
Governmental Funds
June 30, 2024
(amounts expressed in thousands)

	Municipal Improvement Corporation		
	General	Special Revenue	Debt Service
ASSETS			
Cash and Pooled Investments	\$ 1,845,716	\$ 33,930	\$ 21,228
Other Investments	328	--	--
Taxes Receivable (Net of Allowance for Uncollectibles of \$23,004)	825,201	--	--
Accounts Receivable (Net of Allowance for Uncollectibles of \$709,902)	196,101	--	--
5,245	--	--	--
Special Assessments Receivable	17,610	172	88
Investment Income Receivable	162,112	--	239
Intergovernmental Receivable	1,451	--	--
Leases Receivable	7,337	--	--
Loans Receivable (Net of Allowance for Uncollectibles of \$2,400,681)	111,863	--	--
Due from Other Funds	51,047	--	--
Inventories	548	--	--
Prepaid Items and Other Assets	23,581	--	65,725
Advances to Other Funds	--	--	--
Restricted Assets	Properties Held for Housing Development	41,323	--
TOTAL ASSETS	\$ 3,289,463	\$ 34,102	\$ 87,280
LIABILITIES			
Accounts, Contracts and Retainage Payable	\$ 288,474	\$ 13,729	\$ 77
Obligations Under Securities Lending Transactions	2,793	20	--
Accrued Salaries and Overtime Payable	179,257	--	--
Accrued Compensated Absences Payable	14,083	--	--
Claims and Judgments Payable	171,103	--	--
Intergovernmental Payable	5,477	--	--
Due to Other Funds	158,772	7,495	--
Unearned Revenue	68,202	--	--
Deposits and Advances	22,806	--	--
Interest Payable	--	--	--
Advances from Other Funds	38,697	--	--
Other Liabilities	75,649	166	--
Liability for Excess CRA Bond Proceeds	--	--	--
TOTAL LIABILITIES	1,025,313	21,410	77
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	105,327	--	--
Taxes Other than Property	464,310	--	--
Receivables from Other Government Agencies	132,793	--	--
Interest Receivable on Loans and Others	122,643	--	--
Leases	1,429	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	826,502	--	--
FUND BALANCES			
Nonspendable	75,176	--	--
Restricted	--	12,692	87,203
Committed	93,011	--	--
Assigned	377,040	--	--
Unassigned	892,421	--	--
TOTAL FUND BALANCES	1,437,648	12,692	87,203
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 3,289,463	\$ 34,102	\$ 87,280

Continued...

CITY OF LOS ANGELES

Balance Sheet - (Continued)

Governmental Funds

June 30, 2024

(amounts expressed in thousands)

	Nonmajor Governmental Funds	Total
ASSETS		
Cash and Pooled Investments	\$ 5,474,652	\$ 7,375,526
Other Investments	--	328
Taxes Receivable (Net of Allowance for Uncollectibles of \$23,004)	15,605	840,806
Accounts Receivable (Net of Allowance for Uncollectibles of \$709,902)	121,874	317,975
Special Assessments Receivable	7,720	12,965
Investment Income Receivable	29,937	47,807
Intergovernmental Receivable	232,522	394,873
Leases Receivable	11,115	12,566
Loans Receivable (Net of Allowance for Uncollectibles of \$2,400,681)	1,841,571	1,848,908
Due from Other Funds	123,837	235,700
Inventories	15,478	66,525
Prepaid Items and Other Assets	11,703	12,251
Advances to Other Funds	67,782	157,088
Restricted Assets	11,023	11,023
Properties Held for Housing Development	188,010	229,333
TOTAL ASSETS	\$ 8,152,829	\$ 11,563,674
LIABILITIES		
Accounts, Contracts and Retainage Payable	\$ 377,206	\$ 679,486
Obligations Under Securities Lending Transactions	4,900	7,713
Accrued Salaries and Overtime Payable	20,948	200,205
Accrued Compensated Absences Payable	--	14,083
Claims and Judgments Payable	--	171,103
Intergovernmental Payable	10,838	16,315
Due to Other Funds	123,027	289,294
Unearned Revenue	67,372	135,574
Deposits and Advances	242,915	265,721
Interest Payable	242	242
Advances from Other Funds	126,029	164,726
Other Liabilities	45,885	121,700
Liability for Excess CRA Bond Proceeds	28,158	28,158
TOTAL LIABILITIES	1,047,520	2,094,320
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	11,363	116,690
Taxes Other than Property	8	464,318
Receivables from Other Government Agencies	107,240	240,033
Interest Receivable on Loans and Others	580,793	703,436
Leases	10,363	11,792
TOTAL DEFERRED INFLOWS OF RESOURCES	709,767	1,536,269
FUND BALANCES		
Nonspendable	27,181	102,357
Restricted	4,340,823	4,440,718
Committed	2,121,928	2,214,939
Assigned	2,947	379,987
Unassigned	(97,337)	795,084
TOTAL FUND BALANCES	6,395,542	7,933,085
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 8,152,829	\$ 11,563,674

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, 2024
(amounts expressed in thousands)**

Total Fund Balances - Governmental Funds	\$ 7,933,085
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.	8,978,821
Deferred outflows of resources are reported in the statement of net position, but not recognized in the governmental funds.	3,227,009
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized as revenues when earned in governmental activities.	1,524,477
Deferred inflows of resources are reported in the statement of net position, but not recognized in the governmental funds.	(1,473,427)
Long-term liabilities, including net OPEB asset, net pension and OPEB liability and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(14,859,676)</u>
Net Position of Governmental Activities	<u><u>\$ 5,330,289</u></u>

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, 2024
(amounts expressed in thousands)

	<u>Municipal Improvement Corporation</u>		
	General	Special Revenue	Debt Service
REVENUES			
Property Taxes	\$ 2,794,794	\$ --	\$ --
Sales Taxes	676,722	--	--
Utility Users Taxes	684,071	--	--
Business Taxes	782,139	--	--
Other Taxes	754,788	--	--
Licenses and Permits	28,640	--	--
Intergovernmental	42,055	--	494
Charges for Services	489,930	--	--
Services to Enterprise Funds	376,943	--	--
Fines	114,892	--	--
Special Assessments	3,177	--	--
Investment Earnings	98,062	1,419	1,719
Change in Fair Value of Investments	43,959	(321)	--
Program Income	--	--	--
Other	<u>55,547</u>	<u>--</u>	<u>2</u>
TOTAL REVENUES	<u>6,945,719</u>	<u>1,098</u>	<u>2,215</u>
EXPENDITURES			
Current			
General Government	1,891,972	--	1,510
Protection of Persons and Property	3,746,815	--	--
Public Works	309,147	--	--
Health and Sanitation	232,064	--	--
Transportation	157,079	--	--
Cultural and Recreational Services	87,000	--	--
Community Development	193,244	--	--
Capital Outlay	135,936	117,585	--
Debt Service			
Principal	36,636	--	351,363
Interest	49,710	--	63,403
Cost of Issuance	<u>677</u>	<u>--</u>	<u>783</u>
TOTAL EXPENDITURES	<u>6,840,280</u>	<u>117,585</u>	<u>417,059</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>105,439</u>	<u>(116,487)</u>	<u>(414,844)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	317,081	--	187,309
Transfers Out	(873,378)	(2,000)	(91)
Issuance of Long-Term Debt	--	120,000	--
Premium on Issuance of Long-Term Debt	--	--	--
Issuance of Refunding Bonds	--	--	176,450
Premium on Issuance of Refunding Bonds	--	--	17,001
Lease and Subscription Liabilities Issued	<u>34,926</u>	<u>--</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(521,371)</u>	<u>118,000</u>	<u>380,669</u>
NET CHANGE IN FUND BALANCES	<u>(415,932)</u>	<u>1,513</u>	<u>(34,175)</u>
FUND BALANCES, JULY 1	<u>1,853,580</u>	<u>11,179</u>	<u>121,378</u>
FUND BALANCES, JUNE 30	<u>\$ 1,437,648</u>	<u>\$ 12,692</u>	<u>\$ 87,203</u>

Continued...

CITY OF LOS ANGELES

**Statement of Revenues, Expenditures
and Changes in Fund Balances - (Continued)**
Governmental Funds
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES		
Property Taxes	\$ 130,791	\$ 2,925,585
Sales Taxes	--	676,722
Utility Users Taxes	--	684,071
Business Taxes	--	782,139
Other Taxes	363,116	1,117,904
Licenses and Permits	48,082	76,722
Intergovernmental	1,582,284	1,624,833
Charges for Services	1,062,426	1,552,356
Services to Enterprise Funds	7,643	384,586
Fines	4,476	119,368
Special Assessments	165,078	168,255
Investment Earnings	134,392	235,592
Change in Fair Value of Investments	60,330	103,968
Program Income	33,979	33,979
Other	63,542	119,091
TOTAL REVENUES	3,656,139	10,605,171
EXPENDITURES		
Current		
General Government	78,289	1,971,771
Protection of Persons and Property	482,261	4,229,076
Public Works	354,330	663,477
Health and Sanitation	446,657	678,721
Transportation	452,528	609,607
Cultural and Recreational Services	707,376	794,376
Community Development	1,552,353	1,745,597
Capital Outlay	366,004	619,525
Debt Service		
Principal	147,300	535,299
Interest	58,625	171,738
Cost of Issuance	882	2,342
TOTAL EXPENDITURES	4,646,605	12,021,529
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(990,466)	(1,416,358)
OTHER FINANCING SOURCES (USES)		
Transfers In	784,819	1,289,209
Transfers Out	(169,045)	(1,044,514)
Issuance of Long-Term Debt	173,490	293,490
Premium on Issuance of Long-Term Debt	25,513	25,513
Issuance of Refunding Bonds	--	176,450
Premium on Issuance of Refunding Bonds	--	17,001
Lease and Subscription Liabilities Issued	6,883	41,809
TOTAL OTHER FINANCING SOURCES (USES)	821,660	798,958
NET CHANGE IN FUND BALANCES	(168,806)	(617,400)
FUND BALANCES, JULY 1	6,564,348	8,550,485
FUND BALANCES, JUNE 30	\$ 6,395,542	\$ 7,933,085

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, 2024
(amounts expressed in thousands)**

Net Change in Fund Balances - Total Governmental Funds \$ (617,400)

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.

317,852

Amortization of gains (losses) on refunding of debt is reported as interest expense in governmental activities, but is not reported for governmental funds.

(2,511)

Changes in unavailable revenues are reported as changes in deferred inflows of resources for governmental funds, but were recognized as revenues for governmental activities.

(308,553)

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

\$ 3,352

Net amortization of bond premiums and discounts

(15,404)

Total net interest expense and amortization of discount/premium

(12,052)

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.

23,841

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.

(144,911)

Changes in 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.

64,224

Change in Net Position of Governmental Activities

\$ (679,510)

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, 2024
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Basis)</u>	
REVENUES				
Taxes	\$ 5,818,855	\$ 5,702,343	\$ 5,694,395	\$ (7,948)
Licenses, Permits, Fees and Fines	1,478,324	1,463,477	1,417,403	(46,074)
Intergovernmental	113,187	61,218	58,370	(2,848)
Interest	77,000	81,589	87,926	6,337
Other	10,710	10,715	9,305	(1,410)
TOTAL REVENUES	7,498,076	7,319,342	7,267,399	(51,943)
EXPENDITURES				
Current				
General Government	2,621,127	2,917,892	2,436,077	481,815
Protection of Persons and Property	2,877,237	3,116,926	3,040,283	76,643
Public Works	502,476	599,050	553,124	45,926
Health and Sanitation	432,486	423,776	397,131	26,645
Transportation	216,896	222,271	205,489	16,782
Cultural and Recreational Services	60,267	66,415	54,642	11,773
Community Development	240,423	260,311	223,027	37,284
Pension and Retirement Contributions	2,876	3,097	3,097	--
Capital Outlay	167,340	175,152	67,791	107,361
TOTAL EXPENDITURES	7,121,128	7,784,890	6,980,661	804,229
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	376,948	(465,548)	286,738	752,286
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	1,777,646	2,894,368	2,479,890	(414,478)
Loans from Other Funds	--	--	42,602	42,602
Transfers to Other Funds	(2,259,160)	(2,428,820)	(2,428,427)	393
TOTAL OTHER FINANCING SOURCES (USES)	(481,514)	465,548	94,065	(371,483)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	(104,566)	--	380,803	380,803
FUND BALANCE, JULY 1				
Appropriation of Fund Balance and Carryforward Appropriations	104,566	104,566	--	(104,566)
Encumbrances Lapsed	--	(104,566)	--	104,566
Reversion to Reserve Fund	--	--	34,908	34,908
	--	--	(415,711)	(415,711)
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, 2024

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	Harbor	Power	Water
ASSETS				
CURRENT ASSETS				
Cash, Pooled and Other Investments				
Unrestricted	\$ 1,708,954	\$ 1,473,292	\$ 1,090,739	\$ 535,350
Restricted	548,385	155,001	824,509	273,360
Investments Held by Escrow and Fiscal Agents				
Unrestricted	1,633	--	--	--
Restricted	1,184,168	--	--	--
Accounts Receivable				
(Net of Allowance for Uncollectibles of \$380,609)	27,200	33,403	894,031	158,779
Accrued Unbilled Revenue	56,768	--	--	--
Investment Income Receivable	17,014	4,884	12,947	1,188
Intergovernmental Receivable	32,291	8,847	4,804	10,892
Leases Receivable	23,586	28,993	--	--
Restricted Passenger/Customer Facility Charges Receivable	31,281	--	--	--
Due from Other Funds	--	--	177,801	--
Inventories	1,517	3,094	290,819	52,079
Prepaid Items and Other Assets	16,715	533	859,467	479,196
TOTAL CURRENT ASSETS	3,649,512	1,708,047	4,155,117	1,510,844
NONCURRENT ASSETS				
Restricted Assets				
Pooled Cash and Cash Equivalents, and Other Investments	--	10,670	570,941	231,611
Investments Held by Escrow and Fiscal Agents	54,646	37,318	697,721	56,794
Total Restricted Assets	54,646	47,988	1,268,662	288,405
Long-term Investment				
Investment in Joint Ventures	--	4,576	--	--
Capital Assets				
Land	1,279,540	1,116,717	250,072	217,044
Construction in Progress	2,790,256	474,372	1,188,078	2,517,934
Buildings, Facilities and Equipment	19,213,957	5,189,086	24,725,978	12,622,470
Natural Gas Field	--	--	109,437	--
Nuclear Fuel	--	--	40,092	--
Right-to-use Lease Assets	102,865	2,103	68,929	31,626
Right-to-use Subscription Assets	40,475	2,967	12,555	3,043
Intangible Assets	115,713	25,360	274,307	--
Accumulated Depreciation/Amortization	(5,883,903)	(3,142,938)	(10,937,101)	(4,098,563)
Total Capital Assets, Net	17,658,903	3,667,667	15,732,347	11,293,554
Other Noncurrent Assets				
Advances to Other Funds	--	--	--	--
Regulatory Assets	--	--	778,830	147,722
Net Pension Asset	1,819	1,059	--	--
Net OPEB Asset	16,003	5,583	160,199	76,866
Leases Receivable, Net of Current Portion	139,605	267,358	23,409	2,278
Prepaid Items and Other Assets	4,335	--	99,899	--
Total Other Noncurrent Assets	161,762	274,000	1,062,337	226,866
TOTAL NONCURRENT ASSETS	17,875,311	3,994,231	18,063,346	11,808,825
TOTAL ASSETS	21,524,823	5,702,278	22,218,463	13,319,669
DEFERRED OUTFLOWS OF RESOURCES				
Debt Refunding	32,011	8,324	16,481	7,148
Derivative Instruments	--	--	1,392	--
Asset Retirement Obligation	--	--	67,451	--
Pensions	209,825	79,745	896,728	430,089
OPEB	24,875	10,400	167,163	84,721
TOTAL DEFERRED OUTFLOWS OF RESOURCES	266,711	98,469	1,149,215	521,958

Continued...

CITY OF LOS ANGELES

Statement of Net Position - (Continued)
Proprietary Funds
June 30, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Nonmajor Convention Center		Total
	Sewer		
ASSETS			
CURRENT ASSETS			
Cash, Pooled and Other Investments			
Unrestricted	\$ 295,215	\$ 25,054	\$ 5,128,604
Restricted	114,802	--	1,916,057
Investments Held by Escrow and Fiscal Agents			
Unrestricted	--	--	1,633
Restricted	--	--	1,184,168
Accounts Receivable			
(Net of Allowance for Uncollectibles of \$380,609)	173,300	6,003	1,292,716
Accrued Unbilled Revenue	48,970	--	105,738
Investment Income Receivable	2,843	--	38,876
Intergovernmental Receivable	821	--	57,655
Leases Receivable	--	--	52,579
Restricted Passenger/Customer Facility Charges Receivable	--	--	31,281
Due from Other Funds	53,607	--	231,408
Inventories	22,102	--	369,611
Prepaid Items and Other Assets	--	231	1,356,142
TOTAL CURRENT ASSETS	711,660	31,288	11,766,468
NONCURRENT ASSETS			
Restricted Assets			
Pooled Cash and Cash Equivalents, and Other Investments	104,959	--	918,181
Investments Held by Escrow and Fiscal Agents	7,320	--	853,799
Total Restricted Assets	112,279	--	1,771,980
Long-term Investment			
Investment in Joint Ventures	--	--	4,576
Capital Assets			
Land	40,859	139,592	3,043,824
Construction in Progress	549,376	--	7,520,016
Buildings, Facilities and Equipment	9,416,005	597,313	71,764,809
Natural Gas Field	--	--	109,437
Nuclear Fuel	--	--	40,092
Right-to-use Lease Assets	18,452	--	223,975
Right-to-use Subscription Assets	--	--	59,040
Intangible Assets	--	--	415,380
Accumulated Depreciation/Amortization	(5,043,063)	(377,701)	(29,483,269)
Total Capital Assets, Net	4,981,629	359,204	53,693,304
Other Noncurrent Assets			
Advances to Other Funds	7,638	--	7,638
Regulatory Assets	--	--	926,552
Net Pension Asset	--	--	2,878
Net OPEB Asset	--	--	258,651
Leases Receivable, Net of Current Portion	--	--	432,650
Prepaid Items and Other Assets	--	--	104,234
Total Other Noncurrent Assets	7,638	--	1,732,603
TOTAL NONCURRENT ASSETS	5,101,546	359,204	57,202,463
TOTAL ASSETS	5,813,206	390,492	68,968,931
DEFERRED OUTFLOWS OF RESOURCES			
Debt Refunding	19,363	--	83,327
Derivative Instruments	--	--	1,392
Asset Retirement Obligation	--	--	67,451
Pensions	--	--	1,616,387
OPEB	--	--	287,159
TOTAL DEFERRED OUTFLOWS OF RESOURCES	19,363	--	2,055,716

Continued...

CITY OF LOS ANGELES

Statement of Net Position - (Continued)
Proprietary Funds
June 30, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	Harbor	Power	Water
LIABILITIES				
CURRENT LIABILITIES				
Accounts, Contracts and Retainage Payable	\$ 396,764	\$ 60,802	\$ 380,010	\$ 164,249
Obligations Under Securities Lending Transactions	2,466	1,723	2,578	881
Accrued Salaries and Overtime Payable	21,500	8,870	86,118	39,821
Accrued Compensated Absences Payable	11,459	15,557	129,644	63,982
Due to Other Funds	--	--	--	177,801
Intergovernmental Payable	--	--	--	--
Deposits and Advances	--	--	--	266,309
Accrued Interest Payable	66,515	10,025	241,014	128,497
Unearned Revenue	9,605	--	--	--
Bonds and Notes Payable - Current Portion	580,897	43,415	357,799	184,790
Lease and Subscription Liabilities - Current Portion	17,611	--	8,760	4,211
PPP Availability Payment Liabilities - Current Portion	10,669	--	--	--
Other Current Liabilities	50,424	47,491	--	17,450
TOTAL CURRENT LIABILITIES	1,167,910	187,883	1,205,923	1,047,991
LONG-TERM LIABILITIES				
Bonds and Notes Payable - Noncurrent Portion (Net of Unamortized Premiums and Discounts of \$3,829,815)	12,159,510	488,580	12,376,606	7,327,675
Net Pension Liability	863,879	272,187	393,338	188,730
Asset Retirement Obligation	--	--	274,325	--
Derivative Instrument Liabilities	--	--	1,391	--
Lease Liabilities - Noncurrent Portion	50,034	1,148	39,749	17,388
Subscription Liabilities - Noncurrent Portion	5,227	740	6,041	1,316
PPP Availability Payment Liabilities - Noncurrent Portion	573,462	--	--	--
Other Long-term Liabilities	182,969	106,208	704,086	303,099
TOTAL LONG-TERM LIABILITIES	13,835,081	868,863	13,795,536	7,838,208
TOTAL LIABILITIES	15,002,991	1,056,746	15,001,459	8,886,199
DEFERRED INFLOWS OF RESOURCES				
Regulated Business Activities	--	--	227,190	--
Debt Refunding	50,893	--	176,056	105,690
Pensions	88,795	18,887	46,480	20,323
OPEB	66,026	21,872	283,521	137,639
Leases	148,381	272,212	21,672	2,386
TOTAL DEFERRED INFLOWS OF RESOURCES	354,095	312,971	754,919	266,038
NET POSITION				
Net Investment in Capital Assets	5,298,165	3,140,833	2,786,036	3,831,465
Restricted for:				
Debt Service	--	37,318	845,019	144,069
Passenger/Customer Facility Charges	315,836	--	--	--
Pension/Other Postemployment Benefits	17,822	6,642	160,199	76,866
Operations and Maintenance and Other Reserves	259,645	137,316	629,271	60,511
Unrestricted	542,980	1,108,921	3,190,775	576,479
TOTAL NET POSITION	\$ 6,434,448	\$ 4,431,030	\$ 7,611,300	\$ 4,689,390

Continued..

CITY OF LOS ANGELES

Statement of Net Position - (Continued)
Proprietary Funds
June 30, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
LIABILITIES			
CURRENT LIABILITIES			
Accounts, Contracts and Retainage Payable	\$ 69,049	\$ 5,034	\$ 1,075,908
Obligations Under Securities Lending Transactions	--	--	7,648
Accrued Salaries and Overtime Payable	--	907	157,216
Accrued Compensated Absences Payable	--	521	221,163
Due to Other Funds	13	--	177,814
Intergovernmental Payable	7,611	--	7,611
Deposits and Advances	--	3,194	269,503
Accrued Interest Payable	9,840	--	455,891
Unearned Revenue	--	--	9,605
Bonds and Notes Payable - Current Portion	468,540	--	1,635,441
Lease and Subscription Liabilities - Current Portion	1,726	--	32,308
PPP Availability Payment Liabilities - Current Portion	--	--	10,669
Other Current Liabilities	6,428	--	121,793
TOTAL CURRENT LIABILITIES	563,207	9,656	4,182,570
LONG-TERM LIABILITIES			
Bonds and Notes Payable - Noncurrent Portion (Net of Unamortized Premiums and Discounts of \$3,829,815)	2,391,607	--	34,743,978
Net Pension Liability	--	--	1,718,134
Asset Retirement Obligation	--	--	274,325
Derivative Instrument Liabilities	--	--	1,391
Lease Liabilities - Noncurrent Portion	12,129	--	120,448
Subscription Liabilities - Noncurrent Portion	--	--	13,324
PPP Availability Payment Liabilities - Noncurrent Portion	--	--	573,462
Other Long-term Liabilities	39,720	--	1,336,082
TOTAL LONG-TERM LIABILITIES	2,443,456	--	38,781,144
TOTAL LIABILITIES	3,006,663	9,656	42,963,714
DEFERRED INFLOWS OF RESOURCES			
Regulated Business Activities	--	--	227,190
Debt Refunding	12,642	--	345,281
Pensions	--	--	174,485
OPEB	--	--	509,058
Leases	--	--	444,651
TOTAL DEFERRED INFLOWS OF RESOURCES	12,642	--	1,700,665
NET POSITION			
Net Investment in Capital Assets	2,208,919	359,203	17,624,621
Restricted for:			
Debt Service	26,783	--	1,053,189
Passenger/Customer Facility Charges	--	--	315,836
Pension/Other Postemployment Benefits	--	--	261,529
Operations and Maintenance and Other Reserves	62,845	--	1,149,588
Unrestricted	514,717	21,633	5,955,505
TOTAL NET POSITION	\$ 2,813,264	\$ 380,836	\$ 26,360,268

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, 2024
(amounts expressed in thousands)**

Business-type Activities - Enterprise Funds				
	Airports	Harbor	Power	Water
OPERATING REVENUES				
Charges for Services	\$ 344,334	\$ 512,465	\$ 4,780,486	\$ 1,528,537
Rents, Concessions and Royalties	1,580,984	116,748	--	--
Other Operating Revenues	32,793	77,827	44,882	106,996
TOTAL OPERATING REVENUES	<u>1,958,111</u>	<u>707,040</u>	<u>4,825,368</u>	<u>1,635,533</u>
OPERATING EXPENSES				
Fuel for Generation	--	--	333,636	--
Purchased Power/Water	--	--	1,220,759	199,804
Maintenance and Repairs	--	--	492,387	259,556
Operating and Administrative	965,633	293,075	1,201,360	513,186
Depreciation and Amortization	765,423	149,883	805,263	254,996
TOTAL OPERATING EXPENSES	<u>1,731,056</u>	<u>442,958</u>	<u>4,053,405</u>	<u>1,227,542</u>
OPERATING INCOME (LOSS)	<u>227,055</u>	<u>264,082</u>	<u>771,963</u>	<u>407,991</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Income	182,040	39,333	149,312	31,458
Interest Expense	(461,543)	(17,712)	(408,392)	(236,551)
Interest Income from Leases	5,900	9,801	--	--
Grant Revenues	9,343	4,317	--	66,556
Other Income (Expenses), Net	211,006	482	245,981	(49,310)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(53,254)</u>	<u>36,221</u>	<u>(13,099)</u>	<u>(187,847)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>173,801</u>	<u>300,303</u>	<u>758,864</u>	<u>220,144</u>
Capital Contributions	128,606	54,252	70,492	238,774
Transfers Out	--	--	(244,695)	--
CHANGE IN NET POSITION	<u>302,407</u>	<u>354,555</u>	<u>584,661</u>	<u>458,918</u>
NET POSITION, JULY 1	<u>6,132,041</u>	<u>4,076,475</u>	<u>7,026,639</u>	<u>4,230,472</u>
NET POSITION, JUNE 30	<u>\$ 6,434,448</u>	<u>\$ 4,431,030</u>	<u>\$ 7,611,300</u>	<u>\$ 4,689,390</u>

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, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Nonmajor Convention Center		
	Sewer	Convention Center	Total
OPERATING REVENUES			
Charges for Services	\$ 695,463	\$ 4,599	\$ 7,865,884
Rents, Concessions and Royalties	--	29,073	1,726,805
Other Operating Revenues	8,712	19,694	290,904
TOTAL OPERATING REVENUES	704,175	53,366	9,883,593
OPERATING EXPENSES			
Fuel for Generation	--	--	333,636
Purchased Power/Water	--	--	1,420,563
Maintenance and Repairs	--	4,957	756,900
Operating and Administrative	446,024	48,997	3,468,275
Depreciation and Amortization	203,094	11,910	2,190,569
TOTAL OPERATING EXPENSES	649,118	65,864	8,169,943
OPERATING INCOME (LOSS)	55,057	(12,498)	1,713,650
NONOPERATING REVENUES (EXPENSES)			
Investment Income	23,928	515	426,586
Interest Expense	(102,672)	--	(1,226,870)
Interest Income from Leases	--	--	15,701
Grant Revenues	--	--	80,216
Other Income (Expenses), Net	102,398	--	510,557
TOTAL NONOPERATING REVENUES (EXPENSES)	23,654	515	(193,810)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Contributions	78,711	(11,983)	1,519,840
Transfers Out	14,988	--	507,112
	--	--	(244,695)
CHANGE IN NET POSITION	93,699	(11,983)	1,782,257
NET POSITION, JULY 1	2,719,565	392,819	24,578,011
NET POSITION, JUNE 30	\$ 2,813,264	\$ 380,836	\$ 26,360,268

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, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds			
	Airports	Harbor	Power	Water
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 1,949,256	\$ 720,740	\$ 4,950,052	\$ 1,782,214
Receipts for Interfund Services	--	--	754,229	813,425
Payments to Suppliers	(348,552)	(96,834)	(2,031,499)	(575,302)
Payments to Employees	(475,239)	(137,060)	(1,021,868)	(538,171)
Payments for Interfund Services	(137,509)	(45,145)	(1,159,776)	(774,323)
Cash Received from Nonoperating Revenues	--	--	--	--
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	987,956	441,701	1,491,138	707,843
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers Out	--	--	(244,695)	--
Cash Received from Noncapital Grants	9,343	4,037	--	66,556
Payments on line of credit for operations	--	--	--	(100,000)
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	9,343	4,037	(244,695)	(33,444)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(1,893,907)	(180,870)	(1,535,187)	(782,989)
Proceeds from Sales of Capital Assets	--	207	--	--
Receipts from Passenger/Customer Facility Charges	220,012	--	--	--
Proceeds from Sale of Bonds, Notes and Loans	92,865	--	701,374	385,264
Payments on Bonds, Notes and Loans - Interest	(540,351)	(25,174)	(622,981)	(300,228)
Payments on Bonds, Notes and Loans - Principal	(204,729)	(43,355)	(214,040)	(138,153)
Payments on Leases	(19,911)	(2,288)	--	--
Interest Received on Leases	5,966	9,801	--	--
Payments of Bonds and Notes Expenses	(4)	--	--	--
Capital Contributions/Grants Received	123,563	54,199	61,466	238,883
Federal Bond Subsidies	--	--	24,279	13,185
Proceeds from Insurance Recovery for Damage of Capital Assets	--	305	--	--
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(2,216,496)	(187,175)	(1,585,089)	(584,038)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	196,815	39,516	128,972	30,933
Cash Collateral Paid Under Securities Lending Transactions	(7,198)	(3,536)	--	--
Sale (Purchase) of Investment Securities, Net	(377,978)	2,154	(18,873)	(2,181)
Proceeds from Notes Receivable	--	--	6,308	--
Payments to Bond Reserve Fund	--	(213)	--	--
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(188,361)	37,921	116,407	28,752

Continued...

CITY OF LOS ANGELES

Statement of Cash Flows - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Sewer	Nonmajor Convention Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 723,075	\$ 51,107	\$ 10,176,444
Receipts for Interfund Services	--	--	1,567,654
Payments to Suppliers	(90,397)	(32,696)	(3,175,280)
Payments to Employees	--	(13,304)	(2,185,642)
Payments for Interfund Services	(366,803)	(5,827)	(2,489,383)
Cash Received from Nonoperating Revenues	46,291	--	46,291
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	312,166	(720)	3,940,084
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers Out	--	--	(244,695)
Cash Received from Noncapital Grants	67,460	--	147,396
Payments on line of credit for operations	--	--	(100,000)
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	67,460	--	(197,299)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(323,157)	(112)	(4,716,222)
Proceeds from Sales of Capital Assets	--	--	207
Receipts from Passenger/Customer Facility Charges	--	--	220,012
Proceeds from Sale of Bonds, Notes and Loans	145,000	--	1,324,503
Payments on Bonds, Notes and Loans - Interest	(130,827)	--	(1,619,561)
Payments on Bonds, Notes and Loans - Principal	(119,521)	--	(719,798)
Payments on Leases	(1,992)	--	(24,191)
Interest Received on Leases	--	--	15,767
Payments of Bonds and Notes Expenses	(518)	--	(522)
Capital Contributions/Grants Received	15,925	--	494,036
Federal Bond Subsidies	8,371	--	45,835
Proceeds from Insurance Recovery for Damage of Capital Assets	--	--	305
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(406,719)	(112)	(4,979,629)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	22,724	515	419,475
Cash Collateral Paid Under Securities Lending Transactions	--	--	(10,734)
Sale (Purchase) of Investment Securities, Net	--	--	(396,878)
Proceeds from Notes Receivable	--	--	6,308
Payments to Bond Reserve Fund	--	--	(213)
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	22,724	515	17,958

Continued...

CITY OF LOS ANGELES

Statement of Cash Flows - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds					
	Airports	Harbor	Power	Water	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
CASH AND CASH EQUIVALENTS, JULY 1	\$ (1,407,558)	\$ 296,484	\$ (222,239)	\$ 119,113	
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 4,219,841</u>	<u>\$ 1,331,809</u>	<u>\$ 2,708,428</u>	<u>\$ 921,208</u>	
CASH AND CASH EQUIVALENTS COMPONENTS	<u>\$ 2,812,283</u>	<u>\$ 1,628,293</u>	<u>\$ 2,486,189</u>	<u>\$ 1,040,321</u>	
Unrestricted Cash, Pooled and Other Investments	\$ 1,708,954	\$ 1,473,292	\$ 1,090,739	\$ 535,350	
Restricted Cash, Pooled and Other Investments	548,385	155,001	1,395,450	504,971	
Unrestricted Investments, Held by Escrow and Fiscal Agents	1,633	--	--	--	
Restricted Investments, Held by Escrow and Fiscal Agents	553,311	--	--	--	
TOTAL CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 2,812,283</u>	<u>\$ 1,628,293</u>	<u>\$ 2,486,189</u>	<u>\$ 1,040,321</u>	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 227,055	\$ 264,082	\$ 771,963	\$ 407,991	
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:					
Depreciation and Amortization	765,423	149,883	805,263	254,996	
Depletion	--	--	9,706	--	
Amortization of Nuclear Fuel	--	--	10,870	--	
Bad Debts Provision	2,829	(434)	54,042	--	
Other Nonoperating Revenues	362	--	--	--	
Changes in Assets, Liabilities, and Deferred Outflows and Inflows of Resources:					
Accounts Receivable	(5,293)	19,256	(185,927)	(63,348)	
Accrued Unbilled Revenue	(11,470)	--	--	--	
Leases Receivable	23,420	(366)	(23,413)	(2,278)	
Prepaid Items and Other Assets	(6,050)	(29)	(72,604)	(8,441)	
Due from Other Funds	--	--	(110,541)	--	
Inventories	--	(219)	(34,788)	(8,439)	
Other Assets	--	--	(20,350)	(48,766)	
Accounts, Contracts and Retainage Payable	(4,576)	10,596	34,335	84,375	
Accrued Salaries and Overtime Payable	1,163	3,366	11,385	(9,366)	
Accrued Compensated Absences Payable	20,277	--	9,928	--	
Overrecovered Costs-Pension	--	--	129,187	54,385	
Overrecovered Costs-OPEB	--	--	43,841	23,947	
Due to Other Funds	--	--	--	110,541	
Deposits and Advances	--	--	--	(1,603)	
Net Pension and OPEB Assets, Liabilities and Related Deferred Outflows and Inflows of Resources	(3,234)	5,876	7,824	(91,816)	
Deferred Inflows Related to Leases	(23,800)	(4,756)	(2,353)	(794)	
Other Liabilities	1,850	(5,554)	(3,522)	6,459	
TOTAL ADJUSTMENTS	<u>760,901</u>	<u>177,619</u>	<u>719,175</u>	<u>299,852</u>	
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>\$ 987,956</u>	<u>\$ 441,701</u>	<u>\$ 1,491,138</u>	<u>\$ 707,843</u>	
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Net Proceeds of Refunding Bonds Deposited with an Irrevocable Trust Account	\$ --	\$ --	\$ 1,108,500	\$ 252,900	
Defeased Debt and Costs Paid Through Escrow with Revenue Bonds	--	--	(1,109,800)	(253,200)	
Acquisition of Capital Assets Included in Accounts and Contracts Payable	119,919	2,399	168,300	55,300	
Net Change in Grants Receivable	(14,648)	--	--	--	
Write-Off (Loss) on Discontinued Construction Projects	--	56	--	--	
Sewage Disposal Contracts Capital Contributions	--	--	--	--	

Continued..

CITY OF LOS ANGELES

Statement of Cash Flows - (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds		
	Nonmajor Convention Center		Total
	Sewer	Nonmajor Convention Center	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (4,369)	\$ (317)	\$ (1,218,886)
CASH AND CASH EQUIVALENTS, JULY 1	519,345	25,371	9,726,002
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 514,976	\$ 25,054	\$ 8,507,116
CASH AND CASH EQUIVALENTS COMPONENTS			
Unrestricted Cash, Pooled and Other Investments	\$ 295,215	\$ 25,054	\$ 5,128,604
Restricted Cash, Pooled and Other Investments	219,761	--	2,823,568
Unrestricted Investments, Held by Escrow and Fiscal Agents	--	--	1,633
Restricted Investments, Held by Escrow and Fiscal Agents	--	--	553,311
TOTAL CASH AND CASH EQUIVALENTS, JUNE 30	\$ 514,976	\$ 25,054	\$ 8,507,116
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 55,057	\$ (12,498)	\$ 1,713,650
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities:			
Depreciation and Amortization	203,094	11,910	2,190,569
Depletion	--	--	9,706
Amortization of Nuclear Fuel	--	--	10,870
Bad Debts Provision	8	--	56,445
Other Nonoperating Revenues	47,454	--	47,816
Changes in Assets, Liabilities, and Deferred Outflows and Inflows of Resources:			
Accounts Receivable	18,900	(2,259)	(218,671)
Accrued Unbilled Revenue	--	--	(11,470)
Leases Receivable	--	--	(2,637)
Prepaid Items and Other Assets	--	269	(86,855)
Due from Other Funds	--	--	(110,541)
Inventories	(625)	--	(44,071)
Other Assets	--	--	(69,116)
Accounts, Contracts and Retainage Payable	3,231	1,601	129,562
Accrued Salaries and Overtime Payable	--	42	6,590
Accrued Compensated Absences Payable	--	160	30,365
Overrecovered Costs-Pension	--	--	183,572
Overrecovered Costs-OPEB	--	--	67,788
Due to Other Funds	(13,790)	--	96,751
Deposits and Advances	--	55	(1,548)
Net Pension and OPEB Assets, Liabilities and Related Deferred Outflows and Inflows of Resources	--	--	(81,350)
Deferred Inflows Related to Leases	--	--	(31,703)
Other Liabilities	(1,163)	--	(1,930)
TOTAL ADJUSTMENTS	257,109	11,778	2,226,434
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ 312,166	\$ (720)	\$ 3,940,084
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Net Proceeds of Refunding Bonds Deposited with an Irrevocable Trust Account	\$ --	\$ --	\$ 1,361,400
Defeased Debt and Costs Paid Through Escrow with Revenue Bonds	--	--	(1,363,000)
Acquisition of Capital Assets Included in Accounts and Contracts Payable	35,553	--	381,471
Net Change in Grants Receivable	--	--	(14,648)
Write-Off (Loss) on Discontinued Construction Projects	5,674	--	5,730
Sewage Disposal Contracts Capital Contributions	(937)	--	(937)

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, 2024
(amounts expressed in thousands)

	Pension and Other Postemployment Benefits Trust Funds	Custodial Funds
ASSETS		
Cash and Pooled Investments	\$ 102,206	\$ 268,906
Accounts Receivable	100,471	--
Special Assessments Receivable	--	260
Investment Income Receivable	283,283	60
Advance to Other Entities	925,027	--
Investments		
Short-term Investments	2,379,143	--
U.S. and Other Government Obligations	6,906,387	--
Domestic Stocks and Bonds	27,216,646	--
International Stocks and Bonds	16,514,449	--
Real Estate	4,872,126	--
Alternative Investments	15,471,668	--
Securities Lending Collateral	1,710,455	--
Fixed Income and Other Investments	2,735,913	--
Prepaid Health Subsidy	14,228	--
Capital Assets (Net of Accumulated Depreciation/Amortization of \$21,251)	78,870	--
TOTAL ASSETS	79,310,872	269,226
LIABILITIES		
Accounts Payable and Accrued Expenses	220,798	--
Benefits in Process of Payment	17,083	--
Due to Brokers	1,569,709	--
Fiduciary Liabilities	--	219
Obligations Under Securities Lending Transactions	1,710,455	12
Due to Other Entities	--	5,363
Mortgage Loan Payable - Noncurrent Portion	173,674	--
Deposits and Advances	27	8,900
TOTAL LIABILITIES	3,691,746	14,494
DEFERRED INFLOWS OF RESOURCES		
Leases	975	--
TOTAL DEFERRED INFLOWS OF RESOURCES	975	--
NET POSITION		
Restricted for:		
Pension Plans	65,205,803	--
Disability Plan	39,867	--
Death Benefit Plan	56,291	--
Postemployment Healthcare Plans	10,316,190	--
Individuals, Organizations and Other Governments	--	254,732
TOTAL NET POSITION	\$ 75,618,151	\$ 254,732

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, 2024
(amounts expressed in thousands)

	Pension and Other Postemployment Benefits Trust Funds	Custodial Funds
ADDITIONS		
Contributions		
Employer	\$ 2,041,027	--
Plan Member	599,932	--
Total Contributions	<u>2,640,959</u>	<u>--</u>
Self-Funded Insurance Premium	12,934	--
Health Insurance Premium Reserve	2,125	--
Tax Collections from Community Facilities Districts	--	9,008
Collections for Clean Fuel Rewards Program	--	405,629
Investment Income		
Net Appreciation in Fair Value of Investments	5,243,076	79
Interest Income	804,849	23
Income from Alternative Investments	79,078	--
Dividend Income	679,251	--
Securities Lending Income	53,161	--
Other Investment Income	56,896	--
Income from Real Estate Investments	88,305	--
Investment Income	7,004,616	102
Investment Expense	(390,435)	--
Securities Lending Expense	(40,950)	--
Net Investment Income	<u>6,573,231</u>	<u>102</u>
Other Income	739	--
TOTAL ADDITIONS	<u>9,229,988</u>	<u>414,739</u>
DEDUCTIONS		
Benefits Payments	3,981,195	--
Refunds of Member Contributions	33,184	--
Administrative Expenses	74,481	--
Payments for Clean Fuel Rewards Program	--	165,703
Debt Service Payments for Community Facilities Districts	--	8,431
TOTAL DEDUCTIONS	<u>4,088,860</u>	<u>174,134</u>
CHANGE IN NET POSITION		
Pension Plans	4,294,826	--
Disability Plan	(1,389)	--
Death Benefit Plan	9,758	--
Postemployment Healthcare Plans	837,935	--
Individuals, Organizations and Other Governments	--	240,605
TOTAL CHANGE IN NET POSITION	<u>5,141,130</u>	<u>240,605</u>
NET POSITION, JULY 1	<u>70,477,021</u>	<u>14,127</u>
NET POSITION, JUNE 30	<u>\$ 75,618,151</u>	<u>\$ 254,732</u>

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:

	<u>Page</u>
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.....	72
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.....	72
Note 3 - Stewardship, Compliance, and Accountability	
A. Budgets and Budgetary Basis of Accounting.....	74
B. Reconciliation of Operations on Budgetary Basis to the GAAP Basis.....	76
C. Deficit Fund Balances.....	77
Note 4 - Detailed Notes on All Funds	
A. Cash, Deposits and Investments.....	78
B. Receivables.....	108
C. Restricted Assets.....	109
D. Regulatory Assets and Deferred Inflows of Resources.....	109
E. Joint Ventures.....	111
F. Capital Assets.....	112
G. Interfund Receivables, Payables, and Transfers.....	115
H. Accounts Payable and Accrued Expenses.....	116
I. Long-term Liabilities.....	117
J. Current and Advance Refunding of Debt.....	140
K. Prior Years Defeasance of Debt.....	141
L. Tax and Revenue Anticipation Notes.....	141
M. Leases and Subscription-Based Information Technology Arrangements (SBITA).....	142
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 and Contingencies.....	196
D. Third-Party Obligations.....	209
E. Other Matters.....	210
F. CRA/LA, a Designated Local Authority and Successor Agency for the Former Community Redevelopment Agency (Former Agency) and Related Contingencies....	216
G. Subsequent Events.....	218

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 units. 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 notes, loans, lease, accounts, and taxes. Accounts receivable and taxes 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 \$11.0 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 \$4.9 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. 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 less. 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 2024, Power recorded \$9.7 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

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 31, 2022. 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".

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

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.

All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary funds financial statements. For governmental funds, earned vacation is recorded as expenditures to the extent that they are normally expected to be liquidated with expendable available resources and are due and payable at year-end. For governmental activities, earned vacation is generally liquidated by the General Fund.

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. There is no provision for the payment of the accumulated sick time at 75% of full pay. For Fire sworn employees, the City pays 100% of the excess over the maximum

Notes to the Basic Financial Statements

accumulated 1,632 hours, 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 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.

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 when due. The portion not currently due is 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.

Accumulated Compensated Time-Off

Accumulated compensated time-off is reported in the government-wide financial statements. For governmental funds, expenditures 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. Also, for governmental activities, accumulated compensated time-off is generally liquidated by the General Fund.

7. Regulatory Assets and Deferred Inflows of Resources

Regulatory assets and deferred inflows of resources were created by Power and Water by deferring certain expenses and revenues that are recoverable or payable by future rate charges in accordance with current rate ordinances, so as to 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. Prepays 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 \$12.3 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 \$1.5 billion mainly include other assets of Power and Water totaling \$1.0 billion as of June 30, 2024, 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.

Notes to the Basic Financial Statements

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 41 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.

Notes to the Basic Financial Statements

The lease transactions among City departments, Airports, Harbor, DWP, 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 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. 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.

13. 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

Notes to the Basic Financial Statements

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.

14. Fund Equity

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

Fund balances for all the major and nonmajor governmental funds as of June 30, 2024, were distributed as follows (in thousands):

	MICLA			Nonmajor Governmental Funds	Total
	General	Special Revenue	Debt Service		
NONSPENDABLE					
Advances to Other Funds	\$ 23,581	\$ --	\$ --	\$ --	\$ 23,581
Inventories	51,047	--	--	15,478	66,525
Prepaid Items and Other Assets	548	--	--	11,703	12,251
	<u>75,176</u>	<u>--</u>	<u>--</u>	<u>27,181</u>	<u>102,357</u>
RESTRICTED					
Affordable Housing, Community Development and Services	--	--	--	1,919,570	1,919,570
Debt Service	--	--	87,203	141,856	229,059
Fee Supported Programs	--	--	--	6,556	6,556
Fire and Crime Prevention and Emergency Services	--	--	--	61,924	61,924
Fire and Police Facilities	--	--	--	6,952	6,952
Governmental Functions and Services	--	--	--	40,786	40,786
Library and Cultural Activities	--	--	--	173,169	173,169
Other Capital Projects and Improvements	--	12,692	--	1,146	13,838
Recreation and Parks	--	--	--	933,837	933,837
Stormwater and Sanitation Projects and Services	--	--	--	368,256	368,256
Street Projects and Maintenance	--	--	--	28,028	28,028
Transit Projects and Services	--	--	--	658,743	658,743
	<u>--</u>	<u>12,692</u>	<u>87,203</u>	<u>4,340,823</u>	<u>4,440,718</u>
COMMITTED					
Affordable Housing, Community Development and Services	88,560	--	--	658,778	747,338
Fee Supported Programs	--	--	--	812,335	812,335
Fire and Crime Prevention and Emergency Services	3,842	--	--	13,145	16,987
Street Projects and Maintenance	--	--	--	281,229	281,229
Governmental Functions and Services	609	--	--	87,623	88,232
Library and Cultural Activities	--	--	--	39,402	39,402
Other Capital Projects and Improvements	--	--	--	2,354	2,354
Recreation and Parks	--	--	--	42,931	42,931
Stormwater and Sanitation Projects and Services	--	--	--	101,337	101,337
Transit Projects and Services	--	--	--	82,794	82,794
	<u>93,011</u>	<u>--</u>	<u>--</u>	<u>2,121,928</u>	<u>2,214,939</u>
ASSIGNED					
Affordable Housing, Community Development and Services	2,239	--	--	2,947	5,186
Fire and Crime Prevention and Emergency Services	8,313	--	--	--	8,313
Governmental Functions and Services	117,833	--	--	--	117,833
Library and Cultural Activities	4,855	--	--	--	4,855
Other Capital Projects and Improvements	38,288	--	--	--	38,288
Community and Economic Development	20,166	--	--	--	20,166
Health and Sanitation	16,752	--	--	--	16,752
Public Safety	71,322	--	--	--	71,322
Public Works and Transportation	97,272	--	--	--	97,272
	<u>377,040</u>	<u>--</u>	<u>--</u>	<u>2,947</u>	<u>379,987</u>
UNASSIGNED					
Reserve, Emergency and Contingency	697,523	--	--	--	697,523
Budget Stabilization	194,898	--	--	--	194,898
Unassigned	--	--	--	(97,337)	(97,337)
	<u>892,421</u>	<u>--</u>	<u>--</u>	<u>(97,337)</u>	<u>795,084</u>
	<u>\$ 1,437,648</u>	<u>\$ 12,692</u>	<u>\$ 87,203</u>	<u>\$ 6,395,542</u>	<u>\$ 7,933,085</u>

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, 2024, the City's Reserve Fund balance was \$697.5 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, 2024, the BSF's balance was \$194.9 million.

15. 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 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.

Notes to the Basic Financial Statements

For purposes of measuring the net pension and OPEB (asset) 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, 2023. Deferred inflows of resources related to leases are 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 that is recognized as revenue over the term of the lease.

Power reported deferred inflows of resources from regulated business activities of \$227.2 million at June 30, 2024, 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, 2024, Power did not defer any of this revenue.

16. 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, 2024, the governmental activities restricted net position totaled \$4.4 billion, of which \$1.4 billion is restricted by enabling legislation. Business-type activities' restricted net position totaled \$2.8 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."

17. 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.

18. 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 other component units 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.

19. Adoption of New GASB Pronouncements

The City adopted the following GASB statements in fiscal year 2024:

GASB Statement No. 99, "Omnibus 2022" Issued in April 2022, the statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by (1) practice issues that have been identified during the implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of non-monetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs have been implemented in fiscal year 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 has been implemented at the beginning fiscal year 2024 without material impact.

GASB Statement No. 100, "Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62." Issued in June 2022, the statement provides guidance on the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The City implemented this statement at the beginning of the fiscal year 2024, related to a change in estimate. Additional disclosures can be found in Note 4B Receivables.

20. 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. 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 statement will be effective beginning fiscal year 2025.

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 will be effective beginning fiscal year 2025.

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.

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 (asset) liabilities and bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The details of this \$14.9 billion difference are as follows (in thousands):

Direct Placements	\$ 29,710
Bonds and Notes	2,738,351
Add: Issuance Premium/Discount (to be amortized as interest expense)	181,392
Loans Payable to HUD	12,524
Financed Purchase Obligations	9,120
Lease and Subscription Liabilities	142,384
Accrued Interest Payable	29,456
Accrued Compensated Absences	1,037,371
Claims and Judgments Payable	3,280,736
Landfill Liability	41,697
Estimated Pollution Remediation Liability	45,758
Net Pension Liability	6,576,677
Net OPEB Liability (net of Net OPEB Asset)	<u>734,500</u>
Net adjustments to reduce governmental fund balances to arrive at governmental activities net position	<u>\$ 14,859,676</u>

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 \$317.9 million difference are as follows (in thousands):

Capital Outlays	\$ 619,525
Additional Capital Outlays	84,639
Donated Capital Assets	2,760
Depreciation Expense	<u>(389,072)</u>
Net adjustments to increase net change in fund balances of governmental funds to arrive at change in net position of governmental activities	<u>\$ 317,852</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 \$23.8 million difference are as follows (in thousands):

Debt Issued or Incurred	
Lease Revenue Bonds	\$ (176,450)
Revenue Bonds	(173,490)
MICLA Commercial Paper Notes	(120,000)
Lease and Subscription Liabilities	(42,014)
Principal Repayments	
General Obligation Bonds	91,070
Lease Revenue Bonds	119,548
Revenue Bonds	23,585
MICLA Commercial Paper Notes	231,815
Financed Purchase Obligations	8,997
Lease and Subscription Liabilities	41,506
HUD Loans	<u>19,274</u>
Net adjustments to increase net change in fund balances of governmental funds to arrive at change in net position of governmental activities	<u>\$ 23,841</u>

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 \$144.9 million difference are as follows (in thousands):

Increase in Accrued Compensated Absences	\$ (59,770)
Increase in Estimated Claims and Judgments	(53,388)
Decrease in Accrued Landfill Liability	761
Increase in Pollution Remediation Liability	<u>(32,514)</u>
Net adjustments to decrease net change in fund balances of governmental funds to arrive at change in net position of governmental activities	<u>\$ (144,911)</u>

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 Animal Sterilization Fund, Business Improvement Trust Fund, CASp Certification and Training Fund, City Attorney Consumer Protection Fund, Coastal Transportation Corridor Trust Fund, Council District 15 Real Property Trust Fund, CRA Non-Housing Bond Proceeds Fund, Deferred Compensation Plan Trust Fund, Economic Development Trust Fund, DOT Expedited Fee 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, Medical Intergovernmental Transfer Program Fund, Off-Site Sign Periodic Inspection Fee Fund, Opioids Settlement Trust Fund, Permit Parking Program Revenue 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, 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 324.

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 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

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 \$65,624 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 \$264.8 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 legal level of control are presented in Supplemental Schedule of Budget Appropriations, Expenditures and Other Financing Uses by Function and Object.

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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.14 and 5C. These commitments will be honored in the subsequent year carryforward appropriations.

B. Reconciliation of Operations on 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, 2024 is presented in the following pages for the City's budgeted major fund. The dollar amounts are expressed in thousands.

	<u>General Fund</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses - Budgetary Basis	\$ 380,803
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.	(73,119)
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).	(42,602)
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	641,342
Prior year encumbrances expended in current year	(537,791)
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.	(789,598)
Additional Budgeted Funds included as General category but Reported in Nonmajor Special Revenue Funds	
Department of Neighborhood Empowerment	(183)
City Ethics Commission	354
Accessible Housing Fund	<u>4,862</u>
Net Change in Fund Balance - GAAP Basis	<u>\$ (415,932)</u>

Notes to the Basic Financial Statements

C. Deficit Fund Balances

At the end of fiscal year 2024, the Street Lighting Maintenance Assessment Fund (SLMAF) reported a deficit of \$47.7 million. This deficit was primarily attributed to a one-time charge of \$56.8 million in arrears from the Department of Water and Power. The fund is scheduled to repay this amount between fiscal years 2025 and 2030. The City plans to reduce the deficit through future special assessment fees.

The Workforce Innovation Opportunity Act Fund (WIOA) reported a deficit fund balance of \$1.1 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, 2024, the summary of cash, pooled, and other investments for governmental activities, business-type activities, and fiduciary funds is as follows (in thousands):

	Governmental Activities	Business-Type Activities	Fiduciary Funds			Total
			Pension and Other Postemployment Benefits Trust Funds	Custodial Funds		
Cash and Pooled Investments	\$ 7,375,526	\$ 5,128,604	\$ 102,206	\$ 268,906	\$ 12,875,242	
Other investments with Escrow and Fiscal Agents	328	1,633	-	-		1,961
Restricted Assets						
Cash and Pooled Investments	11,023	2,834,238	-	-		2,845,261
Cash and Investments with Escrow and Fiscal Agents	-	2,037,967	-	-		2,037,967
Investments of Retirement Systems	-	-	77,806,787	-		77,806,787
Total Deposits and Investments	<u>\$ 7,386,877</u>	<u>\$ 10,002,442</u>	<u>\$ 77,908,993</u>	<u>\$ 268,906</u>	<u>\$ 95,567,218</u>	
Cash on hand					\$	288
Deposits						441,986
Investments						
Pooled						15,220,708
Other						79,904,236
Total Deposits and Investments					<u>\$</u>	<u>95,567,218</u>

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 rate 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.

Notes to the Basic Financial Statements

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, 2024, the book balance of the City's deposits was \$442.0 million and the balance per various financial institutions was \$441.9 million. The difference of \$0.1 million represents primarily deposits in transit and other reconciling items. Of the bank balance, \$14.0 million was covered by Federal Deposit Insurance Corporation (FDIC) and \$427.9 million was uninsured. The uninsured deposits of \$427.9 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. 21-1494 was adopted on September 23, 2022, as the City's investment policy. This policy shall remain in effect until the Council and the Mayor approve a subsequent revision. As of June 30, 2024, Council File No. 23-0357 (the subsequent revision of Investment Policy dated February 15, 2023) was still pending in Committee. 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 issued 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

At June 30, 2024, the investments held in the City Treasury's General and Special Investment Pool Programs and their maturities are as follows (in thousands):

Type of Investments	Amount	Investment Maturity				
		1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days to 5 Years	Over 5 Years
U.S. Treasury Bills	\$ 249,354	\$ 108,718	\$ 114,092	\$ 26,544	\$ -	\$ -
U.S. Treasury Notes	9,267,914	-	94,637	1,568,440	5,195,733	2,409,104
U.S. Agencies Securities	1,554,172	663,910	34,084	418,504	287,222	150,452
Medium-Term Notes	1,968,033	-	41,818	385,529	1,540,686	-
Commercial Paper	1,026,837	930,407	42,568	53,862	-	-
Certificates of Deposit - Negotiable	138,406	138,406	-	-	-	-
Asset-Backed Securities	243,131	-	-	-	243,131	-
Supranational Obligations	170,036	-	-	49,044	120,992	-
Short-Term Investment Funds	587,440	587,440	-	-	-	-
Securities Lending Short-Term Repurchase Agreements	15,385	15,385	-	-	-	-
Total General and Special Pools	<u>\$ 15,220,708</u>	<u>\$ 2,444,266</u>	<u>\$ 327,199</u>	<u>\$ 2,501,923</u>	<u>\$ 7,387,764</u>	<u>\$ 2,559,556</u>

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, 2024, the fair value hierarchy of the City's General and Special Pool investments are as follows (in thousands):

Investments	Amount	Fair Value Measurements Using	
		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	\$ 9,267,914	\$ 130,211	\$ 9,137,703
U.S. Agencies Securities	721,715	-	721,715
Medium-Term Notes	1,968,033	-	1,968,033
Asset-Backed Securities	243,131	-	243,131
Supranational Obligations	170,036	-	170,036
Total Investments Subject to Fair Value Hierarchy	<u>\$ 12,370,829</u>	<u>\$ 130,211</u>	<u>\$ 12,240,618</u>
Investments Not Subject to Fair Value Hierarchy			
U.S. Treasury Bills *	\$ 249,354		
U.S. Agencies Securities *	832,457		
Commercial Paper *	1,026,837		
Certificates of Deposit - Negotiable*	138,406		
Short-Term Investment Funds *	587,440		
Securities Lending Short-Term Repurchase Agreement **	<u>15,385</u>		
Total Investments not Subject to Fair Value Hierarchy	<u>\$ 2,849,879</u>		
Total Investments	<u><u>\$ 15,220,708</u></u>		

* 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 \$130.2 million, are valued using observable unadjusted quoted prices in an active market.

Investments classified in Level 2, totaling \$12.2 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 \$1.6 billion investments in U.S. government sponsored enterprises consist of securities issued by the Federal Home Loan Bank - \$672.9 million, Federal National Mortgage Association (Fannie Mae) - \$423.4 million, Federal Home Loan Mortgage Corporation (Freddie Mac) - \$220.0 million, Federal Farm Credit Bank - \$210.3 million, and Tennessee Valley Authority - \$27.6 million. Of the City's \$1.6 billion investments in U.S. Agencies securities, \$721.7 million were rated AA+ by S&P and Aaa by Moody's while the remaining \$832.5 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 \$2.0 billion were rated A3 or better by Moody's. Of this amount, \$1.9 billion were A or better with only \$0.1 billion rated at BBB+ by S&P as of June 30, 2024.

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 \$1.0 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, 2024.

Municipal bonds have no minimum rating requirement. The City did not have any investments in Municipal bonds as of June 30, 2024.

Supranational obligations must have a minimum of AA rating or its equivalent or better. The City's \$170.0 million investments in supranational obligations were rated AAA by S&P and Aaa by Moody's.

Investments in asset-backed securities of \$36.8 million were rated AAA by S&P and Aaa by Moody's, \$125.3 million were rated AAA by S&P and not rated by Moody's, and the remaining \$81.0 million were not rated by S&P but were rated Aaa by Moody's.

Notes to the Basic Financial Statements

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, 2024, 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, 2024:

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)	270 Days or less	40% of the agency's money ^C	Highest letter and number rating by NRSRO ^D
Commercial Paper - Pooled Funds ^E	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% ^F	None
Non-Negotiable Certificates of Deposits	5 Years	None	None
Placement Service Deposits	5 Years	50% ^G	None
Placement Service Certificates of Deposit	5 Years	50% ^G	None
Repurchase Agreements	1 Year	None	None
Reverse Repo/Securities Lending Agreements	92 Days ^H	20% of the base value of the portfolio	None ^I
Medium-Term Notes ^J	5 Years or less	30% ^C	A rating category or its equivalent or better
Money Market and Money Market Mutual Funds	N/A	20% ^K	Multiple ^{L, M}
Collateralized Bank Deposits ^N	5 Years	None	None
Mortgage Pass-through and Asset-Backed Securities	5 Years or less	20%	AA rating category or its equivalent or better
County Pooled Investments Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple ^O
Voluntary Investment Program Fund ^P	N/A	None	None
Supranational Obligations ^Q	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 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.

Notes to the Basic Financial Statements

- 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 agency.
- E 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).
- F No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- G 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.
- H 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.
- I 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.
- J 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."
- K No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- L 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.
- M 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.
- N 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.

Notes to the Basic Financial Statements

- 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).
- 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.
- 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 Notes. 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 2024, 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

The following table provides information on securities lent and collateral received as of June 30, 2024 (in thousands):

Type of Investments Lent		
For Cash Collateral		
Medium-Term Notes	\$	15,012
For Non-Cash Collateral		
U.S. Treasury Notes		465,185
Total Fair Value of Securities Lent	\$	<u>480,197</u>
Type of Collateral Received		
Cash Collateral *	\$	15,385
Non-Cash Collateral **		
For Lent U.S. Treasury Notes		474,858
Total Collateral Received	\$	<u>490,243</u>

* 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 2024.

** 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, 2024 are as follows (in thousands):

DWP	\$	754,515
Pensions		32,779,502
LACERS		23,205,907
DWP Plans		21,821,378
Others		<u>1,342,934</u>
Total	\$	<u>79,904,236</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, the investments of DWP outside of the City's investment pool programs and their maturities are as follows (in thousands):

Type of Investments	Amount*	Investment Maturities				
		1 to 30 Days	31 to 60 Days	61 to 365 Days	366 Days to 5 Years	Over 5 Years
U.S. Government Securities	\$ 15,856	\$ -	\$ 4,985	\$ 1,964	\$ 8,907	\$ -
U.S. Agencies Securities	462,837	14,123	4,189	59,921	377,542	7,062
Supranational Obligations	11,372	-	-	5,437	5,935	-
Medium-Term Notes	111,600	1,000	3,975	18,295	88,330	-
Negotiable Certificates of Deposit	33,829	13,432	1,000	19,397	-	-
California Local Agency Bonds	54,036	-	20,866	9,163	24,007	-
California State Bonds	9,855	-	-	4,817	5,038	-
Other State Bonds	31,818	1,000	996	11,450	18,372	-
Money Market Funds	23,312	23,312	-	-	-	-
Total	\$ 754,515	\$ 52,867	\$ 36,011	\$ 130,444	\$ 528,131	\$ 7,062

*Excluded investment derivative instruments of (\$1.4) million.

DWP holds investment derivative instruments that are measured at fair value in the amount of (\$1.4) 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.

At June 30, 2024, DWP's summary of the fair value hierarchy of investments are as follows (in thousands):

Investments by Fair Value Level	Amount*	Fair Value Measurements Using				
		Quoted Prices in Active Markets for Identical Assets (Level 1)			Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities	Amount*					
U.S. Government Securities	\$ 15,856	\$ 15,856	\$ -	- \$	- \$	-
U.S. Agencies Securities	462,837	-	462,837	-	-	-
Supranational Obligations	11,372	-	11,372	-	-	-
Medium-Term Notes	111,600	-	111,600	-	-	-
California Local Agency Bonds	54,036	-	54,036	-	-	-
California State Bonds	9,855	-	9,855	-	-	-
Other State Bonds	31,818	-	31,818	-	-	-
Total Debt Securities	697,374	15,856	681,518	-	-	-
Other						
Negotiable Certificates of Deposit	33,829	-	33,829	-	-	-
Money Market Funds	23,312	-	-	-	23,312	-
Total Other	57,141	-	33,829	-	23,312	-
Total Investments by Fair Value Level	\$ 754,515	\$ 15,856	\$ 715,347	- \$	-	23,312

*Excluded investment derivative instruments of (\$1.4) million.

Notes to the Basic Financial Statements

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, \$15.9 million as of June 30, 2024 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, 2024, \$396.7 million (85.7%) was rated with AAA or AA credit ratings by the NRSROs that rated them and \$66.1 million (14.3%) 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, 2024, all of the DWP's investments in supranational notes 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 upon purchase. Of DWP's investments in corporate notes as of June 30, 2024, \$12.0 million (10.8%) was rated in the category of AAA, \$39.8 million (35.7%) was rated in the category of AA, \$59.8 million (53.5%) 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, 2024, there were no investments in commercial paper.

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, 2024, DWP's investments in certificates of deposits included \$33.8 million of negotiable certificates of deposit with at least the highest letter and number rating as provided by at least two NRSROs.

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, 2024, there were no investments in bankers' acceptances.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, \$12.9 million (23.9%) was rated in the category of AAA and \$41.1 million (76.1%) 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 California State bonds must be rated in a rating category of A or its equivalent or better by an NRSRO. Of DWP's investments in California State bonds as of June 30, 2024, \$0.9 million (9.3%) was rated in the category of AAA, and \$8.9 million (90.7%) 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, 2024, \$8.5 million (26.7%) was rated in the category of AAA, and \$23.3 million (73.3%) was rated in the category of AA. All of DWP's investments in other 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 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, 2024, 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, 2024, \$28.0 million (3.7%) was invested in securities issued by the Federal Farm Credit Bank, \$115.2 million (15.3%) was invested in securities issued by the Federal Home Loan Mortgage Corporation, \$196.7 million (26.1%) was invested in securities issued by the Federal Home Loan Bank, \$56.8 (7.5%) million was invested in securities issued by the Federal National Mortgage Association, and \$66.1 million (8.8%) was invested in securities issued by the Federal Agricultural Mortgage Corporation.

Fire and Police Pension and Health Subsidy Plans (Pensions)

At June 30, 2024, the Pensions' investments are as follows (in thousands):

Investment Type	Health Subsidy		
	Pensions Plan	Plan	Total
Short-Term Investments	\$ 1,099,979	\$ 126,549	\$ 1,226,528
U.S. Government Obligations	2,765,949	318,213	3,084,162
Domestic Corporate Bonds	3,194,821	367,553	3,562,374
International Bonds	170,045	19,563	189,608
Domestic Stocks	9,866,592	1,135,117	11,001,709
International Stocks	4,625,200	532,113	5,157,313
Real Estate	1,560,364	179,514	1,739,878
Alternative Investments	5,344,644	614,883	5,959,527
Securities Lending Collateral	769,836	88,567	858,403
Total	\$ 29,397,430	\$ 3,382,072	\$ 32,779,502

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

At June 30, 2024, Pensions has the following recurring fair value measurements (in thousands):

	Amount	Fair Value Measurements Using			
		Quoted Prices for Identical Assets or Liabilities 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	\$ 2,138,892	\$ -	\$ 2,138,892	\$ -	
U.S. Agencies	933,248	-	933,050	198	
Municipal/Provincial Bonds	12,022	-	12,022	-	
Collateralized Debt Obligations	738,211	-	730,110	8,101	
Commercial Paper	245,453	-	239,150	6,303	
Corporate Bonds	2,718,310	-	2,718,025	285	
Total Debt Securities	<u>6,786,136</u>	<u>-</u>	<u>6,771,249</u>	<u>14,887</u>	
Equity Securities					
Common Stock	16,058,914	16,051,985	82	6,847	
Preferred Stock	100,098	96,466	-	3,632	
Other	10	-	-	10	
Total Equity Securities	<u>16,159,022</u>	<u>16,148,451</u>	<u>82</u>	<u>10,489</u>	
Real Estate					
Real Estate	<u>575,162</u>	<u>297,511</u>	<u>-</u>	<u>277,651</u>	
Derivatives					
Derivatives	3,733	17	3,716	-	
Total Investments by Fair Value Level	<u>\$ 23,524,053</u>	<u>\$ 16,445,979</u>	<u>\$ 6,775,047</u>	<u>\$ 303,027</u>	
Investments Measured at the Net Asset Value (NAV)					
Private Equity Partnerships	\$ 5,955,794				
Real Estate	1,164,716				
Corporate Debt Securities	50,008				
Total Investments Measured at NAV	<u>\$ 7,170,518</u>				

Note: Short-term investments of \$1.23 billion and Securities Lending collateral of \$858.4 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. 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 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	\$ 5,955,794	\$ 2,978,227	N/A	
Real Estate ⁽¹⁾	1,164,716	621,567	Quarterly	90 - 179 days
Corporate Debt Securities	50,008	--	Anytime	
Total Investments Measured at NAV	<u>\$ 7,170,518</u>	<u>\$ 3,599,794</u>		

⁽¹⁾ This type of investment includes \$716.4 million of commingled real estate committed and funded that can be redeemed quarterly with 90 to 179 days redemption notice period.

Notes to the Basic Financial Statements

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 Pension's fixed income investments by investment type:

Investment Type	Amount (in thousands)	Weighted Average Maturity (in years)
Asset-Backed Securities	\$ 391,480	7.08
Bank Loans	245,453	4.92
Commercial Mortgage-Backed	158,064	16.96
Corporate Bonds	2,433,124	8.66
Corporate Convertible Bonds	31,733	9.28
Government Agencies Bonds	112,415	6.60
Government Bonds	1,180,436	12.46
Government Mortgage-Backed Securities	898,532	25.66
Government Issued Commercial Mortgage-Backed	3,960	38.98
Index Linked Government Bonds	1,123,818	3.53
Municipal/Provincial Bonds	13,879	31.06
Non-Government Backed Collateralized Mortgage Obligations	188,667	27.77
Sukuk	4,575	4.55
Asset/Mortgage-Backed Securities/Other Fixed Income Funds	50,008	N/A
Total	<u>\$ 6,836,144</u>	

Investments that are highly sensitive to interest rate risk at June 30, 2024 are as follows (in thousands):

Investment Type	Amount
Asset-Backed Securities	\$ 391,480
Commercial Mortgage-Backed	158,064
Government Agencies Bonds	112,415
Government Mortgage-Backed Securities	898,532
Non-Government Backed Collateralized Mortgage Obligations	188,667
Total	<u>\$ 1,749,158</u>

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

As of June 30, 2024, 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	\$ 2,514,682	42.95 %
AA	111,170	1.90
A	646,709	11.05
BBB	778,198	13.29
BB	537,707	9.18
B	600,701	10.26
CCC	95,631	1.63
CC	5,077	0.09
C	76	-
Not Rated	565,118	9.65
Subtotal	5,855,069	<u>100.00 %</u>
U.S. Government Issued or Guaranteed Securities	981,075	
Total Fixed Income Investments	\$ 6,836,144	

Concentration of Credit Risk. As of June 30, 2024, 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, 2024, Pensions' exposure to custodial credit risk comprised of foreign currencies held outside the custodial bank amounted to \$28.1 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, 2024, 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, 2024, the private equity of \$6.0 billion, and commingled real estate funds of \$1.2 billion, were exposed to custodial credit risk.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, are as follows (in thousands):

Foreign Currency	Fair Value
Australian Dollar	\$ 199,122
Brazilian Real	93,309
British Pound Sterling	809,017
Canadian Dollar	122,718
Chinese Yuan Renminbi	13
Colombian Peso	5,955
Danish Krone	155,106
Euro	1,879,593
HK Offshore Chinese Yuan Renminbi	22,244
Hong Kong Dollar	171,427
Indian Rupee	60,568
Indonesian Rupiah	6,927
Japanese Yen	942,565
Mexican Peso	47,391
New Israeli Shekel	7,119
New Taiwan Dollar	102,592
New Zealand Dollar	3,964
Norwegian Krone	17,165
Saudi Riyal	2,172
Singapore Dollar	38,870
South African Rand	19,517
South Korean Won	130,682
Swedish Krona	134,931
Swiss Franc	358,383
Thai Baht	119
Turkish Lira	7,040
Uruguayan Peso Uruguayo	4,361
Total	<u><u>\$ 5,342,870</u></u>

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, 2024 was 9.94%. The source for the rate of return was the June 30, 2024 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.

Notes to the Basic Financial Statements

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, 2024, 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, 2024, \$858.4 million was cash collateral and \$787.5 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, 2024:

Securities Lent	Cash	Non-Cash	Total Collateral Securities
U.S. Government and Agency Securities	\$ 296,314	\$ 65,063	\$ 361,377
Domestic Corporate Fixed Income Securities	254,593	80,976	335,569
Domestic Equities	211,027	578,791	789,818
International Fixed Income Securities	4,808	457	5,265
International Equities	91,661	62,187	153,848
	<u>\$ 858,403</u>	<u>\$ 787,474</u>	<u>\$ 1,645,877</u>

Fair value of loaned securities as of June 30, 2024:

Securities Lent	Cash	Non-Cash	Total Loaned Securities
U.S. Government and Agency Securities	\$ 288,212	\$ 63,172	\$ 351,384
Domestic Corporate Fixed Income Securities	248,120	78,727	326,847
Domestic Equities	205,322	566,998	772,320
International Fixed Income Securities	4,506	418	4,924
International Equities	86,439	57,841	144,280
	<u>\$ 832,599</u>	<u>\$ 767,156</u>	<u>\$ 1,599,755</u>

For fiscal year ended June 30, 2024, securities lending income amounted to \$6.4 million, while securities lending expenses amounted to \$0.9 million.

Notes to the Basic Financial Statements

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, 2024, classified by type, and the changes in fair value of such derivative instruments are as follows (in thousands):

Type	Changes in Fair Value		Fair Value at June 30, 2024		Notional Amount
	Classification	Amount	Classification	Amount	
Investment Derivatives:					
Futures - Shorts	N/A	\$ --	Investment	\$ --	\$ (179,474)
Futures - Longs	Investment Loss	(576)	Investment	--	813,876
Forwards	Investment Revenue	5,838	Investment	3,455	--
Options	Investment Loss	(275)	Investment	27	--
Others	Investment Revenue	40	Investment	--	--
Rights/Warrants	Investment Loss	(321)	Investment	10	--
Swaps	Investment Revenue	12,171	Investment	3,706	--

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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

At June 30, 2024, LACERS' investments are as follows (in thousands):

Investment Type	Retirement Plan	Postemployment Health Care Plan	Total
Short-Term Investments	\$ 444,240	\$ 87,628	\$ 531,868
U.S. Government Obligations	1,392,140	274,605	1,666,745
Municipal Bonds	11,240	2,218	13,458
Domestic Corporate Bonds	846,140	166,904	1,013,044
International Bonds	949,776	187,347	1,137,123
Other Fixed Income	500,575	98,740	599,315
Bank Loans	119,205	23,514	142,719
Opportunistic Debts	434,273	85,662	519,935
Domestic Stocks	5,194,915	1,024,718	6,219,633
International Stocks	3,982,294	785,524	4,767,818
Mortgage-Backed Securities	611,364	120,594	731,958
Government Agencies	11,586	2,285	13,871
Derivative Instruments	(6,747)	(1,331)	(8,078)
Real Estate	1,043,257	205,787	1,249,044
Alternative Investments	3,714,381	732,676	4,447,057
Securities Lending Collateral	133,971	26,426	160,397
Total	\$ 19,382,610	\$ 3,823,297	\$ 23,205,907

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, 2024, LACERS had no specific plans to sell investments at amounts different from NAV. These investments are disclosed in the Investments Measured at the NAV.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

LACERS has the following recurring fair value measurements as of June 30, 2024 (in thousands):

	Amount	Fair Value Measurements Using		
		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	\$ 2,375,003	\$ -	2,371,377	\$ 3,626
Government Agencies	70,854	-	70,854	-
Municipal/Provincial Bonds	14,243	-	14,243	-
Corporate Bonds	1,384,142	-	1,376,223	7,919
Bank Loans	142,719	-	142,719	-
Government Mortgage Bonds	631,346	-	631,346	-
Commercial Mortgage Bonds	100,612	-	100,612	-
Opportunistic Debts	142,282	-	-	142,282
Total Debt Securities	4,861,201	-	4,707,374	153,827
Equity Securities				
Common Stock				
Basic Industries	1,518,528	1,518,418	-	110
Capital Good Industries	507,323	507,019	-	304
Consumer and Services	2,131,645	2,131,505	4	136
Energy	628,955	628,727	-	228
Financial Services	1,527,243	1,526,978	55	210
Health Care	984,197	984,097	-	100
Information Technology	1,988,610	1,988,481	-	129
Real Estate	761,083	760,958	-	125
Other Funds - Common Stock	882,311	-	882,311	-
Miscellaneous	2,258	-	-	2,258
Total Common Stock	10,932,153	10,046,183	882,370	3,600
Preferred Stock	48,946	48,946	-	-
Stapled Securities	5,442	5,442	-	-
Convertible Equity	910	910	-	-
Total Equity Securities	10,987,451	10,101,481	882,370	3,600
Real Estate Funds	426,499	-	-	426,499
Total Investments by Fair Value Level	16,275,151	\$ 10,101,481	\$ 5,589,744	\$ 583,926

Investments Measured at the Net Asset Value (NAV)

Common Fund Assets	599,315
Private Equity Funds	4,447,057
Real Estate Funds	822,545
Opportunistic Debts	377,652

Total Investments Measured at NAV	6,246,569
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Total Investments Measured at Fair Value (1)	\$ 22,521,720
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Investment Derivative Instruments

Future Contracts (Liabilities)	\$ (3) \$	(3) \$	- \$	-
Foreign Exchange Contracts (Liabilities)	(2,422)	-	(2,422)	-
Rights/Warrants/Options/Swaps	(5,653)	(5,195)	(459)	1
Total Investment Derivative Instruments	\$ (8,078) \$	(5,198) \$	(2,881) \$	1

(1) Excluded \$(8.1) million of investment derivative instruments, \$531.9 million of short-term investments and \$160.4 million of securities lending collateral.

Investments Measured at NAV (in thousands):

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Common Fund Assets (1)	\$ 599,315	\$ -	Daily	2 days
Private Equity Funds (2)	4,447,057	1,889,717	N/A	N/A
Real Estate Funds (3)	822,545	254,503	Daily, Quarterly	1-90 days
Opportunistic Debts (4)	377,652	-	Monthly	30 days
Total Investments Measured at NAV	\$ 6,246,569	\$ 2,144,220		

Notes to the Basic Financial Statements

- (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 equity funds - This investment type includes 327 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.
- (3) Real estate funds - This investment type includes 22 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 84.3% 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. Thirteen investments, representing approximately 15.7% 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.
- (4) Opportunistic debts - This investment type includes two commingled funds: one that invests 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 senior loan fund, representing approximately 99.8% of the value of this investment type, can be redeemed monthly. The distressed investment fund, representing approximately 0.2% 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

Information about the sensitivity of the fair values of LACERS investments to market interest rate fluctuations as of June 30, 2024 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	\$ 88,581	2.71
Bank Loans	142,719	(0.09)
Commercial Mortgage-Backed Securities	100,612	2.18
Corporate Bonds	1,262,171	5.10
Government Agencies	70,854	6.86
Government Bonds	1,551,963	7.12
Government Mortgage-Backed Securities	631,346	7.41
Index Linked Government Bonds	823,040	4.26
Municipal/Provincial Bonds	14,243	5.20
Non-Government Backed Collateralized Mortgage Obligations (C.M.O.s)	33,389	4.81
Opportunistic Debts	519,935	0.10
Other Fixed Income (Funds)	599,315	6.13
Derivative Instruments	(31)	2.71
Total	\$ 5,838,137	

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, 2024, are as follows:

S&P Ratings	Fair Value (in thousands)	Percentage
AAA	\$ 48,206	1.17 %
AA+	5,750	0.14
AA	1,215,680	29.56
AA-	21,138	0.51
A+	34,438	0.84
A	71,245	1.73
A-	178,840	4.35
BBB+	238,930	5.81
BBB	217,999	5.30
BBB-	210,454	5.12
BB+	99,789	2.43
BB	167,927	4.08
BB-	119,930	2.92
B+	75,685	1.84
B	402,058	9.78
B-	127,660	3.10
CCC+	51,565	1.25
CCC	36,618	0.89
CCC-	9,940	0.24
CC	10,071	0.24
C	177	--
D	5,265	0.13
Not Rated	763,693	18.57
	4,113,058	100.00 %
U.S. Government Guaranteed Securities *	1,725,110	
Total Fixed Income Investments	\$ 5,838,168	

* 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, 2024, contained no concentration of investments in any one entity that represented 5% or more of the total investment portfolio.

Custodial Credit Risk. Deposits are exposed to custodial credit risk if they are not insured or not collateralized. As of June 30, 2024, LACERS has exposure to such risk in the amount of \$36.9 million, or 0.5% of the fair value of total international investments. The amount represents non-invested cash denominated in foreign currencies, managed by 12 different investment managers, and held outside of

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, 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 24% 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, 2024, which represent 24.01% of the fair value of total investments, are as follows (in thousands):

Foreign Currency	Fair Value
Australian Dollar	\$ 129,815
Brazilian Real	95,876
British Pound Sterling	513,133
Canadian Dollar	275,725
Chilean Peso	8,698
Chinese Yuan Renminbi	58,587
Colombian Peso	25,353
Czech Koruna	21,159
Danish Krone	99,981
Egyptian Pound	2,222
Euro	1,543,292
Hong Kong Dollar	228,402
Hungarian Forint	13,748
Indian Rupee	335,525
Indonesian Rupiah	66,756
Israeli New Shekel	27,195
Japanese Yen	676,458
Kazakhstan Tenge	1,113
Kuwaiti dinar	1,388
Malaysian Ringgit	66,095
Mexican Peso	99,332
New Romanian Leu	19,876
New Taiwan Dollar	250,088
New Zealand Dollar	3,575
Norwegian Krone	57,631
Peruvian Nuevo Sol	7,318
Philippine Peso	11,677
Polish Zloty	49,709
Qatari Riyal	4,586
Russian Ruble	646
Saudi riyal	22,054
Serbian dinar	913
Singapore Dollar	39,297
South African Rand	76,004
South Korean Won	154,825
Swedish Krona	130,130
Swiss Franc	236,027
Thai Baht	43,761
Turkish Lira	32,059
United Arab Emirates Dirham	13,284
Uruguayan Peso Uruguayo	534
Total	<u>\$ 5,443,847</u>

Notes to the Basic Financial Statements

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	\$ 88,581
Commercial Mortgage-Backed Securities	100,612
Government Agencies	70,854
Government Mortgage-Backed Securities	631,346
Non-Government Backed C.M.O.s	33,389
Total	<u>\$ 924,782</u>

Money-Weighted Rate of Return. For the fiscal year ended June 30, 2024, the aggregate annual money-weighted rate of return on LACERS investments, net of investment expenses was 8.4%. 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.

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, 2024, are as follows (in thousands):

Derivative Type	Notional Amount	Fair Value	Change in Fair Value
Future Contracts:			
Equity Index	\$ 25,499	\$ 28	\$ (105)
Interest Rate	(63,252)	(31)	(52)
Currency Forward			
Contracts	624,689	(2,422)	(3,641)
Currency Options	N/A	(459)	899
Right / Warrants	N/A	50	2
Swaps-Interest Rate	N/A	(6,139)	(3,751)
Swaps-Credit Contracts	N/A	895	456
Total Value	\$ (8,078)	\$ (6,192)	

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.

Notes to the Basic Financial Statements

As of June 30, 2024, without respect to netting arrangements, LACERS maximum income on derivative instruments subject to credit risk, namely currency forward contracts, is \$2.7 million. All counterparties of these investment derivatives had the credit rating of "A" or "AA" 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, 2024 (in thousands):

Securities on Loan	Fair Value of Securities on Loan	Cash Collateral Received
U.S. Government and Agency Securities	\$ 6,860	\$ 7,052
Domestic Corporate Fixed Income Securities	87,576	89,988
International Fixed Income Securities	10,196	11,056
Domestic Stocks	26,422	27,184
International Stocks	23,863	25,117
	<u>\$ 154,917</u>	<u>\$ 160,397</u>

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

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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

At June 30, 2024, DWP Plans' investments are as follows (in thousands):

Investment Type	Retirement and Disability Benefit Plans	Retirees Health and Death Benefit Plans	Total
Domestic Stocks	\$ 3,559,198	\$ 674,942	\$ 4,234,140
International Stocks	3,759,224	712,874	4,472,098
Mortgage-Backed Securities	283,151	53,695	336,846
Domestic Corporate Bonds	996,732	189,014	1,185,746
International Bonds	664,481	126,008	790,489
Private Credit	330,885	62,747	393,632
Alternative Investments	4,297,227	767,857	5,065,084
Real Estate	1,572,471	310,733	1,883,204
U.S. Treasuries	795,133	150,784	945,917
U.S. Agency Notes	1,005,093	190,599	1,195,692
Municipal Bonds	5,151	977	6,128
Short-Term Investments	521,797	98,950	620,747
Securities Lending Collateral	549,267	142,388	691,655
Total	\$ 18,339,810	\$ 3,481,568	\$ 21,821,378

DWP Plans has the following recurring fair value measurements as of June 30, 2024 (in thousands):

Investments by Fair Value	Fair Value Measurements Using				Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)		
Equity Securities					
Domestic Equities	\$ 4,234,140	\$ -	\$ -	\$ -	\$ 4,234,140
International Equities	4,472,098	-	-	-	4,472,098
Preferred Securities	10,331	-	-	-	10,331
Fixed Income Securities					
U.S. Treasuries	-	945,917	-	-	945,917
U.S. Agencies	-	1,195,692	-	-	1,195,692
Mortgage and Asset-Backed Securities	-	336,846	-	-	336,846
Corporate Debt - Domestic	-	1,175,415	-	-	1,175,415
Corporate Debt - International	-	512,065	-	-	512,065
Government Debt - International	-	278,424	-	-	278,424
Municipal / Provincial Bonds	-	6,128	-	-	6,128
Total Investments by Fair Value	\$ 8,716,569	\$ 4,450,487	\$ -	\$ -	\$ 13,167,056

* Mutual funds of \$620.7 million and security lending short-term investments of \$691.7 million 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.

Notes to the Basic Financial Statements

Fair Value of Investments Measured at the Net Asset Value (NAV). Below is a summary of the DWP Plans' investments at June 30, 2024 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	\$ 2,224,962	\$ 863,455	Not Eligible	Not Eligible
Fund of Funds	648,967	460,208	Not Eligible	Not Eligible
Private Credit				
Open Ended	194,246	51,118	Annually*	90 days
Close Ended	199,386	216,925	Not Eligible	Not Eligible
Real Estate				
Open Ended	930,733	-	Quarterly	45-90 days
Close Ended	952,471	945,584	Not Eligible	Not Eligible
Real Return				
Commodities	291,501	-	Daily	2 days
Timberland	39,991	-	Not Eligible	Not Eligible
Short Duration TIPS	688,449	-	Daily	3 days
Hedge Fund				
Fund of Funds	1,171,214	-	Daily	60 days
Total Investments Measured at NAV	<u>\$ 7,341,920</u>	<u>\$ 2,537,290</u>		

* 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.

Notes to the Basic Financial Statements

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, 2024 are as follows:

Credit Rating	Amount (in thousands)	Percentage
AAA	\$ 197,768	5.93 %
A or Better	180,536	5.42
B or Better	1,457,093	43.70
C or Better	269,809	8.09
Not Rated	1,228,381	36.85
Subtotal	3,333,587	100.00 %
U.S. Government Issued or Guaranteed Securities	2,141,609	
Total Fixed Income Investments	\$ 5,475,196	

Custodial Credit Risk. As of June 30, 2024, DWP Plans' cash balances consist primarily of cash deposits in the City Treasury.

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, 2024, 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, 2024, DWP Plans' exposure to interest rate risk is as follows:

Investment Type	Amount (in thousands)	Weighted Average Maturity (Years)
U.S. Treasuries	\$ 945,917	4.60
U.S. Agency Notes	1,195,692	23.67
Preferred Securities	10,331	--
Mortgage and Asset-Backed Securities	336,846	14.83
Corporate Debt - Domestic	1,175,415	7.83
Corporate Debt - International	512,065	8.06
Government Debt - International	278,424	13.22
Municipal / Provincial Bonds	6,128	15.10
Mutual Funds	620,747	--
Total*	\$ 5,081,565	10.77

* Not included are private credit investments of \$393.6 million with average redemption periods ranging 5 to 8 years.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

Foreign Currency Risk. DWP Plans' investment policy permits the investment in foreign currency of up to 21.8% of total investments in non-U.S. investments. As of June 30, 2024, DWP Plans' exposure to foreign currency risk is 15.04% of the fair value of total investments, as follows (in thousands):

Foreign Currency	Fair Value
Australian Dollar	\$ 58,700
Brazilian Real	39,548
British Pound Sterling	425,697
Canadian Dollar	187,849
Chinese Yuan Renminbi	647
HK Offshore Chinese Yuan	25,352
Chilean Peso	1,887
Colombian Peso	3,697
Czech Koruna	831
Danish Krone	56,980
Dominican Peso	1,196
Egyptian Pound	2,246
Euro Currency Unit	1,152,300
Hong Kong Dollar	119,970
Hungarian Forint	2,180
Indonesian Rupiah	15,254
Indian Rupee	3,823
Israeli New Shekel	640
Japanese Yen	522,277
Malaysian Ringgit	22,914
Mexican New Peso	31,341
New Taiwan Dollar	140,056
New Zealand Dollar	1,190
Nigerian Naira	1,077
Norwegian Krone	17,505
Peruvian Nuevo Sol	2,163
Philippine Peso	5,333
Polish Zloty	15,718
Russian Ruble	6,434
Singapore Dollar	30,168
South African Rand	25,792
South Korea Won	118,301
Swedish Krona	53,258
Swiss Franc	145,899
Thailand Baht	19,477
Turkish Lira	7,877
Ukrainian Hryvnia	2
United Arab Emirates Dirham	15,924
Total	<u><u>\$ 3,281,503</u></u>

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, 2024, the annual money-weighted rate of return on DWP Plans' fund investments for retirement, health and death benefits, net of investment expense, were 9.8%, 10% and 3.4%, respectively.

Derivative Instruments. The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2024, classified by type, and the changes in fair values of such derivative instruments are as follows (in thousands):

Type	Changes in Fair Value			Fair Value		Notional Amount
	Classification	Amount	Classification	Amount	Amount	
Forward Contracts	Investment Income/ (Loss)	\$ 3,414	Investment	\$ 3,391	\$ 2,222,164	

Notes to the Basic Financial Statements

At June 30, 2024, 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' fair 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, 2024, 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 80 days as of June 30, 2024.

The fair values of the underlying securities on loan, collateralized by cash and securities as of June 30, 2024 are (in thousands):

Securities on Loan	Amount
Global Agencies	\$ 1,923
Global Equities	200,115
Global Corporate Fixed	23,475
Global Government Fixed	104,669
U.S. Agency Notes	3,447
U.S. Corporate Fixed	260,301
U.S. Equities	271,739
U.S. Government Fixed	459,077
Total	<u>\$ 1,324,746</u>

Notes to the Basic Financial Statements

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, 2024, other investments are as follows (in thousands):

Investment Type	Amount	Investment Maturities				366 Days to 5 Years
		1 to 30 Days	31 to 60 Days	61 to 365 Days		
U.S. Government Securities	\$ 823,095	\$ 34,857	\$ 102,735	\$ 630,858	\$ 54,645	
Common Stock	205	205	-	-	-	-
State of California LAIF	6	-	-	-	6	-
Short-Term Investments	519,628	70,850	448,778	-	-	-
Total	\$ 1,342,934	\$ 105,912	\$ 551,513	\$ 630,864	\$ 54,645	

Credit Risk. At June 30, 2024, The \$451.3 million of short-term investments were rated AAA 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, 2024, the City had no investment holdings of more than 10% in any one issuer.

At June 30, 2024, the fair value hierarchy of the City's Other Investments are as follows (in thousands):

Investments	Amount	Fair Value Measurements Using	
		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	\$ 823,095	\$ 823,095	\$ -
Common Stock	205	205	-
Total Investments Subject to Fair Value Hierarchy	\$ 823,300	\$ 823,300	\$ -
Investments Not Subject to Fair Value Hierarchy			
State of California LAIF	\$ 6	\$ -	
Short-Term Investments	519,628	-	
Total Investments not Subject to Fair Value Hierarchy	\$ 519,634	\$ -	
Total Investments Measured at Fair Value	\$ 1,342,934	\$ -	

B. Receivables

1. Primary Government

The primary government's net receivables at June 30, 2024 are as follows (in thousands):

	Governmental Activities	Business-type Activities
Gross Receivables		
Taxes	\$ 863,810	\$ --
Accounts	1,027,877	1,779,063
Special Assessments	12,965	--
Investment Income	47,807	38,876
Intergovernmental	394,873	57,655
Leases	12,566	485,229
Loans and Notes	<u>4,249,589</u>	--
Total	<u>6,609,487</u>	<u>2,360,823</u>
Allowance for Uncollectibles		
Taxes	(23,004)	--
Accounts	(709,902)	(380,609)
Loans and Notes	<u>(2,400,681)</u>	--
Total	<u>(3,133,587)</u>	<u>(380,609)</u>
Net Receivables	<u>\$ 3,475,900</u>	<u>\$ 1,980,214</u>
Net Receivables not Scheduled for Collection During the Subsequent Year:		
Loans, Notes, Leases, and Intergovernmental	\$ 2,022,150	\$ 432,650

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 \$1.8 billion includes net interest receivable of \$484.1 million at June 30, 2024. The business-type activities loans solely include Power's long-term notes from Intermountain Power Agency (refer to Note 5C).

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 which resulted in an increase of \$789.2 million in combined estimated allowance for uncollectible loans receivable and interest receivable on loans receivable. This change is preferable to better reflect the collectibility of loan principal and interest.

C. Restricted Assets

The primary government's restricted assets consisted of the following at June 30, 2024 (in thousands):

	Governmental Activities	Business-type Activities
Cash and Investments		
Pooled Cash and Cash Equivalents, and Other Investments	\$ 11,023	\$ 2,834,238
Investments Held by Escrow and Fiscal Agents	--	2,037,967
Subtotal	<u>11,023</u>	<u>4,872,205</u>
Other Restricted Assets		
Restricted Passenger/Customer Facility Charge Receivable	--	31,281
Total (Refer to Note 1E.4)	<u>\$ 11,023</u>	<u>\$ 4,903,486</u>

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, 2024 (in thousands):

Description	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024
Assets				
Regulatory Assets - Legal Settlements	\$ 16,000	\$ --	\$ (16,000)	\$ --
Regulatory Assets - Solar Incentive Program	150,375	--	(13,895)	136,480
Regulatory Assets - Energy Efficiency Program	649,093	95,043	(118,178)	625,958
Regulatory Assets - Customer Care and Billing System	19,433	--	(3,041)	16,392
Regulatory Assets - Other	834,901	95,043	(151,114)	778,830
Regulatory Assets - OPEB	30,568	--	(30,568)	--
Total Regulatory Assets - noncurrent	865,469	95,043	(181,682)	778,830
Underrecovered Costs - current	265,848	75,638	--	341,486
Total Regulatory Assets	<u>\$ 1,131,317</u>	<u>\$ 170,681</u>	<u>\$ (181,682)</u>	<u>\$ 1,120,316</u>
Deferred Inflows of Resources				
Deferred Inflows from Regulated Business Activities	187,190	40,000	--	227,190
Total Regulatory Deferred Inflows	<u>\$ 187,190</u>	<u>\$ 40,000</u>	<u>\$ --</u>	<u>\$ 227,190</u>

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. At June 30, 2024, Power has 26 energy efficiency programs.

Beginning January 2014, customers' bills include a charge related to training for customer care and billing system, to be collected over a 15-year period.

Notes to the Basic Financial Statements

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, 2024, Power did not recognize any of this revenue.

Regulatory asset related to underrecovered costs of \$341.5 million as of June 30, 2024 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, 2024 (in thousands):

Description	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024
Assets				
Regulatory Assets - Water Conservation Rebates	\$ 97,754	\$ 10,628	\$ (14,022)	\$ 94,360
Regulatory Assets - Stormwater Capture Program	45,673	2,101	(1,625)	46,149
Regulatory Assets - Customer Care and Billing System	8,579	--	(1,366)	7,213
Regulatory Assets - Other	152,006	12,729	(17,013)	147,722
Regulatory Assets - OPEB	13,482	--	(13,482)	--
Underrecovered Costs	269,362	300,378	(269,362)	300,378
Total	\$ 434,850	\$ 313,107	\$ (299,857)	\$ 448,100

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.

Notes to the Basic Financial Statements

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 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, 2024, underrecovered costs of \$300.4 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, 2024, 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, 2024 was \$4.6 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, 2024, 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, 2024 is as follows (in thousands):

	Balance July 1, 2023	Additions / Transfers	Deductions / Transfers	Balance June 30, 2024
Capital Assets not Depreciated / Amortized				
Land	\$ 918,719	\$ --	\$ --	\$ 918,719
Infrastructure	460,166	3,916	--	464,082
Construction in Progress	1,324,138	315,609	(69,134)	1,570,613
Subscription in Progress	46,322	--	(46,107)	215
Intangible Assets	26,477	11,023	(671)	36,829
Total Capital Assets not Depreciated / Amortized	<u>2,775,822</u>	<u>330,548</u>	<u>(115,912)</u>	<u>2,990,458</u>
Capital Assets Depreciated / Amortized				
Buildings and Improvements	5,669,465	93,325	--	5,762,790
RTU Buildings, Facilities, and Improvements	140,924	6,996	(2,595)	145,325
Machinery, Furniture and Equipment	1,940,383	237,318	(62,632)	2,115,069
RTU Machinery, Furniture and Equipment	10,193	2,139	(256)	12,076
Infrastructure	4,137,589	69,535	(2,212)	4,204,912
RTU Subscription Assets	70,827	78,985	--	149,812
Intangible Assets	117,645	4,467	--	122,112
Total Capital Assets Depreciated / Amortized	<u>12,087,026</u>	<u>492,765</u>	<u>(67,695)</u>	<u>12,512,096</u>
Less: Accumulated Depreciation / Amortization				
Buildings and Improvements	(2,580,788)	(139,203)	--	(2,719,991)
RTU Buildings, Facilities, and Improvements	(47,307)	(21,273)	2,118	(66,462)
Machinery, Furniture and Equipment	(1,531,432)	(105,178)	62,632	(1,573,978)
RTU Machinery, Furniture and Equipment	(3,208)	(2,011)	256	(4,963)
Infrastructure	(1,921,597)	(83,791)	2,212	(2,003,176)
RTU Subscription Assets	(13,490)	(32,900)	--	(46,390)
Intangible Assets	(104,057)	(4,716)	--	(108,773)
Total Accumulated Depreciation / Amortization	<u>(6,201,879)</u>	<u>(389,072)</u>	<u>67,218</u>	<u>(6,523,733)</u>
Total Capital Assets Depreciated / Amortized, Net	<u>5,885,147</u>	<u>103,693</u>	<u>(477)</u>	<u>5,988,363</u>
Governmental Activities Capital Assets, Net	<u>\$ 8,660,969</u>	<u>\$ 434,241</u>	<u>\$ (116,389)</u>	<u>\$ 8,978,821</u>

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

Function/Program	Amount
General Government	\$ 59,639
Protection of Persons and Property	96,971
Public Works	59,717
Health and Sanitation	29,151
Transportation	66,692
Cultural and Recreational Services	63,776
Community Development	13,126
Total Depreciation/Amortization Expense - Governmental Activities	<u>\$ 389,072</u>

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

	Balance June 30, 2024	Accumulated Amortization	Net Balance June 30, 2024
Land	\$ 5,387	\$ (1,732)	\$ 3,655
Buildings and Facilities	<u>139,938</u>	<u>(64,730)</u>	<u>75,208</u>
Buildings, Facilities, and Improvements	145,325	(66,462)	78,863
Machinery, Furniture and Equipment	12,076	(4,963)	7,113
Subscription Assets	<u>149,812</u>	<u>(46,390)</u>	<u>103,422</u>
Total lease and subscription assets	<u>\$ 307,213</u>	<u>\$ (117,815)</u>	<u>\$ 189,398</u>

The City recognized \$56.2 million of amortization expense for the fiscal year ended June 30, 2024.

2. Business-type Activities

Capital asset activity for business-type activities for the fiscal year ended June 30, 2024 is as follows (in thousands):

	Balance July 1, 2023	Additions / Transfers	Deductions / Transfers	Balance June 30, 2024
Capital Assets not Depreciated / Amortized				
Land	\$ 3,044,823	\$ 10,328	\$ (11,327)	\$ 3,043,824
Construction in Progress	6,879,777	2,948,321	(2,308,082)	7,520,016
Intangible Assets	60,585	--	--	60,585
Nuclear Fuel	40,039	10,923	(10,870)	40,092
Natural Gas Field	<u>119,129</u>	<u>14</u>	<u>(9,706)</u>	<u>109,437</u>
Total Capital Assets not Depreciated / Amortized	<u>10,144,353</u>	<u>2,969,586</u>	<u>(2,339,985)</u>	<u>10,773,954</u>
Capital Assets Depreciated / Amortized				
Buildings, Facilities and Equipment	67,800,117	4,064,900	(100,208)	71,764,809
RTU Buildings, Facilities, and Improvements	153,006	3,573	(222)	156,357
RTU Machinery, Furniture and Equipment	54,299	13,319	--	67,618
RTU Subscription Assets	39,538	19,503	(1)	59,040
Intangible Assets	<u>364,813</u>	<u>3,273</u>	<u>(13,291)</u>	<u>354,795</u>
Total Capital Assets Depreciated / Amortized	<u>68,411,773</u>	<u>4,104,568</u>	<u>(113,722)</u>	<u>72,402,619</u>
Less: Accumulated Depreciation / Amortization				
Buildings, Facilities and Equipment	(27,427,468)	(1,936,799)	80,323	(29,283,944)
RTU Buildings, Facilities, and Improvements	(26,265)	(15,252)	222	(41,295)
RTU Machinery, Furniture and Equipment	(29,453)	(17,303)	--	(46,756)
RTU Subscription Assets	(19,149)	(15,468)	--	(34,617)
Intangible Assets	<u>(71,330)</u>	<u>(5,327)</u>	<u>--</u>	<u>(76,657)</u>
Total Accumulated Depreciation / Amortization	<u>(27,573,665)</u>	<u>(1,990,149)</u>	<u>80,545</u>	<u>(29,483,269)</u>
Total Capital Assets Depreciated / Amortized, Net	<u>40,838,108</u>	<u>2,114,419</u>	<u>(33,177)</u>	<u>42,919,350</u>
Business-type Activities Capital Assets, Net	<u>\$ 50,982,461</u>	<u>\$ 5,084,005</u>	<u>\$ (2,373,162)</u>	<u>\$ 53,693,304</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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

Depreciation and Amortization Expense by Functions of Business-type Activities:		Amount
Airport	\$	765,423
Harbor		149,883
Power		805,263
Water		254,996
Sewer		203,094
Convention Center		11,910
Total	\$	<u>2,190,569</u>

For Water and Power, depreciation and amortization expense on the statement of revenues, expenses and changes in fund 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
Land	\$ 45,911	\$ --	\$ 3,272	\$ 1,686	\$ --
Buildings, Facilities and Improvements	8,688	909	53,822	23,899	18,170
Machinery, Furniture and Equipment	48,266	1,194	11,835	6,041	282
Subscription Assets	<u>40,475</u>	<u>2,967</u>	<u>12,555</u>	<u>3,043</u>	<u>--</u>
Total lease and subscription assets	<u>143,340</u>	<u>5,070</u>	<u>81,484</u>	<u>34,669</u>	<u>18,452</u>
Accumulated Amortization	(75,649)	(3,269)	(26,452)	(11,726)	(5,572)
Total	<u>\$ 67,691</u>	<u>\$ 1,801</u>	<u>\$ 55,032</u>	<u>\$ 22,943</u>	<u>\$ 12,880</u>

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, 2024:

Ownership Interest	Share of Capacity (megawatts)	Utility Plant in Service (in thousands)	
		Cost	Accumulated Depreciation
Palo Verde Nuclear Generating Station	5.7 %	\$ 646,157	\$ 461,959
Mojave Generating Station	30.0	--	229
Pacific Intertie DC Transmission Line	40.0	3,409	116,745
Other Transmission Systems	Various	1,240	81,335
Total		<u>\$ 1,126,446</u>	<u>\$ 660,268</u>

3. Fiduciary Funds

LACERS' office furniture, equipment and software includes costs for developing the LACERS' new 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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. Acquisition cost of \$0.2 million and associated building improvements cost with a total of \$19.3 million 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, 2024 (in thousands):

1. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
General	MICLA Special Revenue	\$ 7,495
	Nonmajor Governmental	104,355
	Sewer	13
		<u>111,863</u>
Nonmajor Governmental	General	105,359
	Nonmajor Governmental	18,478
		<u>123,837</u>
Power	Water	177,801
Sewer	General	53,413
	Nonmajor Governmental	194
		<u>53,607</u>
Total		<u><u>\$ 467,108</u></u>

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, 2024.

2. Advances To/From Other Funds

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 23,581
MICLA Debt Service	Nonmajor Governmental	63,725
	General	2,000
		<u>65,725</u>
Nonmajor Governmental	General	30,605
	Nonmajor Governmental	37,177
		<u>67,782</u>
Sewer	General	6,092
	Nonmajor Governmental	1,546
		<u>7,638</u>
Total		<u><u>\$ 164,726</u></u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 \$63.7 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 Nonmajor Governmental Power Revenue	\$ 91 72,295 244,695 <u>317,081</u>
MICLA Debt Service		General MICLA Special Revenue Fund	185,309 2,000 <u>187,309</u>
Nonmajor Governmental		General Nonmajor Governmental	688,069 96,750 <u>784,819</u>
Total			\$ 1,289,209

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 2024, significant transfers include the following: 1) \$244.7 million from Power to the General Fund; 2) \$185.3 million from General Fund for the purpose of debt requirement obligations; and 3) \$688.1 million budget allocation from the General Fund to finance various departmental programs including \$289.3 million to the Recreation and Parks, \$241.9 million for Library Department, \$40.4 million for engineering special services, and \$24.7 million for payments of sidewalk and curbside repairs.

H. Accounts Payable and Accrued Expenses

The primary government's accounts payable and accrued expenses at June 30, 2024 are broken down as follows (in thousands):

	Governmental Activities	Business-type Activities
Accounts, Contracts and Retainage Payable	\$ 679,486	\$ 1,075,908
Accrued Salaries and Overtime Payable	200,205	157,216
Intergovernmental Payable	16,315	7,611
Total	\$ 896,006	\$ 1,240,735

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024 are as follows (in thousands):

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Due Within One Year
General Obligation Bonds	\$ 1,039,680	\$ --	\$ (91,070)	\$ 948,610	\$ 73,845
Lease Revenue Bonds	1,233,271	176,450	(109,125)	1,300,596	110,890
Direct Placements	40,133	--	(10,423)	29,710	7,055
Commercial Paper Notes	322,600	120,000	(231,815)	210,785	--
Revenue Bonds	128,455	173,490	(23,585)	278,360	25,575
Subtotal Bonds and Notes	2,764,139	469,940	(466,018)	2,768,061	217,365
Add: Unamortized Premiums and Discounts	165,988	42,514	(27,110)	181,392	--
Total Bonds and Notes	2,930,127	512,454	(493,128)	2,949,453	217,365
Claims and Judgments	3,279,247	723,544	(550,952)	3,451,839	435,190
Loans Payable to HUD	31,798	--	(19,274)	12,524	3,112
Financed Purchase Obligations	18,117	--	(8,997)	9,120	9,120
Lease Liabilities	104,868	9,134	(22,510)	91,492	14,585
Subscription Liabilities	38,557	32,880	(20,545)	50,892	18,201
Compensated Absences	988,470	1,188,307	(1,125,323)	1,051,454	232,442
Landfill Liability	42,458	--	(761)	41,697	--
Estimated Pollution Remediation Liability	13,244	59,707	(27,193)	45,758	3,518
Total Other Liabilities	4,516,759	2,013,572	(1,775,555)	4,754,776	716,168
Net Pension Liability	6,558,600	298,774	(280,697)	6,576,677	--
Net OPEB Liability	1,124,645	--	(274,617)	850,028	--
Governmental Activities Long-term Liabilities	\$ 15,130,131	\$ 2,824,800	\$ (2,823,997)	\$ 15,130,934	\$ 933,533

General Obligation Bonds (GO Bonds)

The following summarizes the various voter authorizations for GO Bonds that were outstanding as of June 30, 2024 (in thousands):

Election Date	Project	Amount Authorized	Amount Issued as of June 30, 2024	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	963,985	236,015
Total		\$ 2,832,648	\$ 2,536,133	\$ 296,515

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024 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	\$ 54,745
Series 2017-A	9/1/37	1.470% - 3.500%	86,370	60,450
Series 2017-B, Refunding	9/1/27	5.000%	81,895	13,475
Series 2018-A	9/1/38	2.900% - 4.000%	276,240	207,165
Series 2018-B, Refunding	9/1/29	5.000%	34,665	34,665
Series 2018-C, Refunding	9/1/29	3.300% - 4.000%	10,435	10,435
Series 2021-A	9/1/41	1.500% - 3.000%	211,940	190,740
Series 2021-B, Refunding	9/1/25	4.000% - 5.000%	65,490	6,975
Series 2022-A	9/1/42	4.375% - 5.000%	389,435	369,960
Total			\$ 1,300,285	\$ 948,610

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

Fiscal Year	Principal	Interest	Total
2025	\$ 73,845	\$ 35,623	\$ 109,468
2026	66,790	32,827	99,617
2027	66,020	30,159	96,179
2028	64,560	27,623	92,183
2029	66,015	25,168	91,183
2030 - 2034	265,080	93,268	358,348
2035 - 2039	236,635	46,792	283,427
2040 - 2043	109,665	9,071	118,736
Subtotal	948,610	300,531	1,249,141
Unamortized Premiums and Discounts	11,636	--	11,636
Total	\$ 960,246	\$ 300,531	\$ 1,260,777

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024 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	\$ 14,460
Project 2016-A	11/1/26	2.000% - 5.000%	125,235	45,620
Project 2016-B	11/1/39	2.000% - 5.000%	685,270	505,820
Project 2018-A	11/1/27	5.000%	54,430	25,365
Project 2018-B	11/1/37	5.000%	31,270	25,195
Project 2018-C	11/1/27	2.020% - 3.417%	25,630	11,315
Project 2020-A	11/1/30	5.000%	84,725	63,590
Project 2020-B	11/1/40	5.000%	80,850	50,150
Project 2020-C	11/1/41	0.415% - 2.863%	102,265	57,430
Project 2021-A	11/1/38	0.269% - 2.924%	177,470	133,215
Project 2021-B	11/1/38	5.000%	60,481	60,481
Project 2021-C	11/1/41	5.000%	154,205	138,315
Project 2023-A	5/1/43	5.000%	176,450	169,640
Subtotal Lease Revenue Bonds			<u>1,776,451</u>	<u>1,300,596</u>
Project 2017 Streetlights	6/1/27	2.460%	39,298	12,851
Project 2019 Streetlights	6/1/29	2.010%	17,845	10,309
Project 2020 Streetlights	6/1/31	1.470%	9,088	6,550
Subtotal Direct Placements			<u>66,231</u>	<u>29,710</u>
Total			<u><u>\$ 1,842,682</u></u>	<u><u>\$ 1,330,306</u></u>

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 2024 totaled \$414.8 million, while revenue from leases received (reported as transfers in from other funds in the MICLA Debt Service Fund) and investment earnings totaled \$187.0 million.

The lease revenue bonds of \$1.3 billion in 2024 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 \$29.7 million in 2024 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 Comprehensive Financial Report

Notes to the Basic Financial Statements

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

Fiscal Year	Lease		Revenue Bonds		Direct Placements		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 110,890	\$ 54,979	\$ 7,055	\$ 581	\$ 173,505		
2026	113,928	50,651	7,211	424	172,214		
2027	118,338	45,895	7,371	264	171,868		
2028	99,879	41,091	3,038	128	144,136		
2029	93,616	36,737	3,094	71	133,518		
2030 - 2034	404,105	124,363	1,941	36	530,445		
2035 - 2039	293,505	45,495	--	--	339,000		
2040 - 2043	66,335	6,003	--	--	72,338		
Subtotal	1,300,596	405,214	29,710	1,504	1,737,024		
Unamortized Premiums and Discounts	137,964	--	--	--	137,964		
Total	<u>\$ 1,438,560</u>	<u>\$ 405,214</u>	<u>\$ 29,710</u>	<u>\$ 1,504</u>	<u>\$ 1,874,988</u>		

On December 7, 2023, MICLA issued Lease Revenue Bonds Series 2023-A for \$176.5 million, with interest rate of 5.000% maturing on May 1, 2043. These bonds were issued for retiring certain maturities of commercial paper notes, used to finance and refinance the acquisition of capital equipment and acquisition and improvement of certain real properties of the City.

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 \$82.9 million and estimated fair value of \$497.2 million as of June 30, 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.

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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	\$ 19,700	0.280 %	6/30/2025
Series A-1/B-1	150,000	55,000	0.290 %	6/30/2025
Series A-2/B-2	100,000	42,225	0.290 %	6/30/2025
Series A-3/B-3	<u>175,000</u>	<u>93,860</u>	0.290 %	6/30/2025
	<u><u>\$ 525,000</u></u>	<u><u>\$ 210,785</u></u>		

For the fiscal year ended June 30, 2024, MICLA paid \$1.2 million of the LOC fees for the general commercial paper and the Los Angeles Convention Center commercial paper programs. During the year, MICLA issued \$120.0 million of commercial paper notes for the acquisition of capital assets. At June 30, 2024, outstanding commercial paper notes amounted to \$210.8 million with interest rates ranging from 3.40% to 5.52%.

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, 2024, 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 2024 (October 1 - September 30).

Revenue Bonds

The revenue bonds outstanding at June 30, 2024 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	\$ 27,000
2013-B Series, Refunding	2/1/29	2.000% - 5.000%	78,780	4,790
2018-A Series	2/1/33	3.000% - 5.000%	110,530	77,405
2023-A Series	2/1/38	5.000%	173,490	169,165
Total			<u>\$ 436,465</u>	<u>\$ 278,360</u>

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 \$32.9 million and \$327.0 million, respectively.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

On July 26, 2023, the City issued Solid Waste Resources Revenue Bonds Series 2023-A for \$173.5 million, with interest rate of 5.000% maturing on February 1, 2038. The bonds were issued to finance the acquisition of equipment, including vehicles and other items, and the installation thereof, if any, and facilities, including the construction and renovation of real property and other capital improvements for the refuse collection and disposal system of the City.

Annual debt service requirements to maturity for the Solid Waste Resources revenue bonds are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 25,575	\$ 12,771	\$ 38,346
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 - 2034	99,435	28,389	127,824
2035 - 2038	60,600	7,760	68,360
Subtotal	278,360	89,689	368,049
Unamortized Premiums	31,792	--	31,792
Total	<u>\$ 310,152</u>	<u>\$ 89,689</u>	<u>\$ 399,841</u>

Loans Payable to HUD

The Loans Payable to HUD consist of \$11.1 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
2025	\$ 3,112	\$ 392	\$ 3,504
2026	841	333	1,174
2027	892	307	1,199
2028	929	278	1,207
2029	976	248	1,224
2030 - 2033	5,774	390	6,164
Total	<u>\$ 12,524</u>	<u>\$ 1,948</u>	<u>\$ 14,472</u>

The interest rates on the fixed-rate loans of \$11.1 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 5.240% + 0.350%) as of June 30, 2024 of 5.590% was used in the debt service requirement schedule.

Financed Purchase Obligations

The City entered into Equipment Lease-Purchase agreement with Motorola Solutions, Inc. (Motorola) with the discount rate of 1.370% for the total lease payment amount of \$64.5 million to finance the acquisition of radios. This financing agreement will mature in fiscal year 2025. The lease payment to maturity is shown below (in thousands):

Fiscal Year	Principal	Interest	Total
2025	<u>\$ 9,120</u>	<u>\$ 94</u>	<u>\$ 9,214</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

The City grants to Motorola a first priority security interest in any and all of the equipment as collateral security for the secured obligations. If the City fails to pay the lease payment to Motorola within 60 days from the due date, the lease payment will bear interest at a rate of six percent (6%) per annum from such lease payment due date until paid.

Further, Motorola may require the City to promptly return all equipment or may enter the premises where any equipment is located and repossess any equipment without demand or notice, without any court order or other process of law and without liability for any damage occasioned by such repossession. Motorola may terminate the equipment lease. In the event of such default and any equipment repossession or termination of the lease, the City shall continue to remain liable for the payment of the lease payments and damages for breach of the equipment lease.

In the event of termination of the lease by Motorola due to default by the City, the City agrees to pay Motorola all proper and reasonable out-of-pocket costs and expenses incurred related to the repossession, safekeeping, storage, repair, reconditioning, re-leasing, sale or other disposition of equipment, including reasonable attorney fees.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024 are as follows (in thousands):

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Due Within One Year
Airports Revenue Bonds and Notes	\$ 11,337,226	\$ 92,865	\$ (204,729)	\$ 11,225,362	\$ 580,897
Harbor Revenue Bonds	537,125	--	(43,355)	493,770	43,415
Power System Revenue Bonds and Revenue Certificates	11,137,870	2,086,965	(1,839,840)	11,384,995	357,799
Water System Revenue Bonds and Loans	6,632,136	771,434	(641,393)	6,762,177	184,790
Wastewater System Revenue Bonds, Notes, and Loans	2,657,821	145,000	(119,521)	2,683,300	468,540
Subtotal Revenue Bonds, Notes, and Loans	32,302,178	3,096,264	(2,848,838)	32,549,604	1,635,441
Add (Less):					
Net Unamortized Premiums and Discounts	3,887,478	370,101	(427,764)	3,829,815	--
Net Revenue Bonds, Notes, and Loans	36,189,656	3,466,365	(3,276,602)	36,379,419	1,635,441
Compensated Absences	302,666	101,965	(66,016)	338,615	221,163
Claims and Judgments	228,728	36,623	(25,395)	239,956	36,835
Lease Liabilities	156,740	15,563	(28,801)	143,502	23,054
Subscription Liabilities	15,786	13,894	(7,102)	22,578	9,254
PPP Availability Payment Liabilities	593,905	--	(9,774)	584,131	10,669
Estimated Pollution Remediation Liability	164,059	5,039	(11,123)	157,975	20,646
Other Liabilities	605,282	275,324	(1,176)	879,430	1,250
Subtotal	38,256,822	3,914,773	(3,425,989)	38,745,606	1,958,312
Net Pension Liability	1,772,002	952	(54,820)	1,718,134	--
Net OPEB Liability	36,262	--	(36,262)	--	--
Asset Retirement Obligation	218,032	62,658	(6,365)	274,325	--
Derivative Instrument Liabilities	--	1,391	--	1,391	--
Total	\$ 40,283,118	\$ 3,979,774	\$ (3,523,436)	\$ 40,739,456	\$ 1,958,312

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.

Revenue bonds, revenue refunding bonds, and commercial paper notes outstanding at June 30, 2024, and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Fixed Rate Revenue Bonds	2052	0.264% - 7.053%	\$ 12,012,405	\$ 10,904,435
Commercial Paper Notes	--		320,927	320,927
Subtotal			\$ 12,333,332	11,225,362
Net Unamortized Bond Premiums and Discounts				1,515,045
Net Revenue Bonds and Notes				\$ 12,740,407

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

There was no bond issuance during the fiscal year 2024.

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 \$130.2 million for debt service in fiscal year 2024. Airports Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) grants remaining balance in the amount of \$9.2 million is anticipated to be used in fiscal year 2025. American Rescue Plan Act (ARPA) grant reimbursement of \$36.8 million was received in fiscal year 2024 for concessions rent relief. Airports got reimbursed \$22.4 million for the Minimum Annual Guarantee (MAG) waiver provided to concessionaires in 2021, and provided rent relief of \$4.8 million to concessionaires in fiscal year 2024. Airports recognized unearned grant revenue of \$9.6 million in fiscal year 2024.

The total principal and interest remaining to be paid on the bonds is \$17.9 billion as of June 30, 2024. Principal and interest paid in fiscal year 2024 and the net pledged revenues as defined in the master senior and subordinate indentures, after application of the \$130.2 million PFCs funds, were \$733.9 million and \$1.2 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
2025	\$ 580,897	\$ 520,422	\$ 1,101,319
2026	312,985	507,710	820,695
2027	328,265	492,516	820,781
2028	343,930	476,827	820,757
2029	379,865	460,440	840,305
2030-2034	2,184,620	2,008,567	4,193,187
2035-2039	2,643,390	1,431,316	4,074,706
2040-2044	2,423,720	799,414	3,223,134
2045-2049	1,896,345	253,541	2,149,886
2050-2052	131,345	8,778	140,123
Subtotal	11,225,362	6,959,531	18,184,893
Net Unamortized Bond Premiums and Discounts	1,515,045	--	1,515,045
Total	<u>\$ 12,740,407</u>	<u>\$ 6,959,531</u>	<u>\$ 19,699,938</u>

As of June 30, 2024, Airports had outstanding commercial paper (CP) notes of \$320.9 million. The average interest rate in effect as of June 30, 2024 is 3.67%. 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.

As of June 30, 2024, 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, 2024, Airports had undrawn LOC balances of \$196.7 million from Barclays, \$8.1 million from PNC, and \$16.3 million from Bank of America.

In fiscal year 2024, 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 2024.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

Airports had the following CP activities during fiscal year 2024 (in thousands):

	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024
Series A	\$ 76,908	\$ 49,475	\$ (960)	\$ 125,423
Series B	152,122	43,382	--	195,504
Series C	511	8	(519)	--
	<u>\$ 229,541</u>	<u>\$ 92,865</u>	<u>\$ (1,479)</u>	<u>\$ 320,927</u>

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 \$6.5 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.

Notes to the Basic Financial Statements

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 the first quarter of 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 December 8, 2025. 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. Airports paid \$200.0 million of the settlement amount in a lump sum payment in September 2024. The remainder of the settlement amount will be paid in six lump sum payments following LINXS' achievement of certain completion milestones. Additional information can be found in Note 5G of the notes to the financial statements.

Annual Comprehensive Financial Report

Notes to the Basic 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 the 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 Occupancy is currently expected to occur prior to the APM PSA date, Airports is evaluating different options to transport rental car customers and other people between the CTA and the ConRAC until the APM is operational, including, among others, the use of a common transportation shuttle bus system. 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.

ConRAC	Amount (in millions)
Periodic and Milestone Payments, Change Orders, etc.	\$ 905
Capital Availability Payment (Note)	525
Capital Renewal Payment	70
	<u>\$ 1,500</u>

Note: The Capital Availability Payment includes payments of \$0.8 million recognized in fiscal year 2023 and future payments of \$524.4 million through fiscal year 2047.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 \$573.5 million, current liabilities of \$10.7 million, interest expense of \$27.7 million, and depreciation of \$71.1 million in fiscal year 2024. Airports made the Capital Availability Payment of \$33.6 million, Capital Renewal Payment of \$4.8 million, and Operations and Maintenance Availability Payment of \$8.1 million in fiscal year 2024.

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.

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
2025	\$ 9,775	\$ 24,066	\$ 33,841
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
2030-2034	82,605	98,825	181,430
2035-2039	114,894	75,790	190,684
2040-2044	156,269	44,142	200,411
2045-2047	104,124	6,909	111,033
Total	<u>\$ 515,370</u>	<u>\$ 340,813</u>	<u>\$ 856,183</u>

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
2025	\$ 894	\$ 3,220	\$ 4,114
2026	1,021	3,175	4,196
2027	1,155	3,124	4,279
2028	1,298	3,067	4,365
2029	1,450	3,002	4,452
2030-2034	9,861	13,773	23,634
2035-2039	15,236	10,858	26,094
2040-2044	22,322	6,488	28,810
2045-2048	15,524	1,034	16,558
Total	<u>\$ 68,761</u>	<u>\$ 47,741</u>	<u>\$ 116,502</u>

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Revenue Bonds	2045	2.000% - 5.000%	\$ 738,965	\$ 493,770
Net Unamortized Bond Premiums and Discounts				38,225
Net Revenue Bonds				\$ 531,995

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 \$68.4 million and \$468.3 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.

Harbor's scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 43,415	\$ 22,933	\$ 66,348
2026	47,955	20,654	68,609
2027	49,480	18,218	67,698
2028	12,295	16,674	28,969
2029	13,020	16,041	29,061
2030 - 2034	101,030	67,254	168,284
2035 - 2039	125,530	38,610	164,140
2040 - 2044	84,160	13,920	98,080
2045 - 2046	16,885	422	17,307
Subtotal	493,770	214,726	708,496
Net Unamortized Bond Premiums and Discounts	38,225	--	38,225
Total	\$ 531,995	\$ 214,726	\$ 746,721

There were no new bond issuances in fiscal year 2024.

Notes to the Basic Financial Statements

Power Revenue Bonds and Direct Placements

As of June 30, 2024, 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	2055	1.146% - 4.441%	\$ 14,734,839	\$ 10,043,110
Variable Rate Revenue Bonds	2058	Various	1,809,285	1,341,885
Subtotal			<u>\$ 16,544,124</u>	11,384,995
Net Unamortized Bond Premiums and Discounts				<u>1,349,410</u>
Net Revenue Bonds				<u>\$ 12,734,405</u>

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.

In November 2023, Power issued \$303.3 million of Power System Revenue Bonds, 2023 Series D. The net proceeds of \$325.5 million, including a \$22.2 million issue premium net of underwriter's discount, were used to refund a portion of the outstanding Power System Revenue Bonds, 2014 Series B, amounting to \$293.9 million, and a portion of the outstanding Power System Revenue Bonds, 2018 Series B, amounting to \$32.0 million. The transaction resulted in a net present value savings of \$23.1 million and a net gain for accounting purposes of \$26.0 million, which was capitalized as deferred inflows on debt refunding and is being amortized over the life of the refunding bonds.

In December 2023, Power issued \$428.1 million of Power System Revenue Bonds, 2023 Series E. The net proceeds of \$493.4 million, including a \$65.3 million issue premium net of underwriter's discount, were used to pay for capital improvements and refund a portion of the outstanding Power System Revenue Bonds, 2014 Series B, amounting to \$6.4 million. The transaction resulted in a net present value savings of \$223.0 thousand and a net gain for accounting purposes of \$188.7 thousand, which was capitalized as deferred inflows on debt refunding and is being amortized over the life of the refunding bonds.

In December 2023, Power issued \$200.2 million of Power System Variable Rate Demand Revenue Bonds, 2023 Series F. The net proceeds of \$200.0 million, net of underwriter's discount, were used to refund all of the outstanding Power System Revenue Bonds, 2014 Series A, amounting to \$200.0 million.

In April 2024, Power issued \$372.5 million of Power System Revenue Bonds, 2024 Series A. The net proceeds of \$427.3 million, including a \$54.8 million issue premium net of underwriter's discount, were used to refund a portion of the outstanding Power System Revenue Bonds, 2014 Series C, amounting to \$54.5 million, a portion of the outstanding Power System Revenue Bonds, 2014 Series D, amounting to \$162.3 million, and all of the outstanding Power System Revenue Bonds, 2014 Series E, amounting to \$211.1 million. The transaction resulted in a net present value savings of \$67.9 million and a net gain for accounting purposes of \$42.8 million, which was capitalized as deferred inflows on debt refunding and a portion is being amortized over the life of the refunded bonds while the remaining is being amortized over the life of the refunding bonds.

In April 2024, Power issued \$275.6 million of Power System Revenue Bonds, 2024 Series B. The net proceeds of \$327.4 million, including a \$51.8 million issue premium net of underwriter's discount, were used to refund all of the outstanding Power System Revenue Bonds, 2010 Series A, amounting to \$316.0 million. The transaction resulted in a net present value savings of \$7.1 million and a net loss for accounting purposes of \$11.4 million, which was capitalized as deferred outflows on debt refunding and is being amortized over the life of the refunding bonds.

Notes to the Basic Financial Statements

In June 2024, Power issued \$507.3 million of Power System Revenue Bonds, 2024 Series C. The net proceeds of \$562.3 million, including a \$55.0 million issue premium net of underwriter's discount, were used to pay for capital improvements, refund all of the outstanding Power System Revenue Bonds, 2014 Series C, amounting to \$96.3 million, and refund all of the outstanding Power System Revenue Bonds, 2014 Series D, amounting to \$253.4 million. The transaction resulted in a net present value savings of \$38.8 million and a net gain for accounting purposes of \$29.6 million, which was capitalized as deferred inflows on debt refunding and is being amortized over the life of the refunding bonds.

As of June 30, 2024, Power had variable rate bonds outstanding in the amount of \$1.3 billion. In December 2023, Power issued \$200.2 million of Power System Variable Rate Demand Revenue Bonds, 2023 Series F, to refund all of 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 1.90% to 4.70% as of June 30, 2024. 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 of \$323.0 million, \$219.0 million, \$250.0 million, \$350.0 million and \$200.0 million as of June 30, 2024. The extended standby agreements expire in July 2026 for the \$250.0 million, January 2027 for the \$323.0 million, June 2027 for the \$200.0 million, November 2027 for the \$219.0 million, and in June 2028 for the \$350.0 million.

Under the agreements, \$573.0 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%; while \$219.0 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) 7.00%; \$350.0 million variable rate bonds will bear interest that is payable monthly at the greatest of (a) the prime rate plus 2.50%; (b) the federal funds rate plus 3.00%; and (c) 8.00%; 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 has the ability to 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 statements 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 and was \$134.0 million as of June 30, 2024.

Principal and interest paid for the current year and net pledged revenue were \$750.3 million and \$2.0 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 will 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

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, 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, 2024.

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. The DWP can request loans for Water System improvements, Power System improvements, and/or such other lawful purposes of the DWP. The interest charge for tax-exempt loans is based on daily Secured Overnight Financing Rate (SOFR) plus a spread of 0.39%. The interest charge for taxable loans is based on daily SOFR plus a spread of 0.47%. The Second Amended RCA expires in May 2026. As of June 30, 2024, Power has no outstanding obligations under the Second Amended RCA.

Scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 223,610	\$ 424,506	\$ 648,116
2026	295,575	418,082	713,657
2027	315,921	413,259	729,180
2028	362,677	395,726	758,403
2029	381,029	384,936	765,965
2030 - 2034	2,199,483	1,717,975	3,917,458
2035 - 2039	2,096,400	1,308,419	3,404,819
2040 - 2044	2,296,055	882,122	3,178,177
2045 - 2049	1,958,255	391,644	2,349,899
2050 - 2054	797,165	125,221	922,386
2055 - 2059	361,389	26,861	388,250
Debt service payments already paid to sinking fund - 2010C bonds	97,436	--	97,436
Subtotal	11,384,995	6,488,751	17,873,746
Net Unamortized Bond Premiums and Discounts	1,349,410	--	1,349,410
Total	\$ 12,734,405	\$ 6,488,751	\$ 19,223,156

Interest and amortization are net of \$1.5 billion of unamortized discount/premium and gain/loss due to issuances of new and refunding bonds.

This schedule is presented assuming that the tender options on the variable rate bonds will not be exercised and should the bondholders exercise the tender options, Power would be required to redeem the \$1.3 billion in variable rate bonds over the next six years, as follows: \$134.2 million in fiscal year 2025, \$268.4 million in fiscal year 2026 through 2029, and \$134.2 million in fiscal year 2030. Accordingly, the statement of net position recognizes the possibility of the exercise of the tender options and reflect the \$134.2 million that could be due in fiscal year 2025 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. Variable debt interest rate in effect at June 30, 2024 averages 4.3%. Should the tender options be exercised, the interest would be payable at the rate in effect at the time the standby agreements are activated.

Water Revenue Bonds and Loans

As of June 30, 2024, 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%	\$ 6,363,230	\$ 5,432,126
Variable Rate Revenue Bonds	2052	Various	754,765	582,300
Loans Payable to California SWRCB and DWR	2056	0.000% - 2.085%	948,702	747,751
Subtotal			<u>\$ 8,066,697</u>	6,762,177
Net Unamortized Bond Premiums and Discounts				750,288
Net Revenue Bonds and Loans				<u>\$ 7,512,465</u>

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 2024. Water received \$0.4 million of funding for the new SWRCB loan during fiscal year 2024. Existing SWRCB loans received \$40.3 million to fund water quality capital improvements and made principal payments of \$30.9 million, while the existing DWR Loan received \$2.0 million in loan funding.

In February 2024, Water issued \$281.3 million of Water System Revenue Bonds, 2024 Series A. The net proceeds of \$335.0 million, including \$53.7 million issue premium net of underwriter's discount, were used to pay for budgeted capital improvements to Water.

In May 2024, Water issued \$447.4 million of Water System Revenue Bonds, 2024 Series B. The net proceeds of \$509.4 million, including a \$62.0 million issue premium net of underwriter's discount, were used to refund a portion of the outstanding Water System Revenue Bonds, 2009 C, amounting to \$250.0 million and all of the \$253.2 million outstanding Water System Revenue Bonds, 2014 Series A. The transaction resulted in a net present value savings of \$46.2 million and a net gain for accounting purposes of \$17.2 million, which was capitalized as deferred inflows on debt refunding and is being amortized over the life of the refunding bonds.

As of June 30, 2024, Water had outstanding \$582.3 million in variable rate bonds. The variable rate bonds currently bear interest at daily and weekly rates ranging from 2.00% to 4.70% as of June 30, 2024. 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, 2024. 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.

Notes to the Basic Financial Statements

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, has been included in the current portion of long-term debt at \$58.2 million as of June 30, 2024.

Principal and interest paid for the current year and net pledged revenue were \$434.2 million and \$950.5 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. The DWP can request loans for Water System improvements, Power System improvements, and/or such other lawful purposes of the DWP. The interest charge for tax-exempt loans is based on daily Secured Overnight Financing Rate (SOFR) plus a spread of 0.39%. The interest charge for taxable loans is based on daily SOFR plus a spread of 0.47%. The Second Amended RCA expires in May 2026. As of June 30, 2024, Water has no outstanding obligations under the Second Amended RCA.

In June 2023, Water borrowed \$100.0 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 a record-setting level of precipitation that caused lower consumption, decreasing the Base Revenue Target and caused under collection of certain pass-through costs.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

In March 2024, Water repaid the \$100.0 million loan. As of June 30, 2024, Water has no obligations under the Wells Fargo RCA.

Scheduled annual principal maturities and interest are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 126,560	\$ 236,538	\$ 363,098
2026	150,292	232,123	382,415
2027	155,475	227,955	383,430
2028	174,776	223,170	397,946
2029	185,381	217,962	403,343
2030 - 2034	1,099,006	993,418	2,092,424
2035 - 2039	1,350,945	790,226	2,141,171
2040 - 2044	1,539,964	544,014	2,083,978
2045 - 2049	1,286,310	265,460	1,551,770
2050 - 2054	688,390	41,379	729,769
2055 - 2059	5,078	--	5,078
Subtotal	6,762,177	3,772,245	10,534,422
Net Unamortized Bond Premiums and Discounts	750,288	--	750,288
Total	\$ 7,512,465	\$ 3,772,245	\$ 11,284,710

The interest and amortization are net of \$848.8 million of unamortized discount/premium 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 \$582.3 million in variable rate bonds outstanding over the next six fiscal years as follows: \$58.2 million in fiscal year 2025; \$116.5 million in each of the fiscal years 2026 through 2029; and \$58.2 million in fiscal year 2030. Accordingly, the statement of net position recognize the possibility of the exercise of the tender options and reflect the \$58.2 million that could be due in fiscal year 2025, 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. Variable debt interest rate in effect at June 30, 2024 averages 4.39%. Should the tender options be exercised, the interest would be payable at the rate in effect at the time the standby agreements are activated.

Wastewater System Revenue Bonds, Notes, and Loans

Revenue bonds, commercial paper notes, and loans outstanding at June 30, 2024, and the original amounts issued are as follows (in thousands):

	Final Maturity	Interest Rates	Original Amount	Outstanding Balance
Revenue Bonds	2052	1.000% - 5.813%	\$ 2,731,375	\$ 2,325,920
Loans Payable to California SWRCB	2024	1.800%	219,081	13,356
Commercial paper notes	--	Variable	--	344,024
Subtotal			\$ 2,950,456	2,683,300
Net Unamortized Bond Premiums and Discounts				176,847
Net Revenue Bonds, Notes and Loans			\$ 2,860,147	

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. 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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. There were no new bonds issued in fiscal year 2024.

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 \$6.9 million of interest subsidies for the fiscal year ended June 30, 2024, 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 2024 (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.

As of June 30, 2024, the Loan balance amounted to \$13.4 million. The Loan matures 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 event 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.

Principal and interest paid for the current year and net pledged revenue were \$226.7 million and \$282.1 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
2025	\$ 468,540	\$ 115,332	\$ 583,872
2026	117,970	109,621	227,591
2027	124,830	103,830	228,660
2028	112,300	97,689	209,989
2029	115,535	92,179	207,714
2030 - 2034	580,825	373,552	954,377
2035 - 2039	486,945	240,816	727,761
2040 - 2044	446,745	118,303	565,048
2045 - 2049	199,765	25,817	225,582
2050 - 2054	29,845	2,419	32,264
Subtotal	2,683,300	1,279,558	3,962,858
Net Unamortized Bond Premiums and Discounts	176,847	--	176,847
Total	\$ 2,860,147	\$ 1,279,558	\$ 4,139,705

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

The maturity schedule presented above reflects the scheduled debt service requirements for all of Sewer's long-term debt.

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 expected to be disbursed during the first two years of the project's construction. The WIFIA Loan is secured on parity with the Subordinate Bonds, and the WIFIA Loan agreement provides that terms of proposed amendments to the Senior General Resolution and Subordinate General Resolution will become effective with respect to the WIFIA Loan upon the approval of such amendments by the requisite percentage of owners of the Senior Lien Bonds or the Subordinate Bonds, as applicable. Sewer has not drawn against the loan principal as of June 30, 2024.

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. There were \$344.0 million outstanding Notes as of June 30, 2024, with \$10.5 million in interest expense.

On September 15, 2023, Sewer issued taxable commercial paper notes amounting \$60.0 million. On December 14, 2023, Sewer issued taxable commercial paper notes in the amount of \$10.0 million. On February 8, 2024, Sewer issued taxable commercial paper notes in the amount of \$15.0 million. On March 7, 2024, Sewer issued taxable commercial paper notes in the amount of \$30.0 million. On April 29, 2024, Sewer issued taxable commercial paper notes in the amount of \$30.0 million.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

3. Fiduciary Funds

Following is a summary of mortgages payable activity of Pensions for the fiscal year ended June 30, 2024 (in thousands):

	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024	Due Within One Year
Mortgages Payable	<u>\$ 196,613</u>	<u>--</u>	<u>\$ (13,593)</u>	<u>\$ 183,020</u>	<u>--</u>

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
2025	\$ --	\$ 6,114	\$ 6,114
2026	--	6,235	6,235
2027	25,000	5,896	30,896
2028	--	5,785	5,785
2029	65,810	3,359	69,169
2030 - 2033	92,210	3,184	95,394
Total	<u>183,020</u>	<u>\$ 30,573</u>	<u>\$ 213,593</u>
Add: Appreciation/(Depreciation) of Mortgage Payable	<u>(9,346)</u>		
	<u><u>\$ 173,674</u></u>		

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
<u>Business-type Activities</u>			
Power System Revenue Bonds 2023 Series D \$303,260 5.000%	Power System Revenue Bonds 2018 Series B \$31,960 3.000-5.000%	\$ 31,742	\$ 22,544
Power System Revenue Bonds 2023 Series E \$428,120 5.000%	Power System Revenue Bonds 2014 Series B \$293,875 5.000%	249	226
Power System Revenue Bonds 2023 Series F \$200,185 Various	Power System Revenue Bonds 2014 Series A \$200,000 Various		
Power System Revenue Bonds 2024 Series A \$372,480 5.000%	Power System Revenue Bonds 2014 Series C \$54,465 5.000%	89,398	64,411
	Power System Revenue Bonds 2014 Series D \$162,320 5.000%		
	Power System Revenue Bonds 2014 Series E \$211,065 5.000%		
Power System Revenue Bonds 2024 Series B \$275,615 5.000%	Power System Revenue Bonds 2010 Series A \$316,000 5.716%	15,144	5,919
Power System Revenue Bonds 2024 Series C \$507,305 5.000%	Power System Revenue Bonds 2014 Series C \$96,310 5.000%	54,032	37,459
	Power System Revenue Bonds 2014 Series D \$253,445 5.000%		

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

Refunding Debt	Refunded Debt	Cash Flow Savings	Economic Gain
Water System Revenue Bonds 2024 Series B \$447,395 5.000%	Water System Revenue Bonds 2014 Series A \$253,240 5.000%	\$ 61,369	\$ 44,737
	Water System Revenue Bonds 2009 Series C \$250,000 6.008%		

K. Prior Years Defeasance of Debt

In 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, 2024, the following bonds are considered defeased (in thousands):

Governmental Activities			
General Obligation Bonds	\$ 7,440		
Business-type Activities			
Power Revenue Bonds	\$ 783,355		
Water Revenue Bonds	319,280		
Total	\$ 1,102,635		

L. Tax and Revenue Anticipation Notes

On July 11, 2023, in anticipation of receiving taxes and other revenues, the City issued tax and revenue anticipation notes (TRAN) with a true interest cost of 3.202% and total premium of \$25.0 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, 2024 was as follows (in thousands):

	Beginning Balance	Issued	Redeemed	Ending Balance
Tax and Revenue Anticipation Notes	\$ --	\$ 1,488,840	\$ (1,488,840)	\$ --

Notes to the Basic Financial Statements

M. Leases 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, 2024, the total of City's lease-related RTU assets is \$381.4 million with accumulated amortization of \$159.5 million, and lease liability is \$235.0 million along with \$497.8 million lease receivable and \$456.4 million lease related deferred inflow of resources.

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.

Notes to the Basic Financial Statements

As of June 30, 2024, the total of City's SBITA-related RTU assets is \$208.9 million with accumulated amortization of \$81.0 million, and SBITA liability is \$73.5 million.

1. Governmental Activities

City as Lessee

The City as a lessee, entered into various lease agreements with third parties having terms expiring between 2025 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 4.890%, 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, 2024, 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, 2024	
Land	\$	5,387
Buildings, Facilities, and Improvements		139,938
Machinery, Furniture and Equipment		12,076
Total RTU Lease Assets		157,401
Accumulated Amortization		(71,425)
Net RTU Lease Assets	\$	<u>85,976</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

As of June 30, 2024, the City's principal and interest requirements to maturity for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 14,585	\$ 2,322	\$ 16,907
2026	14,562	1,918	16,480
2027	14,442	1,508	15,950
2028	12,497	1,127	13,624
2029	11,687	828	12,515
2030 - 2034	18,249	1,556	19,805
2035 - 2039	1,105	790	1,895
2040 - 2044	715	665	1,380
2045 - 2049	843	537	1,380
2050 - 2054	994	386	1,380
2055 - 2059	1,173	207	1,380
2060 - 2062	640	27	667
Total	\$ 91,492	\$ 11,871	\$ 103,363

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 2025 and 2053, 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. 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.

As of June 30, 2024, the City's principal and interest expected receipts to maturity for the lease receivables are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 1,656	\$ 367	\$ 2,023
2026	1,333	261	1,594
2027	1,378	229	1,607
2028	1,403	196	1,599
2029	1,410	163	1,573
2030 - 2034	4,306	384	4,690
2035 - 2039	539	134	673
2040 - 2044	165	76	241
2045 - 2049	195	47	242
2050 - 2053	181	12	193
Total	\$ 12,566	\$ 1,869	\$ 14,435

As of June 30, 2024, City has \$11.8 million lease related deferred inflow of resources.

Notes to the Basic Financial Statements

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 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 2025 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, 2024, the City's completed SBITA RTU subscription assets are \$149.8 million with accumulated amortization of \$46.4 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
2025	\$ 18,201	\$ 1,653	\$ 19,854
2026	17,532	919	18,451
2027	6,842	442	7,284
2028	4,544	206	4,750
2029	3,773	15	3,788
Total	\$ 50,892	\$ 3,235	\$ 54,127

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 2025 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 3.34% as of June 30, 2024, and was the discount rate utilized for applicable leases beginning in fiscal year 2024.

At June 30, 2024, Airports' lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2024
Land	\$ 45,911
Buildings, Facilities, and Improvements	8,688
Machinery, Furniture and Equipment	<u>48,266</u>
Total RTU Assets	102,865
Accumulated Amortization	<u>(48,618)</u>
Total	\$ 54,247

As of June 30, 2024, Airports' principal and interest requirements to maturity for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 9,097	\$ 1,845	\$ 10,942
2026	8,256	1,545	9,801
2027	7,754	1,283	9,037
2028	4,675	1,048	5,723
2029	2,903	940	3,843
2030-2034	<u>11,267</u>	<u>3,336</u>	<u>14,603</u>
2035-2039	<u>7,961</u>	<u>1,926</u>	<u>9,887</u>
2040-2042	<u>7,218</u>	<u>439</u>	<u>7,657</u>
Total	\$ 59,131	\$ 12,362	\$ 71,493

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 2025 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 2025 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 2024.

As of June 30, 2024, Airports' principal and interest payments on leases expected to be received through maturity are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 23,586	\$ 5,082	\$ 28,668
2026	22,392	4,338	26,730
2027	20,235	3,603	23,838
2028	17,666	2,964	20,630
2029	16,204	2,400	18,604
2030-2034	50,694	5,724	56,418
2035-2039	5,957	1,592	7,549
2040-2044	190	1,044	1,234
2045-2049	112	1,041	1,153
2050-2054	378	1,001	1,379
2055-2059	740	910	1,650
2060-2064	1,226	748	1,974
2065-2069	1,868	493	2,361
2070-2073	1,943	130	2,073
Total	\$ 163,191	\$ 31,070	\$ 194,261

As of June 30, 2024, Airports have \$148.4 million lease related deferred inflow of resources.

Regulated Leases

Airports entered into various 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 2025 and 2049.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, Airports recognized the following balances related to regulated leases (in thousands):

Regulated Lease Assets	Fixed Payments	Variable Payments	Total
Building Rentals	\$ 465,004	\$ --	\$ 465,004
Land Rentals	39,195	--	39,195

Expected future minimum lease payments from regulated leases at June 30, 2024 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
2025	\$ 535,841
2026	415,283
2027	369,377
2028	368,384
2029	347,222
2030-2034	1,347,604
2035-2039	167,346
2040-2044	96,184
2045-2049	87,716
Total	\$ 3,734,957

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	200,034	30,089	169,945	Southwest Airlines
T2	152,045	2,246	149,799	Delta Air Lines
T3	330,271	3,011	327,260	Delta Air Lines
T4	316,456	1,490	314,966	American Airlines
T5	467,323	33,753	433,570	American Airlines
T6	134,845	31,507	103,338	Alaska Airlines
T7	335,087	4,081	331,006	United Airlines
T8	17,278	583	16,695	United Airlines
TBIT/MSC	214,192	214,192	--	
Total	2,167,531	320,952	1,846,579	

Note: The information above is based on June 2024 billing.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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	16	--	16	American Airlines
T5	15	--	5	American Airlines
T5	--	--	4	JetBlue Airlines
T5	--	--	4	Spirit Airlines
T5	--	2	--	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	--	1	Delta Air Lines
TBIT & MSC	--	35	--	Various airlines
Remote	9	9	--	Various airlines
Commuter	9	--	9	Various airlines
Total	167	48	119	

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 3.65% for fiscal year 2024 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

At June 30, 2024, Airports has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2024
Subscription Assets	\$ 40,475
Accumulated Amortization	<u>(27,031)</u>
Total	<u>\$ 13,444</u>

As of June 30, 2024, Airports' future principal and interest payments for subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 8,514	\$ 297	\$ 8,811
2026	3,158	70	3,228
2027	428	48	476
2028	425	35	460
2029	283	25	308
2030 - 2032	<u>933</u>	<u>27</u>	<u>960</u>
Total	<u>\$ 13,741</u>	<u>\$ 502</u>	<u>\$ 14,243</u>

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, 2024, RTU lease assets and related accumulated amortization are as follows (in thousands):

RTU Lease Assets	Balance June 30, 2024
Buildings, Facilities, and Improvements	\$ 909
Machinery, Furniture and Equipment	<u>1,194</u>
Total RTU Assets	<u>2,103</u>
Accumulated Amortization	<u>(983)</u>
Total	<u>\$ 1,120</u>

Harbor's future annual payments under these leases as of June 30, 2024 are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 511	\$ 29	\$ 540
2026	355	14	369
2027	106	8	114
2028	115	4	119
2029	<u>61</u>	<u>1</u>	<u>62</u>
Total	<u>\$ 1,148</u>	<u>\$ 56</u>	<u>\$ 1,204</u>

Notes to the Basic Financial Statements

Harbor as a lessor, leases a portion of lands and facilities to tenants for purposes of supporting port operations and serve the surrounding communities. These leases generated 16.5% of Harbor's operating revenues in fiscal year 2024. 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, 2024, lease payments received by Harbor are as follows (in thousands):

Leased Assets	Fixed	Variable	Total
Land and facilities	\$ 45,747	\$ 5,228	\$ 50,975

Harbor's future principal and interest receipts for these leases as of June 30, 2024 are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 28,993	\$ 9,620	\$ 38,613
2026	20,224	8,788	29,012
2027	10,809	8,335	19,144
2028	8,548	8,017	16,565
2029	8,955	7,729	16,684
2030 - 2034	46,288	33,848	80,136
2035 - 2039	47,997	25,847	73,844
2040 - 2044	55,595	17,054	72,649
2045 - 2049	66,661	5,922	72,583
2050 - 2054	2,281	179	2,460
Total	\$ 296,351	\$ 125,339	\$ 421,690

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 years ended June 30, 2024, the minimum rental income from such lease agreements was approximately \$435.6 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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
2025	\$ 445,678
2026	447,291
2027	384,684
2028	376,161
2029	379,799
2030-2034	1,995,780
2035-2039	1,754,582
2040-2044	<u>865,999</u>
Total	<u>\$ 6,649,974</u>

As of June 30, 2024, Harbor has \$296.4 million lease receivable and \$272.2 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, 2024, Harbor has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2024
Subscription Assets	\$ 2,967
Accumulated Amortization	<u>(2,286)</u>
Total	<u>\$ 681</u>

As of June 30, 2024, Harbor's future annual payments for subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 432	\$ 11	\$ 443
2026	308	1	309
Total	<u>\$ 740</u>	<u>\$ 12</u>	<u>\$ 752</u>

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

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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. There was no remeasurement of leases during fiscal year 2024.

At June 30, 2024, Power's lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2024
Land	\$ 3,272
Buildings, Facilities, and Improvements	53,822
Machinery, Furniture and Equipment	11,835
Total RTU Assets	68,929
Accumulated Amortization	(22,145)
Total	<u><u>\$ 46,784</u></u>

As of June 30, 2024, Power's future principal and interest payments for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 8,255	\$ 1,834	\$ 10,089
2026	4,139	1,807	5,946
2027	4,441	1,634	6,075
2028	4,811	1,436	6,247
2029	5,214	1,212	6,426
2030-2034	19,311	2,218	21,529
2035-2039	657	352	1,009
2040-2044	673	196	869
2045-2049	406	82	488
2050-2054	97	8	105
Total	<u><u>\$ 48,004</u></u>	<u><u>\$ 10,779</u></u>	<u><u>\$ 58,783</u></u>

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, Power has a \$23.4 million lease receivable and \$21.7 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 Weighted Average Cost of Capital (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, 2024, Power has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2024
Subscription Assets	\$ 12,555
Accumulated Amortization	(4,307)
Total	<u>\$ 8,248</u>

As of June 30, 2024, Power's future principal and interest payments to be made for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 505	\$ 32	\$ 537
2026	2,586	323	2,909
2027	2,683	190	2,873
2028	772	42	814
Total	<u>\$ 6,546</u>	<u>\$ 587</u>	<u>\$ 7,133</u>

Notes to the Basic Financial Statements

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. There was no remeasurement of leases during fiscal year 2024.

At June 30, 2024, Water's lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2024
Land	\$ 1,686
Buildings, Facilities, and Improvements	23,899
Machinery, Furniture and Equipment	<u>6,041</u>
Total RTU Assets	<u>31,626</u>
Accumulated Amortization	<u>(10,733)</u>
 Total	<u>\$ 20,893</u>

As of June 30, 2024, Water's future principal and interest payments to be made for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 3,976	\$ 801	\$ 4,777
2026	1,828	786	2,614
2027	1,959	710	2,669
2028	2,121	624	2,745
2029	2,297	526	2,823
2030-2034	8,290	965	9,255
2035-2039	309	172	481
2040-2044	325	99	424
2045-2049	209	42	251
2050-2054	50	5	55
 Total	<u>\$ 21,364</u>	<u>\$ 4,730</u>	<u>\$ 26,094</u>

Notes to the Basic Financial Statements

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, 2024, Water has \$2.3 million lease receivable and \$2.4 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 Weighted Average Cost of Capital (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, 2024, Water has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance
	June 30, 2024
Subscription Assets	\$ 3,043
Accumulated Amortization	<u>(993)</u>
Total	<u><u>\$ 2,050</u></u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

As of June 30, 2024, Water's annual principal and interest payments to be made for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 235	\$ 16	\$ 251
2026	486	72	558
2027	404	46	450
2028	426	23	449
Total	\$ 1,551	\$ 157	\$ 1,708

Sewer

At June 30, 2024, Sewer's lease related RTU assets by major class of underlying assets consist of the following (in thousands):

RTU Lease Assets	Balance June 30, 2024
Buildings, Facilities, and Improvements	\$ 18,170
Machinery, Furniture and Equipment	282
Total RTU Assets	18,452
Accumulated Amortization	(5,572)
Total	\$ 12,880

As of June 30, 2024, Sewer's future principal and interest payments for the lease liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 1,726	\$ 323	\$ 2,049
2026	1,825	284	2,109
2027	1,928	243	2,171
2028	1,805	199	2,004
2029	938	167	1,105
2030-2034	5,633	408	6,041
Total	\$ 13,855	\$ 1,624	\$ 15,479

As of the end of fiscal year 2024, Sewer had no SBITAs contract.

3. Fiduciary Funds

LACERS

As a lessee, LACERS has evaluated all potential lease agreements. There were no new and existing lease contracts identified that would result in the recognition of lease liabilities and right-to-use leased assets during the fiscal year ended June 30, 2024.

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. The total amount of inflow of resources, including lease revenue, interest revenue and other lease-related inflows recognized in fiscal year 2024 was \$62.0 thousand.

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 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 has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2024
Subscription Assets	\$ 475
Accumulated Amortization	<u>(98)</u>
Total	\$ 377

As of June 30, 2024, LACERS' annual principal and interest payments to be made for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 61	\$ 7	\$ 68
2026	128	15	143
2027	53	4	57
2028	<u>55</u>	<u>2</u>	<u>57</u>
Total	\$ 297	\$ 28	\$ 325

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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

As of June 30, 2024, Pensions' annual principal and interest expected to be received related to leases are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 239	\$ 7	\$ 246
2026	33	--	33
Total	\$ 272	\$ 7	\$ 279

As of June 30, 2024, Pensions has lease receivables of \$271.5 thousand. The deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms is \$251.7 thousand.

Pensions amended an existing agreement for the right to use the document storage management system, retroactive to July 2023. Pensions also entered into a three-year subscription-based information technology arrangement, including software and licenses. The agreement is effective from January 2024 to December 2026.

As of June 30, 2024, Pensions has RTU subscription assets and related accumulated amortization as follows (in thousands):

RTU SBITA Assets	Balance June 30, 2024
Subscription Assets	\$ 475
Accumulated Amortization	(126)
Total	\$ 349

As of June 30, 2024, Pensions' annual principal and interest payments for the subscription liability are as follows (in thousands):

Fiscal Year	Principal	Interest	Total
2025	\$ 156	\$ 9	\$ 165
2026	162	3	165
Total	\$ 318	\$ 12	\$ 330

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, 2024, 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, 2024 at approximately \$1.3 billion. Of this amount, \$197.9 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, 2024, the City estimates its workers' compensation liability at \$2.2 billion. Of this amount, \$237.3 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 parametric insurance coverage for earthquake losses up to \$25.0 million at LAX and \$5.0 million at VNY, for a total of \$30.0 million with a zero deductible. Airports is self-insured for earthquake losses in excess of \$30.0 million.

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.

Notes to the Basic Financial Statements

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 \$500,000 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, ransom ware and technical errors and omissions insurance with coverage limits of \$30.0 million 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 has a self-insured retention of \$500,000.

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 \$248.2 million at June 30, 2024.

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 for the fiscal year ended June 30, 2024 was \$10.1 million.

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, 2024 was \$95.7 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. Harbor's accrued workers' compensation liability at June 30, 2024 was \$9.0 million.

Notes to the Basic Financial Statements

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, 2024 was \$15.7 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, 2024.

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, 2024. 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 \$110.0 million as of June 30, 2024. 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, 2024, Power financial natural gas hedges by fiscal year are the following (fair value in thousands):

	Notional amount (total contract quantities*)	Contract Price Range Dollar per Unit	First Effective Date	Last Termination Date	Fair value
2025	26,030,000	\$2.20 - 6.69	07/01/24	06/30/25	\$ (2,898)
2026	23,470,000	2.23 - 4.75	07/01/25	06/30/26	3,267
2027	14,940,000	3.49 - 5.04	07/01/26	06/30/27	(825)
2028	9,775,000	3.49 - 4.66	07/01/27	06/30/28	(806)
2029	4,110,000	3.61 - 4.31	07/01/28	06/30/29	(130)
Total	78,325,000				\$ (1,392)

* Contract quantities in MMBtu - Million British Thermal Units

The fair value of the natural gas hedges decreased by \$16.0 million during the fiscal year ended June 30, 2024 due to a decrease in natural gas prices during the year, and the balance at June 30, 2024 is reported as a noncurrent asset 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.

Notes to the Basic Financial Statements

The Credit Policy includes provisions to limit risk, including the assignment of internal credit ratings to all of the Power System'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, 2024, 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, 2024, 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 the DWP 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 and for business interruption expenses. Claims settlements have not exceeded commercial insurance coverage during the last three fiscal years.

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 2024, \$7.9 million was accrued as claims payable.

Claim Changes

The Enterprise Funds' estimated claims and judgments payable of \$240.0 million consisted of \$33.7 million litigation-type claims and \$206.3 million workers' compensation liability. The amount estimated to be payable in the next fiscal year is approximately \$36.8 million.

The changes in the City's total governmental and business-type estimated claims and judgments liability are as follows (in thousands):

	FY 2024	FY 2023
Unpaid Claims, July 1	\$ 3,507,975	\$ 2,945,839
Provisions for Current Year's Events and Changes in Provision for Prior Years' Events	760,167	1,002,441
Claims Payments	<u>(576,347)</u>	<u>(440,305)</u>
Unpaid Claims, June 30	<u>\$ 3,691,795</u>	<u>\$ 3,507,975</u>

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, 2024, the City's liability of \$41.7 million is comprised of \$39.3 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 \$39.3 million represents post-closure duration of 19 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, 2024, 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, 2024 are as follows (in thousands):

	<u>Balance</u>			<u>Balance</u>
	<u>June 30, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2024</u>
Obligating Event				
Violation of Pollution Prevention-Related Permit or License	\$ 13,204	\$ 1,966	\$ (8,982)	\$ 6,188
Voluntary Commencement	<u>40</u>	<u>57,741</u>	<u>(18,211)</u>	<u>39,570</u>
Total	<u>\$ 13,244</u>	<u>\$ 59,707</u>	<u>\$ (27,193)</u>	<u>\$ 45,758</u>
Pollution Type				
Soil and/or Groundwater Remediation	\$ 13,189	\$ 57,270	\$ (25,454)	\$ 45,005
Lead Paint Removal	--	80	(80)	--
Methane Protection	55	--	--	55
Asbestos Removal	--	1,608	(910)	698
Mold Removal	--	749	(749)	--
Total	<u>\$ 13,244</u>	<u>\$ 59,707</u>	<u>\$ (27,193)</u>	<u>\$ 45,758</u>

The \$45.8 million liabilities for governmental activities, net of \$16.3 million recoveries, is mainly for voluntary commencement of pollution prevention-related activities. These obligations were determined based on construction contract amount, contract change orders, related direct costs and allocated indirect project costs. As of June 30, 2024, the total liability of \$45.8 million included \$1.7 million cost of remediation of contaminated soil and soil vapor beneath the PARC-Sixth Street Viaduct site including excavation, treatment, storage, transportation, disposal backfill of all hazardous materials and for comprehensive hazardous materials survey for the Warner Grand Theater, \$3.8 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, \$0.8 million for removal, abatement, remediation and disposal of lead, molds, and methane protection, \$0.7 million in asbestos removal, and \$38.8 million voluntary soil remediation for all 42 acres of the Taylor Yard G2 parcel. For fiscal year 2024, no remediation outlays were capitalized. Estimated expenditures for fiscal year 2025 and beyond are \$3.5 million and \$42.3 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.

Notes to the Basic Financial Statements

2. Business-type Activities

The pollution remediation obligations for business-type activities for the fiscal year ended June 30, 2024 are as follows (in thousands):

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2024</u>
Obligating Event				
Violation of Pollution Prevention-Related Permit or License	\$ 884	\$ --	\$ (10)	\$ 874
Named by a Regulator as a Potential Party to Remediation	64,553	4,644	(7,577)	61,620
Voluntary Commencement	98,622	395	(3,536)	95,481
Total	\$ 164,059	\$ 5,039	\$ (11,123)	\$ 157,975
Pollution Type				
Soil and/or Groundwater Remediation	\$ 164,059	\$ 5,039	\$ (11,123)	\$ 157,975

Airports bears full 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, 2024 was \$62.5 million, of which \$3.2 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 2024 was approximately \$78.0 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 \$17.5 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, 2024, 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 2024, the City paid \$11.7 million in financial assistance to the Developer. A total of \$146.1 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. In fiscal year 2024, the City paid \$3.5 million in financial assistance to the Developer. 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. In fiscal year 2024, the City paid \$3.0 million in financial assistance to the Developer. 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 2024, the City paid \$1.4 million in financial assistance to the Developers. A total of \$10.7 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 2024, the City paid \$9.1 million in financial assistance to the Developer. A total of \$49.2 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 2024, the City paid \$3.8 million in financial assistance to the Developers. A total of \$5.2 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 2024.

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

Notes to the Basic Financial Statements

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 2024, the City paid \$4.1 million in financial assistance to the Developers.

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 2024.

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, 2024, there are 951 existing Mills Act contracts in the City. The City paused new Mills Act applications in fiscal year 2021. Existing contracts are renewed annually for a minimum term of ten years.

For fiscal year 2024, the property tax abated from the Mills Act agreements was \$2.3 million. The City Council has imposed a cap on total property tax abatement of \$2.3 million.

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/webcenter/portal/rp/home/page121/page171>

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.

Notes to the Basic Financial Statements

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 Fund 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, 2024 were as follows:

Active Nonvested	
Tier 4	1
Tier 5	3,113
Tier 6	5,279
Subtotal	<u>8,393</u>
Active Vested	
Tier 2	3
Tier 3	315
Tier 4	148
Tier 5	3,499
Tier 6	11
Subtotal	<u>3,976</u>
Pensioners and Beneficiaries	
Tier 1	151
Tier 2	5,794
Tier 3	1,074
Tier 4	411
Tier 5	6,983
Tier 6	10
Subtotal	<u>14,423</u>
Vested Terminated	
Tier 3	18
Tier 5	256
Tier 6	554
Subtotal	<u>828</u>
Total	<u><u>27,620</u></u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024 were as follows:

Active Vested and Nonvested	
Tier 1	15,247
Tier 3	11,535
Subtotal	<u>26,782</u>
Inactive Nonvested and Terminated Entitled to Benefits	
Tier 1	7,951
Tier 3	3,888
Subtotal	<u>11,839</u>
Inactive	
Retired Tier 1	17,688
Retired Tier 3	9
Disabled Tier 1	786
Beneficiaries Tier 1	4,278
Beneficiaries Tier 3	2
Subtotal	<u>22,763</u>
Total	<u><u>61,384</u></u>

DWP Plans

As of June 30, 2024, DWP Plans' membership consisted of 9,877 retirees and beneficiaries; 1,786 terminated vested members and 11,485 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.

Notes to the Basic Financial Statements

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 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 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. 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. 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 Compensation (FAC) 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 FAC x Yrs. of SC ⁽²⁾
55 and Over	30 Years	2.0% x FAC x Yrs. of SC
60 and Over	10 Years	1.5% x FAC x Yrs. of SC
63 and Over	10 Years	2.0% x FAC x Yrs. of SC
63 and Over	30 Years	2.1% x FAC 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.

Notes to the Basic Financial Statements

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. 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.

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 Department 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 cost-of-living adjustment (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.

Notes to the Basic Financial Statements

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. 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 who transferred to Tier 6 from LACERS are required to contribute to Pensions at their same LACERS contribution rates until they retire.

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% once ERIP obligation is met.

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 drop down when Tier 1 members cease to pay the 1% ERIP contribution.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024, 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	\$ --	\$ 0.14	\$ 12.33	\$ 4.75	\$ 223.53	\$ 76.06	\$ 3.08	\$ 0.65	\$ 2.45		
Unfunded Supplemental Present Value amount	--	0.05	5.79	2.10	92.08	37.84	(0.01)	--	(0.02)		
Pension Administrative Expense	--	--	0.82	0.30	13.09	5.38	0.18	0.05	0.18		

During fiscal year 2024, total employer contributions of \$480.8 million were made in accordance with actuarially determined contribution requirements through an actuarial valuation performed at June 30, 2022.

Notes to the Basic Financial Statements

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, 2024, the actuarially-determined aggregate employer contribution rate to LACERS by the City was 29.43% (30.30% for Tier 1 and 27.10% for Tier 3) of projected payroll, based on the June 30, 2022 actuarial valuation. Upon closing the fiscal year 2024, 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, 2023. As a result, employer contributions received for LACERS were \$73.2 million more than required, and this amount was credited to the employer toward employer contributions for fiscal year 2024. Based on actual payroll, the effective rate of employer contribution for LACERS was 29.03% for fiscal year 2024, with total actuarially determined contribution of \$714.3 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 2024 (based on the July 1, 2023 valuations) was 31.40% of compensation.

DWP contribution rate for fiscal year 2024 for temporary disability (based on the July 1, 2023 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 2024, the actuarially determined contributions of DWP's Retirement Fund was \$435.6 million and actual contributions made were \$425.3 million.

4. Net Pension Liability

For the June 30, 2024 reporting date, the Net Pension Liability (NPL) of Pensions was measured as of June 30, 2023 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, 2023. The Fiduciary Net Position (FNP) was valued as of the measurement date.

LACERS' Net Pension Liability (NPL) was measured as of June 30, 2023 and determined based upon the FNP and TPL from the actuarial valuation as of June 30, 2023. FNP and TPL were valued as of the measurement date.

The NPL of DWP Plans was measured as of June 30, 2023 and determined based upon the results of the actuarial valuation as of July 1, 2023. The FNP and TPL were valued as of the measurement date.

The City's total pension liability, fiduciary net position and net pension liability as of the measurement date June 30, 2023 were as follows (in thousands):

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Fiduciary Net Position as % of Total Pension Liability
Pensions	\$ 26,800,920	\$ 26,437,300	\$ 363,620	98.64%
LACERS	25,299,537	17,953,292	7,346,245	70.96%
DWP Plans	17,006,869	16,424,801	582,068	96.58%
Total	<u>\$ 69,107,326</u>	<u>\$ 60,815,393</u>	<u>\$ 8,291,933</u>	

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

Changes in Net Pension Liability

The components of the net pension liability of Pensions, LACERS and DWP Plans as of the measurement date of June 30, 2023 were as follows (in thousands):

	Pensions	LACERS	DWP Plans	Total
Total Pension Liability				
Beginning Balance	\$ 25,907,294	\$ 24,078,751	\$ 16,130,109	\$ 66,116,154
Service Cost	452,190	412,247	322,734	1,187,171
Interest	1,797,828	1,671,683	1,045,077	4,514,588
Change of Benefit Terms	--	--	(82,833)	(82,833)
Benefit Payments, Including Refunds of Member Contributions	(1,352,465)	(1,219,616)	(749,460)	(3,321,541)
Difference of Expected and Actual Experience	258,373	469,172	341,242	1,068,787
Assumption Changes	(262,300)	(112,700)	--	(375,000)
Net Change	893,626	1,220,786	876,760	2,991,172
Ending Balance	26,800,920	25,299,537	17,006,869	69,107,326
 Fiduciary Net Position				
Beginning Balance	25,258,537	17,013,091	15,513,924	57,785,552
Employer Contributions	481,824	669,391	368,479	1,519,694
Member Contributions	151,935	257,967	144,715	554,617
Net Investment Income	1,920,463	1,261,073	1,153,143	4,334,679
Benefit Payments, Including Refunds of Member Contributions	(1,352,465)	(1,219,616)	(749,460)	(3,321,541)
Administrative Expenses	(22,994)	(28,614)	(6,000)	(57,608)
Net Change	1,178,763	940,201	910,877	3,029,841
Ending Balance	26,437,300	17,953,292	16,424,801	60,815,393
Net Pension Liability	\$ 363,620	\$ 7,346,245	\$ 582,068	\$ 8,291,933

Sensitivity of the Net Pension 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, 2023. 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. For this purpose, only employee and 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, 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, 2024 based on the measurement date of June 30, 2023.

The net pension liability will change when there are changes in the discount rate. The following presents the net pension liability (in thousands) calculated using the discount rate of 7.00 percent for Pensions and LACERS, 6.50 percent for DWP Plans, as well as what the net pension liability (asset) 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%)	\$ 4,021,275	\$ 10,670,437	\$ 2,902,052
Current Discount Rate (7.00% / 6.50%)	363,620	7,346,245	582,076
1% Increase (8.00% / 7.50%)	(2,615,987)	4,597,569	(1,326,580)

Notes to the Basic Financial Statements

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, 2024 (in thousands):

	Pension Expense (Credit)			
	Pensions	LACERS	DWP Plans	Total
Service Cost	\$ 452,190	\$ 412,247	\$ 322,734	\$ 1,187,171
Interest on the Total Pension Liability	1,797,828	1,671,683	1,045,077	4,514,588
Expensed Portion of Current-period Difference between Expected and Actual Experience in the Total Pension Liability	46,892	99,824	47,726	194,442
Expensed Portion of Current-period Changes of Assumptions or Other Inputs	(47,604)	(23,979)	--	(71,583)
Member Contributions	(151,935)	(257,967)	(144,715)	(554,617)
Projected Earnings on Plan Investments	(1,757,597)	(1,201,162)	(1,000,531)	(3,959,290)
Expensed Portion of Current-Period Benefit Changes	--	--	(82,833)	(82,833)
Expensed Portion of Current-period Differences between Actual and Projected Earnings on Plan Investments	(32,573)	(11,982)	(30,522)	(75,077)
Administrative Expense	22,994	28,614	6,000	57,608
Recognition of Beginning of Year Deferred Outflows of Resources as Pension Expense	1,165,179	975,399	611,333	2,751,911
Recognition of Beginning of Year Deferred Inflows of Resources as Pension Expense	<u>(1,138,050)</u>	<u>(706,456)</u>	<u>(526,128)</u>	<u>(2,370,634)</u>
	<u>\$ 357,324</u>	<u>\$ 986,221</u>	<u>\$ 248,141</u>	<u>\$ 1,591,686</u>

	Deferred Outflows of Resources			
	Pensions	LACERS	DWP Plans	Totals
Pension Contributions Subsequent to Measurement Date	\$ 480,650	\$ 715,396	\$ 432,122	\$ 1,628,168
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	--	69,770	5,697	75,467
Changes of Assumptions or Other Inputs	63,154	105,293	395,647	564,094
Differences between Expected and Actual Experience in the Total Pension Liability	346,899	430,490	322,831	1,100,220
Net Difference between Projected and Actual Earnings on Investments	<u>248,179</u>	<u>539,448</u>	<u>170,520</u>	<u>958,147</u>
	<u>\$ 1,138,882</u>	<u>\$ 1,860,397</u>	<u>\$ 1,326,817</u>	<u>\$ 4,326,096</u>

	Deferred Inflows of Resources			
	Pensions	LACERS	DWP Plans	Totals
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	\$ --	\$ 69,770	\$ 5,697	\$ 75,467
Changes of Assumptions or Other Inputs	214,696	88,722	--	303,418
Difference between Expected and Actual Experience in Total Pension Liability	<u>144,391</u>	<u>115,604</u>	<u>61,106</u>	<u>321,101</u>
	<u>\$ 359,087</u>	<u>\$ 274,096</u>	<u>\$ 66,803</u>	<u>\$ 699,986</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

The amount reported as deferred outflows for contributions made subsequent to the measurement date will be recognized as an adjustment of the net pension liability in the fiscal year ending June 30, 2025. 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
2025	\$ (79,428)	\$ 263,213	\$ 81,991
2026	(326,620)	(59,005)	(9,992)
2027	758,374	625,589	497,209
2028	(52,817)	41,108	81,858
2029	(364)	--	121,206
Thereafter	--	--	55,620

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. The target allocation and projected arithmetic real rate of return for major asset, after deducting inflation, but before reduction for investment expenses and applicable investment management expenses, used in the derivation of the long-term expected investment rate of return assumption for the actuarial valuation are summarized as follows:

Asset Class	Pensions		LACERS		DWP Plans	
	Target Allocation	Long-term Expected Rate of Return as of Measurement	Target Allocation	Long-term Expected Arithmetic Real Rate of Return as of Measurement	Target Allocation	Long-term Expected Rate of Return as of Measurement
Asset Class	Target Allocation	Date of June 30, 2023	Target Allocation	Date of June 30, 2023	Target Allocation	Date of June 30, 2023
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
	<u>100.00 %</u>		<u>100.00 %</u>		<u>100.00 %</u>	

7. Actuarial Methods and Assumptions

Significant actuarial methods and assumptions used to determine the total pension liabilities for the reporting period of June 30, 2024 are as follows:

	Pensions	LACERS	DWP Plans
Measurement Date	June 30, 2023	June 30, 2023	June 30, 2023
Valuation Date	June 30, 2023	June 30, 2023	June 30, 2023
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, 2024, 1,300 pensioners were enrolled in the DROP program, with total estimated values of the DROP accounts of approximately \$283.1 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 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.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

1. Membership

As of June 30, 2024, 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	12,291	17,909	8,638	8,034
Vested terminated members (may include retired members and surviving spouse) entitled to, but not yet receiving benefits	984	1,764	--	559
Active members	12,369	26,782	11,485	11,485
Total	25,644	46,455	20,123	20,078

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% 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 subsidy for health care. 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, 2023, retired members may receive reimbursement of up to \$2,169.79 per month for their own coverage and that of their eligible dependents.

Notes to the Basic Financial Statements

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% 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, 2024, 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 \$1,896.76 depending on age and service at retirement. For Tier 2, the monthly medical subsidy ranges from \$30.32 to \$948.38, 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.

Notes to the Basic Financial Statements

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, 2024, 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	Tier 6
Health Subsidy Entry Age Cost	\$ --	\$ 0.02	\$ 2.82	\$ 1.05	\$ 41.90	\$ 27.12	\$ 0.76	\$ 0.21	\$ 0.98	
Health Subsidy Unfunded Actuarial Accrual Liability	--	0.03	3.69	1.34	58.77	24.15	(0.03)	(0.01)	--	--
Health Administrative Expenses	--	--	0.07	0.03	1.15	0.47	0.02	--	0.02	

During fiscal year 2024, total employer contributions of \$164.6 million which excluded the transfer of employer contributions from the LACERS for the Airport Police members who elected to join the System in Tier 6 were made in accordance with actuarially determined contribution requirements through an actuarial valuation performed at June 30, 2022.

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, 2024, the actuarially determined contribution of the employer to LACERS by the City was 3.93% (3.77% for Tier 1 and 4.35% for Tier 3) of projected payroll, based on the June 30, 2022 actuarial valuation. The total contributions for the fiscal year 2024 is \$97.1 million.

Upon closing the fiscal year 2024, 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, 2023. As a result, employer contributions for Postemployment Health Care Plan were \$9.7 million more than required, and this amount was returned to the employer as a credit toward employer contribution for fiscal year 2025. Based on actual payroll, the effective rate of employer contribution for Postemployment Health Care Plan was 3.95% for the fiscal year 2024.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

DWP Plans

The DWP Board establishes rates for retiree healthcare plan based on an actuarially determined rate. For the fiscal year ended June 30, 2024, the DWP's average contribution rate was 9.0% of covered-employee payroll. Employees are not required to contribute to the retiree healthcare plan. DWP's contributions to the retiree healthcare plan were \$115.7 million including administrative expenses of \$1.1 million for the fiscal year ended June 30, 2024.

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 2024 was 1.14% of covered payroll.

The employer and member contribution rates as of June 30, 2024 are as follows:

	Members		
	DWP	Active	Retired
Total Death Benefit Fund	1.21% of Payroll	N/A	N/A
Supplemental family death benefit	N/A	\$2.25 biweekly	\$4.90 monthly
Insured lives death benefit	0		
Contributing	N/A	\$1.00 biweekly	N/A
Noncontributing	N/A	N/A	N/A

DWP's contributions to the death benefits plan were \$18.3 million including administrative expenses of \$1.9 million for the fiscal year ended June 30, 2024.

4. Net OPEB (Asset) Liability

For the June 30, 2024 reporting date, the Net Other Postemployment Benefits Liability (NOL) of Pensions was measured as of June 30, 2023 and determined based upon the Total OPEB Liability (TOL) from the actuarial valuation as of June 30, 2023. The Fiduciary Net Position (FNP) was valued as of the measurement date.

LACERS' Net OPEB Asset (NOA) and Net OPEB Liability (NOL) were measured as of June 30, 2023 and determined based upon the FNP and TOL from the actuarial valuation as of June 30, 2023. FNP and TOL were valued as of the measurement date.

DWP Plans' NOA and NOL were measured as of June 30, 2023 and determined based upon the results of the actuarial valuation as of June 30, 2023. 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, 2024 were as follows (in thousands):

	Total OPEB Liability	Fiduciary Net Position	Net OPEB (Asset) Liability	Fiduciary Net Position as % of Total OPEB Liability
Pensions	\$ 3,815,026	\$ 2,966,814	\$ 848,212	77.77%
LACERS	3,405,088	3,540,386	(135,298)	103.97%
DWP Plans				
Health Benefits	2,625,290	2,971,055	(345,765)	113.17%
Death Benefit	155,233	46,533	108,700	29.98%
Totals	\$ 10,000,637	\$ 9,524,788	\$ 475,849	

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2023 were as follows (in thousands):

	Pensions	LACERS	DWP Plans	Totals
Total OPEB Liability				
Beginning Balance	\$ 3,649,331	\$ 3,580,696	\$ 2,784,029	\$ 10,014,056
Service Cost	77,653	81,028	69,166	227,847
Interest	255,593	250,838	175,736	682,167
Changes of Benefit Terms	--	--	35,212	35,212
Benefit Payments	(153,918)	(159,351)	(122,295)	(435,564)
Differences between Expected and Actual				
Experience	18,082	(12,048)	35,855	41,889
Assumption Changes	(31,715)	(336,075)	(197,180)	(564,970)
Net Change	165,695	(175,608)	(3,506)	(13,419)
Ending Balance	3,815,026	3,405,088	2,780,523	10,000,637
Fiduciary Net Position				
Beginning Balance	2,722,122	3,347,771	2,801,566	8,871,459
Employer Contributions	186,418	90,581	131,115	408,114
Member Contributions	--	--	378	378
Net Investment Income	214,763	269,611	209,566	693,940
Benefit Payments	(153,918)	(159,351)	(122,295)	(435,564)
Administrative Expenses	(2,571)	(8,226)	(2,742)	(13,539)
Net Change	244,692	192,615	216,022	653,329
Ending Balance	2,966,814	3,540,386	3,017,588	9,524,788
Net OPEB (Asset) Liability	\$ 848,212	\$ (135,298)	\$ (237,065)	\$ 475,849

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, 2023. 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. 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, 2024 based on the measurement date of June 30, 2023.

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 Plans, 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%*)	\$ 1,412,582	\$ 316,466	\$ 44,503	\$ 134,854
Current Discount Rate (7.00% / 6.50% / 2.75%*)	848,212	(135,298)	(345,765)	108,700
1% Increase (8.00% / 7.50% / 3.75%*)	391,585	(508,751)	(664,617)	87,976

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 7.12% graded down to 4.50% over eleven years for Non-Medicare medical plan costs, and 6.37% graded down to 4.50% over eight years for Medicare medical plan costs. 3.00% for all years for Dental and 4.50% for all years for Medicare Part B subsidy cost. The current trend rates assumption for Pensions is 7.25%, then graded down to an ultimate of 4.50% over eleven years for Non-Medicare medical plan costs; 6.50%, then graded down to 4.50% over eight years for Medicare medical plan costs and 3.00% for all years for Dental and 4.50% Medicare Part B cost. DWP Plans current trend rates assumption is 7.00%, graded down to 4.50% over ten years for Non-Medicare medical plan costs; 6.25% graded down to 4.50% over seven years for Medicare medical plan costs and 3.00% for all years for Dental and 4.50% Medicare Part B cost.

The following presents the net OPEB (asset) liability (in thousands) as of June 30, 2023 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	\$ 374,974	\$ (546,070)	\$ (700,658)
Current Trend Rate	848,212	(135,298)	(345,765)
1% Increase	1,443,520	372,464	102,065

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, 2024 (in thousands):

	OPEB Expense			
	Pensions	LACERS	DWP Plans	Totals
Service Cost	\$ 77,653	\$ 81,028	\$ 69,166	\$ 227,847
Interest on the Total OPEB Liability	255,593	250,838	175,736	682,167
Expensed Portion of Current-Period Benefit Changes	--	--	35,212	35,212
Expensed Portion of Current-period Difference between Expected and Actual Experience in the Total OPEB Liability	2,628	(1,972)	4,367	5,023
Expensed Portion of Current-period Changes of Assumptions or Other Inputs	(4,610)	(55,004)	(24,017)	(83,631)
Member Contributions	--	--	(378)	(378)
Projected Earnings on Plan Investments	(197,577)	(234,555)	(180,674)	(612,806)
Expensed Portion of Current-period Differences between Actual and Projected Earnings on Plan Investments	(3,437)	(7,011)	(5,778)	(16,226)
Administrative Expense	2,571	8,226	2,742	13,539
Recognition of Beginning of Year Deferred Outflows of Resources as OPEB Expense	158,219	200,213	111,452	469,884
Recognition of Beginning of Year Deferred Inflows of Resources as OPEB Expense	(237,434)	(243,546)	(169,962)	(650,942)
	<u><u>\$ 53,606</u></u>	<u><u>\$ (1,783)</u></u>	<u><u>\$ 17,866</u></u>	<u><u>\$ 69,689</u></u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

	Deferred Outflows of Resources				Totals
	Pensions	LACERS	DWP Plans		
OPEB Contributions Subsequent to Measurement Date	\$ 164,720	\$ 97,371	\$ 128,534	\$ 390,625	
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	--	8,383	5,563	13,946	
Changes of Assumptions or Other Inputs	71,858	48,650	61,433	181,941	
Net Difference between Projected and Actual Earnings on Investments	41,349	63,585	23,048	127,982	
Difference between Expected and Actual Experience	20,789	5,630	33,306	59,725	
	<u>\$ 298,716</u>	<u>\$ 223,619</u>	<u>\$ 251,884</u>	<u>\$ 774,219</u>	

	Deferred Inflows of Resources				Totals
	Pensions	LACERS	DWP Plans		
Changes in Proportion and Differences between Employer's Contributions and Proportionate Share of Contributions	\$ --	\$ 8,383	\$ 5,563	\$ 13,946	
Changes of Assumptions or Other Inputs	330,591	438,540	198,061	967,192	
Difference between Expected and Actual Experience	168,133	86,027	217,536	471,696	
	<u>\$ 498,724</u>	<u>\$ 532,950</u>	<u>\$ 421,160</u>	<u>\$ 1,452,834</u>	

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, 2025. 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
2025	\$ (105,584)	\$ (122,820)	\$ (71,546)
2026	(131,221)	(146,035)	(86,076)
2027	(4,102)	18,532	(2,233)
2028	(72,251)	(89,925)	(61,491)
2029	(49,826)	(60,187)	(28,339)
2030	(1,744)	(6,267)	(24,261)
Thereafter	--	--	(23,864)

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 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, 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 weighing 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. The target allocations and projected arithmetic real rates of return for major asset, after deducting inflation, but before deducting investment expenses and applicable investment management expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized as follows:

Asset Class	Pensions		LACERS		DWP Plans	
	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2023	Target Allocation	Long-term Expected Arithmetic Real Rate of Return as of Measurement Date of June 30, 2023	Target Allocation	Long-term Expected Rate of Return as of Measurement Date of June 30, 2023
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
	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

7. Actuarial Methods and Assumptions

Significant actuarial methods and assumptions used to determine the total OPEB liabilities for the reporting period of June 30, 2024 are as follows:

	Pensions	LACERS	DWP Plans
Measurement Date	June 30, 2023	June 30, 2023	June 30, 2023
Valuation Date	June 30, 2023	June 30, 2023	June 30, 2023
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	7.25% then graded down to ultimate 4.50% over 11 years for Non-Medicare medical plan costs and 6.50% then graded down to ultimate 4.50% over 8 years for Medicare medical plan costs; and 3.00% for all years for dental and 4.50% Medicare Part B costs.	7.12% graded down to 4.50% over 11 years for Non-Medicare medical plan costs, and 6.37% graded down to 4.50% over 8 years for Medicare medical plan costs. 1.50%, then 3.00% thereafter for dental and 5.20%, then 4.50% thereafter for Medicare Part B subsidy cost.	7.00% graded down to 4.50% over 10 years for non-Medicare medical plan costs; 6.25% graded down to 4.50% over 7 years for Medicare medical plan costs; and 3.00% for all years for dental and 4.50% 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, 2016 to June 30, 2019	July 1, 2019 to June 30, 2022	July 1, 2018 to June 30, 2021

Notes to the Basic Financial Statements

The General Fund and Enterprise Funds have historically been used to liquidate the OPEB liabilities. GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* states that when a significant change in the net OPEB liability has occurred between the measurement date (i.e., June 30, 2023) and the City's reporting date (i.e., June 30, 2024), a disclosure of that significant change should be made. Accordingly, the following significant changes to the net OPEB (asset) liability have occurred after the City's measurement date of June 30, 2023:

Pension - Health Subsidy Plan

As of the measurement date June 30, 2023, the plan's fiduciary net position increased approximately \$285.0 million from \$3.0 billion to \$3.3 billion due to significant increases in fair value of the plan's investments. The total OPEB liability also increased \$251.7 million from \$3.8 billion to \$4.1 billion due to changes in assumptions, resulting in an overall decrease in net OPEB liability from approximately \$848.2 million to \$814.9 million, a change of approximately \$33.3 million.

LACERS - Postemployment Health Care Plan

As of the measurement date June 30, 2023, the plan's fiduciary net position increased approximately \$255.7 million from \$3.5 billion to \$3.8 billion due to significant decreases in fair value of the plan's investments. Overall, the decrease in the fiduciary net position and increase in the total OPEB liability resulted in an decrease in net OPEB liability from approximately \$135.3 million to (\$226.0) million, a change of approximately \$90.7 million.

DWP Plans

Retiree Health Benefits Fund

As of the measurement date June 30, 2023, the plan's fiduciary net position increased approximately \$297.1 million from \$3.0 billion to \$3.3 billion due to significant increases in fair value of the plan's investments. Overall, the increase in the fiduciary net position and decrease in the total OPEB liability resulted in an increase in net OPEB asset from approximately \$345.8 million to \$76.1 million, a change of approximately \$269.7 million.

Additionally, the discount rate used to measure the total OPEB liability of the Retiree Health Benefits Fund was changed from 7.0% to 6.5% for the measurement period ended June 30, 2022.

Death Benefit Fund

As of the measurement date June 30, 2023, the plan's fiduciary net position increased approximately \$9.8 million from \$46.5 million to \$56.3 million due to increases in fair value of the plan's investments. Overall, the increase in the fiduciary net position and decrease in the total OPEB liability resulted in an decrease in net OPEB liability from approximately \$108.7 million to \$103.9 million, a change of approximately \$4.8 million. Additionally, the discount rate used to measure the total OPEB liability of the Death Benefit Fund was changed from 3.5% to 2.75% for the measurement period ended June 30, 2022.

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 members 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 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, 2024.

Blue Cross of America v. City of Los Angeles.

On March 30, 2017, Blue Cross filed a protective tax refund claim of business taxes paid for tax year 2015, under Article XIII, Section 28 of the California Constitution, which exempts "insurers" from local business taxes on account of being subject to a higher State income tax. Blue Cross' protective refund action arises out of a separate action in Los Angeles County Superior Court, entitled Michael D. Myers v. State Board of Equalization, et al. (BS 143436). Myers proceeded under a California statute that permitted an individual taxpayer to sue a governmental agency when the taxpayer believes the agency has failed to enforce governing law. The issue, amongst others, to be resolved in Myers is whether Blue Cross is an "insurer" under California tax law and thus subject to the higher State tax. Pending the resolution of that issue, Blue Cross has continued to report and pay its City business taxes.

On April 24, 2023, the California Court of Appeals affirmed the trial court's determination that Blue Cross was not considered an "insurer" under California tax law and thus not subject to the higher State Tax Rate. However, Blue Cross has also filed supplemental protective tax refund claims of business taxes paid for tax years 2016 through 2024, inclusive. Should Blue Cross not file another protective refund claim for the year 2025, the City will begin to review the filed protective refund claims in conformity with the Court of Appeals' affirming ruling that Blue Cross was not an insurer under California law.

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 implemented enhanced security measures mandated by the FAA, the Transportation Security Administration (TSA), the Department of Homeland Security and Airport management. Current and future security measures may create significantly increased inconvenience, costs and delays at Los Angeles International Airport (LAX) which may give rise to the avoidance of air travel generally and the switching from air to ground travel modes and may adversely affect Airports' operations, expenses and revenues. LAX has been the target of a foiled terrorist bombing plot and has been recognized as a potential terrorist target. Recent incidents at United States and international airports underscore this risk. LAX is a high profile public facility in a major metropolitan area. 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. Participating airport tenants and service providers have been preparing to be reimbursed \$0.5 million for eGSE purchases to be performed in fiscal year 2025.

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.

Notes to the Basic Financial Statements

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 2022, ACTA issued Tax-Exempt Senior Lien Revenue Refunding Bonds, Series 2022A, Taxable Senior Lien Revenue Refunding Bonds, Series 2022B, and Tax-Exempt Second Subordinate Lien Revenue Refunding Bonds Series 2022C (Series 2022 Bonds). With the intent of reducing future Shortfall payments, the issuance of the Series 2022 Bonds restructured ACTA's debt. There was no Shortfall payment in fiscal year 2024.

Power and Water Enterprise Funds

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, 2024.

Power Enterprise Fund

Power Revenue Fund Surplus Transfer to City

Under the provision of the City Charter, 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.

Notes to the Basic Financial Statements

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 Ordinance.

During fiscal year 2024, 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, 2024:

Revenue Type	Basis of Revenue	kwh (in billions)	Rate per KWH Under the 2008 Ordinance	Revenue (in thousands)
Retail Sales	2008 Ordinance	20.8	\$ 0.12628	\$ 2,630,278
Retail Sales	2016 Ordinance	20.8		2,003,960
Wholesale Sales	Contract			66,738
Transmission Sales	Contract			40,280
Rent from Electric Property	Contract			2,121
Other Service Charges	Fee schedule			22,271
Unbilled Sales	Estimated			113,762
Bad Debts Expense	Estimated			(54,042)
				<u>\$ 4,825,368</u>

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. DWP had four major reservoirs in its system subject to SWTR: Upper and Lower Hollywood, Lower Stone Canyon, and Encino. To comply with SWTR, DWP 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. DWP 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, DWP must change its primary disinfectant from chlorine to chloramines, a less reactive disinfectant, by April 1, 2014. In order to convert to chloramines, DWP constructed an ultraviolet filtration plant, two chloramination stations, three ammoniation stations, two chlorination stations and has and will continue to install mixers in tanks and reservoirs. DWP achieved compliance with the Stage 2 DBP Rule before April 2014 compliance date.

Notes to the Basic Financial Statements

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 is expected to be approximately \$459.6 million at completion. The actual expenditures to date are \$365.5 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 to date 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, first 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 LAA 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 amendments 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; (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. 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 \$40.0 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 \$7.9 million in fiscal year 2024 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 2024, 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, and 2024 discretionary actions.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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.

On September 20 and 21, and October 28, 2021, Judge Fujie held a bench trial began 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 September 19, 2024, Phase One of the consolidated action is pending on appeal and Phase Two continues 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. As a result of the outcome in the Fry Action, which concluded in fiscal year 2017, Pensions continues to provide 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 consequences of the Freeze Ordinance.

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, 2024, the City's encumbrances totaled \$1.9 billion of which \$451.6 million were contractual commitments for various capital projects. Below are details of encumbrances by fund categories (in thousands):

	Restricted	Committed	Assigned	Totals
General Fund	\$ --	\$ 18,507	\$ 377,040	\$ 395,547
Nonmajor Governmental Funds	\$ 1,292,513	\$ 221,950	\$ 125	\$ 1,514,588
	<u>\$ 1,292,513</u>	<u>\$ 240,457</u>	<u>\$ 377,165</u>	<u>\$ 1,910,135</u>

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.

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 Million" (ULA), a voter initiative to fund affordable housing projects and programs.

Notes to the Basic Financial Statements

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 will be 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 XIII A 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 XIII A 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. Plaintiffs have appealed the United States District Court's decision to the Ninth Circuit Court of Appeals.

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 City anticipates that the plaintiffs will appeal the Superior Court's ruling to the California Appellate Court and to the California Supreme Court, if necessary. The City will continue to defend ULA and its interests in these matters. Due to the preliminary nature of the matters, the City cannot provide any assurances that ULA and the ULA special tax will ultimately be upheld in court.

Notwithstanding the above challenges to the ULA, the City's Fiscal Year 2023-24 Adopted Budget appropriates \$150.0 million in ULA special tax revenues collected in Fiscal Year 2023-24 to pay for affordable housing and homelessness prevention programs. For the City's Fiscal Year 2024-25 Adopted Budget, the City appropriated the remaining balance of the ULA special tax revenue collected in Fiscal Year 2023-24 in the amount of approximately \$168.0 million to fund such programs. In the event the ULA special tax is invalidated in court, the General Fund may be at risk of repaying ULA special tax receipts collected that have been expended, which could be equal to the City's total ULA special tax revenues collected through the end of Fiscal Year 2023-24 of approximately \$320.0 million. The City has attempted to mitigate this risk with the intent to use eligible future year Federal Emergency Management Agency (FEMA) reimbursements from previous COVID-19 response activities to make any required repayments, but the receipt of FEMA reimbursements is uncertain in both amount and timing and any repayment obligation, should it occur, would ultimately fall on the General Fund.

2. Business-Type Activities

As of June 30, 2024, the following Enterprise Funds have commitments for construction contracts and open purchase orders in the following approximate amounts (in thousands):

Airports*	\$ 91,900
Harbor	11,200
Power	113,770
Water	32,160
Sewer	<u>233,300</u>
	<u>\$ 482,330</u>

*Excludes unpaid portion of total commitments on major construction contracts.

Airports Enterprise Fund

As of June 30, 2024, Airports had commitments for open purchase orders of approximately \$91.9 million. Additionally, Airports had various commitments on major construction contracts and tenant-based acquisitions, approximately amounting to \$669.0 and \$964.0 million, respectively. Airports has approved the following Multiple Award Task Order Contracts (MATOC) in fiscal year 2024:

- the award of 15 five-year MATOC, with two one-year renewal options, in the amount not to exceed \$950.0 million, to provide highly specialized consulting services in support of the Capital Improvement Program.
- the award of 10 five-year MATOC, with two one-year renewal options, in the amount not to exceed \$100.0 million, to provide planning and design services.

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 2024.

Power Enterprise Fund

Purchased Power Commitments

As of June 30, 2024, the Power has entered into a number of energy and transmission service contracts, which involve substantial commitments as follows (amounts in thousands):

	Agency	Agency Share (percentage)	DWP's Interest in Agency Share		
			Interest (percentage)	Capacity (Megawatts)	Outstanding Commitment
Intermountain Power Project	IPA	100.0 %	58.2 %	1,047	\$ --
Intermountain Repower Project FY25-28	IPA	100.0	58.2	489	246,655
Intermountain Repower Project FY29-46	IPA	100.0	71.4	600	1,661,984
Mead-Adelanto Transmission Project	SCPPA	68.0	48.9	539	18,931
Mead-Phoenix Transmission Project	SCPPA	17.8-22.4	50.4	647	15,371
Southern Transmission System	SCPPA	100.0	59.5	1,429	76,297
Southern Transmission System Renewal Project*	SCPPA	100.0	90.5	--	2,242,369
Miford I Wind	SCPPA	100.0	92.5	185	80,944
Windy Point/Windy Flats Project	SCPPA	100.0	100.0	262	192,938
Linden Wind Energy	SCPPA	100.0	100.0	50	117,553
Miford II Wind	SCPPA	100.0	100.0	102	80,510
Apex Power Project	SCPPA	100.0	100.0	520	255,644
					<u>\$ 4,989,196</u>

* Power will receive 100% of the energy, unless City of Glendale exercises its option to repurchase any of its contract output entitlement share.

Notes to the Basic Financial Statements

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). The Power System serves as the project manager and operating agent of IPP. IPA and the Power Purchasers including the Power System 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 which is scheduled to be completed by July 1, 2025. IPP is considered a related party.

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. The Power System 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 purchase power expense. In addition to commitments noted above for debt service, Power is required to pay an average annual fixed charge of approximately \$650.0 million during each of the next five years for operating and maintenance costs related to actual deliveries of energy under these agreements. Power made a total payment under these agreements of approximately \$0.8 billion in fiscal year 2024. These agreements are scheduled to expire from 2027 to 2046.

Power is reimbursed for services provided to IPP under the IPP project manager and operating agent agreements totaling \$62.6 million in fiscal year 2024.

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, 2024.

Energy Entitlement Contracts

DWP has a contract through 2067 with the U.S. Department of Energy for the purchase of available energy generated at the Hoover Power Plant. DWP's contractual share of contingent capacity at Hoover is 23.92% of the available capacity. The Boulder Canyon Project (BCP) cost was approximately \$16.0 million as of June 30, 2024. The BCP cost includes power purchased under the contract as well as fund contributions to the Lower Colorado River Multi-Species Conservation Program.

DWP has entered into contracts with SCPPA to purchase available renewable energy generated at various renewable energy project sites.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

As of June 30, 2024, Power's energy entitlement contracts with SCPPA, which involves 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	68.7	\$ 16.0
Don A Campbell I	SCPPA	100.0	85.0	13.7	10.0
Don A Campbell II	SCPPA	100.0	100.0	16.2	8.0
Copper Mountain Solar 3	SCPPA	100.0	84.0	210.0	49.0
Heber-1 Geothermal	SCPPA	100.0	78.0	35.9	25.0
Springbok 1 Wind Farm	SCPPA	100.0	100.0	105.0	20.0
Springbok 2 Wind Farm	SCPPA	100.0	100.0	155.0	23.0
Ormat Northern Nevada	SCPPA	100.0	100.0	185.0	108.0
Ormesa	SCPPA	100.0	86.0	30.0	16.0
Springbok 3 Wind Farm	SCPPA	100.0	100.0	90.0	12.0
Roseburg Biomass Project	SCPPA	62.0	79.0	5.4	1.0
Red Cloud Wind Project	SCPPA	100.0	100.0	331.0	50.0
Total energy costs under entitlement agreement					\$ 338.0

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 \$244.7 million in fiscal year 2024 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 \$3.9 billion at June 30, 2024. 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%). The Power System 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, 2024 (in thousands):

Asset	Obligating event	Timeframe required for decommissioning	June 30, 2023	Additions	Payments	June 30, 2024
Navajo Generating Station	Legal agreements resulting from Sales Contract	Plant was put out of commission as of December 2019	\$ 21,882	\$ 28,179	\$ (6,365)	\$ 43,696
Palo Verde Nuclear Generating Station	Ownership agreement	Unit 1: June 1, 2045 Unit 2: April 24, 2046 Unit 3: November 25, 2047 2029 - 2064	186,910	34,300	--	221,210
Other	Lessee or ownership agreements		9,240	179	--	9,419
Total asset retirement obligation liability			\$ 218,032	\$ 62,658	\$ (6,365)	\$ 274,325

Notes to the Basic Financial Statements

Power has restricted investments in the amount of \$156.2 million as of June 30, 2024 related to this reserve. Deferred outflows related to Power's assets retirement obligation are as follows for the year ended June 30, 2024:

Asset	Remaining useful life of asset/lease term	June 30, 2023	Additions	Payments	June 30, 2024
Palo Verde Nuclear Generating Station	24	\$ 29,968	\$ 34,299	\$ (1,303)	\$ 62,964
Other	6-41		4,527	179	(219) 4,487
Total Deferred outflows - asset retirement obligation		\$ 34,495	\$ 34,478	\$ (1,522)	\$ 67,451

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. The Power System also had energy efficiency staff located at the building to work with inventors and determine if there are new energy efficiency programs to launch. In June 2024, the LKIC Board voted to dissolve the nonprofit organization. Concurrent with this dissolution, LKIC contributed certain assets to the Power System, which resulted in a recognition of \$9.0 million in capital contributions by the Power System.

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, 2024 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 water from Metropolitan pursuant to water supply purchase orders entered into with Metropolitan for specific periods. In January 2015, DWP and Metropolitan executed a new purchase order for Imported Water Supply Agreement (the Purchase Order Agreement), which requires DWP to purchase at least 2,033,130 acre-feet of water over a 10-year period commencing on January 1, 2015 and expiring on December 31, 2024. Some of the key terms of the Purchase Order Agreement include the following: (a) DWP's annual maximum Tier 1 allocation of water from Metropolitan is 335,663 acre-feet per year, or 3,356,630 acre-feet for the 10-year term of the Purchase Order Agreement; (b) any obligation to pay Metropolitan's Tier 2 supply rate will only be assessed if a member agency exceeds their total 10-year Tier 1 allocation.

Under the previous purchase order agreement, Tier 2 costs were assessed on an annual basis, with no ability for member agencies to carry over unused Tier 1 allocation from one year to the next; (c) opportunity to reset the base period demand using a five-year rolling average; and (d) an appeals process for agencies with unmet purchase commitments has been established. This will allow each acre-foot of unmet purchase order commitment to be reduced by the amount of production from a local resource project that commences operation on or after January 1, 2014, which will allow member agencies who successfully develop local supplies, not to be charged if production of these supplies negatively impacts their minimum purchase order commitment.

Notes to the Basic Financial Statements

As of June 30, 2024, Water has purchased 2,252,201 acre-feet from Metropolitan under the current Purchase Order Agreement, exceeding the minimum purchase requirement of 2,033,130 acre feet. Water has fulfilled its purchase order commitment from Metropolitan, does not anticipate exceeding its maximum Tier 1 allocation, and expects to purchase 48,992 acre-feet of water from Metropolitan before the expiration of the Purchase Order Agreement on December 31, 2024, which is estimated to cost \$83.0 million. Metropolitan adopted a new rate structure effective January 1, 2025 that only includes a single tier supply rate, and has opted to not renew the expiring Purchase Order agreement.

Sewer Enterprise Fund

As of June 30, 2024, Sewer had outstanding commitments to fund planned modification and improvement of the City's wastewater collection and treatment system of approximately \$233.3 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, 2024.

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 \$2.1 billion as of June 30, 2024. 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, 2024, LACERS was committed to future purchases of real estate and private equity investments at an aggregate cost of approximately \$2.1 billion, including agreements for acquisition not yet initiated.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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, 2024
Multifamily Housing Bonds - 193 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.	\$ 1,811,309
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.	73,829
Industrial Development Bonds - 5 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.	41,170
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.	50,660
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.	5,120
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.	21,415
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.	175
	<u>\$ 2,003,678</u>

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 provides a Signatory Transitional Phase-in (STP) program that allows 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 in 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) extend the term and terms 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 ACSR, 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 ACSR; and (4) revised landing and apron fees to include cost deferrals, per the ACSR.

Annual Comprehensive Financial Report

Notes to the Basic Financial Statements

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 FY2024 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 shall not receive the benefit of the FY2024 Adjustments. Such airlines will only receive the benefit of the Access Area Phase-In from the fiscal year that immediately follows the execution date. At the end of September 2024, about 70 carriers comprising more than 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, 2024. 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 \$130.2 million for debt service in fiscal year 2024.

LAX's PFCs collected and the related interest earnings through June 30, 2024 was \$3.5 billion. As of June 30, 2024, LAX's cumulative expenditures on approved PFCs projects totaled \$3.2 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.

Notes to the Basic Financial Statements

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, 2024 was \$764.1 million. As of June 30, 2024, cumulative expenditures to date on approved CFCs projects totaled \$729.1 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 \$69.5 million in fiscal year 2024.

2. Harbor Enterprise Fund

Cash Funding of Reserve Fund

As of June 30, 2024, Harbor had \$532.0 million of outstanding parity bonds (including net unamortized premiums). Harbor holds cash reserves for each Indenture of the outstanding bonds, except for the 2019 Revenue Refunding Bonds that were issued without a reserve, as the Board of Harbor Commissioners on September 18, 2008, approved the full cash funding of the entire reserve requirement of \$61.5 million and transferred it to Harbor's bond trustee in December 2008. 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, 2024, the balance in the Common Reserve fund totaled \$37.3 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. Power and Water Enterprise Funds

FBI Investigation

Federal investigators conducted an investigation related to issues that arose over the class action litigation and settlement regarding the Department's billing system. The Department cooperated fully with the investigators in connection with their investigation and understands that the investigation is now closed. Water and Power does not believe that the investigation or the billing-system-related lawsuits will have a material adverse effect on Water and Power's operations or financial position.

4. 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.

Notes to the Basic Financial Statements

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 will be 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 2024 for Wastewater Service Contracts Operation and Maintenance (O&M) Charges were \$34.6 million and Wastewater Service Contracts Capital revenues were \$15.0 million. Reconciliation bills for service in fiscal year 2023 and fiscal year 2024 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. The remaining unpaid balances and estimated billings total approximately \$22.4 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 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 \$235.1 million as of September 2024. 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 23 MGD 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.

Notes to the Basic Financial Statements

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

NPDES Permits

The 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. Due to schedule delays for a distribution system construction project and an end-user internal improvement, the City may not be able to meet such requirement until 2026. TIWRP has communicated the delays to the LARWQCB; however, LARWQCB has yet to approve a further extension of the current deadline of August 11, 2025.

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 (CERCLA) 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, and 2024. However, no fines or penalties have been calculated or assessed to date.

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 (the "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 or recovery costs are 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, 2024, Sewer has received insurance reimbursements of over \$44 million against property damages. Sewer is working with its insurance provider to pay on the remaining costs.

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.

Notes to the Basic Financial Statements

5. 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. The matter remains under investigation by the District Attorney's Bureau of Investigation. The City cannot predict the outcome of this investigation.

6. 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, in addition to the cost of community engagement, estimated to range between \$16.7 million to \$80.2 million. 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.

Notes to the Basic Financial Statements

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) 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.

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 2024, 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.

Notes to the Basic Financial Statements

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, 2024, properties transferred to the City net of certain real properties sold totaled \$105.5 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, 2024. 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 \$97.9 million through June 30, 2024.

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 2024, 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 \$28.2 million at June 30, 2024.

G. Subsequent Events

1. Indebtedness

Subsequent to June 30, 2024, the City issued the following indebtedness:

Issue Date	Description	Amount (in thousands)	Interest Rate (Percentage)
July 9, 2024	General Obligation Bonds, Series 2024-A (Taxable)(Social Bonds)	\$ 150,000	4.600-6.000%
September 11, 2024	Harbor Refunding Revenue Bonds, 2024 Series A-1	102,955	5.000%
September 11, 2024	Harbor Refunding Revenue Bonds, 2024 Series A-2	26,725	5.000%
September 11, 2024	Harbor Refunding Revenue Bonds, 2024 Series B-1	34,400	5.000%
September 11, 2024	Harbor Refunding Revenue Bonds, 2024 Series B-2	22,880	5.000%
September 11, 2024	Harbor Refunding Revenue Bonds, 2024 Series C	28,305	5.000%
August 29, 2024	Power System Revenue Bonds, 2024 Series D	270,450	5.000-5.250%
December 3, 2024	Power System Revenue Bonds, 2024 Series E	507,905	5.000%

On January 15, 2025, S&P Global Ratings (S&P) placed the City's general obligation bonds and MICLA's lease revenue bonds on CreditWatch with negative implications due to the S&P's view of the City's weakening financial trends and the additional credit risk tied to the wildfires that began on January 7, 2025. S&P expects to complete its review by April 15, 2025.

On January 16, 2025, Kroll Bond Rating Agency (KBRA) placed the City's general obligation bonds and MICLA's lease revenue bonds rating on Watch Downgrade, reflecting KBRA's view that the City, through DWP, may have potential exposure to wildfire liability claims. KBRA will use reasonable efforts to complete its review by April 16, 2025.

On January 17, 2025, Fitch Ratings (Fitch) placed the City's Issuer Default Rating on Rating Watch Negative indicating a heightened probability of a downward rating change due to the potential of increased pressure on the City's operating budget and overall credit quality due to DWP's status as a department of the City. Fitch expects to complete its review by July 17, 2025.

On January 22, 2025, Moody's Ratings revised the outlooks on the City's issuer rating for the general obligation bonds, lease revenue bonds and solid waste resources revenue bonds rating from stable to negative. The action reflects Moody's perception of the potential risks related to the Pacific Palisades fire and windstorm events.

2. Airports Enterprise Fund

On July 18, 2024, the Board of Airport Commissioners (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) (herein known as the Parties) for delay and compensation amounts, occurring prior to and including May 31, 2024 (Global Settlement) and establishes schedule certainty. The key terms of the Global Settlement include, but are not limited to, the following:

- Time Extension - Airports grants LINXS a time extension to establish the Passenger Service Availability date on December 8, 2025. LINXS has committed to achieving Passenger Service Availability by December 8, 2025.
- Payment Terms - The total settlement amount is \$550.0 million. Once Airports receives a schedule it deems acceptable, then Airports will pay \$200.0 million of the settlement amount in a lump sum payment. The remainder of the settlement amount will be paid in six lump sum payments following LINXS' achievement of the following completion milestones:

Notes to the Basic Financial Statements

- a. \$119.0 million payable upon successful completion of first series of Automated People Mover (APM) systems integration testing
- b. \$115.5 million, which will be payable in the following four payments, upon successfully obtaining a Temporary Certificate of Occupancy for each of the following stations:
 - i. Central Terminal Area (CTA) West Station (\$52.5 million)
 - ii. CTA Center Station (\$17.5 million)
 - iii. CTA East Station (\$17.5 million)
 - iv. Intermodal Transportation Facility West Station (\$28.0 million)
- c. \$115.5 million payable upon the earlier to occur of: (i) achievement of Passenger Service Availability conditioned on certification by the Independent Engineer in accordance with the Design-Build-Finance-Operate-Maintain (DBFOM) Agreement; or (ii) only if the Passenger Service Availability date is agreed to be extended pursuant to Section 14.1.3 of the DBFOM Agreement beyond such date, then on December 8, 2025.

On July 18, 2024, the Board approved a change order modifying the insurance benchmarking provisions contained in the contract with Los Angeles Gateway Partners (LAGP) for the Landside Access Modernization Program's Consolidated Rent-A-Car Facility (ConRAC) Project at LAX such that LAGP will be able to provide adequate insurance coverage for the facility per the requirements of the contract. These modifications are necessary due to significant volatility in the insurance markets. This change order adjusts the benchmarking regime provided in the contract to take into account the insurance premiums from the date of the financial close, affording the developer and its lenders a reasonable increase in the premiums. This change in the benchmarking procedure results in Airports paying an additional \$30.4 million in insurance costs over the term of the contract. LAGP is estimated to pay \$22.0 million in insurance costs, which is 120 percent of the originally budgeted cost.

On July 18, 2024, the Board approved the award of a 12-year Common-Use Passenger Lounge Concession Agreement, with an option to extend the term for one period of three years, to AD Partnership, LLC to develop and operate a new common use passenger lounge in the Tom Bradley International Terminal (TBIT) at LAX that will generate approximately \$79.0 million in rent revenue over the 12-year term.

On August 15, 2024, the Board approved the request for authorization to accept grant offer and execute a grant agreement with the Federal Aviation Administration (FAA) for Airport Improvement Program funds issued through the Voluntary Airport Low Emission Program, for the purchase and installation of Electric Ground Support Equipment Chargers at LAX. Final grant award amounts are subject to approval by the FAA. This provides a funding source for the purchase and installation of twenty-seven tri-port electric ground support equipment (eGSE) chargers to be operated at LAX. The procurement of these chargers will support Airports' strategic commitment to voluntarily reduce the airport-wide average of emissions and electrify airport and tenant-owned fleet vehicles and equipment.

On November 7, 2024, the Board approved the Third Amendment to the Amended and Restated Premier Passenger Lounge Space Lease (LAA-8753) with Korean Air Lines Co. in Tom Bradley International Terminal at LAX that will extend the term by five years for a total term of ten years. This will generate approximately \$5.8 million in revenue in the first year and approximately \$58.0 million over the 10-year term, excluding annual rate adjustments.

On November 7, 2024, the Board approved the Twenty-Fifth Supplemental Subordinate Trust Indenture with the US Bank Trust Company, National Association and the three-year Revolving Credit Agreement with Wells Fargo Municipal Capital Strategies, LLC (Wells Fargo), in an amount not to exceed \$500.0 million outstanding at any one time, for interim financing primarily to fund various capital projects and other related payments for development at LAX. On December 5, 2024, \$368.0 million was drawn from the Revolving Credit line to make payment related to the Automated People Mover project.

Notes to the Basic Financial Statements

On November 7, 2024, the Board approved the First Amendment to Contract DA-5629 with Vanderlande Industries, Inc., adding \$52.4 million, for a total contract authority of \$231.8 million, and extending the contract term by two years, from three years to five years, to provide design and construction services for the Baggage Optimization Project Phase 2 at LAX.

On November 7, 2024, the Board approved the award of a five-year contract with one, five-year renewal option to the Tom Bradley International Terminal Equipment Company, dba LAXTEC for the management and oversight of common use facilities, equipment, and services for Airports, for an overall amount not to exceed \$750.0 million over the total term.

3. Harbor Enterprise Fund

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.

The 2015 Series A Bonds will become callable on August 1, 2025, and the 2016 Series B and C Bonds will become callable on August 1, 2026. Interest of \$0.4 million will accrue on the 2015 Series A Bonds until the August 1, 2025 call date. Interest of \$8.2 million will accrue on the 2016 Series B and C Bonds until the August 1, 2026 call date. A total of \$104.5 million has been 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, the Harbor's outflow of cash toward this defeasance was \$91.8 million.

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 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 Series 2024 Bonds, together with certain other available moneys, will be used to refund and defease the Refunding Series 2014 Bonds to generate debt service savings and pay costs of issuance of Series 2024 Bonds.

4. Power and Water Enterprise Funds

In August 2024, Power issued \$270.5 million of revenue bonds, 2024 Series D. The net proceeds of \$302.9 million, including a \$32.4 million issue premium net of underwriter's discount, will be used to pay for capital improvements to the Power System.

In December 2024, Power issued \$507.9 million of revenue bonds, 2024 Series E. The net proceeds of \$579.4 million, including a \$71.5 million issue premium net of underwriter's discount, will be used to refund all of the outstanding Power 2015 Series A and pay for capital improvements to Power System.

In December 2024, the Board consented to the adoption of an ordinance by the Los Angeles City Council to transfer \$219.3 million from the Power Revenue Fund to the Reserve Fund of the City during fiscal year 2024-25.

In January 2025, S&P Global Ratings lowered its long-term and underlying ratings on Power's revenue bonds outstanding from 'AA-' to 'A' and Water's revenue bonds outstanding from 'AA+' to 'AA-'. Both Power and Water ratings were placed on CreditWatch with negative implications in connection with the increasing frequency and severity of highly destructive wildfires within the department's (DWP) service territory.

The downgrade on Power's outstanding bonds reflects S&P Global Ratings' view that, although Power's infrastructure so far has not been implicated as the cause of the ongoing wildfires, the increasing frequency and severity of highly destructive wildfires within the utility department's service

Notes to the Basic Financial Statements

territory and recent spread into more urban areas highlights its potential vulnerability to financial liability claims that could eclipse its liquidity and insurance coverage. Furthermore, according to S&P Global Ratings, should substantial legal or financial liabilities arise, Power will likely have to significantly raise rates to cover those costs, which could reduce affordability. Similarly, the downgrade on Water's outstanding bonds reflects S&P Global Ratings' view of heightened potential for litigation, liabilities, and future costs surrounding the adequacy of existing Water assets and emergency preparedness during the ongoing wildfires. The rating agency added that the lowered rating also reflects potential contagion from Power's risks in a stress scenario, including possible pressure to maintain low water rates if Power is required to materially raise rates to fund wildfire liability claims or other rising costs, including energy transition costs.

5. Sewer Enterprise Fund

Sewer Service Charge Revenues

Sewer prepared and submitted a rate schedule to the City Council in May 2024, and the following schedule was approved by City Council on September 10, 2024.

Effective Date	Sewer Service Charge Rates (\$/hundred cubic feet)
October 19, 2024	7.08
March 1, 2025	7.56
July 1, 2025	8.48
January 1, 2026	9.28
July 1, 2026	10.13
July 1, 2027	11.01
July 1, 2028	11.96

On October 17, 2024, Sewer and the United States Environmental Protection Agency amended the existing WIFIA Loan, among other changes, to reflect a new final maturity date. On January 15, 2025, the City drew down \$22.4 million on the WIFIA Loan.

On October 23, 2024, Sewer executed an extension to the LOC provided by Barclays Bank PLC, and executed a substitute LOC with TD Bank, N.A. to replace the LOC previously provided by Toronto-Dominion Bank. Both LOCs expire on October 29, 2027.

On October 30, 2024, Sewer issued commercial paper notes in the amount of \$15.0 million.

On January 22, 2025, Moody's Ratings revised the outlooks on the City's issuer rating for Sewer's senior and subordinate wastewater revenue bonds rating from stable to negative. The action reflects Moody's perception of the potential risks related to the Pacific Palisades fire and windstorm events.

6. Los Angeles Fire and Police Pension System

Surplus Management Policy

On August 1, 2024, the Board of Pensions approved a surplus management policy to take effect once the Retirement or OPEB Plan becomes fully funded. This policy allows for the Unfunded Actuarial Accrued Liability (UAAL) contribution rate, as determined in the prior valuation, to phase out linearly to 0.00% over a designated glide path period, as recommended by the actuary and adopted by the Board of Pensions.

Notes to the Basic Financial Statements

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.

Measure FF – Los Angeles Fire and Police Pensions; Peace Officers Pension Changes

On November 5, 2024, Measure FF was included on the ballot and passed, with certification by the Los Angeles County Registrar-Recorder/County on December 3, 2024. This measure amends the City Charter to allow all sworn peace officers employed by the Los Angeles Police Department, Airport Police, Harbor Police, and Recreation and Parks Departments peace officers who are currently part of LACERS to transfer into Tier 6 of Pensions. Tier 6 serves as the pension plan for Pensions members.

The following changes will take effect:

- Transfer Process for LACERS Peace Officers: The City Council will establish a process for LACERS Peace Officers, actively employed on January 12, 2025, to make a one-time decision to transfer their membership, years of service, and retirement contributions from LACERS to Pensions Tier 6.
- Service Years and Contributions Transfer: Certain Pensions Tier 6 members will be allowed to transfer their remaining years of service and retirement contributions from LACERS to Pensions Tier 6.
- Refund of Out-of-Pocket Costs: Pensions will issue refunds for out-of-pocket costs paid by eligible Tier 6 Members who previously transferred from LACERS to Pensions Tier 6.
- City-Funded Expenses: The City will bear all expenses and ongoing increased costs associated with the transfer of LACERS Peace Officers, including the refunds described above, to ensure no additional costs on Pensions.

This event represents a significant change in the structure of membership and funding for Pensions, with the full financial impact to be assessed in subsequent periods.

7. Los Angeles County Wildfires

Beginning January 7, 2025, severe fire events fueled by windstorms occurred throughout the Los Angeles Region, causing significant damage to the Pacific Palisades neighborhood and several other areas within the City. On January 7, 2025, the Mayor declared a local emergency. Further, on January 7, 2025, the Governor proclaimed a State of Emergency with respect to the fire in the Pacific Palisades. As of January 24, 2025, more than 25,000 acres have burned and thousands of structures have been destroyed within the City, and efforts to contain the fires are ongoing. FEMA approved Fire Management Assistance Grants to support areas impacted by the fires and on January 8, 2025, President Biden approved a Major Disaster declaration for California, with the goal to allow impacted communities to access funds and resources to assist with recovery. The City's preliminary assessments show that water, power, stormwater, and sewer service areas experienced significant fires. The City is in the process of assessing the damage caused by the fire and windstorm events and currently cannot estimate the total impacts of the fires, including any resulting litigation, to the City's financial condition.

While the City is still in the process of assessing the overall financial impact, the City's initial damage estimate submitted to FEMA shows a total of \$358.0 million in costs related to emergency response, infrastructure/structural damages and debris removal estimated through January 10, 2025. The event is still ongoing, and once the City is able to enter the fire damage areas to get a better assessment of the damages, costs estimates may be revised. In addition, the City may incur additional costs from any litigation that have arisen or may arise from this disaster.

Required Supplementary Information

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

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⁾
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 %
2015	480,332	480,332	--	1,316,969	36.5 %

⁽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
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 %
2015	381,141	381,141	--	1,835,637	20.8 %

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
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 %
2015	387,465	376,902	10,563	839,213	44.9 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
TOTAL PENSION LIABILITY					
Service Cost	\$ 452,190	\$ 456,446	\$ 455,362	\$ 410,559	\$ 402,708
Interest	1,797,828	1,749,640	1,668,212	1,654,964	1,572,220
Benefit Payments, including Refunds of Member Contributions	(1,352,465)	(1,244,736)	(1,186,963)	(1,121,252)	(1,070,456)
Difference of Expected and Actual Experience	258,373	(214,833)	254,452	(23,348)	81,465
Assumption Changes	(262,300)	--	--	48,286	357,369
Changes of Benefit Terms	--	--	--	--	(79,650)
Other	--	--	--	--	--
Net Change in Total Pension Liability	893,626	746,517	1,191,063	969,209	1,263,656
Total Pension Liability at Beginning of Year	<u>25,907,294</u>	<u>25,160,777</u>	<u>23,969,714</u>	<u>23,000,505</u>	<u>21,736,849</u>
Total Pension Liability at End of Year (a)	<u>\$ 26,800,920</u>	<u>\$ 25,907,294</u>	<u>\$ 25,160,777</u>	<u>\$ 23,969,714</u>	<u>\$ 23,000,505</u>
FIDUCIARY NET POSITION					
Employer Contributions	\$ 481,824	\$ 535,450	\$ 543,819	\$ 516,638	\$ 504,877
Member Contributions	151,935	149,244	157,786	153,787	147,753
Net Investment Income (Loss)	1,920,463	(2,021,582)	6,972,104	606,244	1,218,138
Benefit Payments, Including Refunds of Member Contributions	(1,352,465)	(1,244,736)	(1,186,963)	(1,121,252)	(1,070,456)
Administrative Expenses	(22,994)	(22,146)	(21,372)	(20,685)	(20,244)
Other	--	--	--	--	--
Net Change	1,178,763	(2,603,770)	6,465,374	134,732	780,068
Fiduciary Net Position at Beginning of Year	<u>25,258,537</u>	<u>27,862,307</u>	<u>21,396,933</u>	<u>21,262,201</u>	<u>20,482,133</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 26,437,300</u>	<u>\$ 25,258,537</u>	<u>\$ 27,862,307</u>	<u>\$ 21,396,933</u>	<u>\$ 21,262,201</u>
Net Pension Liability (Asset) (a) - (b)	<u>\$ 363,620</u>	<u>\$ 648,757</u>	<u>\$ (2,701,530)</u>	<u>\$ 2,572,781</u>	<u>\$ 1,738,304</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	98.64 %	97.50 %	110.74 %	89.27 %	92.44 %
Covered Payroll	\$ 1,608,133	\$ 1,598,685	\$ 1,603,349	\$ 1,509,613	\$ 1,487,978
Net Pension Liability (Asset) as a Percentage of Covered Payroll	22.61 %	40.58 %	(168.49)%	170.43 %	116.82 %

⁽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.

* Based on measurement periods

Details of changes in assumptions can be obtained from the actuarial valuation reports.

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
TOTAL PENSION LIABILITY					
Service Cost	\$ 390,743	\$ 367,600	\$ 365,956	\$ 368,700	\$ 368,018
Interest	1,502,656	1,436,068	1,399,576	1,384,527	1,392,552
Benefit Payments, including Refunds of Member Contributions	(994,800)	(930,078)	(990,363)	(918,909)	(858,986)
Difference of Expected and Actual Experience	21,700	(320,404)	(595,188)	(310,882)	(234,638)
Assumption Changes	--	695,450	--	--	(69,482)
Changes of Benefit Terms	--	--	--	--	--
Other	<u>2,505</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Total Pension Liability	922,804	1,248,636	179,981	523,436	597,464
Total Pension Liability at Beginning of Year	<u>20,814,045</u>	<u>19,565,409</u>	<u>19,385,428</u>	<u>18,861,992</u>	<u>18,264,528</u>
Total Pension Liability at End of Year (a)	<u>\$ 21,736,849</u>	<u>\$ 20,814,045</u>	<u>\$ 19,565,409</u>	<u>\$ 19,385,428</u>	<u>\$ 18,861,992</u>
FIDUCIARY NET POSITION					
Employer Contributions	\$ 459,632	\$ 454,309	\$ 478,385	\$ 480,332	\$ 440,698
Member Contributions	145,112	128,900	129,734	126,771	124,395
Net Investment Income (Loss)	1,892,870	2,260,130	159,313	686,470	2,617,090
Benefit Payments, Including Refunds of Member Contributions	(994,800)	(930,078)	(990,363)	(918,909)	(858,986)
Administrative Expenses	(19,908)	(20,816)	(19,346)	(17,815)	(13,865)
Other	<u>2,505</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change	1,485,411	1,892,445	(242,277)	356,849	2,309,332
Fiduciary Net Position at Beginning of Year	<u>18,996,722</u>	<u>17,104,277</u>	<u>17,346,554</u>	<u>16,989,705</u>	<u>14,680,373</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 20,482,133</u>	<u>\$ 18,996,722</u>	<u>\$ 17,104,277</u>	<u>\$ 17,346,554</u>	<u>\$ 16,989,705</u>
Net Pension Liability (Asset) (a) - (b)	<u>\$ 1,254,716</u>	<u>\$ 1,817,323</u>	<u>\$ 2,461,132</u>	<u>\$ 2,038,874</u>	<u>\$ 1,872,287</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	94.23 %	91.27 %	87.42 %	89.48 %	90.07 %
Covered Payroll	\$ 1,451,996	\$ 1,397,245	\$ 1,351,788	\$ 1,316,969	\$ 1,308,149
Net Pension Liability (Asset) as a Percentage of Covered Payroll	86.41 %	130.06 %	182.06 %	154.82 %	143.12 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios ⁽¹⁾ *
(amounts in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
TOTAL PENSION LIABILITY					
Service Cost ⁽²⁾	\$ 412,247	\$ 413,863	\$ 451,426	\$ 374,967	\$ 370,409
Interest	1,671,683	1,617,800	1,570,785	1,499,208	1,439,661
Changes of Benefit Terms	--	--	--	--	--
Benefit Payments, Including Refunds of Member Contributions	(1,219,616)	(1,168,633)	(1,077,691)	(979,305)	(915,192)
Difference of Expected and Actual Experience	469,172	(66,172)	(189,822)	308,184	(46,035)
Assumption Changes	<u>(112,700)</u>	<u>--</u>	<u>--</u>	<u>530,720</u>	<u>--</u>
Net Change in Total Pension Liability	1,220,786	796,858	754,698	1,733,774	848,843
Total Pension Liability at Beginning of Year	<u>24,078,751</u>	<u>23,281,893</u>	<u>22,527,195</u>	<u>20,793,421</u>	<u>19,944,578</u>
Total Pension Liability at End of Year (a)	<u>\$ 25,299,537</u>	<u>\$ 24,078,751</u>	<u>\$ 23,281,893</u>	<u>\$ 22,527,195</u>	<u>\$ 20,793,421</u>
FIDUCIARY NET POSITION					
Employer Contributions	\$ 669,391	\$ 591,234	\$ 554,856	\$ 553,118	\$ 478,717
Member Contributions	257,967	241,876	252,123	259,817	237,087
Net Investment Income (Loss) ⁽⁴⁾	1,261,073	(1,542,473)	4,283,202	306,712	799,351
Benefit Payments, Including Refunds of Member Contributions	(1,219,616)	(1,168,633)	(1,077,691)	(979,305)	(915,192)
Administrative Expenses	(28,614)	(27,033)	(26,758)	(23,531)	(19,600)
Other (Transfer to Larger Annuity Reserve) ⁽³⁾	<u>--</u>	<u>(16)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change	940,201	(1,905,045)	3,985,732	116,811	580,363
Fiduciary Net Position at Beginning of Year	<u>17,013,091</u>	<u>18,918,136</u>	<u>14,932,404</u>	<u>14,815,593</u>	<u>14,235,230</u>
Fiduciary Net Position at End of Year (b)	<u>\$ 17,953,292</u>	<u>\$ 17,013,091</u>	<u>\$ 18,918,136</u>	<u>\$ 14,932,404</u>	<u>\$ 14,815,593</u>
Net Pension Liability (a) - (b)	<u>\$ 7,346,245</u>	<u>\$ 7,065,660</u>	<u>\$ 4,363,757</u>	<u>\$ 7,594,791</u>	<u>\$ 5,977,828</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	70.96 %	70.66 %	81.26 %	66.29 %	71.25 %
Covered Payroll	\$ 2,307,336	\$ 2,155,005	\$ 2,276,768	\$ 2,271,039	\$ 2,108,171
Net Pension Liability as a Percentage of Covered Payroll	318.39 %	327.87 %	191.66 %	334.42 %	283.56 %

⁽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.

⁽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

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios ⁽¹⁾ *
(amounts in thousands)

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
TOTAL PENSION LIABILITY					
Service Cost ⁽²⁾	\$ 352,283	\$ 340,759	\$ 322,574	\$ 322,380	\$ 317,185
Interest	1,332,878	1,302,278	1,263,556	1,215,151	1,149,966
Changes of Benefit Terms	25,173	--	--	--	--
Benefit Payments, Including Refunds of Member Contributions	(851,885)	(804,089)	(770,317)	(740,567)	(721,153)
Difference of Expected and Actual Experience	144,224	(146,474)	(300,813)	(135,821)	(164,247)
Assumption Changes	<u>483,717</u>	<u>340,718</u>	<u>--</u>	<u>--</u>	<u>785,439</u>
Net Change in Total Pension Liability	1,486,390	1,033,192	515,000	661,143	1,367,190
Total Pension Liability at Beginning of Year	<u>18,458,188</u>	<u>17,424,996</u>	<u>16,909,996</u>	<u>16,248,853</u>	<u>14,881,663</u>
Total Pension Liability at End of Year (a)	<u>\$ 19,944,578</u>	<u>\$ 18,458,188</u>	<u>\$ 17,424,996</u>	<u>\$ 16,909,996</u>	<u>\$ 16,248,853</u>
FIDUCIARY NET POSITION					
Employer Contributions	\$ 450,195	\$ 453,356	\$ 440,546	\$ 381,141	\$ 357,649
Member Contributions	230,757	221,829	206,377	202,463	203,975
Net Investment Income (Loss) ⁽⁴⁾	1,243,817	1,517,545	29,358	306,980	1,810,782
Benefit Payments, Including Refunds of Member Contributions	(851,885)	(804,089)	(770,318)	(740,567)	(721,153)
Administrative Expenses	(17,699)	(17,454)	(17,204)	(15,860)	(12,372)
Other (Transfer to Larger Annuity Reserve) ⁽³⁾	<u>(471)</u>	<u>--</u>	<u>--</u>	<u>(4,666)</u>	<u>(2,288)</u>
Net Change	1,054,714	1,371,187	(111,241)	129,491	1,636,593
Fiduciary Net Position at Beginning of Year	<u>13,180,516</u>	<u>11,809,329</u>	<u>11,920,570</u>	<u>11,791,079</u>	<u>10,154,486</u>
Fiduciary Net Position at End of Year (b)	<u>\$ 14,235,230</u>	<u>\$ 13,180,516</u>	<u>\$ 11,809,329</u>	<u>\$ 11,920,570</u>	<u>\$ 11,791,079</u>
Net Pension Liability (a) - (b)	<u>\$ 5,709,348</u>	<u>\$ 5,277,672</u>	<u>\$ 5,615,667</u>	<u>\$ 4,989,426</u>	<u>\$ 4,457,774</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	71.37 %	71.41 %	67.77 %	70.49 %	72.57 %
Covered Payroll	\$ 2,057,565	\$ 1,973,049	\$ 1,876,946	\$ 1,835,637	\$ 1,802,931
Net Pension Liability as a Percentage of Covered Payroll	277.48 %	267.49 %	299.19 %	271.81 %	247.25 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Water and Power Employees' Retirement Plan
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
TOTAL PENSION LIABILITY					
Service Cost	\$ 322,734	\$ 277,244	\$ 275,366	\$ 263,473	\$ 243,263
Interest	1,045,077	1,044,964	1,008,130	963,032	952,071
Benefit Payments, Including Refunds of Member Contributions	(749,460)	(716,008)	(677,717)	(635,652)	(597,563)
Change of Benefit Terms	(82,833)	--	--	--	--
Differences Between Expected and Actual Experience	341,242	(35,734)	(62,311)	62,540	17,807
Assumption Changes	--	550,825	--	--	8,836
Net Change in Total Pension Liability	876,760	1,121,291	543,468	653,393	624,414
Total Pension Liability at Beginning of Year	<u>16,130,109</u>	<u>15,008,818</u>	<u>14,465,350</u>	<u>13,811,957</u>	<u>13,187,543</u>
Total Pension Liability at End of Year (a)	<u>\$ 17,006,869</u>	<u>\$ 16,130,109</u>	<u>\$ 15,008,818</u>	<u>\$ 14,465,350</u>	<u>\$ 13,811,957</u>
FIDUCIARY NET POSITION					
Employer Contributions	\$ 368,479	\$ 325,326	\$ 385,071	\$ 427,655	\$ 416,180
Member Contributions	144,715	131,105	122,316	120,299	104,742
Net Investment Income (Loss)	1,153,143	(888,349)	3,489,200	459,024	791,832
Benefit Payments, Including Refunds of Member Contributions	(749,460)	(716,008)	(677,717)	(635,652)	(597,563)
Administrative Expenses	(6,000)	(5,613)	(5,115)	(4,705)	(5,189)
Net Change	910,877	(1,153,539)	3,313,755	366,621	710,002
Fiduciary Net Position at Beginning of Year	<u>15,513,924</u>	<u>16,667,463</u>	<u>13,353,708</u>	<u>12,987,087</u>	<u>12,277,085</u>
Fiduciary Net Position at End of Year (b)	<u>\$ 16,424,801</u>	<u>\$ 15,513,924</u>	<u>\$ 16,667,463</u>	<u>\$ 13,353,708</u>	<u>\$ 12,987,087</u>
Net Pension Liability (Asset) (a) - (b)	<u>\$ 582,068</u>	<u>\$ 616,185</u>	<u>\$ (1,658,645)</u>	<u>\$ 1,111,642</u>	<u>\$ 824,870</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	96.58 %	96.18 %	111.05 %	92.32 %	94.03 %
Covered Payroll	\$ 1,259,246	\$ 1,178,016	\$ 1,121,883	\$ 1,130,066	\$ 1,028,212
Net Pension Liability (Asset) as a Percentage of Covered Payroll	46.22 %	52.31 %	(147.84)%	98.37 %	80.22 %

* Based on measurement periods

Details of changes in assumptions can be obtained from the actuarial valuation reports.

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Water and Power Employees' Retirement Plan
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios *
(amounts in thousands)

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
TOTAL PENSION LIABILITY					
Service Cost	\$ 228,621	\$ 217,277	\$ 209,832	\$ 214,735	\$ 193,661
Interest	913,798	887,134	837,977	821,048	779,397
Benefit Payments, Including Refunds of Member Contributions	(563,213)	(540,361)	(510,485)	(485,967)	(463,597)
Change of Benefit Terms	(59,019)	--	--	(144,008)	--
Differences Between Expected and Actual Experience	10,254	(196,177)	(189,469)	(162,913)	(154,222)
Assumption Changes	--	--	722,928	--	525,444
Net Change in Total Pension Liability	530,441	367,873	1,070,783	242,895	880,683
Total Pension Liability at Beginning of Year	<u>12,657,102</u>	<u>12,289,229</u>	<u>11,218,446</u>	<u>10,975,551</u>	<u>10,094,868</u>
Total Pension Liability at End of Year (a)	<u>\$ 13,187,543</u>	<u>\$ 12,657,102</u>	<u>\$ 12,289,229</u>	<u>\$ 11,218,446</u>	<u>\$ 10,975,551</u>
FIDUCIARY NET POSITION					
Employer Contributions	\$ 439,299	\$ 397,748	\$ 368,259	\$ 382,232	\$ 389,138
Member Contributions	93,659	83,239	75,069	68,552	72,300
Net Investment Income (Loss)	998,777	1,280,806	95,808	410,778	1,405,686
Benefit Payments, Including Refunds of Member Contributions	(563,213)	(540,361)	(510,485)	(485,967)	(463,597)
Administrative Expenses	(5,336)	(5,376)	(5,108)	(4,612)	(4,221)
Net Change	963,186	1,216,056	23,543	370,983	1,399,306
Fiduciary Net Position at Beginning of Year	<u>11,313,899</u>	<u>10,097,843</u>	<u>10,074,300</u>	<u>9,703,317</u>	<u>8,304,011</u>
Fiduciary Net Position at End of Year (b)	<u>\$ 12,277,085</u>	<u>\$ 11,313,899</u>	<u>\$ 10,097,843</u>	<u>\$ 10,074,300</u>	<u>\$ 9,703,317</u>
Net Pension Liability (Asset) (a) - (b)	<u>\$ 910,458</u>	<u>\$ 1,343,203</u>	<u>\$ 2,191,386</u>	<u>\$ 1,144,146</u>	<u>\$ 1,272,234</u>
Fiduciary Net Position as a Percentage of the Total Pension Liability	93.10 %	89.39 %	82.17 %	89.80 %	88.41 %
Covered Payroll	\$ 953,636	\$ 892,332	\$ 861,819	\$ 839,213	\$ 819,924
Net Pension Liability (Asset) as a Percentage of Covered Payroll	95.47 %	150.53 %	254.27 %	136.34 %	155.16 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

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⁽²⁾	Contribution as Percentage of Covered Payroll
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 %
2015	148,477	148,477	--	1,316,969	11.3 %

⁽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.

⁽²⁾ Covered payroll represents payroll in which contributions to the Pension Plan are based.

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
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 %
2015	100,467	100,467	--	1,835,637	5.5 %

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
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 %
2015	70,748	78,497	(7,749)	839,213	9.4 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

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
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 %
2016	7,207	7,207	--	861,819	0.8 %

This schedule is presented for those years for which information is available.

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(unaudited)

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
TOTAL OPEB LIABILITY			
Service Cost	\$ 77,653	\$ 79,825	\$ 80,618
Interest	255,593	266,035	260,018
Benefit Payments	(153,918)	(147,467)	(151,855)
Changes of Benefit Terms	--	--	--
Differences Between Expected and Actual Experience	18,082	(8,923)	8,191
Assumption Changes	(31,715)	(333,313)	(113,656)
Other	--	--	--
Net Change in Total OPEB Liability	165,695	(143,843)	83,316
Total OPEB Liability at Beginning of Year	<u>3,649,331</u>	<u>3,793,174</u>	<u>3,709,858</u>
Total OPEB Liability - Ending (a)	<u>\$ 3,815,026</u>	<u>\$ 3,649,331</u>	<u>\$ 3,793,174</u>
FIDUCIARY NET POSITION			
Employer Contributions	\$ 186,418	\$ 193,140	\$ 200,425
Member Contributions	--	--	--
Net Investment Income (Loss)	214,763	(209,565)	698,434
Benefit Payments	(153,918)	(147,467)	(151,856)
Administrative Expenses	(2,571)	(2,296)	(2,141)
Other	--	--	--
Net Change	244,692	(166,188)	744,862
Fiduciary Net Position at Beginning of Year	<u>2,722,122</u>	<u>2,888,310</u>	<u>2,143,448</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 2,966,814</u>	<u>\$ 2,722,122</u>	<u>\$ 2,888,310</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 848,212</u>	<u>\$ 927,209</u>	<u>\$ 904,864</u>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	77.77 %	74.59 %	76.14 %
Covered Payroll	\$ 1,608,133	\$ 1,598,685	\$ 1,603,349
Net OPEB Liability as a Percentage of Covered Payroll	52.75 %	58.00 %	56.44 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles Fire and Police Pension System
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
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	<u>3,621,204</u>	<u>3,588,132</u>	<u>3,357,827</u>	<u>3,079,670</u>
Total OPEB Liability - Ending (a)	<u>\$ 3,709,858</u>	<u>\$ 3,621,204</u>	<u>\$ 3,588,131</u>	<u>\$ 3,357,827</u>
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	<u>2,037,716</u>	<u>1,878,238</u>	<u>1,665,686</u>	<u>1,435,404</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 2,143,448</u>	<u>\$ 2,037,716</u>	<u>\$ 1,878,238</u>	<u>\$ 1,665,685</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 1,566,410</u>	<u>\$ 1,583,488</u>	<u>\$ 1,709,893</u>	<u>\$ 1,692,142</u>
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.

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios
(amounts in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
TOTAL OPEB LIABILITY			
Service Cost	\$ 81,028	\$ 81,415	\$ 84,817
Interest	250,838	246,694	244,776
Benefit Payments ⁽²⁾	(159,351)	(157,245)	(149,103)
Changes of Benefit Terms	--	--	--
Differences Between Expected and Actual Experience	(12,048)	(369)	10,672
Assumption Changes	(336,075)	(109,877)	(157,614)
Other	--	--	--
Net Change in Total OPEB Liability	(175,608)	60,618	33,548
Total OPEB Liability at Beginning of Year	<u>3,580,696</u>	<u>3,520,078</u>	<u>3,486,530</u>
Total OPEB Liability - Ending (a)	<u>\$ 3,405,088</u>	<u>\$ 3,580,696</u>	<u>\$ 3,520,078</u>
FIDUCIARY NET POSITION			
Employer Contributions	\$ 90,581	\$ 91,623	\$ 103,454
Member Contributions	--	--	--
Net Investment Income (Loss) ⁽³⁾	269,611	(360,636)	983,522
Benefit Payments ⁽²⁾	(159,351)	(157,245)	(149,103)
Administrative Expenses	(8,226)	(7,619)	(7,425)
Other ⁽⁴⁾	--	(4)	--
Net Change	192,615	(433,881)	930,448
Fiduciary Net Position at Beginning of Year	<u>3,347,771</u>	<u>3,781,652</u>	<u>2,851,204</u>
Fiduciary Net Position at End of Year (b)	<u>\$ 3,540,386</u>	<u>\$ 3,347,771</u>	<u>\$ 3,781,652</u>
Net OPEB Liability (Asset) - Ending (a) - (b)	<u>\$ (135,298)</u>	<u>\$ 232,925</u>	<u>\$ (261,574)</u>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	103.97 %	93.49 %	107.43 %
Covered Payroll	\$ 2,307,336	\$ 2,155,005	\$ 2,276,768
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	(5.86)%	10.81 %	(11.49)%

CITY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Los Angeles City Employees' Retirement System
Schedule of Changes in Net Other Postemployment Benefits Liability (Asset) and Related Ratios
(amounts in thousands)

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018⁽¹⁾</u>	<u>June 30, 2017</u>
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	(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	<u>3,334,299</u>	<u>3,256,827</u>	<u>3,005,806</u>	<u>2,793,689</u>
Total OPEB Liability - Ending (a)	<u>\$ 3,486,530</u>	<u>\$ 3,334,299</u>	<u>\$ 3,256,827</u>	<u>\$ 3,005,806</u>
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	<u>2,812,098</u>	<u>2,676,371</u>	<u>2,438,862</u>	<u>2,134,877</u>
Fiduciary Net Position at End of Year (b)	<u>\$ 2,851,204</u>	<u>\$ 2,812,098</u>	<u>\$ 2,676,371</u>	<u>\$ 2,438,862</u>
Net OPEB Liability (Asset) - Ending (a) - (b)	<u>\$ 635,326</u>	<u>\$ 522,201</u>	<u>\$ 580,456</u>	<u>\$ 566,944</u>
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.

CITY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(unaudited)

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)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
TOTAL OPEB LIABILITY			
Service Cost	\$ 63,208	\$ 49,615	\$ 48,226
Interest	171,480	179,466	173,866
Benefit Payments	(113,571)	(112,081)	(109,282)
Changes of Benefit Terms	35,212	--	--
Differences Between Expected and Actual Experience	35,299	(62,373)	(27,834)
Assumption Changes	<u>(197,180)</u>	<u>6,933</u>	<u>(5,918)</u>
Net Change in Total OPEB Liability	(5,552)	61,560	79,058
Total OPEB Liability at Beginning of Year	<u>2,630,842</u>	<u>2,569,282</u>	<u>2,490,223</u>
Total OPEB Liability - Ending (a)	<u>\$ 2,625,290</u>	<u>\$ 2,630,842</u>	<u>\$ 2,569,281</u>
FIDUCIARY NET POSITION			
Employer Contributions	\$ 114,618	\$ 113,094	\$ 110,261
Member Contributions	--	--	--
Net Investment Income (Loss)	209,846	(157,243)	614,234
Benefit Payments	(113,571)	(112,081)	(109,282)
Administrative Expenses	<u>(879)</u>	<u>(850)</u>	<u>(822)</u>
Net Change	210,014	(157,080)	614,391
Fiduciary Net Position at Beginning of Year	<u>2,761,041</u>	<u>2,918,121</u>	<u>2,303,729</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 2,971,055</u>	<u>\$ 2,761,041</u>	<u>\$ 2,918,120</u>
Net OPEB Liability (Asset) - Ending (a) - (b)	<u>\$ (345,765)</u>	<u>\$ (130,199)</u>	<u>\$ (348,839)</u>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	113.17 %	104.95 %	113.58 %
Covered Payroll	\$ 1,259,246	\$ 1,178,016	\$ 1,121,883
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	(27.46)%	(11.05)%	(31.09)%

CITY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(unaudited)

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)

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
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	<u>(36,325)</u>	<u>131,290</u>	<u>4,799</u>	<u>(70,508)</u>
Net Change in Total OPEB Liability	(193,223)	214,141	121,820	13,441
Total OPEB Liability at Beginning of Year	<u>2,683,446</u>	<u>2,469,304</u>	<u>2,347,484</u>	<u>2,334,043</u>
Total OPEB Liability - Ending (a)	<u>\$ 2,490,223</u>	<u>\$ 2,683,445</u>	<u>\$ 2,469,304</u>	<u>\$ 2,347,484</u>
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	<u>(887)</u>	<u>(883)</u>	<u>(549)</u>	<u>(585)</u>
Net Change	83,178	134,860	173,810	218,965
Fiduciary Net Position at Beginning of Year	<u>2,220,551</u>	<u>2,085,691</u>	<u>1,911,881</u>	<u>1,692,916</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 2,303,729</u>	<u>\$ 2,220,551</u>	<u>\$ 2,085,691</u>	<u>\$ 1,911,881</u>
Net OPEB Liability (Asset) - Ending (a) - (b)	<u>\$ 186,494</u>	<u>\$ 462,894</u>	<u>\$ 383,613</u>	<u>\$ 435,603</u>
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.

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Water and Power Employees' Retirement Plan - Death Benefits
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
TOTAL OPEB LIABILITY			
Service Cost	\$ 5,958	\$ 5,052	\$ 5,040
Interest	4,256	4,705	4,678
Benefit Payments	(8,724)	(9,340)	(10,245)
Changes of Benefit Terms	--	--	--
Differences Between Expected and Actual Experience	556	1,508	828
Assumption Changes	--	17,224	--
Net Change in Total OPEB Liability	2,046	19,149	301
Total OPEB Liability at Beginning of Year	<u>153,187</u>	<u>134,038</u>	<u>133,737</u>
Total OPEB Liability - Ending (a)	<u>\$ 155,233</u>	<u>\$ 153,187</u>	<u>\$ 134,038</u>
FIDUCIARY NET POSITION			
Employer Contributions	\$ 16,497	\$ 14,992	\$ 14,523
Member Contributions	378	372	374
Net Investment Income (Loss)	(280)	(4,381)	343
Benefit Payments	(8,724)	(9,340)	(10,245)
Administrative Expenses	<u>(1,863)</u>	<u>(1,856)</u>	<u>(1,622)</u>
Net Change	6,008	(213)	3,373
Fiduciary Net Position at Beginning of Year	<u>40,525</u>	<u>40,738</u>	<u>37,365</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 46,533</u>	<u>\$ 40,525</u>	<u>\$ 40,738</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 108,700</u>	<u>\$ 112,662</u>	<u>\$ 93,300</u>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	29.98 %	26.45 %	30.39 %
Covered Payroll	\$ 1,259,246	\$ 1,178,016	\$ 1,121,883
Net OPEB Liability as a Percentage of Covered Payroll	8.63 %	9.56 %	8.32 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(b unaudited)

Water and Power Employees' Retirement Plan - Death Benefits
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
(amounts in thousands)

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
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	<u>134,258</u>	<u>143,870</u>	<u>146,809</u>	<u>145,900</u>
Total OPEB Liability - Ending (a)	<u>\$ 133,737</u>	<u>\$ 134,258</u>	<u>\$ 143,870</u>	<u>\$ 146,809</u>
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	<u>28,807</u>	<u>27,210</u>	<u>27,584</u>	<u>28,185</u>
Fiduciary Net Position at End of Year (b) ⁽¹⁾	<u>\$ 37,365</u>	<u>\$ 28,807</u>	<u>\$ 27,210</u>	<u>\$ 27,585</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 96,372</u>	<u>\$ 105,451</u>	<u>\$ 116,660</u>	<u>\$ 119,224</u>
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.

CITY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

Actuarial Methods and Assumptions Used to Determine FY2024 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	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 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 fair 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.	2.75% for Tier 1 and 2.00% for Tier 3	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 generationaly 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 generationaly 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 generationaly with the two-dimensional mortality improvement scale MP-2021.
Disabled	Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table projected generationaly 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 generationaly 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 generationaly 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 generationaly 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 generationaly 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 generationaly with the two-dimensional mortality improvement scale MP-2021.

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

Actuarial Methods and Assumptions Used to Determine FY2024 Employer Contribution Rates - OPEB

Los Angeles Fire and Police Pension System		Los Angeles City Employees' Retirement System	Water and Power Employee Retirement Plan	
			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 for these tiers 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; 12 years remaining as of June 30, 2023. When the Plan has a Surplus: Single open amortization period, level percent of pay; 30 years remaining as of June 30, 2023.	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. The unfunded actuarial accrued liability as of June 30, 2020 is amortized over a fixed period of 21 years beginning June 30, 2021. 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; 12 years remaining as of June 30, 2023. When the Plan has a Surplus: Single open amortization period, level percent of pay; 30 years remaining as of June 30, 2023.	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 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	2.75%	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	7.25% then graded down to ultimate 4.50% over 11 years for Non-Medicare medical plan costs and 6.5% then graded down to ultimate 4.50% over 8 years for Medicare medical plan costs; and 3.00% for all years for dental and 4.50% Medicare Part B costs.	7.12% graded down to 4.50% over 11 years for Non-Medicare medical plan costs, and 6.37% graded down to 4.50% over 8 years for Medicare medical plan costs. 1.50%, then 3.00% thereafter for Dental and 5.20%, then 4.50% thereafter for Medicare Part B subsidy cost.	7.00% graded down to 4.50% over 10 years for non-Medicare medical plan costs; 6.25% graded down to 4.50% over 7 years for Medicare medical plan costs; and 3.0% for all years for dental and 4.50% Medicare Part B costs.	7.00% graded down to 4.50% over 10 years for non-Medicare medical plan costs; 6.25% graded down to 4.50% over 7 years for Medicare medical plan costs; and 3.0% for all years for dental and 4.50% Medicare Part B costs.
Mortality Rates:				
Healthy	Pub-2010 Safety Healthy Retiree Headcount-Weighted Above-Median Mortality Table increased by 5% for males and unadjusted for females, projected generationaly 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 generationaly 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 generationaly 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 generationaly with the two-dimensional mortality improvement scale MP-2021.
Disabled	Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Table projected generationaly 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 generationaly 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 generationaly 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 generationaly with the two-dimensional mortality improvement scale MP-2021.	Same as above	Same as above

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

Condition Rating for City Bridges
As of December 31, 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 31, 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 %

Condition Rating for City Bridges
As of August 16, 2016

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	427	176	100	118	31	2
Pedestrian	69	4	62	3	--	--
Tunnel	16	5	7	4	--	--
Bikeway	3	2	1	--	--	--
Total	515	187	170	125	31	2
Percentage	100.0 %	36.3 %	33.0 %	24.3 %	6.0 %	0.4 %

CITY OF LOS ANGELES
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2024
(Unaudited)

Comparison of Needed-to-Actual Maintenance/Preservation Costs
(amounts expressed in thousands)

	Fiscal Year Ended June 30					
	2020	2021	2022	2023	2024	
Needed	\$ 1,601	\$ 1,429	\$ 1,189	\$ 1,060	\$ 811	
Actual	1,130	794	701	839	876	

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 ($S_4=\text{up to a maximum of } 13\%$). 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.

The 2022 report rated 70.9% of the bridges "B" or better, with four bridges rated "F".

The 2019 report states that 70.1% of the bridges are rated "B" or better, and one bridge is rated "F".

The 2016 report rated 69.3% of the bridges "B" or better, with two bridges rated "F".

Clearly, the City has maintained the bridge inventory "approximately at (or above)" the 70% "B" or better policy standard over the past three evaluations.

Over the past three evaluations, a total of 6 bridges have received a grade of "F." In 2016, two bridges were rated "F" due to the same Caltrans standards changes. Subsequent inspections under the new standard also resulted in higher ratings for these two bridges. In 2019 and the most recent report, a bridge rated "F" sustained fire damage that requires significant repair, though it is not in imminent danger of collapse. Another three bridges rated "F" are a part of the Venice Canals in a densely populated area. The current speed limit has been restricted to 5 mph from 25 mph. Additionally, there is posted signage limiting the gross weight of vehicles to 6,000 lbs on the bridges. The current speed limit and weight restrictions help mitigate further damage. BOE has developed a mitigation plan for "F" rated bridges, and the plan's implementation is in progress based on the funding status.

The letter grades are not provided by Caltrans – only the numerical scores. The letter grades are provided by the Bureau of Engineering for consistency with national standards and practice. As such, a rating by Caltrans under 50 does not necessarily indicate a "failed" bridge which should not be used. Given that the letter grades (and how they correspond to Caltrans' numerical ratings) are determined by the City, but Caltrans occasionally changes their rating methodology, the City will work to bring these standards together to generate a more meaningful rating.

Over the past three assessments, all six ratings were due to extraordinary circumstances (changing standards, an unanticipated fire, and access restriction). The GASB Implementation Guidance regarding capital infrastructure reporting indicates that individual changes or incidents reported in a single evaluation should not create policy non-compliance.

Based on our understanding of the BOE report, and the guidance currently available to us, it is our conclusion that the City is in compliance with the adopted policy and therefore the application of the modified approach under GAAP is 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, 2024
(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	\$ 5,033,196	\$ 140,608	\$ 300,848	\$ 5,474,652
Taxes Receivable (Net of Allowance for Uncollectibles of \$499)	2,114	13,491	--	15,605
Accounts Receivable (Net of Allowance for Uncollectibles of \$9,089)	120,715	--	1,159	121,874
Special Assessments Receivable	6,520	--	1,200	7,720
Investment Income Receivable	27,447	647	1,843	29,937
Intergovernmental Receivable	231,423	--	1,099	232,522
Leases Receivable	11,115	--	--	11,115
Loans Receivable (Net of Allowance of Uncollectibles of \$2,390,585)	1,841,571	--	--	1,841,571
Due from Other Funds	121,625	--	2,212	123,837
Inventories	15,478	--	--	15,478
Prepaid Items and Other Assets	11,703	--	--	11,703
Advances to Other Funds	67,782	--	--	67,782
Restricted Assets	11,023	--	--	11,023
Properties Held for Housing Development	188,010	--	--	188,010
TOTAL ASSETS	\$ 7,689,722	\$ 154,746	\$ 308,361	\$ 8,152,829
LIABILITIES				
Accounts, Contracts and Retainage Payable	\$ 371,626	\$ --	\$ 5,580	\$ 377,206
Obligations Under Securities Lending Transactions	4,466	124	310	4,900
Accrued Salaries and Overtime Payable	20,948	--	--	20,948
Intergovernmental Payable	10,838	--	--	10,838
Due to Other Funds	120,101	--	2,926	123,027
Unearned Revenue	67,372	--	--	67,372
Deposits and Advances	242,911	--	4	242,915
Interest Payable	--	242	--	242
Advances from Other Funds	126,029	--	--	126,029
Other Liabilities	42,321	1,014	2,550	45,885
Liability for Excess CRA Bond Proceeds	28,158	--	--	28,158
TOTAL LIABILITIES	1,034,770	1,380	11,370	1,047,520
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	26	11,337	--	11,363
Taxes Other than Property	8	--	--	8
Receivables from Other Government Agencies	104,933	--	2,307	107,240
Interest Receivable on Loans and Others	579,345	176	1,272	580,793
Leases	10,363	--	--	10,363
TOTAL DEFERRED INFLOWS OF RESOURCES	694,675	11,513	3,579	709,767
FUND BALANCES				
Nonspendable	27,181	--	--	27,181
Restricted	3,905,558	141,853	293,412	4,340,823
Committed	2,121,928	--	--	2,121,928
Assigned	2,947	--	--	2,947
Unassigned	(97,337)	--	--	(97,337)
TOTAL FUND BALANCES	5,960,277	141,853	293,412	6,395,542
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	\$ 7,689,722	\$ 154,746	\$ 308,361	\$ 8,152,829

CITY OF LOS ANGELES

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Other Governmental Funds
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
REVENUES				
Property Taxes	\$ 32,701	\$ 98,090	\$ --	\$ 130,791
Other Taxes	360,584	--	2,532	363,116
Licenses and Permits	48,082	--	--	48,082
Intergovernmental	1,565,284	--	17,000	1,582,284
Charges for Services	1,060,356	1,027	1,043	1,062,426
Services to Enterprise Funds	7,643	--	--	7,643
Fines	4,476	--	--	4,476
Special Assessments	140,287	--	24,791	165,078
Investment Earnings	124,479	2,648	7,265	134,392
Change in Fair Value of Investments	54,795	3,095	2,440	60,330
Program Income	33,979	--	--	33,979
Other	63,542	--	--	63,542
TOTAL REVENUES	3,496,208	104,860	55,071	3,656,139
EXPENDITURES				
Current:				
General Government	78,289	--	--	78,289
Protection of Persons and Property	482,261	--	--	482,261
Public Works	354,330	--	--	354,330
Health and Sanitation	446,657	--	--	446,657
Transportation	452,528	--	--	452,528
Cultural and Recreational Services	707,376	--	--	707,376
Community Development	1,552,353	--	--	1,552,353
Capital Outlay	316,258	--	49,746	366,004
Debt Service:				
Principal	23,648	123,652	--	147,300
Interest	2,105	56,520	--	58,625
Cost of Issuance	882	--	--	882
TOTAL EXPENDITURES	4,416,687	180,172	49,746	4,646,605
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(920,479)	(75,312)	5,325	(990,466)
OTHER FINANCING SOURCES (USES)				
Transfers In	737,453	45,106	2,260	784,819
Transfers Out	(166,428)	(2,450)	(167)	(169,045)
Issuance of Long-Term Debt	173,490	--	--	173,490
Premium on Issuance of Long-Term Debt	25,513	--	--	25,513
Lease and Subscription Liabilities Issued	6,883	--	--	6,883
TOTAL OTHER FINANCING SOURCES (USES)	776,911	42,656	2,093	821,660
NET CHANGE IN FUND BALANCES	(143,568)	(32,656)	7,418	(168,806)
FUND BALANCES, JULY 1	6,103,845	174,509	285,994	6,564,348
FUND BALANCES, JUNE 30	\$ 5,960,277	\$ 141,853	\$ 293,412	\$ 6,395,542

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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, 2024
(amounts expressed in thousands)**

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
GENERAL GOVERNMENT							
Cannabis Regulation	\$ 7,793	\$ 819	\$ 8,612	\$ 6,845	\$ 608	\$ 7,453	\$ 1,159
City Administrative Officer	39,065	18,474	57,539	34,806	12,536	47,342	10,197
City Attorney	166,382	29,396	195,778	177,657	14,745	192,402	3,376
City Clerk	20,179	12,255	32,434	17,213	1,106	18,319	14,115
Civil, Human Rights	5,217	835	6,052	4,359	622	4,981	1,071
Controller	23,352	1,362	24,714	20,773	2,250	23,023	1,691
Council	37,860	28,476	66,336	47,712	3,011	50,723	15,613
Employee Relations Board	494	--	494	444	21	465	29
Ethics Commission	5,432	(28)	5,404	4,877	330	5,207	197
Finance	48,850	(224)	48,626	40,313	6,264	46,577	2,049
General Services	273,633	194,075	467,708	332,660	45,789	378,449	89,259
Information Technology							
Agency	111,041	21,324	132,365	78,105	35,437	113,542	18,823
Mayor	10,320	76,831	87,151	50,849	14,544	65,393	21,758
Neighborhood Empowerment	3,812	266	4,078	3,422	237	3,659	419
Personnel	80,330	1,414	81,744	73,833	4,403	78,236	3,508
Public Accountability	3,876	(250)	3,626	826	39	865	2,761
Non-departmental							
Capital Finance Administration	405	(19)	386	199	187	386	--
General City Purposes	473,859	(108,340)	365,519	128,042	68,771	196,813	168,706
Human Resources							
Benefits	861,864	12,231	874,095	856,772	17,132	873,904	191
Leasing	26,041	35,262	61,303	44,460	6,609	51,069	10,234
Liability Claims	87,370	155,246	242,616	239,707	675	240,382	2,234
Unappropriated Balance	297,065	(182,640)	114,425	--	--	--	114,425
Water and Electricity	36,887	--	36,887	33,313	3,574	36,887	--
TOTAL GENERAL GOVERNMENT	2,621,127	296,765	2,917,892	2,197,187	238,890	2,436,077	481,815
PROTECTION OF PERSONS AND PROPERTY							
Animal Services	31,699	239	31,938	28,453	1,696	30,149	1,789
Building and Safety	148,461	1,325	149,786	119,837	4,916	124,753	25,033
Emergency Management	4,207	(93)	4,114	3,773	148	3,921	193
Fire	837,191	75,176	912,367	845,588	53,454	899,042	13,325
Police	1,855,679	163,042	2,018,721	1,868,114	114,304	1,982,418	36,303
TOTAL PROTECTION OF PERSONS AND PROPERTY	2,877,237	239,689	3,116,926	2,865,765	174,518	3,040,283	76,643
PUBLIC WORKS							
Board of Public Works	35,782	35,978	71,760	41,259	20,868	62,127	9,633
Bureau of Contract Administration	52,639	(930)	51,709	39,487	3,108	42,595	9,114
Bureau of Engineering	121,085	(5,691)	115,394	106,281	5,417	111,698	3,696
Bureau of Street Lightning	56,712	5,467	62,179	47,551	3,605	51,156	11,023
Bureau of Street Services	229,356	61,750	291,106	214,030	64,616	278,646	12,460
Non-departmental							
Water and Electricity	6,902	--	6,902	3,263	3,639	6,902	--
TOTAL PUBLIC WORKS	502,476	96,574	599,050	451,871	101,253	553,124	45,926
HEALTH AND SANITATION							
Public Works - Bureau of Sanitation	432,486	(8,710)	423,776	366,201	30,930	397,131	26,645

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, 2024
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
TRANSPORTATION	\$ 216,896	\$ 5,375	\$ 222,271	\$ 190,952	\$ 14,537	\$ 205,489	\$ 16,782
CULTURAL AND RECREATIONAL SERVICES							
City Tourism	1,721	--	1,721	1,308	76	1,384	337
Cultural Affairs	20,503	5,946	26,449	13,003	3,798	16,801	9,648
El Pueblo De Los Angeles							
Historical Monument	2,017	340	2,357	1,841	312	2,153	204
Zoo	31,016	(138)	30,878	26,872	2,423	29,295	1,583
Non-departmental							
Water and Electricity	5,010	--	5,010	4,268	741	5,009	1
TOTAL CULTURAL AND RECREATIONAL SERVICES	60,267	6,148	66,415	47,292	7,350	54,642	11,773
COMMUNITY DEVELOPMENT							
Aging	16,577	6,698	23,275	8,479	12,852	21,331	1,944
Economic and Workforce							
Development	26,275	(1,568)	24,707	16,146	1,350	17,496	7,211
Community Investment for							
Families	33,056	5,104	38,160	22,593	12,777	35,370	2,790
Disability	6,040	540	6,580	4,433	1,238	5,671	909
Los Angeles Housing	87,216	7,438	94,654	75,394	5,210	80,604	14,050
Planning	68,879	209	69,088	55,010	4,759	59,769	9,319
Youth Development	2,380	1,467	3,847	2,447	339	2,786	1,061
TOTAL COMMUNITY DEVELOPMENT	240,423	19,888	260,311	184,502	38,525	223,027	37,284
PENSION AND RETIREMENT CONTRIBUTIONS							
Non-Departmental							
General City Purposes	2,876	221	3,097	2,935	162	3,097	--
CAPITAL OUTLAY							
Non-Departmental							
Capital Improvement							
Projects	167,340	7,812	175,152	32,614	35,177	67,791	107,361
TRANSFERS TO OTHER FUNDS							
Non-Departmental							
Capital Financing							
Administration							
General	201,499	23,453	224,952	224,559	--	224,559	393
	2,057,661	146,207	2,203,868	2,203,868	--	2,203,868	--
TOTAL TRANSFERS TO OTHER FUNDS	2,259,160	169,660	2,428,820	2,428,427	--	2,428,427	393
GRAND TOTAL	\$ 9,380,288	\$ 833,422	\$ 10,213,710	\$ 8,767,746	\$ 641,342	\$ 9,409,088	\$ 804,622

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, 2024
(amounts expressed in thousands)**

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
GENERAL GOVERNMENT CANNABIS REGULATION							
Salaries	\$ 6,503	\$ (79)	\$ 6,424	\$ 5,256	\$ 220	\$ 5,476	\$ 948
Expenses	1,290	898	2,188	1,589	388	1,977	211
Subtotal	<u>7,793</u>	<u>819</u>	<u>8,612</u>	<u>6,845</u>	<u>608</u>	<u>7,453</u>	<u>1,159</u>
CITY ADMINISTRATIVE OFFICER							
Salaries	25,799	2,557	28,356	25,602	1,048	26,650	1,706
Expenses	13,266	15,917	29,183	9,204	11,488	20,692	8,491
Subtotal	<u>39,065</u>	<u>18,474</u>	<u>57,539</u>	<u>34,806</u>	<u>12,536</u>	<u>47,342</u>	<u>10,197</u>
CITY ATTORNEY							
Salaries	157,953	4,938	162,891	152,806	6,723	159,529	3,362
Expenses	8,429	24,458	32,887	24,851	8,022	32,873	14
Subtotal	<u>166,382</u>	<u>29,396</u>	<u>195,778</u>	<u>177,657</u>	<u>14,745</u>	<u>192,402</u>	<u>3,376</u>
CITY CLERK							
Salaries	15,090	(333)	14,757	13,216	519	13,735	1,022
Expenses	5,089	12,588	17,677	3,997	587	4,584	13,093
Subtotal	<u>20,179</u>	<u>12,255</u>	<u>32,434</u>	<u>17,213</u>	<u>1,106</u>	<u>18,319</u>	<u>14,115</u>
CIVIL, HUMAN RIGHTS							
Salaries	4,495	(182)	4,313	3,866	161	4,027	286
Expenses	722	1,017	1,739	493	461	954	785
Subtotal	<u>5,217</u>	<u>835</u>	<u>6,052</u>	<u>4,359</u>	<u>622</u>	<u>4,981</u>	<u>1,071</u>
CONTROLLER							
Salaries	21,837	(436)	21,401	19,306	797	20,103	1,298
Expenses	1,515	1,779	3,294	1,455	1,453	2,908	386
Equipment	--	19	19	12	--	12	7
Subtotal	<u>23,352</u>	<u>1,362</u>	<u>24,714</u>	<u>20,773</u>	<u>2,250</u>	<u>23,023</u>	<u>1,691</u>
COUNCIL							
Salaries	36,952	20,101	57,053	43,225	1,756	44,981	12,072
Expenses	908	8,375	9,283	4,487	1,255	5,742	3,541
Subtotal	<u>37,860</u>	<u>28,476</u>	<u>66,336</u>	<u>47,712</u>	<u>3,011</u>	<u>50,723</u>	<u>15,613</u>
EMPLOYEE RELATIONS BOARD							
Salaries	408	5	413	381	14	395	18
Expenses	86	(5)	81	63	7	70	11
Subtotal	<u>494</u>	<u>--</u>	<u>494</u>	<u>444</u>	<u>21</u>	<u>465</u>	<u>29</u>
ETHICS COMMISSION							
Salaries	4,980	--	4,980	4,727	198	4,925	55
Expenses	452	(28)	424	150	132	282	142
Subtotal	<u>5,432</u>	<u>(28)</u>	<u>5,404</u>	<u>4,877</u>	<u>330</u>	<u>5,207</u>	<u>197</u>
FINANCE							
Salaries	40,012	(1,591)	38,421	35,164	1,531	36,695	1,726
Expenses	8,838	1,081	9,919	5,026	4,616	9,642	277
Equipment	--	286	286	123	117	240	46
Subtotal	<u>48,850</u>	<u>(224)</u>	<u>48,626</u>	<u>40,313</u>	<u>6,264</u>	<u>46,577</u>	<u>2,049</u>
GENERAL SERVICES							
Salaries	147,960	46,866	194,826	148,012	5,464	153,476	41,350
Expenses	121,883	105,366	227,249	147,993	32,203	180,196	47,053
Equipment	295	648	943	179	50	229	714
Special	3,495	41,195	44,690	36,476	8,072	44,548	142
Subtotal	<u>273,633</u>	<u>194,075</u>	<u>467,708</u>	<u>332,660</u>	<u>45,789</u>	<u>378,449</u>	<u>89,259</u>

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, 2024
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
INFORMATION TECHNOLOGY AGENCY							
Salaries	\$ 56,711	\$ 2,028	\$ 58,739	\$ 46,290	\$ 1,815	\$ 48,105	\$ 10,634
Expenses	31,954	12,880	44,834	21,520	22,700	44,220	614
Equipment	153	--	153	62	20	82	71
Special	22,223	6,416	28,639	10,233	10,902	21,135	7,504
Subtotal	111,041	21,324	132,365	78,105	35,437	113,542	18,823
MAYOR							
Salaries	9,931	27,764	37,695	22,116	1,000	23,116	14,579
Expenses	389	48,322	48,711	28,733	13,544	42,277	6,434
Equipment	--	745	745	--	--	--	745
Subtotal	10,320	76,831	87,151	50,849	14,544	65,393	21,758
NEIGHBORHOOD EMPOWERMENT							
Salaries	3,479	65	3,544	3,160	138	3,298	246
Expenses	318	213	531	260	99	359	172
Special	15	(12)	3	2	--	2	1
Subtotal	3,812	266	4,078	3,422	237	3,659	419
PERSONNEL							
Salaries	69,565	(1,159)	68,406	63,774	2,589	66,363	2,043
Expenses	9,865	2,039	11,904	8,909	1,736	10,645	1,259
Special	900	534	1,434	1,150	78	1,228	206
Subtotal	80,330	1,414	81,744	73,833	4,403	78,236	3,508
PUBLIC ACCOUNTABILITY							
Salaries	1,727	--	1,727	813	37	850	877
Expenses	2,149	(250)	1,899	13	2	15	1,884
Subtotal	3,876	(250)	3,626	826	39	865	2,761
NON-DEPARTMENTAL							
Capital Finance Administration	405	(19)	386	199	187	386	--
General City Purposes	473,859	(108,340)	365,519	128,042	68,771	196,813	168,706
Human Resources Benefits	861,864	12,231	874,095	856,772	17,132	873,904	191
Leasing	26,041	35,262	61,303	44,460	6,609	51,069	10,234
Liability Claims	87,370	155,246	242,616	239,707	675	240,382	2,234
Unappropriated Balance	297,065	(182,640)	114,425	--	--	--	114,425
Water and Electricity	36,887	--	36,887	33,313	3,574	36,887	--
Subtotal	1,783,491	(88,260)	1,695,231	1,302,493	96,948	1,399,441	295,790
TOTAL GENERAL GOVERNMENT	2,621,127	296,765	2,917,892	2,197,187	238,890	2,436,077	481,815
PROTECTION OF PERSONS AND PROPERTY							
ANIMAL SERVICES							
Salaries	28,987	(2,224)	26,763	24,672	1,011	25,683	1,080
Expenses	2,712	2,463	5,175	3,781	685	4,466	709
Subtotal	31,699	239	31,938	28,453	1,696	30,149	1,789
BUILDING AND SAFETY							
Salaries	145,416	1,277	146,693	117,655	4,751	122,406	24,287
Expenses	3,045	48	3,093	2,182	165	2,347	746
Subtotal	148,461	1,325	149,786	119,837	4,916	124,753	25,033

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, 2024
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
EMERGENCY MANAGEMENT							
Salaries	\$ 4,115	\$ (90)	\$ 4,025	\$ 3,718	\$ 143	\$ 3,861	\$ 164
Expenses	92	(3)	89	55	5	60	29
Subtotal	<u>4,207</u>	<u>(93)</u>	<u>4,114</u>	<u>3,773</u>	<u>148</u>	<u>3,921</u>	<u>193</u>
FIRE							
Salaries	780,926	15,457	796,383	756,654	31,736	788,390	7,993
Expenses	56,265	59,719	115,984	88,934	21,718	110,652	5,332
Subtotal	<u>837,191</u>	<u>75,176</u>	<u>912,367</u>	<u>845,588</u>	<u>53,454</u>	<u>899,042</u>	<u>13,325</u>
POLICE							
Salaries	1,725,275	148,589	1,873,864	1,777,845	71,783	1,849,628	24,236
Expenses	105,933	10,325	116,258	87,222	22,680	109,902	6,356
Equipment	24,471	4,128	28,599	3,047	19,841	22,888	5,711
Subtotal	<u>1,855,679</u>	<u>163,042</u>	<u>2,018,721</u>	<u>1,868,114</u>	<u>114,304</u>	<u>1,982,418</u>	<u>36,303</u>
TOTAL PROTECTION OF PERSONS AND PROPERTY	<u>2,877,237</u>	<u>239,689</u>	<u>3,116,926</u>	<u>2,865,765</u>	<u>174,518</u>	<u>3,040,283</u>	<u>76,643</u>
PUBLIC WORKS							
BOARD OF PUBLIC WORKS							
Salaries	12,897	1,318	14,215	12,282	482	12,764	1,451
Expenses	22,885	34,660	57,545	28,977	20,386	49,363	8,182
Subtotal	<u>35,782</u>	<u>35,978</u>	<u>71,760</u>	<u>41,259</u>	<u>20,868</u>	<u>62,127</u>	<u>9,633</u>
BUREAU OF CONTRACT ADMINISTRATION							
Salaries	49,319	(1,033)	48,286	37,848	1,566	39,414	8,872
Expenses	3,320	103	3,423	1,639	1,542	3,181	242
Subtotal	<u>52,639</u>	<u>(930)</u>	<u>51,709</u>	<u>39,487</u>	<u>3,108</u>	<u>42,595</u>	<u>9,114</u>
BUREAU OF ENGINEERING							
Salaries	115,541	(4,369)	111,172	103,872	4,044	107,916	3,256
Expenses	5,194	(972)	4,222	2,409	1,373	3,782	440
Equipment	350	(350)	--	--	--	--	--
Subtotal	<u>121,085</u>	<u>(5,691)</u>	<u>115,394</u>	<u>106,281</u>	<u>5,417</u>	<u>111,698</u>	<u>3,696</u>
BUREAU OF STREET LIGHTING							
Salaries	46,102	3,747	49,849	40,438	1,398	41,836	8,013
Expenses	5,262	1,144	6,406	4,612	675	5,287	1,119
Equipment	1	--	1	--	--	--	1
Special	5,347	576	5,923	2,501	1,532	4,033	1,890
Subtotal	<u>56,712</u>	<u>5,467</u>	<u>62,179</u>	<u>47,551</u>	<u>3,605</u>	<u>51,156</u>	<u>11,023</u>
BUREAU OF STREET SERVICES							
Salaries	136,067	12,175	148,242	133,167	5,011	138,178	10,064
Expenses	92,912	49,575	142,487	80,863	59,360	140,223	2,264
Equipment	377	--	377	--	245	245	132
Subtotal	<u>229,356</u>	<u>61,750</u>	<u>291,106</u>	<u>214,030</u>	<u>64,616</u>	<u>278,646</u>	<u>12,460</u>
NON-DEPARTMENTAL							
Water and Electricity	6,902	--	6,902	3,263	3,639	6,902	--
TOTAL PUBLIC WORKS	<u>502,476</u>	<u>96,574</u>	<u>599,050</u>	<u>451,871</u>	<u>101,253</u>	<u>553,124</u>	<u>45,926</u>

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, 2024
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
HEALTH AND SANITATION							
PUBLIC WORKS - BUREAU OF SANITATION							
Salaries	\$ 378,642	\$ (7,491)	\$ 371,151	\$ 339,647	\$ 13,551	\$ 353,198	\$ 17,953
Expenses	53,844	(1,609)	52,235	26,467	17,356	43,823	8,412
Equipment	--	390	390	87	23	110	280
TOTAL HEALTH AND SANITATION	432,486	(8,710)	423,776	366,201	30,930	397,131	26,645
TRANSPORTATION							
Salaries	194,319	(227)	194,092	174,980	7,174	182,154	11,938
Expenses	22,577	5,540	28,117	15,910	7,363	23,273	4,844
Equipment	--	62	62	62	-	62	-
TOTAL TRANSPORTATION	216,896	5,375	222,271	190,952	14,537	205,489	16,782
CULTURAL AND RECREATIONAL SERVICES							
CITY TOURISM							
Salaries	1,649	(51)	1,598	1,267	53	1,320	278
Expenses	72	51	123	41	23	64	59
Subtotal	1,721	--	1,721	1,308	76	1,384	337
CULTURAL AFFAIRS							
Salaries	10,415	28	10,443	9,341	401	9,742	701
Expenses	1,055	829	1,884	833	296	1,129	755
Special	9,033	5,089	14,122	2,829	3,101	5,930	8,192
Subtotal	20,503	5,946	26,449	13,003	3,798	16,801	9,648
EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT							
Salaries	1,213	282	1,495	1,353	50	1,403	92
Expenses	804	58	862	488	262	750	112
Subtotal	2,017	340	2,357	1,841	312	2,153	204
ZOO							
Salaries	26,023	(969)	25,054	22,951	997	23,948	1,106
Expenses	4,993	831	5,824	3,921	1,426	5,347	477
Subtotal	31,016	(138)	30,878	26,872	2,423	29,295	1,583
NON-DEPARTMENTAL							
Water and Electricity	5,010	--	5,010	4,268	741	5,009	1
TOTAL CULTURAL AND RECREATIONAL SERVICES	60,267	6,148	66,415	47,292	7,350	54,642	11,773
COMMUNITY DEVELOPMENT							
AGING							
Salaries	5,126	1,191	6,317	4,689	190	4,879	1,438
Expenses	11,451	5,507	16,958	3,790	12,662	16,452	506
Subtotal	16,577	6,698	23,275	8,479	12,852	21,331	1,944
ECONOMIC AND WORKFORCE DEVELOPMENT							
Salaries	17,579	539	18,118	13,752	548	14,300	3,818
Expenses	8,696	(2,107)	6,589	2,394	802	3,196	3,393
Subtotal	26,275	(1,568)	24,707	16,146	1,350	17,496	7,211

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, 2024
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
COMMUNITY INVESTMENT FOR FAMILIES							
Salaries	\$ 9,955	\$ 584	\$ 10,539	\$ 9,637	\$ 399	\$ 10,036	\$ 503
Expenses	23,101	4,520	27,621	12,956	12,378	25,334	2,287
Subtotal	<u>33,056</u>	<u>5,104</u>	<u>38,160</u>	<u>22,593</u>	<u>12,777</u>	<u>35,370</u>	<u>2,790</u>
DISABILITY							
Salaries	3,862	34	3,896	3,090	118	3,208	688
Expenses	2,085	506	2,591	1,293	1,097	2,390	201
Special	93	--	93	50	23	73	20
Subtotal	<u>6,040</u>	<u>540</u>	<u>6,580</u>	<u>4,433</u>	<u>1,238</u>	<u>5,671</u>	<u>909</u>
LOS ANGELES HOUSING							
Salaries	76,861	2,647	79,508	65,325	2,696	68,021	11,487
Expenses	10,355	4,791	15,146	10,069	2,514	12,583	2,563
Subtotal	<u>87,216</u>	<u>7,438</u>	<u>94,654</u>	<u>75,394</u>	<u>5,210</u>	<u>80,604</u>	<u>14,050</u>
PLANNING							
Salaries	60,517	(63)	60,454	49,915	2,088	52,003	8,451
Expenses	8,070	259	8,329	4,804	2,661	7,465	864
Equipment	292	13	305	291	10	301	4
Subtotal	<u>68,879</u>	<u>209</u>	<u>69,088</u>	<u>55,010</u>	<u>4,759</u>	<u>59,769</u>	<u>9,319</u>
YOUTH DEVELOPMENT							
Salaries	1,934	230	2,164	1,683	76	1,759	405
Expenses	356	1,212	1,568	751	263	1,014	554
Equipment	--	25	25	13	--	13	12
Special	90	--	90	--	--	--	90
Subtotal	<u>2,380</u>	<u>1,467</u>	<u>3,847</u>	<u>2,447</u>	<u>339</u>	<u>2,786</u>	<u>1,061</u>
TOTAL COMMUNITY DEVELOPMENT	<u>240,423</u>	<u>19,888</u>	<u>260,311</u>	<u>184,502</u>	<u>38,525</u>	<u>223,027</u>	<u>37,284</u>
PENSION AND RETIREMENT CONTRIBUTIONS							
Non-Departmental	<u>2,876</u>	<u>221</u>	<u>3,097</u>	<u>2,935</u>	<u>162</u>	<u>3,097</u>	<u>--</u>
CAPITAL OUTLAY							
Non-Departmental	<u>167,340</u>	<u>7,812</u>	<u>175,152</u>	<u>32,614</u>	<u>35,177</u>	<u>67,791</u>	<u>107,361</u>
TRANSFERS TO OTHER FUNDS							
Non-Departmental	<u>2,259,160</u>	<u>169,660</u>	<u>2,428,820</u>	<u>2,428,427</u>	<u>--</u>	<u>2,428,427</u>	<u>393</u>
GRAND TOTAL	<u><u>\$ 9,380,288</u></u>	<u><u>\$ 833,422</u></u>	<u><u>\$ 10,213,710</u></u>	<u><u>\$ 8,767,746</u></u>	<u><u>\$ 641,342</u></u>	<u><u>\$ 9,409,088</u></u>	<u><u>\$ 804,622</u></u>

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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 55.4% 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.

Special Revenue Funds

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 12.2% 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 28.4% 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.

Special Revenue Funds

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 4.0% of the combined revenues of the Nonmajor Special Revenue funds. Included in this group are 36 partially budgeted funds: Animal Sterilization Fund, Business Improvement Trust Fund, CASp Certification and Training Fund, City Attorney Consumer Protection Fund, Coastal Transportation Corridor Trust Fund, Council District 15 Real Property Trust Fund, CRA Non-Housing Bond Proceeds Fund, Deferred Compensation Plan Trust Fund, Economic Development Trust Fund, DOT Expedited Fee 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, Medical Intergovernmental Transfer Program Fund, Off-Site Sign Periodic Inspection Fee Fund, Opioids Settlement Trust Fund, Permit Parking Program Revenue 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, 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, 2024
(amounts expressed in thousands)**

	Building and Safety Permit	Citywide Recycling Trust	Proposition C Anti-Gridlock Transit Improvement	Special Parking Revenue
ASSETS				
Cash and Pooled Investments	\$ 314,972	\$ 36,673	\$ 57,925	\$ 36,461
Taxes Receivable	--	--	--	--
Accounts Receivable				
(Net of Allowance for Uncollectibles of \$9,089)	3,783	3,416	2,099	3,893
Special Assessments Receivable	429	--	--	--
Investment Income Receivable	2,157	205	396	412
Intergovernmental Receivable	--	--	22,484	--
Leases Receivable	--	--	--	684
Loans Receivable				
(Net of Allowance for Uncollectibles of \$2,390,585)	--	--	--	--
Due from Other Funds	4,632	1,135	10,100	13
Inventories	--	--	--	--
Prepaid Items and Other Assets	--	--	--	--
Advances to Other Funds	863	--	--	150
Restricted Assets	--	--	--	--
Properties Held for Housing Development	--	--	--	--
TOTAL ASSETS	\$ 326,836	\$ 41,429	\$ 93,004	\$ 41,613
LIABILITIES				
Accounts, Contracts and Retainage Payable	\$ 4,952	\$ 400	\$ 702	\$ 11,699
Obligations Under Securities Lending Transactions	344	40	63	40
Accrued Salaries and Overtime Payable	4,307	--	--	--
Intergovernmental Payable	--	--	--	--
Due to Other Funds	313	--	225	213
Unearned Revenue	3,420	--	--	--
Deposits and Advances	115	--	--	261
Advances from Other Funds	--	--	--	6,499
Other Liabilities	2,824	329	519	327
Liability for Excess CRA Bond Proceeds	--	--	--	--
TOTAL LIABILITIES	16,275	769	1,509	19,039
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	--	--	--	--
Taxes Other than Property	--	--	--	--
Receivables from Other Government Agencies	--	--	6,124	--
Interest Receivable on Loans and Others	3,774	52	2,745	3,424
Leases	--	--	--	625
TOTAL DEFERRED INFLOWS OF RESOURCES	3,774	52	8,869	4,049
FUND BALANCES				
Nonspendable	--	--	--	--
Restricted	--	40,608	82,626	--
Committed	306,787	--	--	18,525
Assigned	--	--	--	--
Unassigned	--	--	--	--
TOTAL FUND BALANCES	306,787	40,608	82,626	18,525
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 326,836	\$ 41,429	\$ 93,004	\$ 41,613

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2024
(amounts expressed in thousands)

	Stormwater Pollution Abatement	Street Lighting Maintenance Assessment	Proposition A Local Transit Assistance	Low and Moderate Income Housing	Proposition HHH - Loans Program
ASSETS					
Cash and Pooled Investments	\$ 27,622	\$ 8,410	\$ 303,917	\$ 18,102	\$ 38,867
Taxes Receivable	--	--	--	--	--
Accounts Receivable					
(Net of Allowance for Uncollectibles of \$9,089)	1,298	3,359	6,744	--	--
Special Assessments Receivable	1,454	2,467	--	--	--
Investment Income Receivable	162	--	1,948	190	378
Intergovernmental Receivable	40	--	34,119	--	--
Leases Receivable	--	--	--	--	--
Loans Receivable					
(Net of Allowance for Uncollectibles of \$2,390,585)	--	--	--	452,724	385,945
Due from Other Funds	972	4,075	586	142	--
Inventories	--	2,294	--	--	--
Prepaid Items and Other Assets	--	--	--	--	--
Advances to Other Funds	--	--	--	--	--
Restricted Assets	--	--	--	10,418	--
Properties Held for Housing Development	--	--	--	105,469	79,616
TOTAL ASSETS	\$ 31,548	\$ 20,605	\$ 347,314	\$ 587,045	\$ 504,806
LIABILITIES					
Accounts, Contracts and Retainage Payable	\$ 1,165	\$ 57,381	\$ 48,181	\$ 913	\$ --
Obligations Under Securities Lending Transactions	30	--	332	31	44
Accrued Salaries and Overtime Payable	--	--	14	--	--
Intergovernmental Payable	--	--	--	--	--
Due to Other Funds	105	595	543	15	5
Unearned Revenue	--	--	43,388	--	--
Deposits and Advances	--	32	5,756	824	--
Advances from Other Funds	--	5,634	--	--	--
Other Liabilities	248	--	2,724	5,524	348
Liability for Excess CRA Bond Proceeds	--	--	--	--	--
TOTAL LIABILITIES	1,548	63,642	100,938	7,307	397
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	--	--
Taxes Other than Property	--	--	--	--	--
Receivables from Other Government Agencies	798	371	630	--	--
Interest Receivable on Loans and Others	1,026	4,298	564	156,946	14,392
Leases	--	--	--	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	1,824	4,669	1,194	156,946	14,392
FUND BALANCES					
Nonspendable	--	2,294	--	--	--
Restricted	28,176	--	245,182	422,792	490,017
Committed	--	--	--	--	--
Assigned	--	--	--	--	--
Unassigned	--	(50,000)	--	--	--
TOTAL FUND BALANCES	28,176	(47,706)	245,182	422,792	490,017
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 31,548	\$ 20,605	\$ 347,314	\$ 587,045	\$ 504,806

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2024
(amounts expressed in thousands)

	Measure R Local Return	Recreation and Parks	Solid Waste Resources	Special Gas Tax Street Improvement	Covid-19 Federal Relief
ASSETS					
Cash and Pooled Investments	\$ 212,646	\$ 725,619	\$ 196,355	\$ 290,161	\$ 13
Taxes Receivable	--	--	--	--	--
Accounts Receivable					
(Net of Allowance for Uncollectibles of \$9,089)	459	2	3,770	15	--
Special Assessments Receivable	--	--	--	--	--
Investment Income Receivable	1,480	4,497	246	1,900	--
Intergovernmental Receivable	33,231	--	4	9,067	--
Leases Receivable	--	2,263	--	--	--
Loans Receivable					
(Net of Allowance for Uncollectibles of \$2,390,585)	--	--	--	--	--
Due from Other Funds	15,849	627	17,803	16,106	--
Inventories	--	--	--	--	--
Prepaid Items and Other Assets	--	--	3,091	--	--
Advances to Other Funds	--	--	--	--	--
Restricted Assets	--	--	--	--	--
Properties Held for Housing Development	--	--	--	--	--
TOTAL ASSETS	\$ 263,665	\$ 733,008	\$ 221,269	\$ 317,249	\$ 13
LIABILITIES					
Accounts, Contracts and Retainage Payable	\$ 4,137	\$ 24,423	\$ 20,569	\$ 7,549	\$ --
Obligations Under Securities Lending Transactions	232	793	44	317	--
Accrued Salaries and Overtime Payable	--	10,337	--	--	--
Intergovernmental Payable	2	44	--	--	--
Due to Other Funds	2,742	621	161	1,178	--
Unearned Revenue	--	229	--	--	--
Deposits and Advances	--	2,454	--	--	--
Advances from Other Funds	--	1,650	--	--	--
Other Liabilities	1,906	6,505	363	2,601	--
Liability for Excess CRA Bond Proceeds	--	--	--	--	--
TOTAL LIABILITIES	9,019	47,056	21,137	11,645	--
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	--	--
Taxes Other than Property	--	--	--	--	--
Receivables from Other Government Agencies	414	--	5	15	--
Interest Receivable on Loans and Others	774	1,179	7,662	497	--
Leases	--	2,085	--	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	1,188	3,264	7,667	512	--
FUND BALANCES					
Nonspendable	--	--	3,091	--	--
Restricted	253,458	682,688	156,900	24,700	13
Committed	--	--	32,474	280,392	--
Assigned	--	--	--	--	--
Unassigned	--	--	--	--	--
TOTAL FUND BALANCES	253,458	682,688	192,465	305,092	13
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 263,665	\$ 733,008	\$ 221,269	\$ 317,249	\$ 13

Continued...

CITY OF LOS ANGELES
Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2024
(amounts expressed in thousands)

	Grant Funds				
	Community Development Trust	Section 108 Loan Guarantee Program	Home Investment Partnership Program	Transportation Grants	Workforce Innovation Opportunity Act
ASSETS					
Cash and Pooled Investments	\$ 1,935	\$ 18,530	\$ 49,929	\$ 51,547	\$ 2,606
Taxes Receivable	--	--	--	--	--
Accounts Receivable					
(Net of Allowance for Uncollectibles of \$9,089)	--	--	--	9,823	--
Special Assessments Receivable	--	--	--	--	--
Investment Income Receivable	38	1	332	429	24
Intergovernmental Receivable	9,282	--	--	15,702	9,970
Leases Receivable	--	--	--	--	--
Loans Receivable					
(Net of Allowance for Uncollectibles of \$2,390,585)	211,573	35,905	521,427	--	--
Due from Other Funds	--	--	--	3	--
Inventories	--	--	--	--	--
Prepaid Items and Other Assets	2,660	--	5,820	--	--
Advances to Other Funds	--	--	--	--	--
Restricted Assets	--	--	--	--	--
Properties Held for Housing Development	--	--	--	--	--
TOTAL ASSETS	\$ 225,488	\$ 54,436	\$ 577,508	\$ 77,504	\$ 12,600
LIABILITIES					
Accounts, Contracts and Retainage Payable	\$ 3,127	\$ --	\$ 15	\$ 10,538	\$ 7,951
Obligations Under Securities Lending Transactions	2	--	55	56	4
Accrued Salaries and Overtime Payable	351	--	--	--	--
Intergovernmental Payable	265	--	2	--	--
Due to Other Funds	9,098	6	863	17,081	2,503
Unearned Revenue	--	--	--	6,190	--
Deposits and Advances	39	364	45	149	--
Advances from Other Funds	1,114	--	--	--	--
Other Liabilities	27	2	448	462	29
Liability for Excess CRA Bond Proceeds	--	--	--	--	--
TOTAL LIABILITIES	14,023	372	1,428	34,476	10,487
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	--	--
Taxes Other than Property	--	--	--	--	--
Receivables from Other Government Agencies	3,579	--	--	22,445	3,170
Interest Receivable on Loans and Others	78,293	--	156,379	566	7
Leases	--	--	--	--	--
TOTAL DEFERRED INFLOWS OF RESOURCES	81,872	--	156,379	23,011	3,177
FUND BALANCES					
Nonspendable	2,660	--	5,820	--	--
Restricted	126,933	54,064	413,881	20,017	1,402
Committed	--	--	--	--	--
Assigned	--	--	--	--	--
Unassigned	--	--	--	--	(2,466)
TOTAL FUND BALANCES	129,593	54,064	419,701	20,017	(1,064)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 225,488	\$ 54,436	\$ 577,508	\$ 77,504	\$ 12,600

Continued...

CITY OF LOS ANGELES

Combining Balance Sheet - (Continued)
Nonmajor Special Revenue Funds
June 30, 2024
(amounts expressed in thousands)

	Grant Funds		Other Nonmajor Special Revenue Funds	Allocations from Other Governmental Agencies	Total
ASSETS					
Cash and Pooled Investments	\$ 488,460	\$ 1,812,722	\$ 339,724	\$ 5,033,196	
Taxes Receivable	--	2,114	--	2,114	
Accounts Receivable (Net of Allowance for Uncollectibles of \$9,089)	1,420	54,637	25,997	120,715	
Special Assessments Receivable	--	2,170	--	6,520	
Investment Income Receivable	3,085	7,461	2,106	27,447	
Intergovernmental Receivable	81,468	14,168	1,888	231,423	
Leases Receivable	--	8,168	--	11,115	
Loans Receivable (Net of Allowance for Uncollectibles of \$2,390,585)	78,173	126,389	29,435	1,841,571	
Due from Other Funds	11,146	35,465	2,971	121,625	
Inventories	--	13,184	--	15,478	
Prepaid Items and Other Assets	62	70	--	11,703	
Advances to Other Funds	--	66,730	39	67,782	
Restricted Assets	--	605	--	11,023	
Properties Held for Housing Development	1,311	--	1,614	188,010	
TOTAL ASSETS	\$ 665,125	\$ 2,143,883	\$ 403,774	\$ 7,689,722	
LIABILITIES					
Accounts, Contracts and Retainage Payable	\$ 34,494	\$ 121,852	\$ 11,578	\$ 371,626	
Obligations Under Securities Lending Transactions	456	1,230	353	4,466	
Accrued Salaries and Overtime Payable	277	5,495	167	20,948	
Intergovernmental Payable	8,869	1,299	357	10,838	
Due to Other Funds	69,649	10,257	3,928	120,101	
Unearned Revenue	11,988	2,152	5	67,372	
Deposits and Advances	48	232,146	678	242,911	
Advances from Other Funds	97,523	12,143	1,466	126,029	
Other Liabilities	3,743	10,088	3,304	42,321	
Liability for Excess CRA Bond Proceeds	--	--	28,158	28,158	
TOTAL LIABILITIES	227,047	396,662	49,994	1,034,770	
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	26	--	26	
Taxes Other than Property	--	8	--	8	
Receivables from Other Government Agencies	60,477	6,905	--	104,933	
Interest Receivable on Loans and Others	19,314	114,016	13,437	579,345	
Leases	--	7,653	--	10,363	
TOTAL DEFERRED INFLOWS OF RESOURCES	79,791	128,608	13,437	694,675	
FUND BALANCES					
Nonspendable	62	13,254	--	27,181	
Restricted	381,392	314,491	166,218	3,905,558	
Committed	15,217	1,293,296	175,237	2,121,928	
Assigned	--	2,947	--	2,947	
Unassigned	(38,384)	(5,375)	(1,112)	(97,337)	
TOTAL FUND BALANCES	358,287	1,618,613	340,343	5,960,277	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 665,125	\$ 2,143,883	\$ 403,774	\$ 7,689,722	

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, 2024
(amounts expressed in thousands)**

	Building and Safety Permit	Citywide Recycling Trust	Proposition C Anti-Gridlock Transit Improvement	Special Parking Revenue
REVENUES				
Property Taxes	\$ --	\$ --	\$ --	\$ --
Other Taxes	--	25,004	--	--
Licenses and Permits	36,332	--	--	--
Intergovernmental	--	6,954	83,261	--
Charges for Services	117,829	--	18,054	58,852
Services to Enterprise Funds	1,600	--	--	--
Fines	--	--	--	--
Special Assessments	14	--	--	--
Investment Earnings	9,165	925	3,167	1,696
Change in Fair Value of Investments	6,557	(167)	1,225	1,242
Program Income	--	--	--	--
Other	278	--	167	121
TOTAL REVENUES	171,775	32,716	105,874	61,911
EXPENDITURES				
Current				
General Government	--	--	--	--
Protection of Persons and Property	220,823	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	27,353	--	--
Transportation	--	--	100,051	42,113
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	4,478	--	5,946	4,814
Debt Service				
Principal	494	--	58	112
Interest	75	--	4	56
Cost of Issuance	--	--	--	--
TOTAL EXPENDITURES	225,870	27,353	106,059	47,095
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(54,095)	5,363	(185)	14,816
OTHER FINANCING SOURCES (USES)				
Transfers In	--	2,010	--	15
Transfers Out	(47)	(759)	--	(32,388)
Issuance of Long-Term Debt	--	--	--	--
Premium on Issuance of Long-Term Debt	--	--	--	--
Lease and Subscription Liabilities Issued	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	(47)	1,251	--	(32,373)
NET CHANGE IN FUND BALANCES	(54,142)	6,614	(185)	(17,557)
FUND BALANCES, JULY 1	360,929	33,994	82,811	36,082
FUND BALANCES, JUNE 30	\$ 306,787	\$ 40,608	\$ 82,626	\$ 18,525

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, 2024
(amounts expressed in thousands)**

	Stormwater Pollution Abatement	Street Lighting Maintenance Assessment	Proposition A Local Transit Assistance	Low and Moderate Income Housing	Proposition HHH - Loans Program
REVENUES					
Property Taxes	\$ --	\$ --	\$ --	\$ --	\$ --
Other Taxes	--	--	--	--	--
Licenses and Permits	--	840	--	--	--
Intergovernmental	6,229	634	218,153	--	--
Charges for Services	30,927	9,998	2,303	382	--
Services to Enterprise Funds	--	--	--	--	--
Fines	--	--	--	--	--
Special Assessments	--	43,816	--	--	--
Investment Earnings	660	--	8,137	957	3,161
Change in Fair Value of Investments	171	--	4,282	1,654	10,843
Program Income	--	--	--	5,667	5,781
Other	2	737	4	2	--
TOTAL REVENUES	37,989	56,025	232,879	8,662	19,785
EXPENDITURES					
Current					
General Government	--	--	--	--	--
Protection of Persons and Property	--	--	--	--	--
Public Works	--	114,132	--	--	--
Health and Sanitation	33,865	--	--	--	--
Transportation	--	--	177,236	--	--
Cultural and Recreational Services	--	--	--	--	--
Community Development	--	--	--	165,623	226,262
Capital Outlay	3,192	1,236	69,158	--	--
Debt Service					
Principal	172	--	167	--	--
Interest	15	--	204	--	--
Cost of Issuance	--	--	--	--	--
TOTAL EXPENDITURES	37,244	115,368	246,765	165,623	226,262
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	745	(59,343)	(13,886)	(156,961)	(206,477)
OTHER FINANCING SOURCES (USES)					
Transfers In	4,019	--	93	--	--
Transfers Out	--	--	(3,546)	(152)	(12,808)
Issuance of Long-Term Debt	--	--	--	--	--
Premium on Issuance of Long-Term Debt	--	--	--	--	--
Lease and Subscription Liabilities Issued	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	4,019	--	(3,453)	(152)	(12,808)
NET CHANGE IN FUND BALANCES	4,764	(59,343)	(17,339)	(157,113)	(219,285)
FUND BALANCES, JULY 1	23,412	11,637	262,521	579,905	709,302
FUND BALANCES, JUNE 30	\$ 28,176	\$ (47,706)	\$ 245,182	\$ 422,792	\$ 490,017

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, 2024
(amounts expressed in thousands)**

	Measure R Local Return	Recreation and Parks	Solid Waste Resources	Special Gas Tax Street Improvement	Covid-19 Federal Relief
REVENUES					
Property Taxes	\$ --	\$ --	\$ --	\$ --	\$ --
Other Taxes	--	--	--	--	--
Licenses and Permits	--	961	--	--	--
Intergovernmental	134,981	500	8,644	209,121	37,033
Charges for Services	441	185,679	305,838	155	--
Services to Enterprise Funds	--	--	5,094	--	--
Fines	--	--	--	--	--
Special Assessments	--	--	--	--	--
Investment Earnings	5,596	17,660	7,710	7,086	9
Change in Fair Value of Investments	1,182	4,674	3,392	164	31
Program Income	--	--	--	--	--
Other	15	937	4,949	--	--
TOTAL REVENUES	142,215	210,411	335,627	216,526	37,073
EXPENDITURES					
Current					
General Government	--	--	--	--	595
Protection of Persons and Property	--	--	--	--	--
Public Works	--	--	--	130,329	--
Health and Sanitation	--	--	336,234	--	--
Transportation	95,897	--	--	--	--
Cultural and Recreational Services	--	399,013	--	--	--
Community Development	--	--	--	--	19
Capital Outlay	10,312	48,116	39,185	33,937	--
Debt Service					
Principal	67	524	129	--	--
Interest	4	80	52	--	--
Cost of Issuance	--	--	882	--	--
TOTAL EXPENDITURES	106,280	447,733	376,482	164,266	614
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	35,935	(237,322)	(40,855)	52,260	36,459
OTHER FINANCING SOURCES (USES)					
Transfers In	--	291,056	20,502	165	--
Transfers Out	--	--	(36,441)	(14)	(37,033)
Issuance of Long-Term Debt	--	--	173,490	--	--
Premium on Issuance of Long-Term Debt	--	--	25,513	--	--
Lease and Subscription Liabilities Issued	--	3,147	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	294,203	183,064	151	(37,033)
NET CHANGE IN FUND BALANCES	35,935	56,881	142,209	52,411	(574)
FUND BALANCES, JULY 1	217,523	625,807	50,256	252,681	587
FUND BALANCES, JUNE 30	\$ 253,458	\$ 682,688	\$ 192,465	\$ 305,092	\$ 13

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, 2024
(amounts expressed in thousands)**

	Grant Funds				
	Community Development Trust	Section 108 Loan Guarantee Program	Home Investment Partnership Program	Transportation Grants	Workforce Innovation Opportunity Act
REVENUES					
Property Taxes	\$ --	\$ --	\$ --	\$ --	\$ --
Other Taxes	--	--	--	--	--
Licenses and Permits	--	--	--	--	--
Intergovernmental	130,159	--	29,370	36,963	42,328
Charges for Services	9	--	--	4,190	--
Services to Enterprise Funds	--	--	--	--	--
Fines	--	--	--	--	--
Special Assessments	--	--	--	--	--
Investment Earnings	221	982	1,509	115	116
Change in Fair Value of Investments	111	2	1,291	556	(10)
Program Income	2,322	11,611	6,700	--	--
Other	165	--	5	--	82
TOTAL REVENUES	132,987	12,595	38,875	41,824	42,516
EXPENDITURES					
Current					
General Government	--	--	--	--	--
Protection of Persons and Property	--	--	--	--	--
Public Works	--	--	--	--	--
Health and Sanitation	--	--	--	--	--
Transportation	--	--	--	19,022	--
Cultural and Recreational Services	--	--	--	--	--
Community Development	183,416	--	181,828	--	41,437
Capital Outlay	51	--	--	30,300	--
Debt Service					
Principal	--	19,274	18	--	--
Interest	--	1,356	1	--	--
Cost of Issuance	--	--	--	--	--
TOTAL EXPENDITURES	183,467	20,630	181,847	49,322	41,437
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(50,480)	(8,035)	(142,972)	(7,498)	1,079
OTHER FINANCING SOURCES (USES)					
Transfers In	92	1,363	60	14	--
Transfers Out	(362)	--	--	(1,977)	--
Issuance of Long-Term Debt	--	--	--	--	--
Premium on Issuance of Long-Term Debt	--	--	--	--	--
Lease and Subscription Liabilities Issued	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	(270)	1,363	60	(1,963)	--
NET CHANGE IN FUND BALANCES	(50,750)	(6,672)	(142,912)	(9,461)	1,079
FUND BALANCES, JULY 1	180,343	60,736	562,613	29,478	(2,143)
FUND BALANCES, JUNE 30	\$ 129,593	\$ 54,064	\$ 419,701	\$ 20,017	\$ (1,064)

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, 2024
(amounts expressed in thousands)**

	Grant Funds			
	Other Nonmajor Grant Funds	Other Nonmajor Special Revenue Funds	Allocations from Other Governmental Agencies	Total
REVENUES				
Property Taxes	\$ --	\$ 32,701	\$ --	\$ 32,701
Other Taxes	--	335,580	--	360,584
Licenses and Permits	--	4,710	5,239	48,082
Intergovernmental	395,472	165,455	60,027	1,565,284
Charges for Services	1,882	280,784	43,033	1,060,356
Services to Enterprise Funds	--	949	--	7,643
Fines	--	2,988	1,488	4,476
Special Assessments	--	93,123	3,334	140,287
Investment Earnings	11,914	35,276	8,417	124,479
Change in Fair Value of Investments	3,966	10,267	3,362	54,795
Program Income	542	1,256	100	33,979
Other	11,110	28,591	16,377	63,542
TOTAL REVENUES	424,886	991,680	141,377	3,496,208
EXPENDITURES				
Current				
General Government	29,510	47,522	662	78,289
Protection of Persons and Property	97,069	142,912	21,457	482,261
Public Works	1,201	108,583	85	354,330
Health and Sanitation	9,387	38,789	1,029	446,657
Transportation	6,058	7,467	4,684	452,528
Cultural and Recreational Services	4,252	304,111	--	707,376
Community Development	243,334	415,619	94,815	1,552,353
Capital Outlay	14,912	49,335	1,286	316,258
Debt Service				
Principal	1,067	1,566	--	23,648
Interest	10	248	--	2,105
Cost of Issuance	--	--	--	882
TOTAL EXPENDITURES	406,800	1,116,152	124,018	4,416,687
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18,086	(124,472)	17,359	(920,479)
OTHER FINANCING SOURCES (USES)				
Transfers In	5,533	400,861	11,670	737,453
Transfers Out	(8,924)	(31,833)	(144)	(166,428)
Issuance of Long-Term Debt	--	--	--	173,490
Premium on Issuance of Long-Term Debt	--	--	--	25,513
Lease and Subscription Liabilities Issued	3,732	4	--	6,883
TOTAL OTHER FINANCING SOURCES (USES)	341	369,032	11,526	776,911
NET CHANGE IN FUND BALANCES	18,427	244,560	28,885	(143,568)
FUND BALANCES, JULY 1	339,860	1,374,053	311,458	6,103,845
FUND BALANCES, JUNE 30	\$ 358,287	\$ 1,618,613	\$ 340,343	\$ 5,960,277

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, 2024
(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	57,886	57,886	36,409	(21,477)
Intergovernmental	--	--	--	--
Charges for Services	134,193	134,193	118,160	(16,033)
Services to Enterprise Funds	2,736	2,736	1,600	(1,136)
Special Assessments	--	--	--	--
Interest	4,564	4,564	8,935	4,371
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	199,379	199,379	165,104	(34,275)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	199,379	199,379	165,104	(34,275)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	1,196,784	1,197,411	87,365	1,110,046
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	53,431	53,424	16,065	37,359
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	1,250,215	1,250,835	103,430	1,147,405
Other Financing Uses				
Transfers to Other Funds	206,575	206,871	123,057	83,814
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,456,790	1,457,706	226,487	1,231,219
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(1,257,411)	(1,258,327)	(61,383)	1,196,944
Appropriation of Fund Balances and Carryforward Appropriations	365,535	365,535	362,995	(2,540)
Encumbrances Lapsed	891,876	891,020	--	(891,020)
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 303,384	\$ 303,384

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, 2024
(amounts expressed in thousands)

	Citywide Recycling Trust				Variance with Final Budget Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Final		
	Original	Final				
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ 30,150	\$ 30,150	\$ 35,497	\$ 35,497	\$ 5,347	
Licenses, Permits and Fines	--	--	--	--	--	
Intergovernmental	--	--	--	--	--	
Charges for Services	--	--	--	--	--	
Services to Enterprise Funds	--	--	--	--	--	
Special Assessments	--	--	--	--	--	
Interest	300	300	861	861	561	
Program Income	--	--	--	--	--	
Other	--	--	--	--	--	
Total Revenues	30,450	30,450	36,358	36,358	5,908	
Other Financing Sources						
Transfers from Other Funds	2,010	2,010	2,010	2,010	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	32,460	32,460	38,368	38,368	5,908	
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government	--	--	--	--	--	
Protection of Persons and Property	--	--	--	--	--	
Public Works	--	--	--	--	--	
Health and Sanitation	74,176	74,202	10,515	10,515	63,687	
Transportation	--	--	--	--	--	
Cultural and Recreational Services	--	--	--	--	--	
Community Development	--	--	--	--	--	
Capital Outlay	--	--	--	--	--	
Debt Service						
Principal	--	--	--	--	--	
Interest	--	--	--	--	--	
Total Expenditures	74,176	74,202	10,515	10,515	63,687	
Other Financing Uses						
Transfers to Other Funds	35,670	35,670	17,391	17,391	18,279	
TOTAL EXPENDITURES AND OTHER FINANCING USES	109,846	109,872	27,906	27,906	81,966	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(77,386)	(77,412)	10,462	10,462	87,874	
Appropriation of Fund Balances and Carryforward Appropriations	11,837	11,837	25,674	25,674	13,837	
Encumbrances Lapsed	65,549	65,549	--	--	(65,549)	
FUND BALANCES (DEFICIT), JUNE 30	--	26	26	26	--	
	\$ -- \$	-- \$	36,162 \$	36,162 \$		

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, 2024
(amounts expressed in thousands)

		Proposition C Anti-Gridlock Transit Improvement		Variance with Final Budget Positive (Negative)	
		Budgeted Amounts			
	Original	Final	Actual Amounts (Budgetary Basis)		
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	
Licenses, Permits and Fines	--	--	--	--	
Intergovernmental	92,272	92,272	77,590	(14,682)	
Charges for Services	11,937	11,937	18,828	6,891	
Services to Enterprise Funds	--	--	--	--	
Special Assessments	--	--	--	--	
Interest	1,505	1,505	3,122	1,617	
Program Income	--	--	--	--	
Other	--	--	--	--	
Total Revenues	105,714	105,714	99,540	(6,174)	
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	105,714	105,714	99,540	(6,174)	
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government	--	--	--	--	
Protection of Persons and Property	--	--	--	--	
Public Works	--	--	--	--	
Health and Sanitation	--	--	--	--	
Transportation	98,801	68,736	40,445	28,291	
Cultural and Recreational Services	--	--	--	--	
Community Development	--	--	--	--	
Capital Outlay	12,760	12,768	9,308	3,460	
Debt Service					
Principal	--	--	--	--	
Interest	--	--	--	--	
Total Expenditures	111,561	81,504	49,753	31,751	
Other Financing Uses					
Transfers to Other Funds	102,712	70,436	62,196	8,240	
TOTAL EXPENDITURES AND OTHER FINANCING USES	214,273	151,940	111,949	39,991	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(108,559)	(46,226)	(12,409)	33,817	
Appropriation of Fund Balances and Carryforward Appropriations	47,515	47,515	69,462	69,462	
Encumbrances Lapsed	61,044	(1,341)	--	1,341	
FUND BALANCES (DEFICIT), JUNE 30	--	52	52	--	
	\$ --	\$ --	\$ 57,105	\$ 57,105	

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, 2024
(amounts expressed in thousands)

	Special Parking Revenue				Variance with Final Budget Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Final Budget Positive (Negative)		
	Original	Final				
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	--	
Licenses, Permits and Fines	--	--	--	--	--	
Intergovernmental	--	--	--	--	--	
Charges for Services	63,903	63,903	58,037	(5,866)	--	
Services to Enterprise Funds	--	--	--	--	--	
Special Assessments	--	--	--	--	--	
Interest	1,051	1,051	1,682	631	--	
Program Income	--	--	--	--	--	
Other	165	165	999	834	--	
Total Revenues	<u>65,119</u>	<u>65,119</u>	<u>60,718</u>	<u>(4,401)</u>	--	
Other Financing Sources						
Transfers from Other Funds	--	--	15	15	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>65,119</u>	<u>65,119</u>	<u>60,733</u>	<u>(4,386)</u>	--	
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government	--	--	--	--	--	
Protection of Persons and Property	--	--	--	--	--	
Public Works	--	--	--	--	--	
Health and Sanitation	--	--	--	--	--	
Transportation	67,362	67,185	33,136	34,049	--	
Cultural and Recreational Services	--	--	--	--	--	
Community Development	--	--	--	--	--	
Capital Outlay	13,607	19,003	10,836	8,167	--	
Debt Service						
Principal	--	--	--	--	--	
Interest	--	--	--	--	--	
Total Expenditures	<u>80,969</u>	<u>86,188</u>	<u>43,972</u>	<u>42,216</u>	--	
Other Financing Uses						
Transfers to Other Funds	41,896	40,297	39,151	1,146	--	
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>122,865</u>	<u>126,485</u>	<u>83,123</u>	<u>43,362</u>	--	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(57,746)	(61,366)	(22,390)	38,976	--	
Appropriation of Fund Balances and Carryforward Appropriations	25,145	25,145	37,483	12,338	--	
Encumbrances Lapsed	32,601	31,032	--	(31,032)	--	
FUND BALANCES (DEFICIT), JUNE 30	<u>--</u>	<u>5,189</u>	<u>5,189</u>	<u>--</u>	--	
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 20,282</u>	<u>\$ 20,282</u>	--	

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, 2024
(amounts expressed in thousands)

	Stormwater Pollution Abatement			
	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	270	4,289	6,082	1,793
Charges for Services	30,400	30,400	31,091	691
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	200	200	629	429
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	30,870	34,889	37,802	2,913
Other Financing Sources				
Transfers from Other Funds	--	--	4,019	4,019
TOTAL REVENUES AND OTHER FINANCING SOURCES	30,870	34,889	41,821	6,932
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	15,523	18,219	7,882	10,337
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	8,870	8,870	5,205	3,665
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	24,393	27,089	13,087	14,002
Other Financing Uses				
Transfers to Other Funds	33,336	33,336	24,511	8,825
TOTAL EXPENDITURES AND OTHER FINANCING USES	57,729	60,425	37,598	22,827
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(26,859)	(25,536)	4,223	29,759
Appropriation of Fund Balances and Carryforward Appropriations	7,510	7,510	19,144	11,634
Encumbrances Lapsed	19,349	17,515	--	(17,515)
	--	511	511	--
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 23,878	\$ 23,878

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, 2024
(amounts expressed in thousands)

Street Lighting Maintenance Assessment			
	Budgeted Amounts	Actual Amounts	Variance with Final Budget
	Original	Final	Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES			
Revenues			
Taxes	\$ --	\$ --	\$ --
Lenses, Permits and Fines	1,176	1,176	840 (336)
Intergovernmental	3,207	3,207	580 (2,627)
Charges for Services	28,732	17,935	10,119 (7,816)
Services to Enterprise Funds	--	--	--
Special Assessments	49,411	49,411	43,989 (5,422)
Interest	--	--	--
Program Income	--	--	--
Other	2,048	2,048	368 (1,680)
Total Revenues	84,574	73,777	55,896 (17,881)
Other Financing Sources			
Transfers from Other Funds	144	144	584 440
TOTAL REVENUES AND OTHER FINANCING SOURCES	84,718	73,921	56,480 (17,441)
EXPENDITURES AND OTHER FINANCING USES			
Expenditures			
Current			
General Government	--	--	--
Protection of Persons and Property	--	--	--
Public Works	71,771	38,894	17,103 21,791
Health and Sanitation	--	--	--
Transportation	--	--	--
Cultural and Recreational Services	--	--	--
Community Development	--	--	--
Capital Outlay	--	--	--
Debt Service			
Principal	--	--	--
Interest	--	--	--
Total Expenditures	71,771	38,894	17,103 21,791
Other Financing Uses			
Transfers to Other Funds	71,264	57,905	51,171 6,734
TOTAL EXPENDITURES AND OTHER FINANCING USES	143,035	96,799	68,274 28,525
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			
FUND BALANCES (DEFICIT), JULY 1	(58,317)	(22,878)	(11,794) 11,084
Appropriation of Fund Balances and Carryforward Appropriations	9,905	9,905	10,832 927
Encumbrances Lapsed	48,412	12,938	-- (12,938)
	--	35	35 --
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ (927) \$ (927)

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, 2024
(amounts expressed in thousands)

REVENUES AND OTHER FINANCING SOURCES

	Proposition A Local Transit Assistance			Variance with Final Budget Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)		
	Original	Final			
Revenues					
Taxes	\$ --	\$ --	\$ --	--	
Licenses, Permits and Fines	--	--	--	--	
Intergovernmental	195,224	195,224	190,244	(4,980)	
Charges for Services	1,516	1,516	2,262	746	
Services to Enterprise Funds	--	--	--	--	
Special Assessments	--	--	--	--	
Interest	6,064	6,064	7,870	1,806	
Program Income	--	--	--	--	
Other	6,368	6,368	6	(6,362)	
Total Revenues	<u>209,172</u>	<u>209,172</u>	<u>200,382</u>	<u>(8,790)</u>	
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	209,172	209,172	200,382	(8,790)	

EXPENDITURES AND OTHER FINANCING USES

	Proposition A Local Transit Assistance			Variance with Final Budget Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)		
	Original	Final			
Expenditures					
Current					
General Government	--	--	--	--	
Protection of Persons and Property	--	--	--	--	
Public Works	--	--	--	--	
Health and Sanitation	--	--	--	--	
Transportation	596,111	376,286	225,379	150,907	
Cultural and Recreational Services	--	--	--	--	
Community Development	--	--	--	--	
Capital Outlay	50,890	46,271	41,580	4,691	
Debt Service					
Principal	--	--	--	--	
Interest	--	--	--	--	
Total Expenditures	<u>647,001</u>	<u>422,557</u>	<u>266,959</u>	<u>155,598</u>	
Other Financing Uses					
Transfers to Other Funds	12,965	10,016	8,620	1,396	
TOTAL EXPENDITURES AND OTHER FINANCING USES	659,966	432,573	275,579	156,994	

EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES

	Proposition A Local Transit Assistance			Variance with Final Budget Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)		
	Original	Final			
OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(450,794)	(223,401)	(75,197)	148,204	
Appropriation of Fund Balances and Carryforward Appropriations	49,692	49,692	124,153	74,461	
Encumbrances Lapsed	401,102	144,151	--	(144,151)	
	--	29,558	29,558	--	
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 78,514	\$ 78,514	

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, 2024
(amounts expressed in thousands)

	Measure R Local Return			
	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	155,660	107,395	125,495	18,100
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	2,930	2,930	5,202	2,272
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	<u>158,590</u>	<u>110,325</u>	<u>130,697</u>	<u>20,372</u>
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>158,590</u>	<u>110,325</u>	<u>130,697</u>	<u>20,372</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	253,928	225,119	43,058	182,061
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	17,930	25,409	7,234	18,175
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	<u>271,858</u>	<u>250,528</u>	<u>50,292</u>	<u>200,236</u>
Other Financing Uses				
Transfers to Other Funds	79,230	68,749	57,174	11,575
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>351,088</u>	<u>319,277</u>	<u>107,466</u>	<u>211,811</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(192,498)	(208,952)	23,231	232,183
Appropriation of Fund Balances and Carryforward Appropriations	38,359	38,359	184,656	146,297
Encumbrances Lapsed	154,139	169,989	--	(169,989)
	--	604	604	--
FUND BALANCES (DEFICIT), JUNE 30	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 208,491</u>	<u>\$ 208,491</u>

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, 2024
(amounts expressed in thousands)

	Solid Waste Resources				Variance with Final Budget Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Final		
	Original	Final				
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	--	
Licenses, Permits and Fines	--	--	--	--	--	
Intergovernmental	5,400	5,400	8,476	3,076		
Charges for Services	308,871	308,871	299,499	(9,372)		
Services to Enterprise Funds	4,000	4,000	6,389	2,389		
Special Assessments	--	--	--	--		
Interest	400	400	3,990	3,590		
Program Income	--	--	--	--		
Other	1,350	1,350	4,934	3,584		
Total Revenues	320,021	320,021	323,288	3,267		
Other Financing Sources						
Transfers from Other Funds	--	--	18,052	18,052		
TOTAL REVENUES AND OTHER FINANCING SOURCES	320,021	320,021	341,340	21,319		
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government	--	--	--	--		
Protection of Persons and Property	--	--	--	--		
Public Works	--	--	--	--		
Health and Sanitation	182,564	223,947	143,451	80,496		
Transportation	--	--	--	--		
Cultural and Recreational Services	--	--	--	--		
Community Development	--	--	--	--		
Capital Outlay	--	--	--	--		
Debt Service						
Principal	27,760	27,626	27,626	--		
Interest	17,399	17,533	13,733	3,800		
Total Expenditures	227,723	269,106	184,810	84,296		
Other Financing Uses						
Transfers to Other Funds	207,749	207,344	183,346	23,998		
TOTAL EXPENDITURES AND OTHER FINANCING USES	435,472	476,450	368,156	108,294		
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(115,451)	(156,429)	(26,816)	129,613		
Appropriation of Fund Balances and Carryforward Appropriations	58,116	58,116	(42,595)	(100,711)		
Encumbrances Lapsed	57,335	32,336	--	(32,336)		
FUND BALANCES (DEFICIT), JUNE 30	--	65,977	65,977	--		
	\$ --	\$ --	\$ (3,434)	\$ (3,434)		

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, 2024
(amounts expressed in thousands)

	Special Gas Tax Street Improvement			
	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	211,679	211,679	208,743	(2,936)
Charges for Services	40	40	156	116
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	3,750	3,750	6,603	2,853
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	<u>215,469</u>	<u>215,469</u>	<u>215,502</u>	<u>33</u>
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>215,469</u>	<u>215,469</u>	<u>215,502</u>	<u>33</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	--	--	--	--
Public Works	259,582	358,985	81,827	277,158
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	127	99	28
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	<u>259,582</u>	<u>359,112</u>	<u>81,926</u>	<u>277,186</u>
Other Financing Uses				
Transfers to Other Funds	94,899	98,855	79,780	19,075
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>354,481</u>	<u>457,967</u>	<u>161,706</u>	<u>296,261</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(139,012)	(242,498)	53,796	296,294
Appropriation of Fund Balances and Carryforward Appropriations	10,404	10,404	213,147	202,743
Encumbrances Lapsed	128,608	228,082	--	(228,082)
	--	4,012	4,012	--
FUND BALANCES (DEFICIT), JUNE 30	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 270,955</u>	<u>\$ 270,955</u>

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, 2024
(amounts expressed in thousands)

	Community Development Trust			
	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	17,059	115,126	127,338	12,212
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	199	199
Program Income	--	--	5,290	5,290
Other	--	--	173	173
Total Revenues	17,059	115,126	133,000	17,874
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	17,059	115,126	133,000	17,874
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	--	--	--	--
101,968	101,968	149,754	111,512	38,242
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	101,968	149,754	111,512	38,242
Other Financing Uses				
Transfers to Other Funds	30,848	29,978	14,966	15,012
TOTAL EXPENDITURES AND OTHER FINANCING USES	132,816	179,732	126,478	53,254
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(115,757)	(64,606)	6,522	71,128
Appropriation of Fund Balances and Carryforward Appropriations	--	--	(33,479)	(33,479)
Encumbrances Lapsed	115,757	62,484	--	(62,484)
	--	2,122	2,122	--
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	(24,835)	\$ (24,835)

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, 2024
(amounts expressed in thousands)

Home Investment Partnership Program					
	Budgeted Amounts		Actual Amounts		Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)	
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	--
Licenses, Permits and Fines	--	--	--	--	--
Intergovernmental	6,964	43,182	29,370	(13,812)	--
Charges for Services	--	--	--	--	--
Services to Enterprise Funds	--	--	--	--	--
Special Assessments	--	--	--	--	--
Interest	--	--	1,483	1,483	1,483
Program Income	--	--	8,352	8,352	8,352
Other	--	--	4	4	4
Total Revenues	6,964	43,182	39,209	(3,973)	--
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	6,964	43,182	39,209	(3,973)	--
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	151,373	190,961	75,924	115,037	--
Debt Service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Total Expenditures	151,373	190,961	75,924	115,037	--
Other Financing Uses					
Transfers to Other Funds	9,669	9,698	4,450	5,248	--
TOTAL EXPENDITURES AND OTHER FINANCING USES	161,042	200,659	80,374	120,285	--
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(154,078)	(157,477)	(41,165)	116,312	--
Appropriation of Fund Balances and Carryforward Appropriations	--	--	56,632	56,632	--
FUND BALANCES (DEFICIT), JUNE 30	154,078	157,477	--	(157,477)	--
	\$ --	\$ --	\$ 15,467	\$ 15,467	

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, 2024
(amounts expressed in thousands)

	Workforce Innovation Opportunity Act			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses, Permits and Fines	--	--	--	--
Intergovernmental	16,191	16,191	--	(16,191)
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	16,191	16,191	--	(16,191)
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	16,191	16,191	--	(16,191)
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	84,658	84,658	--	84,658
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	84,658	84,658	--	84,658
Other Financing Uses				
Transfers to Other Funds	26,028	26,028	--	26,028
TOTAL EXPENDITURES AND OTHER FINANCING USES	110,686	110,686	--	110,686
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(94,495)	(94,495)	--	94,495
Appropriation of Fund Balances and Carryforward Appropriations	--	--	(7,095)	(7,095)
FUND BALANCES (DEFICIT), JUNE 30	94,495	94,495	--	(94,495)
	\$ --	\$ --	\$ (7,095)	\$ (7,095)

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Grant Fund - Disaster Assistance			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Original	Final	
		Budgeted Amounts	Actual Amounts (Budgetary Basis)			
REVENUES AND OTHER FINANCING SOURCES						
Revenues		\$ --	\$ --	\$ --	\$ --	
Taxes		--	--	--	--	
Licenses, Permits and Fines		--	--	--	--	
Intergovernmental		85,531	85,531	53,041	(32,490)	
Charges for Services		--	--	--	--	
Services to Enterprise Funds		--	--	--	--	
Special Assessments		--	--	--	--	
Interest		984	984	1,564	580	
Program Income		--	--	--	--	
Other		--	--	--	--	
Total Revenues		86,515	86,515	54,605	(31,910)	
Other Financing Sources		--	--	--	--	
Transfers from Other Funds		--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES		86,515	86,515	54,605	(31,910)	
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government		--	--	--	--	
Protection of Persons and Property		248,238	248,238	53,041	195,197	
Public Works		--	--	--	--	
Health and Sanitation		--	--	--	--	
Transportation		--	--	--	--	
Cultural and Recreational Services		--	--	--	--	
Community Development		--	--	--	--	
Capital Outlay		--	--	--	--	
Debt Service		--	--	--	--	
Principal		--	--	--	--	
Interest		--	--	--	--	
Total Expenditures		248,238	248,238	53,041	195,197	
Other Financing Uses						
Transfers to Other Funds		643	643	231	412	
TOTAL EXPENDITURES AND OTHER FINANCING USES		248,881	248,881	53,272	195,609	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1		(162,366)	(162,366)	1,333	163,699	
Appropriation of Fund Balances and Carryforward Appropriations		28,129	28,129	28,837	708	
FUND BALANCES (DEFICIT), JUNE 30		134,237	134,237	--	(134,237)	
	\$ --	\$ --	\$ 30,170	\$ 30,170		

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Grant Fund - Community Services Block Grant		Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary)	Original		
		Final			
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	
Licenses, Permits and Fines	--	--	--	--	
Intergovernmental	1,472	1,472	6,766	5,294	
Charges for Services	--	--	--	--	
Services to Enterprise Funds	--	--	--	--	
Special Assessments	--	--	--	--	
Interest	--	--	11	11	
Program Income	--	--	--	--	
Other	--	--	--	--	
Total Revenues	1,472	1,472	6,777	5,305	
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,472	1,472	6,777	5,305	
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	5,195	10,159	5,472	4,687	
Capital Outlay	--	--	--	--	
Debt Service					
Principal	--	--	--	--	
Interest	--	--	--	--	
Total Expenditures	5,195	10,159	5,472	4,687	
Other Financing Uses					
Transfers to Other Funds	1,129	1,557	1,395	162	
TOTAL EXPENDITURES AND OTHER FINANCING USES	6,324	11,716	6,867	4,849	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(4,852)	(10,244)	(90)	10,154	
Appropriation of Fund Balances and Carryforward Appropriations	--	--	1,274	1,274	
FUND BALANCES (DEFICIT), JUNE 30	4,852	10,244	--	(10,244)	
	\$ --	\$ --	\$ 1,184	\$ 1,184	

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, 2024
(amounts expressed in thousands)

Other Nonmajor Grant Fund - Forfeited Assets Trust of Police Department				
	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	--	--	4,162	4,162
Charges for Services	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	460	460
Program Income	--	--	--	--
Other	--	--	--	--
Total Revenues	--	--	4,622	4,622
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	--	--	4,622	4,622
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	13,467	12,234	4,369	7,865
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	13,467	12,234	4,369	7,865
Other Financing Uses				
Transfers to Other Funds	1,690	2,406	2,021	385
TOTAL EXPENDITURES AND OTHER FINANCING USES	15,157	14,640	6,390	8,250
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(15,157)	(14,640)	(1,768)	12,872
Appropriation of Fund Balances and Carryforward Appropriations	4,541	4,541	16,304	11,763
Encumbrances Lapsed	10,616	9,493	--	(9,493)
	--	606	606	--
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 15,142	\$ 15,142

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Grant Fund - Household Hazardous Waste			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary)		Original	Final	
		Budgedt Amounts	(Budgetary Basis)			
REVENUES AND OTHER FINANCING SOURCES						
Revenues		\$	--	\$	--	\$
Taxes			--		--	--
Licenses, Permits and Fines			--		--	--
Intergovernmental			3,095		3,095	3,904
Charges for Services			--		--	--
Services to Enterprise Funds			--		--	--
Special Assessments			--		--	--
Interest			50		50	135
Program Income			--		--	--
Other			--		--	--
Total Revenues			3,145		3,145	4,039
Other Financing Sources						894
Transfers from Other Funds			76		76	76
TOTAL REVENUES AND OTHER FINANCING SOURCES			3,221		3,221	4,115
						894
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government			--		--	--
Protection of Persons and Property			--		--	--
Public Works			--		--	--
Health and Sanitation			24,288		24,291	2,185
Transportation			--		--	--
Cultural and Recreational Services			--		--	--
Community Development			--		--	--
Capital Outlay			--		--	--
Debt Service			--		--	--
Principal			--		--	--
Interest			--		--	--
Total Expenditures			24,288		24,291	2,185
Other Financing Uses						22,106
Transfers to Other Funds			3,780		3,780	2,817
TOTAL EXPENDITURES AND OTHER FINANCING USES			28,068		28,071	5,002
						23,069
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1			(24,847)		(24,850)	(887)
Appropriation of Fund Balances and Carryforward Appropriations			4,575		4,575	4,003
Encumbrances Lapsed			20,272		20,272	--
			--		3	(20,272)
FUND BALANCES (DEFICIT), JUNE 30			\$		-- \$	\$ 3,119
						\$ 3,119

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Grant Fund - Housing Opportunities for Persons with AIDS	Variance with Final Budget Positive (Negative)	
				Actual Amounts (Budgetary Basis)	Original	Final
				Budgeted Amounts		
REVENUES AND OTHER FINANCING SOURCES						
Revenues					\$	-- \$
Taxes					--	--
Licenses, Permits and Fines					--	--
Intergovernmental					863	25,824
Charges for Services					--	--
Services to Enterprise Funds					--	--
Special Assessments					--	--
Interest					--	4
Program Income					--	209
Other					--	--
Total Revenues					863	25,824
Other Financing Sources						
Transfers from Other Funds					--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES					863	25,824
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					9,625	36,317
Capital Outlay						
Debt Service					--	--
Principal					--	--
Interest					--	--
Total Expenditures					9,625	36,317
Other Financing Uses						
Transfers to Other Funds					636	555
TOTAL EXPENDITURES AND OTHER FINANCING USES					10,261	36,872
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1					(9,398)	(11,048)
Appropriation of Fund Balances and Carryforward Appropriations					--	(12,325)
Encumbrances Lapsed					9,398	7,734
FUND BALANCES (DEFICIT), JUNE 30					--	3,314
					\$ -- \$	\$ (9,956) \$ (9,956)

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Grant Fund - Mobile Source Air Pollution Reduction	Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts (Budgetary Basis)		
		Original	Final		
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes		\$ --	\$ --	\$ --	--
Licenses, Permits and Fines		--	--	--	--
Intergovernmental		5,145	5,145	4,950	(195)
Charges for Services		--	--	--	--
Services to Enterprise Funds		--	--	--	--
Special Assessments		--	--	--	--
Interest		81	81	154	73
Program Income		--	--	--	--
Other		--	--	--	--
Total Revenues		<u>5,226</u>	<u>5,226</u>	<u>5,104</u>	<u>(122)</u>
Other Financing Sources					
Transfers from Other Funds		--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES		<u>5,226</u>	<u>5,226</u>	<u>5,104</u>	<u>(122)</u>
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government		--	--	--	--
Protection of Persons and Property		--	--	--	--
Public Works		--	--	--	--
Health and Sanitation		7,343	6,154	2,014	4,140
Transportation		--	--	--	--
Community Development		--	--	--	--
Capital Outlay		--	--	--	--
Debt Service		--	--	--	--
Principal		--	--	--	--
Interest		--	--	--	--
Total Expenditures		<u>7,343</u>	<u>6,154</u>	<u>2,014</u>	<u>4,140</u>
Other Financing Uses					
Transfers to Other Funds		4,054	3,136	2,456	680
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>11,397</u>	<u>9,290</u>	<u>4,470</u>	<u>4,820</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1		(6,171)	(4,064)	634	4,698
Appropriation of Fund Balances and Carryforward Appropriations		2,215	2,215	4,067	1,852
Encumbrances Lapsed		3,956	1,675	--	(1,675)
		--	174	174	--
FUND BALANCES (DEFICIT), JUNE 30		<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,875</u>	<u>\$ 4,875</u>

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Grant Fund - Older Americans Act	Variance with Final Budget Positive (Negative)
				Actual Amounts (Budgetary Basis)	
				Original	Final
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	--
Licenses, Permits and Fines	--	--	--	--	--
Intergovernmental	3,173	25,116	31,707	6,591	
Charges for Services	--	--	--	--	--
Services to Enterprise Funds	--	--	--	--	--
Special Assessments	--	--	--	--	--
Interest	--	--	--	--	--
Program Income	--	--	--	--	--
Other	--	--	6	6	6
Total Revenues	3,173	25,116	31,713	6,597	
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,173	25,116	31,713	6,597	
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	16,957	42,260	26,099	16,161	
Capital Outlay	--	--	--	--	--
Debt Service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Total Expenditures	16,957	42,260	26,099	16,161	
Other Financing Uses					
Transfers to Other Funds	14,430	14,297	2,829	11,468	
TOTAL EXPENDITURES AND OTHER FINANCING USES	31,387	56,557	28,928	27,629	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(28,214)	(31,441)	2,785	34,226	
Appropriation of Fund Balances and Carryforward Appropriations	--	--	(21,609)	(21,609)	
Encumbrances Lapsed	28,214	30,562	--	(30,562)	
	--	879	879	--	
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ (17,945)	\$ (17,945)	

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, 2024
(amounts expressed in thousands)

Other Nonmajor Grant Fund - Supplemental Law Enforcement Services			
	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	9,454	9,454	10,938
Charges for Services	--	--	--
Services to Enterprise Funds	--	--	--
Special Assessments	--	--	--
Interest	264	264	372
Program Income	--	--	--
Other	--	--	--
Total Revenues	<u>9,718</u>	<u>9,718</u>	<u>11,310</u>
Other Financing Sources			
Transfers from Other Funds	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>9,718</u>	<u>9,718</u>	<u>11,310</u>
EXPENDITURES AND OTHER FINANCING USES			
Expenditures			
Current			
General Government	--	--	--
Protection of Persons and Property	3,828	3,828	3,828
Public Works	--	--	--
Health and Sanitation	--	--	--
Transportation	--	--	--
Cultural and Recreational Services	--	--	--
Community Development	--	--	--
Capital Outlay	--	--	--
Debt Service			
Principal	--	--	--
Interest	--	--	--
Total Expenditures	<u>3,828</u>	<u>3,828</u>	<u>--</u>
Other Financing Uses			
Transfers to Other Funds	24,870	24,870	10,518
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>28,698</u>	<u>28,698</u>	<u>10,518</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(18,980)</u>	<u>(18,980)</u>	<u>792</u>
FUND BALANCES (DEFICIT), JULY 1	1,912	1,912	2,350
Appropriation of Fund Balances and Carryforward Appropriations	17,068	17,068	--
FUND BALANCES (DEFICIT), JUNE 30	<u>\$ --</u>	<u>-- \$</u>	<u>3,142</u>

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Arts and Cultural Facilities and Services			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Original	Final	
		Budgeted Amounts	Actual Amounts (Budgetary Basis)			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes		\$ --	\$ --			--
Licenses, Permits and Fines		--	--			--
Intergovernmental		751	751			(751)
Charges for Services		600	600			135
Services to Enterprise Funds		--	--			--
Special Assessments		--	--			--
Interest		80	80			261
Program Income		--	--			--
Other		--	--			--
Total Revenues		1,431	1,431			(355)
Other Financing Sources						
Transfers from Other Funds		26,341	26,341			--
TOTAL REVENUES AND OTHER FINANCING SOURCES		27,772	27,772			(355)
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government		--	--			--
Protection of Persons and Property		--	--			--
Public Works		--	--			--
Health and Sanitation		--	--			--
Transportation		--	--			--
Cultural and Recreational Services		17,893	17,679			10,260
Community Development		--	--			--
Capital Outlay		--	--			--
Debt Service						
Principal		--	--			--
Interest		--	--			--
Total Expenditures		17,893	17,679			10,260
Other Financing Uses						
Transfers to Other Funds		38,927	39,670			20,607
TOTAL EXPENDITURES AND OTHER FINANCING USES		56,820	57,349			30,867
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1		(29,048)	(29,577)			30,512
Appropriation of Fund Balances and Carryforward Appropriations		1,864	1,864			14,157
FUND BALANCES (DEFICIT), JUNE 30		27,184	27,713			(27,713)
		\$ --	\$ --	\$ 16,956	\$ 16,956	

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Arts Development Fee			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Original	Final	
		Budgeted Amounts	Actual Amounts (Budgetary Basis)			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --			--
Licenses, Permits and Fines	--	--	--			--
Intergovernmental	--	--	--			--
Charges for Services	1,600	1,600	1,864			264
Services to Enterprise Funds	--	--	--			--
Special Assessments	--	--	--			--
Interest	250	250	576			326
Program Income	--	--	--			--
Other	--	--	--			--
Total Revenues	1,850	1,850	2,440			590
Other Financing Sources						
Transfers from Other Funds	--	--	--			--
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,850	1,850	2,440			590
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government	--	--	--			--
Protection of Persons and Property	--	--	--			--
Public Works	--	--	--			--
Health and Sanitation	--	--	--			--
Transportation	--	--	--			--
Cultural and Recreational Services	52,845	55,024	382			54,642
Community Development	--	--	--			--
Capital Outlay	--	--	--			--
Debt Service						
Principal	--	--	--			--
Interest	--	--	--			--
Total Expenditures	52,845	55,024	382			54,642
Other Financing Uses						
Transfers to Other Funds	9	9	--			9
TOTAL EXPENDITURES AND OTHER FINANCING USES	52,854	55,033	382			54,651
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(51,004)	(53,183)	2,058			55,241
Appropriation of Fund Balances and Carryforward Appropriations	3,312	3,312	21,886			18,574
FUND BALANCES (DEFICIT), JUNE 30	47,692	49,871	--			(49,871)
	\$ --	\$ --	\$ 23,944	\$	23,944	

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - City Employees Ridesharing				
	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	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	48	48	96	48
Program Income	--	--	--	--
Other	2,478	2,478	2,136	(342)
Total Revenues	<u>2,526</u>	<u>2,526</u>	<u>2,232</u>	<u>(294)</u>
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>2,526</u>	<u>2,526</u>	<u>2,232</u>	<u>(294)</u>
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	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other Financing Uses				
Transfers to Other Funds	9,955	6,488	2,827	3,661
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>9,955</u>	<u>6,488</u>	<u>2,827</u>	<u>3,661</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(7,429)	(3,962)	(595)	3,367
Appropriation of Fund Balances and Carryforward Appropriations	4,119	4,119	4,270	151
FUND BALANCES (DEFICIT), JUNE 30	<u>3,310</u>	<u>(157)</u>	<u>--</u>	<u>157</u>
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 3,675</u>	<u>\$ 3,675</u>

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - City of Los Angeles Affordable Housing				
	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	25	25	20	(5)
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	477	477	1,473	996
Program Income	1,507	1,507	1,183	(324)
Other	--	--	--	--
Total Revenues	<u>2,009</u>	<u>2,009</u>	<u>2,676</u>	<u>667</u>
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>2,009</u>	<u>2,009</u>	<u>2,676</u>	<u>667</u>
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	48,335	48,272	4,023	44,249
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	<u>48,335</u>	<u>48,272</u>	<u>4,023</u>	<u>44,249</u>
Other Financing Uses				
Transfers to Other Funds	2,693	3,197	1,206	1,991
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>51,028</u>	<u>51,469</u>	<u>5,229</u>	<u>46,240</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(49,019)	(49,460)	(2,553)	46,907
FUND BALANCES (DEFICIT), JULY 1	9,095	9,095	44,019	34,924
Appropriation of Fund Balances and Carryforward Appropriations	39,924	39,435	--	(39,435)
Encumbrances Lapsed	--	930	930	--
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 42,396	\$ 42,396

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - El Pueblo de Los Angeles Historical Monument			Variance with Final Budget Positive (Negative)	
		Budgeted Amounts		Actual Amounts (Budgetary Basis)		
		Original	Final			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes		\$ --	\$ --	\$ --	--	
Licenses, Permits and Fines		--	--	--	--	
Intergovernmental		--	--	--	--	
Charges for Services		5,272	5,272	4,923	(349)	
Services to Enterprise Funds		--	--	--	--	
Special Assessments		--	--	--	--	
Interest		15	15	62	47	
Program Income		--	--	--	--	
Other		--	--	--	--	
Total Revenues		5,287	5,287	4,985	(302)	
Other Financing Sources						
Transfers from Other Funds		--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES		5,287	5,287	4,985	(302)	
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government		--	--	--	--	
Protection of Persons and Property		--	--	--	--	
Public Works		--	--	--	--	
Health and Sanitation		--	--	--	--	
Transportation		--	--	--	--	
Cultural and Recreational Services		1,677	2,027	1,995	32	
Community Development		--	--	--	--	
Capital Outlay		--	--	--	--	
Debt Service						
Principal		--	--	--	--	
Interest		--	--	--	--	
Total Expenditures		1,677	2,027	1,995	32	
Other Financing Uses						
Transfers to Other Funds		6,237	5,282	4,552	730	
TOTAL EXPENDITURES AND OTHER FINANCING USES		7,914	7,309	6,547	762	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1		(2,627)	(2,022)	(1,562)	460	
Appropriation of Fund Balances and Carryforward Appropriations		1,499	1,499	2,148	649	
FUND BALANCES (DEFICIT), JUNE 30		1,128	523	--	(523)	
		\$ --	\$ --	\$ 586	\$ 586	

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - Local Public Safety			
	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	58,207	58,207	56,503 (1,704)
Charges for Services	--	--	--
Services to Enterprise Funds	--	--	--
Special Assessments	--	--	--
Interest	--	--	--
Program Income	--	--	--
Other	--	--	--
Total Revenues	<u>58,207</u>	<u>58,207</u>	<u>56,503 (1,704)</u>
Other Financing Sources			
Transfers from Other Funds	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>58,207</u>	<u>58,207</u>	<u>56,503 (1,704)</u>
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	<u>--</u>	<u>--</u>	<u>--</u>
Other Financing Uses			
Transfers to Other Funds	81,823	81,823	56,503 25,320
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>81,823</u>	<u>81,823</u>	<u>56,503 25,320</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(23,616)	(23,616)	-- 23,616
FUND BALANCES (DEFICIT), JULY 1	1,115	1,115	556 (559)
Appropriation of Fund Balances and Carryforward Appropriations	22,501	22,501	-- (22,501)
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 556 \$ 556

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Los Angeles Convention and Visitors Bureau			
		Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
		Original	Final		
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes		\$ 26,341	\$ 26,341	\$ 23,954	\$ (2,387)
Licenses, Permits and Fines		--	--	--	--
Intergovernmental		--	--	--	--
Charges for Services		--	--	--	--
Services to Enterprise Funds		--	--	--	--
Special Assessments		--	--	--	--
Interest		--	--	--	--
Program Income		--	--	--	--
Other		--	--	--	--
Total Revenues		<u>26,341</u>	<u>26,341</u>	<u>23,954</u>	<u>(2,387)</u>
Other Financing Sources					
Transfers from Other Funds		--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES		<u>26,341</u>	<u>26,341</u>	<u>23,954</u>	<u>(2,387)</u>
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government		--	--	--	--
Protection of Persons and Property		--	--	--	--
Public Works		--	--	--	--
Health and Sanitation		--	--	--	--
Transportation		--	--	--	--
Cultural and Recreational Services		79,295	83,911	29,192	54,719
Community Development		--	--	--	--
Capital Outlay		--	--	--	--
Debt Service					
Principal		--	--	--	--
Interest		--	--	--	--
Total Expenditures		<u>79,295</u>	<u>83,911</u>	<u>29,192</u>	<u>54,719</u>
Other Financing Uses					
Transfers to Other Funds		499	499	448	51
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>79,794</u>	<u>84,410</u>	<u>29,640</u>	<u>54,770</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1		(53,453)	(58,069)	(5,686)	52,383
Appropriation of Fund Balances and Carryforward Appropriations		6,540	6,540	6,156	(384)
FUND BALANCES (DEFICIT), JUNE 30		<u>46,913</u>	<u>51,529</u>	<u>--</u>	<u>(51,529)</u>
		<u>\$ --</u>	<u>\$ --</u>	<u>\$ 470</u>	<u>\$ 470</u>

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Multi-Family Bulky Item Fee			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Original		
		Budgeted Amounts	Final			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --		--	
Licenses, Permits and Fines	--	--	--		--	
Intergovernmental	--	--	--		--	
Charges for Services	7,120	7,120	7,372		252	
Services to Enterprise Funds	--	--	--		--	
Special Assessments	--	--	--		--	
Interest	50	50	130		80	
Program Income	--	--	--		--	
Other	--	--	--		--	
Total Revenues	7,170	7,170	7,502		332	
Other Financing Sources						
Transfers from Other Funds	594	594	594		--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	7,764	7,764	8,096		332	
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government	--	--	--		--	
Protection of Persons and Property	--	--	--		--	
Public Works	25,301	25,301	3,645		21,656	
Health and Sanitation	--	--	--		--	
Transportation	--	--	--		--	
Cultural and Recreational Services	--	--	--		--	
Community Development	--	--	--		--	
Capital Outlay	--	--	--		--	
Debt Service						
Principal	--	--	--		--	
Interest	--	--	--		--	
Total Expenditures	25,301	25,301	3,645		21,656	
Other Financing Uses						
Transfers to Other Funds	15,525	15,525	5,882		9,643	
TOTAL EXPENDITURES AND OTHER FINANCING USES	40,826	40,826	9,527		31,299	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(33,062)	(33,062)	(1,431)		31,631	
Appropriation of Fund Balances and Carryforward Appropriations	6,122	6,122	6,361		239	
FUND BALANCES (DEFICIT), JUNE 30	26,940	26,940	--		(26,940)	
	\$ --	\$ --	\$ 4,930	\$ 4,930		

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Municipal Housing Finance			Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts (Budgetary Basis)	Final	
		Original	Final	Final	
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	--
Licenses, Permits and Fines	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Charges for Services	9,291	9,291	10,278	987	
Services to Enterprise Funds	--	--	--	--	
Special Assessments	--	--	--	--	
Interest	238	238	583	345	
Program Income	1,266	1,266	74	(1,192)	
Other	324	324	5	(319)	
Total Revenues	11,119	11,119	10,940	(179)	
Other Financing Sources	--	--	--	--	
Transfers from Other Funds	--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	11,119	11,119	10,940	(179)	
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	39,877	29,884	3,861	26,023	
Capital Outlay	--	--	--	--	
Debt Service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Total Expenditures	39,877	29,884	3,861	26,023	
Other Financing Uses					
Transfers to Other Funds	7,918	18,075	15,316	2,759	
TOTAL EXPENDITURES AND OTHER FINANCING USES	47,795	47,959	19,177	28,782	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(36,676)	(36,840)	(8,237)	28,603	
Appropriation of Fund Balances and Carryforward Appropriations	17,480	17,480	25,690	8,210	
Encumbrances Lapsed	19,196	19,274	--	(19,274)	
FUND BALANCES (DEFICIT), JUNE 30	--	86	86	--	
	\$ --	\$ --	\$ 17,539	\$ 17,539	

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Planning Case Processing Special			Variance with Final Budget Positive (Negative)	
		Budgeted Amounts		Actual Amounts (Budgetary Basis)		
		Original	Final			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	--	
Licenses, Permits and Fines	--	--	--	--	--	
Intergovernmental	--	--	--	--	--	
Charges for Services	25,903	25,903	22,860	(3,043)		
Services to Enterprise Funds	--	--	--	--		
Special Assessments	--	--	--	--		
Interest	220	220	406	186		
Program Income	--	--	--	--		
Other	--	--	--	--		
Total Revenues	26,123	26,123	23,266	(2,857)		
Other Financing Sources						
Transfers from Other Funds	--	--	--	--		
TOTAL REVENUES AND OTHER FINANCING SOURCES	26,123	26,123	23,266	(2,857)		
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	4,635	3,927	2,090	1,837		
Capital Outlay	--	--	--	--		
Debt Service						
Principal	--	--	--	--		
Interest	--	--	--	--		
Total Expenditures	4,635	3,927	2,090	1,837		
Other Financing Uses						
Transfers to Other Funds	31,980	25,404	23,509	1,895		
TOTAL EXPENDITURES AND OTHER FINANCING USES	36,615	29,331	25,599	3,732		
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(10,492)	(3,208)	(2,333)	875		
Appropriation of Fund Balances and Carryforward Appropriations	4,429	4,429	8,312	3,883		
FUND BALANCES (DEFICIT), JUNE 30	6,063	(1,221)	--	1,221		
	\$ --	\$ --	\$ 5,979	\$ 5,979		

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Rent Stabilization			Variance with Final Budget Positive (Negative)	
		Budgeted Amounts		Actual Amounts (Budgetary Basis)		
		Original	Final			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --	\$ --	--	
Licenses, Permits and Fines	--	--	--	--	--	
Intergovernmental	--	--	--	--	--	
Charges for Services	21,802	21,802	23,608	1,806		
Services to Enterprise Funds	--	--	--	--		
Special Assessments	--	--	--	--		
Interest	200	200	962	762		
Program Income	--	--	--	--		
Other	30	30	12	(18)		
Total Revenues	<u>22,032</u>	<u>22,032</u>	<u>24,582</u>	<u>2,550</u>		
Other Financing Sources						
Transfers from Other Funds	--	--	--	--		
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>22,032</u>	<u>22,032</u>	<u>24,582</u>	<u>2,550</u>		
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	64,449	40,691	13,026	27,665		
Capital Outlay	--	--	--	--		
Debt Service						
Principal	--	--	--	--	--	
Interest	--	--	--	--	--	
Total Expenditures	<u>64,449</u>	<u>40,691</u>	<u>13,026</u>	<u>27,665</u>		
Other Financing Uses						
Transfers to Other Funds	<u>15,137</u>	<u>14,269</u>	<u>11,199</u>	<u>3,070</u>		
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>79,586</u>	<u>54,960</u>	<u>24,225</u>	<u>30,735</u>		
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(57,554)	(32,928)	357	33,285		
Appropriation of Fund Balances and Carryforward Appropriations	25,298	25,298	35,092	9,794		
FUND BALANCES (DEFICIT), JUNE 30	<u>32,256</u>	<u>7,630</u>	<u>--</u>	<u>(7,630)</u>		
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 35,449</u>	<u>\$ 35,449</u>		

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Special Revenue Fund - Street Damage Restoration Fee	Variance with Final Budget Positive (Negative)	
				Actual Amounts (Budgetary Basis)	Original	Final
				Budgeted Amounts		
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$	--	\$	--	\$	--
Licenses, Permits and Fines		--		--		--
Intergovernmental		--		--		--
Charges for Services		77,600		77,600		59,911
Services to Enterprise Funds		--		--		--
Special Assessments		--		--		--
Interest		120		120		566
Program Income		--		--		--
Other		--		--		--
Total Revenues		<u>77,720</u>		<u>77,720</u>		<u>60,477</u>
Other Financing Sources						
Transfers from Other Funds		--		--		--
TOTAL REVENUES AND OTHER FINANCING SOURCES		<u>77,720</u>		<u>77,720</u>		<u>60,477</u>
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government		--		--		--
Protection of Persons and Property		--		--		--
Public Works		53,018		37,827		11,001
Health and Sanitation		--		--		--
Transportation		--		--		--
Cultural and Recreational Services		--		--		--
Community Development		--		--		--
Capital Outlay		--		--		--
Debt Service						
Principal		--		--		--
Interest		--		--		--
Total Expenditures		<u>53,018</u>		<u>37,827</u>		<u>11,001</u>
Other Financing Uses						
Transfers to Other Funds		<u>56,142</u>		<u>66,143</u>		<u>60,753</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>109,160</u>		<u>103,970</u>		<u>71,754</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1		(31,440)		(26,250)		(11,277)
Appropriation of Fund Balances and Carryforward Appropriations		7,618		7,618		28,590
		<u>23,822</u>		<u>18,632</u>		<u>--</u>
FUND BALANCES (DEFICIT), JUNE 30		<u>\$ --</u>		<u>\$ --</u>		<u>\$ 17,313</u>

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Code Enforcement Trust			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Original	Final	
		Budgeted Amounts	Actual Amounts (Budgetary Basis)			
REVENUES AND OTHER FINANCING SOURCES		\$	\$	\$	\$	\$
Revenues						--
Taxes		\$ --	\$ --	\$ --	\$ --	\$ --
Licenses, Permits and Fines		--	--	--	--	--
Intergovernmental		--	--	--	--	--
Charges for Services		53,630	53,630	61,415	7,785	7,785
Services to Enterprise Funds		--	--	--	--	--
Special Assessments		--	--	--	--	--
Interest		600	600	1,272	672	672
Program Income		--	--	--	--	--
Other		408	408	115	(293)	(293)
Total Revenues		<u>54,638</u>	<u>54,638</u>	<u>62,802</u>	<u>8,164</u>	<u>8,164</u>
Other Financing Sources		--	--	--	--	--
Transfers from Other Funds		--	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES		<u>54,638</u>	<u>54,638</u>	<u>62,802</u>	<u>8,164</u>	
 EXPENDITURES AND OTHER FINANCING USES						
Expenditures		\$	\$	\$	\$	\$
Current						
General Government		--	--	--	--	--
Protection of Persons and Property		75,931	55,463	25,026	30,437	30,437
Public Works		--	--	--	--	--
Health and Sanitation		--	--	--	--	--
Transportation		--	--	--	--	--
Cultural and Recreational Services		--	--	--	--	--
Community Development		--	--	--	--	--
Capital Outlay		--	--	--	--	--
Debt Service		--	--	--	--	--
Principal		--	--	--	--	--
Interest		--	--	--	--	--
Total Expenditures		<u>75,931</u>	<u>55,463</u>	<u>25,026</u>	<u>30,437</u>	
Other Financing Uses		--	--	--	--	--
Transfers to Other Funds		37,725	34,525	29,570	4,955	4,955
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>113,656</u>	<u>89,988</u>	<u>54,596</u>	<u>35,392</u>	
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1		(\$59,018)	(\$35,350)	8,206	43,556	43,556
Appropriation of Fund Balances and Carryforward Appropriations		32,056	32,056	40,573	8,517	8,517
Encumbrances Lapsed		26,962	3,255	--	(3,255)	(3,255)
FUND BALANCES (DEFICIT), JUNE 30		<u>--</u>	<u>39</u>	<u>39</u>	<u>39</u>	<u>--</u>
		<u>\$ --</u>	<u>\$ --</u>	<u>\$ 48,818</u>	<u>\$ 48,818</u>	

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - Telecommunications Liquidated Damages and Lost Franchise Fees					
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ 5,997	\$ 5,997	\$ 135	\$ (5,862)	
Licenses, Permits and Fines	--	--	--	--	
Intergovernmental	--	--	--	--	
Charges for Services	--	--	--	--	
Services to Enterprise Funds	--	--	--	--	
Special Assessments	--	--	--	--	
Interest	6	6	--	(6)	
Program Income	--	--	--	--	
Other	--	--	--	--	
Total Revenues	6,003	6,003	135	(5,868)	
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	6,003	6,003	135	(5,868)	
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government	--	--	--	--	
Protection of Persons and Property	29,744	28,577	284	28,293	
Public Works	--	--	--	--	
Health and Sanitation	--	--	--	--	
Transportation	--	--	--	--	
Cultural and Recreational Services	--	--	--	--	
Community Development	--	--	--	--	
Capital Outlay	--	--	--	--	
Debt Service					
Principal	--	--	--	--	
Interest	--	--	--	--	
Total Expenditures	29,744	28,577	284	28,293	
Other Financing Uses					
Transfers to Other Funds	2,241	2,106	--	2,106	
TOTAL EXPENDITURES AND OTHER FINANCING USES	31,985	30,683	284	30,399	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(25,982)	(24,680)	(149)	24,531	
Appropriation of Fund Balances and Carryforward Appropriations	354	354	29,817	29,463	
Encumbrances Lapsed	25,628	23,321	--	(23,321)	
FUND BALANCES (DEFICIT), JUNE 30	--	1,005	1,005	--	
	\$ --	\$ --	\$ 30,673	\$ 30,673	

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - Traffic Safety				
	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	--	--	--	--
Services to Enterprise Funds	--	--	--	--
Special Assessments	--	--	--	--
Interest	--	--	--	--
Program Income	1,000	1,000	1,528	528
Other	--	--	--	--
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,528</u>	<u>528</u>
Other Financing Sources				
Transfers from Other Funds	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>1,000</u>	<u>1,000</u>	<u>1,528</u>	<u>528</u>
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	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other Financing Uses				
Transfers to Other Funds	1,000	1,000	1,000	--
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	--	--	528	528
FUND BALANCES (DEFICIT), JUNE 30	<u>--</u>	<u>--</u>	<u>360</u>	<u>360</u>
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 888</u>	<u>\$ 888</u>

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Zoo			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Original		
		Budgeted Amounts	Final			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes	\$ --	\$ --	\$ --		--	
Licenses, Permits and Fines	--	--	--		--	
Intergovernmental	--	--	--		--	
Charges for Services	22,644	22,644	23,887	1,243		
Services to Enterprise Funds	--	--	--		--	
Special Assessments	--	--	--		--	
Interest	50	50	299	249		
Program Income	--	--	--		--	
Other	--	--	--		--	
Total Revenues	22,694	22,694	24,186	1,492		
Other Financing Sources						
Transfers from Other Funds	6,893	6,893	7,509	616		
TOTAL REVENUES AND OTHER FINANCING SOURCES	29,587	29,587	31,695	2,108		
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government	--	--	--		--	
Protection of Persons and Property	--	--	--		--	
Public Works	--	--	--		--	
Health and Sanitation	--	--	--		--	
Transportation	--	--	--		--	
Cultural and Recreational Services	10,359	10,886	247	10,639		
Community Development	--	--	--		--	
Capital Outlay	--	--	--		--	
Debt Service						
Principal	--	--	--		--	
Interest	--	--	--		--	
Total Expenditures	10,359	10,886	247	10,639		
Other Financing Uses						
Transfers to Other Funds	35,525	34,636	29,175	5,461		
TOTAL EXPENDITURES AND OTHER FINANCING USES	45,884	45,522	29,422	16,100		
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1	(16,297)	(15,935)	2,273	18,208		
Appropriation of Fund Balances and Carryforward Appropriations	1,864	1,864	13,951	12,087		
Encumbrances Lapsed	14,433	14,053	--	(14,053)		
	--	18	18	--		
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 16,242	\$ 16,242		

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - Sidewalk Repair				
	Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget	
	Original	Final		Positive (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	<u>104</u>	<u>104</u>	<u>157</u>	<u>53</u>
Other Financing Sources				
Transfers from Other Funds	24,553	24,553	24,657	104
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>24,657</u>	<u>24,657</u>	<u>24,814</u>	<u>157</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	--	--	--	--
Protection of Persons and Property	21,113	15,951	10,769	5,182
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	--	--	--	--
Cultural and Recreational Services	--	--	--	--
Community Development	--	--	--	--
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	<u>21,113</u>	<u>15,951</u>	<u>10,769</u>	<u>5,182</u>
Other Financing Uses				
Transfers to Other Funds	17,080	13,647	13,288	359
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>38,193</u>	<u>29,598</u>	<u>24,057</u>	<u>5,541</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(13,536)	(4,941)	757	5,698
FUND BALANCES (DEFICIT), JULY 1	--	--	1,895	1,895
Appropriation of Fund Balances and Carryforward Appropriations	<u>13,536</u>	<u>4,941</u>	<u>--</u>	<u>(4,941)</u>
FUND BALANCES (DEFICIT), JUNE 30	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,652</u>	<u>\$ 2,652</u>

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, 2024
(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	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Charges for Services	--	--	--	--	--
Services to Enterprise Funds	--	--	--	--	--
Special Assessments	--	--	--	--	--
Interest	--	--	--	--	--
Program Income	1,150	1,150	1,406	256	256
Other	--	--	--	--	--
Total Revenues	<u>1,150</u>	<u>1,150</u>	<u>1,406</u>	<u>256</u>	<u>256</u>
Other Financing Sources					
Transfers from Other Funds	--	--	--	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>1,150</u>	<u>1,150</u>	<u>1,406</u>	<u>256</u>	<u>256</u>
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government	--	--	--	--	--
Protection of Persons and Property	--	--	--	--	--
Public Works	2,948	2,948	322	2,626	2,626
Health and Sanitation	--	--	--	--	--
Transportation	--	--	--	--	--
Cultural and Recreational Services	--	--	--	--	--
Community Development	--	--	--	--	--
Capital Outlay	--	--	--	--	--
Debt Service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Total Expenditures	<u>2,948</u>	<u>2,948</u>	<u>322</u>	<u>2,626</u>	<u>2,626</u>
Other Financing Uses					
Transfers to Other Funds	1,067	1,067	815	252	252
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>4,015</u>	<u>4,015</u>	<u>1,137</u>	<u>2,878</u>	<u>2,878</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(2,865)	(2,865)	269	3,134	3,134
Appropriation of Fund Balances and Carryforward Appropriations	60	60	78	18	18
FUND BALANCES (DEFICIT), JUNE 30	<u>2,805</u>	<u>2,805</u>	<u>--</u>	<u>(2,805)</u>	<u>(2,805)</u>
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 347</u>	<u>\$ 347</u>	

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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Cannabis Regulation			Variance with Final Budget Positive (Negative)	
		Actual Amounts (Budgetary Basis)		Budgeted Amounts		
		Original	Final			
REVENUES AND OTHER FINANCING SOURCES						
Revenues						
Taxes		\$ --	\$ --	\$ --	\$ --	
Licenses, Permits and Fines		15,000	9,004	7,691	(1,313)	
Intergovernmental		4,000	620	--	(620)	
Charges for Services		--	--	--	--	
Services to Enterprise Funds		--	--	--	--	
Special Assessments		--	--	--	--	
Interest		360	360	262	(98)	
Program Income		--	--	--	--	
Other		--	--	133	133	
Total Revenues		19,360	9,984	8,086	(1,898)	
Other Financing Sources						
Transfers from Other Funds		--	--	--	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES		19,360	9,984	8,086	(1,898)	
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government		--	--	--	--	
Protection of Persons and Property		115,184	107,744	8,070	99,674	
Public Works		--	--	--	--	
Health and Sanitation		--	--	--	--	
Transportation		--	--	--	--	
Cultural and Recreational Services		--	--	--	--	
Community Development		--	--	--	--	
Capital Outlay		--	--	--	--	
Debt Service						
Principal		--	--	--	--	
Interest		--	--	--	--	
Total Expenditures		115,184	107,744	8,070	99,674	
Other Financing Uses						
Transfers to Other Funds		20,014	20,860	10,323	10,537	
TOTAL EXPENDITURES AND OTHER FINANCING USES		135,198	128,604	18,393	110,211	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1		(115,838)	(118,620)	(10,307)	108,313	
Appropriation of Fund Balances and Carryforward Appropriations		27,223	27,223	14,796	(12,427)	
Encumbrances Lapsed		88,615	91,391	--	(91,391)	
FUND BALANCES (DEFICIT), JUNE 30		--	6	6	--	
		\$ --	\$ --	\$ 4,495	\$ 4,495	

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Special Revenue Fund - Measure W	Variance with Final Budget Positive (Negative)	
				Actual Amounts (Budgetary Basis)	Original	Final
				Budgeted Amounts		
REVENUES AND OTHER FINANCING SOURCES						
Revenues				\$	\$	\$
Taxes				-	-	-
Licenses, Permits and Fines				-	-	-
Intergovernmental				36,847	36,847	37,790
Charges for Services				-	-	-
Services to Enterprise Funds				-	-	-
Special Assessments				-	-	-
Interest				300	300	1,515
Program Income				-	-	-
Other				-	-	-
Total Revenues				37,147	37,147	39,305
Other Financing Sources						
Transfers from Other Funds				-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES				37,147	37,147	39,305
						2,158
EXPENDITURES AND OTHER FINANCING USES						
Expenditures						
Current						
General Government				-	-	-
Protection of Persons and Property				-	-	-
Public Works				-	-	-
Health and Sanitation				52,493	72,440	28,829
Transportation				-	-	-
Cultural and Recreational Services				-	-	-
Community Development				-	-	-
Capital Outlay				-	-	-
Debt Service				-	-	-
Principal				-	-	-
Interest				-	-	-
Total Expenditures				52,493	72,440	28,829
Other Financing Sources						
Transfers to Other Funds				14,701	15,169	6,849
TOTAL EXPENDITURES AND OTHER FINANCING USES				67,194	87,609	35,678
						51,931
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES						
FUND BALANCES (DEFICIT), JULY 1				(30,047)	(50,462)	3,627
Appropriation of Fund Balances and Carryforward Appropriations				10,305	10,305	44,333
Encumbrances Lapsed				19,742	39,987	-
FUND BALANCES (DEFICIT), JUNE 30				-	170	170
						(39,987)
						-
						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, 2024
(amounts expressed in thousands)

		Other Nonmajor Special Revenue Fund - Central LA Recycling			Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts (Budgetary Basis)	Original	Final
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes		\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Fines		-	-	-	-
Intergovernmental		-	-	-	-
Charges for Services		5,000	5,000	5,256	256
Services to Enterprise Funds		-	-	-	-
Special Assessments		-	-	-	-
Interest		100	100	243	143
Program Income		-	-	-	-
Other		-	-	-	-
Total Revenues		<u>5,100</u>	<u>5,100</u>	<u>5,499</u>	<u>399</u>
Other Financing Sources					
TOTAL REVENUES AND OTHER FINANCING SOURCES		<u>5,100</u>	<u>5,100</u>	<u>5,499</u>	<u>399</u>
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government		-	-	-	-
Protection of Persons and Property		-	-	-	-
Public Works		-	-	-	-
Health and Sanitation		40,837	41,041	8,298	32,743
Transportation		-	-	-	-
Cultural and Recreational Services		-	-	-	-
Community Development		-	-	-	-
Capital Outlay		-	-	-	-
Debt Service					
Principal		-	-	-	-
Interest		-	-	-	-
Total Expenditures		<u>40,837</u>	<u>41,041</u>	<u>8,298</u>	<u>32,743</u>
Other Financing Sources					
Transfers to Other Funds		1,693	1,693	1,120	573
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>42,530</u>	<u>42,734</u>	<u>9,418</u>	<u>33,316</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES					
FUND BALANCES (DEFICIT), JULY 1		(37,430)	(37,634)	(3,919)	33,715
Appropriation of Fund Balances and Carryforward Appropriations		4,293	4,293	6,931	6,931
Encumbrances Lapsed		33,137	33,138	-	(33,138)
FUND BALANCES (DEFICIT), JUNE 30		<u>-</u>	<u>203</u>	<u>203</u>	<u>-</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,215</u>	<u>\$ 3,215</u>

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Special Revenue Fund - Planning Long-Range Plan	Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts (Budgetary Basis)		
		Original	Final		
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes		\$ -	\$ -	\$ -	-
Licenses, Permits and Fines		-	-	-	-
Intergovernmental		-	-	-	-
Charges for Services		10,658	10,658	7,715	(2,943)
Services to Enterprise Funds		-	-	-	-
Special Assessments		-	-	-	-
Interest		160	160	137	(23)
Program Income		-	-	-	-
Other		-	-	-	-
Total Revenues		<u>10,818</u>	<u>10,818</u>	<u>7,852</u>	<u>(2,966)</u>
Other Financing Sources					
Transfers from Other Funds		-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES		<u>10,818</u>	<u>10,818</u>	<u>7,852</u>	<u>(2,966)</u>
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		6,688	2,079	1,473	606
Capital Outlay		-	-	-	-
Debt Service					
Principal		-	-	-	-
Interest		-	-	-	-
Total Expenditures		<u>6,688</u>	<u>2,079</u>	<u>1,473</u>	<u>606</u>
Other Financing Sources					
Transfers to Other Funds		10,773	8,725	7,956	769
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>17,461</u>	<u>10,804</u>	<u>9,429</u>	<u>1,375</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES					
FUND BALANCES (DEFICIT), JULY 1		(6,643)	14	(1,577)	(1,591)
Appropriation of Fund Balances and Carryforward Appropriations		3,699	3,699	3,691	3,691
FUND BALANCES (DEFICIT), JUNE 30		<u>2,944</u>	<u>(3,713)</u>	<u>-</u>	<u>3,713</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,114</u>	<u>\$ 2,114</u>

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Special Revenue Fund - City Planning System Development	Variance with Final Budget Positive (Negative)	
				Actual Amounts (Budgetary Basis)	Original	Final
				Budgeted Amounts		
REVENUES AND OTHER FINANCING SOURCES						
Revenues					\$	\$
Taxes					-	-
Licenses, Permits and Fines					-	-
Intergovernmental					-	-
Charges for Services				9,775	9,775	7,726
Services to Enterprise Funds					-	-
Special Assessments					-	-
Interest				278	278	185
Program Income					-	-
Other					-	-
Total Revenues				10,053	10,053	7,911
Other Financing Sources						
Transfers from Other Funds					-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES				10,053	10,053	7,911
						(2,142)
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					20,967	20,967
Capital Outlay					3,576	17,391
Debt Service					-	-
Principal					-	-
Interest					-	-
Total Expenditures					20,967	20,967
Other Financing Sources					3,576	17,391
Transfers to Other Funds						
TOTAL EXPENDITURES AND OTHER FINANCING USES				35,591	35,591	10,801
						24,790
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES						
FUND BALANCES (DEFICIT), JULY 1				(25,538)	(25,538)	(2,890)
Appropriation of Fund Balances and Carryforward Appropriations				9,211	9,211	7,562
FUND BALANCES (DEFICIT), JUNE 30				16,327	16,327	-
						(16,327)
				\$	\$	\$
				-	-	4,672
						4,672

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, 2024
(amounts expressed in thousands)

Other Nonmajor Special Revenue Fund - House LA Fund					
	Budgeted Amounts	Actual Amounts (Budgetary Basis)	Final	Original	Variance with Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES					
Revenues					
Taxes	\$ 604,611	\$ 604,611	\$ 300,033	\$ (304,578)	
Licenses, Permits and Fines	-	-	-	-	
Intergovernmental	-	-	-	-	
Charges for Services	-	-	-	-	
Services to Enterprise Funds	-	-	-	-	
Special Assessments	-	-	-	-	
Interest	-	-	5,687	5,687	
Program Income	-	-	-	-	
Other	-	-	-	-	
Total Revenues	<u>604,611</u>	<u>604,611</u>	<u>305,720</u>	<u>(298,891)</u>	
Other Financing Sources					
Transfers from Other Funds	-	-	-	-	
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>604,611</u>	<u>604,611</u>	<u>305,720</u>	<u>(298,891)</u>	
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	671,790	669,347	68,770	600,577	
Debt Service					
Principal	-	-	-	-	
Interest	-	-	-	-	
Total Expenditures	<u>671,790</u>	<u>669,347</u>	<u>68,770</u>	<u>600,577</u>	
Other Financing Sources					
Transfers to Other Funds	-	2,443	1,459	984	
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>671,790</u>	<u>671,790</u>	<u>70,229</u>	<u>601,561</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES					
FUND BALANCES (DEFICIT), JULY 1	(67,179)	(67,179)	235,491	303,594	
FUND BALANCES (DEFICIT), JUNE 30	<u>67,179</u>	<u>67,179</u>	<u>15,581</u>	<u>(51,598)</u>	
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,072</u>	<u>\$ 251,072</u>	

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, 2024
(amounts expressed in thousands)

	Allocations from Other Governmental Agencies			
			Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Budgeted Amounts	Original	Final	
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	\$ 102	\$ 102	\$ --	\$ (102)
Licenses, Permits and Fines	12,614	10,504	6,704	(3,800)
Intergovernmental	8,076	8,076	6,457	(1,619)
Charges for Services	12,265	12,265	9,848	(2,417)
Services to Enterprise Funds	--	--	--	--
Special Assessments	1,776	1,776	1,573	(203)
Interest	8,445	8,445	5,740	(2,705)
Program Income	5,026	5,026	3,180	(1,846)
Other	11,741	11,741	3,531	(8,210)
Total Revenues	<u>60,045</u>	<u>57,935</u>	<u>37,033</u>	<u>(20,902)</u>
Other Financing Sources				
Transfers from Other Funds	2,042	2,042	1,419	(623)
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>62,087</u>	<u>59,977</u>	<u>38,452</u>	<u>(21,525)</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	441	441	27	414
Protection of Persons and Property	5,831	5,894	4,013	1,881
Public Works	--	--	--	--
Health and Sanitation	--	--	--	--
Transportation	4,529	4,529	1,547	2,982
Cultural and Recreational Services	--	--	--	--
Community Development	5,695	6,413	4,827	1,586
Capital Outlay	--	--	--	--
Debt Service				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	<u>16,496</u>	<u>17,277</u>	<u>10,414</u>	<u>6,863</u>
Other Financing Uses				
Transfers to Other Funds	45,591	51,826	24,141	27,685
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>62,087</u>	<u>69,103</u>	<u>34,555</u>	<u>34,548</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	--	(9,126)	3,897	13,023
Appropriation of Fund Balances and Carryforward Appropriations	--	--	25,275	25,275
FUND BALANCES (DEFICIT), JUNE 30	<u>\$ --</u>	<u>\$ 9,126</u>	<u>\$ --</u>	<u>\$ (9,126)</u>
	<u>\$ --</u>	<u>\$ 29,172</u>	<u>\$ 29,172</u>	

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, 2024
(amounts expressed in thousands)

		Other Nonmajor General Fund - Department of Neighborhood Empowerment			Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts (Budgetary Basis)		
		Original	Final		
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	15	15	73	58	
Total Revenues	15	15	73	58	
Other Financing Sources					
Transfers from Other Funds	3,416	3,416	3,416	--	
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,431	3,431	3,489	58	
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government	792	1,076	70	1,006	
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	792	1,076	70	1,006	
Other Financing Uses					
Transfers to Other Funds	4,656	4,700	3,609	1,091	
TOTAL EXPENDITURES AND OTHER FINANCING USES	5,448	5,776	3,679	2,097	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(2,017)	(2,345)	(190)	2,155	
Appropriation of Fund Balances and Carryforward Appropriations	588	588	1,013	425	
FUND BALANCES (DEFICIT), JUNE 30	1,429	1,757	--	(1,757)	
	\$ --	\$ --	\$ 823	\$ 823	

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, 2024
(amounts expressed in thousands)

		Other Nonmajor General Fund - City Ethics Commission			Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts (Budgetary Basis)	Final	
		Original	Final	Original	
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					
TOTAL REVENUES AND OTHER FINANCING SOURCES	5,577	5,577	5,577	5,577	--
	5,577	5,577	5,577	5,577	--
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Current					
General Government		3,982	3,982		3,982
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		3,982	3,982		3,982
Other Financing Uses					
Transfers to Other Funds		9,688	9,688	5,223	4,465
TOTAL EXPENDITURES AND OTHER FINANCING USES	13,670	13,670	5,223	8,447	
	13,670	13,670	5,223	8,447	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(8,093)	(8,093)	354	8,447	
Appropriation of Fund Balances and Carryforward Appropriations	103	103	257	154	
FUND BALANCES (DEFICIT), JUNE 30	7,990	7,990	--	(7,990)	
	7,990	7,990	--	(7,990)	
	\$ --	\$ --	\$ 611	\$ 611	

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, 2024
(amounts expressed in thousands)

	Other Nonmajor General Fund - Accessible Housing				Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Final	
	Original	Final			
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	6	6	10	4	4
Total Revenues	<u>6</u>	<u>6</u>	<u>10</u>	<u>4</u>	<u>4</u>
Other Financing Sources					
Transfers from Other Funds	30,420	30,420	30,420	--	--
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>30,426</u>	<u>30,426</u>	<u>30,430</u>	<u>4</u>	<u>4</u>
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	34,734	30,182	14,438	15,744	15,744
Capital Outlay	--	--	--	--	--
Debt Service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Total Expenditures	<u>34,734</u>	<u>30,182</u>	<u>14,438</u>	<u>15,744</u>	<u>15,744</u>
Other Financing Uses					
Transfers to Other Funds	12,881	10,669	9,647	1,022	1,022
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>47,615</u>	<u>40,851</u>	<u>24,085</u>	<u>16,766</u>	<u>16,766</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(17,189)	(10,425)	6,345	16,770	
Appropriation of Fund Balances and Carryforward Appropriations	9,378	9,378	7,866	(1,512)	
Encumbrances Lapsed	7,811	(3,448)	--	3,448	
FUND BALANCES (DEFICIT), JUNE 30	<u>--</u>	<u>4,495</u>	<u>4,495</u>	<u>--</u>	<u>--</u>
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 18,706</u>	<u>\$ 18,706</u>	

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, 2024
(amounts expressed in thousands)

	Total Annually Budgeted Nonmajor Special Revenue Funds			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Revenues				
Taxes	\$ 667,201	\$ 667,201	\$ 359,619	\$ (307,582)
Licenses, Permits and Fines	86,676	78,570	51,644	(26,926)
Intergovernmental	920,540	1,054,103	1,017,688	(36,415)
Charges for Services	842,777	831,980	785,570	(46,410)
Services to Enterprise Funds	6,736	6,736	7,989	1,253
Special Assessments	51,187	51,187	45,562	(5,625)
Interest	34,244	34,244	63,968	29,724
Program Income	9,949	9,949	21,222	11,273
Other	24,933	24,933	12,505	(12,428)
Total Revenues	<u>2,644,243</u>	<u>2,758,903</u>	<u>2,365,767</u>	<u>(393,136)</u>
Other Financing Sources				
Transfers from Other Funds	102,066	102,066	124,689	22,623
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>2,746,309</u>	<u>2,860,969</u>	<u>2,490,456</u>	<u>(370,513)</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Current				
General Government	120,399	113,243	8,167	105,076
Protection of Persons and Property	1,597,884	1,570,544	185,189	1,385,355
Public Works	409,672	461,007	113,576	347,431
Health and Sanitation	397,224	460,294	203,174	257,120
Transportation	1,020,731	741,855	343,565	398,290
Cultural and Recreational Services	162,069	169,527	39,235	130,292
Community Development	1,266,946	1,365,871	363,360	1,002,511
Capital Outlay	157,488	165,872	90,327	75,545
Debt Service				
Principal	27,760	27,626	27,626	--
Interest	17,399	17,533	13,733	3,800
Total Expenditures	<u>5,177,572</u>	<u>5,093,372</u>	<u>1,387,952</u>	<u>3,705,420</u>
Other Financing Uses				
Transfers to Other Funds	1,500,177	1,450,189	1,041,179	409,010
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>6,677,749</u>	<u>6,543,561</u>	<u>2,429,131</u>	<u>4,114,430</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(3,931,440)	(3,682,592)	61,325	3,743,917
Appropriation of Fund Balances and Carryforward Appropriations	920,194	920,194	1,456,989	536,795
Encumbrances Lapsed	3,011,246	2,640,612	--	(2,640,612)
FUND BALANCES (DEFICIT), JUNE 30	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,640,100</u>	<u>\$ 1,640,100</u>

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, 2024
(amounts expressed in thousands)

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)

Expenditures and Other Financing Uses - Budgetary \$ 61,325

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. (32,103)

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). (222,897)

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 350,640
Prior year encumbrances expended in current year (194,773)

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. (100,727)

Certain Budgeted Funds reclassified as General category:

Accessible Housing	(4,862)
Department of Neighborhood Department	183
City Ethics Commission	(354)

Net Change in Fund Balances - Nonmajor Special Revenue Funds

\$ (143,568)

DETAILS OF RESTATEMENT OF JULY 1 FUND BALANCES

Fund Balances, July 1, as previously reported	\$ 1,442,360
Certain funds were not budgeted in prior year and others were included in this year's budget.	14,629
Fund Balances, July 1, as restated	<u><u>\$ 1,456,989</u></u>

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
(amounts expressed in thousands)**

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
NONMAJOR FUNDS							
BUILDING AND SAFETY PERMIT							
Current - Special Purpose	\$ 1,196,784	\$ 627	\$ 1,197,411	\$ 86,773	\$ 592	\$ 87,365	\$ 1,110,046
Capital Outlay	53,431	(7)	53,424	9,332	6,733	16,065	37,359
Transfers to Other Funds	206,575	296	206,871	123,057	--	123,057	83,814
TOTAL	1,456,790	916	1,457,706	219,162	7,325	226,487	1,231,219
CITYWIDE RECYCLING TRUST							
Current - Special Purpose	74,176	26	74,202	9,097	1,418	10,515	63,687
Transfers to Other Funds	35,670	--	35,670	17,391	--	17,391	18,279
TOTAL	109,846	26	109,872	26,488	1,418	27,906	81,966
PROPOSITION C ANTI-GRIDLOCK TRANSIT IMPROVEMENT							
Current - Special Purpose	98,801	(30,065)	68,736	37,812	2,633	40,445	28,291
Capital Outlay	12,760	8	12,768	9,215	93	9,308	3,460
Transfers to Other Funds	102,712	(32,276)	70,436	62,196	--	62,196	8,240
TOTAL	214,273	(62,333)	151,940	109,223	2,726	111,949	39,991
SPECIAL PARKING REVENUE							
Current - Special Purpose	67,362	(177)	67,185	26,320	6,816	33,136	34,049
Capital Outlay	13,607	5,396	19,003	4,814	6,022	10,836	8,167
Transfers to Other Funds	41,896	(1,599)	40,297	39,151	--	39,151	1,146
TOTAL	122,865	3,620	126,485	70,285	12,838	83,123	43,362
STORMWATER POLLUTION ABATEMENT							
Current - Special Purpose	15,523	2,696	18,219	5,679	2,203	7,882	10,337
Capital Outlay	8,870	--	8,870	3,591	1,614	5,205	3,665
Transfers to Other Funds	33,336	--	33,336	24,511	--	24,511	8,825
TOTAL	57,729	2,696	60,425	33,781	3,817	37,598	22,827
STREET LIGHTING MAINTENANCE ASSESSMENT							
Current - Special Purpose	71,771	(32,877)	38,894	14,030	3,073	17,103	21,791
Transfers to Other Funds	71,264	(13,359)	57,905	51,171	--	51,171	6,734
TOTAL	143,035	(46,236)	96,799	65,201	3,073	68,274	28,525
PROPOSITION A LOCAL TRANSIT ASSISTANCE							
Current - Special Purpose	596,111	(219,825)	376,286	142,196	83,183	225,379	150,907
Capital Outlay	50,890	(4,619)	46,271	520	41,060	41,580	4,691
Transfers to Other Funds	12,965	(2,949)	10,016	8,620	--	8,620	1,396
TOTAL	659,966	(227,393)	432,573	151,336	124,243	275,579	156,994
MEASURE R LOCAL RETURN							
Current - Special Purpose	253,928	(28,809)	225,119	38,153	4,905	43,058	182,061
Capital Outlay	17,930	7,479	25,409	5,912	1,322	7,234	18,175
Transfers to Other Funds	79,230	(10,481)	68,749	57,174	--	57,174	11,575
TOTAL	351,088	(31,811)	319,277	101,239	6,227	107,466	211,811

Continued...

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
 (amounts expressed in thousands)

	<u>Original Adopted Budget</u>	<u>Additional Appropriations, Carryforward and Transfers</u>	<u>Final Budget</u>	<u>Expenditures</u>	<u>Encumbrances June 30, 2024</u>	<u>Total Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
SOLID WASTE RESOURCES							
Current - Special Purpose Debt Service	\$ 182,564	\$ 41,383	\$ 223,947	\$ 115,160	\$ 28,291	\$ 143,451	\$ 80,496
Principal	27,760	(134)	27,626	25,423	2,203	27,626	--
Interest	17,399	134	17,533	13,542	191	13,733	3,800
Transfers to Other Funds	207,749	(405)	207,344	183,346	--	183,346	23,998
TOTAL	435,472	40,978	476,450	337,471	30,685	368,156	108,294
SPECIAL GAS TAX STREET IMPROVEMENT							
Current - Special Purpose Capital Outlay	259,582	99,403	358,985	62,930	18,897	81,827	277,158
Transfers to Other Funds	--	127	127	92	7	99	28
TOTAL	94,899	3,956	98,855	79,780	--	79,780	19,075
TOTAL	354,481	103,486	457,967	142,802	18,904	161,706	296,261
COMMUNITY DEVELOPMENT TRUST							
Current - Special Purpose	101,968	47,786	149,754	102,696	8,816	111,512	38,242
Transfers to Other Funds	30,848	(870)	29,978	14,966	--	14,966	15,012
TOTAL	132,816	46,916	179,732	117,662	8,816	126,478	53,254
HOME INVESTMENT PARTNERSHIP PROGRAM							
Current - Special Purpose	151,373	39,588	190,961	41,028	34,896	75,924	115,037
Transfers to Other Funds	9,669	29	9,698	4,450	--	4,450	5,248
TOTAL	161,042	39,617	200,659	45,478	34,896	80,374	120,285
WORKFORCE INNOVATION OPPORTUNITY ACT							
Current - Special Purpose	84,658	--	84,658	--	--	--	84,658
Transfers to Other Funds	26,028	--	26,028	--	--	--	26,028
TOTAL	110,686	--	110,686	--	--	--	110,686
DISASTER ASSISTANCE							
Current - Special Purpose	248,238	--	248,238	53,041	--	53,041	195,197
Transfers to Other Funds	643	--	643	231	--	231	412
TOTAL	248,881	--	248,881	53,272	--	53,272	195,609
COMMUNITY SERVICES BLOCK GRANT							
Current - Special Purpose	5,195	4,964	10,159	5,472	--	5,472	4,687
Transfers to Other Funds	1,129	428	1,557	1,395	--	1,395	162
TOTAL	6,324	5,392	11,716	6,867	--	6,867	4,849
FORFEITED ASSETS TRUST OF POLICE DEPARTMENT							
Current - Special Purpose	13,467	(1,233)	12,234	707	3,662	4,369	7,865
Transfers to Other Funds	1,690	716	2,406	2,021	--	2,021	385
TOTAL	15,157	(517)	14,640	2,728	3,662	6,390	8,250
HOUSEHOLD HAZARDOUS WASTE							
Current - Special Purpose	24,288	3	24,291	680	1,505	2,185	22,106
Transfers to Other Funds	3,780	--	3,780	2,817	--	2,817	963
TOTAL	28,068	3	28,071	3,497	1,505	5,002	23,069

Continued...

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
 (amounts expressed in thousands)**

	<u>Original Adopted Budget</u>	<u>Additional Appropriations, Carryforward and Transfers</u>	<u>Final Budget</u>	<u>Expenditures</u>	<u>Encumbrances June 30, 2024</u>	<u>Total Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS							
Current - Special Purpose Transfers to Other Funds	\$ 9,625 636	\$ 26,692 (81)	\$ 36,317 555	\$ 17,612 441	\$ 10,657 --	\$ 28,269 441	8,048 114
TOTAL	10,261	26,611	36,872	18,053	10,657	28,710	8,162
MOBILE SOURCE AIR POLLUTION REDUCTION							
Current - Special Purpose Transfers to Other Funds	7,343 4,054	(1,189) (918)	6,154 3,136	2,014 2,456	-- --	2,014 2,456	4,140 680
TOTAL	11,397	(2,107)	9,290	4,470	--	4,470	4,820
OLDER AMERICANS ACT							
Current - Special Purpose Transfers to Other Funds	16,957 14,430	25,303 (133)	42,260 14,297	17,816 2,829	8,283 --	26,099 2,829	16,161 11,468
TOTAL	31,387	25,170	56,557	20,645	8,283	28,928	27,629
SUPPLEMENTAL LAW ENFORCEMENT SERVICES							
Current - Special Purpose Transfers to Other Funds	3,828 24,870	-- --	3,828 24,870	-- 10,518	-- --	10,518 10,518	3,828 14,352
TOTAL	28,698	--	28,698	10,518	--	10,518	18,180
ARTS AND CULTURAL FACILITIES AND SERVICES							
Current - Special Purpose Transfers to Other Funds	17,893 38,927	(214) 743	17,679 39,670	6,847 19,063	572 --	7,419 19,063	10,260 20,607
TOTAL	56,820	529	57,349	25,910	572	26,482	30,867
ARTS DEVELOPMENT FEE							
Current - Special Purpose Transfers to Other Funds	52,845 9	2,179 --	55,024 9	243 --	139 --	382 --	54,642 9
TOTAL	52,854	2,179	55,033	243	139	382	54,651
CITY EMPLOYEES RIDESHARING							
Transfers to Other Funds	9,955	(3,467)	6,488	2,827	--	2,827	3,661
CITY OF LOS ANGELES AFFORDABLE HOUSING							
Current - Special Purpose Transfers to Other Funds	48,335 2,693	(63) 504	48,272 3,197	1,831 1,206	2,192 --	4,023 1,206	44,249 1,991
TOTAL	51,028	441	51,469	3,037	2,192	5,229	46,240
EL PUEBLO DE LOS ANGELES HISTORICAL MONUMENT							
Current - Special Purpose Transfers to Other Funds	1,677 6,237	350 (955)	2,027 5,282	1,995 4,552	-- --	1,995 4,552	32 730
TOTAL	7,914	(605)	7,309	6,547	--	6,547	762
LOCAL PUBLIC SAFETY							
Transfers to Other Funds	81,823	--	81,823	56,503	--	56,503	25,320

Continued...

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
 (amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
LOS ANGELES CONVENTION AND VISITORS BUREAU							
Current - Special Purpose Transfers to Other Funds	\$ 79,295 499	\$ 4,616 --	\$ 83,911 499	\$ 29,192 448	\$ -- --	\$ 29,192 448	\$ 54,719 51
TOTAL	79,794	4,616	84,410	29,640	--	29,640	54,770
MULTI-FAMILY BULKY ITEM FEE							
Current - Special Purpose Transfers to Other Funds	25,301 15,525	-- --	25,301 15,525	3,491 5,882	154 --	3,645 5,882	21,656 9,643
TOTAL	40,826	--	40,826	9,373	154	9,527	31,299
MUNICIPAL HOUSING FINANCE							
Current - Special Purpose Transfers to Other Funds	39,877 7,918	(9,993) 10,157	29,884 18,075	3,652 15,316	209 --	3,861 15,316	26,023 2,759
TOTAL	47,795	164	47,959	18,968	209	19,177	28,782
PLANNING CASE PROCESSING SPECIAL							
Current - Special Purpose Transfers to Other Funds	4,635 31,980	(708) (6,576)	3,927 25,404	2,090 23,509	-- --	2,090 23,509	1,837 1,895
TOTAL	36,615	(7,284)	29,331	25,599	--	25,599	3,732
RENT STABILIZATION							
Current - Special Purpose Transfers to Other Funds	64,449 15,137	(23,758) (868)	40,691 14,269	8,562 11,199	4,464 --	13,026 11,199	27,665 3,070
TOTAL	79,586	(24,626)	54,960	19,761	4,464	24,225	30,735
STREET DAMAGE RESTORATION FEE							
Current - Special Purpose Transfers to Other Funds	53,018 56,142	(15,191) 10,001	37,827 66,143	8,772 60,753	2,229 --	11,001 60,753	26,826 5,390
TOTAL	109,160	(5,190)	103,970	69,525	2,229	71,754	32,216
CODE ENFORCEMENT TRUST							
Current - Special Purpose Transfers to Other Funds	75,931 37,725	(20,468) (3,200)	55,463 34,525	23,654 29,570	1,372 --	25,026 29,570	30,437 4,955
TOTAL	113,656	(23,668)	89,988	53,224	1,372	54,596	35,392
TELECOMMUNICATIONS LIQUIDATED DAMAGES AND LOST FRANCHISE FEES							
Current - Special Purpose Transfers to Other Funds	29,744 2,241	(1,167) (135)	28,577 2,106	223 --	61 --	284 --	28,293 2,106
TOTAL	31,985	(1,302)	30,683	223	61	284	30,399
TRAFFIC SAFETY							
Transfers to Other Funds	1,000	--	1,000	1,000	--	1,000	--

Continued...

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
 (amounts expressed in thousands)

	<u>Original Adopted Budget</u>	<u>Additional Appropriations, Carryforward and Transfers</u>	<u>Final Budget</u>	<u>Expenditures</u>	<u>Encumbrances June 30, 2024</u>	<u>Total Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
ZOO							
Current - Special Purpose Transfers to Other Funds	\$ 10,359	\$ 527	\$ 10,886	\$ 211	\$ --	\$ 247	\$ 10,639
	35,525	(889)	34,636	29,175	--	29,175	5,461
TOTAL	45,884	(362)	45,522	29,386	36	29,422	16,100
SIDEWALK REPAIR							
Current - Special Purpose Transfers to Other Funds	21,113	(5,162)	15,951	7,778	2,991	10,769	5,182
	17,080	(3,433)	13,647	13,288	--	13,288	359
TOTAL	38,193	(8,595)	29,598	21,066	2,991	24,057	5,541
CODE COMPLIANCE							
Current - Special Purpose Transfers to Other Funds	2,948	--	2,948	279	43	322	2,626
	1,067	--	1,067	815	--	815	252
TOTAL	4,015	--	4,015	1,094	43	1,137	2,878
CANNABIS REGULATION							
Current - Special Purpose Transfers to Other Funds	115,184	(7,440)	107,744	7,867	203	8,070	99,674
	20,014	846	20,860	10,323	--	10,323	10,537
TOTAL	135,198	(6,594)	128,604	18,190	203	18,393	110,211
MEASURE W							
Current - Special Purpose Transfers to Other Funds	52,493	19,947	72,440	9,696	19,133	28,829	43,611
	14,701	468	15,169	6,849	--	6,849	8,320
TOTAL	67,194	20,415	87,609	16,545	19,133	35,678	51,931
CENTRAL LA RECYCLING							
Current - Special Purpose Transfers to Other Funds	40,837	204	41,041	3,767	4,531	8,298	32,743
	1,693	--	1,693	1,120	--	1,120	573
TOTAL	42,530	204	42,734	4,887	4,531	9,418	33,316
PLANNING LONG-RANGE PLAN							
Current - Special Purpose Transfers to Other Funds	6,688	(4,609)	2,079	1,473	--	1,473	606
	10,773	(2,048)	8,725	7,956	--	7,956	769
TOTAL	17,461	(6,657)	10,804	9,429	--	9,429	1,375
CITY PLANNING SYSTEM DEVELOPMENT							
Current-Special Purpose Transfers to Other Funds	20,967	--	20,967	3,576	--	3,576	17,391
	14,624	--	14,624	7,225	--	7,225	7,399
TOTAL	35,591	--	35,591	10,801	--	10,801	24,790
HOUSE LA							
Current - Special Purpose Transfers to Other Funds	671,790	(2,443)	669,347	37,846	30,924	68,770	600,577
	--	2,443	2,443	1,459	--	1,459	984
TOTAL	671,790	--	671,790	39,305	30,924	70,229	601,561
ALLOCATIONS FROM OTHER GOVERNMENTAL AGENCIES							
Current - Special Purpose Transfers to Other Funds	16,496	781	17,277	10,414	--	10,414	6,863
	45,591	6,235	51,826	24,141	--	24,141	27,685
TOTAL	62,087	7,016	69,103	34,555	--	34,555	34,548
TOTAL BUDGETED SPECIAL REVENUE FUNDS	\$ 6,611,016	\$ (127,752)	\$ 6,483,264	\$ 2,047,816	\$ 348,328	\$ 2,396,144	\$ 4,087,120

Continued...

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
 (amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total Actual	Variance with Final Budget Positive (Negative)
ALL ANNUALLY BUDGETED SPECIAL REVENUE FUNDS							
Current - Special Purpose Capital Outlay	\$ 4,935,417	\$ (88,316)	\$ 4,847,101	\$ 952,675	\$ 289,083	\$ 1,241,758	\$ 3,605,343
Debt Service	157,488	8,384	165,872	33,476	56,851	90,327	75,545
Principal	27,760	(134)	27,626	25,423	2,203	27,626	--
Interest	17,399	134	17,533	13,542	191	13,733	3,800
Transfers to Other Funds	1,472,952	(47,820)	1,425,132	1,022,700	--	1,022,700	402,432
TOTAL	\$ 6,611,016	\$ (127,752)	\$ 6,483,264	\$ 2,047,816	\$ 348,328	\$ 2,396,144	\$ 4,087,120
NONMAJOR GENERAL FUNDS							
DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT							
Current - Special Purpose	\$ 792	\$ 284	\$ 1,076	\$ 50	\$ 20	\$ 70	\$ 1,006
Transfers to Other Funds	4,656	44	4,700	3,609	--	3,609	1,091
TOTAL	5,448	328	5,776	3,659	20	3,679	2,097
CITY ETHICS COMMISSION							
Current - Special Purpose	3,982	--	3,982	--	--	--	3,982
Transfers to Other Funds	9,688	--	9,688	5,223	--	5,223	4,465
TOTAL	13,670	--	13,670	5,223	--	5,223	8,447
ACCESSIBLE HOUSING							
Current - Special Purpose	34,734	(4,552)	30,182	12,146	2,292	14,438	15,744
Transfers to Other Funds	12,881	(2,212)	10,669	9,647	--	9,647	1,022
TOTAL	47,615	(6,764)	40,851	21,793	2,292	24,085	16,766
TOTAL BUDGETED GENERAL FUND							
	\$ 66,733	\$ (6,436)	\$ 60,297	\$ 30,675	\$ 2,312	\$ 32,987	\$ 27,310
ALL ANNUALLY BUDGETED GENERAL FUNDS							
Current - Special Purpose	39,508	(4,268)	35,240	12,196	2,312	14,508	20,732
Transfers to Other Funds	27,225	(2,168)	25,057	18,479	--	18,479	6,578
TOTAL	\$ 66,733	\$ (6,436)	\$ 60,297	\$ 30,675	\$ 2,312	\$ 32,987	\$ 27,310
GRAND TOTAL	\$ 6,677,749	\$ (134,188)	\$ 6,543,561	\$ 2,078,491	\$ 350,640	\$ 2,429,131	\$ 4,114,430

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, 2024
(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	\$ 9,102	\$ 73,469	\$ 5,385	\$ 7,544	\$ 2,288	
Taxes Receivable						
(Net of Allowance for Uncollectibles of \$499)	850	11,081	542	789	229	
Investment Income Receivable	53	414	30	41	12	
TOTAL ASSETS	\$ 10,005	\$ 84,964	\$ 5,957	\$ 8,374	\$ 2,529	
LIABILITIES						
Obligations Under Securities Lending Transactions	\$ 10	\$ 80	\$ 6	\$ 8	\$ 3	
Interest Payable	--	--	--	--	--	
Other Liabilities	82	659	48	68	19	
TOTAL LIABILITIES	92	739	54	76	22	
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	714	9,311	456	663	193	
Interest Receivable on Loans and Others	14	114	8	12	3	
TOTAL DEFERRED INFLOWS OF RESOURCES	728	9,425	464	675	196	
FUND BALANCES						
Restricted	9,185	74,800	5,439	7,623	2,311	
TOTAL FUND BALANCES	9,185	74,800	5,439	7,623	2,311	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,005	\$ 84,964	\$ 5,957	\$ 8,374	\$ 2,529	

Continued...

CITY OF LOS ANGELES
Combining Balance Sheet - (Continued)
Nonmajor Debt Service Funds
June 30, 2024
(amounts expressed in thousands)

	General Obligation Bonds		Other Nonmajor Debt Service Funds		Total
	Refunding Series 2021-B	Solid Waste Resources			
ASSETS					
Cash and Pooled Investments	\$ 6,944	\$ 27,246	\$ 8,630	\$ 140,608	
Taxes Receivable (Net of Allowance for Uncollectibles of \$499)	--	--	--	13,491	
Investment Income Receivable	43	--	54	647	
TOTAL ASSETS	\$ 6,987	\$ 27,246	\$ 8,684	\$ 154,746	
LIABILITIES					
Obligations Under Securities Lending Transactions	\$ 8	\$ --	\$ 9	\$ 124	
Interest Payable	--	--	242	242	
Other Liabilities	62	--	76	1,014	
TOTAL LIABILITIES	70	--	327	1,380	
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	--	--	--	11,337	
Interest Receivable on Loans and Others	11	--	14	176	
TOTAL DEFERRED INFLOWS OF RESOURCES	11	--	14	11,513	
FUND BALANCES					
Restricted	6,906	27,246	8,343	141,853	
TOTAL FUND BALANCES	6,906	27,246	8,343	141,853	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 6,987	\$ 27,246	\$ 8,684	\$ 154,746	

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, 2024
(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	\$ 6,690	\$ 73,254	\$ 4,773	\$ 8,146	\$ 2,427	
Charges for Services	--	--	--	--	--	
Investment Earnings	225	1,354	92	84	25	
Change in Fair Value of Investments	702	1,531	76	(274)	(89)	
TOTAL REVENUES	7,617	76,139	4,941	7,956	2,363	
EXPENDITURES						
Debt Service						
Principal	16,310	48,210	4,510	--	--	
Interest	2,053	41,165	787	1,733	378	
TOTAL EXPENDITURES	18,363	89,375	5,297	1,733	378	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,746)	(13,236)	(356)	6,223	1,985	
OTHER FINANCING SOURCES (USES)						
Transfers In	--	--	--	--	--	
Transfers Out	--	--	--	--	--	
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	--	
NET CHANGE IN FUND BALANCES	(10,746)	(13,236)	(356)	6,223	1,985	
FUND BALANCES, JULY 1	19,931	88,036	5,795	1,400	326	
FUND BALANCES, JUNE 30	\$ 9,185	\$ 74,800	\$ 5,439	\$ 7,623	\$ 2,311	

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, 2024
(amounts expressed in thousands)

	<u>General Obligation Bonds</u>		<u>Other Nonmajor Debt Service Funds</u>	<u>Total</u>
	<u>Refunding Series 2021-B</u>	<u>Solid Waste Resources</u>		
REVENUES				
Property Taxes	\$ 2,800	--	\$ --	\$ 98,090
Charges for Services	--	--	1,027	1,027
Investment Earnings	242	425	201	2,648
Change in Fair Value of Investments	1,125	--	24	3,095
TOTAL REVENUES	4,167	425	1,252	104,860
EXPENDITURES				
Debt Service				
Principal	22,040	23,585	8,997	123,652
Interest	830	9,357	217	56,520
TOTAL EXPENDITURES	22,870	32,942	9,214	180,172
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(18,703)	(32,517)	(7,962)	(75,312)
OTHER FINANCING SOURCES (USES)				
Transfers In	--	35,892	9,214	45,106
Transfers Out	--	(2,450)	--	(2,450)
TOTAL OTHER FINANCING SOURCES (USES)	--	33,442	9,214	42,656
NET CHANGE IN FUND BALANCES	(18,703)	925	1,252	(32,656)
FUND BALANCES, JULY 1	25,609	26,321	7,091	174,509
FUND BALANCES, JUNE 30	\$ 6,906	\$ 27,246	\$ 8,343	\$ 141,853

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, 2024
(amounts expressed in thousands)

General Obligation Bonds Refunding Series 2016-A					
		Actual Amounts	Variance with (Budgetary	Final Budget	
		Original	Final	Basis)	Positive (Negative)
REVENUES					
Revenues					
Taxes	\$ 18,363	\$ 18,363	\$ 6,770	\$ (11,593)	
Charges for Services	--	--	--	--	--
Interest	--	--	252	252	
TOTAL REVENUES	18,363	18,363	7,022	(11,341)	
EXPENDITURES					
Expenditures					
Current					
General Government	--	--	--	--	--
Debt Service					
Principal	16,310	16,310	16,310	--	
Interest	2,053	2,053	2,053	--	
TOTAL EXPENDITURES	18,363	18,363	18,363	--	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
FUND BALANCES, JULY 1	--	--	(11,341)	(11,341)	
	--	--	20,760	20,760	
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 9,419	\$ 9,419	

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, 2024
(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	\$ 89,375	\$ 89,375	\$ 73,829	\$ (15,546)
Charges for Services	--	--	--	--
Interest	--	--	1,332	1,332
TOTAL REVENUES	89,375	89,375	75,161	(14,214)
EXPENDITURES				
Expenditures				
Current				
General Government	--	--	--	--
Debt Service				
Principal	48,210	48,210	48,210	--
Interest	41,165	41,165	41,165	--
TOTAL EXPENDITURES	89,375	89,375	89,375	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
FUND BALANCES, JULY 1			(14,214)	(14,214)
	--	--	90,237	90,237
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 76,023	\$ 76,023

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, 2024

(amounts expressed in thousands)

General Obligation Bonds Refunding Series 2017-B					
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	
	Original	Final	(Budgetary Basis)	Positive	(Negative)
REVENUES					
Revenues					
Taxes	\$ 5,297	\$ 5,297	\$ 4,839		\$ (458)
Charges for Services	--	--	--		--
Interest	--	--	89		89
TOTAL REVENUES	5,297	5,297	4,928		(369)
EXPENDITURES					
Expenditures					
Current					
General Government	--	--	--		--
Debt Service					
Principal	4,510	4,510	4,510		--
Interest	787	787	787		--
TOTAL EXPENDITURES	5,297	5,297	5,297		--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
FUND BALANCES, JULY 1	--	--	(369)		(369)
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 5,572		\$ 5,572

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, 2024
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2018-B					Variance with Final Budget	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Final	Positive (Negative)		
	Original	Final					
REVENUES							
Revenues							
Taxes	\$ 1,733	\$ 1,733	\$ 8,284	\$ 6,551			
Charges for Services	--	--	--	--			
Interest	--	--	58	58			
TOTAL REVENUES	1,733	1,733	8,342	6,609			
EXPENDITURES							
Expenditures							
Current							
General Government	--	--	--	--			
Debt Service							
Principal	--	--	--	--			
Interest	1,733	1,733	1,733	1,733			
TOTAL EXPENDITURES	1,733	1,733	1,733	1,733			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	6,609	6,609			
FUND BALANCES, JULY 1	--	--	1,197	1,197			
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 7,806	\$ 7,806			

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, 2024
(amounts expressed in thousands)

	General Obligation Bonds Refunding Series 2018-C					Variance with Final Budget	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Final	Positive (Negative)		
	Original	Final					
REVENUES							
Revenues							
Taxes	\$ 378	\$ 378	\$ 2,468	\$ 2,090			
Charges for Services	--	--	--	--			
Interest	--	--	16	16			
TOTAL REVENUES	378	378	2,484		2,106		
EXPENDITURES							
Expenditures							
Current							
General Government	--	--	--	--			
Debt Service							
Principal	--	--	--	--			
Interest	378	378	378				
TOTAL EXPENDITURES	378	378	378		378		
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES							
FUND BALANCES, JULY 1	--	--	2,106		2,106		
	--	--	261		261		
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 2,367		\$ 2,367		

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, 2024
(amounts expressed in thousands)

General Obligation Bonds Refunding Series 2021-B						
	Budgeted Amounts		Actual Amounts <small>(Budgetary</small>	Variance with Final Budget <small>Positive</small>		
	Original	Final	Basis)	(Negative)		
REVENUES						
Revenues						
Taxes	\$ 22,870	\$ 22,870	\$ 2,891	\$ (19,979)		
Charges for Services	--	--	--	--		
Interest	--	--	296	296		
TOTAL REVENUES	22,870	22,870	3,187	(19,683)		
EXPENDITURES						
Expenditures						
Current						
General Government	--	--	--	--		
Debt Service						
Principal	22,040	22,040	22,040	--		
Interest	830	830	830	--		
TOTAL EXPENDITURES	22,870	22,870	22,870	--		
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(19,683)	(19,683)		
FUND BALANCES, JULY 1	--	--	26,870	26,870		
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 7,187	\$ 7,187		

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, 2024

(amounts expressed in thousands)

Other Nonmajor Debt Service Fund - Convention Center - Staples Arena Account			
	Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final	
REVENUES			
Revenues			
Taxes	\$ --	\$ --	\$ --
Charges for Services	3,370	3,370	1,027
Interest	228	228	185
TOTAL REVENUES	<u>3,598</u>	<u>3,598</u>	<u>1,212</u>
EXPENDITURES			
Expenditures			
Current			
General Government	11,794	--	--
Debt Service	--	--	--
Principal	--	--	--
Interest	--	--	--
TOTAL EXPENDITURES	<u>11,794</u>	<u>--</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,196)	3,598	1,212
FUND BALANCES, JULY 1	8,196	8,196	7,465
Appropriation of Fund Balances and Carryforward Appropriations	--	(11,794)	--
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 8,677
			\$ 8,677

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, 2024
(amounts expressed in thousands)

REVENUES

Revenues
 Taxes
 Charges for Services
 Interest

TOTAL REVENUES

EXPENDITURES

Expenditures
 Current
 General Government
 Debt Service
 Principal
 Interest

TOTAL EXPENDITURES

EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES

FUND BALANCES, JULY 1

Appropriation of Fund Balances and Carryforward Appropriations

FUND BALANCES, JUNE 30

	Total Annually Budgeted Nonmajor Debt Service Funds			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES				
Revenues	\$ 138,016	\$ 138,016	\$ 99,081	\$ (38,935)
Taxes	3,370	3,370	1,027	(2,343)
Charges for Services	228	228	2,228	2,000
Interest				
TOTAL REVENUES	141,614	141,614	102,336	(39,278)
EXPENDITURES				
Expenditures				
Current				
General Government	11,794	--	--	--
Debt Service				
Principal	91,070	91,070	91,070	--
Interest	46,946	46,946	46,946	--
TOTAL EXPENDITURES	149,810	138,016	138,016	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
FUND BALANCES, JULY 1				
Appropriation of Fund Balances and Carryforward Appropriations	(8,196)	3,598	(35,680)	(39,278)
	8,196	8,196	152,730	144,534
	--	(11,794)	--	11,794
FUND BALANCES, JUNE 30	\$ --	\$ --	\$ 117,050	\$ 117,050

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, 2024
(amounts expressed in thousands)

Deficiency of Revenues Under Expenditures - Budgetary \$ (35,680)

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. 1,739

Perspective Difference

Certain Nonmajor Debt Service funds are not included in the legally adopted budget 1,285

Net Change in Fund Balances - Nonmajor Debt Service Funds \$ (32,656)

DETAILS OF RESTATEMENT OF JULY 1 FUND BALANCES

Fund Balances, July 1, as previously reported \$ 107,121
Certain funds were not budgeted in prior year and others were included in this year's budget. 45,609

Fund Balances, July 1, as restated \$ 152,730

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 95.0% 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 5.0% 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, 2024
(amounts expressed in thousands)**

General Obligation Bonds

	<u>Series 2003-A</u>	<u>Series 2004-A</u>	<u>Series 2005-A</u>	<u>Series 2006-A</u>	<u>Series 2008-A</u>	<u>Series 2009</u>
ASSETS						
Cash and Pooled Investments	\$ 306	\$ 856	\$ 2,530	\$ 4,792	\$ 1,228	\$ 5,846
Accounts Receivable	--	--	--	--	--	106
Special Assessments Receivable	--	--	--	--	--	--
Investment Income Receivable	2	6	16	31	8	38
Intergovernmental Receivable	--	--	--	--	--	--
Due from Other Funds	--	--	--	--	--	--
TOTAL ASSETS	\$ 308	\$ 862	\$ 2,546	\$ 4,823	\$ 1,236	\$ 5,990
LIABILITIES						
Accounts, Contracts and Retainage Payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Obligations Under Securities Lending						
Transactions	--	1	3	5	1	6
Due to Other Funds	--	25	4	493	365	1,028
Deposits and Advances	--	--	--	--	--	--
Other Liabilities	3	8	23	43	11	52
TOTAL LIABILITIES	3	34	30	541	377	1,086
DEFERRED INFLOWS OF RESOURCES						
Receivables from Other Government Agencies	--	--	--	--	--	106
Interest Receivable on Loans and Others	1	1	4	8	2	10
TOTAL DEFERRED INFLOWS OF RESOURCES	1	1	4	8	2	116
FUND BALANCES						
Restricted	304	827	2,512	4,274	857	4,788
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 308	\$ 862	\$ 2,546	\$ 4,823	\$ 1,236	\$ 5,990

Continued...

CITY OF LOS ANGELES
Combining Balance Sheet - (Continued)
Nonmajor Capital Projects Funds
June 30, 2024
(amounts expressed in thousands)

	General Obligation Bonds					Total
	Series 2011-A	Recreation and Parks Grant	Parks Assessment	Other Nonmajor Capital Projects Funds		
ASSETS						
Cash and Pooled Investments	\$ 29,536	\$ 75,022	\$ 161,999	\$ 18,733	\$	300,848
Accounts Receivable	1,053	--	--	--		1,159
Special Assessments Receivable	--	--	1,200	--		1,200
Investment Income Receivable	206	483	1,037	16		1,843
Intergovernmental Receivable	--	1,099	--	--		1,099
Due from Other Funds	--	1,504	556	152		2,212
TOTAL ASSETS	\$ 30,795	\$ 78,108	\$ 164,792	\$ 18,901	\$	308,361
LIABILITIES						
Accounts, Contracts and Retainage Payable	\$ 1,843	\$ 1,944	\$ 785	\$ 1,008	\$	5,580
Obligations Under Securities Lending						
Transactions	32	82	178	2		310
Due to Other Funds	707	--	302	2		2,926
Deposits and Advances	--	--	--	4		4
Other Liabilities	265	673	1,452	20		2,550
TOTAL LIABILITIES	2,847	2,699	2,717	1,036	\$	11,370
DEFERRED INFLOWS OF RESOURCES						
Receivables from Other Government Agencies	1,053	1,148	--	--		2,307
Interest Receivable on Loans and Others	53	126	1,063	4		1,272
TOTAL DEFERRED INFLOWS OF RESOURCES	1,106	1,274	1,063	4	\$	3,579
FUND BALANCES						
Restricted	26,842	74,135	161,012	17,861		293,412
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 30,795	\$ 78,108	\$ 164,792	\$ 18,901	\$	308,361

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, 2024
(amounts expressed in thousands)**

General Obligation Bonds

	<u>Series 2003-A</u>	<u>Series 2004-A</u>	<u>Series 2005-A</u>	<u>Series 2006-A</u>	<u>Series 2008-A</u>	<u>Series 2009</u>
REVENUES						
Other Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	--	--	--	--
Charges for Services	--	--	--	--	27	--
Special Assessments	--	--	--	--	--	--
Investment Earnings	7	22	65	124	30	161
Change in Fair Value of Investments	3	8	23	44	10	79
TOTAL REVENUES	10	30	88	168	67	240
EXPENDITURES						
Capital Outlay	--	--	--	--	1	484
TOTAL EXPENDITURES	--	--	--	--	1	484
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	10	30	88	168	66	(244)
OTHER FINANCING SOURCES (USES)						
Transfers In	--	--	--	--	--	--
Transfers Out	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	--	--
NET CHANGE IN FUND BALANCES	10	30	88	168	66	(244)
FUND BALANCES, JULY 1	294	797	2,424	4,106	791	5,032
FUND BALANCES, JUNE 30	\$ 304	\$ 827	\$ 2,512	\$ 4,274	\$ 857	\$ 4,788

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, 2024
(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	\$ --	\$ --	\$ --	\$ 2,532	\$ 2,532
Intergovernmental	8	16,992	--	--	17,000
Charges for Services	--	1,016	--	--	1,043
Special Assessments	--	--	24,791	--	24,791
Investment Earnings	878	1,942	3,951	85	7,265
Change in Fair Value of Investments	609	779	728	157	2,440
TOTAL REVENUES	1,495	20,729	29,470	2,774	55,071
EXPENDITURES					
Capital Outlay	7,981	20,952	13,655	6,673	49,746
TOTAL EXPENDITURES	7,981	20,952	13,655	6,673	49,746
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	(6,486)	(223)	15,815	(3,899)	5,325
OTHER FINANCING SOURCES (USES)					
Transfers In	--	1,877	67	316	2,260
Transfers Out	--	--	--	(167)	(167)
TOTAL OTHER FINANCING SOURCES (USES)	--	1,877	67	149	2,093
NET CHANGE IN FUND BALANCES					
FUND BALANCES, JULY 1	(6,486)	1,654	15,882	(3,750)	7,418
FUND BALANCES, JUNE 30	33,328	72,481	145,130	21,611	285,994
	\$ 26,842	\$ 74,135	\$ 161,012	\$ 17,861	\$ 293,412

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, 2024
(amounts expressed in thousands)

				Other Nonmajor Capital Projects Fund - Local Transportation	Variance with Final Budget Positive (Negative)
		Budgeted Amounts	Actual Amounts		
		Original	Final	(Budgetary Basis)	
REVENUES					
Revenues		\$ --	\$ --	\$ --	\$ --
Taxes		\$ 5,079	\$ 5,079	\$ --	\$ (5,079)
Intergovernmental		30	30	82	52
Interest					
TOTAL REVENUES		5,109	5,109	82	(5,027)
EXPENDITURES AND OTHER FINANCING USES					
Expenditures					
Capital Outlay		13,086	13,591	755	12,836
Other Financing Uses					
Transfers to Other Funds		89	322	233	89
TOTAL EXPENDITURES AND OTHER FINANCING USES		13,175	13,913	988	12,925
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1		(8,066)	(8,804)	(906)	7,898
Appropriation of Fund Balances and Carryforward Appropriations		--	--	(40)	(40)
Encumbrances Lapsed		8,066	8,073	--	(8,073)
		--	731	731	--
FUND BALANCES (DEFICIT), JUNE 30		\$ --	\$ --	\$ (215)	\$ (215)

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, 2024
(amounts expressed in thousands)

Other Nonmajor Capital Projects Fund - Parks and Recreation Sites and Facilities					
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES					
Revenues					
Taxes	\$ 3,100	\$ 3,100	\$ 2,549	\$ (551)	
Intergovernmental	--	--	--	--	
Interest	--	--	--	--	
Transfers from Other Funds	--	--	314	314	
TOTAL REVENUES	3,100	3,100	2,863	(237)	
EXPENDITURES AND OTHER FINANCING USES					
Capital Outlay	3,193	16,868	3,455	13,413	
Other Financing Uses	1,721	2,076	303	1,773	
TOTAL EXPENDITURES AND OTHER FINANCING USES	4,914	18,944	3,758	15,186	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
FUND BALANCES (DEFICIT), JULY 1	(1,814)	(15,844)	(895)	14,949	
Appropriation of Fund Balances and Carryforward Appropriations	--	--	16,318	16,318	
Encumbrances Lapsed	1,814	15,779	--	(15,779)	
FUND BALANCES (DEFICIT), JUNE 30	--	\$ 65	65	--	
	\$ --	\$ --	\$ 15,488	\$ 15,488	

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, 2024
(amounts expressed in thousands)

	Total Annually Budgeted Nonmajor Capital Projects Funds			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenues				
Taxes	\$ 3,100	\$ 3,100	\$ 2,549	\$ (551)
Intergovernmental	5,079	5,079	--	(5,079)
Interest	30	30	82	52
TOTAL REVENUES	8,209	8,209	2,945	(5,264)
EXPENDITURES AND OTHER FINANCING USES				
Expenditures				
Capital Outlay	16,279	30,459	4,210	26,249
Other Financing Uses				
Transfers to Other Funds	1,810	2,398	536	1,862
TOTAL EXPENDITURES AND OTHER FINANCING USES	18,089	32,857	4,746	28,111
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
FUND BALANCES (DEFICIT), JULY 1	(9,880)	(24,648)	(1,801)	22,847
Appropriation of Fund Balances and Carryforward Appropriations	--	--	16,278	16,278
Encumbrances Lapsed	9,880	23,852	--	(23,852)
	--	796	796	--
FUND BALANCES (DEFICIT), JUNE 30	\$ --	\$ --	\$ 15,273	\$ 15,273

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, 2024
(amounts expressed in thousands)

Deficiency of Revenues Under	
Expenditures and Other Financing Uses - Budgetary	\$ (1,801)
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.	(800)
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	1,253
Prior year encumbrances expended in current year	(2,403)
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.	11,169
Net Change in Fund Balances - Nonmajor Capital Projects Funds	<hr/> <hr/> \$ 7,418

CITY OF LOS ANGELES

**Supplemental Schedule of 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, 2024
(amounts expressed in thousands)

	Original Adopted Budget	Additional Appropriations, Carryforward and Transfers	Final Budget	Expenditures	Encumbrances June 30, 2024	Total	Actual	Variance with Final Budget Positive (Negative)
LOCAL TRANSPORTATION								
Capital Outlay	\$ 13,086	\$ 505	\$ 13,591	\$ 138	\$ 617	\$ 755	\$ 12,836	
Transfers to Other Funds	89	233	322	233	--	233	89	
TOTAL	13,175	738	13,913	371	617	988	12,925	
PARKS AND RECREATION SITES AND FACILITIES								
Capital Outlay	3,193	13,675	16,868	2,819	636	3,455	13,413	
Transfers to Other Funds	1,721	355	2,076	303	--	303	1,773	
TOTAL	4,914	14,030	18,944	3,122	636	3,758	15,186	
TOTAL BUDGETED CAPITAL PROJECTS FUNDS								
Capital Outlay	\$ 18,089	\$ 14,768	\$ 32,857	\$ 3,493	\$ 1,253	\$ 4,746	\$ 28,111	
Transfers to Other Funds	1,810	588	2,398	536	--	536	1,862	
TOTAL	\$ 18,089	\$ 14,768	\$ 32,857	\$ 3,493	\$ 1,253	\$ 4,746	\$ 28,111	
ALL ANNUALLY BUDGETED CAPITAL PROJECTS FUNDS								
Capital Outlay	\$ 16,279	\$ 14,180	\$ 30,459	\$ 2,957	\$ 1,253	\$ 4,210	\$ 26,249	
Transfers to Other Funds	1,810	588	2,398	536	--	536	1,862	
TOTAL	\$ 18,089	\$ 14,768	\$ 32,857	\$ 3,493	\$ 1,253	\$ 4,746	\$ 28,111	

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, 2024
(amounts expressed in thousands)

	Pension Trust Funds	Other Postemployment Benefits Trust Funds	Total
ASSETS			
Cash and Pooled Investments	\$ 98,440	\$ 3,766	\$ 102,206
Receivables			
Contributions	70,324	2,271	72,595
Accrued Investment Income	244,916	38,367	283,283
Contingent Disability Benefit Advance	3,310	--	3,310
Other Receivables	22,315	2,251	24,566
Advance to Other Entities	816,460	108,567	925,027
Other Investments			
Short-Term Investments	2,066,016	313,127	2,379,143
U.S. Government Obligations	4,953,222	743,602	5,696,824
U.S. Agency Notes	1,005,093	190,599	1,195,692
Municipal Bonds	16,391	3,195	19,586
Domestic Corporate Bonds	5,037,693	723,471	5,761,164
International Bonds	1,784,302	332,918	2,117,220
Other Fixed Income	831,460	161,487	992,947
Bank Loans	119,205	23,514	142,719
Opportunistic Debts	434,273	85,662	519,935
Domestic Stocks	18,620,705	2,834,777	21,455,482
International Stocks	12,366,718	2,030,511	14,397,229
Mortgage-Backed Securities	894,515	174,289	1,068,804
Government Agencies	11,586	2,285	13,871
Derivative Instruments - Current	(6,747)	(1,331)	(8,078)
Real Estate	4,176,092	696,034	4,872,126
Alternative Investments	13,356,252	2,115,416	15,471,668
Securities Lending Collateral	1,453,074	257,381	1,710,455
Prepaid Health Subsidy	--	14,228	14,228
Capital Assets			
Land, Furniture, Equipment and Software (Net of Accumulated Depreciation and Amortization of \$21,251)	67,140	11,730	78,870
TOTAL ASSETS	68,442,755	10,868,117	79,310,872
LIABILITIES			
Accounts Payable and Accrued Expenses	182,278	28,324	210,602
Accrued Investment Expenses	8,516	1,680	10,196
Benefits in Process of Payment	10,482	6,601	17,083
Due to Brokers	1,386,126	183,583	1,569,709
Obligations Under Securities Lending Transactions	1,453,074	257,381	1,710,455
Mortgage Loan Payable - Noncurrent Portion	155,755	17,919	173,674
Deposits and Advances	24	3	27
TOTAL LIABILITIES	3,196,255	495,491	3,691,746
DEFERRED INFLOWS OF RESOURCES			
Leases	830	145	975
TOTAL DEFERRED INFLOWS OF RESOURCES	830	145	975
NET POSITION			
Restricted for Pension and Other Postemployment Benefits			
Pension Plans	65,205,803	--	65,205,803
Disability Plan	39,867	--	39,867
Death Benefit Plan	--	56,291	56,291
Postemployment Healthcare Plans	--	10,316,190	10,316,190
TOTAL NET POSITION	\$ 65,245,670	\$ 10,372,481	\$ 75,618,151

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, 2024
(amounts expressed in thousands)**

	Pension Trust Funds	Other Postemployment Benefits Trust Funds	Total
ADDITIONS			
Contributions			
Employer	\$ 1,645,082	\$ 395,945	\$ 2,041,027
Plan Member	599,545	387	599,932
Total Contributions	<u>2,244,627</u>	<u>396,332</u>	<u>2,640,959</u>
Self-Funded Insurance Premium	--	12,934	12,934
Health Insurance Premium Reserve	--	2,125	2,125
Investment Income			
Net Appreciation in Fair Value of Investments	4,502,000	741,076	5,243,076
Interest Income	699,251	105,598	804,849
Income from Alternative Investments	69,963	9,115	79,078
Dividend Income	591,633	87,618	679,251
Securities Lending Income	43,356	9,805	53,161
Other Investment Income	48,223	8,673	56,896
Income from Real Estate Investments	76,887	11,418	88,305
Investment Income	6,031,313	973,303	7,004,616
Investment Expense	(333,448)	(56,987)	(390,435)
Securities Lending Expense	(32,813)	(8,137)	(40,950)
Net Investment Income	<u>5,665,052</u>	<u>908,179</u>	<u>6,573,231</u>
Other Income	661	78	739
TOTAL ADDITIONS	<u>7,910,340</u>	<u>1,319,648</u>	<u>9,229,988</u>
DEDUCTIONS			
Benefits Payments	3,523,161	458,032	3,981,193
Refunds of Member Contributions	33,184	--	33,184
Administrative Expenses	60,558	13,923	74,481
TOTAL DEDUCTIONS	<u>3,616,903</u>	<u>471,955</u>	<u>4,088,858</u>
CHANGE IN NET POSITION			
Pension Plans	4,294,826	--	4,294,826
Disability Plan	(1,389)	--	(1,389)
Death Benefit Plan	--	9,758	9,758
Postemployment Healthcare Plans	--	837,935	837,935
TOTAL CHANGE IN NET POSITION	<u>4,293,437</u>	<u>847,693</u>	<u>5,141,130</u>
Net Position Restricted for Pension and Postemployment Benefits, July 1			
Pension Plans	60,910,977	--	60,910,977
Disability Plan	41,256	--	41,256
Death Benefit Plan	--	46,533	46,533
Postemployment Healthcare Plans	--	9,478,255	9,478,255
NET POSITION RESTRICTED FOR PENSION AND OTHER POSTEMPLOYMENT BENEFITS, JUNE 30	<u>\$ 65,245,670</u>	<u>\$ 10,372,481</u>	<u>\$ 75,618,151</u>

CITY OF LOS ANGELES

Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2024
(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	\$ 6,212	\$ 4,730	\$ 87,498	\$ 98,440
Receivables				
Contributions	6,046	--	64,278	70,324
Accrued Investment Income	109,140	80,482	55,294	244,916
Contingent Disability Benefit Advance	--	--	3,310	3,310
Other Receivables	243	11,168	10,904	22,315
Advance to Other Entities	626,177	98,244	92,039	816,460
Other Investments				
Short-Term Investments	1,099,979	444,240	521,797	2,066,016
U.S. Government Obligations	2,765,949	1,392,140	795,133	4,953,222
U.S. Agency Notes	--	--	1,005,093	1,005,093
Municipal Bonds	--	11,240	5,151	16,391
Domestic Corporate Bonds	3,194,821	846,140	996,732	5,037,693
International Bonds	170,045	949,776	664,481	1,784,302
Other Fixed Income	--	500,575	330,885	831,460
Bank Loans	--	119,205	--	119,205
Opportunistic Debts	--	434,273	--	434,273
Domestic Stocks	9,866,592	5,194,915	3,559,198	18,620,705
International Stocks	4,625,200	3,982,294	3,759,224	12,366,718
Mortgage-Backed Securities	--	611,364	283,151	894,515
Government Agencies	--	11,586	--	11,586
Derivative Instruments - Current	--	(6,747)	--	(6,747)
Real Estate	1,560,364	1,043,257	1,572,471	4,176,092
Alternative Investments	5,344,644	3,714,381	4,297,227	13,356,252
Securities Lending Collateral	769,836	133,971	549,267	1,453,074
Capital Assets				
Land, Furniture, Equipment and Software (Net of Accumulated Depreciation and Amortization of \$18,477)	18,410	48,730	--	67,140
TOTAL ASSETS	30,163,658	19,625,964	18,653,133	68,442,755
LIABILITIES				
Accounts Payable and Accrued Expenses	11,980	76,216	94,082	182,278
Accrued Investment Expenses	--	8,516	--	8,516
Benefits in Process of Payment	10,482	--	--	10,482
Due to Brokers	1,067,309	161,597	157,220	1,386,126
Obligations Under Securities Lending Transactions	769,836	133,971	549,267	1,453,074
Mortgage Loan Payable - Noncurrent Portion	155,755	--	--	155,755
Deposits and Advances	24	--	--	24
TOTAL LIABILITIES	2,015,386	380,300	800,569	3,196,255
DEFERRED INFLOWS OF RESOURCES				
Leases	226	604	--	830
TOTAL DEFERRED INFLOWS OF RESOURCES	226	604	--	830
NET POSITION				
Restricted for Pension Benefits				
Pension Plans	28,148,046	19,245,060	17,812,697	65,205,803
Disability Plan	--	--	39,867	39,867
TOTAL NET POSITION	\$ 28,148,046	\$ 19,245,060	\$ 17,852,564	\$ 65,245,670

CITY OF LOS ANGELES
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2024
(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	\$ 480,810	\$ 714,389	\$ 449,883	\$ 1,645,082
Plan Member	157,191	279,636	162,718	599,545
Total Contributions	<u>638,001</u>	<u>994,025</u>	<u>612,601</u>	<u>2,244,627</u>
Investment Income				
Net Appreciation in Fair Value of Investments	2,015,135	1,175,395	1,311,470	4,502,000
Interest Income	287,056	209,594	202,601	699,251
Income from Alternative Investments	69,799	--	164	69,963
Dividend Income	293,791	181,011	116,831	591,633
Securities Lending Income	5,788	3,302	34,266	43,356
Other Investment Income (Loss)	(8,096)	56,163	156	48,223
Income from Real Estate Investments	38,827	--	38,060	76,887
Investment Income	2,702,300	1,625,465	1,703,548	6,031,313
Investment Expense	(140,135)	(116,477)	(76,836)	(333,448)
Securities Lending Expense	(809)	(470)	(31,534)	(32,813)
Net Investment Income	<u>2,561,356</u>	<u>1,508,518</u>	<u>1,595,178</u>	<u>5,665,052</u>
Other Income	627	34	--	661
TOTAL ADDITIONS	<u>3,199,984</u>	<u>2,502,577</u>	<u>2,207,779</u>	<u>7,910,340</u>
DEDUCTIONS				
Benefits Payments	1,456,407	1,263,240	803,514	3,523,161
Refunds of Member Contributions	8,760	13,602	10,822	33,184
Administrative Expenses	24,068	29,554	6,936	60,558
TOTAL DEDUCTIONS	<u>1,489,235</u>	<u>1,306,396</u>	<u>821,272</u>	<u>3,616,903</u>
CHANGE IN NET POSITION				
Pension Plans	1,710,749	1,196,181	1,387,896	4,294,826
Disability Plan	--	--	(1,389)	(1,389)
TOTAL CHANGE IN NET POSITION	<u>1,710,749</u>	<u>1,196,181</u>	<u>1,386,507</u>	<u>4,293,437</u>
Net Position Restricted for Pension, July 1				
Pension Plans	26,437,297	18,048,879	16,424,801	60,910,977
Disability Plan	--	--	41,256	41,256
NET POSITION RESTRICTED FOR PENSION, JUNE 30	<u>\$ 28,148,046</u>	<u>\$ 19,245,060</u>	<u>\$ 17,852,564</u>	<u>\$ 65,245,670</u>

CITY OF LOS ANGELES
Combining Statement of Fiduciary Net Position
Other Postemployment Benefits Trust Funds
June 30, 2024
(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	\$ 714	\$ 933	\$ 2,119	\$ 3,766
Receivables				
Contributions	--	--	2,271	2,271
Accrued Investment Income	12,556	15,875	9,936	38,367
Accounts Receivable	28	2,203	20	2,251
Advance to Other Entities	72,040	19,379	17,148	108,567
Other Investments				
Short-Term Investments	126,549	87,628	98,950	313,127
U.S. Government Obligations	318,213	274,605	150,784	743,602
U.S. Agency Notes	--	--	190,599	190,599
Municipal Bonds	--	2,218	977	3,195
Domestic Corporate Bonds	367,553	166,904	189,014	723,471
International Bonds	19,563	187,347	126,008	332,918
Other Fixed Income	--	98,740	62,747	161,487
Bank Loans	--	23,514	--	23,514
Opportunistic Debts	--	85,662	--	85,662
Domestic Stocks	1,135,117	1,024,718	674,942	2,834,777
International Stocks	532,113	785,524	712,874	2,030,511
Mortgage-Backed Securities	--	120,594	53,695	174,289
Government Agencies	--	2,285	--	2,285
Derivative Instruments - Current	--	(1,331)	--	(1,331)
Real Estate	179,514	205,787	310,733	696,034
Alternative Investments	614,883	732,676	767,857	2,115,416
Securities Lending Collateral	88,567	26,426	142,388	257,381
Prepaid Health Subsidy	14,228	--	--	14,228
Capital Assets				
Land, Furniture, Equipment and Software (Net of Accumulated Depreciation and Amortization of \$2,774)	2,118	9,612	--	11,730
TOTAL ASSETS	3,483,756	3,871,299	3,513,062	10,868,117
LIABILITIES				
Accounts Payable and Accrued Expenses	1,378	15,034	11,912	28,324
Accrued Investment Expenses	--	1,680	--	1,680
Benefits in Process of Payment	1,233	--	5,368	6,601
Due to Brokers	122,790	31,875	28,918	183,583
Obligations Under Securities Lending Transactions	88,567	26,426	142,388	257,381
Mortgage Loan Payable - Noncurrent Portion	17,919	--	--	17,919
Deposits and Advances	3	--	--	3
TOTAL LIABILITIES	231,890	75,015	188,586	495,491
DEFERRED INFLOWS OF RESOURCES				
Leases	26	119	--	145
TOTAL DEFERRED INFLOWS OF RESOURCES	26	119	--	145
NET POSITION				
Restricted for Postemployment Benefits				
Death Benefit Plan	--	--	56,291	56,291
Postemployment Healthcare Plans	3,251,840	3,796,165	3,268,185	10,316,190
TOTAL NET POSITION	\$ 3,251,840	\$ 3,796,165	\$ 3,324,476	\$ 10,372,481

CITY OF LOS ANGELES

**Combining Statement of Changes in Fiduciary Net Position
Other Postemployment Benefits Trust Funds
For the Fiscal Year Ended June 30, 2024
(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	\$ 164,560	\$ 97,094	\$ 134,291	\$ 395,945
Plan Member	--	--	387	387
Total Contributions	<u>164,560</u>	<u>97,094</u>	<u>134,678</u>	<u>396,332</u>
Self-Funded Insurance Premium				
Health Insurance Premium Reserve	--	12,934	--	12,934
	--	2,125	--	2,125
Investment Income				
Net Appreciation in Fair Value of Investments	226,140	272,378	242,558	741,076
Interest Income	32,214	35,699	37,685	105,598
Income from Alternative Investments	7,833	--	1,282	9,115
Dividend Income	32,969	30,831	23,818	87,618
Securities Lending Income	650	563	8,592	9,805
Other Investment Income (Loss)	(908)	9,566	15	8,673
Income from Real Estate Investments	4,357	--	7,061	11,418
Investment Income	303,255	349,037	321,011	973,303
Investment Expense	(15,726)	(26,992)	(14,269)	(56,987)
Securities Lending Expense	(91)	(109)	(7,937)	(8,137)
Net Investment Income	<u>287,438</u>	<u>321,936</u>	<u>298,805</u>	<u>908,179</u>
Other Income	<u>70</u>	<u>8</u>	<u>--</u>	<u>78</u>
TOTAL ADDITIONS	<u>452,068</u>	<u>434,097</u>	<u>433,483</u>	<u>1,319,648</u>
DEDUCTIONS				
Benefits Payments				
Administrative Expenses	164,341	170,161	123,530	458,032
	2,701	8,157	3,065	13,923
TOTAL DEDUCTIONS	<u>167,042</u>	<u>178,318</u>	<u>126,595</u>	<u>471,955</u>
CHANGE IN NET POSITION				
Death Benefit Plan	--	--	9,758	9,758
Postemployment Healthcare Plans	285,026	255,779	297,130	837,935
TOTAL CHANGE IN NET POSITION	<u>285,026</u>	<u>255,779</u>	<u>306,888</u>	<u>847,693</u>
Net Position Restricted for Postemployment Benefits, July 1				
Death Benefit Plan	--	--	46,533	46,533
Postemployment Healthcare Plans	2,966,814	3,540,386	2,971,055	9,478,255
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS, JUNE 30	<u>\$ 3,251,840</u>	<u>\$ 3,796,165</u>	<u>\$ 3,324,476</u>	<u>\$ 10,372,481</u>

CITY OF LOS ANGELES

Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024
(amounts expressed in thousands)

	Unclaimed Money Seized	Bond Deposit Trust Fund	Custodial Assessment Funds	Clean Fuel Funds	Total
ASSETS					
Cash and Pooled Investments	\$ 8,900	\$ 5,363	\$ 10,717	\$ 243,926	\$ 268,906
Special Assessments Receivable	--	--	260	--	260
Investment Income Receivable	--	--	60	--	60
TOTAL ASSETS	8,900	5,363	11,037	243,926	269,226
LIABILITIES					
Fiduciary Liabilities	--	--	219	--	219
Obligations Under Securities Lending Transactions	--	--	12	--	12
Due to Other Entities	--	5,363	--	--	5,363
Deposits and Advances	8,900	--	--	--	8,900
TOTAL LIABILITIES	8,900	5,363	231	--	14,494
NET POSITION					
Restricted for Individuals, Organizations and Other Governments	--	--	10,806	243,926	254,732
TOTAL NET POSITION	\$ --	\$ --	\$ 10,806	\$ 243,926	\$ 254,732

CITY OF LOS ANGELES
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

	Custodial Assessment Funds	Clean Fuel Funds	Total
ADDITIONS			
Tax Collections from Community Facilities Districts	\$ 9,008	\$ --	\$ 9,008
Collections for Clean Fuel Rewards Program	--	405,629	405,629
Net Appreciation in Fair Value of Investments	79	--	79
Interest Income	23	--	23
TOTAL ADDITIONS	9,110	405,629	414,739
DEDUCTIONS			
Debt Service Payments for Community Facilities Districts	8,431	--	8,431
Payments for Clean Fuel Reward Program	--	165,703	165,703
TOTAL DEDUCTIONS	8,431	165,703	174,134
CHANGE IN NET POSITION			
Net Position Restricted for Individuals, Organizations and Other Governments, July 1	679	239,926	240,605
	10,127	4,000	14,127
NET POSITION RESTRICTED FOR INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS, JUNE 30	\$ 10,806	\$ 243,926	\$ 254,732

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STATISTICAL SECTION

CITY OF LOS ANGELES
Statistical Section
For the Fiscal Year Ended June 30, 2024

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.....	364
Changes in Net Position, Accrual Basis of Accounting, Last Ten Fiscal Years.....	366
Fund Balances - Governmental Funds	
 Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....	370
 Changes in Fund Balances - Governmental Funds	
 Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....	372
 Tax Revenues by Source - Governmental Funds	
 Modified Accrual Basis of Accounting, Last Ten Fiscal Years.....	374

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.....	377
Direct and Overlapping Property Tax Rates, Tax Rate Area No. 4, Last Ten Fiscal Years.....	378
Ten Largest Property Taxpayers, Secured Assessed Valuation,	
 Current and Nine Years Ago.....	379
Property Tax Levies and Collections, Last Ten Fiscal Years.....	380
Energy Sold by Type of Customer, Power Enterprise Fund, Last Ten Fiscal Years.....	381
Average Number of Customers for Energy Sales,	
 Power Enterprise Fund, Last Ten Fiscal Years.....	381

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.....	384
Ratios of Net General Bonded Debt to Assessed Value and Per Capita,	
 Last Ten Fiscal Years.....	386
Direct and Overlapping Governmental Activities Debt.....	
 Ratios of General Bonded Debt Outstanding and Legal Debt Margin,	
 Last Ten Fiscal Years.....	388
 Pledged Revenue Coverage, Last Ten Fiscal Years.....	390

CITY OF LOS ANGELES
Statistical Section
For the Fiscal Year Ended June 30, 2024

<u>CONTENTS</u>	<u>PAGE</u>
------------------------	--------------------

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.....	393
Principal Employers (Non-Government), Current Year and Nine Years Ago.....	394

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.....	396
Operating Indicators by Function/Program, Last Ten Fiscal Years.....	400
Capital Assets Information, Governmental Activities, Last Ten Fiscal Years.....	408
Capital Assets Information, Business-Type Activities, Last Ten Fiscal Years.....	410

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.

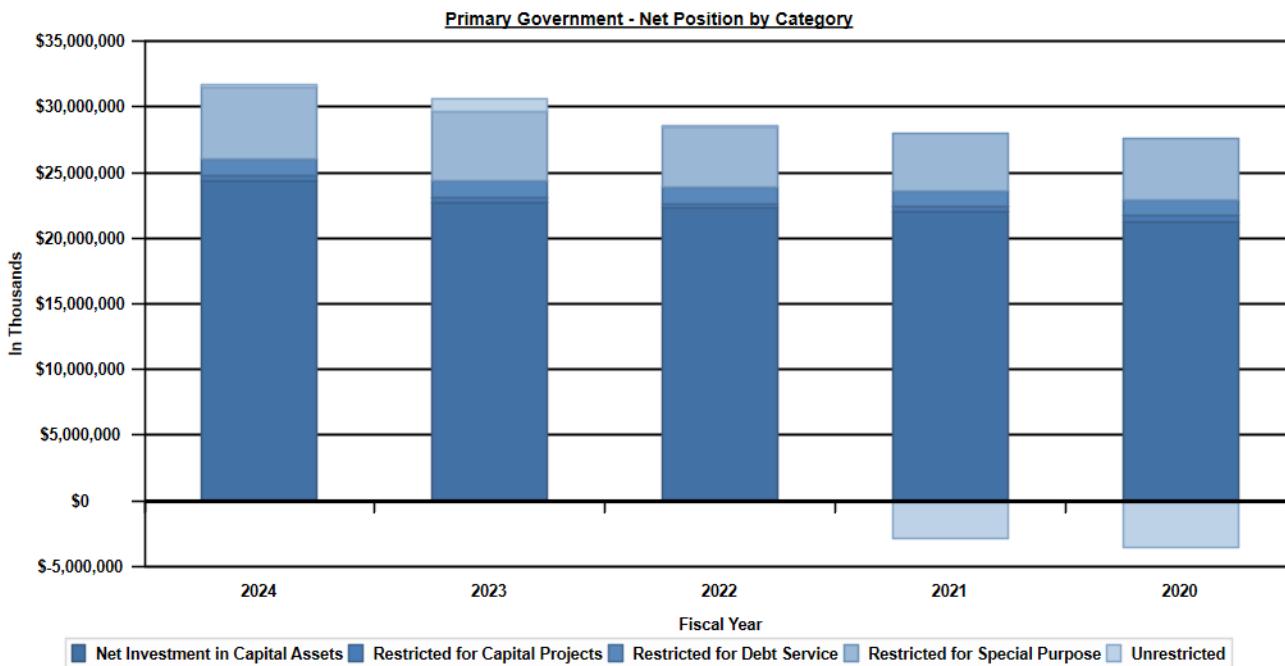
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CITY OF LOS ANGELES
Net Position by Category
Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2024	2023	2022	2021	2020
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	\$ 6,758,687	\$ 6,546,170	\$ 6,465,677	\$ 6,288,850	\$ 6,113,258
Restricted Net Position					
Capital Projects	367,648	315,377	320,098	362,062	407,609
Debt Service	240,572	307,232	286,112	281,238	346,878
Special Purposes	3,770,351	4,068,324	3,701,108	3,452,726	3,371,035
Unrestricted (Deficit)	(5,806,969)	(5,227,304)	(5,240,118)	(7,534,065)	(7,444,581)
SUBTOTAL GOVERNMENTAL ACTIVITIES NET POSITION	5,330,289	6,009,799	5,532,877	2,850,811	2,794,199
BUSINESS-TYPE ACTIVITIES					
Net Investment in Capital Assets	17,624,621	16,195,874	15,874,735	15,744,950	15,181,630
Restricted Net Position					
Debt Service	1,053,189	987,294	920,182	901,679	871,541
Special Purposes	1,726,953	1,195,648	866,804	938,385	1,351,593
Unrestricted	5,955,505	6,199,195	5,354,516	4,701,295	3,912,652
SUBTOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	26,360,268	24,578,011	23,016,237	22,286,309	21,317,416
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	24,383,308	22,742,044	22,340,412	22,033,800	21,294,888
Restricted Net Position					
Capital Projects	367,648	315,377	320,098	362,062	407,609
Debt Service	1,293,761	1,294,526	1,206,294	1,182,917	1,218,419
Special Purpose	5,497,304	5,263,972	4,567,912	4,391,111	4,722,628
Unrestricted (Deficit)	148,536	971,891	114,398	(2,832,770)	(3,531,929)
TOTAL PRIMARY GOVERNMENT NET POSITION	\$ 31,690,557	\$ 30,587,810	\$ 28,549,114	\$ 25,137,120	\$ 24,111,615

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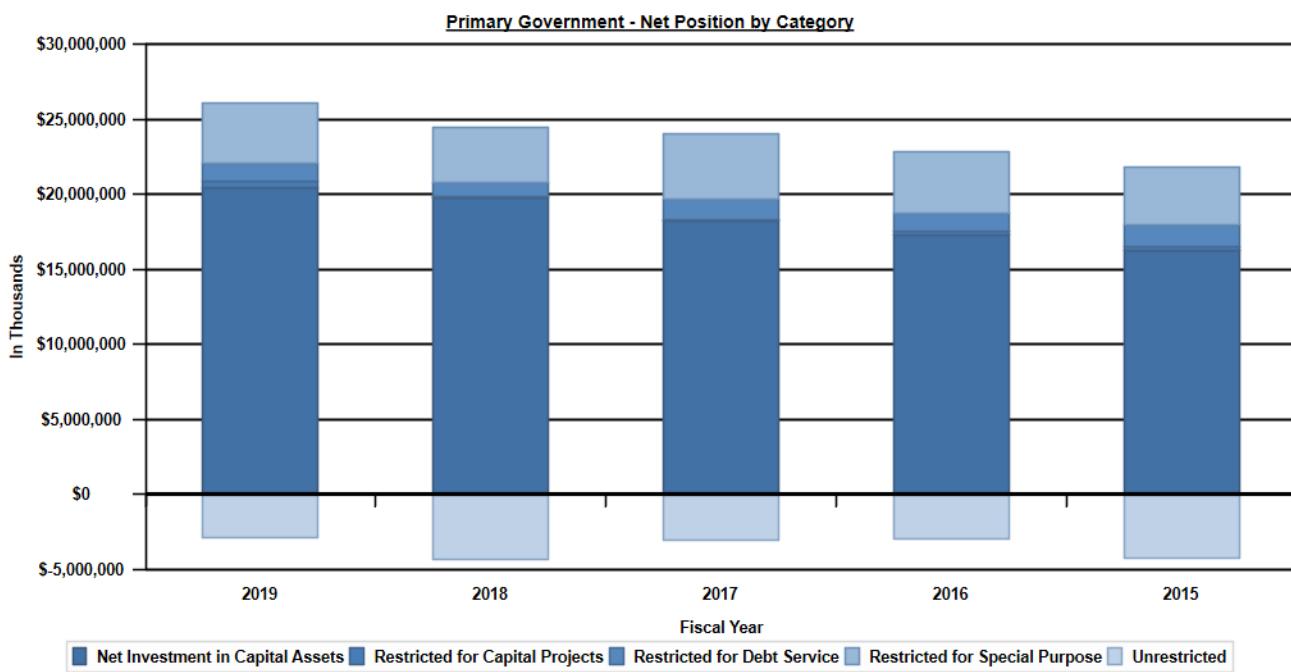
Note: GASB Statement No. 68, 75, 84, 87, 94 and 96 were implemented in fiscal years 2015, 2018, 2020, 2022 and 2023, respectively. Prior year amounts have not been restated for the implementation of these standards.



CITY OF LOS ANGELES

**Net Position by Category
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Year				
	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	\$ 5,890,308	\$ 5,699,812	\$ 5,385,062	\$ 5,267,860	\$ 4,760,372
Restricted Net Position					
Capital Projects	474,603	90,884	98,258	96,477	100,835
Debt Service	379,192	208,037	181,685	162,142	322,336
Special Purposes	2,643,601	2,387,135	2,191,572	1,877,242	1,663,223
Unrestricted (Deficit)	(6,980,964)	(8,022,270)	(6,579,324)	(6,559,669)	(7,383,558)
SUBTOTAL GOVERNMENTAL ACTIVITIES NET POSITION	2,406,740	363,598	1,277,253	844,052	(536,792)
BUSINESS-TYPE ACTIVITIES					
Net Investment in Capital Assets	14,515,311	14,032,397	12,798,720	11,990,919	11,489,529
Restricted Net Position					
Capital Projects	--	--	--	143,033	138,759
Debt Service	848,900	797,375	1,172,984	1,086,557	1,118,078
Special Purposes	1,352,280	1,204,517	2,248,391	2,177,049	2,203,721
Unrestricted	4,086,882	3,680,122	3,481,621	3,625,643	3,169,708
SUBTOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	20,803,373	19,714,411	19,701,716	19,023,201	18,119,795
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	20,405,619	19,732,209	18,183,782	17,258,779	16,249,901
Restricted Net Position					
Capital Projects	474,603	90,884	98,258	239,510	239,594
Debt Service	1,228,092	1,005,412	1,354,669	1,248,699	1,440,414
Special Purpose	3,995,881	3,591,652	4,439,963	4,054,291	3,866,944
Unrestricted (Deficit)	(2,894,082)	(4,342,148)	(3,097,703)	(2,934,026)	(4,213,850)
TOTAL PRIMARY GOVERNMENT NET POSITION	\$ 23,210,113	\$ 20,078,009	\$ 20,978,969	\$ 19,867,253	\$ 17,583,003



CITY OF LOS ANGELES
Changes in Net Position
Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2024	2023	2022	2021	2020
EXPENSES					
Governmental Activities					
General Government	\$ 2,120,582	\$ 2,331,602	\$ 1,726,188	\$ 1,935,804	\$ 1,686,640
Protection of Persons and Property	4,112,076	3,632,760	2,624,309	3,990,018	3,660,482
Public Works	747,430	642,030	513,475	587,359	580,169
Health and Sanitation	764,082	735,974	552,619	677,878	634,141
Transportation	679,861	641,789	563,804	577,318	580,613
Cultural and Recreational Services	880,238	822,487	713,767	704,490	746,670
Community Development	1,775,525	988,699	987,179	909,542	657,301
Interest on Long-Term Debt	172,352	154,114	98,054	99,628	135,580
Subtotal Governmental Activities Expenses	<u>11,252,146</u>	<u>9,949,455</u>	<u>7,779,395</u>	<u>9,482,037</u>	<u>8,681,596</u>
Business-Type Activities					
Airports	2,204,192	2,050,387	1,742,407	1,558,137	1,684,907
Harbor	461,058	539,951	462,493	453,024	461,393
Power	4,469,614	4,698,985	4,370,903	3,886,405	3,816,543
Water	1,538,667	1,476,345	1,487,767	1,293,737	1,184,170
Sewer	756,820	793,809	669,062	627,866	669,193
Convention Center	65,864	55,917	43,337	36,847	52,138
Subtotal Business-type Activities Expenses	<u>9,496,215</u>	<u>9,615,394</u>	<u>8,775,969</u>	<u>7,856,016</u>	<u>7,868,344</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	20,748,361	19,564,849	16,555,364	17,338,053	16,549,940
PROGRAM REVENUES					
Governmental Activities					
Charges for Services					
General Government	273,031	302,757	139,567	243,716	249,774
Protection of Persons and Property	674,719	629,643	764,516	575,127	691,176
Public Works	201,794	261,685	302,181	262,553	264,334
Health and Sanitation	510,336	502,944	497,516	484,383	506,121
Transportation	116,625	120,712	121,011	98,855	138,652
Cultural and Recreational Services	243,932	246,746	195,270	157,638	167,934
Community Development	239,734	255,808	215,229	171,533	186,120
Operating Grants and Contributions	1,550,919	1,857,329	2,086,187	2,123,367	1,331,396
Capital Grants and Contributions	126,031	136,257	99,390	99,905	153,045
Subtotal Governmental Activities Program Revenues	<u>3,937,121</u>	<u>4,313,881</u>	<u>4,420,867</u>	<u>4,217,077</u>	<u>3,688,552</u>
Business-type Activities					
Charges for Services					
Airports	1,958,111	1,752,855	1,407,938	1,072,156	1,365,494
Harbor	707,040	656,400	627,842	572,011	467,666
Power	4,825,368	4,958,539	4,593,760	4,268,478	3,807,291
Water	1,635,533	1,661,278	1,606,678	1,463,781	1,275,067
Sewer	704,175	775,945	739,666	788,755	752,727
Convention Center	53,366	49,972	33,606	18,897	39,502
Operating Grants and Contributions	80,216	119,074	367,456	--	--
Capital Grants and Contributions	507,112	616,983	211,269	554,659	226,943
Subtotal Business-type Activities Program Revenues	<u>10,470,921</u>	<u>10,591,046</u>	<u>9,588,215</u>	<u>8,738,737</u>	<u>7,934,690</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	14,408,042	14,904,927	14,009,082	12,955,814	11,623,242

Continued...

CITY OF LOS ANGELES

**Changes in Net Position
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Year				
	2019	2018	2017	2016	2015
EXPENSES					
Governmental Activities					
General Government	\$ 1,409,022	\$ 1,380,143	\$ 1,480,735	\$ 1,348,442	\$ 1,240,898
Protection of Persons and Property	3,176,379	3,209,073	3,348,298	2,797,651	2,872,296
Public Works	468,463	485,045	411,168	235,840	422,558
Health and Sanitation	605,078	496,132	478,040	504,364	467,548
Transportation	532,348	504,166	506,782	420,799	406,573
Cultural and Recreational Services	714,265	682,076	556,152	595,454	541,758
Community Development	295,571	216,225	242,636	187,453	169,121
Interest on Long-Term Debt	146,491	127,970	124,364	131,893	146,896
Subtotal Governmental Activities Expenses	<u>7,347,617</u>	<u>7,100,830</u>	<u>7,148,175</u>	<u>6,221,896</u>	<u>6,267,648</u>
Business-Type Activities					
Airlines	1,483,713	1,388,201	1,284,299	1,174,620	1,092,463
Harbor	408,602	410,133	412,315	398,954	379,809
Power	3,916,279	3,429,928	3,414,456	3,229,174	3,204,535
Water	1,158,635	1,053,783	1,049,397	1,039,575	1,037,652
Sewer	678,253	568,199	577,240	584,971	513,226
Convention Center	62,846	59,408	53,686	49,531	43,871
Subtotal Business-type Activities Expenses	<u>7,708,328</u>	<u>6,909,652</u>	<u>6,791,393</u>	<u>6,476,825</u>	<u>6,271,556</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>15,055,945</u>	<u>14,010,482</u>	<u>13,939,568</u>	<u>12,698,721</u>	<u>12,539,204</u>
PROGRAM REVENUES					
Governmental Activities					
Charges for Services					
General Government	251,549	290,901	8,265	96,117	285,973
Protection of Persons and Property	650,442	540,702	600,720	520,550	439,901
Public Works	242,493	177,530	232,095	253,103	182,758
Health and Sanitation	554,868	480,670	565,941	600,117	494,420
Transportation	116,704	206,240	186,386	179,288	151,813
Cultural and Recreational Services	202,485	214,499	203,719	179,046	160,736
Community Development	176,811	150,932	194,568	183,890	139,509
Operating Grants and Contributions	1,697,057	866,203	774,953	827,258	834,075
Capital Grants and Contributions	136,649	152,315	145,509	123,757	42,705
Subtotal Governmental Activities Program Revenues	<u>4,029,058</u>	<u>3,079,992</u>	<u>2,912,156</u>	<u>2,963,126</u>	<u>2,731,890</u>
Business-type Activities					
Charges for Services					
Airlines	1,537,949	1,446,226	1,372,730	1,285,816	1,121,584
Harbor	506,427	490,760	474,532	441,249	446,895
Power	4,070,930	3,804,221	3,697,924	3,517,040	3,336,963
Water	1,253,503	1,190,181	1,118,547	1,131,777	1,082,581
Sewer	694,963	677,886	634,060	613,092	594,024
Convention Center	50,996	50,174	47,173	44,311	36,158
Operating Grants and Contributions	--	--	--	--	--
Capital Grants and Contributions	144,066	153,892	186,635	232,183	270,637
Subtotal Business-type Activities Program Revenues	<u>8,258,834</u>	<u>7,813,340</u>	<u>7,531,601</u>	<u>7,265,468</u>	<u>6,888,842</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>12,287,892</u>	<u>10,893,332</u>	<u>10,443,757</u>	<u>10,228,594</u>	<u>9,620,732</u>

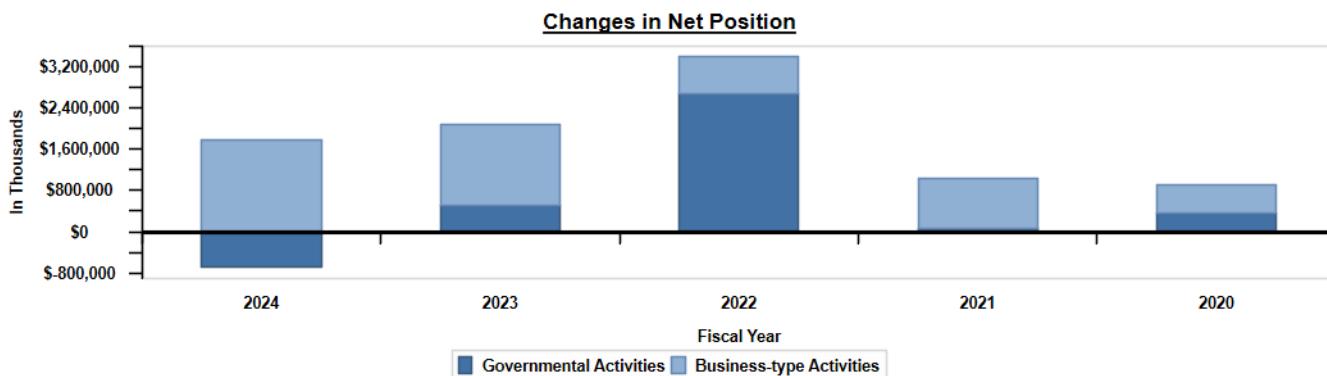
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CITY OF LOS ANGELES
Changes in Net Position
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2024	2023	2022	2021	2020
NET (EXPENSE)/REVENUE					
Governmental Activities	\$ (7,315,025)	\$ (5,635,574)	\$ (3,358,528)	\$ (5,264,960)	\$ (4,993,044)
Business-type Activities	974,706	975,652	812,246	882,721	66,346
TOTAL PRIMARY GOVERNMENT NET EXPENSE	(6,340,319)	(4,659,922)	(2,546,282)	(4,382,239)	(4,926,698)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental Activities					
Taxes					
Property Taxes	2,942,568	2,819,290	2,628,691	2,551,138	2,374,311
Utility Users Taxes	660,823	698,003	634,186	604,106	642,036
Business Taxes	832,888	626,620	1,019,226	743,877	677,241
Sales Taxes	677,032	704,815	693,438	560,962	534,631
Other Taxes	1,023,314	935,405	842,715	564,069	706,645
Unrestricted Grants and Contributions					
Other	38,430	49,341	35,874	41,161	24,703
Unrestricted Investment Earnings (Losses)	144,309	36,818	(110,102)	(4,485)	94,910
Other General Revenues	71,456	40,446	71,551	42,389	64,767
Transfers	244,695	232,043	225,015	218,355	229,913
Extraordinary Items					
Transfer of Assets from CRA	--	--	--	--	--
Subtotal Governmental Activities	6,635,515	6,142,781	6,040,594	5,321,572	5,349,157
Business-Type Activities					
Unrestricted Investment Earnings (Losses)	426,586	154,710	(281,224)	125	322,371
Other	625,660	663,168	409,490	304,402	398,696
Transfers	(244,695)	(232,043)	(225,015)	(218,355)	(229,913)
Special Item	--	--	--	--	--
Extraordinary Item	--	--	--	--	--
Subtotal Business-type Activities	807,551	585,835	(96,749)	86,172	491,154
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	7,443,066	6,728,616	5,943,845	5,407,744	5,840,311
CHANGES IN NET POSITION					
Governmental Activities					
(679,510)	507,207	2,682,066	56,612	356,113	
Business-Type Activities	1,782,257	1,561,487	715,497	968,893	557,500
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 1,102,747	\$ 2,068,694	\$ 3,397,563	\$ 1,025,505	\$ 913,613

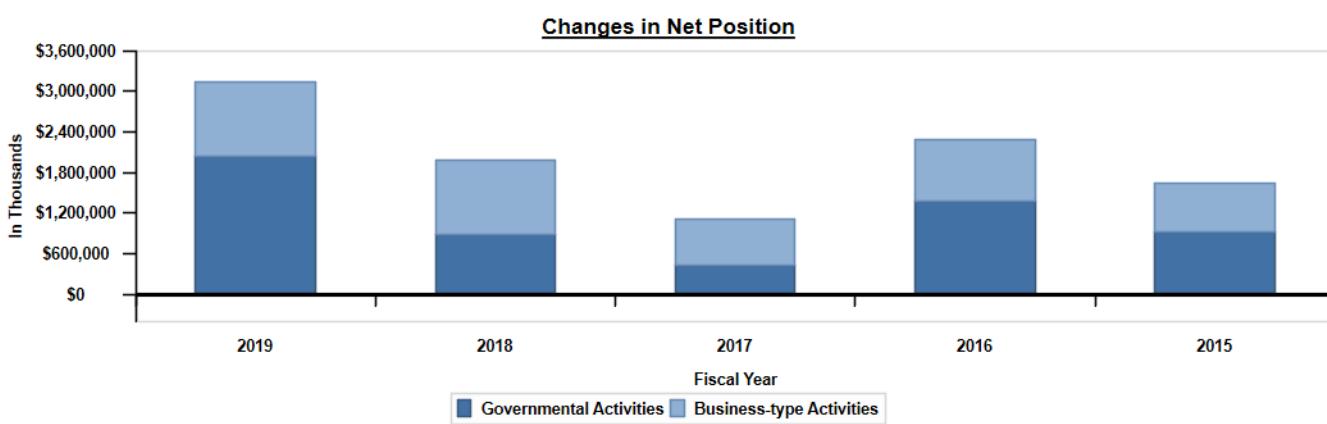
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Note: GASB Statement No. 68, 75, 84, 87, 94 and 96 were implemented in fiscal years 2015, 2018, 2020, 2022 and 2023, respectively. Prior year amounts have not been restated for the implementation of these standards.



CITY OF LOS ANGELES
Changes in Net Position
Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year				
	2019	2018	2017	2016	2015
NET (EXPENSE)/REVENUE					
Governmental Activities	\$ (3,318,559)	\$ (4,020,838)	\$ (4,236,019)	\$ (3,258,770)	\$ (3,535,758)
Business-type Activities	550,506	903,688	740,208	788,643	617,286
TOTAL PRIMARY GOVERNMENT NET EXPENSE	(2,768,053)	(3,117,150)	(3,495,811)	(2,470,127)	(2,918,472)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental Activities:					
Taxes					
Property Taxes	2,251,463	2,108,154	1,991,949	1,844,945	1,782,124
Utility Users Taxes	621,192	614,335	629,952	613,748	637,248
Business Taxes	607,786	542,349	433,985	610,467	541,844
Sales Taxes	607,211	517,495	538,651	538,123	494,685
Other Taxes	819,807	802,548	727,376	660,072	625,889
Unrestricted Grants and Contributions					
Other	22,001	22,053	16,758	8,009	16,421
Unrestricted Investment Earnings	86,819	7,142	1,291	39,737	20,724
Other General Revenues	112,865	57,051	63,831	57,531	81,303
Transfers	232,557	241,848	265,427	266,982	260,586
Extraordinary Items					
Transfer of Assets from CRA	--	--	--	--	4,855
Subtotal Governmental Activities	5,361,701	4,912,975	4,669,220	4,639,614	4,465,679
Business-Type Activities:					
Unrestricted Investment Earnings	281,122	54,763	32,997	129,316	86,367
Other	489,891	377,160	386,934	252,429	275,885
Transfers	(232,557)	(241,848)	(265,427)	(266,982)	(260,586)
Special Item	--	--	(225,347)	--	--
Extraordinary Item	--	--	9,150	--	--
Subtotal Business-type Activities	538,456	190,075	(61,693)	114,763	101,666
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	5,900,157	5,103,050	4,607,527	4,754,377	4,567,345
CHANGES IN NET POSITION					
Governmental Activities	2,043,142	892,137	433,201	1,380,844	929,921
Business-Type Activities	1,088,962	1,093,763	678,515	903,406	718,952
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 3,132,104	\$ 1,985,900	\$ 1,111,716	\$ 2,284,250	\$ 1,648,873

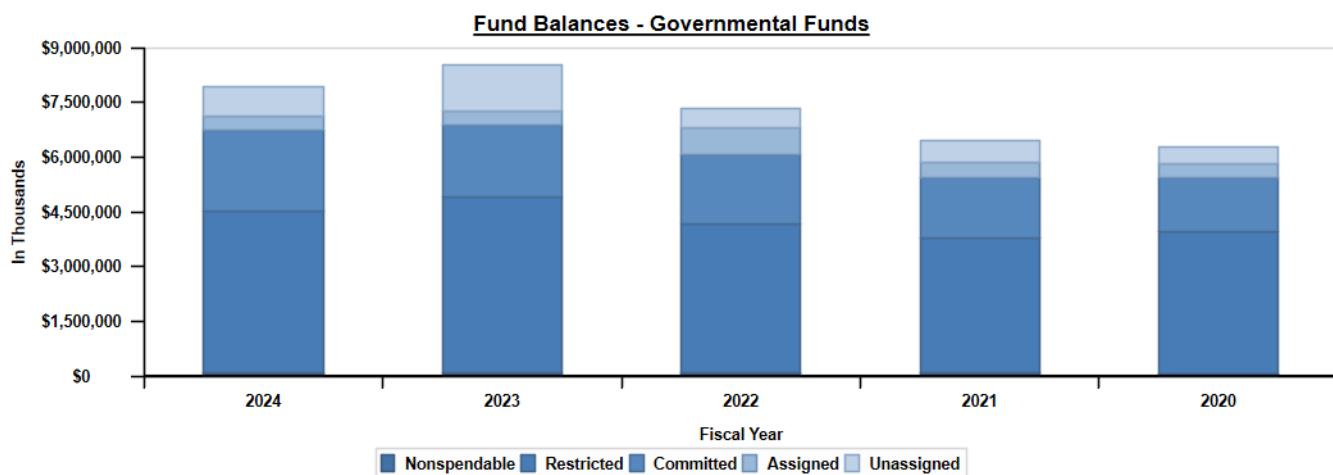


CITY OF LOS ANGELES

**Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Year				
	2024	2023	2022	2021	2020
GENERAL FUND					
Nonspendable	\$ 75,176	\$ 69,936	\$ 66,495	\$ 61,168	\$ 62,895
Committed	93,011	52,600	85,078	71,733	37,386
Assigned	377,040	397,413	724,278	426,654	356,167
Unassigned	892,421	1,333,631	621,843	664,422	535,681
SUBTOTAL GENERAL FUND	1,437,648	1,853,580	1,497,694	1,223,977	992,129
ALL OTHER GOVERNMENTAL FUNDS					
Nonspendable	27,181	24,076	21,901	19,473	10,771
Restricted	4,440,718	4,821,912	4,089,885	3,723,738	3,888,937
Committed	2,121,928	1,910,869	1,810,604	1,563,121	1,458,310
Assigned	2,947	2,844	2,814	2,938	3,982
Unassigned	(97,337)	(62,796)	(92,822)	(60,562)	(60,438)
SUBTOTAL ALL OTHER GOVERNMENTAL FUNDS	6,495,437	6,696,905	5,832,382	5,248,708	5,301,562
ALL GOVERNMENTAL FUNDS					
Nonspendable	102,357	94,012	88,396	80,641	73,666
Restricted	4,440,718	4,821,912	4,089,885	3,723,738	3,888,937
Committed	2,214,939	1,963,469	1,895,682	1,634,854	1,495,696
Assigned	379,987	400,257	727,092	429,592	360,149
Unassigned	795,084	1,270,835	529,021	603,860	475,243
TOTAL ALL GOVERNMENTAL FUNDS	\$ 7,933,085	\$ 8,550,485	\$ 7,330,076	\$ 6,472,685	\$ 6,293,691

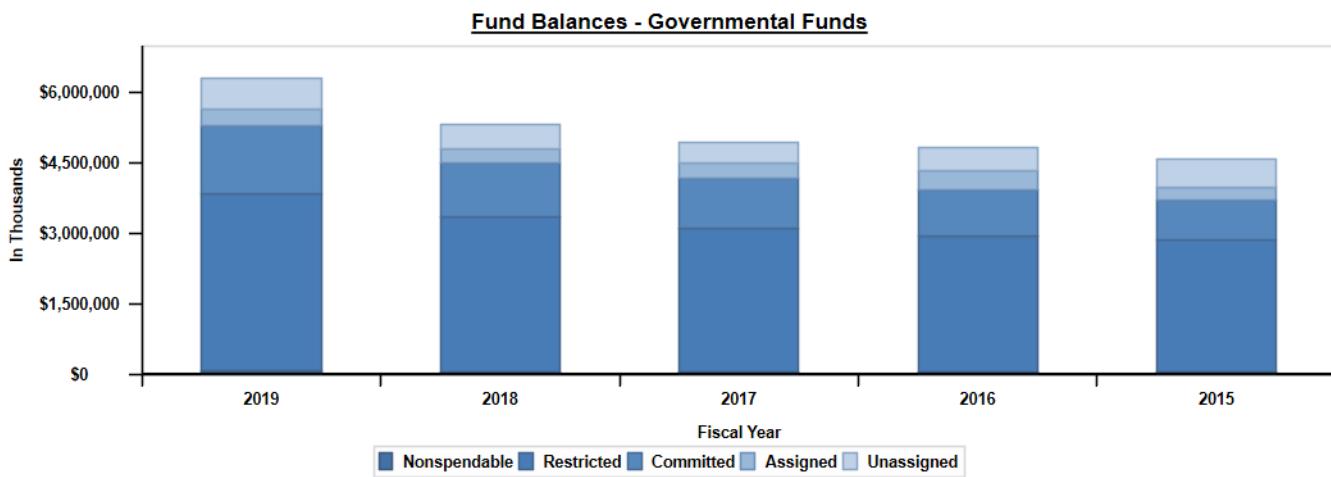
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CITY OF LOS ANGELES

**Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Year				
	2019	2018	2017	2016	2015
GENERAL FUND					
Nonspendable	\$ 55,348	\$ 41,823	\$ 45,480	\$ 44,210	\$ 42,146
Committed	33,092	25,151	9,723	1,296	2,457
Assigned	334,195	289,080	304,482	392,418	253,388
Unassigned	683,406	573,161	526,543	590,441	647,558
SUBTOTAL GENERAL FUND	1,106,041	929,215	886,228	1,028,365	945,549
ALL OTHER GOVERNMENTAL FUNDS					
Nonspendable	10,025	8,833	8,884	8,893	10,473
Restricted	3,780,744	3,313,393	3,045,932	2,880,111	2,806,864
Committed	1,428,812	1,129,752	1,080,301	1,000,834	862,471
Assigned	1,843	1,770	153	15	14
Unassigned	(15,207)	(55,447)	(72,758)	(96,668)	(50,270)
SUBTOTAL ALL OTHER GOVERNMENTAL FUNDS	5,206,217	4,398,301	4,062,512	3,793,185	3,629,552
ALL GOVERNMENTAL FUNDS					
Nonspendable	65,373	50,656	54,364	53,103	52,619
Restricted	3,780,744	3,313,393	3,045,932	2,880,111	2,806,864
Committed	1,461,904	1,154,903	1,090,024	1,002,130	864,928
Assigned	336,038	290,850	304,635	392,433	253,402
Unassigned	668,199	517,714	453,785	493,773	597,288
TOTAL ALL GOVERNMENTAL FUNDS	\$ 6,312,258	\$ 5,327,516	\$ 4,948,740	\$ 4,821,550	\$ 4,575,101



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				
	2024	2023	2022	2021	2020
REVENUES					
Taxes	\$ 6,186,421	\$ 5,950,252	\$ 5,553,699	\$ 4,990,767	\$ 4,897,805
Licenses and Permits	76,722	91,570	97,301	89,661	101,810
Intergovernmental	1,624,833	1,935,773	2,256,069	2,037,881	1,181,220
Charges for Services	1,552,356	1,472,545	1,432,769	1,265,196	1,397,862
Services to Enterprise Funds	384,586	388,888	332,381	336,153	375,175
Fines	119,368	134,723	129,863	104,907	119,972
Special Assessments	168,255	172,201	151,865	134,223	147,799
Investment Earnings (Losses)	339,560	59,120	(284,555)	(36,801)	267,449
Other	153,070	173,569	146,385	169,086	146,148
TOTAL REVENUES	10,605,171	10,378,641	9,815,777	9,091,073	8,635,240
EXPENDITURES					
General Government	1,971,771	1,731,814	1,636,073	1,555,165	1,596,223
Protection of Persons and Property	4,229,076	3,858,849	3,844,946	3,745,662	3,686,179
Public Works	663,477	546,580	479,912	444,853	482,006
Health and Sanitation	678,721	638,682	537,022	577,572	553,694
Transportation	609,607	557,261	512,520	484,973	514,264
Cultural and Recreational Services	794,376	741,844	681,816	593,209	656,045
Community Development	1,745,597	966,485	990,688	879,769	637,264
Capital Outlay	619,525	444,717	420,068	611,105	507,531
Debt Service					
Principal	535,299	317,307	500,814	473,753	338,584
Interest	171,738	134,451	88,620	95,206	130,386
Cost of Issuance	2,342	2,006	3,084	3,346	735
Payment to Refunded Bond Escrow Agent	--	--	--	--	--
TOTAL EXPENDITURES	12,021,529	9,939,996	9,695,563	9,464,613	9,102,911
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,416,358)	438,645	120,214	(373,540)	(467,671)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,289,209	1,448,526	2,078,886	1,458,925	1,113,738
Transfers Out	(1,044,514)	(1,216,483)	(1,853,871)	(1,240,570)	(883,825)
Issuance of Long-Term Debt	293,490	523,435	291,940	182,088	187,845
Loans from Financed Purchase	--	--	--	--	--
Loans from HUD	--	--	--	--	--
Premium on Issuance of Long-Term Debt	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)	--
Proceeds of Refunding Loan	--	--	--	--	--
Lease and Subscription Liabilities Issued	41,809	20,688	21,769	--	--
TOTAL OTHER FINANCING SOURCES (USES)	798,958	781,764	737,177	552,534	417,758
EXTRAORDINARY ITEMS					
Transfer of Assets from CRA	--	--	--	--	--
TOTAL EXTRAORDINARY ITEMS	--	--	--	--	--
NET CHANGE IN FUND BALANCES	\$ (617,400)	\$ 1,220,409	\$ 857,391	\$ 178,994	\$ (49,913)
DEBT SERVICE AS A PERCENTAGE OF NON-CAPITAL EXPENDITURES	6.2 %	4.8 %	6.4 %	6.4 %	5.4 %

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CITY OF LOS ANGELES

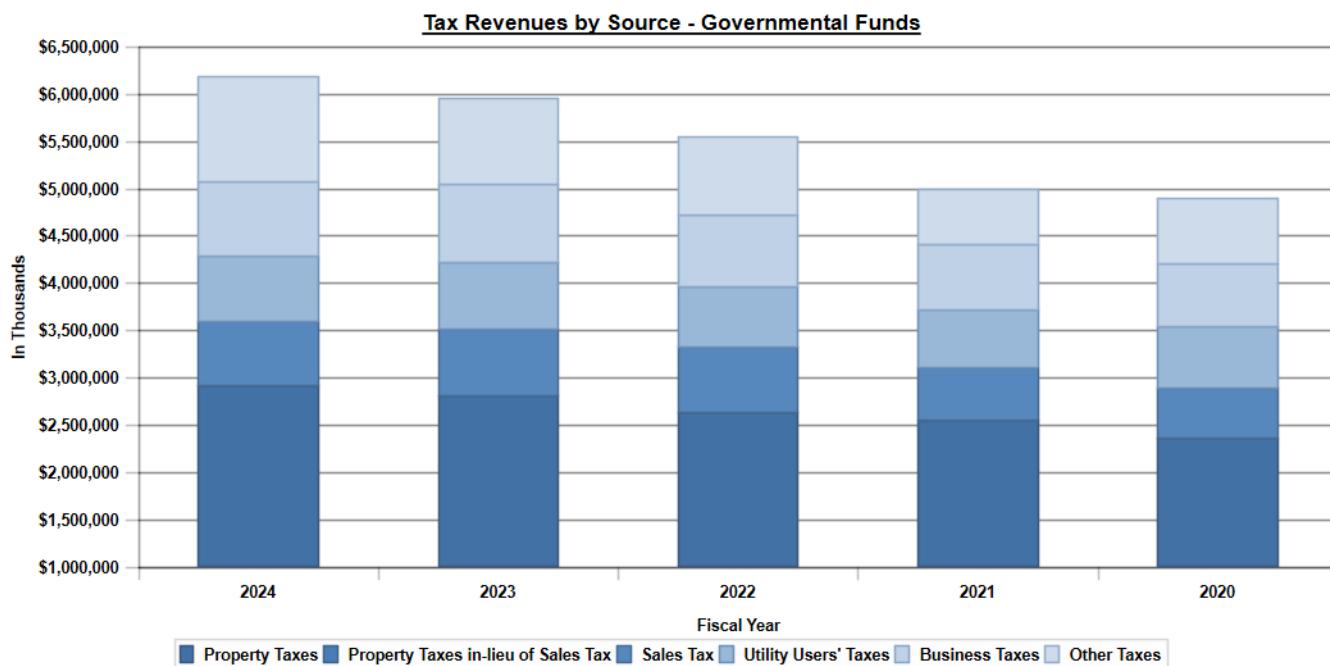
**Changes in Fund Balances - Governmental Funds
Modified Accrual Basis of Accounting - (Continued)
Last Ten Fiscal Years
(amounts expressed in thousands)**

	Fiscal Year				
	2019	2018	2017	2016	2015
REVENUES					
Taxes	\$ 4,867,801	\$ 4,584,006	\$ 4,392,121	\$ 4,163,430	\$ 4,016,005
Licenses and Permits	110,289	103,485	97,096	85,910	74,428
Intergovernmental	1,127,369	986,991	805,064	860,867	783,412
Charges for Services	1,399,841	1,267,718	1,221,306	1,209,467	1,456,007
Services to Enterprise Funds	334,185	325,183	335,416	326,481	278,875
Fines	149,096	147,224	153,014	159,254	164,137
Special Assessments	154,572	147,387	146,113	140,994	132,239
Investment Earnings (Losses)	219,097	75,848	56,535	88,844	48,735
Other	220,104	96,593	108,633	160,957	194,408
TOTAL REVENUES	8,582,354	7,734,435	7,315,298	7,196,204	7,148,246
EXPENDITURES					
General Government	1,373,924	1,357,581	1,379,386	1,339,233	1,354,114
Protection of Persons and Property	3,540,565	3,397,912	3,261,974	3,166,098	3,097,860
Public Works	409,688	413,393	414,443	361,380	399,365
Health and Sanitation	554,102	475,410	471,576	487,570	492,721
Transportation	484,307	452,610	434,815	378,821	390,155
Cultural and Recreational Services	646,414	599,560	490,530	512,474	496,172
Community Development	285,920	206,704	245,596	189,865	199,420
Capital Outlay	609,672	513,595	506,648	474,868	425,267
Debt Service					
Principal	523,918	376,188	298,189	465,129	452,305
Interest	139,617	121,139	120,357	139,030	145,663
Cost of Issuance	2,791	2,538	2,818	6,225	2,107
Payment to Refunded Bond Escrow Agent	50,252	--	--	--	--
TOTAL EXPENDITURES	8,621,170	7,916,630	7,626,332	7,520,693	7,455,149
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES					
	(38,816)	(182,195)	(311,034)	(324,489)	(306,903)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,113,917	1,023,374	992,041	1,117,660	1,100,486
Transfers Out	(881,360)	(781,526)	(726,614)	(850,678)	(839,900)
Issuance of Long-Term Debt	481,770	241,370	172,298	117,369	209,058
Loans from Financed Purchase	78,393	--	--	--	--
Loans from HUD	217	4,005	1,827	2,500	2,102
Premium on Issuance of Long-Term Debt	18,319	582	--	150,216	4,629
Issuance of Refunding Bonds	234,460	193,225	143,815	1,102,920	76,670
Premium on Issuance of Refunding Bonds	34,854	27,027	--	--	17,682
Payment to Refunding Bond Escrow Agent	(70,661)	(146,932)	(142,256)	(1,084,399)	(155,196)
Proceeds of Refunding Loan	--	--	--	--	51,730
Lease and Subscription Liabilities Issued	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	1,009,909	561,125	441,111	555,588	467,261
EXTRAORDINARY ITEMS					
Transfer of Assets from CRA	--	--	--	--	4,855
TOTAL EXTRAORDINARY ITEMS	--	--	--	--	4,855
NET CHANGE IN FUND BALANCES					
	\$ 971,093	\$ 378,930	\$ 130,077	\$ 231,099	\$ 165,213
DEBT SERVICE AS A PERCENTAGE OF NON-CAPITAL EXPENDITURES					
	8.3 %	6.8 %	5.8 %	8.8 %	8.5 %

CITY OF LOS ANGELES
Tax Revenues by Source - Governmental Funds
Modified Accrual Basis of Accounting
Last Ten Fiscal Years
(amounts expressed in thousands)

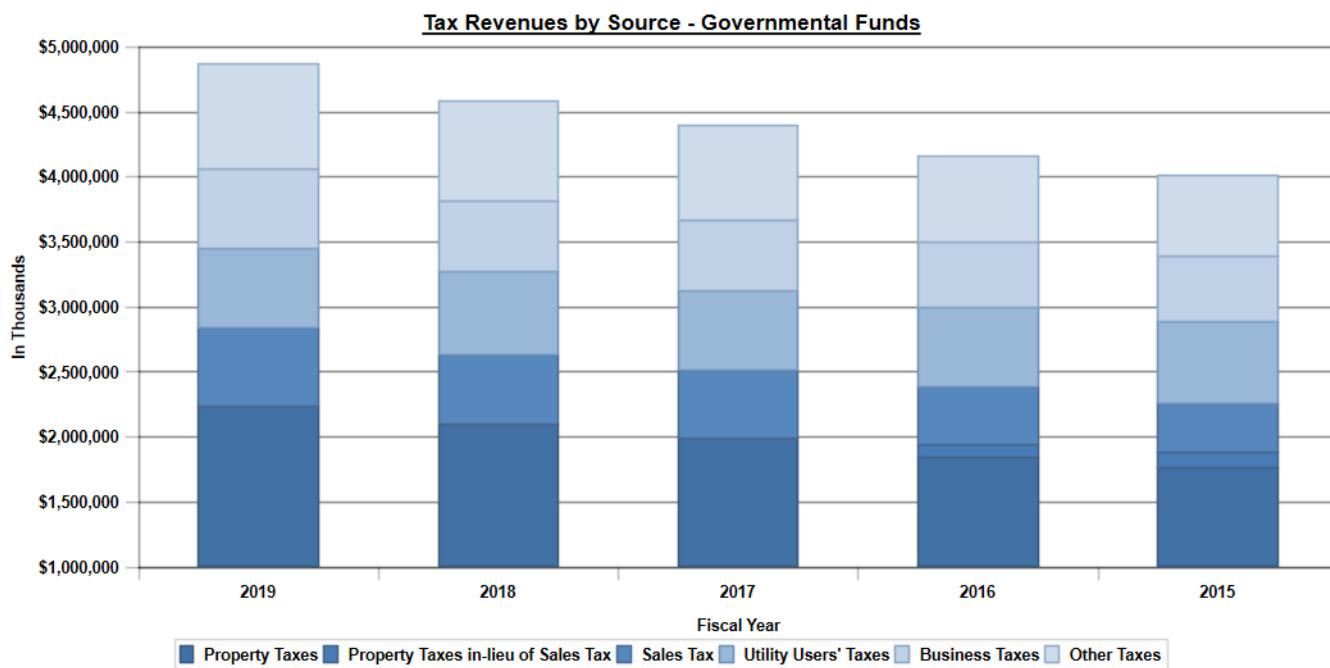
	Fiscal Year					
	Percent of Change 2015-					
	2024	2024	2023	2022	2021	2020
Property Taxes	\$ 2,925,585	66 %	\$ 2,816,768	\$ 2,632,145	\$ 2,551,219	\$ 2,358,299
Property Tax In-lieu of Sales Tax	--	(100)	--	--	--	--
Sales Taxes	676,722	82	704,915	694,218	562,217	536,362
Utility Users Taxes	684,071	7	705,538	632,433	610,946	643,564
Business Taxes	782,139	56	817,325	756,960	686,520	668,035
Other Taxes	1,117,904	80	905,706	837,943	579,865	691,545
TOTAL REVENUES	\$ 6,186,421	54	\$ 5,950,252	\$ 5,553,699	\$ 4,990,767	\$ 4,897,805

Continued...



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				
	2019	2018	2017	2016	2015
Property Taxes	\$ 2,243,485	\$ 2,103,053	\$ 1,992,582	\$ 1,844,440	\$ 1,761,960
Property Tax In-lieu of Sales Tax	--	--	--	100,348	121,903
Sales Taxes	596,465	534,236	521,910	437,775	372,782
Utility Users Taxes	606,369	640,711	611,160	614,814	637,318
Business Taxes	617,169	534,994	546,494	507,635	500,774
Other Taxes	804,313	771,012	719,975	658,418	621,268
TOTAL REVENUES	\$ 4,867,801	\$ 4,584,006	\$ 4,392,121	\$ 4,163,430	\$ 4,016,005



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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

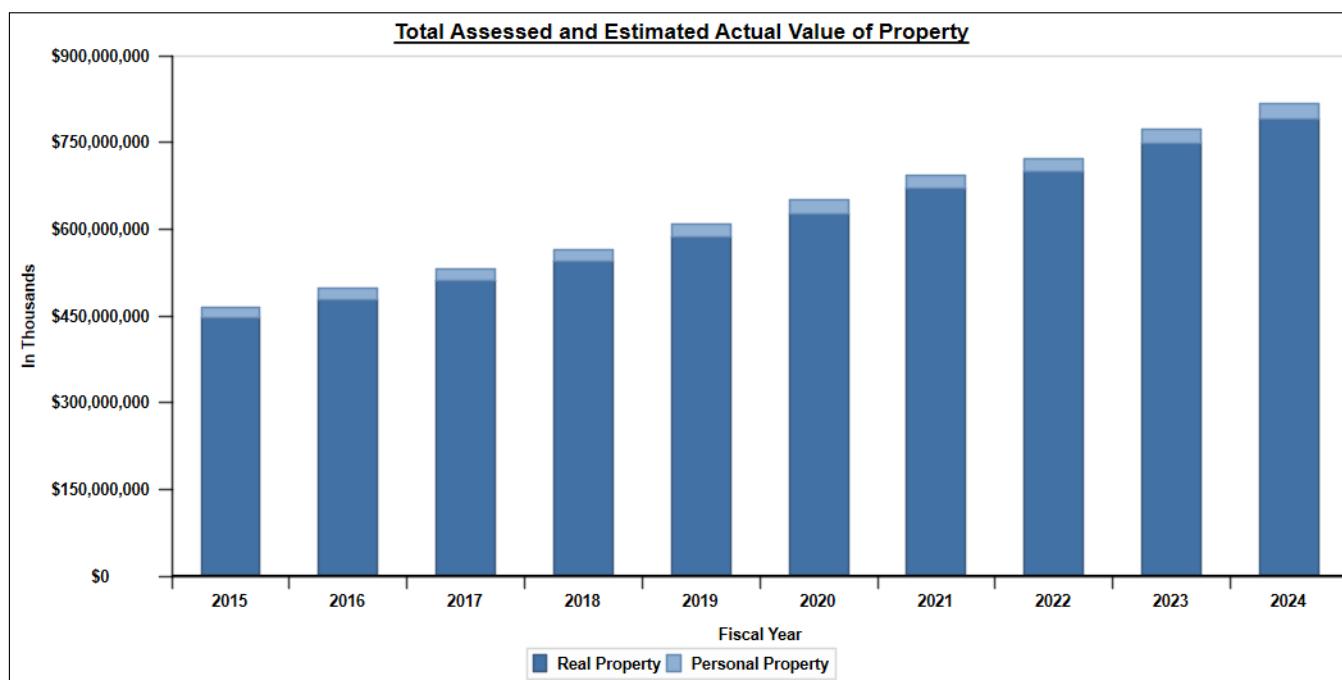
Fiscal Year	Assessed and Estimated Actual Value⁽¹⁾			Percent of Average Annual Growth	Total Direct Tax Rate⁽³⁾ (per \$1,000 of assessed value)	Assessed Value Per Capita (\$ 000's)
	Real Property⁽²⁾ (\$ 000's)	Personal Property (\$ 000's)	Total (\$ 000's)			
2024	\$ 791,737,989	\$ 25,900,086	\$ 817,638,075	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
2015	446,417,768	18,002,725	464,420,493	6.04	1.028096	117

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.

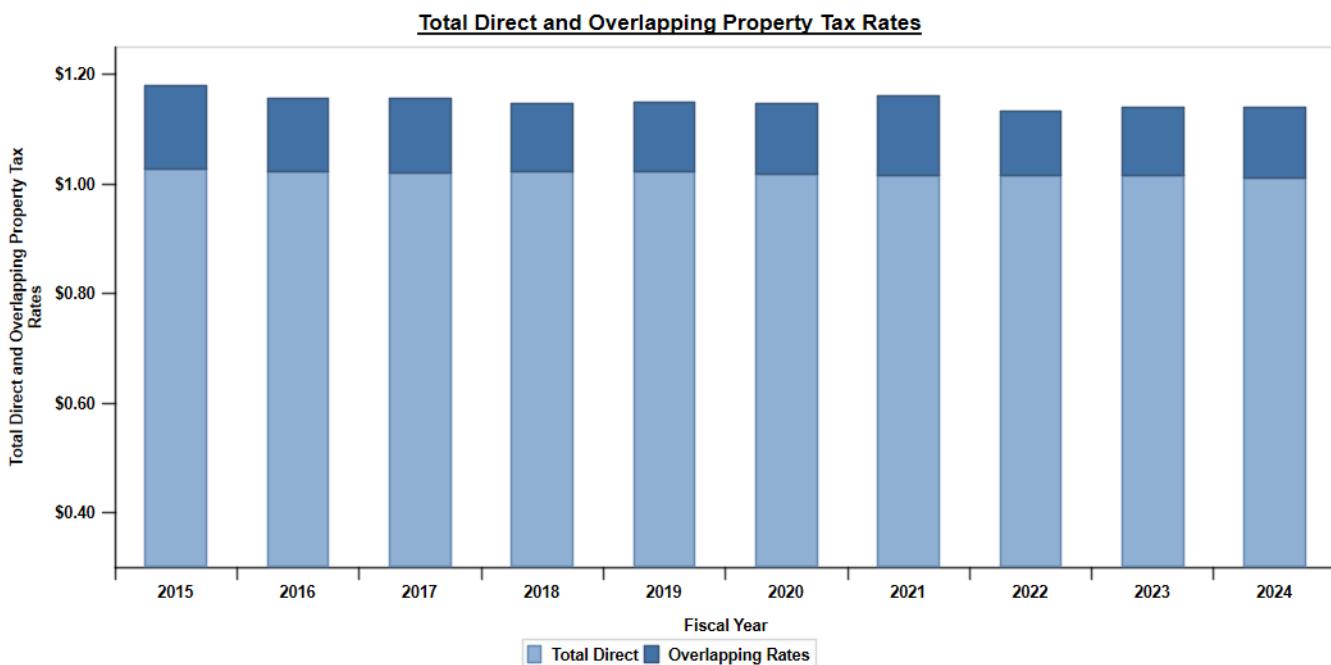


CITY OF LOS ANGELES
Direct and Overlapping Property Tax Rates
Tax Rate Area No. 4^(a)
Last Ten Fiscal Years

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	
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
2015	1.000000	0.028096	1.028096	0.146881	0.003500	1.178477

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**

Taxpayer	2024			2015		
	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	\$ 2,976,972,693	1	0.38 %	\$ 2,480,013,871	1	0.56 %
Essex Portfolio LP	1,527,023,163	2	0.19			
Century City Mall LLC	1,135,220,987	3	0.14			
Next Century Partners LLC	1,097,659,368	4	0.14			
Phillips 66	1,024,112,286	5	0.13	774,119,463	4	0.17
FSP South Flower Street	1,003,714,148	6	0.13			
Valero Energy Corporation	977,158,942	7	0.12	828,316,149	3	0.19
CJDB LLC	967,010,182	8	0.12			
Marathon Petroleum	938,036,274	9	0.12			
Hanjin International Corp.	891,027,387	10	0.11			
Anheuser Busch Inc	--		--	850,297,393	2	0.19
Donald T. Sterling				705,697,658	5	0.16
BRE Properties Inc.				615,459,124	6	0.14
One Hundred Towers, LLC				608,018,860	7	0.14
Tishman Speyer Archstone Smith				573,604,386	8	0.13
Tesoro Corporation				571,942,203	9	0.13
APM Terminals Pacific Ltd.				550,437,546	10	0.12
TOTAL	\$ 12,537,935,430		1.58 %	\$ 8,557,906,653		1.92 %
Total City Secured Assessed Valuation*	\$ 791,737,988,590			\$ 446,417,767,947		

Source: California Municipal Statistics Inc.

Taxpayers' Guides, 2023-2024 and 2014-2015.

* Assessed at 100% of estimated actual value. Includes State assessed valuation.

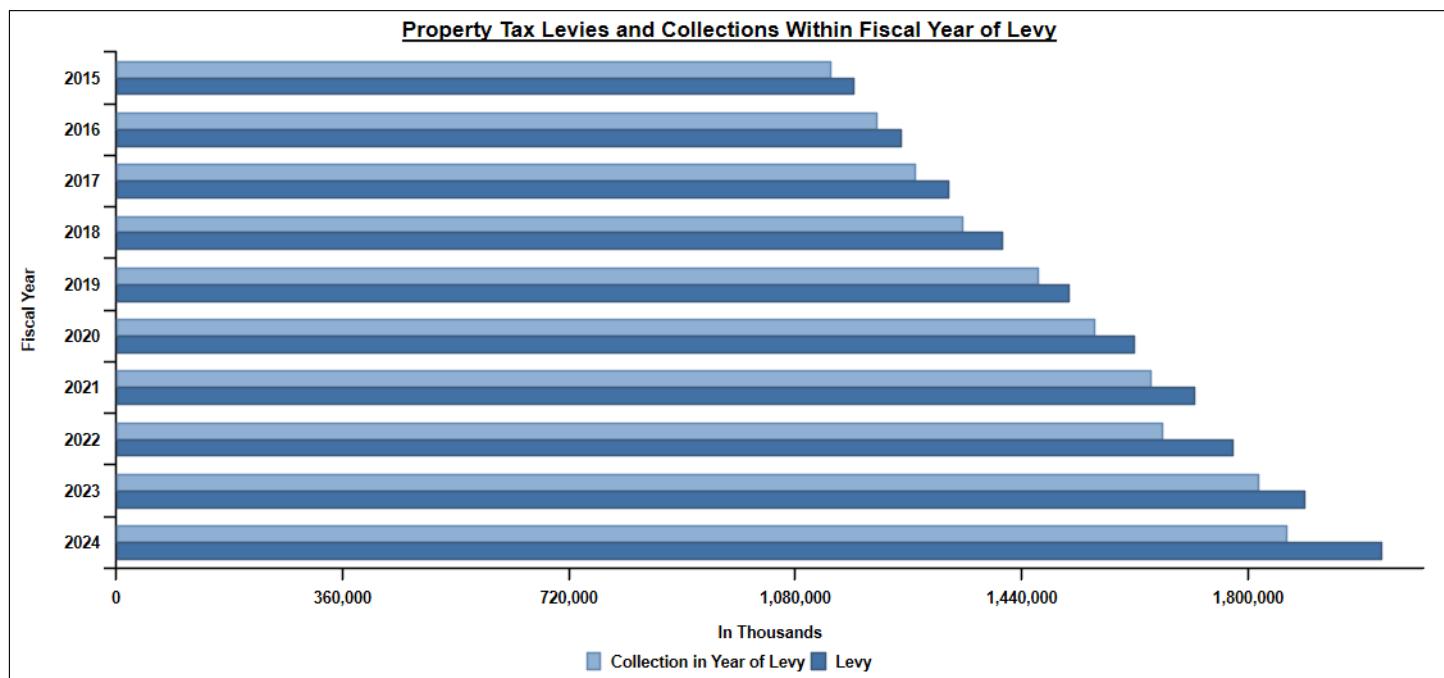
CITY OF LOS ANGELES
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

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)
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
2015	1,172,231	1,137,005	96.99	8,237	1,145,242	97.70

(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	
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	
2015	7,311	15,741	2,330	25,382	0.14	0.14	

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
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
2015	1,363	123	7	1,493

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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)

Fiscal Year Ended June 30	Governmental Activities							Lease and Subscription Obligations
	General Obligation Bonds	Judgment Obligation Bonds	Lease Revenue Bonds	Commercial Paper	Revenue Bonds	Loans Payable ¹		
2024	\$ 960,246	\$ --	\$ 1,468,270	\$ 210,785	\$ 310,152	\$ 21,644	\$ 142,384	
2023	1,054,340	--	1,415,005	322,600	138,182	49,915	143,425	
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	--	
2015	952,278	38,476	1,709,297	240,506	262,763	144,075	--	

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)

Business-Type Activities

Fiscal Year Ended June 30	PPP						Percentage of Personal Income⁽¹⁾	Per Capita⁽²⁾
	Revenue Bonds	Commercial Paper	Loans Payable	Lease and Subscription Obligations	Availability Arrangement Obligations	Total Primary Government		
2024	\$ 34,953,361	\$ 664,951	\$ 761,107	\$ 166,080	\$ 584,131	\$ 40,243,111	N/A %	\$ 10,551
2023	34,998,723	428,565	762,368	172,526	593,905	40,079,554	5.30	10,535
2022	33,541,553	232,940	784,416	97,684	--	37,528,394	3.81	9,869
2021	30,467,657	243,341	740,084	--	--	34,228,569	4.70	8,883
2020	28,093,772	93,197	803,411	--	--	31,934,783	4.70	7,962
2019	27,536,607	99,791	726,867	--	--	31,491,082	4.82	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
2015	21,017,668	200,000	544,743	--	--	25,109,806	4.48	6,321

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

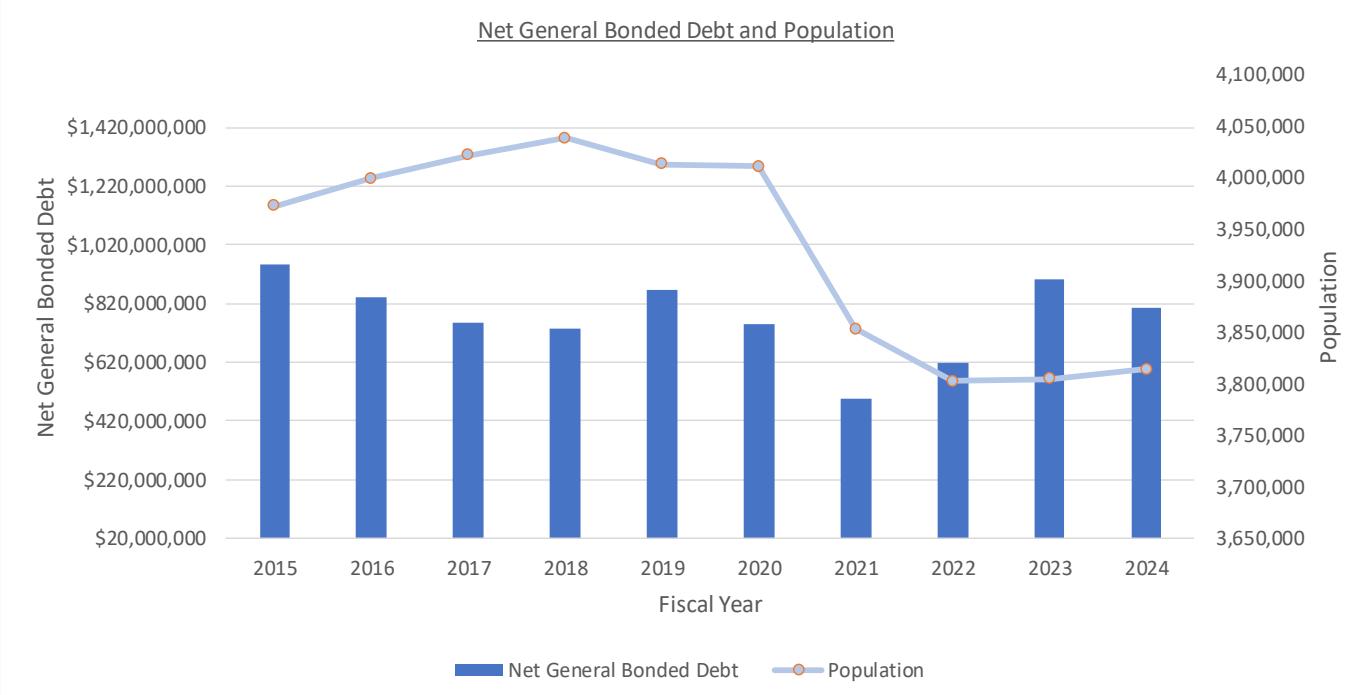
CITY OF LOS ANGELES
**Ratios of Net General Bonded Debt
to Assessed Value and Per Capita
Last Ten Fiscal Years**

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
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
2015	952,278,000	464,420,493,438	0.21	3,972,348	240

(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, 2024

	<u>Debt Outstanding June 30, 2024</u>	<u>Estimated Percentage Applicable⁽¹⁾</u>	<u>Estimated Share of Overlapping Debt June 30, 2024</u>
OVERLAPPING DEBT REPAYED WITH PROPERTY TAXES			
Metropolitan Water District of Southern California	\$ 18,210,000	21.228 %	\$ 3,865,619
Los Angeles Community College District	5,209,260,000	72.155	3,758,741,553
Beverly Hills Unified School District	616,937,917	0.157	968,593
Inglewood Unified School District	166,325,000	0.715	1,189,224
Las Virgenes Joint Unified School District	175,935,208	0.877	1,542,952
Los Angeles Unified School District	13,891,740,000	88.100	12,238,622,940
Los Angeles Unified School District supported general obligation bonds ⁽²⁾	(263,838,740)	100.000	(263,838,740)
Other School Districts	621,794,356	Various	390,728
City of Los Angeles Community Facilities District No. 4	50,660,000	100.000	50,660,000
City of Los Angeles Community Facilities District No. 8	5,120,000	100.000	5,120,000
City of Los Angeles Community Facilities District No. 11	21,415,000	100.000	21,415,000
Mountains Recreation and Conservation Authority Assessment Districts	12,760,000	100.000	12,760,000
OTHER OVERLAPPING DEBT			
Los Angeles County General Fund Obligations	2,479,229,730	40.881	1,013,533,906
Los Angeles County Superintendent of Schools Certificates of Participation	2,857,300	40.881	1,168,093
Pasadena Area Community College District Certificates of Participation	28,785,000	0.001	288
Inglewood Unified School District Certificates of Participation	1,050,000	0.715	7,508
Las Virgenes Joint Unified School District Certificates of Participation	8,079,398	0.877	70,856
Los Angeles Unified School District Certificates of Participation	471,590,000	88.100	415,470,790
OVERLAPPING TAX INCREMENT DEBT	245,930,000	100.000	245,930,000
SUBTOTAL- OVERLAPPING DEBT			\$ 17,507,619,310
CITY OF LOS ANGELES DIRECT DEBT			
General Obligation Bonds	960,246,000	100.000	960,246,000
COP and Lease Revenue Bonds	1,438,560,000	100.000	1,438,560,000
Direct Placements	29,710,000	100.000	29,710,000
Revenue Bonds	310,152,000	100.000	310,152,000
Commercial Paper	210,785,000	100.000	210,785,000
RTU Lease and Subscription Liabilities	142,384,000	100.000	142,384,000
Financed Purchase Obligations	9,120,000	100.000	9,120,000
HUD Loans	12,524,000	100.000	12,524,000
SUBTOTAL - CITY OF LOS ANGELES DIRECT DEBT⁽³⁾			3,113,481,000
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 20,621,100,310

(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, 2024, 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)

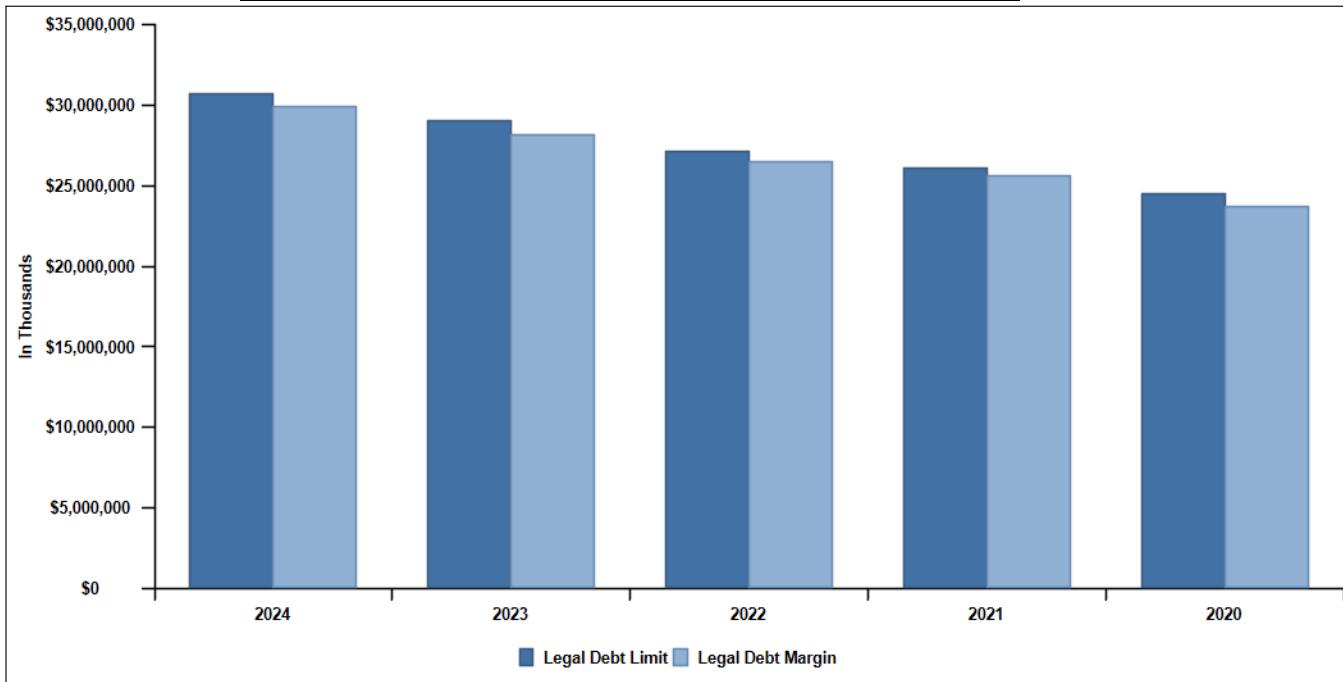
	Fiscal Year				
	2024	2023	2022	2021	2020
Assessed Valuation Net of Homeowners' Exemptions	\$ 817,638,075	\$ 772,276,193	\$ 721,540,148	\$ 693,748,368	\$ 650,628,837
Add: Homeowners' Exemptions	2,134,631	2,187,495	2,226,637	2,264,753	2,329,537
Gross Assessed Valuation	<u>\$ 819,772,706</u>	<u>\$ 774,463,688</u>	<u>\$ 723,766,785</u>	<u>\$ 696,013,121</u>	<u>\$ 652,958,374</u>
Adjusted Assessed Valuation ^(a)	\$ 204,943,177	\$ 193,615,922	\$ 180,941,696	\$ 174,003,280	\$ 163,239,594
Legal Debt Limit (15% of the Adjusted Assessed Value)	\$ 30,741,477	\$ 29,042,388	\$ 27,141,254	\$ 26,100,492	\$ 24,485,939
Less: Net General Obligation Bonds Outstanding	842,465	901,902	615,689	497,097	751,022
Legal Debt Margin	<u>\$ 29,899,012</u>	<u>\$ 28,140,486</u>	<u>\$ 26,525,565</u>	<u>\$ 25,603,395</u>	<u>\$ 23,734,917</u>
Legal Debt Margin as a Percentage of the Debt Limit	97.26 %	96.89 %	97.73 %	98.10 %	96.93 %
Net General Obligation Bonds Outstanding as a Percentage of Adjusted Assessed Value	0.41 %	0.47 %	0.34 %	0.29 %	0.46 %
Population ^(b)	3,814,318	3,804,420	3,819,538	3,923,341	4,010,684
Net General Obligation Bonds Outstanding per Capita	\$ 221	\$ 237	\$ 161	\$ 164	\$ 187

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.

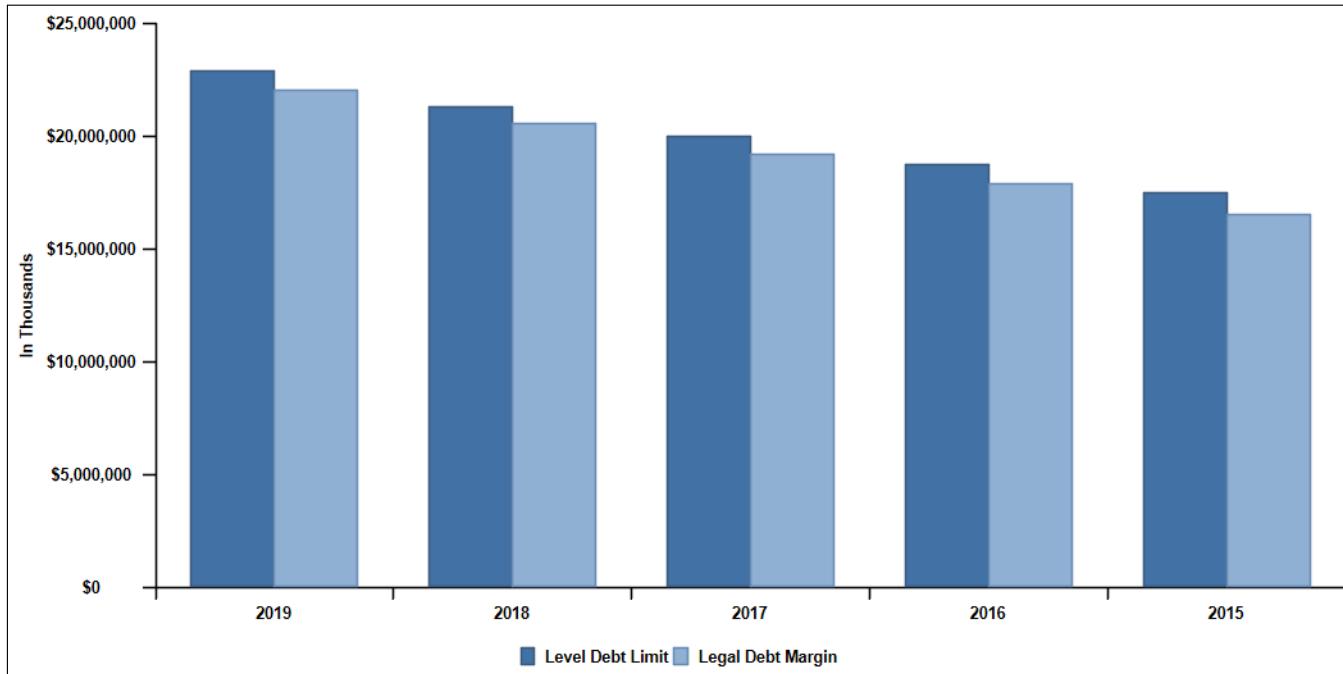
Legal Debt Limit (15% of the adjusted assessed value) and Legal Debt Margin



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				
	2019	2018	2017	2016	2015
Assessed Valuation Net of Homeowners' Exemptions	\$ 608,927,693	\$ 565,509,609	\$ 530,460,461	\$ 497,896,275	\$ 464,420,493
Add: Homeowners' Exemptions	2,364,507	2,411,314	2,454,777	2,502,726	2,545,253
Gross Assessed Valuation	<u>\$ 611,292,200</u>	<u>\$ 567,920,923</u>	<u>\$ 532,915,238</u>	<u>\$ 500,399,001</u>	<u>\$ 466,965,746</u>
Adjusted Assessed Valuation ^(a)	\$ 152,823,050	\$ 141,980,231	\$ 133,228,810	\$ 125,099,750	\$ 116,741,437
Legal Debt Limit (15% of the Adjusted Assessed Value)	\$ 22,923,458	\$ 21,297,035	\$ 19,984,322	\$ 18,764,963	\$ 17,511,216
Less: Net General Obligation Bonds Outstanding	865,478	736,177	756,414	842,483	952,278
Legal Debt Margin	<u>\$ 22,057,980</u>	<u>\$ 20,560,858</u>	<u>\$ 19,227,908</u>	<u>\$ 17,922,480</u>	<u>\$ 16,558,938</u>
Legal Debt Margin as a Percentage of the Debt Limit	96.22 %	96.54 %	96.21 %	95.51 %	94.56 %
Net General Obligation Bonds Outstanding as a Percentage of Adjusted Assessed Value	0.57 %	0.52 %	0.57 %	0.67 %	0.82 %
Population ^(b)	4,013,170	4,054,400	4,021,488	3,999,237	3,972,348
Net General Obligation Bonds Outstanding per Capita	\$ 216	\$ 182	\$ 188	\$ 211	\$ 240

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							
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
2015	1,219,715	697,708	522,007	263,454	2.0	424,474	1.6
Harbor Enterprise Fund Revenue Bonds and Notes							
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
2015	460,364	234,249	226,115	70,103	3.2	213,184	3.0
Power Enterprise Fund Revenue Bonds and Notes							
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
2015	3,542,227	2,445,059	1,097,168	457,933	2.4	1,161,619	2.5

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							
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
2015	1,151,356	733,283	418,073	216,787	1.9	324,403	1.5
Sewer Enterprise Fund Revenue Bonds and Notes							
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
2015	596,450	289,498	306,952	188,456	1.6	321,017	1.7

(1) For Airports, operating revenues includes 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⁾
2024	3,814,318	\$ --	\$ --	37.2	409,518	5.9 %
2023	3,804,420	756,659,481	78,302	37.9	454,703	5.3
2022	3,802,725	984,030,633	76,445	37.1	455,530	4.6
2021	3,853,323	728,772,915	74,141	37.0	439,013	7.7
2020	4,010,684	678,829,092	68,272	35.9	504,468	12.0
2019	4,013,170	653,482,010	65,094	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
2015	3,972,348	560,484,548	54,298	35.0	582,430	7.0

(1) Data based on California Department of Finance report E-1, released May 1, 2024 with revised estimated population.

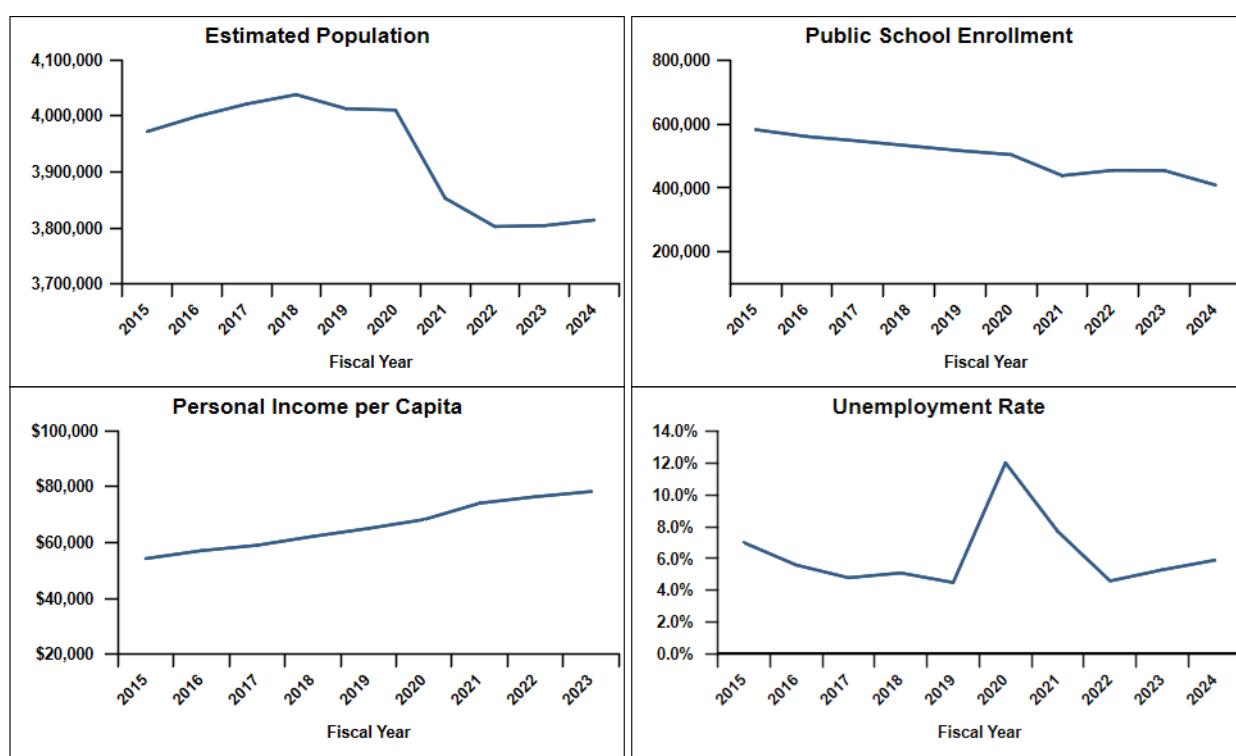
(2) U.S. Department of Commerce, Bureau of Economic Analysis for Los Angeles County updated on November 14, 2024. Data subsequent to 2024 is not available.

The U.S. Census Bureau defines personal income as the income received by all persons from all sources, and is the sum of "net earnings", rental income, dividend income, interest income, and transfer receipts. "Net earnings" is defined as wage and salary, supplements to wages and salaries, and proprietors' income, less contributions for government social insurance, before deduction of personal income and other taxes. Personal income estimates are in thousands of dollars, not adjusted for inflation. In 2022 separate information for the City of Los Angeles is not available.

(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 2023. Annual Financial Report is not available.

(5) Data based on California Employment Development Department for City of Los Angeles - November 2023, not seasonally adjusted, released December, 2023.



CITY OF LOS ANGELES
Los Angeles County
Principal Employers (Non-Government)
Current Year and Nine Years Ago

Employer	2024			2015			Percentage of Total County Employment
	Employees	Rank⁽¹⁾	Percentage of Total County Employment	Employees	Rank⁽¹⁾	Percentage of Total County Employment	
Kaiser Permanente	47,438	1	1.0 %	35,771	1	0.8 %	
University of Southern California	24,099	2	0.5	18,629	2	0.4	
Northrop Grumman Corp.	18,708	3	0.4	17,000	3	0.4	
The Walt Disney Co.	13,400	4	0.3	--	--	--	
Home Depot	12,000	5	0.2	10,600	10	0.2	
UPS	11,542	6	0.2	10,768	9	0.2	
Boeing Co.	10,783	7	0.2	--	--	--	
Providence Health & Services Southern California	10,153	8	0.2	13,000	7	0.3	
Target Corp.	10,020	9	0.2	15,000	4	0.3	
NBC Universal	8,576	10	0.2	--	--	--	
Ralphs/Food 4 Less (Kroger Co. Div)	--	--	--	13,500	5	0.3	
Bank of America Corp.	--	--	--	13,000	6	0.3	
AT&T Inc.	--	--	--	11,700	8	0.3	
All Others	4,848,881	--	96.6	4,548,332	--	96.5	
TOTAL (1)(2)	5,015,600		100.0 %	4,707,300		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				
	2024	2023	2022	2021	2020
GOVERNMENTAL ACTIVITIES	32,778	32,281	31,604	31,369	33,973
General Government					
City Administrative Officer	177	166	126	109	119
City Attorney	996	946	933	914	1,003
City Ethics Commission	43	37	32	29	31
Controller	146	146	132	133	146
Council	424	398	387	375	381
Employees Relations Board	3	3	3	3	3
General Services	1,272	1,269	1,225	1,199	1,394
Information Technology Agency	356	355	326	336	406
Mayor	236	153	179	191	210
Personnel	581	542	502	481	545
Neighborhood Empowerment	37	35	24	25	28
City Clerk	113	107	100	95	113
Cannabis Regulation ⁽²⁾	53	51	34	28	29
Civil, Human Rights, and Equity	36	34	19	9	--
Office of Finance ⁽¹⁾	321	297	273	261	297
Public Accountability ⁽²⁾	3	3	3	3	3
Protection of Persons and Property					
Animal Services	330	321	296	307	342
Building & Safety	949	893	888	884	920
Fire- Civilian	339	337	335	344	380
Fire- Sworn	3,419	3,447	3,390	3,299	3,391
Police- Civilian	2,645	2,654	2,689	2,749	3,070
Police- Sworn	8,806	9,037	9,277	9,390	9,963
Emergency Management	29	28	21	20	29
Public Works					
Public Works- Contract Administration	344	292	292	303	334
Public Works- Engineering	783	779	756	742	846
Public Works- Street Lighting	323	298	278	289	324
Public Works- Street Services	1,189	1,131	1,081	1,070	1,230
Public Works- Board of Public Works	110	111	102	94	106
Health and Sanitation					
Public Works- Sanitation	3,107	3,005	2,890	2,839	2,978
Transportation					
Transportation	1,507	1,445	1,371	1,341	1,474
Cultural and Recreational Services					
Cultural Affairs	77	67	60	54	65
El Pueblo de los Angeles Historical Monument	9	9	6	6	8
Library	843	828	786	804	830
Recreation and Parks	1,472	1,463	1,329	1,259	1,456
Zoo	255	234	220	210	238
Community Development					
Aging	46	46	37	33	41
Economic and Workforce Development	129	119	110	103	121
Disability	26	28	26	24	27
LA Housing Department	656	624	584	636	675
City Planning	474	441	408	378	417
Youth Development ⁽³⁾	19	13	7	--	--
Community Investment for Families ⁽³⁾	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				
	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES	33,059	32,535	32,100	31,306	30,606
General Government					
City Administrative Officer	114	112	113	109	108
City Attorney	963	953	935	891	882
City Ethics Commission	25	24	24	22	23
Controller	150	146	142	135	146
Council	375	372	345	339	353
Employees Relations Board	3	3	3	3	3
General Services	1,341	1,352	1,342	1,356	1,321
Information Technology Agency	393	378	391	440	431
Mayor	219	203	185	170	161
Personnel	488	475	499	484	480
Neighborhood Empowerment	28	31	26	26	19
City Clerk	107	105	108	88	95
Cannabis Regulation ⁽²⁾	21	7	--	--	--
Civil, Human Rights, and Equity	--	--	--	--	--
Office of Finance ⁽¹⁾	304	309	329	317	311
Public Accountability ⁽²⁾	4	4	--	--	--
Protection of Persons and Property					
Animal Services	327	314	317	317	309
Building & Safety	903	892	935	849	808
Fire- Civilian	367	347	350	309	293
Fire- Sworn	3,348	3,356	3,311	3,265	3,140
Police- Civilian	2,992	3,002	2,920	2,754	2,723
Police- Sworn	10,004	9,990	9,948	9,866	9,856
Emergency Management	24	23	23	25	23
Public Works					
Public Works- Contract Administration	323	314	298	284	270
Public Works- Engineering	827	771	768	756	733
Public Works- Street Lighting	296	251	235	226	205
Public Works- Street Services	1,138	992	974	865	838
Public Works- Board of Public Works	106	95	96	95	85
Health and Sanitation					
Public Works- Sanitation	2,817	2,739	2,601	2,564	2,425
Transportation					
Transportation	1,368	1,340	1,324	1,340	1,276
Cultural and Recreational Services					
Cultural Affairs	61	60	58	46	36
El Pueblo de los Angeles Historical Monument	8	9	9	9	9
Library	813	822	774	748	707
Recreation and Parks	1,424	1,379	1,376	1,332	1,320
Zoo	228	216	204	202	195
Community Development					
Aging	36	32	36	38	32
Economic and Workforce Development	119	127	135	136	140
Disability	23	20	20	17	15
LA Housing Department	599	589	598	591	567
City Planning	373	381	348	292	268
Youth Development ⁽³⁾	--	--	--	--	--
Community Investment for Families ⁽³⁾	--	--	--	--	--

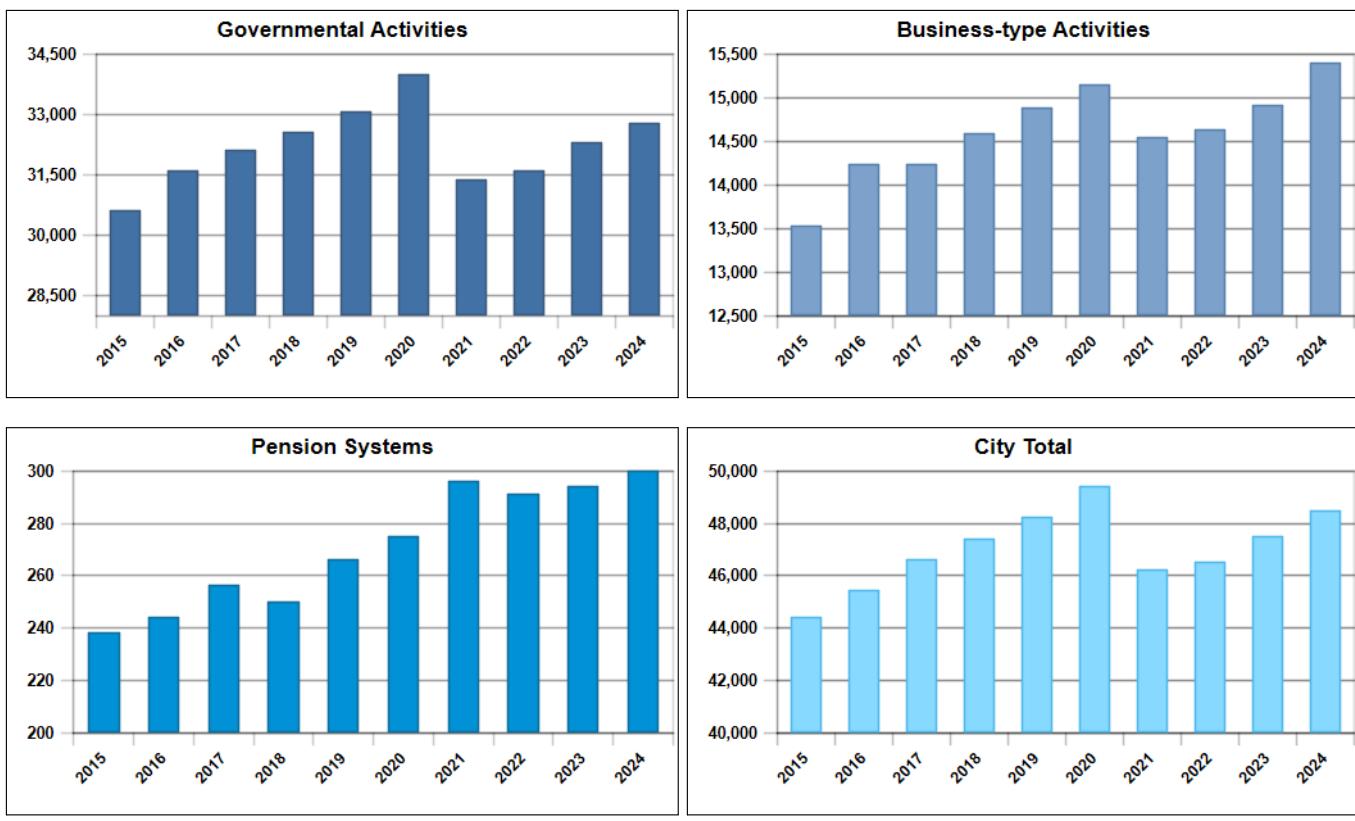
CITY OF LOS ANGELES

Number of City Government Employees by Function/Program - (Continued)
Full-Time Equivalent
Last Ten Fiscal Years

	Fiscal Year				
	2024	2023	2022	2021	2020
BUSINESS-TYPE ACTIVITIES					
City Tourism	15,396	14,902	14,636	14,547	15,143
Water and Power ⁽⁴⁾	9	7	8	8	10
Airports ⁽¹⁾	11,514	11,142	10,804	10,550	10,704
Harbor	2,999	2,906	2,990	3,077	3,519
	874	847	834	912	910
PENSION SYSTEMS					
City Employees' Retirement System	318	294	291	296	275
Fire and Police Pension System	197	179	179	180	156
	121	115	112	116	119
GRAND TOTAL	48,492	47,477	46,531	46,212	49,391

Continued...

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				
	2019	2018	2017	2016	2015
BUSINESS-TYPE ACTIVITIES	14,878	14,582	14,232	13,858	13,530
City Tourism	9	8	11	12	12
Water and Power ⁽⁴⁾	10,364	10,044	9,794	9,456	9,228
Airports ⁽¹⁾	3,625	3,646	3,544	3,484	3,405
Harbor	880	884	883	906	885
PENSION SYSTEMS	266	250	256	244	238
City Employees Retirement System	147	138	140	131	128
Fire and Police Pension System	119	112	116	113	110
GRAND TOTAL	48,203	47,367	46,588	45,408	44,374

(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.

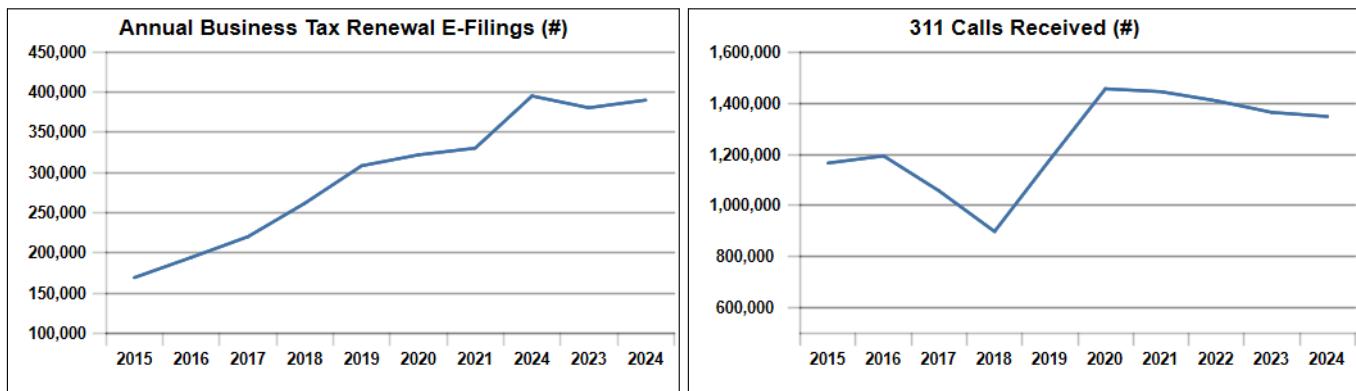
(4) Department includes DWP Retirement System.

Sources:

Fiscal year 2020 through 2024: 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

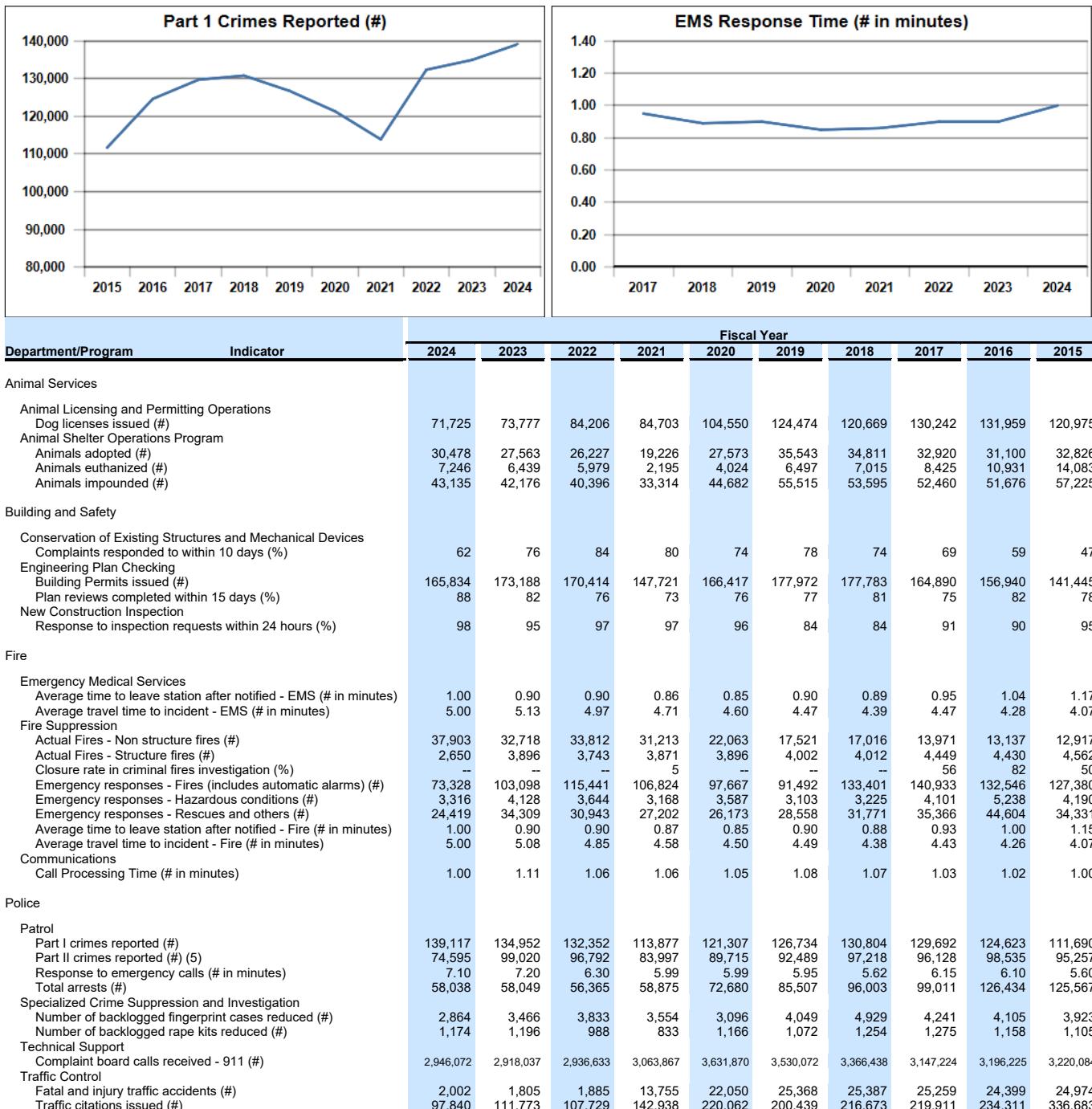
General Government



Department/Program	Indicator	Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Cannabis Regulation (2)											
Number of Cannabis Businesses		1,420	1,000	1,000	825	425	311	169	--	--	--
City Attorney											
Criminal Prosecution											
Issues resolved in the neighborhood prosecutor program (%)		--	82	78	72	78	104	86	84	97	48
Combined criminal jury and court trials (#)		156	182	372	414	325	343	344	321	352	362
Consumer protection-cases reviewed (#)		60	189	210	290	213	123	200	200	230	100
Consumer cases concluded (#)		71	67	75	86	65	51	130	120	146	--
Environmental cases concluded (#)		22	435	475	463	471	459	465	452	383	412
Housing/rent control cases concluded (#)		1,017	923	667	905	1,097	855	744	764	1,007	842
Public Rights (Civil Cases)											
Public Rights # of Lawsuits Settled (#) (4)		12	--	--	--	--	--	--	--	--	--
Public Rights Lawsuits Filed (#) (4)		42	--	--	--	--	--	--	--	--	--
General Services											
Building Maintenance											
Maintenance work orders completed (%)		72	83	78	66	78	69	72	73	71	71
Energy conservation audits completed (#)		20	13	12	--	9	19	20	20	20	8
Custodial Services											
Municipal facilities cleaned per day (% of square feet)		100	100	100	100	100	100	100	100	90	90
Fleet Services											
Vehicles available for Sanitation operations (%)		78	79	81	84	87	87	88	89	84	83
Vehicles available for Street Services operations (%)		82	80	84	86	86	87	81	84	82	85
Vehicles available for Dept of Transportation operations (%)		94	90	91	92	88	88	92	92	93	92
Real Estate Services											
City-as-tenant leases remaining		158	111	84	85	84	71	71	75	77	88
Supply Services											
Days to process orders under \$100,000		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)		190	282	222	190	158	174	294	370	142	61
Number of calls received (#)		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	1,166,105
Total Contacts		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	1,338,830
Neighborhood Empowerment											
Community Impact Statements submitted by Neighborhood Councils		1,764	1,324	1,200	1,163	647	614	408	320	258	343
Office of Finance											
Revenue Billings, Audit and Collections											
Annual Business Tax renewal e-filings (#)		390,175	380,660	395,290	330,422	322,104	308,506	261,926	220,381	194,545	169,463
Collections from Citywide Collection unit (\$ in thousands)		26,424	24,063	20,108	18,224	17,732	21,656	23,143	23,628	22,017	24,457
Refund claims processed (#)		7,500	9,074	12,665	10,109	19,338	4,331	6,596	5,722	7,417	6,188
Revenue enhancement unit investigations (#)		60,581	63,514	71,214	88,525	98,682	111,916	122,918	149,547	138,278	143,328
Total tax accounts audited (#)		1,484	1,182	1,098	1,384	1,473	1,571	2,133	2,666	3,465	4,472
Personnel											
Employee Selection											
Exams completed in 150 days (#)		86	88	74	67	86	73	73	65	71	69
Employee Training and Development											
Non-mandated courses completed in the Online Training Academy		36,101	22,241	21,856	31,305	34,420	9,188	14,496	20,231	7,996	5,624

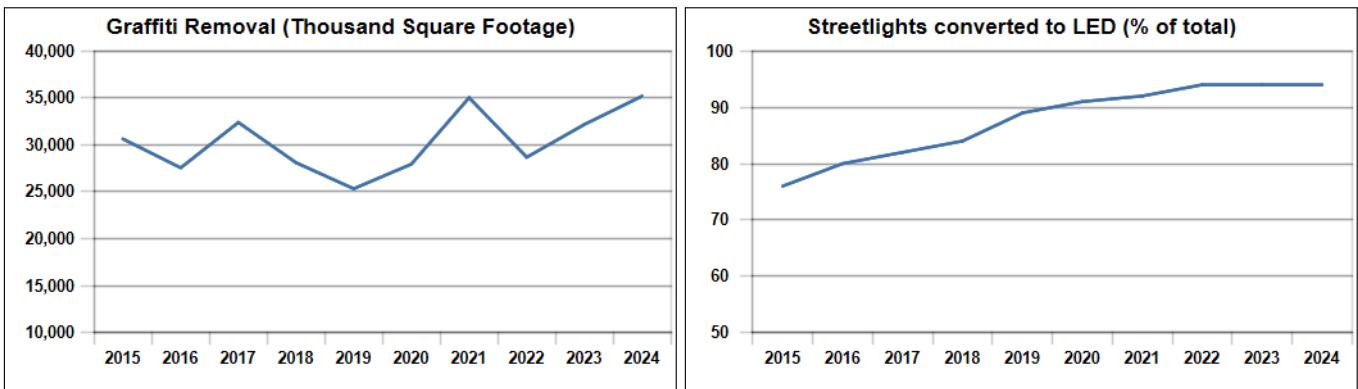
CITY OF LOS ANGELES
Operating Indicators by Function/Program
Last Ten Fiscal Years

Protection of Persons and Property



CITY OF LOS ANGELES
Operating Indicators by Function/Program
Last Ten Fiscal Years

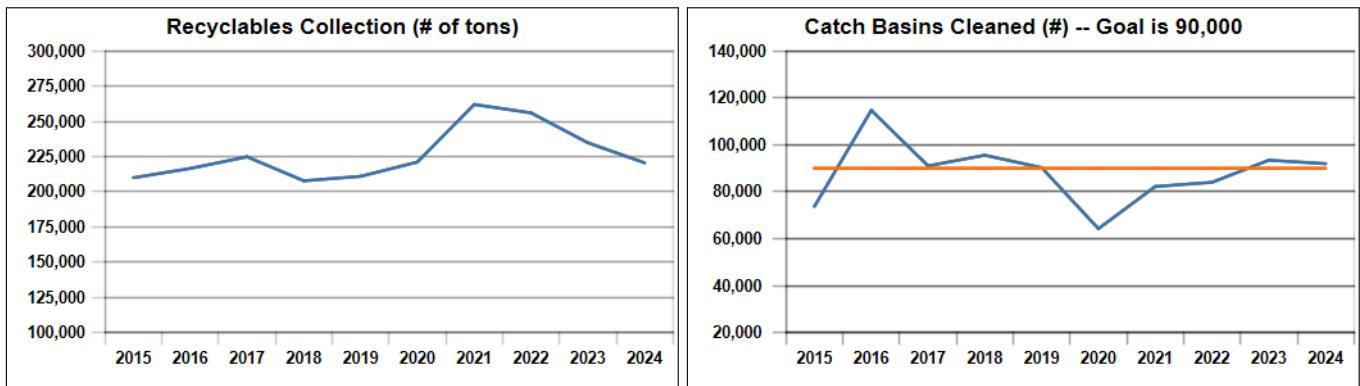
Public Works



Department/Program	Indicator	Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Board of Public Works											
Office of Community Beautification											
Graffiti eradicated/square footage (# per 1,000 sq ft)	35,190 63	32,173 73	28,677 74	35,021 73	27,943 68	25,319 62	28,096 73	32,388 77	27,545 55	30,620 48	
Graffiti removal requests completed in 24 hrs (%)											
Bureau of Contract Administration											
Construction Inspection											
Number of private development inspections (#)	33	30	27	27	33	184	176	175	150	224	
Contract Compliance											
Prevailing Wage Restitution Completed (\$ millions)	2.09	0.57	2.10	0.96	0.36	1.21	0.56	1.68	0.57	1.31	
Bureau of Engineering											
All Capital Programs											
Completed capital projects (#)	84	90	110	155	173	115	143	106	144	147	
Bureau of Street Lighting											
Design and Construction											
Streetlights converted to LED (% of total)	94	94	94	92	91	89	84	82	80	76	
System Operation, Maintenance and Repair											
Percent of streetlights operating (%)	94.00	99.15	99.08	99.28	99.24	99.32	99.34	99.33	99.37	99.33	
Street Services											
Maintaining Streets											
Small asphalt repairs (# of square feet)	1,256,617 2.3	862,735 2.4	554,887 1.7	881,243 0.9	824,393 1.3	908,679 2.9	820,592 2.3	1,513,764 1.3	1,121,767 --	1,050,411 --	
Response time to pothole service requests (days)											
Street Cleaning Program											
Completion frequency-posted routes (%)	100	100	99	96	96	97	98	99	91	93	
Street Improvement Program											
Access ramps constructed (#)	426	324	350	376	362	308	532	526	742	1,035	
Bus pads constructed (#)	57	68	76	63	53	86	55	49	58	101	
Concrete bus landings installed (#)	10	8	10	11	13	--	--	50	65	170	
Sidewalks repaired (# of square feet)	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)	216 824	513 832	550 1,344	557 988	663 1,080	720 1,546	660 1,739	848 1,560	855 1,555	855 1,545	
Street Tree and Parkway Maintenance Program											
Trees trimmed by contracted forces (#)	45,539	43,873	29,633	31,252	37,038	31,693	31,844	36,036	33,850	23,142	

CITY OF LOS ANGELES
Operating Indicators by Function/Program
Last Ten Fiscal Years

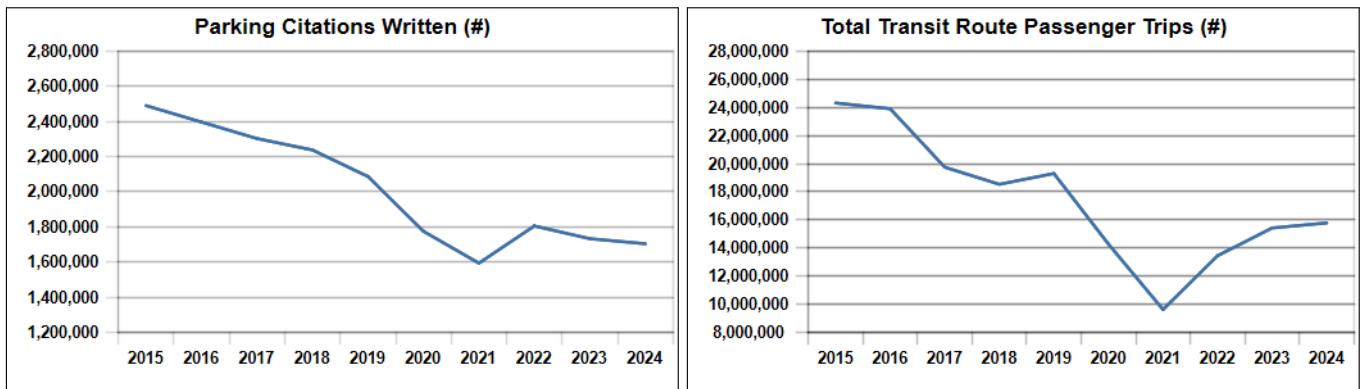
Health and Sanitation



Department/Program	Indicator	Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Sanitation											
Household Refuse Collection Program											
Tons collected - Bulky items (# of tons)	41,861	19,246	44,299	55,499	52,090	54,238	53,766	91,225	60,101	46,416	
Tons collected - Recyclables (# of tons)	220,547	234,801	256,040	262,021	221,089	210,944	207,756	224,796	216,542	209,924	
Tons collected - Refuse (# of tons)	1,019,761	1,026,327	1,076,972	1,006,473	964,151	942,041	928,377	953,670	907,611	873,104	
Tons collected - Yard Trimmings (# of tons)	426,112	402,297	392,610	425,133	462,175	411,188	414,729	417,354	417,325	425,070	
Solid Resources											
Convert refuse collection fleet to clean fuels (%)	96	82	81	82	85	83	82	80	78	78	
Watershed Protection											
Catch basin cleaning (#) (3)	91,962	93,441	84,012	82,213	64,222	90,279	95,561	91,021	114,699	73,772	

CITY OF LOS ANGELES
Operating Indicators by Function/Program
Last Ten Fiscal Years

Transportation

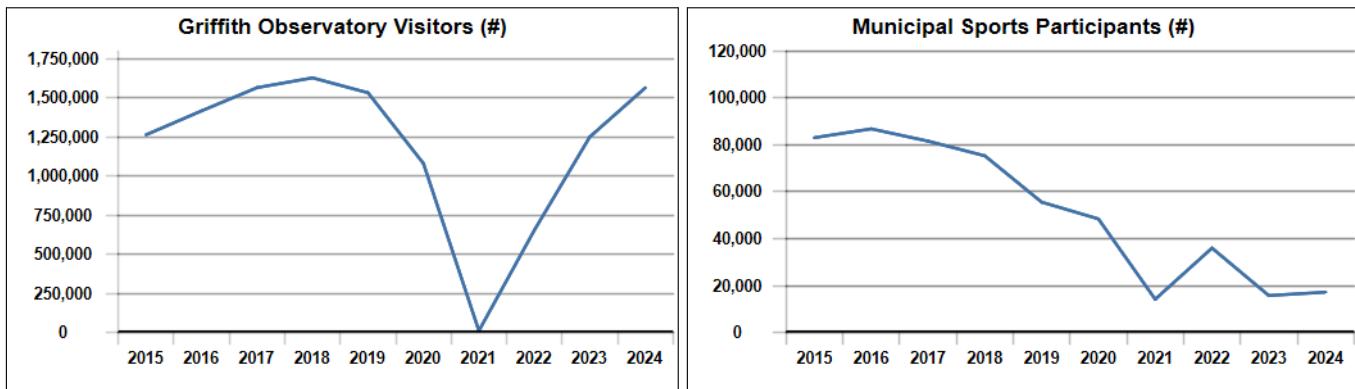


Department/Program	Indicator	Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Transportation											
Parking Management and Intersection Control											
Citations written (#)	1,704,235	1,733,033	1,805,286	1,593,817	1,775,106	2,086,277	2,237,086	2,302,206	2,395,778	2,489,390	
Crossing guard assignments (#)	527	604	566	541	544	538	537	529	523	524	
Hours of intersection control (#)	42,384	42,167	31,373	87,624	62,260	43,019	53,901	32,400	27,615	25,997	
Peak hour tows and other tows (#)	54,684	54,723	62,075	45,025	52,591	58,501	61,060	32,647	31,245	49,910	
Traffic Control Devices											
New signals (Traffic Pedestrian) installed (#)	20	11	19	29	16	32	32	19	31	11	
Traffic signals repaired (#)	7,531	12,270	15,302	694	694	735	626	725	766	10,797	
Transit Capital Programming											
Active traffic congestion relief projects (#)	74	78	75	64	68	69	64	62	96	81	
Increase in bicycle lane miles (# of miles)	9	23	26	32	40	10	10	12	9	23	
Transit Operations											
Total transit vehicle passenger trips (#)	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	24,306,283	
Transportation System Operations											
Red curb miles reinstalled/installed (#)	188	215	245	250	203	99	199	295	362	334	
Signs maintained/replaced (#)	39,853	29,398	39,327	47,876	38,275	20,978	28,115	46,189	52,422	49,029	
Temporary signs installed/removed (#)	604,685	651,765	641,705	290,468	654,822	770,211	726,009	726,200	646,724	365,068	
Thermoplastic longline striping installed/reinstalled (# of miles)	817	656	1,231	890	654	1,470	933	963	1,326	137	

CITY OF LOS ANGELES

**Operating Indicators by Function/Program
Last Ten Fiscal Years**

Cultural and Recreational Services

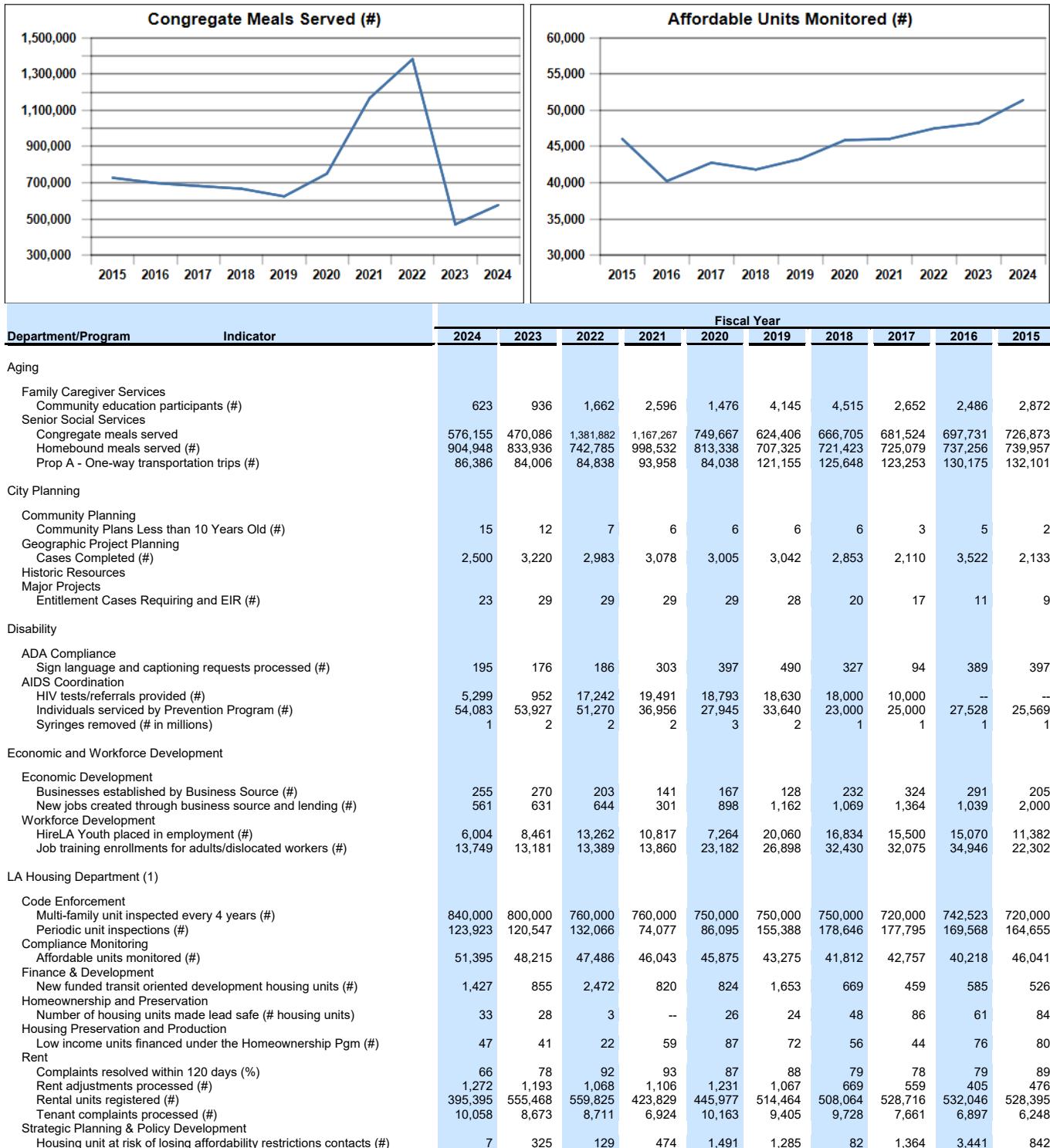


Department/Program	Indicator	Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City Tourism											
City Tourism Development											
Citywide conventions and center events (#) (3)	15	20	13	--	12	23	27	32	29	25	
Delegates attending Citywide conventions (#) (3)	233,064	376,525	124,852	--	227,059	362,442	440,634	503,036	496,886	320,900	
Exhibit hall events hosted (#) (3)	126	99	54	--	89	138	148	153	167	156	
Cultural Affairs											
City Arts											
Art class enrollment (#) (3)	156,938	138,867	150,052	136,966	162,216	228,646	185,546	182,078	121,356	212,506	
Theater attendance (#)	82,556	80,242	51,360	26,559	149,812	81,379	98,498	112,200	68,129	91,166	
Community Arts											
Art exhibitions presented (#)	1,949	2,902	3,031	1,502	2,079	2,852	1,371	692	655	1,082	
Special events/festivals (#) (3)	537	371	486	269	146	150	149	133	118	142	
Performing Arts											
Music/theatre programs presented	972	494	450	227	308	415	591	751	505	759	
El Pueblo											
Events											
Cultural and special events (#) (3)	133	76	30	32	114	93	122	152	137	73	
History and Museums											
Museum visitors (#) (3)	267,719	256,832	46,665	82,239	283,557	443,648	493,460	656,322	582,623	627,301	
Library											
Public Library Services											
Attendance level for cultural programming (#) (3)	227,794	160,784	50,655	79,116	270,482	349,820	402,881	417,831	368,339	371,810	
Items circulated (#)	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	15,800,499	
Number of people visiting library facilities (#) (3)	5,747,048	4,545,301	3,710,717	36,828	6,591,517	10,214,070	11,198,977	13,145,751	13,504,301	14,093,505	
Registered borrowers (#)	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	1,236,890	
Recreation and Parks											
Advance Planning											
New parks opened to the public (#)	1	1	--	2	2	4	2	5	8	7	
Maintenance job orders completed (#)	29,435	28,890	35,740	27,897	36,585	36,572	28,000	28,266	26,000	26,284	
Educational Exhibits											
Observatory attendance (#) (3)	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	1,264,376	
Expo Center											
Number of visitors to the Expo Center (#) (3)	859,617	747,493	534,672	68,995	628,184	744,509	709,056	675,291	456,607	416,053	
Museums and Educational											
Visitors to museums (excluding Griffith Observatory) (#) (3)	525,528	434,526	366,888	129,094	368,514	496,342	541,539	539,173	537,762	472,044	
Recreational Opportunities											
Aquatics - Pool Attendance (#) (3)	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	2,648,817	
Camps - Camper days (# of days)	257,927	103,468	207,097	91,301	67,065	63,060	73,929	70,654	65,283	66,626	
Municipal Sports - Team sports participants (3)	17,172	15,736	35,987	14,148	48,405	55,570	75,306	81,572	86,806	83,045	
Zoo											
Educational Exhibits											
Attendance (#) (3)	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	1,752,279	

CITY OF LOS ANGELES

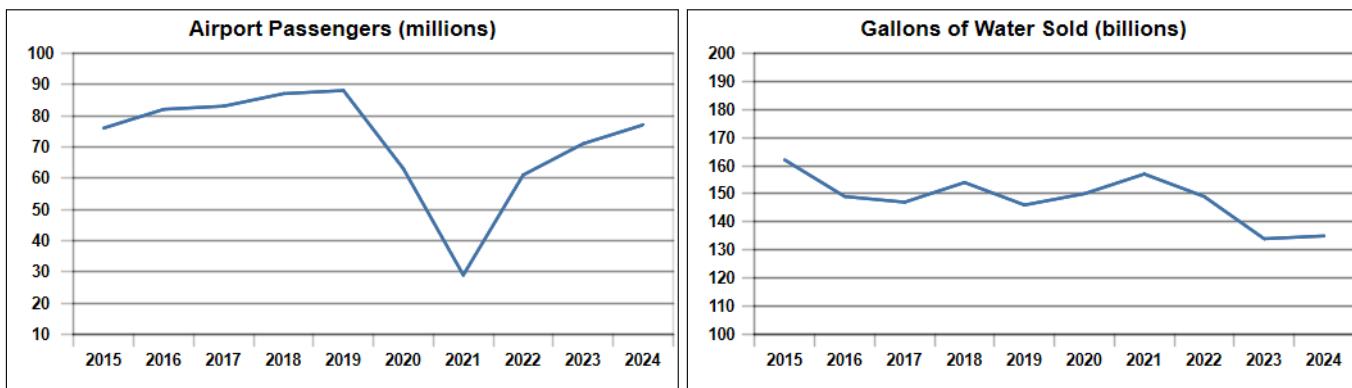
**Operating Indicators by Function/Program
Last Ten Fiscal Years**

Community Development



CITY OF LOS ANGELES
Operating Indicators by Function/Program
Last Ten Fiscal Years

Business-type Activities



Department/Program	Indicator	Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Airports											
Air cargo (# in thousand tons)	2,328	2,375	2,945	2,817	2,285	2,401	2,416	2,316	2,655	2,588	2,588
Aircraft movements (# in thousands)	912	875	846	664	770	937	957	933	970	944	944
Passengers (# in millions) (3)	77	71	61	29	63	88	87	83	82	76	76
Harbor											
Containerized cargo volume (# in millions of TEUs)	9	9	10	10	9	10	9	9	8	8	8
Cruise passengers (3)	1,097,019	1,445,613	490,978	6,221	487,013	586,786	479,388	534,484	676,644	578,902	578,902
Inbound tonnage (# in millions tons)	99	91	113	114	100	114	103	106	106	106	103
Outbound tonnage (# in millions tons)	91	88	109	102	84	97	88	92	79	75	75
Vessel arrivals (#)	1,735	1,757	1,917	1,668	1,731	1,917	1,904	2,060	2,014	1,846	1,846
Power											
Cumulative Feed in Tariff (FiT) installations (# of kilowatts)	110,681	102,082	97,429	86,800	70,300	65,578	46,700	29,250	11,519	7,532	7,532
Customers- number (# in thousands)	1,588	1,575	1,565	1,547	1,538	1,529	1,516	1,507	1,499	1,493	1,493
Energy production (# of kwh in billions)	22	24	24	24	24	25	25	26	27	27	27
Megawatt hours of power from energy efficiency (# of Mwh)	277,400	328,200	398,900	300,300	349,617	476,851	445,630	475,091	412,191	296,379	296,379
Kilowatt hours sold (# of hours in billions)	22	23	23	23	22	23	23	24	25	25	25
Power poles replaced, installed and reinforced (#)	2,931	3,459	3,799	3,944	4,033	3,757	3,018	2,656	2,436	2,393	2,393
Solar Incentive Program (SIP) cumulative capacity (# of kilowatts)	295,943	295,943	295,492	295,358	271,850	282,858	250,528	221,798	176,330	135,620	135,620
Solar Incentive Program (SIP) installed capacity (# of kilowatts) (3)	--	451	129	7,130	6,000	32,330	28,730	44,599	40,710	27,250	27,250
System Average Interruption Duration Index - SAIDI (# of minutes per customer)	111	213	115	161	102	175	150	162	125	85	85
System Average Interruption Frequency Index - SAIFI (# of interruptions per customer)	1.00	0.81	1.00	0.80	0.70	0.90	0.93	0.96	0.91	0.70	0.70
Wastewater											
Wastewater treated (Volume in MGD)	341	336	325	316	327	339	331	337	335	344	344
Water recycled (Volume in MGD)	103	109	97	120	120	113	120	118	96	96	96
Sewer cleaning - miles of sewers cleaned (# of miles)	6,819	6,790	6,644	6,640	6,393	6,787	6,870	6,830	7,127	6,928	6,928
Water											
DWP water sourced from local groundwater (%)	2	7	11	11	7	7	4	10	16	18	18
Recycled water use (# of acre feet)	10,029	10,103	12,031	11,405	9,682	7,511	9,971	8,030	9,910	10,097	10,097
Cumulative miles of water main replaced (# of miles)	34	38	32	30	27	32	41	242	207	174	174
Customers - number (# in thousands)	698	697	694	692	689	687	683	680	678	676	676
Gallons sold (billions of gallons)	135	134	149	157	150	146	154	147	149	162	162
Per capita water use	104	101	113	113	105	105	112	102	104	114	114
Water main breaks (# of breaks)	1,059	1,375	1,114	1,064	1,099	1,495	1,450	1,390	1,547	1,241	1,241
Water purchased from MWD (% of total water supply)	32	51	75	63	32	30	36	45	71	71	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 is not available after March 2024.

-- 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				
	2024	2023	2022	2021	2020
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⁾	408	414	413	416	401
Fire stations	102	106	106	106	106
Patrol units	1,370	1,396	1,402	1,415	1,358
Police stations	29	29	29	29	29
Police training centers	3	3	3	3	3
Public Works					
Bridges	516	516	516	512	512
Street lights	213,619	216,210	211,437	205,025	202,000
Streets (centerline miles)	6,500	6,500	6,500	6,500	6,500
Health and Sanitation					
Refuse collection trucks	775	730	735	738	726
Refuse yards	6	6	6	6	6
Transportation					
Automated traffic signal and control systems	80	79	78	76	75
Bike paths (miles)	18	18	15	15	15
Commuter buses	599	498	470	469	432
Traffic signals	4,892	4,845	4,835	4,816	4,789
Cultural and Recreational Services					
Acres of beach land	232	232	232	232	232
Acres park land including beaches	16,188	16,188	16,172	16,172	16,171
Archery ranges	3	3	3	3	3
Baseball/softball diamonds	256	256	256	256	256
Children's play areas	419	411	411	410	408
Dog parks	13	13	13	12	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	4	2	2	2
Museums	12	12	12	12	12
Park sites	490	490	490	490	487
Pools	59	59	59	59	62
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	27	27	27
Tennis courts	319	319	319	319	319
Wedding sites	19	19	19	19	19

Continued...

CITY OF LOS ANGELES
Capital Assets Information - (Continued)
Governmental Activities
Last Ten Fiscal Years

Function/Asset	Fiscal Year				
	2019	2018	2017	2016	2015
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⁾	462	400	381	380	377
Fire stations	106	106	106	106	106
Patrol units	1,382	1,380	1,347	1,345	1,374
Police stations	29	29	29	29	28
Police training centers	3	3	3	3	3
Public Works					
Bridges	512	515	515	515	517
Street lights	196,100	184,648	182,564	170,000	160,000
Streets (centerline miles)	6,500	6,500	6,500	6,500	6,500
Health and Sanitation					
Refuse collection trucks	707	727	709	697	698
Refuse yards	6	6	6	6	6
Transportation					
Automated traffic signal and control systems	75	72	68	68	57
Bike paths (miles)	15	15	14	14	14
Commuter buses	392	392	390	399	387
Traffic signals	4,775	4,744	4,703	4,697	4,683
Cultural and Recreational Services					
Acres of beach land	232	232	232	232	232
Acres park land including beaches	16,169	16,169	15,766	16,152	16,152
Archery ranges	3	3	3	3	3
Baseball/softball diamonds	256	256	256	256	256
Children's play areas	400	387	387	387	387
Dog parks	11	9	9	9	9
Golf courses	13	13	13	13	13
Hiking trails (miles)	162	92	92	92	92
Historical sites	11	11	11	11	11
Horticulture centers	6	6	6	6	6
Indoor gyms	114	95	95	95	95
Lakes	13	13	13	13	13
Libraries	73	73	73	73	73
Licensed child-care centers	2	2	2	2	3
Museums	12	12	12	12	12
Park sites	446	446	490	444	444
Pools	62	62	62	62	62
Recreational centers	184	184	184	184	184
Recreational parks	7	5	5	5	5
Residential camps	9	9	9	9	9
Senior citizen centers	30	29	35	30	31
Skate parks	27	26	26	26	26
Tennis courts	321	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				
	2024	2023	2022	2021	2020
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	200	200	200	201	250
Overhead distribution lines (miles)	10,587	10,717	10,493	10,462	10,470
Transmission lines (miles)	3,755	3,755	3,755	3,769	3,769
Underground distribution lines (miles)	4,012	3,998	3,973	3,942	3,857
Wastewater					
Sanitary sewers (miles)	6,750	6,750	6,700	6,700	6,700
Storm drain pipe mainline (miles)	1,220	1,220	1,220	1,220	1,319
Water					
Aqueduct (miles)	472	472	472	472	472
Distribution pipe (miles)	7,341	7,341	7,341	7,340	7,340
Number of storage reservoirs and tanks	124	124	117	118	118
Service connections	716,412	715,459	713,032	712,451	710,917

Continued...

CITY OF LOS ANGELES
Capital Assets Information - (Continued)
Business-Type Activities
Last Ten Fiscal Years

Function/Asset	Fiscal Year				
	2019	2018	2017	2016	2015
Airports					
Number of airports ⁽¹⁾	2	2	2	3	3
Harbor					
Number of cargo terminals	23	23	23	23	23
Number of major containers terminals	8	8	8	8	8
Power					
Generating units	269	245	245	245	241
Overhead distribution lines (miles)	10,350	10,397	10,329	10,300	10,288
Transmission lines (miles)	3,791	3,760	3,632	3,632	3,632
Underground distribution lines (miles)	3,732	3,710	3,693	3,680	3,677
Wastewater					
Sanitary sewers (miles)	6,700	6,700	6,700	6,700	6,700
Storm drain pipe mainline (miles)	1,306	1,306	1,293	1,272	1,260
Water					
Aqueduct (miles)	472	472	472	472	472
Distribution pipe (miles)	7,340	7,337	7,315	7,288	7,270
Number of storage reservoirs and tanks	118	118	118	120	120
Service connections	714,427	719,479	690,728	729,680	704,176

⁽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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