



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

“FOR INFORMATION ONLY”

DATE: May 19, 2026

TO: BOARD OF HARBOR COMMISSIONERS

SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR 2025/26 ENDED APRIL 30, 2026

Financial performance results through the first tenth months of Fiscal Year 2025/26 are below and have been summarized relative to both budget and the prior fiscal year. Through the month of April, cargo volumes (as measured by TEUs or twenty-foot equivalent units) increased by 25.1% relative to budget and decreased by 3.9% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

FYTD Apr 2026	Actuals (Cargo Volumes in Thousands, \$ in Millions)	Actual-to- Budget Comparison	Year-on-Year Comparison
Cargo Volumes	8,563	↑ 25.1%	↓ (3.9%)
Operating Revenues	\$634.1	↑ 14.2%	↓ (9.2%)
Operating Expenses	\$314.1	↓ (11.9%)	↑ 7.8%
Operating Income	\$319.9	↑ 61.3%	↓ (21.4%)
Income before Capital Contributions	\$257.9	↑ 51.6%	↓ (22.4%)

Relative to budget, Operating Revenues increased by 14.2% primarily due to higher than budgeted wharfage revenues. Excluding the impact of HMT receipts, Operating Revenues would have increased by 12.9%. In comparison to the prior fiscal year, total Operating Revenues decreased by 9.2% due to lower HMT receipts and timing of Clean Truck Fund Collections. Excluding the impact of HMT receipts, total Operating Revenues decreased by only 1.7%.

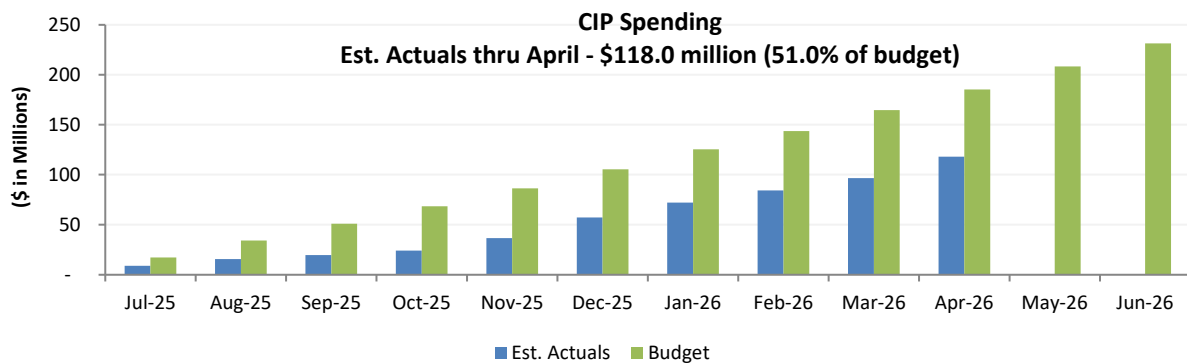
Operating Expenses were 11.9% lower than budgeted primarily due to lower salaries and benefits expenses as well as invoicing/payment delays related to outside services. Relative to the prior fiscal year, total Operating Expenses increased by 7.8% primarily

due to higher outside services, higher utilities, higher Clean Truck expenses, higher container incentives, higher city services and higher miscellaneous expenditures.

Operating Margin through the month of April was 50.5% versus a budget of 35.7% and a prior year-to-date figure of 58.3%. Excluding HMT receipts of \$7.3 million from FY 2026 and \$60.6 million from FY 2025, Operating Margin would have been 49.9% and 54.3%, respectively.

Capital Improvement Program (CIP)

CIP spending for the ten-month period ending April 30, 2026, was estimated to reach \$118.0 million or about 51.0% of the total \$231.3 million CIP adopted budget.



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JEFFREY STRAFFORD
Chief Financial Officer

Transmittals:

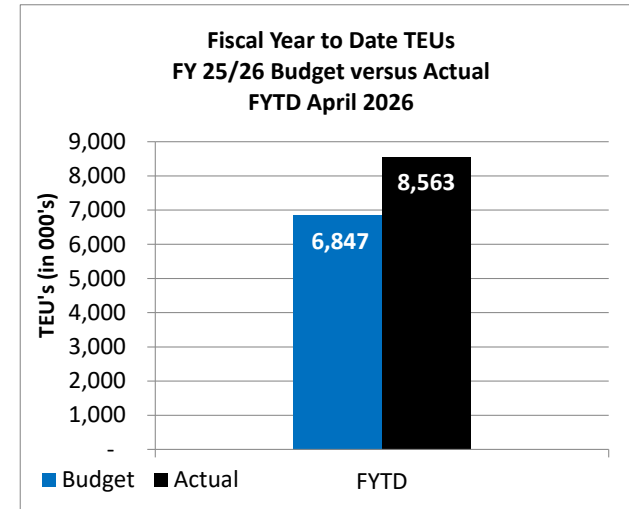
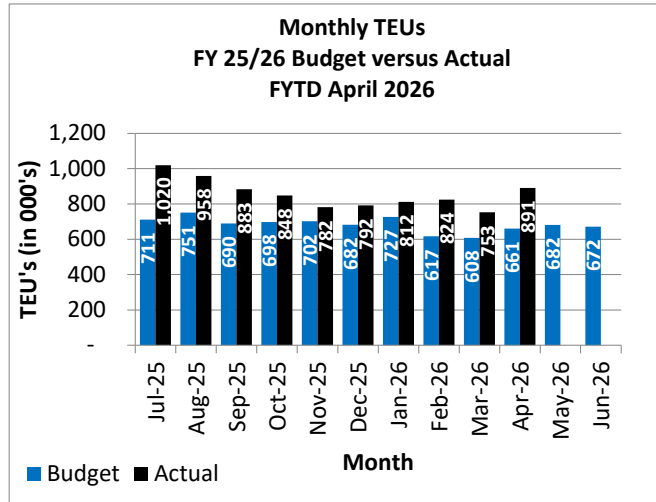
1. TEU Throughput Comparison – FYTD April 2026
2. Actual-to-Budget FY 2025/26 – April
3. Year-to-Year Performance Report YTD April 30, 2026 and 2025

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cc: Deputy Executive Directors

HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES TEU THROUGHPUT COMPARISON - FYTD April 2026

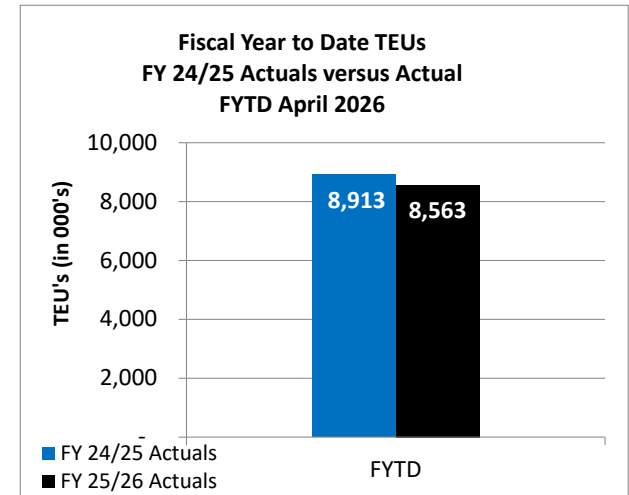
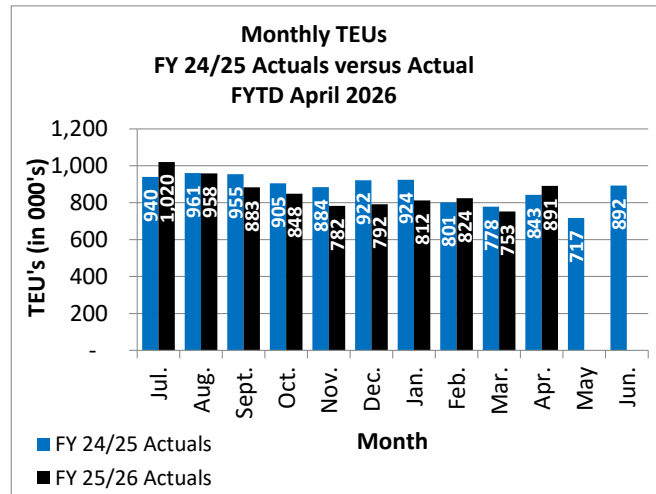
Budget versus Actuals Comparison FY 25/26 Budget vs. FY 25/26 Actuals

(in 000's)	TEU's		% Δ	Δ
	Month	FY 25/26 Budget		
Jul-25	711	1,020	43.4%	↑
Aug-25	751	958	27.6%	↑
Sep-25	690	883	28.0%	↑
Oct-25	698	848	21.6%	↑
Nov-25	702	782	11.4%	↑
Dec-25	682	792	16.1%	↑
Jan-26	727	812	11.7%	↑
Feb-26	617	824	33.5%	↑
Mar-26	608	753	23.8%	↑
Apr-26	661	891	34.8%	↑
May-26	682			
Jun-26	672			
FYTD	6,847	8,563	25.1%	↑
FY 25/26 Budget	8,200			



Year-to-Year Actuals Comparison FY 24/25 Actuals vs. FY 25/26 Actuals

(in 000's)	TEU's		% Δ	Δ
	Month	FY 24/25 Actuals		
Jul.	940	1,020	8.5%	↑
Aug.	961	958	-0.2%	↓
Sept.	955	883	-7.5%	↓
Oct.	905	848	-6.3%	↓
Nov.	884	782	-11.5%	↓
Dec.	922	792	-14.1%	↓
Jan.	924	812	-12.1%	↓
Feb.	801	824	2.9%	↑
Mar.	778	753	-3.3%	↓
Apr.	843	891	5.7%	↑
May	717			
Jun.	892			
FYTD	8,913	8,563	-3.9%	↓
FY 24/25 Actuals	10,522			



The Port of Los Angeles - Harbor Department
FYTD April 30, 2026

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\$ in thousands	Fiscal Year Actual	Fiscal Year Budget	Actual-to-Budget	
	FY 2025/26	FY 2025/26	Comparison	
	Fiscal YTD - Apr 2026	Fiscal YTD - Apr 2026	(Unfavorable)/Favorable	
			\$	%
Operating Revenues				
Shipping Services	466,849	393,839	73,010	18.5%
Rentals	105,287	106,018	(730)	(0.7%)
Royalties, Fees and Other Revenues	36,859	26,066	10,793	41.4%
Clean Truck Program Revenues	25,074	29,169	(4,096)	(14.0%)
Total Operating Revenues	634,069	555,092	78,977	14.2%
Operating Expenses				
Gross Salaries & Benefits	151,189	193,843	42,654	22.0%
Capitalization	(13,082)	(13,326)	(244)	1.8%
Net Salaries & Benefits	138,107	180,517	42,410	23.5%
Marketing & Public Relations	2,938	3,771	833	22.1%
Travel	996	1,550	554	35.7%
Outside Services	41,694	53,485	11,791	22.0%
Materials & Supplies	6,698	7,901	1,203	15.2%
Rentals and Incentives	16,007	20,577	4,569	22.2%
Clean Truck Program Expenses	9,948	9,742	(205)	(2.1%)
City Services	57,296	60,681	3,385	5.6%
Allocations to Capital - Overhead		(20,469)	(20,469)	100.0%
Other Operating Expenses	40,463	38,968	(1,495)	(3.8%)
Total Operating Expenses	314,146	356,723	42,577	11.9%
Income Before Depreciation	319,923	198,369	121,554	61.3%
Provision For Depreciation	123,605	123,698	92	0.1%
Income From Operations	196,318	74,671	121,646	162.9%
Non-Operating Revenues	71,561	203,807	(132,245)	(64.9%)
Non-Operating Expenses	9,954	108,363	98,409	90.8%
Income before Capital Contributions	257,925	170,115	87,810	51.6%

The Port of Los Angeles - Harbor Department
FYTD April 30, 2026 and 2025

TRANSMITTAL 3

\$ in thousands	Fiscal Year Actual	Prior Fiscal Year	Year-over-Year	
	FY 2025/26	FY 2024/25	Change	
	Fiscal YTD - Apr 2026	Fiscal YTD - Apr 2025	(Unfavorable)/Favorable	
			\$	%
Operating Revenues				
Shipping Services	466,849	471,060	(4,211)	(0.9%)
Rentals	105,287	105,706	(419)	(0.4%)
Royalties, Fees and Other Revenues	36,859	85,298	(48,439)	(56.8%)
Clean Truck Program Revenues	25,074	36,267	(11,193)	(30.9%)
Total Operating Revenues	634,069	698,331	(64,262)	(9.2%)
Operating Expenses				
Gross Salaries & Benefits	151,189	158,303	7,114	4.5%
Capitalization	(13,082)	(17,930)	(4,848)	27.0%
Net Salaries & Benefits	138,107	140,373	2,266	1.6%
Marketing & Public Relations	2,938	2,669	(269)	(10.1%)
Travel	996	660	(335)	(50.8%)
Outside Services	41,694	30,891	(10,803)	(35.0%)
Materials & Supplies	6,698	4,817	(1,882)	(39.1%)
Rentals and Incentives	16,007	10,652	(5,355)	(50.3%)
Clean Truck Program Expenses	9,948	7,531	(2,416)	(32.1%)
City Services	57,296	54,967	(2,329)	(4.2%)
Other Operating Expenses	40,463	39,498	(964)	(2.4%)
Total Operating Expenses	314,146	292,059	(22,087)	(7.6%)
Income Before Depreciation	319,923	406,273	(86,350)	(21.3%)
Provision For Depreciation	123,605	121,284	(2,322)	(1.9%)
Income From Operations	196,318	284,989	(88,671)	(31.1%)
Non-Operating Revenues	71,561	55,772	15,790	28.3%
Non-Operating Expenses	9,954	9,310	(644)	(6.9%)
Income before Capital Contributions	257,925	331,450	(73,525)	(22.2%)