



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

“FOR INFORMATION ONLY”

DATE: March 17, 2025

TO: BOARD OF HARBOR COMMISSIONERS

SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR 2024/25 ENDED FEBRUARY 28, 2025

Financial performance results through the eighth month of Fiscal Year 2024/25 are below and have been summarized relative to both budget and the prior fiscal year. Through the month of February, cargo volumes (as measured by TEUs or twenty-foot equivalent units) increased by 16.6% relative to budget and increased by 19.0% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

FYTD February 2025	Actuals (Cargo Volumes in Thousands, \$ in Millions)	Actual-to- Budget Comparison	Year-on-Year Comparison
Cargo Volumes	7,292	↑ 16.6%	↑ 19.0%
Operating Revenues	\$574.4	↑ 23.1%	↑ 23.3%
Operating Expenses	\$224.8	↓ (14.6%)	↑ 28.4%
Operating Income	\$349.6	↑ 71.9%	↑ 20.2%
Net Income	\$293.3	↑ 67.0%	↑ 14.7%

Relative to budget, Operating Revenues increased by 23.1% primarily due to higher than budgeted Harbor Maintenance Tax (HMT) receipts of \$60.6 million, higher wharfage revenues and higher rentals. Excluding the impact of HMT receipts, Operating Revenues increased by 10.1%. In comparison to the prior fiscal year, total Operating Revenues increased by 23.3% due to higher HMT receipts and higher wharfage, which was only partially offset by lower space assignment revenues. Excluding HMT receipts, total Operating Revenues increased by 10.3%

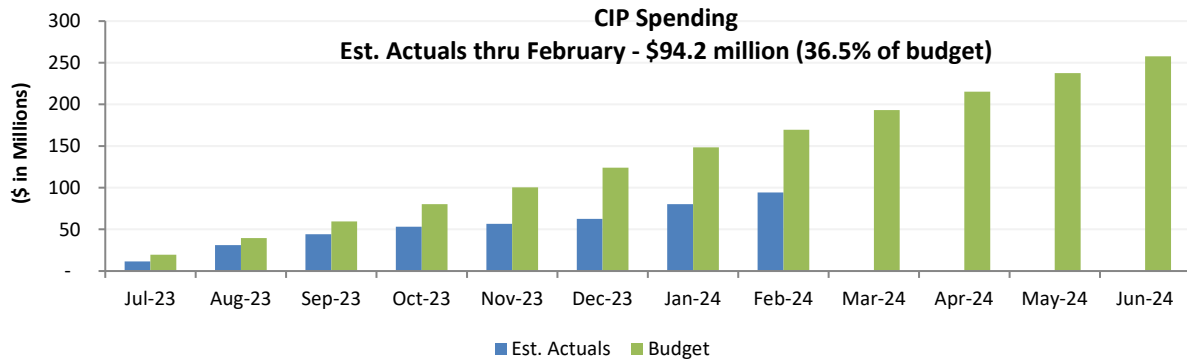
Operating Expenses were 14.6% lower than budgeted primarily due to lower salaries and benefits expenses as well as invoicing/payment delays related to city services, outside

services and utilities. Relative to the prior fiscal year, total Operating Expenses increased by 28.4% primarily due to higher salaries and benefits, higher outside services, higher OCC incentive payments due to volume growth in FY24, higher utilities and higher other miscellaneous expenditures, which were only partially offset by lower City Services.

Operating Margin through the month of February was 60.9% versus a budget of 43.6% and a prior year-to-date figure of 62.4%. Excluding HMT receipts of \$60.6 million, Operating Margin would have been 56.2%.

Capital Improvement Program (CIP)

CIP spending for the eight-month period ending February 28, 2025, was estimated to reach \$94.2 million or about 36.5% of the total \$257.7 million CIP adopted budget.



**Jeffrey
Strafford**

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JEFFREY STRAFFORD
Chief Financial Officer

Transmittals:

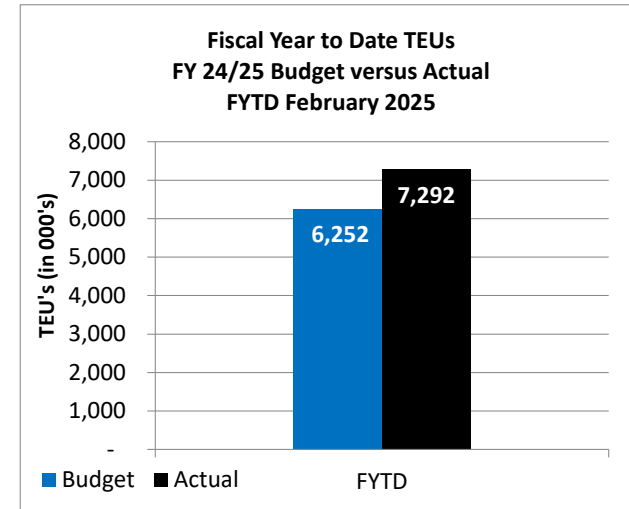
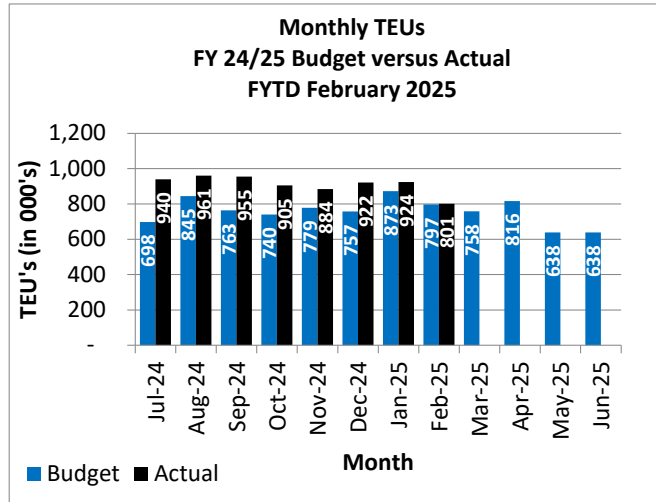
1. TEU Throughput Comparison – FYTD February 2025
2. Actual-to-Budget FY 2025/25 – February
3. Year-to-Year Performance Report YTD February 28, 2025 and 2024

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JS:MM/Finance
cc: Deputy Executive Directors

HARBOR DEPARTMENT OF THE CITY OF LOS ANGELES TEU THROUGHPUT COMPARISON - FYTD February 2025

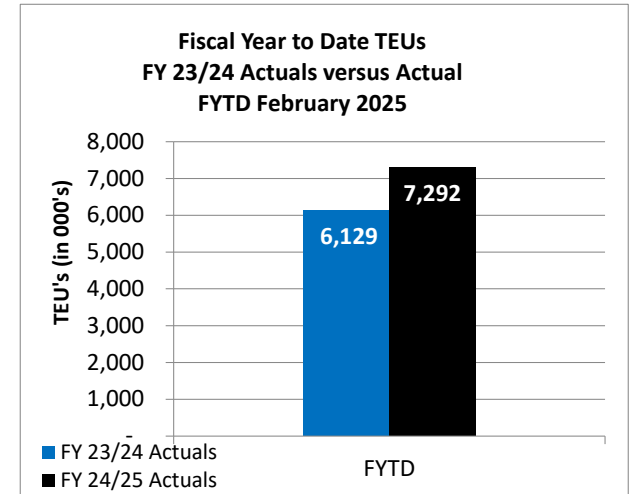
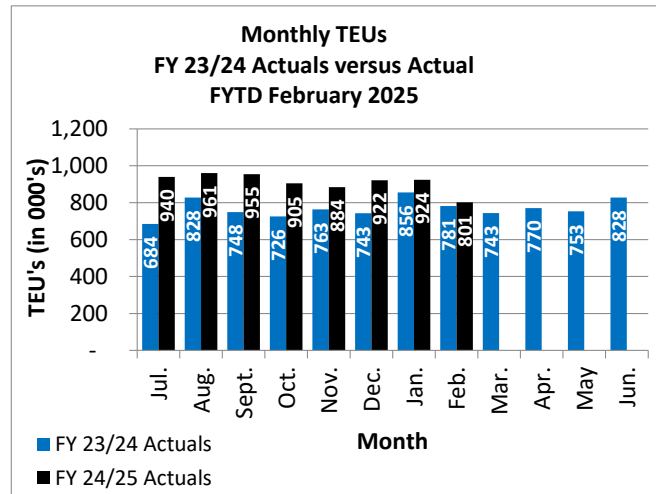
Budget versus Actuals Comparison FY 24/25 Budget vs. FY 24/25 Actuals

(in 000's)	TEU's		% Δ	Δ
	Month	FY 24/25 Budget		
Jul-24	698	940	34.6%	↑
Aug-24	845	961	13.7%	↑
Sep-24	763	955	25.1%	↑
Oct-24	740	905	22.3%	↑
Nov-24	779	884	13.6%	↑
Dec-24	757	922	21.7%	↑
Jan-25	873	924	5.9%	↑
Feb-25	797	801	0.5%	↑
Mar-25	758		-100.0%	↓
Apr-25	816		-100.0%	↓
May-25	638		-100.0%	↓
Jun-25	638		-100.0%	↓
FYTD	6,252	7,292	16.6%	↑
FY 24/25 Budget	9,103			



Year-to-Year Actuals Comparison FY 23/24 Actuals vs. FY 24/25 Actuals

(in 000's)	TEU's		% Δ	Δ
	Month	FY 23/24 Actuals		
Jul.	684	940	37.3%	↑
Aug.	828	961	16.0%	↑
Sept.	748	955	27.6%	↑
Oct.	726	905	24.7%	↑
Nov.	763	884	15.9%	↑
Dec.	743	922	24.1%	↑
Jan.	856	924	8.0%	↑
Feb.	781	801	2.6%	↑
Mar.	743		-100.0%	↓
Apr.	770		-100.0%	↓
May	753		-100.0%	↓
Jun.	828		-100.0%	↓
FYTD	6,129	7,292	19.0%	↑
FY 23/24 Actuals	9,224			



The Port of Los Angeles - Harbor Department
FYTD February 28, 2025

TRANSMITTAL 2

\$ in thousands	Fiscal Year Actual	Fiscal Year Budget	Actual-to-Budget	
	FY 2024/25	FY 2024/25	Comparison	
	Fiscal YTD - Feb 2025	Fiscal YTD - Feb 2025	\$	%
Operating Revenues				
Shipping Services	382,787	343,414	39,374	11.5%
Rentals	82,955	77,997	4,958	6.4%
Royalties, Fees and Other Revenues	79,277	22,123	57,154	258.3%
Clean Truck Program Revenues	29,371	23,166	6,206	26.8%
Total Operating Revenues	574,391	466,700	107,691	23.1%
Operating Expenses				
Gross Salaries & Benefits	137,202	142,356	5,154	3.6%
Capitalization	(13,672)	(9,368)	4,304	(45.9%)
Net Salaries & Benefits	123,530	132,987	9,458	7.1%
Marketing & Public Relations	2,128	3,038	910	30.0%
Travel	485	918	433	47.2%
Outside Services	22,362	36,256	13,894	38.3%
Materials & Supplies	3,393	4,344	951	21.9%
Rentals and Incentives	8,356	14,740	6,384	43.3%
Clean Truck Program Expenses	5,409	1,775	(3,634)	(204.7%)
City Services	31,455	45,654	14,198	31.1%
Allocations to Capital - Overhead		(13,534)	(13,534)	100.0%
Other Operating Expenses	27,674	37,167	9,493	25.5%
Total Operating Expenses	224,791	263,345	38,554	14.6%
Income Before Depreciation	349,600	203,355	146,245	71.9%
Provision For Depreciation	97,029	101,587	4,557	4.5%
Income From Operations	252,570	101,768	150,802	148.2%
Non-Operating Revenue	48,831	31,893	16,938	53.1%
Non-Operating Expenses	8,086	22,523	14,437	64.1%
Income before Capital Contributions	293,315	111,138	182,177	163.9%
Capital Contributions		64,448	64,448	100.0%
Net Income	293,315	175,586	117,729	67.0%

The Port of Los Angeles - Harbor Department
FYTD February 28, 2025 and 2024

TRANSMITTAL 3

\$ in thousands	Fiscal Year Actual	Prior Fiscal Year	Year-over-Year Change	
	FY 2024/25	FY 2023/24	(Unfavorable)/Favorable	
	Fiscal YTD - Feb 2025	Fiscal YTD - Feb 2024	\$	%
Operating Revenues				
Shipping Services	382,787	338,603	44,184	13.0%
Rentals	82,955	80,503	2,451	3.0%
Royalties, Fees and Other Revenues	79,277	23,662	55,615	235.0%
Clean Truck Program Revenues	29,371	23,166	6,206	26.8%
Total Operating Revenues	574,391	465,934	108,456	23.3%
Operating Expenses				
Gross Salaries & Benefits	137,202	109,519	(27,683)	(25.3%)
Capitalization	(13,672)	(22,903)	(9,231)	40.3%
Net Salaries & Benefits	123,530	86,616	(36,914)	(42.6%)
Marketing & Public Relations	2,128	1,442	(686)	(47.6%)
Travel	485	550	65	11.8%
Outside Services	22,362	15,514	(6,848)	(44.1%)
Materials & Supplies	3,393	3,658	265	7.3%
Rentals and Incentives	8,356	9,508	1,152	12.1%
Clean Truck Program Expenses	5,409	1,865	(3,544)	(190.0%)
City Services	31,455	33,681	2,226	6.6%
Other Operating Expenses	27,674	22,269	(5,405)	(24.3%)
Total Operating Expenses	224,791	175,103	(49,688)	(28.4%)
Income Before Depreciation	349,600	290,831	58,768	20.2%
Provision For Depreciation	97,029	98,599	1,570	1.6%
Income From Operations	252,570	192,232	60,338	31.4%
Non-Operating Revenue	48,831	29,502	19,329	65.5%
Non-Operating Expenses	8,086	11,368	3,282	28.9%
Income before Capital Contributions	293,315	210,366	82,949	39.4%
Capital Contributions		45,410	45,410	100.0%
Net Income	293,315	255,776	37,539	14.7%