



AUDIT COMMITTEE

Report to the
Board of Harbor Commissioners

“FOR INFORMATION ONLY”

DATE: February 19, 2025

TO: BOARD OF HARBOR COMMISSIONERS

SUBJECT: FINANCIAL PERFORMANCE RESULTS FOR
FISCAL YEAR 2024/25 ENDED JANUARY 31, 2025

Financial performance results through the seventh 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 January, cargo volumes (as measured by TEUs or twenty-foot equivalent units) increased by 19.0% relative to budget and increased by 21.4% relative to the prior fiscal year. In summary, performance results for the Harbor Department are as follows:

FYTD January 2025	Actuals (Cargo Volumes in Thousands, \$ in Millions)	Actual-to- Budget Comparison	Year-on-Year Comparison
Cargo Volumes	6,490	↑ 19.0%	↑ 21.4%
Operating Revenues	\$510.6	↑ 24.3%	↑ 26.9%
Operating Expenses	\$203.1	↓ (12.8%)	↑ 32.4%
Operating Income	\$307.5	↑ 72.8%	↑ 23.4%
Net Income	\$259.3	↑ 69.0%	↑ 18.7%

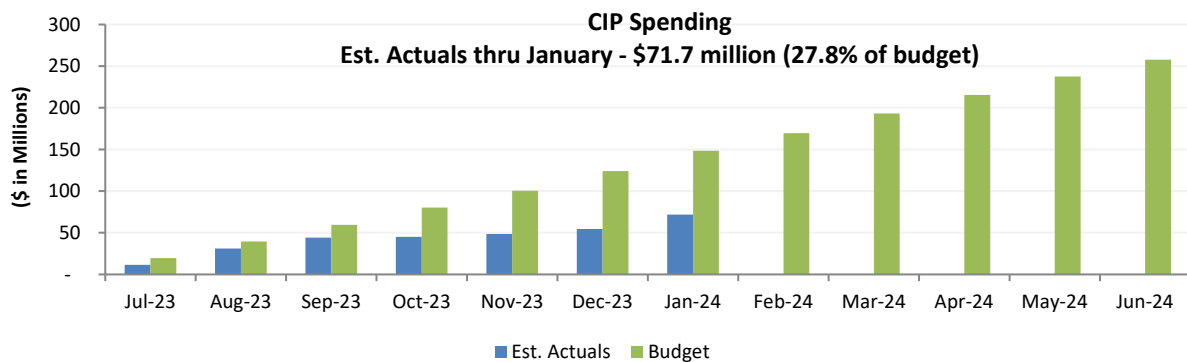
Relative to budget, Operating Revenues increased by 24.3% primarily due to higher than budgeted Harbor Maintenance Tax (HMT) receipts of \$60.6 million, higher wharfage revenues and higher rentals. Excluding the impact of HMT receipts, Operating Revenues increased by 9.5%. In comparison to the prior fiscal year, total Operating Revenues increased by 26.9% 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 11.8%

Operating Expenses were 12.8% lower than budgeted primarily due lower salaries and benefits expenses as well as invoicing/payment delays related to outside services, city services and utilities. Relative to the prior fiscal year, total Operating Expenses increased by 32.4% primarily due to higher salaries and benefits, higher City Services primarily from Fire Services, higher outside services, higher OCC incentive payments due to volume growth in FY24, higher utilities and higher other miscellaneous expenditures.

Operating Margin through the month of January was 60.2% versus a budget of 43.3% and a prior year-to-date figure of 61.9%. Excluding HMT receipts of \$60.6 million, Operating Margin would have been 55.9%.

Capital Improvement Program (CIP)

CIP spending for the seven-month period ending January 31, 2025, was estimated to reach \$71.7 million or about 27.8% of the total \$257.7 million CIP adopted budget.



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JEFFREY STRAFFORD
Chief Financial Officer

Transmittals:

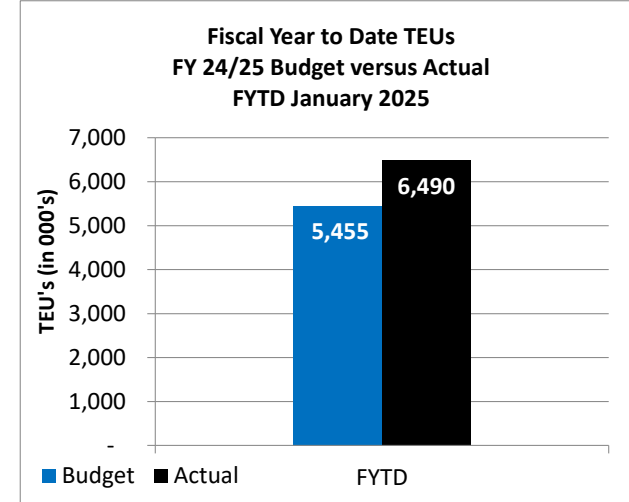
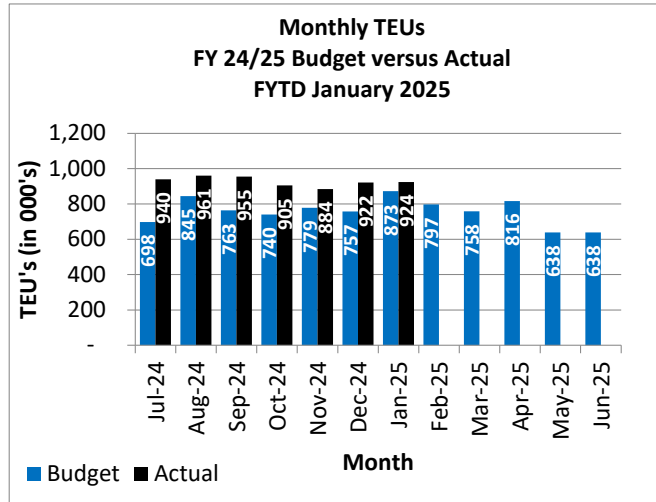
1. TEU Throughput Comparison – FYTD January 2025
2. Actual-to-Budget FY 2025/25 – January
3. Year-to-Year Performance Report YTD January 31, 2025 and 2024

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cc: Deputy Executive Directors

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

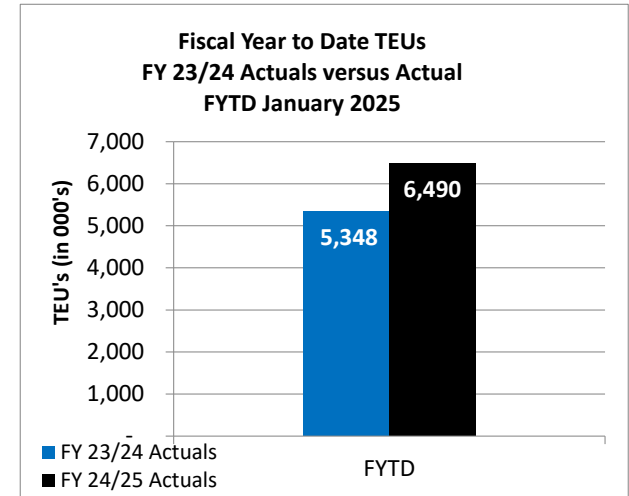
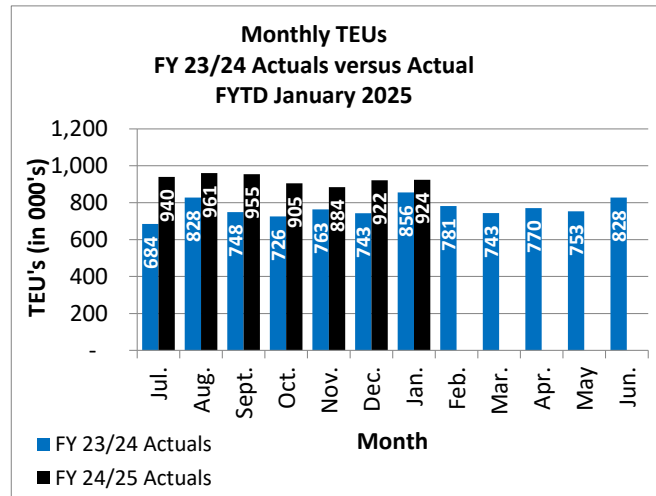
Budget versus Actuals Comparison FY 24/25 Budget vs. FY 24/25 Actuals

(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		-100.0%	↓
Mar-25	758		-100.0%	↓
Apr-25	816		-100.0%	↓
May-25	638		-100.0%	↓
Jun-25	638		-100.0%	↓
FYTD	5,455	6,490	19.0%	↑
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		-100.0%	↓
Mar.	743		-100.0%	↓
Apr.	770		-100.0%	↓
May	753		-100.0%	↓
Jun.	828		-100.0%	↓
FYTD	5,348	6,490	21.4%	↑
FY 23/24 Actuals	9,223.793			



The Port of Los Angeles - Harbor Department
FYTD January 31, 2025

TRANSMITTAL 2

\$ in thousands	Fiscal Year Actual	Fiscal Year Budget	Actual-to-Budget	
	FY 2024/25	FY 2024/25	Comparison	
	Fiscal YTD - Jan 2025	Fiscal YTD - Jan 2025	\$	%
Operating Revenues				
Shipping Services	337,660	300,239	37,421	12.5%
Rentals	75,381	71,269	4,112	5.8%
Royalties, Fees and Other Revenues	76,550	16,520	60,030	363.4%
Clean Truck Program Revenues	20,991	22,792	(1,801)	(7.9%)
Total Operating Revenues	510,582	410,820	99,761	24.3%
Operating Expenses				
Gross Salaries & Benefits	122,044	124,480	2,436	2.0%
Capitalization	(14,596)	(8,197)	6,399	(78.1%)
Net Salaries & Benefits	107,448	116,283	8,836	7.6%
Marketing & Public Relations	1,898	2,807	909	32.4%
Travel	429	830	402	48.4%
Outside Services	18,158	31,963	13,804	43.2%
Materials & Supplies	2,861	3,812	951	24.9%
Rentals and Incentives	7,806	13,658	5,853	42.8%
Clean Truck Program Expenses	2,243	1,542	(701)	(45.5%)
City Services	37,887	39,985	2,099	5.2%
Allocations to Capital - Overhead		(11,842)	(11,842)	100.0%
Other Operating Expenses	24,356	33,790	9,434	27.9%
Total Operating Expenses	203,084	232,829	29,744	12.8%
Income Before Depreciation	307,497	177,991	129,506	72.8%
Provision For Depreciation	84,894	88,968	4,075	4.6%
Income From Operations	222,604	89,023	133,580	150.1%
Non-Operating Revenue	44,204	28,156	16,047	57.0%
Non-Operating Expenses	7,474	20,112	12,638	62.8%
Income before Capital Contributions	259,334	97,068	162,266	167.2%
Capital Contributions		56,392	56,392	100.0%
Net Income	259,334	153,460	105,874	69.0%

The Port of Los Angeles - Harbor Department
FYTD JANUARY 31, 2025 and 2024

TRANSMITTAL 3

\$ in thousands	Fiscal Year Actual	Prior Fiscal Year	Year-over-Year	
	FY 2024/25	FY 2023/24	Change	
	Fiscal YTD - Jan 2025	Fiscal YTD - Jan 2024	(Unfavorable)/Favorable	
			\$	%
Operating Revenues				
Shipping Services	337,660	290,346	47,314	16.3%
Rentals	75,381	73,343	2,038	2.8%
Royalties, Fees and Other Revenues	76,550	15,999	60,550	378.5%
Clean Truck Program Revenues	20,991	22,792	(1,801)	(7.9%)
Total Operating Revenues	510,582	402,481	108,101	26.9%
Operating Expenses				
Gross Salaries & Benefits	122,044	98,183	(23,861)	(24.3%)
Capitalization	(14,596)	(20,038)	(5,442)	27.2%
Net Salaries & Benefits	107,448	78,145	(29,303)	(37.5%)
Marketing & Public Relations	1,898	1,341	(557)	(41.6%)
Travel	429	481	52	10.9%
Outside Services	18,158	13,700	(4,458)	(32.5%)
Materials & Supplies	2,861	3,326	464	14.0%
Rentals and Incentives	7,806	8,395	589	7.0%
Clean Truck Program Expenses	2,243	1,292	(950)	(73.5%)
City Services	37,887	27,818	(10,068)	(36.2%)
Other Operating Expenses	24,356	18,862	(5,495)	(29.1%)
Total Operating Expenses	203,084	153,359	(49,725)	(32.4%)
Income Before Depreciation	307,497	249,121	58,376	23.4%
Provision For Depreciation	84,894	86,488	1,594	1.8%
Income From Operations	222,604	162,633	59,970	36.9%
Non-Operating Revenue	44,204	25,396	18,808	74.1%
Non-Operating Expenses	7,474	9,979	2,505	25.1%
Income before Capital Contributions	259,334	178,050	81,284	45.7%
Capital Contributions		40,371	40,371	100.0%
Net Income	259,334	218,421	40,913	18.7%