Alex Vargas, Mayor
Alex Monteiro, Mayor Pro Tem
Angie Reyes English, Councilmember
Katrina Manning,Councilmember
Faye Johnson, Councilmember

Dayna S. Williams-Hunter, City Clerk
Marie Poindexter-Hornback, City Treasurer

# CITY OF HAWTHORNE
# CITY COUNCIL REGULAR MEETING
# AGENDA FOR FEBRUARY 24, 2026 6:00 PM
# COUNCIL CHAMBER AT CITY HALL
# 4455 W. 126th STREET, HAWTHORNE, CALIFORNIA

## MEETING INFORMATION

**IF YOU ARE AN INDIVIDUAL WITH A DISABILITY AND NEED REASONABLE ACCOMMODATION OR MODIFICATION PURSUANT TO THE AMERICANS WITH DISABILITIES ACT (ADA) PLEASE CONTACT THE CITY CLERK DEPARTMENT AT CITYCLERK@CITYOFHAWTHORNE.ORG OR CALL (310) 349-2915 PRIOR TO THE MEETING FOR ASSISTANCE.**

**THE MEETING IS SHOWN LIVE ON CABLE CHANNEL 22, AND WILL BE REBROADCAST AS PART OF THE REGULAR CITY COUNCIL, SUCCESSOR AGENCY, AND RELATED MEETINGS ACCORDING TO THE PUBLISHED CABLE SCHEDULE OF PROGRAMS. IT SHALL ALSO BE BROADCAST LIVE AND BE MADE AVAILABLE THEREAFTER ON THE CITY OF HAWTHORNE'S WEBSITE:**

**MEETING VIDEO**

**Or online on YouTube by searching for Hawthorne Community Television**

---

**THE AGENDA, STAFF REPORTS AND ATTACHMENTS ARE AVAILABLE ONLINE AT AGENDA, STAFF REPORTS, ATTACHMENTS AND THEN SELECTING THE DESIRED MEETING. MEMBERS OF THE PUBLIC MAY INSPECT (AT NO COST) AND/OR OBTAIN COPIES (UPON PAYMENT OF THE CITY'S CURRENT COPYING FEE) OF ANY REGULAR SESSION ITEM BY CONTACTING THE CITY CLERK DEPARTMENT AT CITY HALL VIA TELEPHONE (310) 349-2915 OR EMAIL CITYCLERK@CITYOFHAWTHORNE.ORG**

## CALL TO ORDER

## INVOCATION

## PLEDGE OF ALLEGIANCE

## ROLL CALL

## PROCLAMATIONS/CERTIFICATES/PRESENTATIONS

1. Celebrating Black History Month - A. Monterio
2. Los Angeles Dream Center Presentation- Housing Department
3. LA Metro I-105 Project Update Presentation (K. Manning)
4. LA CADA for Homeless Outreach and Related Services- Hawthorne Police Department

## PUBLIC COMMENTS

### PUBLIC COMMENT INSTRUCTIONS

ANY PERSON DESIRING TO ADDRESS THE CITY COUNCIL AND PARKING AUTHORITY SHOULD COMPLETE A SPEAKER REQUEST CARD AND SUBMIT THE CARD TO THE CITY CLERK/SECRETARY PRIOR TO THE COMMENCEMENT OF THE CITY COUNCIL, PARKING AUTHORITY AND HOUSING AUTHORITY MEETING. AFTER OBTAINING PERMISSION TO PROCEED BY THE PRESIDING OFFICER SPEAKERS SHOULD FIRST STATE THEIR FULL NAME AND ADDRESS FOR THE RECORD. THEY THEN SHALL STATE THEIR BUSINESS FOR ALL GOVERNING BODIES BRIEFLY AND COMPLETELY AND UNLESS GRANTED FURTHER TIME BY A

GOVERNING BODY SHALL LIMIT THEIR ADDRESS TO THREE MINUTES. THE THREE-MINUTE LIMIT SHALL INCLUDE GOVERNING BODY OR STAFF RESPONSES, IF ANY, TO QUERIES POSED BY SPEAKERS. HOWEVER, THE STATE OPEN MEETINGS LAW (GOVERNMENT CODE SECTION 54950 ET SEQ.) PROHIBITS THE CITY COUNCIL FROM PROVIDING A DETAILED RESPONSE OR ACTING UPON ANY ITEM NOT CONTAINED ON THE AGENDA POSTED 72 HOURS BEFORE A REGULAR MEETING AND 24 HOURS BEFORE A SPECIAL MEETING. ALL REMARKS SHALL BE ADDRESSED TO THE GOVERNING BODIES AS A BODY AND NOT TO ANY PARTICULAR MEMBER THEREOF. THE GOVERNING BODY MAY EITHER DISPOSE OF THE COMMUNICATION AT THE CLOSE THEREOF OR MAY REFER IT TO AN APPROPRIATE ADMINISTRATIVE OFFICER FOR STUDY, INVESTIGATION, REPORT, AND/OR RECOMMENDATION. DISCUSSION, IF ANY, SHALL BE BY MEMBERS OF A GOVERNING BODY ONLY. (H.M.C. 2.06.180, RESO. NO. 6443)

## CITY CLERK'S CONSENT CALENDAR

5. The Finance Department requests approval of the warrants. Motion to approve the warrants.

**RECOMMENDED MOTION:**
Staff Recommends that the City Council approve the warrants issued for the period of 02/11/2026 to 02/24/2026 for a total of $4,015,891.13.

6. Approval of City Council meeting minutes for the regular meeting of February 10, 2026. Motion to approve minutes.

**RECOMMENDED MOTION:**
Staff recommends that the Council approve the regular City Council meeting minutes of February 10, 2026.

7. Approval of waiver of full readings of resolutions and ordinances on Tuesday, February 24, 2026's agenda. Motion to waive full readings.

## RESOLUTIONS

8. Resolution 8589 to Authorize the City of Hawthorne to Apply for the Prohousing Designation from the California Department of Housing and Community Development.

**RECOMMENDED MOTION:**
Adopt the resolution.

## ORDINANCES

9. ORDINANCE NO. 2261 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA AMENDING CHAPTER 10.36 (STOPPING, STANDING AND PARKING) OF TITLE 10 (VEHICLES AND TRAFFIC) OF THE HAWTHORNE MUNICIPAL CODE TO ESTABLISH PARKING METER ZONES, OPERATIONS, FEES AND PROCEDURES. (Motion to Introduce.)

**RECOMMENDED MOTION:**
Staff recommends that the City Council Introduce Ordinance No. 2261.

## BIDS: OPENINGS & RESULTS

## PUBLIC HEARINGS

## GENERAL MATTERS

## CITY MANAGER'S CONSENT CALENDAR

10. RETIREE HEALTHCARE PLAN June 30, 2025 GASBS 75 Disclosure Report

**RECOMMENDED MOTION:**
Staff recommends that the City Council accept and file the OPEB Disclosure Report for Fiscal Year ending June 30, 2025, and approve the contribution to OPEB Trust.

11. Annual Comprehensive Financial Report of the City of Hawthorne for the Fiscal Year Ended June 30, 2025.

**RECOMMENDED MOTION:**
Staff recommends that the City Council receive and file the Annual Comprehensive Financial Report of the City of Hawthorne for the Fiscal Year ended June 30, 2025.

12. Approval of Memorandum of Understanding with the Los Angeles Dream Center for Homelessness Response Collaboration.

**RECOMMENDED MOTION:**
Staff recommends that the City Council:

1. Approve the Memorandum of Understanding (MOU) between the City of Hawthorne and the Los Angeles Dream Center; and
2. Authorize the City Manager to execute the MOU in a form approved by the City Attorney.

13. Approval of Agreement with LA CADA for Homeless Outreach and Related Services; Appropriation of $100,000.00 from Opioid Settlement Funding.

**RECOMMENDED MOTION:**
Staff recommends that the City Council approve the one-year agreement between the City of Hawthorne and LA CADA (Los Angeles Centers for Alcohol and Drug Abuse) for homeless outreach and transportation services, and appropriating $100,000.00 from Opioid Settlement funding.

14. Progress Payment #2 in the amount of $167,152.50 due to Jermax Construction Inc. of San Fernando, CA for Holly Park Restroom Renovation (Project #25-07).

**RECOMMENDED MOTION:**
City staff recommends that the City Council approve this Progress Payment #2 for Jermax Construction Inc. of San Fernando, CA.

15. First Amendment to the Agreement Between the City of Hawthorne and MNS Engineers, Inc.

**RECOMMENDED MOTION:**
Approve the First Amendment to the MNS Engineers, Inc. contract with the City.

16. Acquisition of a portable, self-contained camera system for deployment in areas experiencing spikes in SB1383 Illegal dumping and contamination areas.

**RECOMMENDED MOTION:**
Approve the purchase of a "Wanco Portable Surveillance Camera Trailer" from "WANCO Inc.," for the related cost of $47,860.

17. Progress Payment #7 in the amount of $905,942.73 is due to Martinez Landscape Co., Inc of Sylmar, CA for the City of Hawthorne New City Yard (Project #24-02).

**RECOMMENDED MOTION:**
Staff recommends that the City Council approve this Progress Payment #7 to Martinez Landscape Co. Inc of Sylmar, CA.

18. Hero Housing Empowerment Recovery And Outreach Community Services Memorandum Of Understanding

**RECOMMENDED MOTION:**
City Council to approve the MOU for Street Outreach and Case Management, and also a Homeless Housing Coordinator to assist our Homeless Services Division.

## CITY ATTORNEY'S CONSENT CALENDAR

## DISCUSSION ITEMS

19. Hawthorne Municipal Airport News & Developments -- F. Johnson

20. Establishing a Public Works Commission -- K. Manning

21. Proclamation for Fair Housing Month (April) -- A. Monteiro/K. Manning

22. Donation of a Vehicle from SpaceX to the City of Hawthorne -- F. Johnson

## ELECTED OFFICIALS REPORTS

## COUNCIL DIRECTIVES

## CLOSED SESSION

## ADJOURNMENT

## CERTIFICATION

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) SS
CITY OF HAWTHORNE )

I, **DIANA CUCALON**, Deputy City Clerk for the City of Hawthorne, certify that a true and correct copy of the foregoing City Council Meeting Agenda was posted not less than 72 hours before the City Council Meeting to be held on Tuesday, February 24, 2026.

Diana Cucalon

_____

**DIANA CUCALON**
**HAWTHORNE DEPUTY CITY CLERK**

**AGENDA ITEM NO. 1.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Manager

**SUBJECT:**
Celebrating Black History Month - A. Monterio

**AGENDA ITEM NO. 2.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Housing

**SUBJECT:**
Los Angeles Dream Center Presentation- Housing Department

**AGENDA ITEM NO. 3.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Public Works

**SUBJECT:**
LA Metro I-105 Project Update Presentation (K. Manning)

**AGENDA ITEM NO. 4.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Police Department

**SUBJECT:**
LA CADA for Homeless Outreach and Related Services- Hawthorne Police Department

**AGENDA ITEM NO. 5.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Licensing

---

**City Manager: Department Head:**

**SUBJECT:**
The Finance Department requests approval of the warrants. Motion to approve the warrants.

**RECOMMENDED MOTION:**
Staff Recommends that the City Council approve the warrants issued for the period of 02/11/2026 to 02/24/2026 for a total of $4,015,891.13.

**DISCUSSION:**
Staff plan to issue checks to the vendors that provide goods and services to the City of Hawthorne.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
Develop and implement clear, business-friendly methods of communicating useful and helpful information to vendors

**FISCAL IMPACT:**
None. Funds for these payments of the amount of $4,015,891.13 are available in the adopted Fiscal Year 2025-2026 budget.

| **Description of Warrants** | **Amount** |
|---|---|
| Payroll City Warrants | $ 968,170.54 |
| General City Warrants | $ 3,044,681.22 |
| Housing Warrants | $ 3,039.37 |
| Asset Forfeiture Warrants | $ - |
| **Grand Total** | **$ 4,015,891.13** |

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
Council Warrants 02/24/26

# CITY OF HAWTHORNE

*FOR THE MEETING OF FEBRUARY 24, 2026*

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following Payroll City Warrants for your approval:

| | Warrant #s | | | |
|---|---|---|---|---|
| **Date** | **Start** | **Ending** | **Warrant type** | **Total $** |
| 2/12/26 | 41025 | 41338 | PAYROLL | 965,402.54 |
| 2/12/26 | 96825 | 196827 | PAYROLL | 2,768.00 |
| *** Emergency Issue - for ratification only** | | | | 968,170.54 |

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

# CITY OF HAWTHORNE

*FOR THE MEETING OF FEBRUARY 24, 2026*

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following General City Warrants for your approval:

| | Warrant #s | | | |
|---|---|---|---|---|
| **Date** | **Start** | **Ending** | **Warrant type** | **Total $** |
| 2/10/26 | 493818 | 493818 | CITY - SPECIAL | 757,687.25 |
| 2/17/26 | 493819 | 493819 | CITY - SPECIAL | 374.84 |
| 2/13/26 | 493838 | 493855 | DEBT LEVIES | 25,419.35 |
| 2/24/26 | 493856 | 493863 | UTILITIES | 193,557.65 |
| 2/24/26 | 493864 | 494012 | CITY | 2,067,642.13 |
| | | | | 3,044,681.22 |

*** Emergency Issue - for ratification only**

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

# City of Hawthorne, CA

## PAID INVOICES REPORT

CHECK: C021026S TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 17857 | SOUTH BAY REGIONAL PUBLIC | | | | | | | | |
| | 117103 | 12/01/25 | 2919 | 493818 | T | 02/10/26 | 10050121 43014 | SB REG PUBLIC COMM AUTHOR | 757,687.25 |
| | INVOICE: 04693 | | | | | | | | |
| | VENDOR TOTALS | 1,060,762.15 YTD INVOICED | | | | | 2,631,362.45 YTD PAID | | 757,687.25 |
| | | | | | | | | REPORT TOTALS | 757,687.25 |

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL EFT TRANSFERS | 1 | 757,687.25 |

** END OF REPORT - Generated by Shuntell Dixon **

# City of Hawthorne, CA

## PAID INVOICES REPORT

CHECK: C021726 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 124717 | ACCESS PARTY RENTALS | | | | | | | | |
| | 117257 | 02/11/26 | | 493819 | P | 02/17/26 | 990 23033 | HPD GOOD NEIGHBOR GAMES | 374.84 |
| | INVOICE: 02112026 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 374.84 YTD PAID | | 374.84 |
| | | | | | | | | REPORT TOTALS | 374.84 |

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL PRINTED CHECKS | 1 | 374.84 |

** END OF REPORT - Generated by Shuntell Dixon **

# PAID INVOICES REPORT

CHECK: DL021326 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 123239 | CA DISBURSEMENT UNIT | | | | | | | | |
| | 117336 | 02/12/26 | | 493838 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 704.30 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 2,112.90 YTD INVOICED | | | | 11,973.10 YTD PAID | | 704.30 |
| 119637 | CA SDU, STATE DISBURSEMENT UNIT | | | | | | | | |
| | 117333 | 02/12/26 | | 493839 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 258.46 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 775.38 YTD INVOICED | | | | 4,393.82 YTD PAID | | 258.46 |
| 119685 | CA SDU, STATE DISBURSEMENT UNIT | | | | | | | | |
| | 117334 | 02/12/26 | | 493840 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 142.15 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 426.45 YTD INVOICED | | | | 2,416.55 YTD PAID | | 142.15 |
| 124677 | CA. STATE DISBURSEMENT UNIT | | | | | | | | |
| | 117343 | 02/12/26 | | 493841 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 256.73 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 770.19 YTD PAID | | 256.73 |
| 124678 | CA. STATE DISBURSEMENT UNIT | | | | | | | | |
| | 117345 | 02/12/26 | | 493842 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 200.30 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 600.90 YTD PAID | | 200.30 |
| 124099 | CALIFORNIA STATE DISBURSEMENT UNIT | | | | | | | | |
| | 117335 | 02/12/26 | | 493843 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 533.53 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 1,600.59 YTD INVOICED | | | | 9,070.01 YTD PAID | | 533.53 |
| 124612 | FRANCHISE TAX BOARD | | | | | | | | |
| | 117339 | 02/12/26 | | 493846 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 110.82 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 886.56 YTD PAID | | 110.82 |
| 121291 | FRANCHISE TAX BOARD | | | | | | | | |
| | 117340 | 02/12/26 | | 493844 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 200.00 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 1,000.00 YTD PAID | | 200.00 |
| 123629 | FRANCHISE TAX BOARD | | | | | | | | |
| | 117342 | 02/12/26 | | 493845 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 100.00 |
| | INVOICE: 2026-5 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: DL021326 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | | 99.43 YTD INVOICED | | | | 699.43 YTD PAID | | 100.00 |
| 4 | H.M.E.A. | | | | | | | | |
| | 117308 | 02/12/26 | | 493847 | P | 02/13/26 960 | 21600 | ACCRUED WAGES PAYABLE | 1,620.00 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 4,660.00 YTD INVOICED | | | | 27,340.00 YTD PAID | | 1,620.00 |
| 99379 | HAWTHORNE EXECUTIVE GROUP | | | | | | | | |
| | 117306 | 02/12/26 | | 493848 | P | 02/13/26 960 | 21600 | ACCRUED WAGES PAYABLE | 560.00 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 1,320.00 YTD INVOICED | | | | 8,080.00 YTD PAID | | 560.00 |
| 124425 | HAWTHORNE POLICE CIVILIAN ASSOCIATION (HPCA) | | | | | | | | |
| | 117331 | 02/12/26 | | 493849 | P | 02/13/26 960 | 21600 | ACCRUED WAGES PAYABLE | 1,520.00 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 3,960.00 YTD INVOICED | | | | 23,200.00 YTD PAID | | 1,520.00 |
| 3 | HAWTHORNE POLICE OFFICERS ASSN | | | | | | | | |
| | 117309 | 02/12/26 | | 493850 | P | 02/13/26 960 | 21600 | ACCRUED WAGES PAYABLE | 6,299.50 |
| | INVOICE: 2026-5A | | | | | | | | |
| | 117311 | 02/12/26 | | 493850 | P | 02/13/26 960 | 21600 | ACCRUED WAGES PAYABLE | 680.00 |
| | INVOICE: 2026-5B | | | | | | | | |
| | 117313 | 02/12/26 | | 493850 | P | 02/13/26 960 | 21640 | ADDITIONAL INS LIABILITY | 3,813.29 |
| | INVOICE: 2026-5C | | | | | | | | |
| | VENDOR TOTALS | | 27,289.71 YTD INVOICED | | | | 176,945.17 YTD PAID | | 10,792.79 |
| 115942 | NAKAGAWA, JOE | | | | | | | | |
| | 117383 | 02/12/26 | | 493851 | P | 02/13/26 960 | 20220 | PERS LIABLILITY | 372.51 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 858.72 YTD PAID | | 372.51 |
| 115178 | PRE PAID LEGAL SERVICES, INC. | | | | | | | | |
| | 117332 | 02/12/26 | | 493852 | P | 02/13/26 960 | 21640 | ADDITIONAL INS LIABILITY | 207.87 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 525.63 YTD INVOICED | | | | 2,890.25 YTD PAID | | 207.87 |
| 113121 | TOTAL ADMINISTRATION SVCS CORP | | | | | | | | |
| | 117349 | 02/12/26 | | 493853 | P | 02/13/26 960 | 21640 | ADDITIONAL INS LIABILITY | 1,067.30 |
| | INVOICE: 2026-5A | | | | | | | | |
| | 117350 | 02/12/26 | | 493853 | P | 02/13/26 960 | 21640 | ADDITIONAL INS LIABILITY | 4,774.98 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | | 12,035.79 YTD INVOICED | | | | 76,713.46 YTD PAID | | 5,842.28 |

# PAID INVOICES REPORT

CHECK: DL021326 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 103511 | U.S. BANK PARS 6746022400, L.A. LOCKBOX 511649 | | | | | | | | |
| | 117351 | 02/12/26 | | 493854 | P | 02/13/26 | 960 20270 | PARS LIABILITY | 1,505.79 |
| | INVOICE: 2026-5A | | | | | | | | |
| | 117352 | 02/12/26 | | 493854 | P | 02/13/26 | 960 20270 | PARS LIABILITY | 376.44 |
| | INVOICE: 2026-5B | | | | | | | | |
| | VENDOR TOTALS | 12,049.44 YTD INVOICED | | | | | 36,277.95 YTD PAID | | 1,882.23 |
| 123240 | VILLEGAS, ALBA | | | | | | | | |
| | 117338 | 02/12/26 | | 493855 | P | 02/13/26 | 960 21630 | GARNISHMENTS LIABILITY | 115.38 |
| | INVOICE: 2026-5 | | | | | | | | |
| | VENDOR TOTALS | 346.14 YTD INVOICED | | | | | 1,961.46 YTD PAID | | 115.38 |
| | | | | | | | | REPORT TOTALS | 25,419.35 |

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL PRINTED CHECKS | 18 | 25,419.35 |

** END OF REPORT - Generated by Shuntell Dixon **

# City of Hawthorne, CA

## PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 115390 | A T & T MOBILITY | | | | | | | | |
| | 117427 | 01/23/26 | | 493856 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 252.24 |
| | INVOICE: | JA287311965804 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 1,656.08 YTD PAID | | 252.24 |
| 115783 | AT&T | | | | | | | | |
| | 116944 | 01/07/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 31.53 |
| | INVOICE: | JA9391026320 | | | | | | | |
| | 117015 | 01/07/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 31.88 |
| | INVOICE: | JA9391026284 | | | | | | | |
| | 117016 | 01/07/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 131.24 |
| | INVOICE: | JA9391031545 | | | | | | | |
| | 117017 | 01/12/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 91.27 |
| | INVOICE: | JA9391026281 | | | | | | | |
| | 117018 | 01/12/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 31.46 |
| | INVOICE: | JA9391026282 | | | | | | | |
| | 117019 | 01/13/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 83.86 |
| | INVOICE: | JA9391031541 | | | | | | | |
| | 117020 | 01/20/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 140.68 |
| | INVOICE: | JA9391031543 | | | | | | | |
| | 117021 | 01/20/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 512.79 |
| | INVOICE: | JA9391026341 | | | | | | | |
| | 117022 | 01/20/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 66.06 |
| | INVOICE: | JA9391031546 | | | | | | | |
| | 117023 | 01/20/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 66.06 |
| | INVOICE: | JA9391031544 | | | | | | | |
| | 117024 | 01/10/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 155.40 |
| | INVOICE: | JA9391053668 | | | | | | | |
| | 117025 | 01/10/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 155.40 |
| | INVOICE: | JA9391053669 | | | | | | | |
| | 117026 | 01/13/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 83.86 |
| | INVOICE: | JA9391031541 | | | | | | | |
| | 117027 | 01/12/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 613.47 |
| | INVOICE: | JA9391036076 | | | | | | | |
| | 117028 | 01/12/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 503.80 |
| | INVOICE: | JA9391036095 | | | | | | | |
| | 117029 | 01/20/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 512.79 |
| | INVOICE: | JA9391026341 | | | | | | | |
| | 117030 | 01/20/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 140.68 |
| | INVOICE: | JA9391031543 | | | | | | | |
| | 117031 | 01/27/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 466.64 |
| | INVOICE: | JA9391057056 | | | | | | | |
| | 117032 | 01/27/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 101.55 |
| | INVOICE: | JA9391026316 | | | | | | | |
| | 117418 | 02/01/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 63.94 |
| | INVOICE: | FB9391026345 | | | | | | | |
| | 117419 | 02/01/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 86.02 |
| | INVOICE: | FB9391026293 | | | | | | | |
| | 117421 | 02/01/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 31.97 |
| | INVOICE: | FB9391026278 | | | | | | | |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 117422 | 02/01/26 | | 493857 | P | 02/24/26 | 52035030 43054 | TELEPHONE | 62.38 |
| | INVOICE: | FB9391026287 | | | | | | | |
| | 117423 | 01/01/26 | | 493857 | P | 02/24/26 | 52035030 43054 | TELEPHONE | 62.21 |
| | INVOICE: | JA9391026287 | | | | | | | |
| | 117426 | 02/01/26 | | 493857 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 254.92 |
| | INVOICE: | FB9391026291 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 30,657.39 YTD PAID | | 4,481.86 |
| 103177 | CALIFORNIA WATER SERVICE | | | | | | | | |
| | 117033 | 01/16/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 284.73 |
| | INVOICE: | JA9379311111 | | | | | | | |
| | 117034 | 01/16/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 1,202.97 |
| | INVOICE: | JA9056440300 | | | | | | | |
| | 117035 | 01/16/26 | | 493858 | P | 02/24/26 | 46715732 45444 | UTILITIES | 216.41 |
| | INVOICE: | JA4046764921 | | | | | | | |
| | 117036 | 12/21/25 | | 493858 | P | 02/24/26 | 46615731 45444 | UTILITIES | 76.00 |
| | INVOICE: | DC9309482003 | | | | | | | |
| | 117037 | 12/16/25 | | 493858 | P | 02/24/26 | 46615731 45444 | UTILITIES | 540.82 |
| | INVOICE: | DC7858758946 | | | | | | | |
| | 117038 | 01/16/26 | | 493858 | P | 02/24/26 | 46615731 45444 | UTILITIES | 537.68 |
| | INVOICE: | JA7858758946 | | | | | | | |
| | 117039 | 12/31/25 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 549.60 |
| | INVOICE: | DC3406289008 | | | | | | | |
| | 117428 | 01/29/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 290.06 |
| | INVOICE: | JA8639925174 | | | | | | | |
| | 117429 | 01/30/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 505.25 |
| | INVOICE: | JA3406289008 | | | | | | | |
| | 117430 | 01/27/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 58.82 |
| | INVOICE: | JA3124149340 | | | | | | | |
| | 117432 | 01/30/26 | | 493858 | P | 02/24/26 | 46615731 45444 | UTILITIES | 76.00 |
| | INVOICE: | JA9309482003 | | | | | | | |
| | 117433 | 01/15/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 625.10 |
| | INVOICE: | JA2207311111 | | | | | | | |
| | 117434 | 01/15/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 107.53 |
| | INVOICE: | JA6395574084 | | | | | | | |
| | 117435 | 01/15/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 138.17 |
| | INVOICE: | JA8717030744 | | | | | | | |
| | 117436 | 01/15/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 48.94 |
| | INVOICE: | JA1072582226 | | | | | | | |
| | 117437 | 01/15/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 3,880.76 |
| | INVOICE: | JA3089311111 | | | | | | | |
| | 117438 | 01/15/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 54.09 |
| | INVOICE: | JA4031446452 | | | | | | | |
| | 117439 | 01/21/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 405.85 |
| | INVOICE: | JA5297758587 | | | | | | | |
| | 117440 | 01/20/26 | | 493858 | P | 02/24/26 | 46847150 45444 | UTILITIES | 102.92 |
| | INVOICE: | JA8816940090 | | | | | | | |
| | 117441 | 01/20/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 49.88 |
| | INVOICE: | JA3357207262 | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 10001221 45444 | UTILITIES | 359.00 |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 10041050 45444 | UTILITIES | 850.09 |
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 8,194.32 |
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 250.54 |
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 52035030 45444 | UTILITIES | 196.43 |
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 60031030 45444 | UTILITIES | 83.52 |
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117483 | 12/30/25 | | 493858 | P | 02/24/26 | 46447150 45444 | UTILITIES | 560.90 |
| | INVOICE: DC5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 10001221 45444 | UTILITIES | 364.37 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 10041050 45444 | UTILITIES | 837.14 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 10061100 45444 | UTILITIES | 8,505.03 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 22041060 45444 | UTILITIES | 247.81 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 52035030 45444 | UTILITIES | 220.27 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 60031030 45444 | UTILITIES | 82.59 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | 117484 | 01/29/26 | | 493858 | P | 02/24/26 | 46447150 45444 | UTILITIES | 493.01 |
| | INVOICE: JA5612411111 | | | | | | | | |
| | VENDOR TOTALS | | 74.32 YTD INVOICED | | | | 247,665.17 YTD PAID | | 30,996.60 |
| 18100 | GOLDEN STATE WATER CO. | | | | | | | | |
| | 117041 | 01/13/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 442.38 |
| | INVOICE: JA87617300006 | | | | | | | | |
| | 117042 | 01/12/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 376.37 |
| | INVOICE: JA79588300008 | | | | | | | | |
| | 117043 | 01/12/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 1,343.86 |
| | INVOICE: JA77537000000 | | | | | | | | |
| | 117044 | 01/12/26 | | 493859 | P | 02/24/26 | 22041060 45444 | UTILITIES | 519.00 |
| | INVOICE: JA80946300003 | | | | | | | | |
| | 117045 | 01/12/26 | | 493859 | P | 02/24/26 | 22041060 45444 | UTILITIES | 102.23 |
| | INVOICE: JA70019046005 | | | | | | | | |
| | 117046 | 01/12/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 164.28 |
| | INVOICE: JA53247400004 | | | | | | | | |
| | 117047 | 01/12/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 451.08 |
| | INVOICE: JA82920958939 | | | | | | | | |
| | 117048 | 01/12/26 | | 493859 | P | 02/24/26 | 32420030 41144 | PHLA PROJECT | 345.99 |
| | INVOICE: JA77948662174 | | | | | | | | |
| | 117049 | 01/12/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 129.70 |
| | INVOICE: JA78588300000 | | | | | | | | |
| | 117050 | 01/12/26 | | 493859 | P | 02/24/26 | 22041060 45444 | UTILITIES | 900.22 |
| | INVOICE: JA70946300004 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| 117051 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 2,253.47 |
| INVOICE: JA25440300009 | | | | | | | | |
| 117052 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 620.89 |
| INVOICE: JA34609100002 | | | | | | | | |
| 117053 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 485.85 |
| INVOICE: JA22215100003 | | | | | | | | |
| 117054 | 01/09/26 | | 493859 | P | 02/24/26 | 10061010 45444 | UTILITIES | 584.49 |
| INVOICE: JA14219000008 | | | | | | | | |
| 117055 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 64.06 |
| INVOICE: JA89950300007 | | | | | | | | |
| 117056 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 64.06 |
| INVOICE: JA88950300009 | | | | | | | | |
| 117057 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 537.82 |
| INVOICE: JA62719000002 | | | | | | | | |
| 117058 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 64.06 |
| INVOICE: JA29950300003 | | | | | | | | |
| 117059 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 516.65 |
| INVOICE: JA79617300003 | | | | | | | | |
| 117060 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 159.08 |
| INVOICE: JA58378300006 | | | | | | | | |
| 117061 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 665.62 |
| INVOICE: JA88617300004 | | | | | | | | |
| 117062 | 01/09/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 400.70 |
| INVOICE: JA83957100007 | | | | | | | | |
| 117443 | 02/04/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 470.15 |
| INVOICE: FB31438000007 | | | | | | | | |
| 117444 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 57.55 |
| INVOICE: FB29950300003 | | | | | | | | |
| 117445 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 465.35 |
| INVOICE: FB79617300003 | | | | | | | | |
| 117446 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 147.18 |
| INVOICE: FB58378300006 | | | | | | | | |
| 117447 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 574.81 |
| INVOICE: FB88617300004 | | | | | | | | |
| 117448 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 520.91 |
| INVOICE: FB83957100007 | | | | | | | | |
| 117449 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 468.84 |
| INVOICE: FB34609100002 | | | | | | | | |
| 117450 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 2,300.47 |
| INVOICE: FB25440300009 | | | | | | | | |
| 117451 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 480.72 |
| INVOICE: FB22215100003 | | | | | | | | |
| 117452 | 02/05/26 | | 493859 | P | 02/24/26 | 10061010 45444 | UTILITIES | 520.06 |
| INVOICE: FB14219000008 | | | | | | | | |
| 117453 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 57.55 |
| INVOICE: FB89950300007 | | | | | | | | |
| 117454 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 57.55 |
| INVOICE: FB88950300009 | | | | | | | | |
| 117455 | 02/05/26 | | 493859 | P | 02/24/26 | 10061100 45444 | UTILITIES | 498.08 |
| INVOICE: FB62719000002 | | | | | | | | |
| 117457 | 02/05/26 | | 493859 | P | 02/24/26 | 22041060 45444 | UTILITIES | 219.94 |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| INVOICE: FB53542320113 | | | | | | | | |
| VENDOR TOTALS | | .00 YTD INVOICED | | | | 129,115.26 YTD PAID | | 18,031.02 |
| 17953 SO CALIF EDISON CO | | | | | | | | |
| 116718 | 01/16/26 | | 493860 | P | 02/24/26 | 10041050 45444 | UTILITIES | 108.93 |
| INVOICE: JA700415178636 | | | | | | | | |
| 116721 | 01/16/26 | | 493860 | P | 02/24/26 | 10041050 45444 | UTILITIES | 240.28 |
| INVOICE: JA700415350812 | | | | | | | | |
| 116725 | 01/16/26 | | 493860 | P | 02/24/26 | 32420030 41144 | PHLA PROJECT | 1,257.55 |
| INVOICE: JA700781445279 | | | | | | | | |
| 116991 | 01/26/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 80.28 |
| INVOICE: JA700415041523 | | | | | | | | |
| 116992 | 01/26/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 273.25 |
| INVOICE: JA700413899448 | | | | | | | | |
| 116993 | 01/26/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 59.03 |
| INVOICE: JA700414028780 | | | | | | | | |
| 116994 | 01/26/26 | | 493860 | P | 02/24/26 | 10041050 45444 | UTILITIES | 81.07 |
| INVOICE: JA700412535081 | | | | | | | | |
| 116995 | 01/26/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 77.76 |
| INVOICE: JA700023530426 | | | | | | | | |
| 116996 | 01/26/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 400.98 |
| INVOICE: JA700123368078 | | | | | | | | |
| 116997 | 01/26/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 62.51 |
| INVOICE: JA700370247933 | | | | | | | | |
| 117110 | 02/02/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 8.17 |
| INVOICE: FB700201790760 | | | | | | | | |
| 117111 | 02/02/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 276.37 |
| INVOICE: FB700413829831 | | | | | | | | |
| 117112 | 02/02/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 149.10 |
| INVOICE: FB700196589136 | | | | | | | | |
| 117113 | 01/30/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 33.00 |
| INVOICE: JA700413948857 | | | | | | | | |
| 117114 | 01/30/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 182.70 |
| INVOICE: JA700616837087 | | | | | | | | |
| 117115 | 01/30/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 111.55 |
| INVOICE: JA700413964116 | | | | | | | | |
| 117116 | 01/30/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 73.16 |
| INVOICE: JA700415310392 | | | | | | | | |
| 117117 | 01/30/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 129.35 |
| INVOICE: JA700412466979 | | | | | | | | |
| 117118 | 02/02/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 175.97 |
| INVOICE: FB700413750211 | | | | | | | | |
| 117119 | 01/30/26 | | 493860 | P | 02/24/26 | 10061100 45444 | UTILITIES | 34.33 |
| INVOICE: JA700413787088 | | | | | | | | |
| 117120 | 01/30/26 | | 493860 | P | 02/24/26 | 10061100 45444 | UTILITIES | 105.48 |
| INVOICE: JA700413762234 | | | | | | | | |
| 117121 | 01/30/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 74.28 |
| INVOICE: JA700415322318 | | | | | | | | |
| 117123 | 01/30/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 86.41 |
| INVOICE: JA700385074482 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| 117124 | 02/02/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 146.44 |
| INVOICE: FB700534679101 | | | | | | | | |
| 117125 | 02/02/26 | | 493860 | P | 02/24/26 | 10061100 45444 | UTILITIES | 5.01 |
| INVOICE: FB700413816693 | | | | | | | | |
| 117126 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 134.12 |
| INVOICE: FB700413657352 | | | | | | | | |
| 117128 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 105.05 |
| INVOICE: FB700413671395 | | | | | | | | |
| 117129 | 02/02/26 | | 493860 | P | 02/24/26 | 10061010 45444 | UTILITIES | 313.34 |
| INVOICE: FB700412405547 | | | | | | | | |
| 117130 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 69.45 |
| INVOICE: FB700413595112 | | | | | | | | |
| 117131 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 125.91 |
| INVOICE: FB700196576305 | | | | | | | | |
| 117132 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 89.67 |
| INVOICE: FB700413639568 | | | | | | | | |
| 117133 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 103.87 |
| INVOICE: FB700415157418 | | | | | | | | |
| 117134 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 79.22 |
| INVOICE: FB700415119022 | | | | | | | | |
| 117135 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 203.12 |
| INVOICE: FB700415109322 | | | | | | | | |
| 117136 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 68.17 |
| INVOICE: FB700541838004 | | | | | | | | |
| 117137 | 02/02/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 8,201.80 |
| INVOICE: FB700364926774 | | | | | | | | |
| 117138 | 02/02/26 | | 493860 | P | 02/24/26 | 10061050 45444 | UTILITIES | 2,249.21 |
| INVOICE: FB700250316527 | | | | | | | | |
| 117139 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 149.57 |
| INVOICE: FB700415168330 | | | | | | | | |
| 117140 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 71.78 |
| INVOICE: FB700413775974 | | | | | | | | |
| 117141 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 129.04 |
| INVOICE: FB700413801034 | | | | | | | | |
| 117142 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 108.28 |
| INVOICE: FB700415394157 | | | | | | | | |
| 117143 | 02/02/26 | | 493860 | P | 02/24/26 | 22041060 45444 | UTILITIES | 88.53 |
| INVOICE: FB700455547107 | | | | | | | | |
| 117170 | 02/03/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 36.66 |
| INVOICE: FB700415407897 | | | | | | | | |
| 117171 | 02/03/26 | | 493860 | P | 02/24/26 | 22041060 45444 | UTILITIES | 125.13 |
| INVOICE: FB700415444374 | | | | | | | | |
| 117172 | 02/03/26 | | 493860 | P | 02/24/26 | 22041060 45444 | UTILITIES | 147.88 |
| INVOICE: FB700413545497 | | | | | | | | |
| 117174 | 02/03/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 123.70 |
| INVOICE: FB700029139046 | | | | | | | | |
| 117175 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 50.58 |
| INVOICE: FB700591200088 | | | | | | | | |
| 117176 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 453.29 |
| INVOICE: FB700017571996 | | | | | | | | |
| 117177 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 1,202.58 |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| INVOICE: FB700610655258 | | | | | | | | |
| 117179 | 02/03/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 384.93 |
| INVOICE: FB700415101844 | | | | | | | | |
| 117180 | 02/04/26 | | 493860 | P | 02/24/26 | 10061100 45444 | UTILITIES | 695.65 |
| INVOICE: FB700415364047 | | | | | | | | |
| 117182 | 02/03/26 | | 493860 | P | 02/24/26 | 22041060 42104 | SIGNAL MAINTENANCE | 105.16 |
| INVOICE: FB700878401833 | | | | | | | | |
| 117183 | 02/04/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 223.35 |
| INVOICE: FB700413856406 | | | | | | | | |
| 117185 | 02/04/26 | | 493860 | P | 02/24/26 | 10061100 45444 | UTILITIES | 444.83 |
| INVOICE: FB700413581065 | | | | | | | | |
| 117187 | 02/04/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 389.91 |
| INVOICE: FB700415497120 | | | | | | | | |
| 117189 | 02/04/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 63.65 |
| INVOICE: FB700272148294 | | | | | | | | |
| 117190 | 02/04/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 63,094.22 |
| INVOICE: FB700364879789 | | | | | | | | |
| 117191 | 02/04/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 1,234.48 |
| INVOICE: FB700415468525 | | | | | | | | |
| 117192 | 02/04/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 442.73 |
| INVOICE: FB700599510261 | | | | | | | | |
| 117193 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 273.16 |
| INVOICE: FB700382576734 | | | | | | | | |
| 117195 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 243.19 |
| INVOICE: FB700028707802 | | | | | | | | |
| 117471 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 33.66 |
| INVOICE: FB700201940809 | | | | | | | | |
| 117482 | 02/03/26 | | 493860 | P | 02/24/26 | 20025000 45444 | UTILITIES | 240.78 |
| INVOICE: FB700203184631 | | | | | | | | |
| VENDOR TOTALS | 171,722.71 YTD INVOICED | | | | | 1,272,854.69 YTD PAID | | 86,532.61 |
| 18000 SO CALIF GAS CO | | | | | | | | |
| 117063 | 01/06/26 | | 493861 | P | 02/24/26 | 10061010 45444 | UTILITIES | 1,806.30 |
| INVOICE: 12990557006 | | | | | | | | |
| 117458 | 02/02/26 | | 493861 | P | 02/24/26 | 10061010 45444 | UTILITIES | 79.05 |
| INVOICE: 09730449007 | | | | | | | | |
| 117459 | 02/03/26 | | 493861 | P | 02/24/26 | 10061010 45444 | UTILITIES | 130.76 |
| INVOICE: 08140463004 | | | | | | | | |
| 117460 | 02/03/26 | | 493861 | P | 02/24/26 | 10061010 45444 | UTILITIES | 14.62 |
| INVOICE: 07510463859 | | | | | | | | |
| 117461 | 02/03/26 | | 493861 | P | 02/24/26 | 10061100 45444 | UTILITIES | 94.07 |
| INVOICE: 16330470002 | | | | | | | | |
| 117462 | 02/04/26 | | 493861 | P | 02/24/26 | 46447150 45444 | UTILITIES | 14.06 |
| INVOICE: 08220415015 | | | | | | | | |
| 117465 | 02/04/26 | | 493861 | P | 02/24/26 | 46515730 42024 | BUILDING MAINTENANCE | 122.89 |
| INVOICE: 14720396127 | | | | | | | | |
| 117466 | 02/04/26 | | 493861 | P | 02/24/26 | 46615731 42024 | BUILDING MAINTENANCE | 603.75 |
| INVOICE: 09680396372 | | | | | | | | |
| 117467 | 02/04/26 | | 493861 | P | 02/24/26 | 10061100 45444 | UTILITIES | 11,405.40 |
| INVOICE: 11580407002 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 117468 | 02/04/26 | | 493861 | P | 02/24/26 | 46615731 45444 | UTILITIES | 56.49 |
| | INVOICE: | 11780396591 | | | | | | | |
| | 117469 | 02/04/26 | | 493861 | P | 02/24/26 | 46615731 45444 | UTILITIES | 6.68 |
| | INVOICE: | 12200396963 | | | | | | | |
| | 117470 | 02/04/26 | | 493861 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 3,686.25 |
| | INVOICE: | 18936983107 | | | | | | | |
| | 117481 | 02/03/26 | | 493861 | P | 02/24/26 | 10061010 45444 | UTILITIES | 1,509.39 |
| | INVOICE: | 12990557006 | | | | | | | |
| | VENDOR TOTALS | | 15.29 YTD INVOICED | | | | 106,294.58 YTD PAID | | 19,529.71 |
| 112237 | T-MOBILE | | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 115.18 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 52035030 43054 | TELEPHONE | 133.18 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10001230 43054 | TELEPHONE | 133.18 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10043010 43054 | TELEPHONE | 432.70 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10015010 43054 | TELEPHONE | 391.18 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10013010 43054 | TELEPHONE | 599.31 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10042040 43054 | TELEPHONE | 266.36 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 60031030 43054 | TELEPHONE | 199.77 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10016010 43054 | TELEPHONE | 133.18 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10041120 43054 | TELEPHONE | 266.36 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10061050 43054 | TELEPHONE | 66.59 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10017010 43054 | TELEPHONE | 66.59 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10061010 43054 | TELEPHONE | 466.13 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10042010 43054 | TELEPHONE | 66.59 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117473 | 01/21/26 | | 493862 | P | 02/24/26 | 10041010 43054 | TELEPHONE | 2,107.98 |
| | INVOICE: | JA982816099 | | | | | | | |
| | 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 115.18 |
| | INVOICE: | DC982816099 | | | | | | | |
| | 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 52035030 43054 | TELEPHONE | 133.18 |
| | INVOICE: | DC982816099 | | | | | | | |
| | 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10001230 43054 | TELEPHONE | 133.18 |
| | INVOICE: | DC982816099 | | | | | | | |
| | 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10043010 43054 | TELEPHONE | 432.70 |
| | INVOICE: | DC982816099 | | | | | | | |
| | 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10015010 43054 | TELEPHONE | 391.18 |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10013010 43054 | TELEPHONE | 599.31 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10042040 43054 | TELEPHONE | 266.36 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 60031030 43054 | TELEPHONE | 199.77 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10016010 43054 | TELEPHONE | 133.18 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10041120 43054 | TELEPHONE | 266.36 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10061050 43054 | TELEPHONE | 66.59 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10017010 43054 | TELEPHONE | 66.59 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10061010 43054 | TELEPHONE | 466.13 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10042010 43054 | TELEPHONE | 66.59 |
| INVOICE: DC982816099 | | | | | | | | |
| 117475 | 01/21/26 | | 493862 | P | 02/24/26 | 10041010 43054 | TELEPHONE | 2,107.98 |
| INVOICE: DC982816099 | | | | | | | | |
| 117476 | 12/21/25 | | 493862 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 7,592.59 |
| INVOICE: DC960336852 | | | | | | | | |
| 117477 | 01/21/26 | | 493862 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 7,084.98 |
| INVOICE: JA960336852 | | | | | | | | |
| VENDOR TOTALS | | .00 YTD INVOICED | | | | 103,140.38 YTD PAID | | 25,566.13 |
| 113605 VERIZON WIRELESS | | | | | | | | |
| 117064 | 12/23/25 | | 493863 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 20.02 |
| INVOICE: DC470985090-4 | | | | | | | | |
| 117064 | 12/23/25 | | 493863 | P | 02/24/26 | 10043010 43054 | TELEPHONE | 129.16 |
| INVOICE: DC470985090-4 | | | | | | | | |
| 117064 | 12/23/25 | | 493863 | P | 02/24/26 | 10042040 43054 | TELEPHONE | 200.05 |
| INVOICE: DC470985090-4 | | | | | | | | |
| 117064 | 12/23/25 | | 493863 | P | 02/24/26 | 10041040 43054 | TELEPHONE | 156.04 |
| INVOICE: DC470985090-4 | | | | | | | | |
| 117478 | 12/23/25 | | 493863 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 7,156.94 |
| INVOICE: DC470985090-1 | | | | | | | | |
| 117479 | 01/23/26 | | 493863 | P | 02/24/26 | 10001221 43054 | TELEPHONE | 20.02 |
| INVOICE: JA470985090-4 | | | | | | | | |
| 117479 | 01/23/26 | | 493863 | P | 02/24/26 | 10043010 43054 | TELEPHONE | 129.16 |
| INVOICE: JA470985090-4 | | | | | | | | |
| 117479 | 01/23/26 | | 493863 | P | 02/24/26 | 10042040 43054 | TELEPHONE | 200.05 |
| INVOICE: JA470985090-4 | | | | | | | | |
| 117479 | 01/23/26 | | 493863 | P | 02/24/26 | 10041040 43054 | TELEPHONE | 156.04 |
| INVOICE: JA470985090-4 | | | | | | | | |
| VENDOR TOTALS | | .00 YTD INVOICED | | | | 43,096.90 YTD PAID | | 8,167.48 |
| | | | | | | | REPORT TOTALS | 193,557.65 |

# PAID INVOICES REPORT

CHECK: UT022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION |
|---|---|---|---|---|---|---|---|

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL PRINTED CHECKS | 8 | 193,557.65 |

** END OF REPORT - Generated by Shuntell Dixon **

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| 122920 4283929 DELAWARE LLC. | | | | | | | | |
| 117160 | 01/31/26 | | 493880 | T | 02/24/26 | 10001230 40514 | CONTRACT SERVICES | 145.40 |
| INVOICE: WC11536-I-0059 | | | | | | | | |
| VENDOR TOTALS | .00 YTD INVOICED | | | | | 1,903.91 YTD PAID | | 145.40 |
| 123058 ACCESS INFORMATION INTERMEDIATE HOLDINGS I, LLC. | | | | | | | | |
| 117070 | 01/31/26 | | 493881 | T | 02/24/26 | 10013010 41514 | OPERATING SUPPLIES | 113.77 |
| INVOICE: 12029732 | | | | | | | | |
| 117070 | 01/31/26 | | 493881 | T | 02/24/26 | 10015010 41514 | OPERATING SUPPLIES | 113.77 |
| INVOICE: 12029732 | | | | | | | | |
| 117070 | 01/31/26 | | 493881 | T | 02/24/26 | 10016010 41514 | OPERATING SUPPLIES | 113.77 |
| INVOICE: 12029732 | | | | | | | | |
| 117070 | 01/31/26 | | 493881 | T | 02/24/26 | 10016020 41514 | OPERATING SUPPLIES | 113.77 |
| INVOICE: 12029732 | | | | | | | | |
| 117070 | 01/31/26 | | 493881 | T | 02/24/26 | 10017010 41514 | OPERATING SUPPLIES | 113.77 |
| INVOICE: 12029732 | | | | | | | | |
| 117070 | 01/31/26 | | 493881 | T | 02/24/26 | 10043010 41514 | OPERATING SUPPLIES | 113.77 |
| INVOICE: 12029732 | | | | | | | | |
| 117194 | 01/31/26 | | 493881 | T | 02/24/26 | 10002215 41514 | OPERATING SUPPLIES | 1,168.80 |
| INVOICE: 12029734 | | | | | | | | |
| VENDOR TOTALS | .00 YTD INVOICED | | | | | 17,158.09 YTD PAID | | 1,851.42 |
| 124327 ACTION TARGET INC. | | | | | | | | |
| 117234 | 12/31/25 | 2436 | 493882 | T | 02/24/26 | 10001225 40514 | CONTRACT SERVICES | 62,000.00 |
| INVOICE: Application No. 2 | | | | | | | | |
| VENDOR TOTALS | .00 YTD INVOICED | | | | | 139,500.00 YTD PAID | | 62,000.00 |
| 114284 ADMINSURE INC. | | | | | | | | |
| 117486 | 02/15/26 | 2917 | 493883 | T | 02/24/26 | 25019010 45684 | WORKERS COMPENSATION ADMI | 15,374.00 |
| INVOICE: 18607 | | | | | | | | |
| VENDOR TOTALS | 8,710.00 YTD INVOICED | | | | | 132,555.81 YTD PAID | | 15,374.00 |
| 117802 ADVANCED BATTERY SYSTEMS, INC. | | | | | | | | |
| 116975 | 01/21/26 | | 493884 | T | 02/24/26 | 60031030 42064 | PARTS | 1,725.87 |
| INVOICE: 0203342-IN | | | | | | | | |
| 117260 | 02/02/26 | | 493884 | T | 02/24/26 | 60031030 42064 | PARTS | 645.93 |
| INVOICE: 0203459-IN | | | | | | | | |
| VENDOR TOTALS | .00 YTD INVOICED | | | | | 11,764.38 YTD PAID | | 2,371.80 |
| 116315 AFLAC | | | | | | | | |
| 117238 | 02/11/26 | | 493885 | T | 02/24/26 | 990 20900 | INSURANCE BENEFITS | 6,888.08 |
| INVOICE: 934969 | | | | | | | | |
| VENDOR TOTALS | 5,565.08 YTD INVOICED | | | | | 48,154.40 YTD PAID | | 6,888.08 |
| 119085 AGUILAR, ROLANDO | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 116981 | 01/12/26 | | 493886 | T | 02/24/26 | 60031030 42064 | PARTS | 2,920.58 |
| | INVOICE: 004337 | | | | | | | | |
| | 116982 | 01/14/26 | | 493886 | T | 02/24/26 | 60031030 42064 | PARTS | 3,719.12 |
| | INVOICE: 004339 | | | | | | | | |
| | 117231 | 02/02/26 | | 493886 | T | 02/24/26 | 60031030 42064 | PARTS | 3,554.17 |
| | INVOICE: 004348 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 19,597.54 YTD PAID | | 10,193.87 |
| 112416 | ALLIANCE DISTRIBUTION HOLDINGS INC. | | | | | | | | |
| | 117122 | 01/29/26 | 3149 | 493887 | T | 02/24/26 | 10001221 47404 | MACHINERY & EQUIPMENT | 20,468.80 |
| | INVOICE: 6002177163 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 20,702.80 YTD PAID | | 20,468.80 |
| 116419 | ALTA LANGUAGE SERVICES, INC. | | | | | | | | |
| | 117226 | 01/31/26 | | 493888 | T | 02/24/26 | 10017010 40514 | CONTRACT SERVICES | 72.00 |
| | INVOICE: IS828953 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 213.00 YTD PAID | | 72.00 |
| 111720 | AMAZING BALLOONS BY GEE, LLC. | | | | | | | | |
| | 117420 | 02/09/26 | | 493889 | T | 02/24/26 | 10061020 41514 | OPERATING SUPPLIES | 442.00 |
| | INVOICE: 2021-3705 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 5,126.34 YTD PAID | | 442.00 |
| 124601 | AMERICAN WHOLESALE LIGHTING INC. | | | | | | | | |
| | 117382 | 12/09/25 | 3179 | 493890 | T | 02/24/26 | 50410060 40514 | CONTRACT SERVICES | 21,294.72 |
| | INVOICE: Retention #2 & Final | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 425,894.35 YTD PAID | | 21,294.72 |
| 123570 | ANIMAL PEST MANAGMENT SERVICES, INC. | | | | | | | | |
| | 117424 | 01/31/26 | | 493891 | T | 02/24/26 | 10061100 47304 | IMPROV OTHER THAN BUILDIN | 375.00 |
| | INVOICE: 716617 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 3,750.00 YTD PAID | | 375.00 |
| 109713 | ARIAS JR., VINCENT | | | | | | | | |
| | 117200 | 01/13/26 | | 493892 | T | 02/24/26 | 23210040 45144 | GASOLINE & OIL | 355.48 |
| | INVOICE: REIMB. 11/21/2025 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 355.48 YTD PAID | | 355.48 |
| 119713 | ARTHUR J. GALLAGHER & CO. | | | | | | | | |
| | 117201 | 01/13/26 | 2903 | 493893 | T | 02/24/26 | 25190010 46244 | AUTO PHYS DAM/CE/EARTH MO | 3,021.74 |
| | INVOICE: 5951085 | | | | | | | | |
| | VENDOR TOTALS | 2,373.14 YTD INVOICED | | | | | 82,722.88 YTD PAID | | 3,021.74 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 111399 | ASSI SECURITY | | | | | | | | |
| | 117196 | 12/16/25 | | 493894 | T | 02/24/26 | 10001221 41514 | OPERATING SUPPLIES | 2,981.40 |
| | INVOICE: P04381 | | | | | | | | |
| | VENDOR TOTALS | | 1,525.00 YTD INVOICED | | | | 16,081.84 YTD PAID | | 2,981.40 |
| 124650 | AUSBON-GUILLORY, JEFFREY | | | | | | | | |
| | 117101 | 02/05/26 | | 493895 | T | 02/24/26 | 10043020 45184 | TRAINING | 244.12 |
| | INVOICE: J-0003 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 244.12 YTD PAID | | 244.12 |
| 114628 | BALBOA, HERMINIA I | | | | | | | | |
| | 117098 | 02/03/26 | | 493896 | T | 02/24/26 | 10061010 40504 | COMMISSIONER STIPENDS | 50.00 |
| | INVOICE: 2-3-26 | | | | | | | | |
| | 117107 | 01/06/26 | | 493896 | T | 02/24/26 | 10061010 40504 | COMMISSIONER STIPENDS | 50.00 |
| | INVOICE: 1-6-26 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 300.00 YTD PAID | | 100.00 |
| 115285 | BENTLEY SYSTEM INC. | | | | | | | | |
| | 117079 | 01/20/26 | 3177 | 493897 | T | 02/24/26 | 10041010 45104 | DUES & SUBSCRIPTIONS | 8,458.00 |
| | INVOICE: 48686863 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 8,458.00 YTD PAID | | 8,458.00 |
| 119831 | BRISTOW, ERICA | | | | | | | | |
| | 116777 | 01/07/26 | | 493898 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 522.00 |
| | INVOICE: EDUC. BCJ355 | | | | | | | | |
| | 117397 | 01/23/26 | | 493898 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 459.00 |
| | INVOICE: EDUC. BCJ 400 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 3,026.75 YTD PAID | | 981.00 |
| 110437 | CATHOLIC CHARITIES OF | | | | | | | | |
| | 116922 | 11/26/25 | 3015 | 493899 | T | 02/24/26 | 72750711 44724 | ST MARGARET EMERG ASST | 4,568.88 |
| | INVOICE: 17 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 9,380.37 YTD PAID | | 4,568.88 |
| 123563 | CARD INTEGRATORS CORPORATION | | | | | | | | |
| | 117164 | 01/08/26 | | 493900 | T | 02/24/26 | 10002229 40514 | CONTRACT SERVICES | 1,705.00 |
| | INVOICE: Q-21597-2 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 4,258.81 YTD PAID | | 1,705.00 |
| 123668 | CITIGUARD, INC. | | | | | | | | |
| | 117274 | 02/02/26 | 3019 | 493901 | T | 02/24/26 | 78480020 44824 | SUPPORTIVE SERVICES | 19,314.24 |
| | INVOICE: 78079 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 188,882.40 YTD PAID | | 19,314.24 |
| 123567 | CIVICA LAW GROUP, APC | | | | | | | | |
| | 117203 | 02/03/26 | 3043 | 493902 | T | 02/24/26 | 10015010 40744 | RECEIVERSHIPS | 182.40 |
| | INVOICE: 18873 | | | | | | | | |
| | 117206 | 02/03/26 | 3043 | 493902 | T | 02/24/26 | 10015010 40744 | RECEIVERSHIPS | 212.80 |
| | INVOICE: 18874 | | | | | | | | |
| | 117207 | 02/03/26 | 3043 | 493902 | T | 02/24/26 | 10015010 40744 | RECEIVERSHIPS | 444.80 |
| | INVOICE: 18875 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 105,793.70 YTD PAID | | 840.00 |
| 108324 | BRAGG INVESTMENT COMPANY, INC. | | | | | | | | |
| | 117232 | 01/29/26 | | 493903 | T | 02/24/26 | 60031030 42064 | PARTS | 268.00 |
| | INVOICE: 1318742 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 743.16 YTD PAID | | 268.00 |
| 124720 | COFFEE KOMBUCHA TEA ON TAP | | | | | | | | |
| | 117267 | 01/24/25 | | 493864 | P | 02/24/26 | 10000101 51114 | BUSINESS LICENSE TAXES | 145.00 |
| | INVOICE: REQ#2000-114997 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 145.00 YTD PAID | | 145.00 |
| 115849 | COLANTUONO,HIGHSMITH & WHATLEY, PC | | | | | | | | |
| | 117212 | 02/05/26 | | 493904 | T | 02/24/26 | 10015020 40514 | CONTRACT SERVICES | 97.50 |
| | INVOICE: 69112 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 1,430.00 YTD PAID | | 97.50 |
| 106811 | COLONIAL LIFE & ACCIDENT INS. | | | | | | | | |
| | 117239 | 02/01/26 | | 493905 | T | 02/24/26 | 990 20900 | INSURANCE BENEFITS | 2,007.00 |
| | INVOICE: 75010180201721 | | | | | | | | |
| | VENDOR TOTALS | | 1,965.83 YTD INVOICED | | | | 15,369.93 YTD PAID | | 2,007.00 |
| 91961 | GPC INC. | | | | | | | | |
| | 116930 | 12/18/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 20.55 |
| | INVOICE: 099845 | | | | | | | | |
| | 116931 | 12/02/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 208.61 |
| | INVOICE: 097715 | | | | | | | | |
| | 116932 | 12/02/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 239.40 |
| | INVOICE: 097736 | | | | | | | | |
| | 116933 | 12/03/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 251.94 |
| | INVOICE: 097850 | | | | | | | | |
| | 116934 | 12/08/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 105.35 |
| | INVOICE: 098497 | | | | | | | | |
| | 116935 | 12/08/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 160.74 |
| | INVOICE: 098557 | | | | | | | | |
| | 116936 | 12/15/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 99.32 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | INVOICE: 099370 | | | | | | | | |
| | 116937 | 10/13/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 225.15 |
| | INVOICE: 091395 | | | | | | | | |
| | 116974 | 12/17/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 64.05 |
| | INVOICE: 099740 | | | | | | | | |
| | 116974 | 12/17/25 | | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | -36.00 |
| | INVOICE: 099740 | | | | | | | | |
| | 116977 | 12/15/25 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 32.92 |
| | INVOICE: 099367 | | | | | | | | |
| | 117162 | 01/21/26 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 142.01 |
| | INVOICE: 103715 | | | | | | | | |
| | 117165 | 01/16/26 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 49.59 |
| | INVOICE: 103120 | | | | | | | | |
| | 117208 | 01/20/26 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 49.03 |
| | INVOICE: 103626 | | | | | | | | |
| | 117210 | 01/07/26 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 132.07 |
| | INVOICE: 101916 | | | | | | | | |
| | 117213 | 01/13/26 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 154.49 |
| | INVOICE: 102691 | | | | | | | | |
| | 117346 | 01/23/26 | 3000 | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | 698.40 |
| | INVOICE: 104027 | | | | | | | | |
| | 117346 | 01/23/26 | | 493906 | T | 02/24/26 | 60031030 42064 | PARTS | -310.94 |
| | INVOICE: 104027 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 10,739.19 | YTD PAID | | | | 2,286.68 |
| 122446 | CONTRERAS, FRANKIE | | | | | | | | |
| | 117228 | 02/09/26 | | 493907 | T | 02/24/26 | 29054010 45604 | FINANCIAL INCENTIVES | 30.00 |
| | INVOICE: 2900-111766 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 240.00 | YTD PAID | | | | 30.00 |
| 92043 | COUNTRY HILLS ANIMAL CLINIC | | | | | | | | |
| | 117153 | 01/09/26 | | 493908 | T | 02/24/26 | 10002205 45594 | K-9 EXPENSES | 1,789.51 |
| | INVOICE: 107 | | | | | | | | |
| | 117163 | 01/09/26 | | 493908 | T | 02/24/26 | 10002205 45594 | K-9 EXPENSES | 181.58 |
| | INVOICE: 109 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 11,402.22 | YTD PAID | | | | 1,971.09 |
| 103355 | CRENSHAW WHOLESALE ELECTRIC | | | | | | | | |
| | 117411 | 02/11/26 | | 493909 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 67.38 |
| | INVOICE: 876346 | | | | | | | | |
| | VENDOR TOTALS | 295.93 | YTD INVOICED | 13,606.41 | YTD PAID | | | | 67.38 |
| 123597 | DELTA DENTAL INSURANCE COMPANY | | | | | | | | |
| | 117240 | 02/01/26 | | 493910 | T | 02/24/26 | 990 20900 | INSURANCE BENEFITS | 898.96 |
| | INVOICE: BE006898680 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | 1,137.67 YTD INVOICED | | | | | 8,310.18 YTD PAID | | | 898.96 |
| 91894 | DELTA DENTAL OF CALIFORNIA | | | | | | | | | |
| | 117241 | 02/01/26 | | 493911 | T | 02/24/26 | 990 | 20900 | INSURANCE BENEFITS | 15,096.05 |
| | INVOICE: | BE006899658 | | | | | | | | |
| | VENDOR TOTALS | 15,112.35 YTD INVOICED | | | | | 120,666.14 YTD PAID | | | 15,096.05 |
| 119887 | DEWEY PEST CONTROL | | | | | | | | | |
| | 117406 | 02/01/26 | | 493912 | T | 02/24/26 | 32420030 | 41144 | PHLA PROJECT | 155.00 |
| | INVOICE: | 17881168 | | | | | | | | |
| | 117408 | 02/01/26 | | 493912 | T | 02/24/26 | 32420030 | 41144 | PHLA PROJECT | 167.00 |
| | INVOICE: | 17886812 | | | | | | | | |
| | 117409 | 02/01/26 | | 493912 | T | 02/24/26 | 32420030 | 41144 | PHLA PROJECT | 37.00 |
| | INVOICE: | 17888552 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 2,597.00 YTD PAID | | | 359.00 |
| 121407 | DIAL INSTANT PRINTERS, INC. | | | | | | | | | |
| | 117167 | 01/21/26 | | 493913 | T | 02/24/26 | 10002215 | 41514 | OPERATING SUPPLIES | 121.55 |
| | INVOICE: | 12061 | | | | | | | | |
| | 117168 | 02/02/26 | | 493913 | T | 02/24/26 | 10002215 | 41514 | OPERATING SUPPLIES | 121.55 |
| | INVOICE: | 12062 | | | | | | | | |
| | 117169 | 02/02/26 | | 493913 | T | 02/24/26 | 10021010 | 41514 | OPERATING SUPPLIES | 204.43 |
| | INVOICE: | 12064 | | | | | | | | |
| | 117169 | 02/02/26 | | 493913 | T | 02/24/26 | 10001222 | 41514 | OPERATING SUPPLIES | 204.43 |
| | INVOICE: | 12064 | | | | | | | | |
| | 117169 | 02/02/26 | | 493913 | T | 02/24/26 | 10002205 | 41514 | OPERATING SUPPLIES | 204.42 |
| | INVOICE: | 12064 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 8,348.33 YTD PAID | | | 856.38 |
| 119648 | DIESEL AIR INC. | | | | | | | | | |
| | 116970 | 01/26/26 | | 493914 | T | 02/24/26 | 60031030 | 42064 | PARTS | 85.00 |
| | INVOICE: | 33055 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 425.00 YTD PAID | | | 85.00 |
| 122402 | DRC ENGINEERING, INC. | | | | | | | | | |
| | 116945 | 01/03/26 | | 493915 | T | 02/24/26 | 18110050 | 44924 | CIVIC CENTER PARK | 3,347.26 |
| | INVOICE: | 24-011-8 | | | | | | | | |
| | 117077 | 12/06/25 | 3176 | 493915 | T | 02/24/26 | 29550060 | 40514 | CONTRACT SERVICES | 9,960.00 |
| | INVOICE: | 25-523-3 | | | | | | | | |
| | 117487 | 01/03/26 | | 493915 | T | 02/24/26 | 29550060 | 40514 | CONTRACT SERVICES | 2,859.50 |
| | INVOICE: | 25-523-4 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 125,683.98 YTD PAID | | | 16,166.76 |
| 6550 | EDDINGS BROTHERS INC. | | | | | | | | | |
| | 117093 | 01/26/26 | | 493916 | T | 02/24/26 | 10061100 | 42014 | REPAIR & MAINTENANCE SUPP | 104.08 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | INVOICE: 960280 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 11,213.80 YTD PAID | | 104.08 |
| 124707 | ELLIS, CHEKYRA | | | | | | | | |
| | 117229 | 02/09/26 | | 493917 | T | 02/24/26 | 10017010 45584 | HEALTH AND WELLNESS | 103.55 |
| | INVOICE: 1701-113259 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 103.55 YTD PAID | | 103.55 |
| 6680 | ENTENMANN-ROVIN COMPANY | | | | | | | | |
| | 117217 | 02/03/26 | | 493918 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 1,023.50 |
| | INVOICE: 0192975-IN | | | | | | | | |
| | 117233 | 02/03/26 | | 493918 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 168.58 |
| | INVOICE: 0192985-IN | | | | | | | | |
| | VENDOR TOTALS | | 1,997.00 YTD INVOICED | | | | 5,312.30 YTD PAID | | 1,192.08 |
| 124328 | ENTERPRISE FLEET MANAGEMENT INC. | | | | | | | | |
| | 117378 | 01/06/26 | | 493919 | T | 02/24/26 | 23210040 48864 | VEHICLE RENTAL - GRANT RE | 1,804.80 |
| | INVOICE: 464335-010626 | | | | | | | | |
| | 117379 | 12/03/25 | | 493919 | T | 02/24/26 | 23210040 48864 | VEHICLE RENTAL - GRANT RE | 1,804.80 |
| | INVOICE: 464335-120325 | | | | | | | | |
| | 117380 | 02/04/26 | | 493919 | T | 02/24/26 | 23210040 48864 | VEHICLE RENTAL - GRANT RE | 1,804.80 |
| | INVOICE: 464335-020426 | | | | | | | | |
| | 117381 | 02/04/26 | 2721 | 493919 | T | 02/24/26 | 22210010 47404 | MACHINERY & EQUIPMENT | 5,678.44 |
| | INVOICE: 464335-020426 | | | | | | | | |
| | VENDOR TOTALS | | 7,692.06 YTD INVOICED | | | | 58,349.06 YTD PAID | | 11,092.84 |
| 94292 | FEDERAL EXPRESS CORPORATION | | | | | | | | |
| | 117084 | 02/02/26 | | 493865 | P | 02/24/26 | 10015010 43044 | POSTAGE | 81.77 |
| | INVOICE: 9-160-81801 | | | | | | | | |
| | VENDOR TOTALS | | 69.05 YTD INVOICED | | | | 1,506.89 YTD PAID | | 81.77 |
| 124164 | FINE LINE AUTO BODY INC | | | | | | | | |
| | 116989 | 01/26/26 | 2966 | 493920 | T | 02/24/26 | 60031030 42004 | COLLISION REPAIR | 4,139.46 |
| | INVOICE: 17161 | | | | | | | | |
| | VENDOR TOTALS | | 37,127.85 YTD INVOICED | | | | 150,642.36 YTD PAID | | 4,139.46 |
| 124165 | FLOR JORGE | | | | | | | | |
| | 117219 | 02/12/26 | | 493921 | T | 02/24/26 | 29054010 45604 | FINANCIAL INCENTIVES | 50.00 |
| | INVOICE: 2900-111765 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 100.00 YTD PAID | | 50.00 |
| 120493 | CORPAY, INC./CORPAY TECHNOLOGIES OPERATING CO. LLC | | | | | | | | |
| | 117147 | 02/02/26 | | 493922 | T | 02/24/26 | 60031030 45144 | GASOLINE & OIL | 4,650.43 |
| | INVOICE: NP69943094 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | .00 YTD INVOICED | | 27,847.29 YTD PAID | | | | | 4,650.43 |
| 122899 | GARCIA RANGEL, AMANDA | | | | | | | | |
| | 117365 | 11/01/25 | | 493923 | T | 02/24/26 | 10016010 | 45584 HEALTH AND WELLNESS | 169.26 |
| | INVOICE: Wellness25-26-AGR2 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | 2,378.33 YTD PAID | | | | | 169.26 |
| 123436 | GENERAL TECHNOLOGIES AND SOLUTIONS (GTS) LLC. | | | | | | | | |
| | 117080 | 01/28/26 | 3114 | 493924 | T | 02/24/26 | 28534000 | 40514 CONTRACT SERVICES | 39,900.00 |
| | INVOICE: 220402-09 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | 113,330.00 YTD PAID | | | | | 39,900.00 |
| 119531 | GOMEZ, JOSE | | | | | | | | |
| | 117392 | 01/27/26 | | 493925 | T | 02/24/26 | 10001224 | 45124 EDUCATIONAL REIMBURSEMENT | 5,400.00 |
| | INVOICE: EDUC. BCJ 565 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | 5,400.00 YTD PAID | | | | | 5,400.00 |
| 120011 | GONZALEZ, STEVEN | | | | | | | | |
| | 117218 | 02/12/26 | | 493926 | T | 02/24/26 | 29054010 | 45604 FINANCIAL INCENTIVES | 50.00 |
| | INVOICE: 2900-111767 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | 280.00 YTD PAID | | | | | 50.00 |
| 97578 | GRAINGER INDUSTRIAL SUPPLY | | | | | | | | |
| | 117151 | 01/14/26 | | 493927 | T | 02/24/26 | 10001221 | 41514 OPERATING SUPPLIES | 46.31 |
| | INVOICE: 9770816198 | | | | | | | | |
| | 117152 | 01/16/26 | | 493927 | T | 02/24/26 | 10001221 | 41514 OPERATING SUPPLIES | 7.28 |
| | INVOICE: 9774025895 | | | | | | | | |
| | VENDOR TOTALS | 264.31 YTD INVOICED | | 8,039.79 YTD PAID | | | | | 53.59 |
| 124644 | GREENBERG TRAURIG, LLP | | | | | | | | |
| | 117199 | 02/05/26 | | 493928 | T | 02/24/26 | 25019020 | 45064 SETTLEMENTS / JUDGEMENTS | 1,503.00 |
| | INVOICE: 1001284660 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | 27,229.05 YTD PAID | | | | | 1,503.00 |
| 115883 | GREENLAND SUPPLY INC. | | | | | | | | |
| | 117412 | 02/04/26 | | 493929 | T | 02/24/26 | 10061100 | 42014 REPAIR & MAINTENANCE SUPP | 45.14 |
| | INVOICE: 283832 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | 4,574.63 YTD PAID | | | | | 45.14 |
| 124341 | HANSEN, PAIGE KATHERINE AAGAARD | | | | | | | | |
| | 117000 | 02/02/26 | | 493930 | T | 02/24/26 | 10042010 | 45584 HEALTH AND WELLNESS | 172.01 |
| | INVOICE: Wellness3 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 446.76 YTD PAID | | 172.01 |
| 120536 | HARRIS & ASSOCIATES, INC. | | | | | | | | |
| | 116780 | 01/23/26 | 2943 | 493931 | T | 02/24/26 | 10042010 40514 | CONTRACT SERVICES | 7,358.50 |
| | INVOICE: 70838 | | | | | | | | |
| | 116921 | 01/23/26 | | 493931 | T | 02/24/26 | 46201113 40514 | CONTRACT SERVICES | 3,391.50 |
| | INVOICE: 70839 | | | | | | | | |
| | 117181 | 02/11/26 | 3051 | 493931 | T | 02/24/26 | 46101112 40514 | CONTRACT SERVICES | 880.00 |
| | INVOICE: 71142 | | | | | | | | |
| | 117197 | 02/11/26 | 3050 | 493931 | T | 02/24/26 | 10016010 40514 | CONTRACT SERVICES | 3,100.00 |
| | INVOICE: 71141 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 173,631.00 YTD PAID | | 14,730.00 |
| 123559 | HARRIS, ALLEN | | | | | | | | |
| | 117414 | 02/07/26 | | 493932 | T | 02/24/26 | 10061050 40264 | CONTRACT LABOR SALARIES | 105.00 |
| | INVOICE: 1 | | | | | | | | |
| | VENDOR TOTALS | | 230.00 YTD INVOICED | | | | 1,115.00 YTD PAID | | 105.00 |
| 106271 | HAWTHORNE CHAMBER OF COMMERCE | | | | | | | | |
| | 117105 | 02/03/26 | | 493933 | T | 02/24/26 | 10011500 45104 | DUES & SUBSCRIPTIONS | 1,500.00 |
| | INVOICE: 106 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 6,694.00 YTD PAID | | 1,500.00 |
| 111035 | HAWTHORNE ELECTRIC SUPPLY | | | | | | | | |
| | 117410 | 01/15/26 | | 493934 | T | 02/24/26 | 10061100 42514 | SMALL TOOLS & MINOR EQUIP | 287.30 |
| | INVOICE: 410135 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 2,610.83 YTD PAID | | 287.30 |
| 8950 | HAWTHORNE HARDWARE | | | | | | | | |
| | 117003 | 01/28/26 | | 493935 | T | 02/24/26 | 10061050 42514 | SMALL TOOLS & MINOR EQUIP | 26.49 |
| | INVOICE: 452486 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 249.13 YTD PAID | | 26.49 |
| 124718 | SOCAL SURGERY CENTER, LLC. | | | | | | | | |
| | 117261 | 02/12/25 | | 493866 | P | 02/24/26 | 10000101 51114 | BUSINESS LICENSE TAXES | 4,600.00 |
| | INVOICE: req#2000-114995 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 4,600.00 YTD PAID | | 4,600.00 |
| 121449 | HDL COREN & CONE | | | | | | | | |
| | 117078 | 01/27/26 | 3049 | 493936 | T | 02/24/26 | 10016010 40514 | CONTRACT SERVICES | 4,694.73 |
| | INVOICE: SIN058836 | | | | | | | | |
| | VENDOR TOTALS | | 5,489.73 YTD INVOICED | | | | 14,879.19 YTD PAID | | 4,694.73 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 106838 | HENRY, MILDRED | | | | | | | | |
| | 117220 | 02/10/26 | | 493937 | T | 02/24/26 | 10002205 40454 | HEALTH INSURANCE BENEFITS | 362.67 |
| | INVOICE: 1701-113262 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 448.83 YTD PAID | | 362.67 |
| 105919 | HERALD PUBLICATIONS | | | | | | | | |
| | 116778 | 01/22/26 | | 493938 | T | 02/24/26 | 10042010 43024 | LEGAL ADVERTISING | 105.00 |
| | INVOICE: 63160 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 13,385.00 YTD PAID | | 105.00 |
| 121623 | HERO INDUSTRIES, INC. | | | | | | | | |
| | 117149 | 08/26/25 | | 493939 | T | 02/24/26 | 10001206 41514 | OPERATING SUPPLIES | 4,825.00 |
| | INVOICE: 22611 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 8,275.00 YTD PAID | | 4,825.00 |
| 114714 | INFANTE, RAFAEL | | | | | | | | |
| | 117092 | 01/21/26 | | 493940 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 436.75 |
| | INVOICE: 031610 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 6,855.72 YTD PAID | | 436.75 |
| 112444 | INSITE GRAFIX | | | | | | | | |
| | 117068 | 02/03/26 | | 493941 | T | 02/24/26 | 10016020 41514 | OPERATING SUPPLIES | 221.00 |
| | INVOICE: 10614 | | | | | | | | |
| | 117502 | 02/13/26 | | 493941 | T | 02/24/26 | 10015010 41514 | OPERATING SUPPLIES | 221.00 |
| | INVOICE: 10636 | | | | | | | | |
| | VENDOR TOTALS | | 773.50 YTD INVOICED | | | | 4,394.85 YTD PAID | | 442.00 |
| 120150 | INSTANT FIRE PROTECTION | | | | | | | | |
| | 117011 | 12/16/25 | | 493942 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 282.53 |
| | INVOICE: 18909 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 282.53 YTD PAID | | 282.53 |
| 115272 | JEREZ AUTO DETAIL INC. | | | | | | | | |
| | 116973 | 01/21/26 | | 493943 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 140.00 |
| | INVOICE: 060050 | | | | | | | | |
| | 117224 | 01/28/26 | | 493943 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 120.00 |
| | INVOICE: 093850 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 920.00 YTD PAID | | 260.00 |
| 122781 | JOHNSON 225 INVESTIGATIONS | | | | | | | | |
| | 117144 | 01/22/26 | 3172 | 493944 | T | 02/24/26 | 10021010 40514 | CONTRACT SERVICES | 10,200.00 |
| | INVOICE: 1125 | | | | | | | | |
| | 117155 | 01/27/26 | | 493944 | T | 02/24/26 | 10021010 40514 | CONTRACT SERVICES | 4,120.00 |
| | INVOICE: 1126 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 117386 | 02/10/26 | | 493944 | T | 02/24/26 | 10021010 40514 | CONTRACT SERVICES | 1,330.00 |
| | INVOICE: 1127 | | | | | | | | |
| | VENDOR TOTALS | 8,350.00 YTD INVOICED | | | | | 90,730.00 YTD PAID | | 15,650.00 |
| 113091 | K & P JANITORIAL SERVICES INC | | | | | | | | |
| | 117214 | 01/01/26 | 2930 | 493945 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 15,207.00 |
| | INVOICE: 77371 | | | | | | | | |
| | 117216 | 01/21/26 | 2930 | 493945 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 15,207.00 |
| | INVOICE: 117580 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 159,349.12 YTD PAID | | 30,414.00 |
| 107673 | KANG, TOMMY | | | | | | | | |
| | 116744 | 12/11/25 | | 493946 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 459.00 |
| | INVOICE: EDUC. BAM 402 | | | | | | | | |
| | 116745 | 12/25/25 | | 493946 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 459.00 |
| | INVOICE: EDUC. BAM 411 | | | | | | | | |
| | 117393 | 01/29/26 | | 493946 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 459.00 |
| | INVOICE: EDUC. BCJ 100 | | | | | | | | |
| | 117394 | 01/16/26 | | 493946 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 459.00 |
| | INVOICE: EDUC. BAM 421 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 1,836.00 YTD PAID | | 1,836.00 |
| 110516 | KIM, ROBERT | | | | | | | | |
| | 117230 | 02/09/26 | | 493947 | T | 02/24/26 | 10011500 44084 | RETIREE HEALTH INSURANCE | 4,959.29 |
| | INVOICE: 1701-113260 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 22,026.30 YTD PAID | | 4,959.29 |
| 123456 | KIMLEY-HORN AND ASSOCIATES, INC. | | | | | | | | |
| | 116775 | 12/31/25 | 2767 | 493948 | T | 02/24/26 | 10042010 40514 | CONTRACT SERVICES | 19,778.81 |
| | INVOICE: 34470296 | | | | | | | | |
| | 117082 | 12/31/25 | 2725 | 493948 | T | 02/24/26 | 10041030 40514 | CONTRACT SERVICES | 24,317.61 |
| | INVOICE: 34396815 | | | | | | | | |
| | 117082 | 12/31/25 | 2725 | 493948 | T | 02/24/26 | 28534000 40514 | CONTRACT SERVICES | 2,275.12 |
| | INVOICE: 34396815 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 691,147.87 YTD PAID | | 46,371.54 |
| 102360 | L A COUNTY FIRE DEPARTMENT | | | | | | | | |
| | 116990 | 01/30/26 | 2918 | 493867 | P | 02/24/26 | 10050121 40774 | COUNTY FIRE SERVICES | 1,280,608.92 |
| | INVOICE: C0013954 | | | | | | | | |
| | VENDOR TOTALS | 2,438,234.29 YTD INVOICED | | | | | 11,148,605.40 YTD PAID | | 1,280,608.92 |
| 105446 | L A COUNTY SHERIFF'S DEPT | | | | | | | | |
| | 117156 | 01/22/26 | 2928 | 493949 | T | 02/24/26 | 10002220 45314 | PRISONER EXPENSE | 2,701.78 |
| | INVOICE: 261586BL | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| VENDOR TOTALS | | .00 YTD INVOICED | | | | 17,704.49 YTD PAID | | 2,701.78 |
| 121776 LA UNIFORMS & TAILORING, INC. | | | | | | | | |
| 117275 | 01/05/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 552.28 |
| INVOICE: 30712 | | | | | | | | |
| 117276 | 01/06/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 150.86 |
| INVOICE: 30723 | | | | | | | | |
| 117277 | 01/06/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 402.95 |
| INVOICE: 30731 | | | | | | | | |
| 117279 | 01/07/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 618.58 |
| INVOICE: 30746 | | | | | | | | |
| 117280 | 01/10/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 237.52 |
| INVOICE: 30781 | | | | | | | | |
| 117281 | 01/12/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 276.14 |
| INVOICE: 30810 | | | | | | | | |
| 117282 | 01/13/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 278.35 |
| INVOICE: 30826 | | | | | | | | |
| 117284 | 01/13/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 138.07 |
| INVOICE: 30827 | | | | | | | | |
| 117285 | 01/14/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 127.02 |
| INVOICE: 30837 | | | | | | | | |
| 117286 | 09/15/25 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 36.52 |
| INVOICE: 29073 | | | | | | | | |
| 117287 | 01/15/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 345.86 |
| INVOICE: 30862 | | | | | | | | |
| 117289 | 01/15/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 331.39 |
| INVOICE: 30863 | | | | | | | | |
| 117293 | 01/15/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 345.86 |
| INVOICE: 30864 | | | | | | | | |
| 117298 | 01/15/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 70.66 |
| INVOICE: 30868 | | | | | | | | |
| 117301 | 01/16/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 276.14 |
| INVOICE: 30887 | | | | | | | | |
| 117302 | 01/16/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 10.00 |
| INVOICE: 30893 | | | | | | | | |
| 117303 | 01/19/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 202.10 |
| INVOICE: 30915 | | | | | | | | |
| 117304 | 01/19/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 196.58 |
| INVOICE: 30916 | | | | | | | | |
| 117307 | 01/20/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 196.58 |
| INVOICE: 30930 | | | | | | | | |
| 117310 | 01/20/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 196.58 |
| INVOICE: 30931 | | | | | | | | |
| 117312 | 01/20/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 15.00 |
| INVOICE: 30935 | | | | | | | | |
| 117314 | 01/20/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 351.22 |
| INVOICE: 30941 | | | | | | | | |
| 117315 | 01/20/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 216.47 |
| INVOICE: 30942 | | | | | | | | |
| 117316 | 01/20/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 56.30 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| INVOICE: 30943 | | | | | | | | |
| 117317 | 01/21/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 670.42 |
| INVOICE: 30951 | | | | | | | | |
| 117318 | 01/22/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 60.00 |
| INVOICE: 30992 | | | | | | | | |
| 117319 | 01/23/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 10.00 |
| INVOICE: 31004 | | | | | | | | |
| 117320 | 01/23/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 30.00 |
| INVOICE: 31016 | | | | | | | | |
| 117321 | 01/23/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 15.00 |
| INVOICE: 31017 | | | | | | | | |
| 117322 | 01/24/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 10.00 |
| INVOICE: 31033 | | | | | | | | |
| 117323 | 01/26/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 171.22 |
| INVOICE: 31046 | | | | | | | | |
| 117324 | 01/27/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 28.78 |
| INVOICE: 31070 | | | | | | | | |
| 117325 | 01/27/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 336.91 |
| INVOICE: 31071 | | | | | | | | |
| 117326 | 01/27/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 2,457.46 |
| INVOICE: 31081 | | | | | | | | |
| 117327 | 01/27/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 2,261.99 |
| INVOICE: 31103 | | | | | | | | |
| 117328 | 01/27/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 146.85 |
| INVOICE: 31104 | | | | | | | | |
| 117329 | 01/27/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 530.18 |
| INVOICE: 31105 | | | | | | | | |
| 117330 | 01/28/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 15.41 |
| INVOICE: 31112 | | | | | | | | |
| 117356 | 01/28/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 10.00 |
| INVOICE: 31117 | | | | | | | | |
| 117357 | 01/29/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 387.63 |
| INVOICE: 31137 | | | | | | | | |
| 117360 | 01/29/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 154.59 |
| INVOICE: 31139 | | | | | | | | |
| 117363 | 01/29/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 296.14 |
| INVOICE: 31158 | | | | | | | | |
| 117364 | 01/30/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 216.58 |
| INVOICE: 31164 | | | | | | | | |
| 117366 | 01/30/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 138.07 |
| INVOICE: 31166 | | | | | | | | |
| 117368 | 01/30/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 215.36 |
| INVOICE: 31170 | | | | | | | | |
| 117369 | 01/31/26 | 2929 | 493950 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 281.66 |
| INVOICE: 31178 | | | | | | | | |
| VENDOR TOTALS | | .00 YTD INVOICED | | | | 44,515.55 YTD PAID | | 14,073.28 |
| 116247 LAMB, THEODORE | | | | | | | | |
| 117002 | 01/31/26 | | 493951 | T | 02/24/26 | 10015020 40514 | CONTRACT SERVICES | 2,760.00 |
| INVOICE: 01/31/2026 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 16,800.00 YTD PAID | | 2,760.00 |
| 118893 | LANE, MORGAN | | | | | | | | |
| | 117390 | 01/14/26 | | 493952 | T | 02/24/26 | 10021010 45584 | HEALTH AND WELLNESS | 491.77 |
| | INVOICE: | REIMB. 1/1/26 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 682.96 YTD PAID | | 491.77 |
| 122756 | LARA, JOSE G. | | | | | | | | |
| | 117253 | 01/05/26 | | 493953 | T | 02/24/26 | 46615731 42024 | BUILDING MAINTENANCE | 437.42 |
| | INVOICE: | 106 | | | | | | | |
| | 117256 | 12/31/25 | | 493953 | T | 02/24/26 | 46615731 42024 | BUILDING MAINTENANCE | 216.25 |
| | INVOICE: | 105 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 3,516.22 YTD PAID | | 653.67 |
| 123674 | LATONA, TYLER | | | | | | | | |
| | 117198 | 02/04/26 | | 493954 | T | 02/24/26 | 10001224 41614 | UNIFORMS & SAFETY EQUIPME | 579.80 |
| | INVOICE: | REIMB. 1/14/26 | | | | | | | |
| | VENDOR TOTALS | | 1,377.00 YTD INVOICED | | | | 7,403.50 YTD PAID | | 579.80 |
| 124721 | STEM STARTERS, LLC. | | | | | | | | |
| | 117266 | 12/22/25 | | 493868 | P | 02/24/26 | 10000101 51114 | BUSINESS LICENSE TAXES | 658.00 |
| | INVOICE: | REQ#2000-114996 | | | | | | | |
| | 117266 | 12/22/25 | | 493868 | P | 02/24/26 | 10000106 51631 | SB 1186 $4 STATE SURCHAR | 4.00 |
| | INVOICE: | REQ#2000-114996 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 662.00 YTD PAID | | 662.00 |
| 107288 | LAWSON PRODUCTS, INC. | | | | | | | | |
| | 116969 | 01/12/26 | | 493955 | T | 02/24/26 | 60031030 42014 | REPAIR & MAINTENANCE SUPP | 584.52 |
| | INVOICE: | 9313126043 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 2,149.05 YTD PAID | | 584.52 |
| 123756 | LAZATIN, MARIA | | | | | | | | |
| | 117227 | 02/09/26 | | 493956 | T | 02/24/26 | 29054010 45604 | FINANCIAL INCENTIVES | 30.00 |
| | INVOICE: | 2900-111765 | | | | | | | |
| | 117456 | 02/13/26 | | 493956 | T | 02/24/26 | 10017010 45584 | HEALTH AND WELLNESS | 39.20 |
| | INVOICE: | 1701-113265 | | | | | | | |
| | VENDOR TOTALS | | 110.24 YTD INVOICED | | | | 815.98 YTD PAID | | 69.20 |
| 101286 | SCP DISTRIBUTORS LLC | | | | | | | | |
| | 117091 | 01/28/26 | | 493957 | T | 02/24/26 | 10061090 45754 | SWIM POOL CHEMICALS | 2,532.85 |
| | INVOICE: | 37248910 | | | | | | | |
| | 117431 | 02/06/26 | | 493957 | T | 02/24/26 | 10061090 41514 | OPERATING SUPPLIES | 638.81 |
| | INVOICE: | 71693106 | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 43,745.45 YTD PAID | | 3,171.66 |
| 123417 | LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE | | | | | | | | |
| | 117278 | 01/14/26 | 3011 | 493958 | T | 02/24/26 | 78480020 44824 | SUPPORTIVE SERVICES | 63,646.31 |
| | INVOICE: #32 (December 2025) | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 674,430.15 YTD PAID | | 63,646.31 |
| 105143 | LOS ANGELES COUNTY | | | | | | | | |
| | 117148 | 01/25/26 | | 493869 | P | 02/24/26 | 10001230 40514 | CONTRACT SERVICES | 777.48 |
| | INVOICE: December 2025 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 21,540.92 YTD PAID | | 777.48 |
| 124716 | LOS ANGELES LEGAL ADVOCATES | | | | | | | | |
| | 117236 | 02/09/26 | | 493870 | P | 02/24/26 | 25019020 45064 | SETTLEMENTS / JUDGEMENTS | 13,500.00 |
| | INVOICE: 02/09/2026 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 13,500.00 YTD PAID | | 13,500.00 |
| 105619 | LOS ANGELES TIMES | | | | | | | | |
| | 117204 | 12/02/25 | | 493871 | P | 02/24/26 | 10002220 45314 | PRISONER EXPENSE | 801.65 |
| | INVOICE: Subs. Jan-April 2026 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 2,818.61 YTD PAID | | 801.65 |
| 123341 | LOTUS TELECOMMUNICATIONS, LLC | | | | | | | | |
| | 117166 | 02/02/26 | | 493959 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 2,179.56 |
| | INVOICE: LTC25-0122-01 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 8,781.54 YTD PAID | | 2,179.56 |
| 117975 | LUCERO, MATTHEW | | | | | | | | |
| | 116747 | 01/06/26 | | 493960 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 704.99 |
| | INVOICE: EDUC. BCJ 553 | | | | | | | | |
| | 117396 | 01/27/26 | | 493960 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 675.00 |
| | INVOICE: EDUC. BCJ 562 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 5,286.76 YTD PAID | | 1,379.99 |
| 124159 | MARIA KARLA EDITH CASTILLO MONTERROSO | | | | | | | | |
| | 117268 | 02/02/26 | | 493961 | T | 02/24/26 | 46447150 42024 | BUILDING MAINTENANCE | 140.00 |
| | INVOICE: N/A | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 2,440.00 YTD PAID | | 140.00 |
| 123577 | MARTINEZ, NANCY | | | | | | | | |
| | 117391 | 01/29/26 | | 493962 | T | 02/24/26 | 10021010 45584 | HEALTH AND WELLNESS | 299.07 |
| | INVOICE: REIMB. 11/3/25 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 299.07 YTD PAID | | 299.07 |
| 123469 | MCCLAIN, TERRENCE | | | | | | | | |
| | 117096 | 01/28/26 | | 493963 | T | 02/24/26 | 10061070 41514 | OPERATING SUPPLIES | 450.00 |
| | INVOICE: 702 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 1,350.00 YTD PAID | | 450.00 |
| 124287 | MENDOZA, EDWIN | | | | | | | | |
| | 117388 | 01/26/26 | | 493964 | T | 02/24/26 | 10021010 45584 | HEALTH AND WELLNESS | 500.00 |
| | INVOICE: REIMB. 11/28/25 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 500.00 YTD PAID | | 500.00 |
| 100108 | MERRIMAC PETROLEUM, INC. | | | | | | | | |
| | 116984 | 01/29/26 | 2965 | 493965 | T | 02/24/26 | 60031030 45144 | GASOLINE & OIL | 12,802.70 |
| | INVOICE: 2244949 | | | | | | | | |
| | VENDOR TOTALS | | 35,779.87 YTD INVOICED | | | | 278,140.17 YTD PAID | | 12,802.70 |
| 117066 | MICHALCZAK, JEROME | | | | | | | | |
| | 117202 | 02/04/26 | | 493966 | T | 02/24/26 | 10001224 45184 | TRAINING | 100.00 |
| | INVOICE: REIMB. 1/22/2026 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 247.16 YTD PAID | | 100.00 |
| 115113 | MITSUBISHI ELECTRIC & | | | | | | | | |
| | 117145 | 02/01/26 | | 493967 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 741.26 |
| | INVOICE: 555625 | | | | | | | | |
| | VENDOR TOTALS | | 689.41 YTD INVOICED | | | | 3,178.23 YTD PAID | | 741.26 |
| 123783 | MORGAN STANLEY CAPITAL MANAGEMENT LLC | | | | | | | | |
| | 117222 | 01/07/26 | 3068 | 493968 | T | 02/24/26 | 10017010 40514 | CONTRACT SERVICES | 7,500.00 |
| | INVOICE: 11047626007 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 30,000.00 YTD PAID | | 7,500.00 |
| 123082 | MPD PLUMBING, INC. | | | | | | | | |
| | 117265 | 01/31/26 | | 493969 | T | 02/24/26 | 46715732 42024 | BUILDING MAINTENANCE | 220.00 |
| | INVOICE: WO#01302026 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 1,585.00 YTD PAID | | 220.00 |
| 124321 | US BANK NATIONAL ASSOCIATION | | | | | | | | |
| | 117384 | 01/30/26 | | 493970 | T | 02/24/26 | 23002244 45144 | GASOLINE & OIL | 401.31 |
| | INVOICE: 605156411 | | | | | | | | |
| | VENDOR TOTALS | | 453.86 YTD INVOICED | | | | 4,587.88 YTD PAID | | 401.31 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 120965 | NEW LOOK AUTO DETAIL | | | | | | | | |
| | 117264 | 01/19/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 540.00 |
| | INVOICE: | 4279 | | | | | | | |
| | 117271 | 01/20/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 435.00 |
| | INVOICE: | 4280 | | | | | | | |
| | 117283 | 01/22/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 540.00 |
| | INVOICE: | 4281 | | | | | | | |
| | 117288 | 01/24/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 520.00 |
| | INVOICE: | 4283 | | | | | | | |
| | 117290 | 01/02/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 540.00 |
| | INVOICE: | 4273 | | | | | | | |
| | 117291 | 01/05/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 520.00 |
| | INVOICE: | 4274 | | | | | | | |
| | 117292 | 01/06/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 390.00 |
| | INVOICE: | 4275 | | | | | | | |
| | 117294 | 01/08/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 560.00 |
| | INVOICE: | 4276 | | | | | | | |
| | 117296 | 01/12/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 520.00 |
| | INVOICE: | 4277 | | | | | | | |
| | 117297 | 01/15/26 | | 493971 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 540.00 |
| | INVOICE: | 4278 | | | | | | | |
| | VENDOR TOTALS | | 12,385.00 YTD INVOICED | | | | 48,730.00 YTD PAID | | 5,105.00 |
| 113242 | NORMAN, KEITH | | | | | | | | |
| | 117425 | 02/07/26 | | 493972 | T | 02/24/26 | 10061050 40264 | CONTRACT LABOR SALARIES | 105.00 |
| | INVOICE: | 1 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 185.00 YTD PAID | | 105.00 |
| 116422 | OCCU-MED, LTD. | | | | | | | | |
| | 117223 | 10/31/25 | | 493973 | T | 02/24/26 | 10017010 45324 | PHYSICAL EXAMINATIONS | 2,021.11 |
| | INVOICE: | 1125111.1 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 9,445.97 YTD PAID | | 2,021.11 |
| 123279 | ODP BUSINESS SOLUTIONS, LLC | | | | | | | | |
| | 116864 | 01/16/26 | | 493974 | T | 02/24/26 | 10061010 41404 | MATERIALS, SUPPLIES & OTH | 93.22 |
| | INVOICE: | 452753362001 | | | | | | | |
| | 116959 | 01/14/26 | | 493974 | T | 02/24/26 | 10043010 41514 | OPERATING SUPPLIES | 131.21 |
| | INVOICE: | 455510652001 | | | | | | | |
| | 116965 | 01/14/26 | | 493974 | T | 02/24/26 | 10043010 41514 | OPERATING SUPPLIES | 14.86 |
| | INVOICE: | 455516383001 | | | | | | | |
| | 117085 | 01/28/26 | | 493974 | T | 02/24/26 | 10015020 41514 | OPERATING SUPPLIES | 113.76 |
| | INVOICE: | 451697988001 | | | | | | | |
| | 117157 | 01/05/26 | | 493974 | T | 02/24/26 | 10002215 41514 | OPERATING SUPPLIES | 26.50 |
| | INVOICE: | 452624055002 | | | | | | | |
| | 117158 | 01/29/26 | | 493974 | T | 02/24/26 | 10002215 41514 | OPERATING SUPPLIES | 60.63 |
| | INVOICE: | 457637627001 | | | | | | | |
| | 117159 | 01/29/26 | | 493974 | T | 02/24/26 | 10002215 41514 | OPERATING SUPPLIES | 26.50 |
| | INVOICE: | 457646527001 | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 117243 | 02/06/26 | | 493974 | T | 02/24/26 | 25019010 41514 | OPERATING SUPPLIES | 18.64 |
| | INVOICE: | 458808364001 | | | | | | | |
| | 117371 | 12/10/25 | | 493974 | T | 02/24/26 | 10012010 41514 | OPERATING SUPPLIES | 101.38 |
| | INVOICE: | 450397509001 | | | | | | | |
| | VENDOR TOTALS | | 3,829.70 YTD INVOICED | | | | 27,496.96 YTD PAID | | 586.70 |
| 123098 | ORKIN SERVICES OF CALIFORNIA, INC | | | | | | | | |
| | 117088 | 01/30/26 | | 493976 | T | 02/24/26 | 10061120 40514 | CONTRACT SERVICES | 308.29 |
| | INVOICE: | 290459304 | | | | | | | |
| | 117089 | 01/12/26 | | 493977 | T | 02/24/26 | 10061120 40514 | CONTRACT SERVICES | 308.29 |
| | INVOICE: | 290459303 | | | | | | | |
| | 117090 | 12/11/25 | | 493978 | T | 02/24/26 | 10061120 40514 | CONTRACT SERVICES | 276.00 |
| | INVOICE: | 288979149 | | | | | | | |
| | 117150 | 01/28/26 | | 493975 | T | 02/24/26 | 10001221 41514 | OPERATING SUPPLIES | 156.36 |
| | INVOICE: | 290459299 | | | | | | | |
| | VENDOR TOTALS | | 276.00 YTD INVOICED | | | | 9,586.86 YTD PAID | | 1,048.94 |
| 124657 | PET ASSURE CORP | | | | | | | | |
| | 117237 | 02/05/26 | | 493979 | T | 02/24/26 | 990 20900 | INSURANCE BENEFITS | 18.50 |
| | INVOICE: | 240206 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 55.50 YTD PAID | | 18.50 |
| 123188 | PETDATA, INC. | | | | | | | | |
| | 117083 | 12/31/25 | | 493872 | P | 02/24/26 | 10000103 51332 | ANIMAL LICENSES | 2,105.97 |
| | INVOICE: | 14778 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 2,105.97 YTD PAID | | 2,105.97 |
| 124350 | POST, JOY | | | | | | | | |
| | 117066 | 01/29/26 | | 493980 | T | 02/24/26 | 10012010 45124 | EDUCATIONAL REIMBURSEMENT | 798.70 |
| | INVOICE: | 202600003 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 1,298.70 YTD PAID | | 798.70 |
| 16650 | PRUDENTIAL OVERALL SUPPLY | | | | | | | | |
| | 116971 | 01/29/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 85.35 |
| | INVOICE: | 43092678 | | | | | | | |
| | 116972 | 01/29/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 75.00 |
| | INVOICE: | 43092679 | | | | | | | |
| | 116978 | 01/22/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 82.65 |
| | INVOICE: | 43090959 | | | | | | | |
| | 116979 | 01/15/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 287.70 |
| | INVOICE: | 43089260 | | | | | | | |
| | 116979 | 01/15/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | -191.37 |
| | INVOICE: | 43089260 | | | | | | | |
| | 116980 | 01/22/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 58.39 |
| | INVOICE: | 43090960 | | | | | | | |
| | 117252 | 02/05/26 | | 493981 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 82.65 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | INVOICE: 43094375 | | | | | | | | |
| | VENDOR TOTALS | | 231.50 YTD INVOICED | | | | 4,413.89 YTD PAID | | 480.37 |
| 118988 | QUADIENT FINANCE USA, INC. | | | | | | | | |
| | 117072 | 01/28/26 | 2912 | 493982 | T | 02/24/26 | 10011500 43044 | POSTAGE | 194.20 |
| | INVOICE: INV17905183 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 22,642.28 YTD PAID | | 194.20 |
| 123536 | R & A TANK TECHNOLOGIES LLC | | | | | | | | |
| | 117247 | 02/05/26 | | 493983 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 175.00 |
| | INVOICE: 010127-52 | | | | | | | | |
| | 117250 | 02/05/26 | | 493983 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 175.00 |
| | INVOICE: 010127-53 | | | | | | | | |
| | 117255 | 02/04/26 | | 493983 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 300.00 |
| | INVOICE: 01027-11 | | | | | | | | |
| | 117258 | 02/04/26 | | 493983 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 300.00 |
| | INVOICE: 010127-12 | | | | | | | | |
| | 117259 | 02/03/26 | | 493983 | T | 02/24/26 | 60031030 40514 | CONTRACT SERVICES | 473.50 |
| | INVOICE: 01026-35 | | | | | | | | |
| | VENDOR TOTALS | | 700.00 YTD INVOICED | | | | 10,456.50 YTD PAID | | 1,423.50 |
| 123013 | RACE TELECOMMUNICATIONS, INC. | | | | | | | | |
| | 117398 | 12/01/25 | 2982 | 493873 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 2,805.00 |
| | INVOICE: RC1902208 | | | | | | | | |
| | 117399 | 01/01/26 | 2982 | 493874 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 2,805.00 |
| | INVOICE: RC1950519 | | | | | | | | |
| | 117401 | 02/01/26 | 2982 | 493875 | P | 02/24/26 | 10001222 43054 | TELEPHONE | 2,849.18 |
| | INVOICE: RC2001082 | | | | | | | | |
| | VENDOR TOTALS | | 2,805.00 YTD INVOICED | | | | 22,484.18 YTD PAID | | 8,459.18 |
| 112503 | REDFLEX TRAFFIC SYSTEMS, INC. | | | | | | | | |
| | 117071 | 01/31/26 | 2947 | 493876 | P | 02/24/26 | 10000104 51431 | VEHICLE CODE FINES | 22,402.31 |
| | INVOICE: INV0116082 | | | | | | | | |
| | VENDOR TOTALS | | 22,432.29 YTD INVOICED | | | | 179,398.90 YTD PAID | | 22,402.31 |
| 124485 | RENNE PUBLIC LAW GROUP, LLP. | | | | | | | | |
| | 116924 | 11/30/25 | | 493984 | T | 02/24/26 | 10015020 40514 | CONTRACT SERVICES | 137.03 |
| | INVOICE: 15512 | | | | | | | | |
| | 116925 | 12/31/25 | | 493984 | T | 02/24/26 | 10015020 40514 | CONTRACT SERVICES | 3,064.95 |
| | INVOICE: 15760 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 5,313.01 YTD PAID | | 3,201.98 |
| 115776 | REPUBLIC SERVICES | | | | | | | | |
| | 117235 | 01/31/26 | | 493985 | T | 02/24/26 | 46715732 45444 | UTILITIES | 425.57 |
| | INVOICE: 0902-013917481 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 117245 | 01/31/26 | | 493985 | T | 02/24/26 | 46615731 45444 | UTILITIES | 714.18 |
| | INVOICE: | 0902-013915934 | | | | | | | |
| | 117248 | 01/31/26 | | 493985 | T | 02/24/26 | 46447150 45444 | UTILITIES | 272.11 |
| | INVOICE: | 0902-013927406 | | | | | | | |
| | 117249 | 01/31/26 | | 493985 | T | 02/24/26 | 46515730 45444 | UTILITIES | 558.50 |
| | INVOICE: | 0902-013915933 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 119,756.50 YTD PAID | | 1,970.36 |
| 124298 | REYES, ROSA | | | | | | | | |
| | 117387 | 01/15/26 | | 493986 | T | 02/24/26 | 10021010 45584 | HEALTH AND WELLNESS | 271.86 |
| | INVOICE: | REIMB. 12/20/25 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 771.86 YTD PAID | | 271.86 |
| 111254 | ROADLINE PRODUCTS INC USA | | | | | | | | |
| | 114929 | 09/03/25 | | 493987 | T | 02/24/26 | 22541060 42014 | REPAIR & MAINTENANCE SUPP | 1,588.16 |
| | INVOICE: | 21910 | | | | | | | |
| | 114930 | 09/30/25 | | 493987 | T | 02/24/26 | 22541060 42014 | REPAIR & MAINTENANCE SUPP | 820.74 |
| | INVOICE: | 22028 | | | | | | | |
| | 114933 | 08/07/25 | | 493987 | T | 02/24/26 | 22541060 42014 | REPAIR & MAINTENANCE SUPP | 652.23 |
| | INVOICE: | 21769 | | | | | | | |
| | 114934 | 10/30/25 | | 493987 | T | 02/24/26 | 22541060 42014 | REPAIR & MAINTENANCE SUPP | 629.85 |
| | INVOICE: | 22159 | | | | | | | |
| | VENDOR TOTALS | | 9,060.23 YTD INVOICED | | | | 32,223.10 YTD PAID | | 3,690.98 |
| 124626 | ROMERO JESSICA | | | | | | | | |
| | 117104 | 02/03/26 | | 493988 | T | 02/24/26 | 10061010 40504 | COMMISSIONER STIPENDS | 50.00 |
| | INVOICE: | 2-3-26 | | | | | | | |
| | 117106 | 01/06/26 | | 493988 | T | 02/24/26 | 10061010 40504 | COMMISSIONER STIPENDS | 50.00 |
| | INVOICE: | 1-6-26 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 100.00 YTD PAID | | 100.00 |
| 124252 | ROSALES, GEORGE | | | | | | | | |
| | 117389 | 01/29/26 | | 493989 | T | 02/24/26 | 10021010 45584 | HEALTH AND WELLNESS | 500.00 |
| | INVOICE: | REIMB. 10/28/2025 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 500.00 YTD PAID | | 500.00 |
| 124719 | PATEL, REEKESH R. | | | | | | | | |
| | 117262 | 02/12/25 | | 493877 | P | 02/24/26 | 10000101 51114 | BUSINESS LICENSE TAXES | 200.00 |
| | INVOICE: | REQ#2000-114994 | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 200.00 YTD PAID | | 200.00 |
| 116672 | SAM'S ALIGNMENT TIRE CENTER, INC. | | | | | | | | |
| | 116985 | 01/16/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 150.00 |
| | INVOICE: | 35009 | | | | | | | |
| | 116987 | 01/27/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 100.00 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | INVOICE: 35079 | | | | | | | | |
| | 117353 | 02/03/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 85.00 |
| | INVOICE: 35141 | | | | | | | | |
| | 117354 | 01/06/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 39.77 |
| | INVOICE: 959058 | | | | | | | | |
| | 117355 | 01/12/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 77.34 |
| | INVOICE: 959355 | | | | | | | | |
| | 117358 | 01/15/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 24.95 |
| | INVOICE: 959680 | | | | | | | | |
| | 117359 | 01/21/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 80.59 |
| | INVOICE: 960052 | | | | | | | | |
| | 117361 | 01/28/26 | 3001 | 493990 | T | 02/24/26 | 60031030 42554 | TIRES | 54.15 |
| | INVOICE: 960464 | | | | | | | | |
| | VENDOR TOTALS | 1,706.10 YTD INVOICED | | | | | 9,168.19 YTD PAID | | 611.80 |
| 123693 | SANDOVAL, CINTHYA HERNANDEZ | | | | | | | | |
| | 117395 | 12/04/25 | | 493991 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 459.00 |
| | INVOICE: EDUC. GED 232 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 459.00 YTD PAID | | 459.00 |
| 108274 | SANTA MONICA-UCLA | | | | | | | | |
| | 117178 | 01/23/26 | | 493992 | T | 02/24/26 | 10002215 45024 | FORENSIC TESTING | 1,029.00 |
| | INVOICE: 28017186 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 7,203.00 YTD PAID | | 1,029.00 |
| 17550 | SEERS LUMBER CO INC | | | | | | | | |
| | 117004 | 10/09/25 | | 493993 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 7.29 |
| | INVOICE: 118353 | | | | | | | | |
| | 117005 | 04/22/25 | | 493993 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 16.56 |
| | INVOICE: 115969 | | | | | | | | |
| | 117006 | 04/02/25 | | 493993 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 427.86 |
| | INVOICE: 115738 | | | | | | | | |
| | 117007 | 02/24/25 | | 493993 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 10.61 |
| | INVOICE: 115251 | | | | | | | | |
| | 117010 | 01/07/25 | | 493993 | T | 02/24/26 | 10061100 42014 | REPAIR & MAINTENANCE SUPP | 5.16 |
| | INVOICE: 114693 | | | | | | | | |
| | 117087 | 10/10/25 | | 493993 | T | 02/24/26 | 10061120 42014 | REPAIR & MAINTENANCE SUPP | 3.05 |
| | INVOICE: 118367 | | | | | | | | |
| | VENDOR TOTALS | 13.58 YTD INVOICED | | | | | 2,562.38 YTD PAID | | 470.53 |
| 121161 | SKOVOLD, JOHNATHON | | | | | | | | |
| | 116746 | 01/02/26 | | 493994 | T | 02/24/26 | 10001224 45124 | EDUCATIONAL REIMBURSEMENT | 2,025.00 |
| | INVOICE: EDUC. BAM 515 | | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | | 4,090.00 YTD PAID | | 2,025.00 |
| 120162 | SONSRAY MACHINERY LLC. | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|
| 117221 | 02/09/26 | | 493995 | T | 02/24/26 | 60031030 42064 | PARTS | 1,684.66 |
| INVOICE: SWO084882-2 | | | | | | | | |
| VENDOR TOTALS | | .00 YTD INVOICED | | | | 4,992.12 YTD PAID | | 1,684.66 |
| 101153 SOUTH BAY FORD | | | | | | | | |
| 116926 | 12/18/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 65.76 |
| INVOICE: 569543 | | | | | | | | |
| 116927 | 12/17/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 69.62 |
| INVOICE: 569272 | | | | | | | | |
| 116928 | 12/16/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 734.43 |
| INVOICE: 569258 | | | | | | | | |
| 116929 | 12/16/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 35.36 |
| INVOICE: 569265 | | | | | | | | |
| 116938 | 12/17/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 225.13 |
| INVOICE: 569211 | | | | | | | | |
| 116939 | 12/15/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 183.23 |
| INVOICE: 569006 | | | | | | | | |
| 116940 | 12/15/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 111.25 |
| INVOICE: 569058 | | | | | | | | |
| 116941 | 12/11/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 55.01 |
| INVOICE: 568569 | | | | | | | | |
| 116942 | 12/09/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 222.50 |
| INVOICE: 568198 | | | | | | | | |
| 116943 | 12/04/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 1,192.46 |
| INVOICE: 567565 | | | | | | | | |
| 116947 | 12/04/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 314.26 |
| INVOICE: 567701 | | | | | | | | |
| 116948 | 12/03/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 281.27 |
| INVOICE: 567457 | | | | | | | | |
| 116949 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 1,260.19 |
| INVOICE: 566990 | | | | | | | | |
| 116950 | 12/01/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 888.42 |
| INVOICE: 566742 | | | | | | | | |
| 116951 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 492.71 |
| INVOICE: 530417 | | | | | | | | |
| 116953 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 252.65 |
| INVOICE: 567212 | | | | | | | | |
| 116954 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 912.87 |
| INVOICE: 529967 | | | | | | | | |
| 116956 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 2,073.26 |
| INVOICE: 567078 | | | | | | | | |
| 116957 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 74.12 |
| INVOICE: 567266 | | | | | | | | |
| 116958 | 12/01/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 1,347.22 |
| INVOICE: 566998 | | | | | | | | |
| 116960 | 12/01/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 26.41 |
| INVOICE: 566969 | | | | | | | | |
| 116961 | 12/29/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 159.12 |
| INVOICE: 570565 | | | | | | | | |
| 116962 | 12/11/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 615.08 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | INVOICE: 530501 | | | | | | | | |
| | 116963 | 12/08/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 236.35 |
| | INVOICE: 567976 | | | | | | | | |
| | 116964 | 12/04/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 286.42 |
| | INVOICE: 567376 | | | | | | | | |
| | 116966 | 12/02/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 442.00 |
| | INVOICE: 567192 | | | | | | | | |
| | 116967 | 10/27/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 60.98 |
| | INVOICE: 562619 | | | | | | | | |
| | 116968 | 11/25/25 | 2973 | 493996 | T | 02/24/26 | 60031030 42064 | PARTS | 1,129.13 |
| | INVOICE: 530359 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 182,827.57 | YTD PAID | | | | 13,747.21 |
| 17857 | SOUTH BAY REGIONAL PUBLIC | | | | | | | | |
| | 117367 | 01/21/26 | 3178 | 493997 | T | 02/24/26 | 60031030 47404 | MACHINERY & EQUIPMENT | 11,978.39 |
| | INVOICE: 04713 | | | | | | | | |
| | 117370 | 01/21/26 | 3178 | 493997 | T | 02/24/26 | 60031030 47404 | MACHINERY & EQUIPMENT | 1,468.95 |
| | INVOICE: 04711 | | | | | | | | |
| | 117372 | 01/21/26 | 3178 | 493997 | T | 02/24/26 | 60031030 47404 | MACHINERY & EQUIPMENT | 665.00 |
| | INVOICE: 04727 | | | | | | | | |
| | 117373 | 01/21/26 | 3178 | 493997 | T | 02/24/26 | 60031030 47404 | MACHINERY & EQUIPMENT | 11,187.90 |
| | INVOICE: 04731 | | | | | | | | |
| | VENDOR TOTALS | 1,060,762.15 | YTD INVOICED | 2,656,662.69 | YTD PAID | | | | 25,300.24 |
| 118526 | SOUTH BAY WORKFORCE INVESTMENT | | | | | | | | |
| | 116923 | 01/16/26 | 3012 | 493998 | T | 02/24/26 | 72750711 44994 | TEEN CENTER | 22,732.57 |
| | INVOICE: 21 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 101,684.70 | YTD PAID | | | | 22,732.57 |
| 123166 | CHARTER COMMUNICATIONS HOLDINGS, LLC | | | | | | | | |
| | 117146 | 02/01/26 | | 493999 | T | 02/24/26 | 10001221 40514 | CONTRACT SERVICES | 1,188.56 |
| | INVOICE: 235268301020126 | | | | | | | | |
| | VENDOR TOTALS | 5,322.84 | YTD INVOICED | 50,691.14 | YTD PAID | | | | 1,188.56 |
| 124624 | T & G GLOBAL LLC | | | | | | | | |
| | 117246 | 10/30/25 | 3184 | 494000 | T | 02/24/26 | 10011500 45154 | GENERAL EXPENSE | 7,175.00 |
| | INVOICE: INV-3986 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 18,175.00 | YTD PAID | | | | 7,175.00 |
| 122782 | SUPERHUMAN PLATFORM INC. | | | | | | | | |
| | 115406 | 12/01/25 | | 494001 | T | 02/24/26 | 10001222 40514 | CONTRACT SERVICES | 4,140.00 |
| | INVOICE: 39712 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 4,140.00 | YTD PAID | | | | 4,140.00 |
| 117117 | T-MOBILE | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | 117269 | 02/08/26 | | 494002 | T | 02/24/26 | 10002215 41514 | OPERATING SUPPLIES | 230.00 |
| | INVOICE: L2602080235 | | | | | | | | |
| | VENDOR TOTALS | 230.00 | YTD INVOICED | 2,825.00 | YTD PAID | | | | 230.00 |
| 124007 | THE FELDHAKE LAW FIRM, APC | | | | | | | | |
| | 117067 | 02/02/26 | 3042 | 494003 | T | 02/24/26 | 25019020 40514 | CONTRACT SERVICES | 7,767.75 |
| | INVOICE: 57260 | | | | | | | | |
| | VENDOR TOTALS | 4,952.50 | YTD INVOICED | 35,290.29 | YTD PAID | | | | 7,767.75 |
| 122858 | THE LOVEJOY FOUNDATION | | | | | | | | |
| | 117385 | 02/08/26 | 2927 | 494004 | T | 02/24/26 | 10001230 40514 | CONTRACT SERVICES | 16,000.00 |
| | INVOICE: COH 02012025 | | | | | | | | |
| | VENDOR TOTALS | 32,000.00 | YTD INVOICED | 128,000.00 | YTD PAID | | | | 16,000.00 |
| 115132 | THE STANDARD INSURANCE CO. | | | | | | | | |
| | 116797 | 01/15/26 | | 494005 | T | 02/24/26 | 990 20900 | INSURANCE BENEFITS | 2,267.75 |
| | INVOICE: DIV2_2/1/2026 | | | | | | | | |
| | VENDOR TOTALS | 4,789.50 | YTD INVOICED | 16,550.75 | YTD PAID | | | | 2,267.75 |
| 118571 | THE STANLEY LOUIS COMPANY | | | | | | | | |
| | 117251 | 11/20/25 | 2940 | 494006 | T | 02/24/26 | 50410060 40514 | CONTRACT SERVICES | 39,291.41 |
| | INVOICE: 253149 | | | | | | | | |
| | 117251 | 11/20/25 | | 494006 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 934.36 |
| | INVOICE: 253149 | | | | | | | | |
| | 117254 | 11/20/25 | 2951 | 494006 | T | 02/24/26 | 50410060 40514 | CONTRACT SERVICES | 15,936.48 |
| | INVOICE: 253150 | | | | | | | | |
| | 117254 | 11/20/25 | | 494006 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 3,754.07 |
| | INVOICE: 253150 | | | | | | | | |
| | VENDOR TOTALS | 13,408.59 | YTD INVOICED | 85,397.70 | YTD PAID | | | | 59,916.32 |
| 94511 | THE STATE BAR OF CALIFORNIA | | | | | | | | |
| | 117073 | 02/03/26 | | 493878 | P | 02/24/26 | 10015010 45104 | DUES & SUBSCRIPTIONS | 551.00 |
| | INVOICE: 197734 | | | | | | | | |
| | VENDOR TOTALS | .00 | YTD INVOICED | 551.00 | YTD PAID | | | | 551.00 |
| 113121 | TOTAL ADMINISTRATION SVCS CORP | | | | | | | | |
| | 117225 | 01/27/26 | | 493879 | P | 02/24/26 | 10017010 40514 | CONTRACT SERVICES | 1,027.14 |
| | INVOICE: IN3670871 | | | | | | | | |
| | VENDOR TOTALS | 12,035.79 | YTD INVOICED | 77,740.60 | YTD PAID | | | | 1,027.14 |
| 123415 | TRIPEPI, SMITH AND ASSOCIATES, INC. | | | | | | | | |
| | 117074 | 08/15/25 | 2914 | 494007 | T | 02/24/26 | 10011500 40514 | CONTRACT SERVICES | 3,300.00 |
| | INVOICE: 15361 | | | | | | | | |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| | VENDOR TOTALS | 3,300.00 YTD INVOICED | | | | 37,301.25 YTD PAID | | | 3,300.00 |
| 112885 | ULINE SHIPPING SUPPLY | | | | | | | | |
| | 117184 | 01/26/26 | | 494008 | T | 02/24/26 | 10002220 41514 | OPERATING SUPPLIES | 1,032.55 |
| | INVOICE: | 203334136 | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | 20,433.55 YTD PAID | | | 1,032.55 |
| 124228 | LOS ANGELES TRUCK CENTERS, LLC. | | | | | | | | |
| | 116983 | 01/28/26 | | 494009 | T | 02/24/26 | 60031030 42064 | PARTS | 12.26 |
| | INVOICE: | XA220699520:01 | | | | | | | |
| | 117244 | 01/29/26 | | 494009 | T | 02/24/26 | 60031030 42064 | PARTS | 17.20 |
| | INVOICE: | XA220699527:01 | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | 2,171.19 YTD PAID | | | 29.46 |
| 123448 | VERA PAINTING | | | | | | | | |
| | 117270 | 11/20/25 | | 494010 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 1,200.00 |
| | INVOICE: | 11202025 | | | | | | | |
| | 117273 | 12/11/25 | | 494010 | T | 02/24/26 | 10001221 42024 | BUILDING MAINTENANCE | 1,200.00 |
| | INVOICE: | 12112025 | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | 10,700.00 YTD PAID | | | 2,400.00 |
| 118487 | VU, THE PAUL | | | | | | | | |
| | 117205 | 02/04/26 | | 494011 | T | 02/24/26 | 10001224 45184 | TRAINING | 280.83 |
| | INVOICE: | 2102-119743 | | | | | | | |
| | 117209 | 02/04/26 | | 494011 | T | 02/24/26 | 10002229 41514 | OPERATING SUPPLIES | 77.02 |
| | INVOICE: | 2102-119744 | | | | | | | |
| | 117209 | 02/04/26 | | 494011 | T | 02/24/26 | 10002215 41514 | OPERATING SUPPLIES | 190.93 |
| | INVOICE: | 2102-119744 | | | | | | | |
| | 117211 | 02/04/26 | | 494011 | T | 02/24/26 | 10002219 41514 | OPERATING SUPPLIES | 220.00 |
| | INVOICE: | 2102-119745 | | | | | | | |
| | 117211 | 02/04/26 | | 494011 | T | 02/24/26 | 10002219 41614 | UNIFORMS & SAFETY EQUIPME | 61.17 |
| | INVOICE: | 2102-119745 | | | | | | | |
| | 117211 | 02/04/26 | | 494011 | T | 02/24/26 | 10001206 41514 | OPERATING SUPPLIES | 160.22 |
| | INVOICE: | 2102-119745 | | | | | | | |
| | 117211 | 02/04/26 | | 494011 | T | 02/24/26 | 10001224 45184 | TRAINING | 35.46 |
| | INVOICE: | 2102-119745 | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | 1,596.11 YTD PAID | | | 1,025.63 |
| 110730 | WALKER, JOYCELYN | | | | | | | | |
| | 117173 | 02/02/26 | | 494012 | T | 02/24/26 | 10001224 45184 | TRAINING | 73.11 |
| | INVOICE: | 01212026 | | | | | | | |
| | VENDOR TOTALS | .00 YTD INVOICED | | | | 2,616.62 YTD PAID | | | 73.11 |
| | | | | | | | | REPORT TOTALS | 2,067,642.13 |

# PAID INVOICES REPORT

CHECK: C022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION |
|---|---|---|---|---|---|---|---|

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL PRINTED CHECKS | 16 | 1,335,922.42 |
| TOTAL EFT TRANSFERS | 133 | 731,719.71 |

** END OF REPORT - Generated by Shuntell Dixon **

# CITY OF HAWTHORNE

*FOR THE MEETING OF FEBRUARY 24, 2026*

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following Housing Authority Warrants for your approval:

| | Warrant #s | | | |
|---|---|---|---|---|
| **Date** | **Start** | **Ending** | **Warrant type** | **Total $** |
| 2/9/26 | 81427 | 81427 | HOUSING | 2,223.00 |
| 2/24/26 | 81428 | 81430 | HOUSING | 816.37 |
| *** Emergency Issue - for ratification only** | | | | 3,039.37 |

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

# City of Hawthorne, CA

## PAID INVOICES REPORT

CHECK: H020926 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 100458 | CARRANZA, PATSY JEAN | | | | | | | | |
| | 117075 | 02/01/26 | | 81427 | T | 02/09/26 | 83440010 45904 | HOUSING VOUCHER | 2,223.00 |
| | INVOICE: 10675-1 | | | | | | | | |
| | VENDOR TOTALS | | 2,223.00 YTD INVOICED | | | | 17,784.00 YTD PAID | | 2,223.00 |
| | | | | | | | | REPORT TOTALS | 2,223.00 |

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL EFT TRANSFERS | 1 | 2,223.00 |

** END OF REPORT - Generated by Shuntell Dixon **

# PAID INVOICES REPORT

CHECK: H022426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

| VENDOR | NAME / DOCUMENT | INV DATE | PO | CHECK NO | T | CHK DATE | GL ACCOUNT | GL ACCOUNT DESCRIPTION | |
|---|---|---|---|---|---|---|---|---|---|
| 123058 | ACCESS INFORMATION INTERMEDIATE HOLDINGS I, LLC. | | | | | | | | |
| | 117069 | 01/31/26 | | 81430 | T | 02/24/26 | 81044010 41514 | OPERATING SUPPLIES | 113.75 |
| | INVOICE: 12029732 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 17,271.84 YTD PAID | | 113.75 |
| 112237 | T-MOBILE | | | | | | | | |
| | 117416 | 01/21/26 | | 81428 | P | 02/24/26 | 81044010 43054 | TELEPHONE | 262.18 |
| | INVOICE: JA982816099 | | | | | | | | |
| | 117417 | 12/21/25 | | 81428 | P | 02/24/26 | 81044010 43054 | TELEPHONE | 262.18 |
| | INVOICE: DC982816099 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 103,664.74 YTD PAID | | 524.36 |
| 113605 | VERIZON WIRELESS | | | | | | | | |
| | 117065 | 12/23/25 | | 81429 | P | 02/24/26 | 81044010 43054 | TELEPHONE | 89.13 |
| | INVOICE: DC470985090-4 | | | | | | | | |
| | 117480 | 01/23/26 | | 81429 | P | 02/24/26 | 81044010 43054 | TELEPHONE | 89.13 |
| | INVOICE: JA470985090-4 | | | | | | | | |
| | VENDOR TOTALS | | .00 YTD INVOICED | | | | 43,275.16 YTD PAID | | 178.26 |
| | | | | | | | | REPORT TOTALS | 816.37 |

| | COUNT | AMOUNT |
|---|---|---|
| TOTAL PRINTED CHECKS | 2 | 702.62 |
| TOTAL EFT TRANSFERS | 1 | 113.75 |

** END OF REPORT - Generated by Shuntell Dixon **

**AGENDA ITEM NO. 6.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Clerk

---

**City Manager: Department Head:**

**SUBJECT:**
Approval of City Council meeting minutes for the regular meeting of February 10, 2026. Motion to approve minutes.

**RECOMMENDED MOTION:**
Staff recommends that the Council approve the regular City Council meeting minutes of February 10, 2026.

**DISCUSSION:**
The purpose of the minutes is to historically preserve the events of the City Council meetings. The minutes typically describe the event of the meeting and may include a list of attendees, a statement of the issues considered by the participants and related responses or decisions related to the issues. It is not a requirement that the minutes be a transcript, but instead a historical preservation/record of the actions, guidance, and directives provided in conducting the wishes and the business of the City of Hawthorne by the said policy-making body.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
None.

**FISCAL IMPACT:**
None.

**NOTICING PROCEDURE:**
72 Hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
M 02.10.26

# DRAFT

MINUTES OF A REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF HAWTHORNE,
CALIFORNIA HELD FEBRUARY 10, 2026

## CALL TO ORDER

## INVOCATION

Pastor Ruben Sanders led the evening's invocation.

## PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Interim Police Chief Eric Lane.

## ROLL CALL

| | |
|---|---|
| Present: | Mayor Alex Vargas; Mayor Pro Tem Alex Monteiro; Council Member Angie Reyes English; Council Member Faye Johnson |
| Absent: | Council Member Katrina Manning |
| Also Present: | City Manager Vontray Norris; City Attorney Robert Kim; City Clerk Dayna Williams-Hunter |

## PROCLAMATIONS/CERTIFICATES/PRESENTATIONS

1. Francisco Sanchez 25 Years of Service -- A. Monteiro

2. Restaurant Week Recap: "Hawthorne Eats" -- Administrative Services

## PUBLIC COMMENTS

**Pat Donaldson** announced upcoming Chamber of Commerce Events.
**Valerie**, shared concerns regarding Hawthorne PD, ICE, and the brown act.
**Rev,** provided an update regarding the Cypher Spot.
**Richard Harrison,** expressed various concerns.
**Rueben Sanchez,** expressed concerns regarding the recent events in the community.

## CITY CLERK'S CONSENT CALENDAR

3. The Finance Department, on the City Treasurer's behalf, requests approval of the warrants. Motion to approve the warrants.

RECOMMENDED MOTION:
Staff Recommends that the City Council approve the warrants issued for the period of 01/28/2026 to 02/10/2026 for a total of $2,981,900.61.

4. Approval of City Council meeting minutes for the regular City Council meetings of January 13, 2026 and January 27, 2026.

RECOMMENDED MOTION:
Staff recommends that the Council approve the regular City Council meetings of January 13, 2026 and January 27, 2026.

5. Approval of waiver of full readings of resolutions and ordinances on Tuesday, February 10, 2026's agenda. Motion to waive full readings.

## RESOLUTIONS

6. RESOLUTION NO. 8579 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, APPROVING THE 2020-21 DEVELOPMENT IMPACT FEE ANNUAL REPORT PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 66006(B).

RECOMMENDED MOTION:
Adopt Resolution No. 8579.

7. RESOLUTION NO. 8580 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, APPROVING THE 2021-22 DEVELOPMENT IMPACT FEE ANNUAL REPORT PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 66006(B).

RECOMMENDED MOTION:
Adopt Resolution No. 8580.

8. RESOLUTION NO. 8581 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, APPROVING THE 2022-23 DEVELOPMENT IMPACT FEE ANNUAL REPORT PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 66006(B).

RECOMMENDED MOTION:
Adopt Resolution No. 8581.

9. RESOLUTION NO. 8586 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA ESTABLISHING AN ON-STREET HANDICAP PARKING SPACE AT 4858 W 115TH ST.

RECOMMENDED MOTION:
Staff recommends that the City Council approve Resolution 8586.

*Mayor Vargas moved, Mayor Pro Tem Monteiro seconded to approve Item 9 on the City Clerk's Consent Calendar.*

*AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
*NOES: None.*
*ABSENT: Councilmember Manning*

10. RESOLUTION NO. 8587 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA APPOINTING ERIC LANE AS THE POLICE CHIEF, APPROVING AN EMPLOYMENT AGREEMENT, AND ADOPTING THE SALARY SCHEDULE FOR THE POSITION OF POLICE CHIEF

RECOMMENDED MOTION:
Staff recommends that the City Council adopt Resolution No. 8587, appointing Eric Lane as the Police Chief, approving an employment Agreement, and adopting the salary schedule for the position of Police Chief.

*City Attorney David Caceres provided a brief oral report.*

*Mayor Pro Tem Monteiro moved, Councilmember Reyes English seconded to approve Item 10 on the City Clerk's Consent Calendar.*

*AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
*NOES: None.*
*ABSENT: Councilmember Manning*

11. RESOLUTION NO. 8588 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA AMENDING THE CITY'S SALARY SCHEDULE TO INCLUDE THE SALARY OF THE CITY MANAGER AND POLICE MEDICAL SERVICES DIRECTOR.

RECOMMENDED MOTION:
Staff recommends that this City Council adopt Resolution 8588 amending the City's salary schedule to include the salaries of the City Manager and Police Medical Services Director.

*Councilmember Reyes English moved, Mayor Vargas seconded to approve the City Clerk's Consent Calendar Items 3-8 and 11. Councilmember Reyes English pulled item 9 for discussion, and Item 10 was voted on separately.*

*AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
*NOES: None.*
*ABSENT: Councilmember Manning*

## ORDINANCES
(None at this time)

## BIDS: OPENINGS & RESULTS
(None at this time)

## PUBLIC HEARINGS
(None at this time)

## GENERAL MATTERS
(None at this time)

## CITY MANAGER'S CONSENT CALENDAR

12. City of Hawthorne's Investment Report for the quarter ended December 31, 2025.

    RECOMMENDED MOTION:
    Staff recommends that the City Council receive, approve and file the City of Hawthorne's Investment Report for the quarter ended December 31, 2025 of FY 25-26.

13. Moneta Gardens Mobility Improvement Project (City Project #22-08) - Out to Bid.

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve the Plans and Specifications and authorize the Director of Public Works to advertise for construction bids with a return date of March 24th, 2026.

14. Progress Payment #1 in the amount of $201,922.50 due to Jermax Construction Inc. of San Fernando, CA for Holly Park Restroom Renovation (Project #25-07).

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve this Progress Payment #1 for Jermax Construction Inc. of San Fernando, CA.

15. Progress Payment #11 is in the amount of $657,728.27 is due to PCN3 Inc of Los Alamitos, CA for City of Hawthorne New Senior Center (Project #24-03).

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve this Progress Payment #11 to PCN3 Inc of Los Alamitos, CA

16. Progress Payment #12 and Final Acceptance in the amount of $117,845.84 due to Klassic Engineering & Construction, Inc of Orange, CA for Hawthorne Housing Rehabilitation of City Owned Properties 2023 (Project #23-09).

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve this Progress Payment #12 and Final Acceptance and all recommend Change Orders #360 through #384 to Klassic Engineering & Construction Inc of Orange, CA and release 5% retention amount 35 days after final payment has been approved.

    *Mayor Vargas moved, Mayor Pro Tem Monteiro seconded to approve Item 12-16 on the City Manager's Consent Calendar.*

    *AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
    *NOES: None.*
    *ABSENT: Councilmember Manning*

## CITY ATTORNEY'S CONSENT CALENDAR
(None at this time)

## DISCUSSION ITEMS

17. Hawthorne Municipal Airport News & Developments -- F. Johnson

    *Councilmember Johnson pulled Item 17.*

18. Options Regarding the City Council's Methods of Self-Enforcement and Censure -- F. Johnson

    *Councilmember Johnson moved, Mayor Vargas seconded to declare that the behavior discussed above that took place on January 13th and 27th is unacceptable and needs to stop, moving for all councilmembers will abide by the City's code of conduct and municipal code, any deviation moving forward will be discussed with the City Attorney to determine the council's options to enforce City codes of conduct and Municipal codes*

*AYES: Councilmembers Johnson and Mayor Vargas*
*NOES: Councilmember Reyes English*
*ABSTAIN: Mayor Pro Tem Monteiro*
*ABSENT: Councilmember Manning*

## ELECTED OFFICIALS REPORTS

## COUNCIL DIRECTIVES

Mayor Pro Tem Monteiro gave the directive to invite the restaurant participants of Hawthorne Restaurant week to present them with a certificate of appreciation.

*Mayor Pro Tem Monteiro moved, Councilmember Johnson seconded to approve this directive.*

*AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
*NOES: None.*
*ABSENT: Councilmember Manning*

Mayor Pro Tem Monteiro gave the directive for a proclamation for Former Commander Roger Mercy.

*Mayor Pro Tem Monteiro moved, Councilmember Johnson seconded to approve this directive.*

*AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
*NOES: None.*
*ABSENT: Councilmember Manning*

Councilmember Johnson gave the directive to make the Veteran of the year parking space a Veteran Parking space.

*Councilmember Johnson moved, Mayor Pro Tem seconded to approve this directive.*

*AYES: Councilmembers Johnson, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas*
*NOES: None.*
*ABSENT: Councilmember Manning*

## CLOSED SESSION

(None at this time)

## ADJOURNMENT

The evening's meeting was adjourned at 8:05pm.

## CERTIFICATION

Passed and approved this 24th day of February 2025.

_____
Dayna Williams-Hunter
City Clerk

**AGENDA ITEM NO. 8.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Planning

---

**City Manager: Department Head:**



**SUBJECT:**
Resolution 8589 to Authorize the City of Hawthorne to Apply for the Prohousing Designation from the California Department of Housing and Community Development.

**RECOMMENDED MOTION:**
Adopt the resolution.

**DISCUSSION:**
The Prohousing Designation Program (PDP) seeks to reward jurisdictions for going above-and-beyond what is required by state housing laws in accelerating housing production. Jurisdictions demonstrating how they promote vibrant and inclusive communities through land use and zoning reforms, such as streamlining permit processes, reducing construction costs, and providing financial subsidies for housing development, are eligible to receive a Prohousing Designation and take advantage of its benefits. Staff believes the benefits to the City are potentially great while the obligations of the program are largely already being adhered to, and the remaining tasks are very minor. Details of the benefits and obligations of the PDP are described below.

What are the benefits of receiving a Prohousing Designation?

Receiving a Prohousing Designation will earn the CIty additional scoring points in many state grant programs, including:

- Affordable Housing & Sustainable Communities (AHSC)
- Infill Infrastructure Grant (IIG)
- Transformative Climate Communities (TCC)
- Solutions for Congested Corridors (SCCP)
- Local Partnership Program (LPP)
- Transit and Intercity Rail Capital Program (TIRCP)
- Sustainable Transportation Planning Grants (STPG)
- Prohousing Incentive Program (PIP)

The Prohousing Incentive Program (PIP) is intended to increase participation in HCD's PDP by pairing the designation with an exclusive and impactful award grant. PIP is a state investment from the Building Homes and Jobs Trust Fund to create and conserve affordable housing. HCD awards PIP funds exclusively to eligible jurisdictions with Prohousing Designation, with additional bonus dollars available based on a jurisdiction's PDP application score.

PDP Obligations:
1. Compliant Housing Element: Jurisdictions must have a Housing Element that is approved and in compliance with state law. Hawthorne's Housing Element is compliant.
2. Active Implementation of Policies: Jurisdictions must demonstrate they are adopting policies that go "above and beyond" baseline state law to accelerate housing production. Pursuant to our Housing Element, we adopted qualifying policies in 2023.
3. Enacting Proposed Policies: If a jurisdiction receives the designation based on "proposed" policies (rather than already enacted ones), they are obligated to implement those policies within two years of submitting their application. We will have two years to enact the following additional policies, which will be identified in our application.

- Including a one-stop permitting center in the refurbished existing City Hall building
- Revise the ADU Ordinance to comply with current state laws
- Creating a case manager to shepherd ADU applications through permitting
- Streamline ADU permit processing
- Maintain a list of technical consultants
- Formalize policy that allows ADUs to be built simultaneously with room additions

4. Ongoing Compliance: The jurisdiction must continue to comply with state housing laws, including the Permit Streamlining Act and CEQA, and must not pass local laws that hinder housing production. We intend to continue complying with state housing laws, including the Permit Streamlining Act and CEQA, and must not pass local laws that hinder housing production.
5. Reporting: Jurisdictions must submit Annual Progress Reports (APR). This is an existing requirement the City performs annually for both the Housing Element and the General Plan.
6. Fair Housing Requirements: Policies must be consistent with the obligation to Affirmatively Further Fair Housing (AFFH): These policies are built into our Housing Element and either enacted or followed already.

As of January 1, 2026, the following jurisdictions have earned a Prohousing Designation:

Adelanto, Alameda, Berkeley, Brea, Bishop, Campbell, Chula Vista, Crescent City, El Cerrito, Emeryville, Eureka, Fairfield, Hayward, Healdsburg, Indio, Lancaster, Long Beach, Los Altos, Los Angeles, Moreno Valley, Mountain View, Napa, Needles, Petaluma, Pinole, Rancho Cordova, Rancho Cucamonga, Redwood City, Richmond, Riverside, Rohnert Park, Roseville, Sacramento, Salinas, San Leandro, San Luis Obispo, Santa Ana, Santa Cruz, Santa Monica, Santa Rosa, San Francisco, South Lake Tahoe, South San Francisco, Stockton, Sunnyvale, Ukiah, Walnut Creek, West Hollywood, Los Angeles County, Moraga, Nevada County, Placer County, Sacramento County, San Luis Obispo County, San Diego County, Sonoma County, Tulare County, Tuolumne County, Windsor, Yuba County.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
Goal 2: Develop revenue-generating programs
Goal 4: Update Zoning Code for the 21st Century

**FISCAL IMPACT:**
Bonus points on state grant applications and the ability to apply for the PIP grant may result in additional grant funding to the City.

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
Reso. No. 8589

**RESOLUTION NO. 8589**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, AUTHORIZING APPLICATION TO, AND PARTICIPATION IN, THE PROHOUSING DESIGNATION PROGRAM**

**WHEREAS,** Government Code section 65589.9 established the Prohousing Designation Program (PDP), which creates incentives for jurisdictions that are compliant with state housing element requirements and that have enacted pro-housing local policies;

**WHEREAS,** such jurisdictions will be designated "prohousing," and, as such, will receive additional points or other preference during the scoring of their competitive applications for specified housing and infrastructure funding;

**WHEREAS,** the California Department of Housing and Community Development (HCD) adopted regulations (Cal. Code Regs., tit. 25, § 6600 et seq.) to implement the PDP, as authorized by Government Code section 65589.9, subdivision (d);

**WHEREAS,** on January 21, 2026, the Planning Commission of the City of Hawthorne held a duly noticed public information meeting concerning the Prohousing Designation;

**WHEREAS,** the City Council of the City of Hawthorne desires to submit an application for the Prohousing Designation.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAWTHORNE RESOLVES AS FOLLOWS:**

**SECTION 1.** Staff is hereby authorized and directed to submit a Prohousing Designation application to HCD.

**SECTION 2**. The City Council acknowledges and confirms that it is currently in compliance with applicable state housing law.

**SECTION 3.** The City Council acknowledges and confirms that it will continue to comply with applicable housing laws and to refrain from enacting laws, developing policies, or taking other local governmental actions that may or do inhibit or constrain housing production. Examples of such local laws, policies, and actions include moratoriums on development; local voter approval requirements related to housing production; downzoning; and unduly restrictive or onerous zoning regulations, development standards, or permit procedures. Applicant further acknowledges and confirms that the Prohousing Policies in its application comply with its duty to affirmatively further fair housing pursuant to Government Code sections 8899.50 and 65583. The City Council further acknowledges and confirms that the Hawthorne General Plan is in

alignment with an adopted sustainable communities strategy pursuant to Public Resources Code section 21155- 21155.4. The City Council further acknowledges and confirms that its policies for the treatment of homeless encampments on public property comply with and will continue to comply with the Constitution and that it has enacted best practices in in Hawthorne that are consistent with the United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments" (June 17, 2022, update).

**SECTION 4.** If the Application is approved, the City Manager is hereby authorized and directed to enter into, execute, and deliver all documents required or deemed necessary or appropriate to participate in the Prohousing Designation Program, and all amendments thereto.

**SECTION 5.** The City Council acknowledges and agrees that it shall be subject to the application; the terms and conditions specified in the program documents; the program regulations; and any and all other applicable law.

**SECTION 6.** The City Manager is authorized to execute and deliver the application and the program documents on behalf of the City Council for participation in the Prohousing Designation Program.

**SECTION 7. CITY CLERK.** The City Clerk shall attest to the adoption of this ordinance and shall cause this ordinance to be posted in the manner required by law.

**PASSED, APPROVED AND ADOPTED** this 25th day of February, 2026.

_____
ALEX VARGAS, Mayor
City of Hawthorne, California

**ATTEST:**

_____
DAYNA WILLIAMS-HUNTER, City Clerk
City of Hawthorne, California

**APPROVED AS TO FORM**

_____
DAVID CACERES, City Attorney
City of Hawthorne, California

**AGENDA ITEM NO. 9.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Public Works

---

**City Manager: Department Head:**

**SUBJECT:**
ORDINANCE NO. 2261 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA AMENDING CHAPTER 10.36 (STOPPING, STANDING AND PARKING) OF TITLE 10 (VEHICLES AND TRAFFIC) OF THE HAWTHORNE MUNICIPAL CODE TO ESTABLISH PARKING METER ZONES, OPERATIONS, FEES AND PROCEDURES. (Motion to Introduce.)

**RECOMMENDED MOTION:**
Staff recommends that the City Council Introduce Ordinance No. 2261.

**DISCUSSION:**
The purpose of this ordinance is to regulate the use of public on-street and City-owned off-street parking in order to:

â€¢ Promote parking availability and encourage short-term parking turnover;
â€¢ Improve traffic circulation and reduce vehicle congestion; and
â€¢ Support the safe and efficient movement of persons and goods.

This ordinance establishes a comprehensive parking management program designed to ensure the effective operation, maintenance, and enforcement of public parking resources. Revenues generated pursuant to this chapter shall be deposited into a special fund, designated as the "Parking Fund," and used exclusively for:

- Purchasing, leasing, installing, repairing, maintaining, operating pay stations, and related equipment, including associated administrative and enforcement activities;
- Acquiring, improving, operating, and maintaining on-street and off-street parking facilities;
- Regulating, controlling, inspecting, and enforcing parking and traffic on public streets.

Designated parking management areas may include time limits, permits, pay stations, mobile applications, or other management tools to effectively manage parking supply and occupancy. The City may monitor parking utilization and adjust management strategies as necessary to maintain an optimal occupancy rate of approximately 85%.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
The implementation of on-street paid parking is a key economic development strategy to support a vibrant, accessible, and financially sustainable commercial environment. As the city's business areas continue to grow, curb space has become increasingly congested, with long-term parkers occupying high-demand areas intended for short-term customer use. Paid parking helps manage this limited resource by increasing turnover, ensuring that visitors, shoppers, and diners can reliably find parking near local businesses. Improved access directly supports sales activity, strengthens local businesses, and enhances the overall customer experience.

**FISCAL IMPACT:**
None. The funds were allocated during the 12/09/2025 City Council meeting.

**NOTICING PROCEDURE:**
72 hours posted notice pursaunt to the Ralph M. Brown Act.

**ATTACHMENTS**
Ordinance 2261

**ORDINANCE NO. 2261**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA AMENDING CHAPTER 10.36 (STOPPING, STANDING AND PARKING) OF TITLE 10 (VEHICLES AND TRAFFIC) OF THE HAWTHORNE MUNICIPAL CODE TO ESTABLISH PARKING METER ZONES, OPERATIONS, FEES AND PROCEDURES.**

**WHEREAS,** the City of Hawthorne is authorized pursuant to California Vehicle Code Section 22508(a) to regulate parking on public streets and in City-owned parking facilities, including the establishment of paid parking zones; and

**WHEREAS,** areas of the City experience high parking demand, long-term vehicle storage, and reduced parking turnover, which negatively impact access, circulation, and public safety; and

**WHEREAS,** the City desires to implement paid on-street and off-street parking as a regulatory measure to promote parking availability, improve traffic circulation, and recover the reasonable costs associated with parking management, maintenance, and enforcement; and

**WHEREAS,** Chapter 10.36 of the Hawthorne Municipal Code governs stopping, standing, and parking regulations, and it is appropriate to codify paid parking provisions within that Chapter to ensure consistent enforcement and administration; and

**WHEREAS,** the City desires to establish designated paid parking zones, fee structures, permit programs, enforcement provisions, and a dedicated parking fund to support transportation-related improvements.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HAWTHORNE DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council of the City of Hawthorne hereby incorporates by reference all the recitals herein.

**SECTION 2. Amendment to Hawthorne Municipal Code.** Chapter 10.36 (Stopping, Standing and Parking) of Title 10 (Vehicles and Traffic) of the Hawthorne Municipal Code is hereby amended to add Sections 10.36.200 through 10.36.270 to read as follows:

## I. 10.36.200 Paid Parking Zones – Authority.

A. The City Manager, or designee, shall cause paid on-street parking zones to be implemented. They are responsible for the installation and maintenance of all related parking equipment, including but not limited to pay stations and meter zones.

B. As stated in Section 10.36.015, the same police, city officials, or authorized contractors may issue parking citations. Citations must be issued in compliance with the referenced section. Contractors issuing citations shall:

1. Act solely as agents of the City;

2. Be subject to City oversight, training requirements, and performance standards;

3. Comply with all citation issuance, notice, appeal, and adjudication procedures set forth in Chapter 10.36 and applicable state law.

## II. 10.36.210 Definitions.

For purposes of this Article the following definitions shall apply:

**"Paid On-Street Parking Zone"** means any public street or corridor designated by the City Council where on-street parking requires payment.

**"Paid Off-Street Parking Zone"** means any public parking lot designated by the City Council where off-street parking requires payment.

**"Pay Station"** means a City-approved device used to collect parking fees.

**"Enforcement Hours"** means the hours during which paid parking is in effect.

**"Mobile Payment Application"** – A City-approved app or online portal for payment of parking fees and permits.

## III. 10.36.220 Designated Paid On-Street and Off-Street Parking Zones.

A. The City Council, after recommendation by the City Manager, or designee, is authorized to determine and establish by ordinance streets, portions of streets, or city-owned parking lot along which paid parking will reduce parking congestion, improve circulation, maximize parking utilization, and encourage parking turnover.

B. The maintenance superintendent or designated contractor shall mark and sign such streets, portions thereof, or parking facilities, indicating the areas for paid parking.

C. When signs or markings are in place indicating paid parking, no person shall park without:

1. Paying the applicable fee via pay station or mobile application;

2. Displaying a valid City-issued permit or exemption; or

3. Obtaining a virtual valid City-issued permit.

D. Paid parking shall be implemented on the following corridors and street segments:

1. Hawthorne Boulevard, from El Segundo Boulevard to Rosecrans Avenue, including curbside and median parking;

2. Jack Northrop Avenue, from Prairie Avenue to Crenshaw Boulevard;

3. 129th Street Lot: Parking lot west of Hawthorne Boulevard, between 129th Street and 130th Street. Directly east of 4443 W 130th Street.

4. 130th Street Lot: Northern part of the parking lot directly east of 4442 W 130th Street, south of W 130th Street, and west of Hawthorne Boulevard. The southern border of the paid parking in this lot are the median island placed approximately halfway through the lot; and

E. Jim Thorpe Park Parking Lot: Corner of Prairie Avenue and 139th Street

A detailed map of designated zones shall be maintained by the Department of Public Works and made available to the public.

## IV. 10.36.230 Fee Structure

A. Parking fees in paid zones shall be established as follows:

| Parking Area | Time Limit | Fee | Hours of Enforcement |
|---|---|---|---|
| **Hawthorne Boulevard – Curbside Parking** | 2-Hour Maximum | $1.00/hour | 24 hours a day, 7 days a week |
| **Hawthorne Boulevard – Median Parking** | No Overnight Parking (Except Permitted Vehicles) | 0 – 1 hour: Free<br>1 – 5 hours: $0.75/hour<br>5+ hours (Daily Maximum): $3/day<br>Monthly Permit: $55/month | 24 hours a day, 7 days a week |
| **Jack Northrop Avenue** | No Time Limit | 0 – 7 hours: $1/hour<br>7+ hours (Daily Maximum): $7/day<br>Monthly Permit: $100/month | 24 hours a day, 7 days a week |
| **129th Street Lot** | No Overnight Parking (Except Existing Permitted Vehicles) | 0 – 1 hour: Free<br>1 – 5 hours: $0.75/hour<br>5+ hours (Daily Maximum): $3/day<br>Monthly Permit: $55/month | 24 hours a day, 7 days a week |
| **130th Street Lot** | No Overnight Parking (Except Existing Permitted Vehicles) | 0 – 1 hour: Free<br>1 – 5 hours: $0.75/hour<br>5+ hours (Daily Maximum): $3/day<br>Monthly Permit: $55/month | 24 hours a day, 7 days a week |
| **Jim Thorpe Lot** | No Overnight Parking (Except Permitted Vehicles) | 0 – 1 hour: Free<br>1 – 5 hours: $0.75/hour<br>5+ hours (Daily Maximum): $3/day<br>Monthly Permit: $55/month | 24 hours a day, 7 days a week |

B. Adjustments.

1. During a fiscal year, the City Manager, or designee, may adjust on-street or off-street hourly or daily parking rates up or down by a maximum $1.00 per hour based on average occupancy rates to achieve a target occupancy rate of 85 percent. Any increase over $1.00 per hour in a fiscal year shall require City Council approval.

2. During a fiscal year, the City Manager, or designee, may adjust monthly permit parking rates up or down by the associated year's Consumer Price Index (CPI) inflation rate. Any increase over this amount in a fiscal year shall require City Council approval.

i. All monthly permits will be virtual using the vehicle's license plate as the credential.

C. Payment method.

1. Parking fees (hourly or daily) may be paid via the City's mobile parking payment application using credit/debit card, Apple Pay, or Google Pay or via the pay station located in the parking lot or on the street using coins, credit/debit card, Apple Pay, or Google Pay.

2. Monthly permits may be purchased via the City's mobile parking payment application using credit/debit card, Apple Pay, or Google Pay or via the city's parking permit portal: www.XXX.com using credit/debit card, Apple Pay, Google Pay or PayPal.

**V. 10.36.240 Permits and Exemptions.**

A. The Department of Public Works, Police Department and/or designated contractor is authorized to issue parking permits for residents, businesses, and other approved parties within paid zones. These parties will not be required to pay the on-street or off-street hourly or daily parking fees. Exemptions shall apply to the following:

1. Vehicles displaying valid Disabled Person Placards or Plates

2. City-authorized service and emergency vehicles

3. Vehicles registered for valid Parking Permits

B. Duration of Monthly Permits.

1. Monthly permits shall be valid for one (1) month from the date of issuance and may be renewed monthly. A permit is non-transferable and may only be used by the individual to whom it is issued.

2. The monthly parking permit does not exempt the holder from other applicable parking restrictions, including but not limited to posted time limits, street sweeping schedules, and safety regulations.

**VI. 10.36.250 Revenue Use.**

All parking fee revenues shall be directed toward maintenance of transportation systems, improvement of parking infrastructure, enforcement costs, and other related City initiatives.

**VII. 10.36.260 Parking Penalties.**

A. If a parking fine is not paid within 21 days of issuance, the full base fine shall be due.

B. If unpaid 22 to 42 days after issuance, an additional $25 penalty applies.

C. If unpaid 43 to 63 days after issuance, an additional $30 penalty applies.

D. If the City incurs costs of collection, such costs shall be added to the total amount due. Costs of collection may include administrative, mailing, and contractor fees reasonably incurred by the City.

E. Total penalties and costs for a single violation shall not exceed three times the base fine amount.

**SECTION 3. Severability.** If any section, subsection, sentence, clause, or phrase of this resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance.

**SECTION 4. City Clerk.** The City Clerk shall attest to the adoption of this Ordinance and shall cause this Ordinance to be posted in the manner required by law.

**SECTION 5. Effective Date.** This Ordinance shall take effect thirty (30) days after passage thereof.

**SECTION 6. Publication.** The City Clerk is directed to forward a copy of Ordinance No. 2259 to General Code, LLC, 781 Elmgrove Road, Rochester, NY 14824.

**PASSED, APPROVED AND ADOPTED** this 10th day of March, 2026.

_____
**ALEX VARGAS, Mayor**
**City of Hawthorne, California**

**ATTEST:**

_____
**DAYNA WILLIAMS-HUNTER, City Clerk**
**City of Hawthorne, California**

**APPROVED AS TO FORM:**

_____
**DAVID CACERES, City Attorney**
**City of Hawthorne, California**

**AGENDA ITEM NO. 10.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Finance

---

**City Manager: Department Head:**



**SUBJECT:**
RETIREE HEALTHCARE PLAN June 30, 2025 GASBS 75 Disclosure Report

**RECOMMENDED MOTION:**
Staff recommends that the City Council accept and file the OPEB Disclosure Report for Fiscal Year ending June 30, 2025, and approve the contribution to OPEB Trust.

**DISCUSSION:**
The City of Hawthorne provides medical insurance for retired employees subject to certain limitations. This type of employee benefit is referred to as Other Post-Employment Benefits (OPEB), other than pensions, that employers provide to their retired employees. The City of Hawthorne is required to measure and disclose an amount for annual OPEB costs. Annual OPEB cost is determined by an actuarial valuation required every two years. Actuarial valuations involve estimates and assumptions about the probability of occurrence of events far into the future.

The City engaged Rael & Letson Actuaries to prepare an actuarial valuation of their post-retirement benefits program as of June 30, 2024. In accordance with GASB, this valuation was used to provide the attached June 30, 2025, GASBS 75 disclosure report. This report was prepared using employee census data, enrollment data, premiums, participant contributions and plan provision information provided by personnel of the City Hawthorne. Rael & Letson did not audit this data, although it was reviewed for reasonability. The results of the valuation are dependent on the accuracy of the data. The purpose of the report is to provide the current funded position of the City's post-retirement benefits program and related accounting information to be reported in the City's June 30, 2025, financial statement.

**Key results:**

- Actuarial accrued liability totaled $105,113,362, which represents an increase of $801 thousand from the previous year of $104,312,362. Considering the OPEB trust Fiduciary Net Position, the Net Liability total decreases to $99,916,552, which is a decrease in liability of $5.2 million.

- Annual Benefit Payments for 2023/2024 $3,211,093 and $3,610,395 for 2024-2025.

- Assumption change:
  - Increase in the discount rate from 4.27% to 4.53% reflects the additional investment earning expected now that the City is partially pre-funding the benefit in a trust. The higher the discount rate, the lower the liability.
  - All assumptions are based on a partially pre-funded status at the measurement period being

July 2023 through June 2024.
- The City began pre-funding in the PARS Balanced Strategy with a $3.5 million contribution in November 2022. An additional $1 million contribution was made in April 2024, and $4,850,000 in January 2025.

**Recommendation:**
In order to pay down the unfunded actuarial liability over a 17-year period, the City should contribute $4.7 million to the OPEB trust in fiscal year 2025-26. With Council approval, this contribution will be made in February 2025.

RESULTS

**Projection**
(amounts in 000's)

| Fiscal Year | Cash[13] | Implicit Subsidy | PEMHCA Admin Fees | Additional Pre-Funding | Total | Payroll | Contr. % of Payroll |
|---|---|---|---|---|---|---|---|
| 2023/24 | $2,825 | $ 442 | $ 9 | $5,071 | $ 8,347 | $24,405 | 34.2% |
| 2024/25 | 3,139 | 591 | 10 | 4,843 | 8,583 | 25,076 | 34.2% |
| 2025/26 | 3,497 | 649 | 11 | 4,671 | 8,828 | 25,766 | 34.3% |
| 2026/27 | 3,790 | 726 | 12 | 4,549 | 9,077 | 26,474 | 34.3% |
| 2027/28 | 4,067 | 761 | 13 | 4,490 | 9,331 | 27,203 | 34.3% |
| 2028/29 | 4,390 | 848 | 14 | 4,341 | 9,593 | 27,951 | 34.3% |
| 2029/30 | 4,665 | 912 | 14 | 4,272 | 9,863 | 28,719 | 34.3% |
| 2030/31 | 4,921 | 990 | 15 | 4,213 | 10,139 | 29,509 | 34.4% |
| 2031/32 | 5,169 | 1,078 | 16 | 4,160 | 10,423 | 30,321 | 34.4% |
| 2032/33 | 5,301 | 1,074 | 16 | 4,321 | 10,712 | 31,154 | 34.4% |

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
Create financial stability by reducing long-term liabilities and improving the City's net position.

**FISCAL IMPACT:**
None.

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
June 30, 2025, GASBS 75 Disclosure report
OPEB 23-06-30 Valuation Report

Rael & Letson
160 Bovet Road, Suite 203
San Mateo, California 94402

(650) 341-3311
rael-letson.com

# 2024/25 GASB Statement 75 Disclosure

## As of June 30, 2024 Measurement Date

## Based on June 30, 2023 Actuarial Valuation

## City of Hawthorne

**September 23, 2025**

# Actuarial Certification

September 23, 2025

We are pleased to present the 2024/25 Governmental Accounting Standards Board Statement No. 75 (GASB 75) disclosure information for the City of Hawthorne.

The purpose of the report is to fulfill the City's GASB 75 reporting requirements. It may not be appropriate for other uses. Measurements of liabilities and other relevant information for purposes other than GASB 75 compliance may differ significantly from results in this report.

This report uses a June 30, 2024 measurement date, with calculations based on the following:

- June 30, 2023 participant census and actuarial valuation
- Information provided by the City, including benefits paid during 2024/25
- June 30, 2024 trust assets.

We reviewed this information for reasonableness but did not audit. We believe the information provided to us is appropriate for use in this report, but we are not responsible for its accuracy.

This report is based on our understanding of GASB 75. We believe the assumptions used herein are reasonable and comply with GASB 75. Future measurements may differ significantly due to factors including: plan experience, assumption changes, the plan's natural/expected continuation, and benefit changes. An analysis of the impact of these changes was not prepared.

Journal entries provided in our report are prepared in accordance with CCMA White Paper issued on February 2018 and not a part of actuarial calculations, so the certification does not apply to the journal entries.

To the best of our knowledge, this report is complete and accurate and, in our opinion, presents the information necessary to comply with GASB 75. As members of Society of Actuaries meeting the Qualifications Standards of the American Academy of Actuaries, we render the actuarial opinion contained

Respectfully submitted,

**Rael & Letson**

Doug Pryor, ASA, EA, MAAA

Kateryna Pryor, ASA, MAAA

# Table of Contents


**Page**

**Note Disclosures**

Dates and Participant Counts ..... 1

Changes in Net OPEB Liability ..... 2

Sensitivity of Net OPEB Liability to Changes in Assumptions ..... 3

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB ..... 4

Actuarial Methods and Assumptions for Total OPEB Liability ..... 5

Changes Since Prior Measurement Date ..... 7

Long-Term Expected Rate of Return ..... 8

**Required Supplementary Information**

Changes in the Net OPEB Liability and Related Ratios ..... 9

Schedule of Contributions ..... 10

**Journal Entries** ..... 11

**Backup Calculations** ..... 13

# Note Disclosures

## Dates and Participant Counts

### Dates

In compliance with GASB 75, this report uses the following timeframes for reporting purposes:

| | |
|---|---|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2024 |
| Measurement Period | July 1, 2023 to June 30, 2024 |

### Participant Counts

As of the June 30, 2024 measurment date, the following current and former employees were covered by the Plan:

| | |
|---|---|
| Active employees | 289 |
| Inactive employees or beneficiaries currently receiving benefits | 259 |
| Inactive employees entitled to, but not receiving benefits | 56 |
| | 604 |

# Note Disclosures

## Changes in Net OPEB Liability

The changes in the Total OPEB Liability , Fiduciary Net Position, and Net OPEB Liability are as follows:

| | Total OPEB Liability | Fiduciary Net Position | Net OPEB Liability |
|---|---|---|---|
| **Balance at June 30, 2024** (Measurement date June 30, 2023) | $ 104,312,362 | $ 3,693,288 | $ 100,619,074 |
| Changes recognized for the measurement period | | | |
| Service cost | 3,170,778 | - | 3,170,778 |
| Interest | 4,520,973 | - | 4,520,973 |
| Changes of Plan benefits | - | - | - |
| Difference between expected and actual experience | - | - | - |
| Changes of assumptions | (3,679,915) | - | (3,679,915) |
| Contributions - employer [1] | - | 4,220,745 | (4,220,745) |
| Contributions - employee | - | - | - |
| (Benefit Payments) | (3,211,093) | (3,211,093) | - |
| (Administrative expenses) | - | (19,664) | 19,664 |
| Net investment income [2] | - | 513,277 | (513,277) |
| Net changes | 800,743 | 1,503,265 | (702,522) |
| **Balance at June 30, 2025** (Measurement date June 30, 2024) | 105,113,105 | 5,196,553 | 99,916,552 |

[1] Contributions consist of: $1,000,000 trust contributions, $2,769,064 benefit payments made outside of the Trust, $442,029 implicit subsidy, and $9,652 administrative fees.

[2] Expected investment return was $224,726, resulting in $288,551 invesment gain.

# Note Disclosures

## Sensitivity of Net OPEB Liability to Changes in Assumptions

### Discount Rate

The following presents the City's Net OPEB Liability at the current discount rate of 4.53%, as well as what it would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

| | 1% Decrease (3.53%) | Current Discount Rate (4.53%) | 1% Increase (5.53%) |
|---|---|---|---|
| Net OPEB Liability | $ 116,875,184 | $ 99,916,552 | $ 86,348,785 |

### Health Care Cost Trend Rates

The following presents the City's Net OPEB Liability at the current healthcare trend rates , as well as what it would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

| | 1% Decrease | Current Trend Rates | 1% Increase |
|---|---|---|---|
| Net OPEB Liability | $ 85,137,896 | $ 99,916,552 | $ 118,608,423 |

# Note Disclosures

## OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

### OPEB Expense

For the year ended June 30, 2025, the City recognized OPEB Expense of $3,226,609.

### Deferred Outflows/Inflows of Resources

On June 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following sources of changes in Net OPEB Liability:

| | June 30, 2025 | |
|---|---|---|
| | Deferred Outflows | Deferred Inflows |
| OPEB contributions subsequent to measurement date* | $ 8,468,419 | $ - |
| Difference between expected and actual experience | 4,370,926 | (4,072,438) |
| Changes of assumptions | 2,539,115 | (22,035,598) |
| Net difference between projected and actual earnings on OPEB trust investments | - | (275,140) |
| Total | $ 15,378,460 | $ (26,383,176) |

Recognition of deferred resources in future OPEB expense:

| Year Ending June 30 | Recognition |
|---|---|
| 2026 | $ (6,613,631) |
| 2027 | (7,501,035) |
| 2028 | (4,159,871) |
| 2029 | (691,023) |
| 2030 | (507,575) |
| thereafter | - |
| total | (19,473,135) |

* Consists of $4,850,000 trust contributions, $3,019,395 cash benefit payments made outside of the Trust, $591,000 implicit subsidy, $8,024 administrative fees.

# Note Disclosures

## Actuarial Methods and Assumptions for Total OPEB Liability

The June 30, 2024 total OPEB liability was determined based on the following significant actuarial assumptions:

| | |
|---|---|
| Valuation date | June 30, 2023 (rolled forward to June 30, 2024 measurment date) |
| Funding policy | City makes ad-hoc contibutions to the trust and makes benefit payments outside of the trust |
| Discount rate | 4.53% at June 30, 2024<br>4.27% at June 30, 2023<br>City contributions are not projected to be sufficient to pay all benefits from plan assets |
| Municipal Bond Rate | 3.93% at June 30, 2024<br>3.65% as of June 30, 2023<br>Bond Buyer 20-Bond GO Index |
| Long-Term Expected Rate of Return on Assets | 5.75% at June 30, 2024 |
| Inflation | 2.50% annually |
| Salary increase | Aggregate: 2.75% annually<br>Merit: CalPERS 2000-2019 Experience Study |

# Note Disclosures

## Actuarial Methods and Assumptions for Total OPEB Liability (continued)

| | |
|---|---|
| Mortality, retirement, disabiltiy, and termination | CalPERS 2000-2019 Experience Study |
| Mortality improvement | Mortality projected fully generational with Scale MP-2021 |
| Medical trend | Non-Medicare: 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076<br>Medicare (Non-Kaiser): 6.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076<br>Medicare (Kaiser): 5.65% for 2026, decreasing to an ultimate rate of 3.45% in 2076 |
| Healthcare Participation for Future Retirees | Actives: 95%<br>Retirees: 100% if covered, 5% re-elect at 65 if waived |

# Note Disclosures

## Changes Since Prior Measurement Date

### Changes of Assumptions

Discount rate was updated based on crossover test

### Changes of Plan benefits

None

# Note Disclosures

## Long-Term Expected Rate of Return

The City has an OPEB trust with PARS under its Balanced investment allocation.

| | Target Asset Allocation | Expected Real Rate of Return |
|---|---|---|
| Global Equity | 60% | 4.56% |
| Fixed Income | 35% | 0.78% |
| Cash | 5% | -0.50% |
| Assumed Long-Term Rate of Inflation | | 2.50% |
| Expected long-term rate of return | | 5.75% |

# Required Supplementary Information

## Changes in the Net OPEB Liability and Related Ratios

| | 2024/25* |
|---|---|
| **Changes in Total OPEB Liability** | |
| Service cost | $ 3,170,778 |
| Interest | 4,520,973 |
| Changes of Plan benefits | - |
| Difference between expected and actual experience | - |
| Changes of assumptions | (3,679,915) |
| (Benefit Payments) | (3,211,093) |
| Net change in total OPEB liability | 800,743 |
| Total OPEB liability - beginning | 104,312,362 |
| Total OPEB liability - ending | 105,113,105 |
| **Changes in Plan Fiduciary Net Position** | |
| Contributions - employer | $ 4,220,745 |
| Contributions - employee | - |
| (Benefit Payments) | (3,211,093) |
| (Administrative expenses) | (19,664) |
| Net investment income | 513,277 |
| Net change in Plan fiduciary net position | 1,503,265 |
| Plan fiduciary net position - beginning | 3,693,288 |
| Plan fiduciary net position - ending | 5,196,553 |
| **Related Ratios** | |
| City's net OPEB liability - ending | $ 99,916,552 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 4.9% |
| Covered-employee payroll | 32,583,616 |
| City's net OPEB liability as a percentage of covered-employee payroll | 306.6% |

*2023/24 measurement period.

# Required Supplementary Information

## Schedule of Contributions

### Actuarially Determined Contribution

| | 2024/25 |
|---|---|
| Actuarially Determined Contribution | $ 8,583,000 |
| Contributions in relation to the Actuarially Determined Contribution | 8,468,419 |
| Contribution deficiency / (excess) | 114,581 |
| Covered-employee payroll | 36,480,635 |
| Contributions as a percentage of covered-employee payroll | 23.2% |

### Actuarial Assumptions

The following actuarial methods and assumptions from the June 30, 2023 actuarial valuation were used to determine the 2024/25 Actuarially Determined Contribution:

| | |
|---|---|
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level % of pay |
| Remaining amortization period | 17-year fixed period for 2024/25 |
| Asset valuation method | Market value of assets |
| Discount Rate | 5.75% annually |
| Inflation | 2.50% annually |
| Medical Trend | Non-Medicare: 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076<br>Medicare (Non-Kaiser): 6.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076<br>Medicare (Kaiser): 5.65% for 2023, decreasing to an ultimate rate of 3.45% in 2076 |
| Mortality | CalPERS 2000-2019 Experience Study |
| Mortality Improvement | Mortality projected fully generational with Scale MP-2021 |

# Journal Entries

| | Debit | Credit |
|---|---|---|
| Reclassify 2023/24 Contributions | | |
| Net OPEB Liability / (Asset) | $ 4,220,745 | $ - |
| Deferred outflows - 2023/24 Contributions | - | (4,220,745) |
| Reclassify 2024/25 Contributions | | |
| Deferred outflows - 2024/25 Contributions | $ 8,468,419 | $ - |
| Implicit subsidy (active health care premiums) | - | (591,000) |
| OPEB Expense | - | (7,877,419) |
| OPEB Expense | | |
| Deferred outflows of resources* | $ - | $ (6,668,890) |
| Deferred inflows of resources* | 7,176,578 | (216,074) |
| Net OPEB Liability / (Asset) | - | (3,518,223) |
| OPEB Expense / (Income) | 3,226,609 | - |
| **Total** | **$ 10,403,187** | **$ (10,403,187)** |

* Please refer to page 11 if the City needs to track deferrals by source.

# Journal Entries

## Break Down of Deferrals by Source

This page provides information for agencies that keep track of deferrals by source. If the City determines that it needs to use this page, then it should ignore the deferred outflows/inflows of resources shown on page 10.

| | Deferred Outflows | | Deferred Inflows | |
|---|---|---|---|---|
| | Debit | Credit | Debit | Credit |
| Difference between expected and actual experience | $ - | $ (1,150,244) | $ 3,171,254 | $ - |
| Changes of assumptions | - | (5,518,646) | 4,005,324 | - |
| Net differences between expected and actual earnings on plan investments | - | - | - | (216,074) |
| **Total** | **$ -** | **$ (6,668,890)** | **$ 7,176,578** | **$ (216,074)** |

# Backup Calculations

## Employer Contributions

| | Measurement Period (July 1, 2023 to June 30, 2024) | Measurement Date to Fiscal Year End (July 1, 2024 to June 30, 2025) |
|---|---|---|
| Cash benefit payments | $ 2,769,064 | $ 3,019,395 |
| Implicity subsidy benefit payments | 442,029 | 591,000 |
| Total benefit payments | 3,211,093 | 3,610,395 |
| Administrative expenses (other than trust) | 9,652 | 8,024 |
| Trust reimbursements | - | - |
| Payments made outside of trust | 3,220,745 | 3,618,419 |
| Trust contributions | 1,000,000 | 4,850,000 |
| Total employer contributions | $ 4,220,745 | $ 8,468,419 |

# Backup Calculations

## Deferral Recognition Schedules

### Experience

Difference between expected and actual experience

| Original | | | 2024/25 | June 30, 2025 Deferred Balances | |
|---|---|---|---|---|---|
| Fiscal Year End | Loss/(Gain) | Recognition Period | Recognition | Deferred Outflows | Deferred Inflows |
| 2014 | $ - | - | $ - | $ - | $ - |
| 2015 | - | - | - | - | - |
| 2016 | - | - | - | - | - |
| 2017 | - | - | - | - | - |
| 2018 | - | - | - | - | - |
| 2019 | - | - | - | - | - |
| 2020 | (8,450,705) | 5.40 | (625,980) | - | - |
| 2021 | - | - | - | - | - |
| 2022 | (14,253,534) | 5.60 | (2,545,274) | - | (4,072,438) |
| 2023 | - | - | - | - | - |
| 2024 | 6,671,414 | 5.80 | 1,150,244 | 4,370,926 | - |
| 2025 | - | - | - | - | - |
| **Totals:** | | | **$ (2,021,010)** | **$ 4,370,926** | **$ (4,072,438)** |

# Backup Calculations

## Deferral Recognition Schedules

### Assumptions

Changes of assumptions

| Original | | | 2024/25 Recognition | June 30, 2025 Deferred Balances | |
|---|---|---|---|---|---|
| Fiscal Year End | Loss/(Gain) | Recognition Period | | Deferred Outflows | Deferred Inflows |
| 2014 | $ - | - | $ - | $ - | $ - |
| 2015 | - | - | - | - | - |
| 2016 | - | - | - | - | - |
| 2017 | - | - | - | - | - |
| 2018 | - | - | - | - | - |
| 2019 | - | - | - | - | - |
| 2020 | 5,945,521 | 5.40 | 440,411 | - | - |
| 2021 | 27,930,290 | 5.50 | 5,078,235 | 2,539,115 | - |
| 2022 | (8,870,441) | 5.60 | (1,584,007) | - | (2,534,413) |
| 2023 | (25,044,228) | 5.80 | (4,317,970) | - | (12,090,318) |
| 2024 | (6,663,008) | 5.80 | (1,148,794) | - | (4,365,420) |
| 2025 | (3,679,915) | 5.80 | (634,468) | - | (3,045,447) |
| **Totals:** | | | **$ (2,166,593)** | **$ 2,539,115** | **$ (22,035,598)** |

# Backup Calculations

## Deferral Recognition Schedules

### Investments

Net difference between projected and actual earnings on OPEB trust investments

| Original | | | 2024/25 | June 30, 2025 Deferred Balances | |
|---|---|---|---|---|---|
| Fiscal Year End | Loss/(Gain) | Recognition Period | Recognition | Deferred Outflows | Deferred Inflows |
| 2020 | $ - | 5.00 | $ - | $ - | $ - |
| 2021 | - | 5.00 | - | - | - |
| 2022 | - | 5.00 | - | - | - |
| 2023 | - | 5.00 | - | - | - |
| 2024 | (73,833) | 5.00 | (14,767) | - | (44,299) |
| 2025 | (288,551) | 5.00 | (57,710) | - | (230,841) |
| **Totals:** | | | $ (72,477) | - | (275,140) |
| **Net Total:** | | | | **$ -** | **$ (275,140)** |

# Backup Calculations

## OPEB Expense Detail

| | | 2024/25* |
|---|---|---|
| Service cost | $ | 3,170,778 |
| Interest | | 4,520,973 |
| (Expected Investment Return) | | (224,726) |
| Employee contributions | | - |
| Administrative expense | | 19,664 |
| Changes of benefits | | - |
| Recognition of deferrals | | |
| Experience | | (2,021,010) |
| Assumptions | | (2,166,593) |
| Investment return | | (72,477) |
| OPEB expense/(income) | **$** | **3,226,609** |

*2023/24 measurement period.

# Backup Calculations

## Balance Equation

### Balances Prior and Current Fiscal Year

| | Fiscal Year | |
|---|---|---|
| | June 30, 2024 | June 30, 2025 |
| Total OPEB Liaibility | $ 104,312,362 | $ 105,113,105 |
| Fiduciary Net Position | 3,693,288 | 5,196,553 |
| Net OPEB Liability/(Asset) | 100,619,074 | 99,916,552 |
| Deferred Inflows | 33,343,680 | 26,383,176 |
| Deferred Outflows | (13,578,931) | (6,910,041) |
| Balance Sheet | $ 120,383,823 | $ 119,389,687 |

### Expense Reconcilation

| | 2024/25 |
|---|---|
| Balance Sheet (beginning of year) | $ 120,383,823 |
| OPEB Expense/(Income) | 3,226,609 |
| (Contributions) | (4,220,745) |
| Balance Sheet (end of year) | $ 119,389,687 |

Rael & Letson

# CITY OF HAWTHORNE
# RETIREE HEALTHCARE PLAN

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

## June 30, 2023 OPEB Actuarial Valuation

**Doug Pryor, ASA, EA, MAAA**
Katherine Moore, ASA, MAAA
Matthew Childs
**Foster & Foster, Inc.**

October 23, 2024

## Contents


| Topic | Page |
|---|---|
| Benefit Summary | 1 |
| Implicit Subsidy | 3 |
| Data Summary | 5 |
| Actuarial Assumptions Highlights | 7 |
| Actuarial Methods | 12 |
| Assets | 13 |
| Results | 15 |
| Actuarial Certification | 26 |
| Exhibits | |
| Premiums | E - 1 |
| Participant Statistics | E - 4 |
| Actuarial Assumptions | E - 12 |
| Definitions | E - 18 |

## BENEFIT SUMMARY

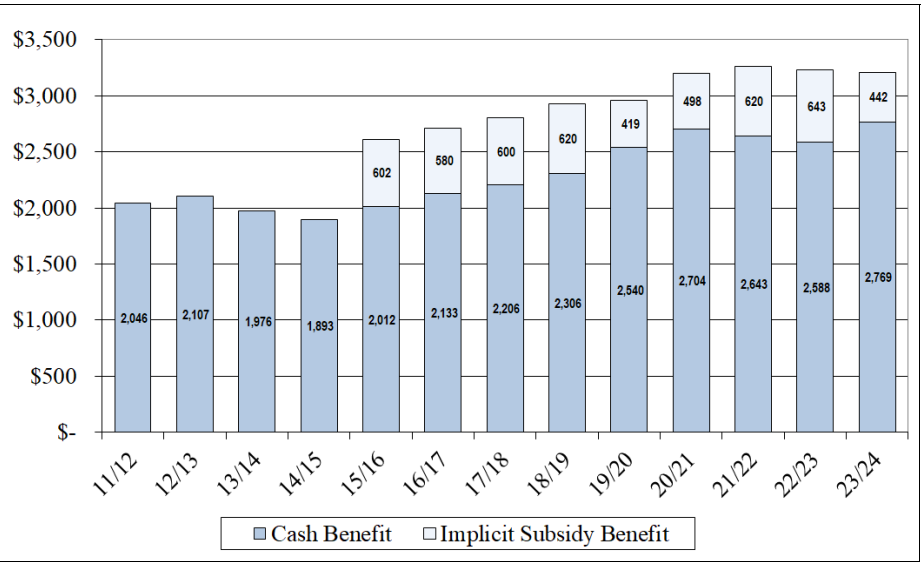
| | |
|---|---|
| ■ Eligibility | ■ Retire directly from the City under CalPERS[1] (age 50[2] and 5 years of service or disability) |
| ■ Medical Benefit[3] | ■ Miscellaneous<br>City pays single premium<br>■ Police<br>City pays full premium less:<br>Coverage — Retiree Contribution<br>Single — None<br>2-Party — $14.15/month<br>Family — $23.99/month |
| ■ PEMHCA Administrative Fee | ■ 0.24% of retiree premium for 2024/25<br>■ Paid by City |
| ■ Surviving Spouse Benefit | ■ Surviving spouse coverage continues based on CalPERS retirement plan election |
| ■ Other OPEB | ■ No City-paid dental, vision, Medicare Part B or life |

[1] Police: Age 50 and 20 years of service or disability per MOU
[2] 52 for Miscellaneous PEPRA members
[3] City contributes single premium for 17 Fire retirees. Current retired Council members receiving full premium.



## BENEFIT SUMMARY

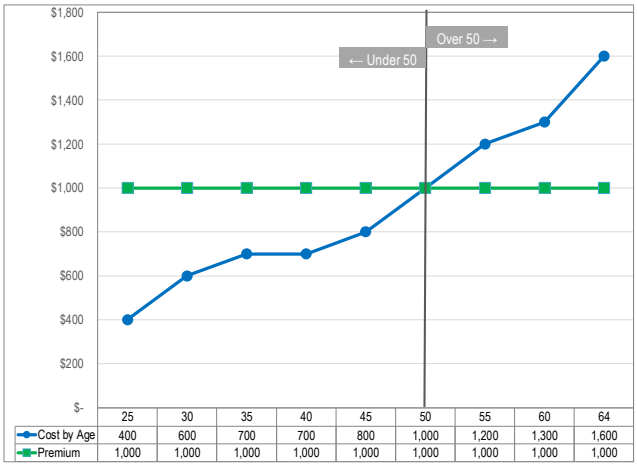
■ Pay-as-you-go Costs[4] (in $000's)




[4] Amounts before 2016/17 from City's Annual Financial Reports.

## IMPLICIT SUBSIDY

- For PEMHCA, employer cost for allowing retirees to participate at active rates.
- General trend:




| | 25 | 30 | 35 | 40 | 45 | 50 | 55 | 60 | 64 |
|---|---|---|---|---|---|---|---|---|---|
| Cost by Age | 400 | 600 | 700 | 700 | 800 | 1,000 | 1,200 | 1,300 | 1,600 |
| Premium | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |

- Sample active age 40, retire age 60:

| Premiums | PEMHCA | Cost of Benefits |
|---|---|---|
| $1,000 Active | $2,000 | $400 Active |
| $1,000 Retiree | | $1,600 Retiree |



## IMPLICIT SUBSIDY

- GASB defers to actuarial standards of practice.
- Actuarial Standards of Practice No. 6[5] (ASOP 6), released in May 2014:
  - Requires implicit subsidy valued for community rated plans such as PEMHCA.
  - Effective with all valuations on or after March 31, 2015
- The June 30, 2015 and later valuations include the implicit subsidy

[5] Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Plan Costs or Contributions.

## Actives

| | 6/1/13 | 6/30/15[6] | 6/30/17 | 6/30/19 | 6/30/21 | 6/30/23 |
|---|---|---|---|---|---|---|
| ■ Participants | | | | | | |
| • Miscellaneous | 149 | 192 | 173 | 167 | 179 | 178 |
| • Safety | 94 | 97 | 94 | 89 | 87 | 82 |
| • Total | 243 | 289 | 267 | 256 | 266 | 260 |
| ■ Average | | | | | | |
| • Age | n/a | 43.3 | 43.6 | 43.4 | 42.4 | 42.5 |
| • City Service | n/a | 11.7 | 12.2 | 12.2 | 11.2 | 11.3 |
| • Salary | n/a | $ 70,600 | $ 73,600 | $ 74,400 | $ 86,800[7] | $ 91,400[8] |
| ■ Total Salary (000's) | n/a | 20,404 | 19,643 | 19,034 | 23,093 | 23,752 |

[6] Data as of March 2015.
[7] Salaries for 2020/21 estimated from City's 2020 CalPERS actuarial valuation reports.
[8] Salaries for 2022/23 estimated from City's 2022 CalPERS actuarial valuation reports.





## Retirees

| | 6/1/13 | 6/30/15[9] | 6/30/17 | 6/30/19 | 6/30/21 | 6/30/23 |
|---|---|---|---|---|---|---|
| ■ Participants (benefitting) | | | | | | |
| • Miscellaneous | 145 | 138 | 140 | 143 | 149 | 137 |
| • Safety | 114 | 113 | 112 | 121 | 123 | 125 |
| • Total[10] | 259 | 251 | 252 | 264 | 272 | 262 |
| ■ Average | | | | | | |
| • Age | n/a | 70.0 | 68.8 | 68.9 | 69.8 | 70.3 |
| • Service Retirement Age | | | | | | |
| ➢ Miscellaneous | n/a | 58.5 | 58.1 | 58.0 | 58.3 | 58.4 |
| ➢ Safety | n/a | 54.5 | 53.5 | 53.2 | 53.6 | 53.7 |

[9] Data as of March 2015.
[10] Excludes 55, 75, 59, 59 & 61 waived participants at 6/30/15, 6/30/17, 6/30/19, 6/30/21 & 6/30/23, respectively.

## PARS Fund Options[11]

| | Conservative | Moderately Conservative | Moderate | Balanced | Capital Appreciation |
|---|---|---|---|---|---|
| ■ Target Allocation | | | | | |
| • Equity | 15% | 30% | 50% | 60% | 75% |
| • Fixed Income | 80% | 65% | 45% | 35% | 20% |
| • Cash | 5% | 5% | 5% | 5% | 5% |
| • Total | 100% | 100% | 100% | 100% | 100% |
| ■ Median Return | 4.00% | 4.50% | 5.50% | 5.75% | 6.25% |
| ■ Discount Rate-Confidence Level | | | | | |
| • 50% | 4.00% | 4.50% | 5.50% | 5.75% | 6.25% |
| • 55% | 3.75% | 4.50% | 5.25% | 5.50% | 6.00% |
| • 60% | 3.75% | 4.25% | 5.00% | 5.25% | 5.50% |

[11] City established a trust in the PARS Balanced Strategy in April 2022.



ACTUARIAL ASSUMPTIONS HIGHLIGHTS

| | June 30, 2021 Valuation | June 30, 2023 Valuation |
|---|---|---|
| ■ Valuation Date | ■ June 30, 2021<br>■ 2021/22 & 2022/23 GASBS 75 (separate report) | ■ June 30, 2023<br>■ 2023/24, 2024/25, and 2025/26 ADC fiscal years<br>■ 2023/24 & 2024/25 GASBS 75 (separate report) |
| ■ Funding Policy | ■ Pay-as-you-go | ■ Ad-hoc contributions to trust |
| ■ Discount Rate | ■ 2.16% Bond Buyer 20-Bond GO Index at June 30, 2021 (GASBS 75 specified)<br>■ Not prefunded; assets in General Investment Fund<br>■ Prefunding illustrated at 5.75% | ■ 5.75% return PARS Balanced strategy<br>■ GASBS 75 discount rate will differ |
| ■ General Inflation | ■ 2.50% | ■ Same |
| ■ Mortality, Withdrawal & Disability | ■ CalPERS 2000-2019 Experience Study<br>■ Mortality improvement projection MP-2021 | ■ Same |

## ACTUARIAL ASSUMPTIONS HIGHLIGHTS

| | June 30, 2021 Valuation | | | | June 30, 2023 Valuation | | | |
|---|---|---|---|---|---|---|---|---|
| ■ Healthcare Trend | Increase from Prior Year[12] | | | | Increase from Prior Year | | | |
| | | | Medicare | | | | Medicare | |
| | Year | Non-Medicare | Kaiser | Other | Year | Non-Medicare | Kaiser | Other |
| | 2021 | Actual Premiums | | | 2021 | | n/a | |
| | 2022 | Actual Premiums | | | 2022 | | n/a | |
| | 2023 | 6.50% | 4.60% | 5.65% | 2023 | | Actual Premiums | |
| | 2024 | 6.25% | 4.45% | 5.45% | 2024 | | Actual Premiums | |
| | ↓ | ↓ | ↓ | ↓ | 2025 | | Actual Premiums | |
| | 2030 | 4.95% | 4.05% | 4.45% | 2026 | 7.90% | 5.65% | 6.90% |
| | 31-35 | 4.80% | 4.00% | 4.35% | 2027 | 7.35% | 5.45% | 6.50% |
| | 36-45 | 4.65% | 3.95% | 4.25% | 2028 | 6.75% | 5.25% | 6.10% |
| | 46-55 | 4.50% | 3.90% | 4.20% | 2029 | 6.20% | 5.05% | 5.70% |
| | 56-65 | 4.35% | 3.85% | 4.15% | 2030 | 5.60% | 4.85% | 5.25% |
| | 66-75 | 4.05% | 3.80% | 3.95% | 2031 | 5.05% | 4.65% | 4.85% |
| | 2076+ | 3.75% | 3.75% | 3.75% | 32-38 | 4.45% | 4.45% | 4.45% |
| | | | | | 39-40 | 4.35% | 4.35% | 4.35% |
| | | | | | 2041 | 4.30% | 4.30% | 4.30% |
| | | | | | ↓ | ↓ | ↓ | ↓ |
| | | | | | 2076+ | 3.45% | 3.45% | 3.45% |

[12] Medical premiums after 2022 and estimated claims after 2021 do not take into account buy-downs (CalPERS subsidizations of premium rates from the reserves).



## ACTUARIAL ASSUMPTIONS HIGHLIGHTS

| | June 30, 2021 Valuation | June 30, 2023 Valuation |
|---|---|---|
| ■ Retirement | ■ CalPERS 2000-2019 Experience Study: | ■ CalPERS 2000-2019 Experience Study: |
| | Misc / Police | Misc / Police |
| | Benefit 3%@60 / 3%@50 | Benefit 3%@60 / 3%@50 |
| | ERA 60.8 / 53.8 | ERA 60.7 / 53.9 |
| | Benefit 2%@62 / 2.7%@57 | Benefit 2%@62 / 2.7%@57 |
| | ERA 61.8 / 55.9 | ERA 61.8 / 55.9 |
| ■ Aggregate Payroll Increase | ■ 2.75% | ■ Same |
| ■ Salary Merit and Longevity Increases | ■ CalPERS 2000-2019 Experience Study | ■ Same |
| ■ Age-related Claims Costs for Medicare Advantage Plans | ■ Due to age-risk adjusted federal subsidies, no age-based claims costs were included for Medicare Advantage plans | ■ Same |

## ACTUARIAL ASSUMPTIONS HIGHLIGHTS

| | June 30, 2021 Valuation | June 30, 2023 Valuation |
|---|---|---|
| ■ Participation at Retirement | ■ Actives: 95%<br>■ Retirees:<br>• Covered – 100%<br>• Waived – 5% Re-elect at age 65 | ■ Same |
| ■ Dependents at Retirement | ■ Safety Actives: 45% until age 65<br>■ Safety Retirees: Based on current coverage election | ■ Same |
| ■ Data Adjustments | ■ Data based on CalPERS OPEB data extract with additional information provided by City<br>■ Pay estimated from 6/30/20 CalPERS valuation reports | ■ Data based on CalPERS OPEB data extract.<br>■ Pay estimated from 6/30/22 CalPERS valuation reports |



## ACTUARIAL METHODS

| | June 30, 2021 Valuation | June 30, 2023 Valuation |
|---|---|---|
| ■ Cost Method | ■ Entry Age Normal | ■ Same |
| ■ Amortization Method | ■ Level Percent of Payroll | ■ Same |
| ■ Actuarial Value of Assets | ■ No Plan assets | ■ Market Value of Assets |
| ■ Amortization Periods | ■ Sensitivity: 6/30/21 unfunded liability amortized over closed 20 years for 2021/22<br>■ Contribution gains/losses amortized over closed 20 years | ■ 6/30/23 unfunded liability amortized over closed 18 years for 2023/24 |

## Market Value of Plan Assets

**(amounts in 000's)**

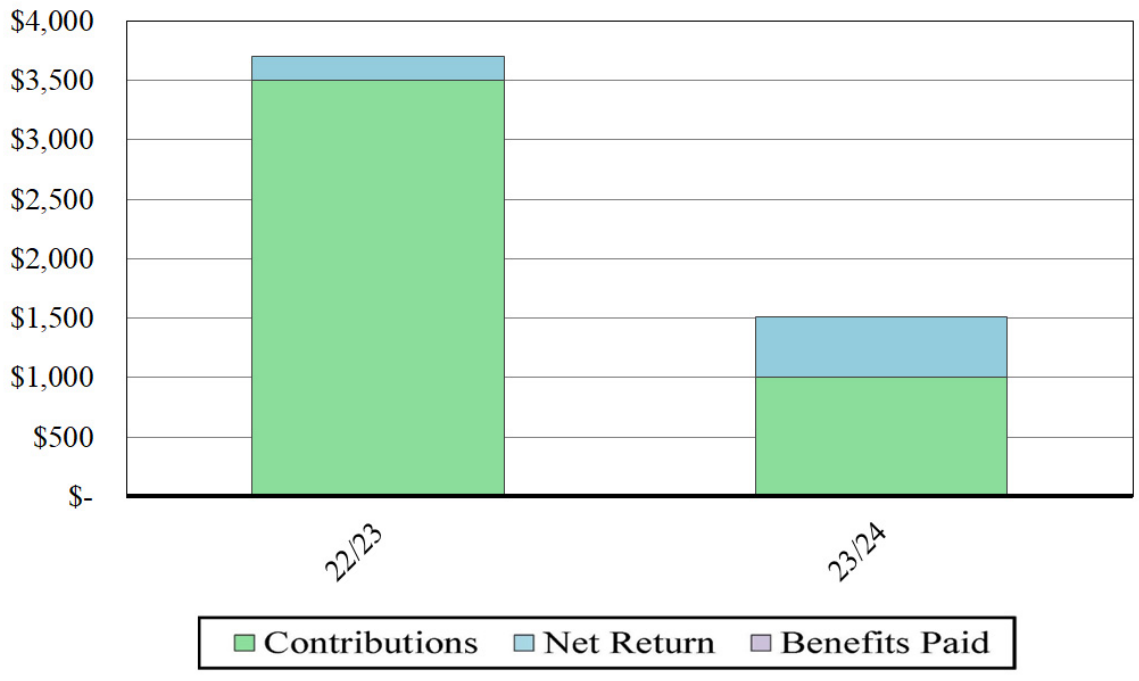
| | 2022/23 | 2023/24 |
|---|---|---|
| ■ **Market Value (beginning of year)** | $ - | $3,693 |
| • Contribution | 3,500 | 1,000 |
| • Benefit Payments | - | - |
| • Administrative Expenses | (5) | (10) |
| • Investment Return | 198 | 513 |
| ■ **Market Value (end of year)** | 3,693 | 5,197 |
| ■ **Approximate Return** | 9.2% | 11.5% |





## Historical Asset Changes

**(amounts in 000's)**



## Actuarial Obligations

(amounts in 000's)

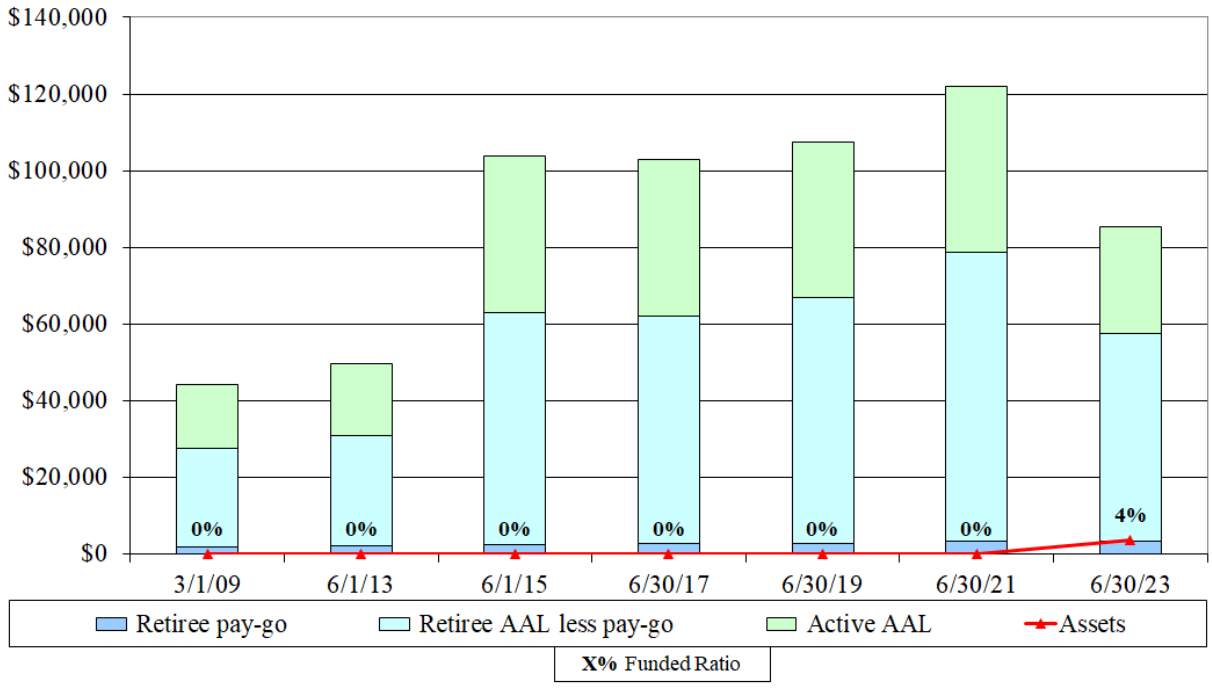
| | 6/30/21 | | 6/30/23 |
|---|---|---|---|
| | 2.16% | 5.75% | 5.75% |
| ■ **Present Value of Benefits** | | | |
| • Actives | $103,630 | $40,510 | $ 48,889 |
| • Retirees | 78,735 | 48,661 | 57,338 |
| • Total | 182,365 | 89,171 | 106,227 |
| ■ **Actuarial Accrued Liability** | | | |
| • Actives | 43,094 | 22,736 | 27,994 |
| • Retirees | 78,735 | 48,661 | 57,338 |
| • Total | 121,829 | 71,397 | 85,332 |
| ■ **Assets** | - | - | 3,693 |
| ■ **Unfunded Liability** | 121,829 | 71,397 | 81,639 |
| ■ **Funded Ratio** | 0.0% | 0.0% | 4.3% |





## Actuarial Accrued Liability

(amounts in 000's)



## Estimated Actuarial Gain/Loss Analysis

**5.75% Discount Rate**

**(amounts in 000's)**

| | AAL | Assets | UAAL |
|---|---|---|---|
| ■ **Actual @ 6/30/21** | $71,397 | $ - | $71,397 |
| ■ **Expected @ 6/30/23** | 76,958 | 7,319 | 69,639 |
| ■ **Changes** | | | |
| • Premiums larger than expected | 6,968 | - | 6,968 |
| • Updated medical trend | 3,687 | - | 3,687 |
| • Contribution loss | - | (3,702) | 3,702 |
| • Investment gain | - | 75 | (75) |
| • Demographic & other | (2,281) | - | (2,281) |
| • Total | 8,374 | (3,626) | 12,000 |
| ■ **Actual @ 6/30/23** | 85,332 | 3,693 | 81,639 |





## Actuarially Determined Contribution (ADC)

**(amounts in 000's)**

| | 6/30/2021 Val | | 6/30/2023 Val | | |
|---|---|---|---|---|---|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| ■ **ADC - $** | | | | | |
| • Normal Cost | $1,915 | $1,968 | $2,273 | $2,335 | $2,399 |
| • Admin. Expenses | 7 | 7 | 17 | 28 | 38 |
| • UAAL Amortization | 4,894 | 5,029 | 6,058 | 6,220 | 6,391 |
| • Total ADC | 6,817 | 7,004 | 8,347 | 8,583 | 8,828 |
| ■ **Projected Payroll** | 23,728 | 24,381 | 24,405 | 25,076 | 25,766 |
| ■ **ADC - %** | | | | | |
| • Normal Cost | 8.1% | 8.1% | 9.3% | 9.3% | 9.3% |
| • Admin. Expenses | 0.0% | 0.0% | 0.1% | 0.1% | 0.1% |
| • UAAL Amortization | 20.6% | 20.6% | 24.8% | 24.8% | 24.8% |
| • Total ADC | 28.7% | 28.7% | 34.2% | 34.2% | 34.2% |

## Amortization Bases

(amounts in 000's)

| | 6/30/2021 Val | | 6/30/2023 Val | | |
|---|---|---|---|---|---|
| | 6/30/21 | 6/30/22 | 6/30/23 | 6/30/24 | 6/30/25 |
| ■ Initial UAAL | $71,397 | $70,608 | $69,639 | $68,476 | $67,104 |
| ■ (Gain)/Loss | | | | | |
| • 2023 valuation | - | - | 12,000 | 11,739 | 11,504 |
| ■ Total | 71,397 | 70,608 | 81,639 | 80,215 | 78,607 |





## Amortization Payments

(amounts in 000's)

| | 6/30/2021 Val | | 6/30/2023 Val | | |
|---|---|---|---|---|---|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| ■ Initial UAAL | $4,894 | $5,029 | $5,167 | $5,309 | $5,455 |
| ■ (Gain)/Loss | | | | | |
| • 2023 valuation | - | - | 890 | 910 | 935 |
| ■ Total | 4,894 | 5,029 | 6,058 | 6,220 | 6,391 |
| ■ Amortization years | 20 | 19 | 18 | 17 | 16 |

## Projection
**(amounts in 000's)**

| Fiscal Year | Cash[13] | Implicit Subsidy | PEMHCA Admin Fees | Additional Pre-Funding | Total | Payroll | Contr. % of Payroll |
|---|---|---|---|---|---|---|---|
| 2023/24 | $2,825 | $ 442 | $ 9 | $5,071 | $ 8,347 | $24,405 | 34.2% |
| 2024/25 | 3,139 | 591 | 10 | 4,843 | 8,583 | 25,076 | 34.2% |
| 2025/26 | 3,497 | 649 | 11 | 4,671 | 8,828 | 25,766 | 34.3% |
| 2026/27 | 3,790 | 726 | 12 | 4,549 | 9,077 | 26,474 | 34.3% |
| 2027/28 | 4,067 | 761 | 13 | 4,490 | 9,331 | 27,203 | 34.3% |
| 2028/29 | 4,390 | 848 | 14 | 4,341 | 9,593 | 27,951 | 34.3% |
| 2029/30 | 4,665 | 912 | 14 | 4,272 | 9,863 | 28,719 | 34.3% |
| 2030/31 | 4,921 | 990 | 15 | 4,213 | 10,139 | 29,509 | 34.4% |
| 2031/32 | 5,169 | 1,078 | 16 | 4,160 | 10,423 | 30,321 | 34.4% |
| 2032/33 | 5,301 | 1,074 | 16 | 4,321 | 10,712 | 31,154 | 34.4% |

[13] Includes PEMHCA administrative expenses.



RESULTS

**This page intentionally blank**

## Actuarial Obligations by Cash and Implicit Subsidy

**June 30, 2023**

**(amounts in 000's)**

| | Cash Subsidy | Implicit Subsidy | Total |
|---|---|---|---|
| ■ **Present Value of Benefits** | | | |
| • Actives | $43,582 | $ 5,307 | $ 48,889 |
| • Retirees | 47,317 | 10,021 | 57,338 |
| • Total | 90,899 | 15,328 | 106,227 |
| ■ **Actuarial Accrued Liability** | | | |
| • Actives | 24,643 | 3,350 | 27,994 |
| • Retirees | 47,317 | 10,021 | 57,338 |
| • Total | 71,960 | 13,371 | 85,332 |
| ■ **Actuarial Value of Assets** | 3,114 | 579 | 3,693 |
| ■ **Unfunded AAL** | 68,846 | 12,792 | 81,639 |
| ■ **2023/24 Normal Cost** | 2,061 | 212 | 2,273 |
| ■ **2023/24 Pay-As-You-Go Cost** | 2,825 | 442 | 3,267 |





## Actuarially Determined Contribution (ADC) – Fiscal Year 2023/24

**(amounts in 000's)**

| | Cash Subsidy | Implicit Subsidy | Total |
|---|---|---|---|
| ■ **ADC - $** | | | |
| • Normal Cost | $2,061 | $ 212 | $2,273 |
| • Administrative Expenses | 17 | - | 17 |
| • UAAL Amortization | 5,108 | 949 | 6,058 |
| • Total | 7,186 | 1,161 | 8,347 |
| ■ **Projected Payroll** | 25,076 | 25,076 | 25,076 |
| ■ **ADC - %** | | | |
| • Normal Cost | 8.4% | 0.9% | 9.3% |
| • Administrative Expenses | 0.1% | 0.0% | 0.1% |
| • UAAL Amortization | 20.9% | 3.9% | 24.8% |
| • Total | 29.4% | 4.8% | 34.2% |

## Discount Rate Sensitivity

**(amounts in 000's)**

| | Discount Rate | |
|---|---|---|
| | **5.75%** | **3.65%** |
| ■ **Present Value of Benefits** | $106,227 | $155,794 |
| ■ **Funded Status** | | |
| • Actuarial Accrued Liability | 85,332 | 114,287 |
| • Actuarial Value of Assets | 3,693 | 3,693 |
| • Unfunded Actuarial Accrued Liability | 81,639 | 110,594 |
| ■ **2023/24 ADC - $** | | |
| • Normal Cost[14] | 2,289 | 3,747 |
| • UAAL Amortization[15] | 6,058 | 6,851 |
| • Total | 8,347 | 10,598 |

[14] Includes $17,000 in PEMHCA and CERBT administrative expenses.
[15] 18-year amortization.



## ACTUARIAL CERTIFICATION

This report presents the City of Hawthorne Retiree Healthcare Plan ("Plan") June 30, 2023 actuarial valuation. The purpose of this valuation is to:

- Determine the Plan's June 30, 2023 Funded Status, and
- Calculate 2023/24, 2024/25, and 2025/26 Actuarially Determined Contributions.

Information provided in this report may be useful to the City for the Plan's financial management. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The valuation is based on Plan provisions, participant data, and asset information provided by the City as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,

Doug Pryor, ASA, EA, MAAA
Foster & Foster, Inc.
October 23, 2024

Katherine Moore, ASA, MAAA
Foster & Foster, Inc.
October 23, 2024

# 2023 PEMHCA Monthly Premiums
## Region 3

| Medical Plan | Non-Medicare Eligible | | | Medicare Eligible | | |
|---|---|---|---|---|---|---|
| | Single | 2-Party | Family | Single | 2-Party | Family |
| Anthem HMO Select | $737.91 | $1,475.82 | $1,918.57 | $413.59 | $827.18 | $1,240.77 |
| Anthem HMO Traditional | 942.73 | 1,885.46 | 2,451.10 | 413.59 | 827.18 | 1,240.77 |
| Blue Shield Access+ | 738.29 | 1,476.58 | 1,919.55 | 361.90 | 723.80 | 1,085.70 |
| Blue Shield Trio | 661.49 | 1,322.98 | 1,719.87 | 361.90 | 723.80 | 1,085.70 |
| Health Net Salud y Más | 606.34 | 1,212.68 | 1,576.48 | n/a | n/a | n/a |
| Health Net SmartCare | 755.29 | 1,510.58 | 1,963.75 | n/a | n/a | n/a |
| Kaiser Permanente | 754.64 | 1,509.28 | 1,962.06 | n/a | n/a | n/a |
| Kaiser Senior Advantage | n/a | n/a | n/a | 283.25 | 566.50 | 849.75 |
| Kaiser SA Summit | n/a | n/a | n/a | 336.29 | 672.58 | 1,008.87 |
| UnitedHealthcare Alliance | 790.46 | 1,580.92 | 2,055.20 | n/a | n/a | n/a |
| UnitedHealthcare Harmony | 713.55 | 1,427.10 | 1,855.23 | n/a | n/a | n/a |
| UnitedHealthcare Group | n/a | n/a | n/a | 299.68 | 599.36 | 899.04 |
| UnitedHealthcare Edge | n/a | n/a | n/a | 357.70 | 715.40 | 1,073.10 |
| PERS Platinum | 992.59 | 1,985.18 | 2,580.73 | 420.02 | 840.04 | 1,260.06 |
| PERS Gold | 680.37 | 1,360.74 | 1,768.96 | 392.71 | 785.42 | 1,178.13 |
| PORAC | 820.00 | 1,600.00 | 2,100.00 | 465.00 | 1,030.00 | 1,395.00 |





# 2024 PEMHCA Monthly Premiums
## Region 3

| Medical Plan | Non-Medicare Eligible | | | Medicare Eligible | | |
|---|---|---|---|---|---|---|
| | Single | 2-Party | Family | Single | 2-Party | Family |
| Anthem HMO Select | $ 841.13 | $1,682.26 | $2,186.94 | $405.83 | $ 811.66 | $1,217.49 |
| Anthem HMO Traditional | 1,012.67 | 2,025.34 | 2,632.94 | 405.83 | 811.66 | 1,217.49 |
| Blue Shield Access+ | 756.65 | 1,513.30 | 1,967.29 | 392.68 | 785.36 | 1,178.04 |
| Blue Shield Trio | 704.69 | 1,409.38 | 1,832.19 | 392.68 | 785.36 | 1,178.04 |
| Health Net Salud y Más | 630.13 | 1,260.26 | 1,638.34 | n/a | n/a | n/a |
| Kaiser Permanente | 865.41 | 1,730.82 | 2,250.07 | n/a | n/a | n/a |
| Kaiser Senior Advantage | n/a | n/a | n/a | 324.79 | 649.58 | 974.37 |
| Kaiser SA Summit | n/a | n/a | n/a | 386.55 | 773.10 | 1,159.65 |
| UnitedHealthcare Alliance | 826.44 | 1,652.88 | 2,148.74 | n/a | n/a | n/a |
| UnitedHealthcare Harmony | 734.76 | 1,469.52 | 1,910.38 | n/a | n/a | n/a |
| UnitedHealthcare Group | n/a | n/a | n/a | 341.72 | 683.44 | 1,025.16 |
| UnitedHealthcare Edge | n/a | n/a | n/a | 366.01 | 732.02 | 1,098.03 |
| PERS Platinum | 1,131.47 | 2,262.94 | 2,941.82 | 448.15 | 896.30 | 1,344.45 |
| PERS Gold | 785.28 | 1,570.56 | 2,041.73 | 406.60 | 813.20 | 1,219.80 |
| PORAC | 926.00 | 1,863.00 | 2,371.00 | 465.00 | 1,030.00 | 1,395.00 |

## 2025 PEMHCA Monthly Premiums
### Region 3

| Medical Plan | Non-Medicare Eligible | | | Medicare Eligible | | |
|---|---|---|---|---|---|---|
| | Single | 2-Party | Family | Single | 2-Party | Family |
| Anthem HMO Select | $ 916.88 | $1,833.76 | $2,383.89 | $ 487.56 | $ 975.12 | $1,462.68 |
| Anthem HMO Traditional | 1,065.46 | 2,130.92 | 2,770.20 | 487.56 | 975.12 | 1,462.68 |
| Blue Shield Access+ | 828.48 | 1,656.96 | 2,154.05 | 448.28 | 896.56 | 1,344.84 |
| Blue Shield Trio | 738.11 | 1,476.22 | 1,919.09 | 448.28 | 896.56 | 1,344.84 |
| Health Net Salud y Más | 714.40 | 1,428.80 | 1,857.44 | n/a | n/a | n/a |
| Kaiser Permanente | 926.52 | 1,853.04 | 2,408.95 | n/a | n/a | n/a |
| Kaiser Senior Advantage | n/a | n/a | n/a | 343.08 | 686.16 | 1,029.24 |
| Kaiser SA Summit | n/a | n/a | n/a | 408.31 | 816.62 | 1,224.93 |
| UnitedHealthcare Alliance | 866.40 | 1,732.80 | 2,252.64 | n/a | n/a | n/a |
| UnitedHealthcare Harmony | 756.28 | 1,512.56 | 1,966.33 | n/a | n/a | n/a |
| UnitedHealthcare Group | n/a | n/a | n/a | 442.25 | 884.50 | 1,326.75 |
| PERS Platinum | 1,263.73 | 2,527.46 | 3,285.70 | 584.70 | 1,169.40 | 1,754.10 |
| PERS Gold | 868.15 | 1,736.30 | 2,257.19 | 546.13 | 1,092.26 | 1,638.39 |
| PORAC | 970.00 | 1,951.00 | 2,484.00 | 507.00 | 1,123.00 | 1,521.00 |





## Medical Plan Participation

| Plan | Actives | Retirees | | |
|---|---|---|---|---|
| | | Pre-65 | Post-65 | Total |
| Anthem Select | 3% | 0% | 0% | 0% |
| Anthem Traditional | 9% | 2% | 3% | 3% |
| Blue Shield Access+ | 18% | 22% | 1% | 8% |
| Blue Shield Trio | 1% | 0% | 0% | 0% |
| Health Net SmartCare | 0% | 0% | 0% | 0% |
| Health Net Salud y Mas | 0% | 0% | 0% | 0% |
| Kaiser | 30% | 7% | 10% | 10% |
| Sharp | 0% | 0% | 1% | 0% |
| UnitedHealthcare | 1% | 0% | 12% | 8% |
| PERS Platinum | 24% | 36% | 57% | 50% |
| PERS Gold | 0% | 1% | 0% | 0% |
| PORAC | 13% | 31% | 16% | 21% |
| Total | 100% | 100% | 100% | 100% |

## Current Active Medical Plan Coverage

| Plan | Single | 2-Party | Family | Waived | Total |
|---|---|---|---|---|---|
| Anthem Select | 4 | 2 | - | - | 6 |
| Anthem Traditional | 14 | 3 | 2 | - | 19 |
| Blue Shield Access+ | 21 | 4 | 13 | - | 38 |
| Blue Shield Trio | 1 | - | 1 | - | 2 |
| Health Net SmartCare | 1 | - | - | - | 1 |
| Health Net Salud y Mas | 1 | - | - | - | 1 |
| Kaiser | 44 | 10 | 11 | - | 65 |
| UnitedHealthcare | 2 | - | - | - | 2 |
| PERS Platinum | 33 | 7 | 12 | - | 52 |
| PERS Gold | 1 | - | - | - | 1 |
| PORAC | 7 | 7 | 14 | - | 28 |
| Waived | - | - | - | 45 | 45 |
| Total | 129 | 33 | 53 | 45 | 260 |





## Retiree Medical Plan Coverage
### Pre 65

| Plan | Single | 2-Party | Family | Waived | Total |
|---|---|---|---|---|---|
| Anthem Traditional | 2 | - | - | - | 2 |
| Blue Shield Access+ | 8 | 4 | 6 | - | 18 |
| Kaiser | 3 | 1 | 2 | - | 6 |
| UnitedHealthcare | - | - | - | - | - |
| PERS Platinum | 17 | 5 | 7 | - | 29 |
| PERS Gold | 1 | - | - | - | 1 |
| PORAC | 4 | 7 | 14 | - | 25 |
| Waived | - | - | - | 3 | 3 |
| Total | 35 | 17 | 29 | 3 | 84 |

## Retiree Medical Plan Coverage
**Post 65**

| Plan | Single | 2-Party | Family | Waived | Total |
|---|---|---|---|---|---|
| Anthem Traditional | 4 | 2 | - | - | 6 |
| Blue Shield Access+ | 1 | 1 | - | - | 2 |
| Kaiser | 16 | 3 | - | - | 19 |
| Sharp | - | 1 | - | - | 1 |
| UnitedHealthcare | 13 | 8 | - | - | 21 |
| PERS Platinum | 70 | 30 | 3 | - | 103 |
| PERS Gold | - | - | - | - | - |
| PORAC | 12 | 17 | - | - | 29 |
| Waived | - | - | - | 58 | 58 |
| Total | 116 | 62 | 3 | 58 | 239 |





## Actives by Age and Service
**Miscellaneous**

| Age | City Service | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | < 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | ≥ 25 | Total |
| < 25 | 6 | 5 | - | - | - | - | - | 11 |
| 25-29 | 5 | 12 | 7 | - | - | - | - | 24 |
| 30-34 | 4 | 9 | 6 | 2 | - | - | - | 21 |
| 35-39 | 4 | 5 | 4 | 4 | 3 | - | - | 20 |
| 40-44 | 1 | 6 | 1 | 6 | 3 | 2 | - | 19 |
| 45-49 | 1 | 5 | 3 | 3 | 3 | 8 | 2 | 25 |
| 50-54 | 4 | 3 | 1 | 4 | 7 | 3 | 3 | 25 |
| 55-59 | 1 | - | 3 | 2 | 2 | 2 | 4 | 14 |
| 60-64 | - | 1 | 2 | 2 | 2 | 2 | 3 | 12 |
| ≥ 65 | 1 | - | 1 | 2 | - | 2 | 1 | 7 |
| Total | 27 | 46 | 28 | 25 | 20 | 19 | 13 | 178 |

## Actives by Age and Service
**Safety**

| Age | City Service | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | < 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | ≥ 25 | Total |
| < 25 | - | 1 | - | - | - | - | - | 1 |
| 25-29 | - | 5 | 4 | - | - | - | - | 9 |
| 30-34 | - | 3 | 8 | 3 | - | - | - | 14 |
| 35-39 | - | 1 | 3 | 6 | 3 | - | - | 13 |
| 40-44 | 1 | - | 1 | 1 | 6 | 3 | - | 12 |
| 45-49 | - | - | 1 | 3 | 4 | 10 | 1 | 19 |
| 50-54 | - | 1 | - | 2 | - | 4 | 3 | 10 |
| 55-59 | - | - | 1 | - | - | - | 2 | 3 |
| 60-64 | - | - | - | - | - | - | 1 | 1 |
| ≥ 65 | - | - | - | - | - | - | - | - |
| Total | 1 | 11 | 18 | 15 | 13 | 17 | 7 | 82 |





## Retirees Medical Plan Coverage by Age
**Miscellaneous**

| Age | Medical Coverage | | | | |
|---|---|---|---|---|---|
| | Single | 2-Party | Family | Waived | Total |
| Under 50 | - | - | - | - | - |
| 50-54 | 2 | - | - | 1 | 3 |
| 55-59 | 3 | 1 | 2 | - | 6 |
| 60-64 | 19 | 5 | - | 1 | 25 |
| 65-69 | 24 | 7 | 1 | 10 | 42 |
| 70-74 | 18 | 10 | - | 8 | 36 |
| 75-79 | 15 | 2 | - | 11 | 28 |
| 80-84 | 9 | 2 | - | 4 | 15 |
| 85 & Over | 14 | 2 | 1 | 7 | 24 |
| Total | 104 | 29 | 4 | 42 | 179 |
| Average Age | 72.7 | 71.5 | 67.4 | 75.9 | 73.1 |

## Retirees Medical Plan Coverage by Age
**Safety**

| Age | Medical Coverage | | | | |
|---|---|---|---|---|---|
| | Single | 2-Party | Family | Waived | Total |
| Under 50 | - | - | 5 | - | 5 |
| 50-54 | 1 | 4 | 8 | - | 13 |
| 55-59 | 4 | 2 | 13 | 1 | 20 |
| 60-64 | 6 | 5 | 1 | - | 12 |
| 65-69 | 8 | 13 | 1 | - | 22 |
| 70-74 | 5 | 7 | - | 5 | 17 |
| 75-79 | 7 | 7 | - | 7 | 21 |
| 80-84 | 11 | 8 | - | 3 | 22 |
| 85 & Over | 5 | 4 | - | 3 | 12 |
| Total | 47 | 50 | 28 | 19 | 144 |
| Average Age | 73.5 | 71.1 | 54.0 | 78.5 | 69.5 |





| | June 30, 2021 Valuation | June 30, 2023 Valuation |
|---|---|---|
| ■ Spouses | ■ Actives:<br>• Currently covered: current marital status<br>• Currently waived – Safety: 80% married<br>• Currently waived – Misc: 20% married<br>■ Retirees: based on current coverage | ■ Same |
| ■ Medical Plan at Retirement | ■ Currently covered: same as current elections<br>■ Currently waived: PERS Platinum Region 3 | ■ Same |
| ■ Retiree Contribution Increases (Police only) | ■ No future increases assumed in retiree contributions ($0/$14.15/$23.99 for single/2-party/family coverage) | ■ Same |

## ACTUARIAL ASSUMPTIONS

| | June 30, 2021 Valuation | June 30, 2023 Valuation |
|---|---|---|
| ■ Spouse Age | ■ Males 3 years older than females if spouse birth date not provided | ■ Same |
| ■ Medicare Eligible Rate | ■ Actives:<br>• Hired < 4/1/1986: 90%<br>• Hired ≥ 4/1/1986:100%<br>■ Retirees < 65:<br>• 95%<br>■ Everyone eligible for Medicare will elect Part B coverage | ■ Same |
| ■ PEMHCA Administrative Fees | ■ Percent of premium added to Normal Cost: 0.25% of premium for 2021/22 and later years | ■ Percent of premium added to Normal Cost: 0.30% of premium for 2023/24 and later years (5-year average) |



## ACTUARIAL ASSUMPTIONS

| | June 30, 2023 Valuation |
|---|---|
| ■ HMO Medical Claims Costs 2024<br>PEMHCA Implicit Subsidy Estimate | ■ Sample estimated monthly claims costs |

Region 3 - Non-Medicare Eligible

| | BS Access+ | | Kaiser | | UnitedHealthcare | |
|---|---|---|---|---|---|---|
| Age | M | F | M | F | M | F |
| 25 | $275 | $453 | $314 | $519 | $300 | $495 |
| 35 | 361 | 635 | 413 | 726 | 394 | 693 |
| 45 | 515 | 687 | 590 | 786 | 563 | 750 |
| 55 | 811 | 886 | 927 | 1,013 | 885 | 968 |
| 60 | 1,020 | 1,026 | 1,166 | 1,174 | 1,114 | 1,121 |
| 65 | 1,263 | 1,209 | 1,444 | 1,383 | 1,379 | 1,321 |
| 70 | 1,420 | 1,355 | 1,625 | 1,550 | 1,551 | 1,480 |
| 75 | 1,598 | 1,521 | 1,828 | 1,739 | 1,746 | 1,661 |
| 80 | 1,843 | 1,739 | 2,108 | 1,989 | 2,013 | 1,899 |

| | June 30, 2023 Valuation |
|---|---|
| ■ PPO Medical Claims Costs 2024<br>PEMHCA Implicit Subsidy Estimate | ■ Sample estimated monthly claims costs |

Region 3 - NonMedicare Eligible

| | PERS Platinum | | PERS Gold | | PORAC | |
|---|---|---|---|---|---|---|
| Age | M | F | M | F | M | F |
| 25 | $357 | $582 | $314 | $511 | $324 | $539 |
| 35 | 466 | 810 | 409 | 710 | 428 | 757 |
| 45 | 660 | 876 | 579 | 767 | 614 | 820 |
| 55 | 1,031 | 1,126 | 903 | 986 | 968 | 1,059 |
| 60 | 1,294 | 1,302 | 1,133 | 1,141 | 1,220 | 1,228 |
| 65 | 1,599 | 1,532 | 1,401 | 1,342 | 1,512 | 1,448 |
| 70 | 1,772 | 1,691 | 1,552 | 1,481 | 1,745 | 1,664 |
| 75 | 1,973 | 1,878 | 1,728 | 1,645 | 1,999 | 1,901 |
| 80 | 2,273 | 2,145 | 1,990 | 1,879 | 2,306 | 2,175 |

Region 3 - Medicare Eligible

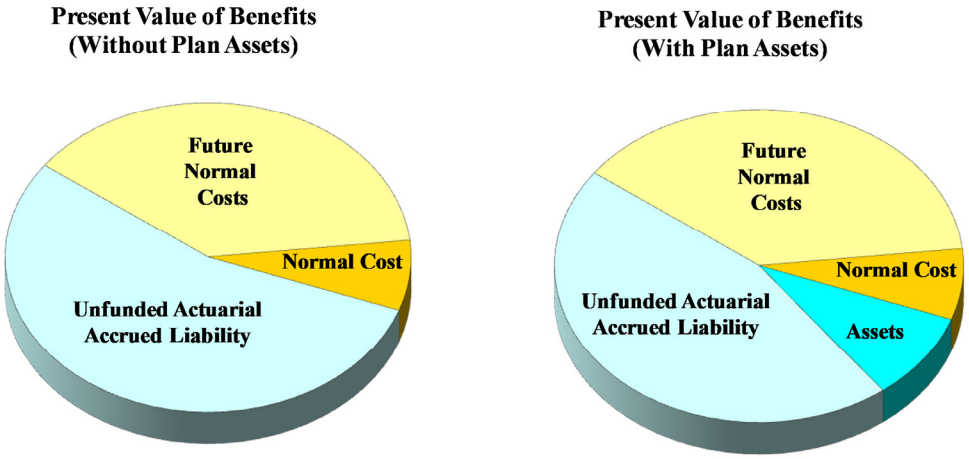
| | PERS Platinum | | PERS Gold | | PORAC | |
|---|---|---|---|---|---|---|
| Age | M | F | M | F | M | F |
| 65 | $447 | $428 | $370 | $354 | $408 | $391 |
| 70 | 484 | 463 | 401 | 384 | 442 | 423 |
| 75 | 516 | 495 | 427 | 410 | 471 | 452 |
| 80 | 532 | 514 | 440 | 425 | 486 | 469 |





| | June 30, 2023 Valuation |
|---|---|
| ■ Basis for Assumptions | ■ No experience study performed for this Plan<br>■ CalPERS 2000-2019 experience study was used<br>■ Mortality improvement based on Society of Actuaries table<br>■ Inflation based on the Plan's very long time horizon<br>■ Medical trends based on expectations over short term blended into long term trends using the Society of Actuaries Getzen Model<br>■ Age-based claims costs based on demographic data provided by CalPERS and Society of Actuaries studies<br>■ Participation and coverage based in part on Plan experience<br>■ Capital market assumptions based on 2021 Foster & Foster stochastic analysis, taking into account capital market assumptions of investment advisory firms |
| ■ Actuarial Modeling | ■ Valuation prepared using ProVal, an actuarial model leased from WinTech. Use of ProVal is consistent with its intended purpose. We reviewed and understand ProVal and its operation. |
| ■ Data Quality | ■ Our valuation used census data provided by the City and CalPERS OPEB data extract. We reviewed the data for reasonableness and resolved any questions with the City. We believe the resulting data can be relied on for all purposes of this valuation. |

## Present Value of Benefits (PVB)




**PVB - Present Value of all Benefits**

- Discounted value, at measurement date (valuation date) of all future expected benefit payments
- Expected benefit payments based on various actuarial assumptions





- **AAL – Actuarial Accrued Liability / Actuarial Obligation**
  - Discounted value at measurement date (valuation date) of benefits "earned" through measurement date based on actuarial cost method
  - Portion of PVB "earned" at measurement
- **NC - Normal Cost**
  - Value of benefits "earned" during current year
  - Portion of PVB allocated to current year
- **Actuarial Cost Method**
  - Determines how benefits are "earned" or allocated to each year of service
  - Has no effect on PVB
  - Has significant effect on Actuarial Obligations and Normal Cost
- **Pay-As-You-Go Cost (PayGo)**
  - Cash Subsidy – Actual cash benefit payments to retirees
  - Implicit Subsidy – Difference between cost of retiree benefits and retiree premiums
  - PayGo is the expected retiree benefit payments for the year while Normal Cost is the cost of benefits accrued by active employees during the year.

**AGENDA ITEM NO. 11.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Finance

---

**City Manager: Department Head:**



**SUBJECT:**
Annual Comprehensive Financial Report of the City of Hawthorne for the Fiscal Year Ended June 30, 2025.

**RECOMMENDED MOTION:**
Staff recommends that the City Council receive and file the Annual Comprehensive Financial Report of the City of Hawthorne for the Fiscal Year ended June 30, 2025.

**DISCUSSION:**
The General Fund actual revenues exceeded budgeted revenues by approximately $5.9 million in Fiscal Year 2024-2025. The excess revenue was primarily due to an increase in tax and special assessments revenues and operating transfers in. This resulted in an increase of 5.2% in General Fund revenues compared with the prior fiscal year 2023-2024. Revenue projections for FY 2024-2025 were based on conservative estimates to account for modest economic growth. The General Fund expenditures for Fiscal Year 2024-2025 were under budgeted expenditures by approximately $8.2 million. The decrease in expenditures was primarily due to a decrease in public safety expenditures; actual expenditures for most departments were below budgeted amounts.

The programs with lower than anticipated expenditure amounts included: City Manager of $332 thousand, City Attorney of $1 thousand, Administrative Services of $754 thousand, Public Safety of $4.2 million, Planning of $499 thousand, Building & Safety of $129 thousand, Parks & Recreation of $559 thousand, and Public Works of $1.8 million.

*City of Hawthorne*

**Required Supplementary Information**
**Budgetary Comparison Schedule by Department**
**General Fund**
**For the Fiscal Year Ended June 30, 2025**

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Taxes | $ 97,478,911 | $ 94,124,937 | $ 98,138,428 | $ 4,013,491 |
| Licenses and permits | 1,858,419 | 2,058,419 | 1,885,304 | (173,115) |
| Intergovernmental | 1,466,000 | 1,690,950 | 1,884,985 | 194,035 |
| Charges for services | 4,618,500 | 5,368,900 | 6,315,694 | 946,794 |
| Fines and forfeitures | 3,200,000 | 3,200,000 | 2,168,952 | (1,031,048) |
| Use of money and property | 1,500,000 | 3,500,000 | 5,275,216 | 1,775,216 |
| Contributions | 200,000 | 200,000 | 200,000 | - |
| Miscellaneous | 1,882,331 | 2,392,912 | 2,569,034 | 176,122 |
| Total revenues | 112,204,161 | 112,536,118 | 118,437,613 | 5,901,495 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government: | | | | |
| Mayor and City Council | 8,812,681 | 9,541,828 | 9,677,605 | (135,777) |
| City clerk | 446,563 | 446,175 | 357,770 | 88,405 |
| City manager | 962,222 | 950,213 | 618,657 | 331,556 |
| City treasurer | 52,366 | 54,888 | 52,940 | 1,948 |
| City attorney | 1,270,645 | 1,443,354 | 1,442,601 | 753 |
| Administrative services | 11,670,122 | 11,593,471 | 10,839,811 | 753,660 |
| Public safety: | | | | |
| Police | 65,473,611 | 67,252,731 | 63,063,778 | 4,188,953 |
| Community development: | | | | |
| Planning | 2,680,848 | 2,765,097 | 2,265,803 | 499,294 |
| Building and safety | 1,336,226 | 1,354,634 | 1,225,734 | 128,900 |
| Parks and recreation | 5,849,039 | 5,809,700 | 5,250,375 | 559,325 |
| Public works | 3,747,190 | 3,836,972 | 2,051,545 | 1,785,427 |
| Capital outlay | 24,720 | 856,091 | 848,008 | 8,083 |
| Total expenditures | 102,326,233 | 105,905,154 | 97,694,627 | 8,210,527 |
| Excess (deficiency) of revenues over (under) expenditures | 9,877,928 | 6,630,964 | 20,742,986 | 14,112,022 |
| **Other Financing Sources (Uses)** | | | | |
| Subscription acquisition | - | 481,964 | 492,800 | 10,836 |
| Transfers in | 3,000,000 | 42,493 | 41,494 | (999) |
| Transfers out | (7,623,630) | (11,536,937) | (16,033,444) | (4,496,507) |
| Total other financing sources (uses) | (4,623,630) | (11,012,480) | (15,499,150) | (4,486,670) |
| Net change in fund balance | 5,254,298 | (4,381,516) | 5,243,836 | 9,625,352 |
| **Fund Balance** | | | | |
| Beginning | 109,473,673 | 109,473,673 | 109,473,673 | - |
| Ending | $ 114,727,971 | $ 105,092,157 | $ 114,717,509 | $ 9,625,352 |

The City's unrestricted fund balance for the General Fund increased from $93.98 million at year end June 30, 2023, to $109.36 million at year end June 30, 2024. The City's unrestricted fund balance at fiscal year end June 30, 2025, for the General Fund was $114,610,688. This is approximately 117.32% of the total General Fund Expenditures. The required fund Balance for Fiscal Year 2024-25 was $27.4 million, or 3 months (25%) of budgeted expenditures.

*City of Hawthorne*

## Balance Sheet – Governmental Funds
## June 30, 2025

| | General |
|---|---|
| **ASSETS** | |
| Cash and investments | $ 100,486,949 |
| Cash and investments with fiscal agents | - |
| Receivables: | |
| Accounts | 10,669,874 |
| Taxes | 234,505 |
| Interest | 590,424 |
| Leases | 5,433,402 |
| Due from other governments | - |
| Due from other funds | 11,212,181 |
| Inventories | 70,292 |
| Total assets | $ 128,697,627 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | |
| **Liabilities:** | |
| Accounts payable | $ 2,723,389 |
| Accrued liabilities | 1,684,534 |
| Accrued Benefits Payable | 1,599,556 |
| Unearned revenue | - |
| Deposits payable | 2,774,757 |
| Due to other funds | - |
| Total liabilities | 8,782,236 |
| **Deferred Inflows of Resources:** | |
| Unavailable revenue | - |
| Lease related | 5,197,882 |
| Total deferred inflows of resources | 5,197,882 |
| **Fund Balances (Deficit):** | |
| Nonspendable | 70,292 |
| Restricted | 36,529 |
| Unassigned | 114,610,688 |
| Total fund balances | 114,717,509 |
| Total liabilities, deferred inflows of resources and fund balances | $ 128,697,627 |

The City's total long-term liabilities increased by $26 million during the current fiscal year, primarily due to the increase in the bond liability in the fiscal year.

## City of Hawthorne' Outstanding Liabilities

| | Governmental Activities | | Internal Service Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| **Long-Term Debt:** | | | | | | | | |
| Bond | $ 153,024,974 | $ 128,193,600 | $ - | $ - | $ - | $ - | $ 153,024,974 | $ 128,193,600 |
| Lease/ SBITA payable | 1,173,470 | - | - | 11,506 | - | - | 1,173,470 | 11,506 |
| **Total** | $ 154,198,444 | $ 128,193,600 | $ - | $ 11,506 | $ - | $ - | $ 154,198,444 | $ 128,205,106 |
| **Operational Liabilities:** | | | | | | | | |
| Compensated absences | $ 9,703,727 | $ 8,026,448 | $ 67,071 | $ 44,769 | $ 135,078 | $ 120,015 | $ 9,905,876 | $ 8,191,232 |
| OPEB | 99,916,552 | 100,619,074 | - | - | - | - | 99,916,552 | 100,619,074 |
| Net Pension Liability | 25,145,711 | 31,441,816 | 404,080 | 625,470 | 471,462 | 729,770 | 26,021,253 | 32,797,056 |
| Claims and Judgment payable | - | - | 6,476,989 | 6,594,710 | - | - | 6,476,989 | 6,594,710 |
| **Total** | $ 134,765,990 | $ 140,087,338 | $ 6,948,140 | $ 7,264,949 | $ 606,540 | $ 849,785 | $ 142,320,670 | $ 148,202,072 |

The City's operational liabilities, which include compensated absences, OPEB, pension-related debt and claims and judgments, total $142 million. This is a decrease of $5 million primarily in Net Pension Liability. Debt service payments for Fiscal Year 2024-25 totaled $5,350,850 as follows:

| Debt Service Payment | Amount |
|---|---|
| SBRPCA Direct Placement Lease | $ 205,850 |
| Certificates of Participation (Refinance of 2015 POB and Police Facility) | $ 2,215,000 |
| 2019 Pension Obligation Bonds | $ 2,930,000 |
| **Total** | **$ 5,350,850** |

As determined by the latest actuarial valuation, the City's OPEB Liability decreased by $702,522 thousand to a total of $99,916,552. The City's OPEB liability decreased due to higher discount rate for the actuarial valuation. The increase in the discount rate from 4.27% to 4.53% reflects the additional investment earnings expected now that the City is partially pre-funding the benefit in a trust. The higher the discount rate, the lower the liability. The City currently pays the postemployment health insurance on a pay as you go basis, with payments totaling $3,211,093 in Fiscal Year 2023-2024. The Council authorized the PARS IRS approved Section 115 Trust, which was established in November of 2022. A total of $9.35 million in contributions has been made to the trust since it was established.

The City's net position, at June 30, 2025 totaled $103.4 million. The total net position increased from the prior fiscal year 2023-24 by $28,861,646 primarily due to the decrease in public safety expenditures.

The following contributing items have impacted the overall net position:
· Taxes increased by $4 million
· Use of money & property increased by $1.8 million
· General Government expenditures decreased by $1 million
· Public Safety expenditures decreased by $4.2 million
· Community Development expenditures decreased by $628 thousand
· Parks & Recreation expenditures decreased by $559 thousand
· Public works expenditures decreased by $$1.8 million

The following table reflects the change in net position from fiscal year 2023-24 to fiscal year 2024-25.

**STATEMENT OF ACTIVITIES**
**For The Fiscal Year Ended June 30,**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| **Revenues** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 19,266,212 | $ 15,701,120 | $ 2,345,796 | $ 1,908,298 | $ 21,612,008 | $ 17,609,418 |
| Operating contributions and grants | 25,978,623 | 33,132,326 | 211,388 | 359,050 | 26,190,011 | 33,491,376 |
| Capital contributions and grants | 19,734,808 | 20,280,336 | - | - | 19,734,808 | 20,280,336 |
| General revenues: | | | | | | |
| Property taxes | 26,024,052 | 24,417,302 | - | - | 26,024,052 | 24,417,302 |
| Sales taxes | 36,632,700 | 36,012,398 | - | - | 36,632,700 | 36,012,398 |
| Transient occupancy taxes | 7,458,960 | 6,846,103 | - | - | 7,458,960 | 6,846,103 |
| Franchise taxes | 2,084,128 | 3,693,594 | - | - | 2,084,128 | 3,693,594 |
| Business License taxes | 9,809,437 | 10,541,480 | - | - | 9,809,437 | 10,541,480 |
| Utility Users tax | 9,846,539 | 8,029,444 | - | - | 9,846,539 | 8,029,444 |
| Cannabis tax | 460,422 | 189,024 | - | - | 460,422 | 189,024 |
| Other | 8,717,020 | 7,799,009 | 179,823 | 519,780 | 8,896,843 | 8,318,789 |
| Total Revenues | 166,012,901 | 166,642,136 | 2,737,007 | 2,787,128 | 168,749,908 | 169,429,264 |
| **Expenses** | | | | | | |
| General government | 26,300,945 | 16,820,840 | - | - | 26,300,945 | 16,820,840 |
| Public safety | 67,271,419 | 71,667,280 | - | - | 67,271,419 | 71,667,280 |
| Community development | 18,027,905 | 18,779,695 | - | - | 18,027,905 | 18,779,695 |
| Parks and recreation | 5,578,935 | 6,092,428 | - | - | 5,578,935 | 6,092,428 |
| Public works | 14,195,033 | 15,874,801 | - | - | 14,195,033 | 15,874,801 |
| Interest on long-term debt | 6,220,201 | 4,439,565 | - | - | 6,220,201 | 4,439,565 |
| Airport | - | - | 1,306,868 | 1,466,634 | 1,306,868 | 1,466,634 |
| Sewer and storm drain | - | - | 986,956 | 933,692 | 986,956 | 933,692 |
| Total Expenses | 137,594,438 | 133,674,609 | 2,293,824 | 2,400,326 | 139,888,262 | 136,074,935 |
| Increase in Net Position Before Transfers | 28,418,463 | 32,967,527 | 443,183 | 386,802 | 28,861,646 | 33,354,329 |
| Transfers in/(out) | 273,965 | 224,626 | (273,965) | (224,626) | - | - |
| Change in Net Position | 28,692,428 | 33,192,153 | 169,218 | 162,176 | 28,861,646 | 33,354,329 |
| Net Position, Beginning | 57,146,794 | 23,954,641 | 17,430,754 | 17,268,578 | 74,577,548 | 41,223,219 |
| Net Position, Ending | $ 85,839,222 | $ 57,146,794 | $ 17,599,972 | $ 17,430,754 | $ 103,439,194 | $ 74,577,548 |

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**

.

**FISCAL IMPACT:**

None.

**NOTICING PROCEDURE:**

72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**

ACFR 24-25




# *City of Hawthorne, California*

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by the Hawthorne Finance Department

This page intentionally left blank.

# *City of Hawthorne, California*

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by the Hawthorne Finance Department

This page intentionally left blank.

## TABLE OF CONTENTS

### INTRODUCTORY SECTION:

Letter of Transmittal ..... i
Organizational Chart ..... ix
List of Principal Officials ..... x
GFOA Certificate of Achievement for Excellence in Financial Reporting ..... xi

### FINANCIAL SECTION:

Independent Auditor's Report ..... 1
Management's Discussion and Analysis ..... 5
Basic Financial Statements:
- Government-Wide Financial Statements:
  - Statement of Net Position ..... 20
  - Statement of Activities ..... 21
- Fund Financial Statements
  - Balance Sheet – Governmental Funds ..... 23
  - Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position ..... 25
  - Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... 26
  - Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities ..... 28
- Proprietary Funds
  - Statement of Net Position ..... 29
  - Statement of Revenues, Expenses and Changes in Fund Net Position ..... 30
  - Statement of Cash Flows ..... 31
- Fiduciary Funds
  - Statement of Fiduciary Net Position ..... 32
  - Statement of Changes in Fiduciary Net Position ..... 33
- Notes to Basic Financial Statements ..... 34

Required Supplementary Information:
- Budgetary Comparison Schedule by Function
  - General Fund ..... 96
  - Hawthorne Housing Authority Special Revenue Fund ..... 98
  - American Rescue Plan Act Fund ..... 99
  - CA Parks & Recreation Community Center Special Revenue Fund ..... 100

## TABLE OF CONTENTS, (Continued)

**FINANCIAL SECTION, (Continued):**

Required Supplementary Information, (continued):
- California Public Retirement System
  - Schedule of Changes in Net Pension Liability and Related Ratios ..... 101
  - Schedule of Plan Contributions – Agent Plan ..... 103
  - Schedule of City's Proportionate Share of the Plan's Net Pension Liability and Related Ratios as of the Measurement Date ..... 104
  - Schedule of Plan Contributions – Cost Sharing Plan ..... 105
  - Schedule of Plan Contributions – OPEB ..... 106
  - Schedule of Changes in the Net OPEB Liability and Related Ratios ..... 107
  - Notes to Required Supplementary Information ..... 109

Supplementary Information:
- Non-Major Governmental Funds:
  - Combining Balance Sheet ..... 116
  - Combining Statement of Revenues, Expenditures and Changes in Fund Balances ..... 129
  - Schedule of Revenues, Expenditures, and Changes Fund Balance – Budget and Actual
    - Park Improvements Capital Projects Fund – Major Fund ..... 142
    - Civic Center Lease Bonds Fund – Major Fund ..... 143
    - Street Lighting Special Revenue Fund ..... 144
    - Gas Tax Special Revenue Fund ..... 145
    - Street Special Revenue Fund ..... 146
    - Asset Forfeiture Special Revenue Fund ..... 147
    - COPS Special Revenue Fund ..... 148
    - California Office of Traffic Safety Special Revenue Fund ..... 149
    - Local Law Enforcement Block Grant Special Revenue Fund ..... 150
    - MTA Measure R Special Revenue Fund ..... 151
    - Proposition A Special Revenue Fund ..... 152
    - MTA Measure M Special Revenue Fund ..... 153
    - Proposition C Special Revenue Fund ..... 154
    - Air Quality Special Revenue Fund ..... 155
    - California Used Oil Recycling Special Revenue Fund ..... 156
    - California Beverage Container Recycling Special Revenue Fund ..... 157
    - CATV Peg Special Revenue Fund ..... 158
    - Housing Asset Special Revenue Fund ..... 159
    - HOME Grant Special Revenue Fund ..... 160
    - Community Development Block Grant Special Revenue Fund ..... 161
    - FEMA Grant Special Revenue Fund ..... 162
    - SB1383 Local Assistance Grant Special Revenue Fund ..... 163
    - Permanent Local Housing Allocation Special Revenue Fund ..... 164
    - MTA Measure W Special Revenue Fund ..... 165
    - SB2 Planning Grant Special Revenue Fund ..... 166
    - Urban Security Initiative Grant Special Revenue Fund ..... 167

## TABLE OF CONTENTS, (Continued)

**FINANCIAL SECTION, (Continued):**

Rain Water Grant Special Revenue Fund ..... 168
Los Angeles Centers for Alcohol and Drug Abuse Special Revenue Fund ..... 169
California Parks & Recreation Senior Center Special Revenue Fund ..... 170
HUD Community Development Special Revenue Fund ..... 171
Cannabis Retail Access Grant Special Revenue Fund ..... 172
Recycling Fund Special Revenue Fund ..... 173
Homeland Security - StoneGarden Fund Special Revenue Fund ..... 174
Asset Forfeiture - Justice Fund Special Revenue Fund ..... 175
USDOT - SS4A Fund Special Revenue Fund ..... 176
Homeland Security/Treasury Forfeiture Fund Special Revenue Fund ..... 177
2009 Street Improvements Fund Special Revenue Fund ..... 178
Development Impact Capital Projects Fund ..... 179
Capital Improvement Capital Projects Fund ..... 180
Public Financing Authority Debt Service Fund ..... 181
2016 Refunding Bonds Debt Service Fund ..... 182
2016 Direct Placement Lease Financing Fund ..... 183
2019 Pension Obligation Bond Debt Service Fund ..... 184

Internal Service Funds:
Combining Statement of Net Position ..... 185
Combining Statement of Revenues, Expenses and Changes in Fund Net Position ..... 186
Combining Statement of Cash Flows ..... 187

**STATISTICAL SECTION (UNAUDITED):**

Net Position by Component ..... 189
Changes in Net Position ..... 191
Fund Balances of Governmental Funds ..... 195
Changes in Fund Balances of Governmental Funds ..... 197
Assessed Value and Estimated Actual Value of Taxable Property ..... 199
Direct and Overlapping Property Tax Rates ..... 200
Principal Property Taxpayers ..... 202
Property Tax Levies and Collections ..... 203
Ratios of Outstanding Debt by Type ..... 204
Ratios of General Bonded Debt Outstanding ..... 205
Legal Debt Margin Information ..... 206
Pledged-Revenue Coverage ..... 208
Direct and Overlapping Debt ..... 209
Demographic and Economic Statistics ..... 210
Principal Employers ..... 211
Full-Time and Part-Time Employees by Function ..... 212
Operating Indicators by Function ..... 213
Capital Asset Statistics by Function/Program ..... 215

This page intentionally left blank.

# Transmittal Letter

January 16, 2026

Honorable Mayor, City Council, and Citizens of the City of Hawthorne:

It is a pleasure to submit the Annual Comprehensive Financial Report (ACFR) of the City of Hawthorne for the fiscal year ended June 30, 2025. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by an independent auditing firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Hawthorne for the fiscal year ended June 30, 2025.

While traditionally addressed to the governing legislative body of the City, this report is also intended to provide relevant financial information to the citizens of the City of Hawthorne, City staff, creditors, investors, and other concerned readers. We encourage all readers to contact the Finance Department with any questions or comments concerning this report.

**Purpose and Management Responsibility –** The report consists of management's representations concerning the finances of the City of Hawthorne. Management assumes full responsibility for the completeness and reliability of all the information presented. To provide a reasonable basis for making these representations, management of the City of Hawthorne has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Hawthorne's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

As management, we affirm that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects, and is presented in a manner designed to fairly represent the financial position and results of operations of the various funds and component units of the City of Hawthorne.

The City is responsible for ensuring the completeness and fairness of the information presented in this report. To provide a basis for making these representations, the City's management has established an internal control system that consists of defined responsibilities, authority, and procedures.

**Audited Financial Statements** – Rogers, Anderson, Malody & Scott, LLP ("RAMS"), a firm of licensed certified public accountants, has audited the City of Hawthorne's financial statements. The goal of the independent audit was to provide reasonable assurance that the City of Hawthorne's financial statements for the fiscal year ended June 30, 2025, are presented fairly in all material respects. After a thorough evaluation of the City's internal controls and all required financial documents, the independent auditors rendered an unmodified ("clean") opinion that the City of Hawthorne's financial statements contained herewith are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section of this report.

**Organization of Report** – GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Hawthorne's MD&A can be found in the Financial Section, immediately following the report of the independent auditors.

## City of Hawthorne Profile

The City of Hawthorne was incorporated in 1922 and encompasses 6 square miles. The City is located in the South Bay region of Los Angeles County. It is 17 miles east of downtown Los Angeles and 5 miles east of Los Angeles International Airport (LAX). Neighboring communities include Gardena, Lawndale, and Redondo Beach.

The City of Hawthorne is a California General Law city that operates under the Council/ City Manager form of government. The City Council, which consists of five members, is elected at large and each serves a term of four years. The City Council serves as the legislative and policy-making body of the City and as the Successor Agency to the former Hawthorne Redevelopment Agency, enacts all ordinances and operating resolutions, adopts the annual budget, appoints commissions and committees, and hires the City Manager. The City Manager serves as the chief executive officer and is responsible for implementing the policies, ordinances, and directives of the City Council, overseeing the day-to-day operations of the City, and appointing department directors with the concurrence of the City Council. The City Attorney and Chief of Police are also appointed directly by the Council.

In addition, the City Council appoints members of the following advisory boards and commissions.

| | |
|---|---|
| Public Funds Advisory Committee | Planning Commission |
| Recreation & Comm. Svc Commission | Veterans' Affairs Commission |
| Civil Service Commission | Cannabis Program Committee |
| Senior Citizens' Commission | Youth Commission |

Every two years, two members of the City Council are elected at large by the community to serve four-year terms. Annually, the Council meets and elects a Mayor Pro Tem from its members to serve a one-year term. The Mayor acts as the presiding officer of the City Council.

**City Services** – The City offers a comprehensive range of services, including police protection, public works, engineering, storm drainage, planning and development, human services, park and landscape maintenance, code enforcement, building inspections, and administrative support. Fire protection and Library services are provided by Los Angeles County. Many recreation programs are available for all age groups, as well as services for the mature adult population, throughout the year. The City provides trash collection services through a contracted third-party provider.

**Budgetary Policy and Control** – The City operates on an annual budget schedule. The annual budget serves as the foundation for the City of Hawthorne's financial planning and management. The budget development process begins in December. Finance staff updates Excel worksheets for each department. Those worksheets are distributed in February. Each department is responsible for developing the operational line items, while Finance staff is responsible for the salary and benefit line items.

The Finance Director, in coordination with all applicable operating departments, provides the City Manager with proposed revenue projections. These revenue estimates are reviewed in conjunction with the department's expenditure budget requests to determine available funding levels for the fiscal year. Supplemental requests, proposing changes to personnel, services, or capital/equipment purchases, are subject to City Manager review and approval. This procedure applies to all governmental and enterprise funds.

The City Manager and Finance Director meet with Department Heads to review all operating budgets, supplemental requests, department's goals and programs for the upcoming fiscal year. After the City Manager completes this review, the proposed budget is presented to the City Council. The City Council then holds a public workshop and a public hearing. The City Council adopts a budget recommended by the City Manager before June 30.

Any Grants, including but not limited to JAG, OTS, CDBG, HOME, Section 8, Street projects, FAA/Airport Grants, ARPA, Community Service/Parks/Homeless Grants, etc., that are not completed by the June 30 Fiscal Year End accrual period, require carry over amounts to be posted to the new fiscal year. This carry-over amount is processed administratively by the Finance Department after the reconciliation of the prior year is completed and reviewed by the department head or designee in charge of the grant administration.

Throughout the fiscal year, the budget can be amended as necessary to meet the City's requirements. After adoption, the City Council may modify appropriations at any time with majority approval. Department Heads and their designated representatives may only authorize expenditures based on appropriations approved by City Council action, and only from accounts under their organizational responsibility. Total expenditures within each fund may not exceed the total appropriations for that fund. Interfund transfers require a budget amendment by the City Council. Interfund transfers for the prior fiscal year closeout are processed administratively by the Finance Department after the reconciliation of the previous year is completed.

# Economic Condition and Outlook

Information presented in the City's financial statements is perhaps best understood when it is considered within the context of our broader economic conditions. It is essential to consider various shifts in the national economy, including the potential lowering of interest rates and a slowdown in consumer spending. The ongoing government shutdown delayed the release of the Commerce Department's initial estimate of the third-quarter GDP. Based on the most recent estimate from the Bureau of Economic Analysis, the United States' real gross domestic product (GDP) for the third quarter increased at an annual rate of 4.3% as of December 25, 2025. The second quarter increase was 3.8%. In the first quarter, real GDP decreased .6 percent. This growth was driven primarily by increases in private goods-producing industries, such as construction & manufacturing, and private services-producing industries, including utilities, finance, real estate, and healthcare.

Unemployment is one of the most important measures that economists track to gauge the health of an economy. In December 2025, the Bureau of Labor Statistics reported the national unemployment rate for November at 4.6%, the highest in 4 years, compared to 4.1% in October 2024. It has increased steadily since June 2025. The UCLA Anderson Forecast anticipated that the labor market would weaken further through the end of 2025, with the unemployment rate peaking at 4.6% at the beginning of 2026.

In November, the U.S. Bureau of Economic Analysis reported that the personal consumption expenditures (PCE) price index, a widely used measure of inflation, increased by 2.8% from a year ago. The consumer price index (CPI), another closely watched U.S. inflation gauge, was up 2.7% year-over-year in November. Down from 3.0% previously reported for September. The CPI measures changes in prices paid by urban consumers for a specific basket of goods and services.

On December 10, 2025, the Federal Reserve cut rates by 25 basis points, lowering the target range for the federal funds rate to 3.50% – 3.75%, following similar reductions in September and October, and in line with expectations. This brings borrowing costs to their lowest level since 2022. Policymakers aim to maintain economic stability as they head into 2026. This rate determines the interest banks charge each other for overnight lending, but it also often influences consumer loans such as mortgages, credit cards, and auto loans.

## LOCAL ECONOMY

The City of Hawthorne has been fortunate to have a stable and diverse economic base, which has somewhat shielded its economy from downturns in any one specific category. With the slowing economy, the City of Hawthorne experienced its first decrease in Sales Tax revenue in fiscal year 2023-24; however, sales tax revenue increased by 1.7% in fiscal year 2024-25. The total overall Tax revenue category showed an increase over budget of $4 M. The City's top five revenue sources are Sales Tax, Vehicle License Fees, Property Tax, Business License Tax, and Utility Users Tax. The Los Angeles County Economic Development Corporation (LAEDC) produces an annual forecast to assess and predict key national, state, regional, and local economic indicators.

According to the February 2025 Economic Forecast prepared by the Los Angeles County Economic Development Corporation, *"We expect slower growth of 2.0 percent in 2025 and 1.8 percent in 2026, in light of the country's continuing battle against inflation and potentially destabilizing federal economic policies."*

California's unemployment rate increased to 5.6% in September 2025, compared to 5.4% in October 2024 and 4.8% in November 2023. The unemployment rate in California has been higher than the national average in the US. Unemployment is one of the most important measures that economists track to gauge the health of an economy. Generally, low unemployment rates indicate a strong economy, as most workers can find employment. Most economists project the U.S. unemployment rate to hover around 4.5% in 2026.

According to Bureau of Labor Statistics data, the average unemployment rate in Los Angeles County for September 2025 was estimated at 5.70%, compared to 5.80% in September 2024. The unemployment rate is expected to average around 5.4% in 2026.

The City of Hawthorne is comprised of a majority of single-family homes, condominiums, and apartments, as well as a mixture of retail, office, industrial, and service entities providing a solid tax base for the City. Most businesses are oriented toward serving local residents and visitors. The local business environment and the availability of amenities in the community make Hawthorne a desirable place to work and live.

Hawthorne's General Fund revenues for the 2024-2025 fiscal year increased 7.38% compared with the prior fiscal year. Revenues totaled $118.4 million for the year ended June 30, 2025. The City's major revenue sources are property taxes, sales taxes, and licenses/fees. The City also receives revenue through the State of California, including gasoline taxes, which are apportioned by the State based upon population, and property taxes in lieu of motor vehicle license fees, which are apportioned similarly to property taxes. Revenue projections for FY 2024-25 were based on conservative estimates to account for modest economic growth.

One of the City's single largest sources of revenue is sales tax. The City has experienced steady growth in sales tax revenues each year since 2012. Despite the economic slowdown caused by the COVID-19 Pandemic, the City continued to see an increase in Sales Tax revenues. In FY 23-24, the city experienced its first decrease in Sales Tax revenue, primarily due to a decline in the Auto-Transportation Category and in business and industry. As mentioned earlier, the City has been fortunate to have a stable and diverse economic base, and Sales Tax showed an increase of 1.7% in FY 24-25. Two of the City's largest categories are General Retail, which represents 13%, and New Auto sales, which represent 8% of Hawthorne's sales tax revenues. This year, there were decreases in the Auto-Transportation and Fuel Service Station Category, but these were offset by increases in the Business & Industry and Food & Drug categories.

On the expense side, total General Fund expenditures increased by 14.7% in fiscal year 2024-2025 from the prior fiscal year. Expenses for the City totaled $97.7 million for the year ended June 30, 2025. Pressures on the cost of providing these programs and services include, but are not limited to, increased labor costs, inflation, unfunded state and federal mandates (e.g., rising minimum wages and part-time benefits, stormwater runoff permit fees, etc.), and rising pension costs.

## Tax Abatement Disclosures

GASB Statement 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

For the purposes of this report, Tax Abatements are defined as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

The City entered into two such Tax Abatement agreements as noted below.

| Sales Tax | | | Total |
|---|---|---|---|
| Oceangate Properties, Inc. | 07/23/2001 | FY 2024-25 | $2,209,420 |

The Developer leases certain real property located at 13900 Hawthorne Boulevard, on which the Developer operates a facility for the retail sale of new and used automobiles and light trucks known as "South Bay Ford". Pursuant to the Sixth Implementation Agreement, and in order to induce the Developer to develop a facility for the retail sale and/or leasing of new automobiles and/or light trucks on Parcel 1 and relocate the Developer's new car sales operations to Parcel 1, the City agreed provide to the Developer Sales Tax Incentive Payments. The Developer further intends to continue to use the Hawthorne Boulevard Property for the sale of used vehicles and for service, parts and warranty purposes.

| Transient Occupancy Tax | | | Total |
|---|---|---|---|
| Mogul Hospitality Partners | 08/30/2016 | FY 2024-25 | $1,764,033 |

The Developer is the owner of certain real property totaling approximately 4,000 square feet and located in the City of Hawthorne on which the Developer operates and maintains hotels known as "Marriott Courtyard" and "TownePlace Suites". In order to induce the Developer to construct and operate the hotels on the property for the Operating Period, and upon the fulfillment of the City Disbursement Conditions, the City agreed provide to the Developer TOT Incentive Payments.

## Financial Planning

Each year, the City undertakes two comprehensive processes of financial planning and review. The first takes place during the City Council/Successor Agency Board's review of the City Manager's proposed budget in June, prior to the commencement of the fiscal year beginning July 1. The second is the mid-year review, which evaluates the operating results for the first half of the fiscal year. This mid-year review provides analyses of the City's financial position, with particular emphasis on the General Fund. The City has consistently adopted a fiscally conservative approach and remains in a financially stable position. The focal point of both reviews is the City's five-year projection of General Fund revenue and expenditures. In this context, financial planning considers a longer-term perspective.

## Financial Policies

On September 10, 2019, the City Council approved a minimum Cash Reserve policy to ensure the general fund reserve balance does not fall below three months of average operating expenditures. This amount is calculated by dividing the budgeted total operating expenditures for the current fiscal year by 4. The Fiscal Year 24-25 Cash Reserve is $27,487,466.

## Cash Management

The City manages a pooled investment program for all funds in which temporarily idle cash is invested in a variety of instruments. The investment program is managed in accordance with the Investment Policy approved by the City Council. Safety, liquidity, and yield, in that order, are the objectives of the investment program. Investments are diversified among various investment tools, including certificates of deposit, Federal agency securities, and the State of California's Local Agency Investment Fund (LAIF).

In 2019, the Council approved the addition of a Money Market and Sweep account, both of which are highly liquid and have significantly increased investment earnings. Also in 2019, the Council authorized the investment of $7 million in the General Fund surplus Fund Balance, and in 2020, this amount was increased to $10 million. In 2024, it increased further to $15.5 million. Quarterly reports on investment status and activity are presented to the City Council.

## Risk Management

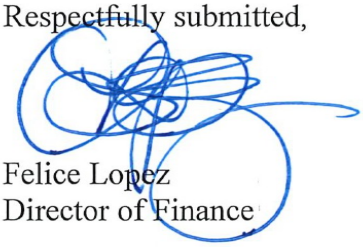
In 2006, the City became an originating member of the Independent Cities Risk Management Authority (ICRMA), a joint powers authority of 18 California cities, for the purpose of pooling the City of Hawthorne's risk for general liability and workers' compensation losses with those of other member cities. The City maintains self-insurance programs for worker's compensation and general liability insurance up to a maximum of $500,000 and $500,000 per occurrence, respectively. General liability claims that exceed the self-insured retention (SIR) of $2 million are covered by ICRMA up to a maximum of $35,000,000 per incident. Worker's compensation claims that exceed the (SIR) are insured by the California Public Entity Insurance Authority up to the California statutory limits for worker's compensation. The City contracts with third party administrators who manages the majority of claims filed against the City.

# Awards and Acknowledgments

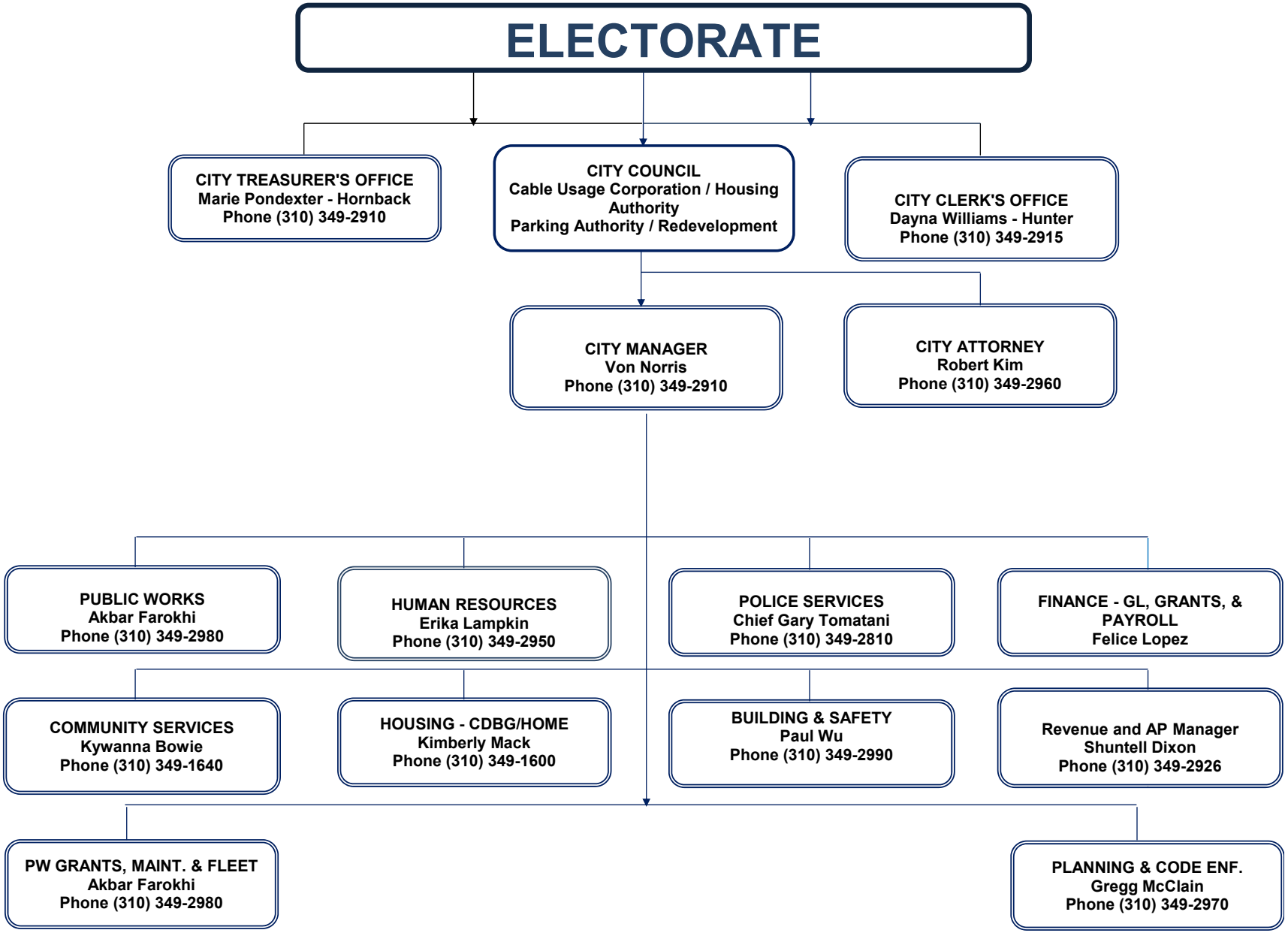
The City's Comprehensive Annual Financial Report was prepared through the combined efforts of City staff. Special recognition is due to the Finance Department, whose continued efforts have met the requirements to be awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the 8th consecutive year. The department coordinated the closing of the books for the fiscal year, ensuring timely and accurate reporting. We would also like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report.

Finally, a special thank you goes to the Mayor, City Council, and City Manager for their support in upholding the highest standards of professionalism in managing the City of Hawthorne's finances. Through ongoing partnership with the community we serve, the City of Hawthorne will continue to be a leader in effective municipal governance and maintain its high quality of life.

Respectfully submitted,



Felice Lopez
Director of Finance


ELECTORATE
CITY TREASURER'S OFFICE
Marie Pondexter - Hornback
Phone (310) 349-2910
CITY COUNCIL
Cable Usage Corporation / Housing Authority
Parking Authority / Redevelopment
CITY CLERK'S OFFICE
Dayna Williams - Hunter
Phone (310) 349-2915
CITY MANAGER
Von Norris
Phone (310) 349-2910
CITY ATTORNEY
Robert Kim
Phone (310) 349-2960
PUBLIC WORKS
Akbar Farokhi
Phone (310) 349-2980
HUMAN RESOURCES
Erika Lampkin
Phone (310) 349-2950
POLICE SERVICES
Chief Gary Tomatani
Phone (310) 349-2810
FINANCE - GL, GRANTS, & PAYROLL
Felice Lopez
COMMUNITY SERVICES
Kywanna Bowie
Phone (310) 349-1640
HOUSING - CDBG/HOME
Kimberly Mack
Phone (310) 349-1600
BUILDING & SAFETY
Paul Wu
Phone (310) 349-2990
Revenue and AP Manager
Shuntell Dixon
Phone (310) 349-2926
PW GRANTS, MAINT. & FLEET
Akbar Farokhi
Phone (310) 349-2980
PLANNING & CODE ENF.
Gregg McClain
Phone (310) 349-2970

# CITY LEADERSHIP

## MAYOR AND CITY COUNCIL



**ALEX VARGAS**
MAYOR



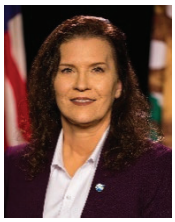
**ALEX MONTEIRO**
MAYOR PRO TEM



**KATRINA MANNING**
COUNCILMEMBER



**ANGIE REYES ENGLISH**
COUNCILMEMBER



**FAYE JOHNSON**
COUNCILMEMBER



**MARIE POINDEXTER-HORNBACK**
CITY TREASURER



**DAYNA WILLIAMS-HUNTER**
CITY CLERK

## CITY OFFICIALS

**VONTRAY NORRIS**
CITY MANAGER

**FELICE LOPEZ**
DIRECTOR OF FINANCE

**ROBERT KIM**
CITY ATTORNEY

**GREGG MCCLAIN**
DIRECTOR OF PLANNING

**KIMBERLY MACK**
DIRECTOR OF HOUSING

**GARY TOMATANI**
CHIEF OF POLICE

**JOSH ARMSTRONG**
DEPUTY DIRECTOR OF INFO. TECH. SYSTEMS

**ERIKA LAMPKIN**
DIRECTOR OF HUMAN RESOURCES

**KYWANNA BOWIE**
DEPUTY DIRECTOR OF COMMUNITY SERVICES

**AKBAR FAROKHI**
DIRECTOR OF PUBLIC WORKS, BUILDING & SAFETY

**SHUNTELL DIXON**
REVENUE & ACCOUNTS PAYABLE MANAGER

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Hawthorne**
**California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

This page intentionally left blank.

*Independent Auditor's Report*

To the Honorable Mayor and Members of the City Council
City of Hawthorne, 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 Hawthorne (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

***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.

***Emphasis of Matter***

As described in Note 1 to the financial statements during the year ended June 30, 2025, the City adopted new accounting guidance under Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences.* Our opinions are not modified with respect to this matter.



Tel. 909-889-0871 | www.ramscpa.net | 735 E. Carnegie Dr. Suite 100, San Bernardino, CA 92408

### *Responsibilities of Management for the Financial Statements*

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 required supplementary information, 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 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 of Hawthorne's basic financial statements. The combining and individual nonmajor 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Other Information*

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 16, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the City's 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.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
January 16, 2026

As management of the City of Hawthorne, we offer readers of the City of Hawthornes' financial statements this narrative overview and analysis of the financial activities of the City of Hawthorne for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and the accompanying basic financial statements.

## FINANCIAL HIGHLIGHTS

- At June 30, 2025, the City's net position (assets plus deferred outflows of resources less liabilities and deferred inflows of resources) was $103 million. Of this amount, $(151.4) million is unrestricted.

- The City of Hawthorne total net position increased from the prior fiscal year by $28,861,646 primarily due to the decrease in public safety expenditures.

- At the close of the current fiscal year, the City of Hawthorne governmental funds reported combined fund balances of $174,284,406, an increase of $37,845,589 in comparison with the prior year. Approximately 58% of this amount, $101,488,677, is unassigned fund balance.

- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed, assigned,* and *unassigned* components of *fund balance)* for the General Fund was $114,610,688 or approximately 117.32% of total General Fund expenditures.

## OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

The City is required to present its financial statement in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB) pronouncements. The discussion and analysis provided here is intended to serve as an introduction to the City of Hawthorne basic financial statements. The City of Hawthorne basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

## Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Hawthorne finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of Hawthorne assets, liabilities, and deferred inflows/outflows 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 of Hawthorne is improving or declining.

The *statement of activities* presents information showing how the City of Hawthorne 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, with the use of the accrual basis of accounting, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Hawthorne that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities).* The governmental activities of the City of Hawthorne include general government, community development, public safety, highways, streets, and parks, and culture and recreation. The business-type activities of the City of Hawthorne include the City's Airport, Sewer and Storm Drain, and Storm Water.

The basic financial statements include the City (Primary government) and all legally separate entities (component units) for which the government is financially accountable. The City's component units consist of the following: The Housing Authority of the City of Hawthorne, The Parking Authority of the City of Hawthorne, and the Hawthorne Public Financing Authority. These component units have been included in the basic financial statements as an integral part of the primary government using the blended method.

The government-wide financial statements can be found on pages 20-22 of this report.

## Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Hawthorne, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Hawthorne can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

***Governmental 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 fund 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 assessing a governments near-term financing requirements.

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 funds* with similar information presented for *governmental* activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City of Hawthorne near-term financing decisions. Both the governmental fund 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 major governmental funds include the General Fund, the Hawthorne Housing Authority Fund, the American Rescue Plan Act Fund, CA Parks and Recreation – Community Center Fund, Park Improvements Funds, and the Civic Center Lease Bonds Fund, which are reported in detail in the governmental Fund Financial Statements. All other funds are shown in the aggregate as other non-major funds. Individual fund data for other non-major governmental fund is provided in the form of supplementary information elsewhere in the report.

The basic governmental fund financial statements can be found on pages 23-28 of this report.

***Proprietary Funds -*** The City of Hawthorne maintains two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for its Airport, Sewer and Storm Drain, and Storm Water operations. Internal service funds are an accounting mechanism used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its Risk Management and Vehicles & Equipment Replacement. Because these services benefit both the governmental and the business-type activities, they have been allocated between governmental and business-type activities in the Government-wide Financial Statements.

Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail. The enterprise funds and internal service funds are each combined into a single aggregated presentation by fund type in the proprietary fund financial statements. Individual fund data for the enterprise funds and internal service funds is provided in the form of supplementary information elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 29-31 of this report.

***Fiduciary Funds -*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Trust funds use the flow of economic resources measurement focus and the accrual basis of accounting. The Custodial Fund also uses the accrual basis of accounting and are custodial in nature. The fiduciary funds also include the Successor Agency to the Dissolved Hawthorne Redevelopment Agency in addition to agency funds. The Successor Agency is presented as a Private Purpose Trust Fund in this report.

The fiduciary fund financial statements can be found on pages 32-33 of this report.

***Notes to Basic Financial Statements -*** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 34-94 of this report.

***Other Information -*** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary comparison schedules, the City's proportionate share of the net pension liability and the related schedule of contributions, and schedule of changes in the Net OPEB Liability and related ratios.

Required supplementary information can be found on 96-110 of this report.

## GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The government-wide financial statements provide information about the City's overall financial picture from the perspective of all the City's governmental and business-type funds combined together. This form of financial reporting is intended to provide a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities. The government-wide financial statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole.

**Statement of Net Position -** Net position may serve over time as a useful indicator of a government's financial condition. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $103.4 million at June 30, 2025. Approximately $182 million of the City's net position reflect its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, $72.5 million represents resources that are subject to external restrictions on how they may be used. The remaining balance is a deficit in *unrestricted net position* of $(151.4) million, is for unrestricted uses in accordance with finance-related legal requirements. This deficit reflects liabilities which exceeds assets on hand and is related mainly due to pension and OPEB liabilities, and long-term liabilities for funding the unfunded pension obligation.

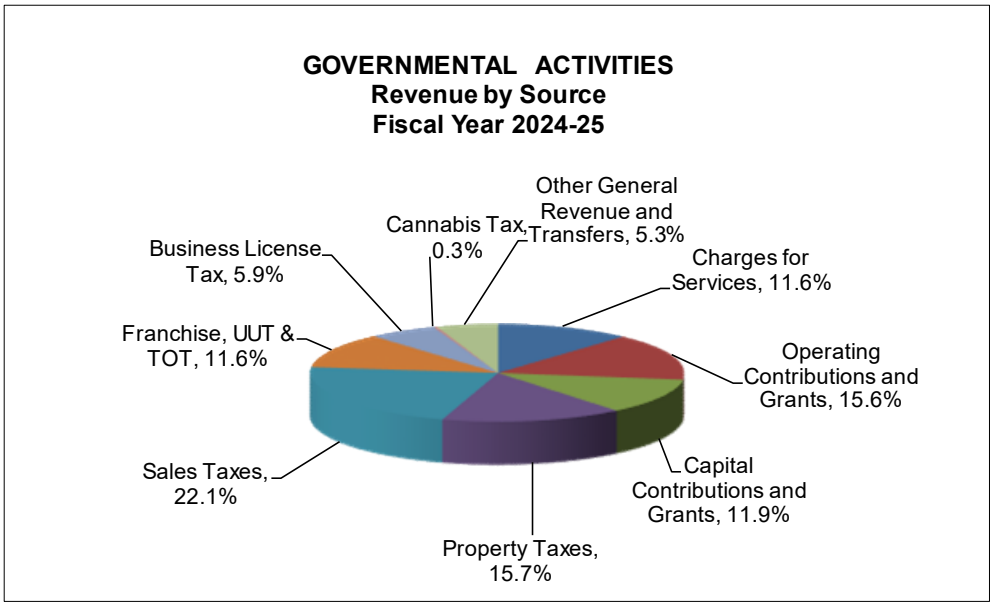
At the end of the 2025 fiscal year, the City is able to report positive balances in all categories of net position for the government as a whole except for unrestricted net position.

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Current and other assets | $ 215,198,610 | $ 187,145,806 | $ 21,382,155 | $ 23,227,057 | $ 236,580,765 | $ 210,372,863 |
| Capital assets, net | 189,697,303 | 172,322,763 | 14,008,061 | 11,470,932 | 203,705,364 | 183,793,695 |
| Total assets | 404,895,913 | 359,468,569 | 35,390,216 | 34,697,989 | 440,286,129 | 394,166,558 |
| Deferred outflows of resources | 40,794,103 | 57,105,547 | 396,801 | 737,164 | 41,190,904 | 57,842,711 |
| Non-current liabilities | 295,912,574 | 275,557,393 | 606,540 | 849,785 | 296,519,114 | 276,407,178 |
| Other liabilities | 21,361,609 | 31,310,303 | 1,440,128 | 527,867 | 22,801,737 | 31,838,170 |
| Total Liabilities | 317,274,183 | 306,867,696 | 2,046,668 | 1,377,652 | 319,320,851 | 308,245,348 |
| Deferred inflows of resources | 42,576,611 | 52,559,626 | 16,140,377 | 16,626,747 | 58,716,988 | 69,186,373 |
| Net position | | | | | | |
| Net investment in capital assets | 168,245,969 | 149,390,159 | 14,008,061 | 11,470,932 | 182,254,030 | 160,861,091 |
| Restricted | 72,543,061 | 34,192,411 | - | - | 72,543,061 | 34,192,411 |
| Unrestricted | (154,949,808) | (126,435,776) | 3,591,911 | 5,959,822 | (151,357,897) | (120,475,954) |
| Total net position | $ 85,839,222 | $ 57,146,794 | $ 17,599,972 | $ 17,430,754 | $ 103,439,194 | $ 74,577,548 |

**Governmental Activities -** The City's net position from governmental activities totaled $85.8 million. The cost of all governmental activities this year was $137.6 million. However, as shown in the Statement of Activities, the amount that the taxpayers ultimately financed for these activities was only $72.6 million because some of the cost was paid by those who directly benefited from the programs ($19.3 million), or by other governments and organizations that subsidized certain programs with operating and capital grants and contributions ($45.7 million). Overall, the City's governmental program revenues were $65.0 million. The City paid for the remaining "public benefit" portion of governmental activities with $21.7 million in taxes (some of which could only be used for certain programs) and with $8.7 million of other revenues, such as interest earnings and general entitlements.

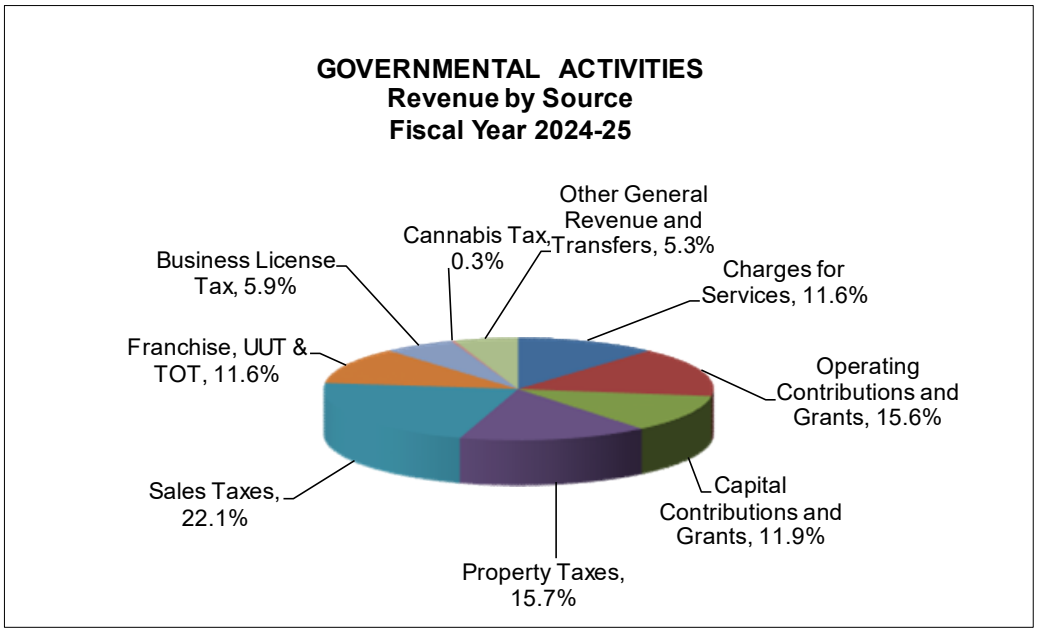
Capital contributions and grants decreased by $0.5 million from the prior fiscal year. This decrease is primarily due to a $0.3 million decrease in Parks and Recreation grants and a $0.2 million decrease in Public Works street improvements. Operating grants and contributions, the City's second largest revenue source, decreased by $7.2 million from the prior fiscal year. This was primarily due a $6.7 million decrease in American Rescue Plan Act programs, and a $0.5 million reduction in Public Works grants in Community Development programs. Property tax increased by $1.6 million or 6.2%. Sales tax, the City's largest revenue source, increased by $0.6 million or 1.7% from the prior fiscal year. Utility users tax taxes increased by $1.8 million primarily due to gas and electric utility rate increases, caused by inflation, climate change, in addition to higher consumer usage.

| Revenue Source | 2025 | Percent of Total | Increase (Decrease) From 2024 | Percent Increase (Decrease) |
|---|---|---|---|---|
| Charges for services | $ 19,266,212 | 11.6% | $ 3,565,092 | 18.5% |
| Operating contributions and grants | 25,978,623 | 15.6% | (7,153,703) | -27.5% |
| Capital contributions and grants | 19,734,808 | 11.9% | (545,528) | -2.8% |
| Property taxes | 26,024,052 | 15.7% | 1,606,750 | 6.2% |
| Sales taxes | 36,632,700 | 22.1% | 620,302 | 1.7% |
| Transient occupancy taxes | 7,458,960 | 4.4% | 612,857 | 8.2% |
| Franchise taxes | 2,084,128 | 1.3% | (1,609,466) | -77.2% |
| Business license taxes | 9,809,437 | 5.9% | (732,043) | -7.5% |
| Utility users tax | 9,846,539 | 5.9% | 1,817,095 | 18.5% |
| Cannabis tax | 460,422 | 0.3% | 271,398 | 58.9% |
| Other | 8,717,020 | 5.3% | 918,011 | 10.5% |
| Total revenue | $ 166,012,901 | 100% | $ (629,235) | **-0.4%** |



The most significant governmental expense for the City was in providing for public safety, which incurred expenses of $67.2 million. The change is mainly due to the unrealized change in the net pension liability.

| Function | 2025 | Percent of Total | Increase (Decrease) From 2024 | Percent Increase (Decrease) |
|---|---|---|---|---|
| General government | $ 26,300,945 | 19.2% | $ 9,480,105 | 36.0% |
| Public safety | 67,271,419 | 48.9% | (4,395,861) | -6.5% |
| Community development | 18,027,905 | 13.1% | (751,790) | -4.2% |
| Parks and recreation | 5,578,935 | 4.1% | (513,493) | -9.2% |
| Public works | 14,195,033 | 10.3% | (1,679,768) | -11.8% |
| Interest on long-term debt | 6,220,201 | 4.5% | 1,780,636 | 28.6% |
| Total expenses | $ 137,594,438 | 100% | $ 3,919,829 | **2.8%** |



**Business-type Activities.** Revenues of the City's business-type activities were $2.7 million for the fiscal year ending June 30, 2025. Expenses for the City's business-type activities were $2.3 million and transfers out of $0.2 million for the year, resulting in a net increase in net position of $0.2 million. The net revenues are the result of several factors, including the following:

The City's Airport recorded total revenue of $1.4 million. Expenses for the City's Airport were $1.3 million, resulting in an increase in net position before transfers of $98 thousand. The most significant expenses of the Airport are $0.8 million for administration and $0.4 million in depreciation.

The City's Sewer and Storm Drain Maintenance services recorded charges for service of $1.3 million, while expenses totaled $1 million, resulting in an increase in net position before transfers of $0.2 million. The most significant expenses of the Sewer Fund are $0.7 million for administration, and $0.1 million for depreciation.

The City's Storm Water services recorded charges for services of $23 thousand. No expenses were incurred, resulting in an increase in net position of $23 thousand.

The decrease in change of net position from business-type activities from prior year is primarily due to a decrease in operating contributions and grants received.

**STATEMENT OF ACTIVITIES**
**For The Fiscal Year Ended June 30,**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| **Revenues** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 19,266,212 | $ 15,701,120 | $ 2,345,796 | $ 1,908,298 | $ 21,612,008 | $ 17,609,418 |
| Operating contributions and grants | 25,978,623 | 33,132,326 | 211,388 | 359,050 | 26,190,011 | 33,491,376 |
| Capital contributions and grants | 19,734,808 | 20,280,336 | - | - | 19,734,808 | 20,280,336 |
| General revenues: | | | | | | |
| Property taxes | 26,024,052 | 24,417,302 | - | - | 26,024,052 | 24,417,302 |
| Sales taxes | 36,632,700 | 36,012,398 | - | - | 36,632,700 | 36,012,398 |
| Transient occupancy taxes | 7,458,960 | 6,846,103 | - | - | 7,458,960 | 6,846,103 |
| Franchise taxes | 2,084,128 | 3,693,594 | - | - | 2,084,128 | 3,693,594 |
| Business License taxes | 9,809,437 | 10,541,480 | - | - | 9,809,437 | 10,541,480 |
| Utility Users tax | 9,846,539 | 8,029,444 | - | - | 9,846,539 | 8,029,444 |
| Cannabis tax | 460,422 | 189,024 | - | - | 460,422 | 189,024 |
| Other | 8,717,020 | 7,799,009 | 179,823 | 519,780 | 8,896,843 | 8,318,789 |
| Total Revenues | 166,012,901 | 166,642,136 | 2,737,007 | 2,787,128 | 168,749,908 | 169,429,264 |
| **Expenses** | | | | | | |
| General government | 26,300,945 | 16,820,840 | - | - | 26,300,945 | 16,820,840 |
| Public safety | 67,271,419 | 71,667,280 | - | - | 67,271,419 | 71,667,280 |
| Community development | 18,027,905 | 18,779,695 | - | - | 18,027,905 | 18,779,695 |
| Parks and recreation | 5,578,935 | 6,092,428 | - | - | 5,578,935 | 6,092,428 |
| Public works | 14,195,033 | 15,874,801 | - | - | 14,195,033 | 15,874,801 |
| Interest on long-term debt | 6,220,201 | 4,439,565 | - | - | 6,220,201 | 4,439,565 |
| Airport | - | - | 1,306,868 | 1,466,634 | 1,306,868 | 1,466,634 |
| Sewer and storm drain | - | - | 986,956 | 933,692 | 986,956 | 933,692 |
| Total Expenses | 137,594,438 | 133,674,609 | 2,293,824 | 2,400,326 | 139,888,262 | 136,074,935 |
| Increase in Net Position Before Transfers | 28,418,463 | 32,967,527 | 443,183 | 386,802 | 28,861,646 | 33,354,329 |
| Transfers in/(out) | 273,965 | 224,626 | (273,965) | (224,626) | - | - |
| Change in Net Position | 28,692,428 | 33,192,153 | 169,218 | 162,176 | 28,861,646 | 33,354,329 |
| Net Position, Beginning | 57,146,794 | 23,954,641 | 17,430,754 | 17,268,578 | 74,577,548 | 41,223,219 |
| Net Position, Ending | $ 85,839,222 | $ 57,146,794 | $ 17,599,972 | $ 17,430,754 | $ 103,439,194 | $ 74,577,548 |

## FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the City of Hawthorne uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### *Governmental Funds*

The focus of the City of Hawthorne's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Hawthorne financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Hawthorne itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of Hawthorne's Council.

At June 30, 2025, the City of Hawthorne governmental funds reported combined fund balances of $174.3 million, an increase of $37.8 million in comparison with the prior year. Approximately 58% of this amount ($101.5 million) constitutes unassigned fund balance. The remainder of the fund balance is either nonspendable or restricted.

**Major Funds**

The **General Fund** is the chief operating fund of the City of Hawthorne. At the end of the current fiscal year, unassigned fund balance of the General Fund was $114.6 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 117.32% of the total General Fund expenditures, while total fund balance represents approximately 117.42% of that same amount.

The fund balance of the City of Hawthorne General Fund increased by $5.2 million during the current fiscal year. As discussed earlier in connection with governmental activities, the increase was due primarily to the increase in operating and capital contributions and grants. As discussed above, property tax revenue increased by $1.6 million, sales tax revenue increased by $0.6 million, and other taxes increased by $0.9 million from the prior fiscal year. Intergovernmental revenues increased by $21 thousand due to a decrease in state-mandated and Prop A reimbursements, offset by an increase in Prop A for Transit Police. General Fund expenditures were $12.6 million higher than in the previous fiscal year. This increase is due to increases in Public Safety and administrative services.

The **Hawthorne Housing Authority Special Revenue Fund** is used to account for the housing assistance programs for qualified low-income residents. This fund ended the year with a fund balance of $629 thousand, a increase of $196 thousand from the fiscal year 2024. The increase was mainly due to the increase in charges for services.

The **American Rescue Plan Act** is used to provide relief to the City for the negative impacts caused from the COVID-19 Pandemic. The fund ended the year with a fund balance of $0, a decrease of $833 thousand from fiscal year 2024. The decrease was mainly due to the recognition of investment loss allocated to this fund.

The **CA Parks & Recreation - Community Center Fund** is used account for grant funding to rehabilitate the city's community center. The fund ended the year with a deficit fund balance of $3.7 million, a decrease of $2.7 million from fiscal year 2024. The decrease was mainly due to pending reimbursement from current projects.

The **Park Improvements Fund** is used to provide a clean, safe, and accessible environment for the community members. The fund ended the year with a deficit fund balance of $3.6 million, a decrease of $3.3 million from fiscal year 2024. The decrease was mainly due to pending reimbursement from current projects.

The **Civic Center Lease Bonds Fund** is used to account for the 2024 Lease Revenue Bonds. The fund ended the year with a fund balance of $31.5 million, an increase of $31.5 million from fiscal year 2024. The increase was mainly due to the issuance of the 2024 Lease Revenue Bonds.

### *Proprietary Funds*

The City of Hawthorne proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Airport Fund accounts for the operation of the City's airport, which is operated in a manner similar to a private airport. At the end of the year, the net position amounted to $9.1 million. The total change in net position for the Airport Fund was negative $61 thousand. The change was mainly due to the unrealized change in the net pension liability.

Sewer and Storm Drain Fund accounts for the operation of the City's sewer services. At the end of the year, the net position amounted to $8.0 million. The total change in net position for the Sewer and Storm Drain Fund was $207 thousand. The change was mainly due to the unrealized change in the net pension liability.

Storm Water Fund accounts for the operation of the City's storm water services. At the end of the year, the net position amounted to $334 thousand. The total change in net position for the Storm Water Fund was $23 thousand. The change was due to the decreased storm water inspection fees.

## GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the City's adopted General Fund revenue and expenditure budgets were amended. The operating expenditure budget was increased by $3.6 million due to the implementation of public safety and community related programs and services, for a total amended expenditure budget of $105.9 million for Fiscal Year 2024-2025. These amendments to original budgeted appropriations were authorized by City Council during the mid-year review. Other minor amendments to reallocate appropriations among departments took place. The movement of the appropriations between departments was not significant and did not increase the overall operating budget.

The General Fund revenues exceeded budgeted revenues by approximately $5.9 million in Fiscal Year 2024-2025. The excess revenue was primarily due to an increase in tax and special assessments revenues and operating transfers in.

The General Fund expenditures were under budgeted expenditures by approximately $8.2 million. The less expenditures were primarily due to a decrease in Public safety.

The overall General Fund Budget for Fiscal Year 2024-2025 was approximately $14.1 million more favorably than projected due to the additional revenues, as noted above.

| | Estimated Revenues | Actual Revenues | Difference |
|---|---|---|---|
| Taxes | $ 94,124,937 | $ 98,138,428 | $ 4,013,491 |
| Licenses and permits | 2,058,419 | 1,885,304 | (173,115) |
| Intergovernmental | 1,690,950 | 1,884,985 | 194,035 |
| Charges for services | 5,368,900 | 6,315,694 | 946,794 |
| Fines and forfeitures | 3,200,000 | 2,168,952 | (1,031,048) |
| Use of money and property | 3,500,000 | 5,275,216 | 1,775,216 |
| Contributions | 200,000 | 200,000 | - |
| Miscellaneous | 2,392,912 | 2,569,034 | 176,122 |
| | $ 112,536,118 | $ 118,437,613 | $ 5,901,495 |

| | Appropriated Expenditures | Actual Expenditures | Difference |
|---|---|---|---|
| General government | $ 24,029,929 | $ 22,989,384 | $ 1,040,545 |
| Public safety | 67,252,731 | 63,063,778 | 4,188,953 |
| Community development | 4,119,731 | 3,491,537 | 628,194 |
| Parks and recreation | 5,809,700 | 5,250,375 | 559,325 |
| Public works | 3,836,972 | 2,051,545 | 1,785,427 |
| Capital outlay | 856,091 | 848,008 | 8,083 |
| | $ 105,905,154 | $ 97,694,627 | $ 8,210,527 |

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** Capital assets including infrastructure of the City are those assets that are used in the performance of the City's functions. At June 30, 2025, net capital assets totaled $189.7 million for governmental activities and $14.0 million for business-type activities, net of accumulated depreciation on capital assets, which is recognized in the Government-wide Financial Statements.

This investment in capital includes land, building, improvements other than buildings, infrastructure (Prairie Ave Project, Holly & Ramona Park Improvement, Street Inlet Improvement, Taxiway Rehab and Sewer Construction etc.) and machinery and equipment (Police vehicle replacement, etc.). The total increase in the City's investment in capital asset for Fiscal Year 2024-2025 was $19.9 million compared to prior year.

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Land | $ 25,700,766 | $ 25,350,766 | $ 37,314 | $ 37,314 | $ 25,738,080 | $ 25,388,080 |
| Buildings and Improvements | 15,912,839 | 17,377,563 | 802,920 | 854,315 | 16,715,759 | 18,231,878 |
| Furniture and Equipment | 6,784,265 | 7,033,348 | 660,229 | - | 7,444,494 | 7,033,348 |
| Infrastructure | 122,984,552 | 102,980,533 | 9,499,200 | 9,897,718 | 132,483,752 | 112,878,251 |
| Investment in Joint Venture (RCC) | 3,001,908 | 3,257,498 | - | - | 3,001,908 | 3,257,498 |
| Construction in progress | 14,077,393 | 16,311,546 | 3,008,398 | 681,585 | 17,085,791 | 16,993,131 |
| Right-to-use lease / subscriptions | 1,235,580 | 11,509 | - | - | 1,235,580 | 11,509 |
| **Total** | $ 189,697,303 | $ 172,322,763 | $ 14,008,061 | $ 11,470,932 | $ 203,705,364 | $ 183,793,695 |

Additional information on the City of Hawthorne's capital assets can be found in Note 4 on pages 53-54 of this report.

**Long-term liabilities.** At the end of the current fiscal year, the City had total bonded debt outstanding of $153 million. The remainder of the City of Hawthorne's long-term obligations comprises lease / SBITA payable, compensated absences, OPEB, pension-related debt, and claims and judgments.

### City of Hawthorne' Outstanding Liabilities

| | Governmental Activities | | Internal Service Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| **Long-Term Debt:** | | | | | | | | |
| Bond | $ 153,024,974 | $ 128,193,600 | $ - | $ - | $ - | $ - | $ 153,024,974 | $ 128,193,600 |
| Lease/ SBITA payable | 1,173,470 | - | - | 11,506 | - | - | 1,173,470 | 11,506 |
| **Total** | $ 154,198,444 | $ 128,193,600 | $ - | $ 11,506 | $ - | $ - | $ 154,198,444 | $ 128,205,106 |
| **Operational Liabilities:** | | | | | | | | |
| Compensated absences | $ 9,703,727 | $ 8,026,448 | $ 67,071 | $ 44,769 | $ 135,078 | $ 120,015 | $ 9,905,876 | $ 8,191,232 |
| OPEB | 99,916,552 | 100,619,074 | - | - | - | - | 99,916,552 | 100,619,074 |
| Net Pension Liability | 25,145,711 | 31,441,816 | 404,080 | 625,470 | 471,462 | 729,770 | 26,021,253 | 32,797,056 |
| Claims and Judgment payable | - | - | 6,476,989 | 6,594,710 | - | - | 6,476,989 | 6,594,710 |
| **Total** | $ 134,765,990 | $ 140,087,338 | $ 6,948,140 | $ 7,264,949 | $ 606,540 | $ 849,785 | $ 142,320,670 | $ 148,202,072 |

The City's total long-term liabilities increased by $20.1 million during the current fiscal year, primarily due to actuarial change in net pension liability.

Additional information on the City of Hawthorne' long-term liabilities can be found in Note 6,7, 8, 9, 11, and 12 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Real GDP increased 4.3% at the end of the third quarter of 2025, on top of 3.8% in the second quarter of 2025. The City continues to focus on maintaining a conservative outlook, particularly with respect to revenues. In the case of the City of Hawthorne, slow and steady growth is projected at this point. The City's total General Fund revenues increased by 7.38% ($8,137,307) in FY 2025 compared to FY 2024.

The City of Hawthorne has been fortunate to have a stable and diverse economic base, which has somewhat shielded its economy from downturns in any one specific category. With the slowing economy, the City of Hawthorne experienced its first decrease in Sales Tax revenue in fiscal year 2023-24; however, sales tax revenue increased by 1.7% in fiscal year 2024-25. The total overall Tax revenue category showed an increase over budget of $4 M. The City's top five revenue sources are Sales Tax, Vehicle License Fees, Property Tax, Business License Tax, and Utility Users Tax. The Los Angeles County Economic Development Corporation (LAEDC) produces an annual forecast to assess and predict key national, state, regional, and local economic indicators. According to the February 2025 Economic Forecast prepared by the Los Angeles County Economic Development Corporation, "We expect slower growth of 2.0 percent in 2025 and 1.8 percent in 2026, in light of the country's continuing battle against inflation and potentially destabilizing federal economic policies."

California's unemployment rate increased to 5.6% in September 2025, compared to 5.4% in October 2024 and 4.8% in November 2023. The unemployment rate in California has been higher than the national average in the US. Unemployment is one of the most important measures that economists track to gauge the health of an economy. Generally, low unemployment rates indicate a strong economy, as most workers can find employment. Most economists project the U.S. unemployment rate to hover around 4.5% in 2026.

According to Bureau of Labor Statistics data, the average unemployment rate in Los Angeles County for September 2025 was estimated at 5.70%, compared to 5.80% in September 2024. The unemployment rate is expected to average around 5.4% in 2026.

In developing the budget for fiscal year 2024-25, the primary objective was to build upon the City Council's direction to reduce general fund expenditures and explore opportunities for new revenues. On that note, the City was successful in attracting new businesses such as Chipotle, Chicken Maison, and Sports Basement, to name a few. In order to continue to retain and attract business, the City must strive to maintain a business-friendly attitude. In order to continue to retain and attract business, the City must strive to maintain a business-friendly approach.

The City of Hawthorne's financial outlook remains positive. The recommended fiscal year 2024-25 budget is balanced and in compliance with the City Council's amended General Fund Reserve Policy and the adopted Fiscal Management Policy. The City continues to operate efficiently and effectively, all while continuing to provide outstanding services for the community.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Hawthorne's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 4455 West 126th Street, Hawthorne, California, 90250.

This page intentionally left blank.

# BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

## Statement of Net Position
## June 30, 2025

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **Assets** | | | |
| Cash and investments | $ 151,959,581 | $ 4,234,374 | $ 156,193,955 |
| Cash and investments with fiscal agents | 35,550,983 | - | 35,550,983 |
| Receivables: | | | |
| Accounts | 20,752,342 | 292,290 | 21,044,632 |
| Taxes | 246,000 | - | 246,000 |
| Interest | 804,965 | 36,888 | 841,853 |
| Due from other governments | 366,734 | - | 366,734 |
| Leases | 5,433,402 | 16,818,603 | 22,252,005 |
| Inventories | 84,603 | - | 84,603 |
| Capital assets, not being depreciated | 39,778,159 | 3,045,712 | 42,823,871 |
| Capital assets, net of accumulated depreciation | 149,919,144 | 10,962,349 | 160,881,493 |
| Total assets | 404,895,913 | 35,390,216 | 440,286,129 |
| **Deferred Outflows of Resources** | | | |
| Unamortized loss on defeasance of debt | 184,487 | - | 184,487 |
| Pension related | 25,231,156 | 396,801 | 25,627,957 |
| OPEB related | 15,378,460 | - | 15,378,460 |
| Total deferred outflows of resources | 40,794,103 | 396,801 | 41,190,904 |
| **Liabilities** | | | |
| Accounts payable | 6,606,359 | 1,291,504 | 7,897,863 |
| Accrued liabilities | 1,910,391 | 43,759 | 1,954,150 |
| Accrued Benefits Payable | 1,599,556 | - | 1,599,556 |
| Accrued interest | 1,363,602 | - | 1,363,602 |
| Unearned revenue | 7,037,922 | 84,601 | 7,122,523 |
| Deposits payable | 2,843,779 | 20,264 | 2,864,043 |
| Non-current liabilities: | | | |
| Due within one year | | | |
| Claims and judgments | 1,295,398 | - | 1,295,398 |
| Compensated absences | 1,954,159 | 27,016 | 1,981,175 |
| Long-term debt | 6,717,928 | - | 6,717,928 |
| Due in more than one year | | | |
| Claims and judgments | 5,181,591 | - | 5,181,591 |
| Compensated absences | 7,816,639 | 108,062 | 7,924,701 |
| Long-term debt | 147,480,516 | - | 147,480,516 |
| Net pension liability | 25,549,791 | 471,462 | 26,021,253 |
| OPEB liability | 99,916,552 | - | 99,916,552 |
| Total liabilities | 317,274,183 | 2,046,668 | 319,320,851 |
| **Deferred Inflows of Resources** | | | |
| Pension related | 10,995,553 | 15,037 | 11,010,590 |
| OPEB related | 26,383,176 | - | 26,383,176 |
| Lease related | 5,197,882 | 16,125,340 | 21,323,222 |
| Total deferred inflows of resources | 42,576,611 | 16,140,377 | 58,716,988 |
| **Net Position (deficit)** | | | |
| Net investment in capital assets | 168,245,969 | 14,008,061 | 182,254,030 |
| Restricted for: | | | |
| Public safety | 1,821,431 | - | 1,821,431 |
| Community development | 8,682,362 | - | 8,682,362 |
| Parks and recreation | 451,871 | - | 451,871 |
| Public works | 20,289,154 | - | 20,289,154 |
| Capital improvements | 9,316,338 | - | 9,316,338 |
| Debt service | 31,981,905 | - | 31,981,905 |
| Unrestricted | (154,949,808) | 3,591,911 | (151,357,897) |
| Total net position | $ 85,839,222 | $ 17,599,972 | $ 103,439,194 |

The accompanying notes are an integral part of these financial statements.

## Statement of Activities
## For the Fiscal Year Ended June 30, 2025

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| Governmental activities: | | | | |
| General government | $ 26,300,945 | $ 6,705,543 | $ 8,547,416 | $ 79,331 |
| Public safety | 67,271,419 | 6,294,326 | 2,498,219 | - |
| Community development | 18,027,905 | 1,963,225 | 10,095,436 | 16,943,060 |
| Parks and recreation | 5,578,935 | 689,745 | - | - |
| Public works | 14,195,033 | 3,613,373 | 4,837,552 | 2,712,417 |
| Interest on long-term debt | 6,220,201 | - | - | - |
| Total governmental activities | 137,594,438 | 19,266,212 | 25,978,623 | 19,734,808 |
| Business-type activities: | | | | |
| Airport | 1,306,868 | 1,014,295 | 211,388 | - |
| Sewer and storm drain | 986,956 | 1,308,386 | - | - |
| Storm water | - | 23,115 | - | - |
| Total business-type activities | 2,293,824 | 2,345,796 | 211,388 | - |
| Total Primary Government | $ 139,888,262 | $ 21,612,008 | $ 26,190,011 | $ 19,734,808 |
| General revenues: | | | | |
| Taxes: | | | | |
| Property taxes | | | | |
| Sales taxes | | | | |
| Transient occupancy taxes | | | | |
| Franchise taxes | | | | |
| Business license taxes | | | | |
| Utility users tax | | | | |
| Cannabis tax | | | | |
| Miscellaneous revenue | | | | |
| Use of money and property | | | | |
| Transfers in/(out): | | | | |
| Total general revenues and transfers | | | | |
| Change in Net Position | | | | |
| Net Position, Beginning | | | | |
| Net Position, Ending | | | | |

The accompanying notes are an integral part of these financial statements.

| Net (Expense) Revenue and Changes in Net Position | | |
|---|---|---|
| Governmental Activities | Business-Type Activities | Total |
| $ (10,968,655) | $ - | $ (10,968,655) |
| (58,478,874) | - | (58,478,874) |
| 10,973,816 | - | 10,973,816 |
| (4,889,190) | - | (4,889,190) |
| (3,031,691) | - | (3,031,691) |
| (6,220,201) | - | (6,220,201) |
| (72,614,795) | - | (72,614,795) |
| - | (81,185) | (81,185) |
| - | 321,430 | 321,430 |
| - | 23,115 | 23,115 |
| - | 263,360 | 263,360 |
| (72,614,795) | 263,360 | (72,351,435) |
| 26,024,052 | - | 26,024,052 |
| 36,632,700 | - | 36,632,700 |
| 7,458,960 | - | 7,458,960 |
| 2,084,128 | - | 2,084,128 |
| 9,809,437 | - | 9,809,437 |
| 9,846,539 | - | 9,846,539 |
| 460,422 | - | 460,422 |
| 1,952,089 | 179,823 | 2,131,912 |
| 6,764,931 | - | 6,764,931 |
| 273,965 | (273,965) | - |
| 101,307,223 | (94,142) | 101,213,081 |
| 28,692,428 | 169,218 | 28,861,646 |
| 57,146,794 | 17,430,754 | 74,577,548 |
| $ 85,839,222 | $ 17,599,972 | $ 103,439,194 |

## Balance Sheet – Governmental Funds
## June 30, 2025

| | General | Special Revenue Funds: Hawthorne Housing Authority | Special Revenue Funds: American Rescue Plan Act | Special Revenue Funds: CA Parks & Recreation-Community Center **(Formerly Nonmajor)** |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and investments | $ 100,486,949 | $ 1,182,571 | $ - | $ - |
| Cash and investments with fiscal agents | - | - | 5,387,847 | - |
| Receivables: | | | | |
| Accounts | 10,669,874 | 583,945 | - | 3,664,957 |
| Taxes | 234,505 | - | - | - |
| Interest | 590,424 | - | - | - |
| Leases | 5,433,402 | - | - | - |
| Due from other governments | - | - | - | - |
| Due from other funds | 11,212,181 | - | - | - |
| Inventories | 70,292 | - | - | - |
| Total assets | $ 128,697,627 | $ 1,766,516 | $ 5,387,847 | $ 3,664,957 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 2,723,389 | $ 20,110 | $ 229,910 | $ 51,328 |
| Accrued liabilities | 1,684,534 | 22,028 | - | 3,022 |
| Accrued Benefits Payable | 1,599,556 | - | - | - |
| Unearned revenue | - | 199,936 | 5,157,937 | - |
| Deposits payable | 2,774,757 | - | - | - |
| Due to other funds | - | 334,736 | - | 3,610,607 |
| Total liabilities | 8,782,236 | 576,810 | 5,387,847 | 3,664,957 |
| **Deferred Inflows of Resources:** | | | | |
| Unavailable revenue | - | 560,221 | - | 3,664,957 |
| Lease related | 5,197,882 | - | - | - |
| Total deferred inflows of resources | 5,197,882 | 560,221 | - | 3,664,957 |
| **Fund Balances (Deficit):** | | | | |
| Nonspendable | 70,292 | - | - | - |
| Restricted | 36,529 | 629,485 | - | - |
| Unassigned | 114,610,688 | - | - | (3,664,957) |
| Total fund balances | 114,717,509 | 629,485 | - | (3,664,957) |
| Total liabilities, deferred inflows of resources and fund balances | $ 128,697,627 | $ 1,766,516 | $ 5,387,847 | $ 3,664,957 |

The accompanying notes are an integral part of these financial statements.

| Capital Projects Funds | Debt Service Fund | | |
|---|---|---|---|
| Park Improvements **(Formerly Nonmajor)** | Civic Center Lease Bonds | Nonmajor Governmental Funds | Total Governmental Funds |
| $ - | $ 1,355,771 | $ 41,779,768 | $ 144,805,059 |
| - | 30,163,129 | 7 | 35,550,983 |
| 3,577,043 | - | 2,231,657 | 20,727,476 |
| - | - | 11,495 | 246,000 |
| - | - | 214,541 | 804,965 |
| - | - | - | 5,433,402 |
| - | - | 366,734 | 366,734 |
| - | - | - | 11,212,181 |
| - | - | - | 70,292 |
| $ 3,577,043 | $ 31,518,900 | $ 44,604,202 | $ 219,217,092 |
| | | | |
| $ 251,793 | $ - | $ 2,927,840 | $ 6,204,370 |
| 1,422 | - | 173,242 | 1,884,248 |
| - | - | - | 1,599,556 |
| - | - | 1,680,049 | 7,037,922 |
| - | - | 69,022 | 2,843,779 |
| 3,316,252 | - | 3,950,586 | 11,212,181 |
| 3,569,467 | - | 8,800,739 | 30,782,056 |
| | | | |
| 3,577,043 | - | 1,150,527 | 8,952,748 |
| - | - | - | 5,197,882 |
| 3,577,043 | - | 1,150,527 | 14,150,630 |
| | | | |
| - | - | - | 70,292 |
| - | 31,518,900 | 40,540,523 | 72,725,437 |
| (3,569,467) | - | (5,887,587) | 101,488,677 |
| (3,569,467) | 31,518,900 | 34,652,936 | 174,284,406 |
| | | | |
| $ 3,577,043 | $ 31,518,900 | $ 44,604,202 | $ 219,217,092 |

This page intentionally left blank

## Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
## June 30, 2025

| | | |
|---|---|---|
| Fund balances of governmental funds | | $ 174,284,406 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets net of depreciation/amortization have not been included as financial resources of the governmental funds. This amount excludes capital assets reported in the internal service funds. | | 186,295,474 |
| Deferred outflows and inflows of resources related to pensions have not been reported in the governmental funds. These amounts exclude pension related deferred outflow and inflows reported in the internal service funds. | | |
| Pension related deferred outflows of resources | $ 24,891,067 | |
| Pension related deferred inflows of resources | (10,982,665) | |
| Other post-employment benefits related deferred outflows of resources | 15,378,460 | |
| Other post-employment benefits related deferred inflows of resources | (26,383,176) | 2,903,686 |
| Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds. | | |
| Bonds/Lease payable, net | (154,198,444) | |
| Compensated absences | (9,703,727) | |
| Net pension liability | (25,145,711) | |
| Other post-employment benefits obligation | (99,916,552) | (288,964,434) |
| Governmental funds report the effect of gains or losses on debt refundings when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. | | |
| Unamortized loss on defeasance of debt | | 184,487 |
| Unavailable revenues are not available to pay for current expenditures, therefore, are deferred in the governmental funds but are recognized as revenues in the statement of activities | | 8,952,748 |
| Accrued interest payable for the interest due on long-term debt has not been reported in the governmental funds. | | (1,363,602) |
| Internal service funds are used to charge the cost of activities to individual funds. The assets and liabilities are included in governmental activities in the statement of net position. | | 3,546,457 |
| Net position of governmental activities | | $ 85,839,222 |

The accompanying notes are an integral part of these financial statements.

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | General | Special Revenue Funds: Hawthorne Housing Authority | Special Revenue Funds: American Rescue Plan Act | Special Revenue Funds: 2009 Street Improvement **(Formerly Major)** |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 98,138,428 | $ - | $ - | |
| Licenses and permits | 1,885,304 | - | - | |
| Intergovernmental | 1,884,985 | 12,160,068 | 4,223,722 | |
| Charges for services | 6,315,694 | 856,853 | - | |
| Fines and forfeitures | 2,168,952 | - | - | |
| Use of money and property | 5,275,216 | 115 | (833,344) | |
| Contributions | 200,000 | - | - | |
| Miscellaneous | 2,569,034 | 5,150 | - | |
| Total revenues | 118,437,613 | 13,022,186 | 3,390,378 | |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 22,989,384 | - | 4,223,722 | |
| Public safety | 63,063,778 | - | - | |
| Community development | 3,491,537 | 12,708,993 | - | |
| Parks and recreation | 5,250,375 | 2,781 | - | |
| Public works | 2,051,545 | - | - | |
| Capital outlay | 848,008 | - | - | |
| Debt service: | | | | |
| Principal retirement | - | - | - | |
| Interest and fiscal charges | - | - | - | |
| Bond issuance costs | - | - | - | |
| Total expenditures | 97,694,627 | 12,711,774 | 4,223,722 | |
| Excess (deficiency) of revenues over (under) expenditures | 20,742,986 | 310,412 | (833,344) | |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of debt | - | - | - | |
| Premium on issuance of debt | - | - | - | |
| Lease acquisition | - | - | - | |
| Subscription aquisition | 492,800 | - | - | |
| Transfers in | 41,494 | - | - | |
| Transfers out | (16,033,444) | (113,855) | - | |
| Total other financing sources (uses) | (15,499,150) | (113,855) | - | |
| Net changes in fund balances | 5,243,836 | 196,557 | (833,344) | |
| **Fund Balances (deficit)** | | | | |
| Beginning, previously reported | 109,473,673 | 432,928 | 833,344 | (1,589,972) |
| Change from/to nonmajor/major | - | - | - | 1,589,972 |
| Beginning, as restated | 109,473,673 | 432,928 | 833,344 | - |
| Ending | $ 114,717,509 | $ 629,485 | $ - | $ - |

The accompanying notes are an integral part of these financial statements.

| Special Revenue Funds | Capital Projects Funds | Debt Service Fund | | |
|---|---|---|---|---|
| CA Parks & Recreation-Community Center **(Formerly Nonmajor)** | Park Improvements **(Formerly Nonmajor)** | Civic Center Lease Bonds | Nonmajor Governmental Funds | Total Governmental Funds |
| $ - | $ - | $ - | $ 580,622 | $ 98,719,050 |
| - | - | - | 153,820 | 2,039,124 |
| - | - | - | 23,050,293 | 41,319,068 |
| - | - | - | 218,955 | 7,391,502 |
| - | - | - | 1,800,130 | 3,969,082 |
| - | 2,288 | 797,456 | 2,401,945 | 7,643,676 |
| - | - | - | - | 200,000 |
| - | - | - | 742,607 | 3,316,791 |
| - | 2,288 | 797,456 | 28,948,372 | 164,598,293 |
| - | - | - | 2,045,856 | 29,258,962 |
| - | - | - | 1,341,879 | 64,405,657 |
| 74,171 | 328,789 | - | 5,372,620 | 21,976,110 |
| 146,726 | 3,434,425 | - | 544,846 | 9,379,153 |
| - | - | - | 8,750,550 | 10,802,095 |
| 2,520,240 | - | - | 8,013,599 | 11,381,847 |
| - | - | - | 5,350,850 | 5,350,850 |
| - | - | 778,556 | 4,407,284 | 5,185,840 |
| - | - | 439,453 | - | 439,453 |
| 2,741,137 | 3,763,214 | 1,218,009 | 35,827,484 | 158,179,967 |
| (2,741,137) | (3,760,926) | (420,553) | (6,879,112) | 6,418,326 |
| - | - | 26,950,000 | - | 26,950,000 |
| - | - | 3,489,453 | - | 3,489,453 |
| - | - | - | 325,632 | 325,632 |
| - | - | - | 744,176 | 1,236,976 |
| - | 411,721 | 1,500,000 | 15,939,895 | 17,893,110 |
| - | - | - | (2,320,339) | (18,467,638) |
| - | 411,721 | 31,939,453 | 14,689,364 | 31,427,533 |
| (2,741,137) | (3,349,205) | 31,518,900 | 7,810,252 | 37,845,859 |
| - | - | - | 27,288,574 | 136,438,547 |
| (923,820) | (220,262) | - | (445,890) | - |
| (923,820) | (220,262) | - | 26,842,684 | 136,438,547 |
| $ (3,664,957) | $ (3,569,467) | $ 31,518,900 | $ 34,652,936 | $ 174,284,406 |

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
## For the Fiscal Year Ended June 30, 2025

| | | |
|---|---|---|
| Net changes in fund balances - total governmental funds | | $ 37,845,859 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlay as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets and depreciation expense recorded in the current period. This amount excludes capital acquisitions/disposals and depreciation expense reported in the internal service fund. | | |
| Capital additions | $ 23,597,567 | |
| Capital asset disposals, net | (839,164) | |
| Depreciation/amortization expense | (6,382,214) | 16,376,189 |
| Certain revenues in the governmental funds are deferred inflows of resources because they are measurable but not available under the modified accrual basis of accounting. However, the revenues are included on the accrual basis used in the government-wide statements. This amount represents the change during the year: | | |
| Grants and other reimbursement revenue | | 1,297,820 |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has an effect on net position: | | |
| Long-term debt issued | (26,950,000) | |
| Premium on issuance of debt | (3,489,453) | |
| Acquisition of Lease and subscriptions | (1,562,608) | |
| Principal payments on long-term debt | 5,350,850 | |
| Principal payments of lease liability | 13,583 | |
| Principal payments of subscription liability | 375,555 | (26,262,073) |
| 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: | | |
| Change in compensated absences | (1,677,279) | |
| Changes in pension related items | (4,736,552) | |
| Changes in other post-employment benefits related items | 5,241,810 | |
| Change in accrued interest | (815,241) | |
| Amortization of bond discount | (8,498) | |
| Amortization of bond premium | 265,727 | |
| Amortization of deferred amount on refunding | (36,896) | (1,766,929) |
| Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is included in the statement of activities. | | 1,201,562 |
| Changes in net position of governmental activities | | $ 28,692,428 |

The accompanying notes are an integral part of these financial statements.

## Statement of Net Position
## Proprietary Funds
## June 30, 2025

| | Airport | Non-major Funds: Sewer and Storm Drain | Non-major Funds: Storm Water | Total | Governmental Activities - Internal Service Funds |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Current assets: | | | | | |
| Cash and investments | $ 1,247,587 | $ 2,652,088 | $ 334,699 | $ 4,234,374 | $ 7,154,522 |
| Receivables: | | | | | |
| Accounts | 127,659 | 164,631 | - | 292,290 | 24,866 |
| Leases | 16,818,603 | - | - | 16,818,603 | - |
| Interest | 36,888 | - | - | 36,888 | - |
| Inventories | - | - | - | - | 14,311 |
| Total current assets | 18,230,737 | 2,816,719 | 334,699 | 21,382,155 | 7,193,699 |
| Noncurrent assets: | | | | | |
| Capital assets, not depreciated/amortized | 660,473 | 2,385,239 | - | 3,045,712 | - |
| Capital assets, net of depreciation/amortization | 6,741,827 | 4,220,522 | - | 10,962,349 | 3,401,829 |
| Total noncurrent assets | 7,402,300 | 6,605,761 | - | 14,008,061 | 3,401,829 |
| Total assets | 25,633,037 | 9,422,480 | 334,699 | 35,390,216 | 10,595,528 |
| **Deferred Outflows of Resources** | | | | | |
| Pension related | 223,159 | 173,642 | - | 396,801 | 340,089 |
| **Liabilities** | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 30,040 | 1,261,464 | - | 1,291,504 | 401,989 |
| Accrued liabilities | 21,958 | 21,801 | - | 43,759 | 26,143 |
| Unearned revenue | 84,601 | - | - | 84,601 | - |
| Deposits payable | 20,264 | - | - | 20,264 | - |
| Compensated absences | 27,016 | - | - | 27,016 | 13,414 |
| Claims and judgements payable | - | - | - | - | 1,295,398 |
| Total current liabilities | 183,879 | 1,283,265 | - | 1,467,144 | 1,736,944 |
| Noncurrent liabilities: | | | | | |
| Compensated absences | 108,062 | - | - | 108,062 | 53,657 |
| Claims and judgements | - | - | - | - | 5,181,591 |
| Net pension liability | 265,148 | 206,314 | - | 471,462 | 404,080 |
| Total noncurrent liabilities | 373,210 | 206,314 | - | 579,524 | 5,639,328 |
| Total liabilities | 557,089 | 1,489,579 | - | 2,046,668 | 7,376,272 |
| **Deferred Inflows of Resources** | | | | | |
| Pension related | 8,457 | 6,580 | - | 15,037 | 12,888 |
| Lease related | 16,125,340 | - | - | 16,125,340 | - |
| Total deferred inflows of resources | 16,133,797 | 6,580 | - | 16,140,377 | 12,888 |
| **Net position (Deficit)** | | | | | |
| Net investment in capital assets | 7,402,300 | 6,605,761 | - | 14,008,061 | 3,401,829 |
| Unrestricted | 1,763,010 | 1,494,202 | 334,699 | 3,591,911 | 144,628 |
| Total net position | $ 9,165,310 | $ 8,099,963 | $ 334,699 | $ 17,599,972 | $ 3,546,457 |

The accompanying notes are an integral part of these financial statements.

## Statement of Revenues, Expenses and Changes in Fund Net Position
## Proprietary Funds
## For the Fiscal Year Ended June 30, 2025

| | Airport | Non-major Funds: Sewer and Storm Drain | Non-major Funds: Storm Water | Total | Governmental Activities - Internal Service Funds |
|---|---|---|---|---|---|
| **Operating Revenues** | | | | | |
| Sales and service charges | $ 1,014,295 | $ 1,308,386 | $ 23,115 | $ 2,345,796 | $ 10,823,706 |
| Intergovernmental | 211,388 | - | - | 211,388 | - |
| Miscellaneous | 179,823 | - | - | 179,823 | 116,788 |
| Total operating revenues | 1,405,506 | 1,308,386 | 23,115 | 2,737,007 | 10,940,494 |
| **Operating Expenses** | | | | | |
| Public safety | - | - | - | - | 78,924 |
| Administration and general | 809,697 | 680,198 | - | 1,489,895 | 1,793,679 |
| Materials and supplies | 30,564 | 28,566 | - | 59,130 | 675,553 |
| Contractual services | 55,097 | 69,545 | - | 124,642 | 7,449,551 |
| Cost of sales and services | 53,244 | 78,390 | - | 131,634 | - |
| Depreciation | 358,266 | 130,257 | - | 488,523 | 589,718 |
| Total operating expenses | 1,306,868 | 986,956 | - | 2,293,824 | 10,587,425 |
| Operating income (loss) | 98,638 | 321,430 | 23,115 | 443,183 | 353,069 |
| **Transfers** | | | | | |
| Transfers in | - | - | - | - | 1,000,000 |
| Transfers out | (160,216) | (113,749) | - | (273,965) | (151,507) |
| Total transfers | (160,216) | (113,749) | - | (273,965) | 848,493 |
| Change in net position | (61,578) | 207,681 | 23,115 | 169,218 | 1,201,562 |
| **Net Position** | | | | | |
| Beginning | 9,226,888 | 7,892,282 | 311,584 | 17,430,754 | 2,344,895 |
| Ending | $ 9,165,310 | $ 8,099,963 | $ 334,699 | $ 17,599,972 | $ 3,546,457 |

The accompanying notes are an integral part of these financial statements.

## Statement of Cash Flows
## Proprietary Funds
## For the Fiscal Year Ended June 30, 2025

| | Airport | Non-major Funds: Sewer and Storm Drain | Non-major Funds: Storm Water | Total | Governmental Activities Internal Service Funds |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash received from customers and users | $ 1,147,336 | $ 1,307,091 | $ 23,115 | $ 2,477,542 | $ 10,941,146 |
| Cash paid to suppliers for goods and services | (412,315) | 601,210 | - | 188,895 | (9,778,708) |
| Cash paid to employees for services | (486,646) | (388,220) | - | (874,866) | (517,856) |
| Net cash provided by operating activities | 248,375 | 1,520,081 | 23,115 | 1,791,571 | 644,582 |
| **Cash flows from noncapital financing activities** | | | | | |
| Transfer from debt service funds | - | - | - | - | 1,000,000 |
| Transfer to debt service funds | (160,216) | (113,749) | - | (273,965) | (151,507) |
| Net cash provided (used) by noncapital financing activities | (160,216) | (113,749) | - | (273,965) | 848,493 |
| **Cash flows from capital and related financing activities** | | | | | |
| Acquisition and construction of capital assets | (95,982) | (2,929,670) | - | (3,025,652) | (1,588,073) |
| Payments on lease | - | - | - | - | (11,506) |
| Net cash used for capital and related financing activities | (95,982) | (2,929,670) | - | (3,025,652) | (1,599,579) |
| **Net increase (decrease) in cash and cash equivalents** | (7,823) | (1,523,338) | 23,115 | (1,508,046) | (106,504) |
| Cash and cash equivalents, beginning of year | 1,255,410 | 4,175,426 | 311,584 | 5,742,420 | 7,261,026 |
| Cash and cash equivalents, end of year | $ 1,247,587 | $ 2,652,088 | $ 334,699 | $ 4,234,374 | $ 7,154,522 |
| **Reconciliation of operating income (loss) to net cash provided by operating activities:** | | | | | |
| Operating income (loss) | $ 98,638 | $ 321,430 | $ 23,115 | $ 443,183 | $ 353,069 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation/amortization | 358,266 | 130,257 | - | 488,523 | 589,718 |
| (Increase) decrease in assets/deferred outflows: | | | | | |
| Accounts receivable | 12,765 | (1,295) | - | 11,470 | 652 |
| Lease receivable | 325,386 | - | - | 325,386 | - |
| Deferred outflows of resources - pension | 191,418 | 148,945 | - | 340,363 | 291,718 |
| Increase (decrease) in liabilities/deferred inflows: | | | | | |
| Accounts payable | (16,021) | 1,029,590 | - | 1,013,569 | (283,239) |
| Accrued liabilities | 1,371 | 1,794 | - | 3,165 | - |
| Due to other governments | - | - | - | - | 4,778 |
| Claims and judgements payable | - | - | - | - | (117,721) |
| Unearned revenue | (104,473) | - | - | (104,473) | - |
| Compensated absences | 15,063 | - | - | 15,063 | 22,302 |
| Net pension liability | (145,271) | (113,037) | - | (258,308) | (221,390) |
| Deferred inflows of resources - pension | 3,081 | 2,397 | - | 5,478 | 4,695 |
| Deferred inflows of resources - leases | (491,848) | - | - | (491,848) | - |
| Total adjustments | 149,737 | 1,198,651 | - | 1,348,388 | 291,513 |
| **Net cash provided by operating activities** | $ 248,375 | $ 1,520,081 | $ 23,115 | $ 1,791,571 | $ 644,582 |

The accompanying notes are an integral part of these financial statements.

## Statement of Fiduciary Net Position
## Fiduciary Funds
## June 30, 2025

| | Successor Agency to the Dissolved Redevelopment Agency Private Purpose Trust Fund | Community Facilities Districts Custodial Fund |
|---|---|---|
| **Assets** | | |
| Cash and investments | $ 945,623 | $ 1,266,626 |
| Receivables: | | |
| Taxes | - | 20,876 |
| Interest | 12,964 | 5,251 |
| Restricted assets: | | |
| Cash and investments with fiscal agents | 11,057 | 2,923,241 |
| Total assets | 969,644 | 4,215,994 |
| **Deferred Outflows of Resources** | | |
| Deferred amount on refunding | 1,899,707 | - |
| **Liabilities** | | |
| Accounts payable | 6,106 | 2,889 |
| Accrued liabilities | 3,305 | - |
| Interest payable | 8,759 | - |
| Due to City of Hawthorne | 366,734 | - |
| Long-term liabilities: | | |
| Due in more than one year | 48,105,091 | - |
| Total liabilities | 48,489,995 | 2,889 |
| **Deferred Inflows of Resources** | | |
| Deferred amount on refunding | 4,724,783 | - |
| **Fiduciary Net Position (Deficit)** | | |
| Restricted for other agencies | - | 4,213,105 |
| Unrestricted net position | (50,345,427) | - |
| Total fiduciary net position | $ (50,345,427) | $ 4,213,105 |

The accompanying notes are an integral part of these financial statements.

**Statement of Changes in Fiduciary Net Position**
**Fiduciary Funds**
**For the Fiscal Year Ended June 30, 2025**

| | Successor Agency to the Dissolved Redevelopment Agency Private-Purpose Trust Fund | Community Facilities Districts Custodial Fund |
|---|---|---|
| **Additions** | | |
| Taxes | $ 3,549,974 | $ - |
| Use of money and property | 67,568 | 104,250 |
| Miscellaneous revenue | 233,265 | - |
| Tax collection for other agencies | - | 2,759,098 |
| Contribution collection for other agencies | 1,768,250 | 2,517,342 |
| Total additions | 5,619,057 | 5,380,690 |
| **Deductions** | | |
| Administrative expenses | 693,180 | 49,379 |
| Contractual services | 154,303 | - |
| Contribution to other agencies | 2,115,157 | - |
| Bond issuance costs | 1,361,817 | - |
| Debt service: | | |
| Principal payments | - | 2,990,000 |
| Interest and fiscal charges | 460,992 | 1,746,817 |
| Payment to refunded bond escrow | - | 2,369,854 |
| Total deductions | 4,785,449 | 7,156,050 |
| Change in fiduciary net position | 833,608 | (1,775,360) |
| **Net Position (Deficit)** | | |
| Beginning | (51,179,035) | 5,988,465 |
| Ending | $ (50,345,427) | $ 4,213,105 |

The accompanying notes are an integral part of these financial statements.

This page intentionally left blank

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Description of Entity**

The City of Hawthorne was incorporated on July 25, 1922, as a general law city and operates under a Council/City Manager form of government. It is governed by an elected five-member council.

As required by generally accepted accounting principles, these financial statements present the financial activities of the City of Hawthorne (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City of Hawthorne's elected officials have a continuing full or partial accountability for fiscal matters of the other entities. The financial reporting entity consists of: 1) the City, 2) organizations for which the City is financially accountable, and 3) organizations for which the nature and significance of their relationship with the City are such that exclusions would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, component units' balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's body is substantially the same as the City's or the component unit provides services almost entirely to the City.

*Housing Authority of the City of Hawthorne (Hawthorne Housing Authority)*

The Housing Authority of the City of Hawthorne is a public agency created by the City in 1984 to administer housing assistance programs for qualified low-income residents. The Housing Authority is governed by the City Council. The Housing Authority's administrative functions are performed by City employees. The financial activity of the Housing Authority is included in the City's financial statements as the Housing Authority Special Revenue Fund. Separate financial statements were not prepared for the Housing Authority of the City of Hawthorne.

*Parking Authority of the City of Hawthorne (Parking Authority)*

The Parking Authority is a public financing agency created by the City to provide parking facilities for the City's Redevelopment Plaza Project. The City Council serves as the Parking Authority's governing board and is, therefore, responsible for the fiscal and administrative activities of this related entity. The financial activity of the Parking Authority is reported in the City's financial statements in the Community Facilities District Fund which is a custodial fund. Separate financial statements were not prepared for the Parking Authority.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Description of Entity, (continued)**

*Hawthorne Public Financing Authority (Authority)*

The Authority was formed as a result of a joint powers agreement between the City of Hawthorne (the City) and the Community Redevelopment Agency of the City of Hawthorne (the Agency). The purpose of the Authority is to provide financing for the acquisition, construction and improvements of capital assets and infrastructure, working capital requirements, or liability or other insurance programs of any local Agency. The Authority is governed by a Board of Directors, composed of the five members of the City's City Council. The financial activity of the Authority is reported in the City's financial statements as the Hawthorne Public Financing Authority Debt Service Fund. Separate financial statements were not prepared for the Hawthorne Public Financing Authority.

**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 non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements, however, interfund services provided and used are not eliminated in the process of consolidation. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources, such as taxes, are reported as general revenues rather than program 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 major individual enterprise funds are reported as separate columns in the fund financial statements.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Measurement focus is commonly used to describe the types of transactions and events that are reported in a fund's operating statement. Once it has been determined whether a fund is to measure changes in total economic resources or changes in current financial resources, the next issue to be addressed is the timing of the recognition of transactions and events. The technical term that describes the criteria governing the timing of the recognition of transactions and events is basis of accounting.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Grants, entitlements or shared revenues recorded in governmental funds are recognized as revenue in the accounting period when they become susceptible to accrual, i.e., both measurable and available (modified accrual basis). Grants received before the revenue recognition criteria have been met are reported as unearned revenue, a liability account. Such resources not received are reported as a receivable if the revenue recognition criteria have been met.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Measurement Focus, Basis of Accounting and Financial Statement Presentation, (continued)**

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

- The *Hawthorne Housing Authority Special Revenue Fund* is used to account for the housing assistance programs for the qualified low-income residents.

- The *American Rescue Plan Act Fund* is used to provide relief to the City for the negative impacts caused from the COVID-19 Pandemic.

- The *California Parks & Recreation Community Center Fund* is used to account for grant funding to rehabilitate the city's community center.

- The *Park Improvements Grants Fund* is used to provide a clean, safe, and accessible environment for the community members. The project scope includes removal of deteriorated play equipment and installation of new equipment, reconfiguration of walking paths and fitness zone to increase accessibility.

- The *Civic Center Lease Bonds Fund* is used to account for the debt service on 2024 Lease Revenue Bonds.

The City's fund structure also includes the following fund types:

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

*Capital Projects Funds* are used to account for financial resources used for the acquisition or construction of major capital facilities.

*Debt Service Funds* are used to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

*Fiduciary Funds* are used by the City to account for resources held and administered under trust or similar arrangement for the benefits of individuals, private organizations, or other governments. These funds report a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Measurement Focus, Basis of Accounting and Financial Statement Presentation, (continued)**

The City has the following Fiduciary Funds:

- *Custodial Fund* - This fund accounts for money and property held by the City as a custodian. This fund reports the assets, liabilities, and activities of the Community Facilities Districts. The Custodial Funds account for assets held for specific uses that are not part of the City's operating activities; specifically, monies held by the City as an agent for property owners with special assessments and monies collected from individuals, private organizations or other governments who have made special deposits with the City for various purposes.

- *Successor Agency Private Purpose Trust Fund* - Private Purpose Trust Fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Successor Agency to the Dissolved Hawthorne Redevelopment Agency.

The City reports the following major proprietary funds:

- The *Airport Fund* accounts for the operation of the City's airport, which is operated in a manner similar to a private airport.

Additionally, the City reports the following fund type:

- *Internal Service Funds* account for financial transactions related to repair, replacement and maintenance of City-owned equipment and the City's self-insurance programs. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles (GAAP).

**Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires City management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Fund Balance Reporting**

Fund balance classifications are comprised of a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds, described as follows:

*Nonspendable fund balance* includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The City's nonspendable fund balance represents inventories, prepaid items, and long-term advances, the collectability of which is not assured.

*Restricted fund balance* includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. All special revenue funds are classified as restricted.

*Committed fund balance* includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City does not have committed fund balances as of June 30, 2025.

*Assigned fund balance* includes funds that are set aside for specific purposes by the City's highest level of decision-making authority or a body or official that has been given the authority to assign funds. The City does not have assigned fund balances as of June 30, 2025.

*Unassigned fund balance* is the residual classification for the City's fund balance and includes all spendable amounts not contained in the other classifications. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken. Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action taken to establish the commitment. The City Council considers a resolution to constitute a formal action of the City Council for the purposes of establishing committed fund balance.

The City Council delegates the authority to assign fund balance to the City Manager for purposes of reporting in the annual financial statements.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Fund Balance Reporting, (continued)**

The City considers the restricted fund balances to have been spent when an expenditure is incurred for purposes for which both unrestricted and restricted fund balance is available. The City considers unrestricted fund balances to have been spent when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

**Net Position**

Classifications of Net Position are as follows:

*Net investment in capital assets* - This represents the City's total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets.

*Restricted net position* - Restricted net position includes resources in which the City is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties or by enabling legislation adopted by the City.

*Unrestricted net position* - Unrestricted net position represents resources available to be used for transactions relating to the general operations of the City, and may be used at the discretion of the governing board, as designated, to meet current expenses or for specific future purposes.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Implementation of New Pronouncement**

***GASB Statement No. 101*** – *Compensated Absences*: the City reviewed its compensated absences policies and accrual methodology to ensure compliance with GASB 101. The evaluation confirmed that leave types meeting the criteria for recognition—those attributable to past service, accumulating, and more likely than not to be used or paid—were properly identified. The calculation methodology was refined to reflect current pay rates and to include applicable salary-related costs.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Cash and Cash Equivalents**

For the purpose of the statement of cash flows, the City considers cash and cash equivalents as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City follows the practice of pooling cash and investments of all funds. Since cash and investments are pooled, the City utilizes the assumption that cash and investments in the Enterprise and Internal Service Funds are cash and cash equivalents.

**Investments**

Investments for the City as well as for its component units are reported at fair value, and all investment income; including changes in the fair value of investments, is recognized as revenue in the operating statements. The City's policy is generally to hold investments until maturity or until fair values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Advances to Successor Agency, as reported in the fund financial statements, are offset by unavailable revenue account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of allowance for uncollectible amounts.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Inventories**

Inventories of materials and supplies are carried at cost on a first-in, first-out basis. The City uses the consumption method of accounting for inventories. Special reporting treatments are also applied to governmental fund inventories to indicate that they do not represent available spendable resources, even though they are a component of net current assets. Such amounts are generally offset by fund balance nonspendable accounts.

**Prepaid Costs and Land Held for Resale**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements, using the consumption method. Land purchased for resale is capitalized as inventory at acquisition costs or net realizable value if lower. The fund balances in the governmental funds have been classified as nonspendable for amounts equal to prepaid costs and land held for resale in the fund-level statements since these amounts are not available to the City's current operations.

**Capital Assets**

Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value at the time of acquisition. The City has reported its general infrastructure assets which include streets, sidewalks, storm drains, curbs and gutters, handicap ramps and trails.

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 or as constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Capital Assets, (continued)**

The provision for depreciation of capital assets of the primary government, as well as its component units, is computed using the straight-line method over the following estimated useful lives:

| | Years |
|---|---|
| Curbs and gutters | 40 |
| Parks | 50 |
| Sewer | 40 |
| Sidewalks | 40 |
| Streets | 50 |
| Traffic signs and signals | 30 |
| Machinery and equipment | 5-50 |
| Vehicles | 5 |
| Buildings | 40 |

Right-to-use lease and subscription assets are amortized over the life of the associated contract using the straight-line method.

**Deferred Outflows and Inflows of Resources**

A deferred outflow of resources is defined as a consumption of net assets that applies to future periods. A deferred inflow of resources is defined as an acquisition of net assets that applies to future periods Refer to Note 16 for the list of deferred inflows and deferred outflows of resources the City has recognized as of June 30, 2025, excluding pension and OPEB related amounts.

**Claims and Judgments**

The City is partially self-insured for general liability and workers' compensation claims. The City records estimated liabilities for such claims filed or estimated to be filed for incidents which have occurred. The City's claims and judgments payable are recorded in the City's Insurance Reserve Internal Service Fund.

**Employee Compensated Absences**

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Employees may accrue a maximum of half their annual accrual rate. Upon termination an employee will be paid for any unused accrued vacation pay. Sick leave is payable when an employee is unable to work because of illness. Upon retirement, employees are entitled to receive the full value of their accumulated sick leave time.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Employee Compensated Absences, (continued)**

Only the short-term liability for compensated absences (the amount due to employees for future absences, such as vacation and compensatory time, which are attributable to services already rendered) is reported as a current liability in the governmental funds and only if they have matured, for example, as a result of employee resignations and retirements; the long-term liability is reported in the government-wide financial statements. The short-term liability is the amount that will be liquidated with current financial resources and is expected to be paid during the next fiscal year. All of the liability for compensated absences applicable to proprietary funds is reported in those funds.

The long-term portion of compensated absences payable has been accrued for the Governmental Activities on the Government-Wide Financial Statement. There is no fixed payment schedule to pay these liabilities.

**Property Tax Revenue**

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on March 1 each year and are delinquent, if unpaid, on August 31.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

**Pensions, (continued)**

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|---|---|
| Valuation Date (VD) | June 30, 2023 |
| Measurement Date (MD) | June 30, 2024 |
| Measurement Period (MP) | July 1, 2023 to June 30, 2024 |

**Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|---|---|
| Valuation Date (VD) | June 30, 2023 |
| Measurement Date (MD) | June 30, 2024 |
| Measurement Period (MP) | July 1, 2023 to June 30, 2024 |

**Upcoming Accounting Pronouncements**

*Statement No. 103, Financial Reporting Model Improvements*: The objective of this Statement is to improve key components 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 requirements of this statement are effective for fiscal years beginning after June 15, 2025.

*Statement No. 104, Disclosure of Certain Capital Assets*: The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

## 2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

| | |
|---|---|
| Statement of net position: | |
| Cash and investments | $ 156,193,955 |
| Cash and investments with fiscal agents | 35,550,983 |
| Statement of fiduciary net position: | |
| Successor Agency to the Dissolved RDA | |
| Cash and investments | 945,623 |
| Cash and investments with fiscal agents | 11,057 |
| Community Facilities District | |
| Cash and investments | 1,266,626 |
| Cash and investments with fiscal agents | 2,923,241 |
| Total | $ 196,891,485 |

Cash and investments as of June 30, 2025, consisted of the following:

| | |
|---|---|
| Cash and cash equivalents: | |
| Petty cash | $ 3,489 |
| Demand deposits - City | 17,486,294 |
| Demand deposits - Successor Agency | 211,870 |
| Total cash and cash equivalents | 17,701,653 |
| Investments: | |
| Local Agency Investment Fund | 75,089,873 |
| Negotiable Certificates of Deposit | 6,788,236 |
| U.S. Treasury Securities | 15,621,054 |
| U.S. Government Bonds | 2,450,228 |
| Medium term corporate notes | 494,135 |
| Fidelity Money Market | 45,648,872 |
| Held by Bond Trustee | 33,097,434 |
| Total investments | 179,189,832 |
| Total | $ 196,891,485 |

The City maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various investments.

2) CASH AND INVESTMENTS, (continued)

**Investments**

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

| Authorized Investment Type | Authorized by Investment Policy | Maximum Maturity | Maximum Percentage of Portfolio | Maximum Investment In One Issuer |
|---|---|---|---|---|
| U.S. Treasury Obligation | Yes | 5 years | None | None |
| U.S. Agency Securities | Yes | 5 years | 75% | 30% |
| Banker's Acceptances | Yes | 180 days | 40% | 30% |
| Commercial Paper | Yes | 270 days | 25% | 10% |
| Certificate of Deposit | Yes | 5 years | None | None |
| Medium-Term Notes | Yes | 5 years | 30% | 5% |
| Money Market Mutual Funds | Yes | N/A | 20% | None |
| Local Agency Investment Fund | Yes | N/A | None | $75 million |
| Negotiable Certificates of Deposits | Yes | 5 years | 30% | None |
| Mutual Funds | Yes | N/A | 20% | 10% |
| Local Government Investment Pool | Yes | N/A | 20% | None |
| Supranational | Yes | 5 years | 30% | None |
| Asset Backed Securities | Yes | N/A | 20% | 10% |

**Investments Authorized by Debt Agreements**

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

**Investments in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the portion in the investment pool is the same as the value of the pool shares.

2) CASH AND INVESTMENTS, (continued)

**Credit Risk**

The City's investment policy limits investments in commercial paper to those rated "A-1" or higher by Standard and Poor's (S&P) or by Moody's. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by the City's Investment Policy and the actual rating as of June 30, 2025:

| Investment Type | Amount | Minimum Legal Rating | Aaa-A | Not Rated |
|---|---|---|---|---|
| External Investment Pools - | | | | |
| Local Agency Investment Fund | $ 75,089,873 | N/A | $ - | $ 75,089,873 |
| Negotiable Certificates of Deposits | 6,788,236 | N/A | 6,788,236 | - |
| U.S. Treasury Securities | 15,621,054 | | 15,621,054 | - |
| U.S. Government Bonds | 2,450,228 | N/A | 2,450,228 | - |
| Medium term corporate notes | 494,135 | N/A | 494,135 | - |
| Fidelity Money Market | 45,648,872 | N/A | - | 45,648,872 |
| Held by Bond Trustee: | | | | |
| Money Market Mutual Funds | 33,097,434 | N/A | - | 33,097,434 |
| **Total Investments** | $ 179,189,832 | | $ 25,353,653 | $ 153,836,179 |

**Custodial Credit Risk**

The California Government Code requires California financial institutions to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to $250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a financial institution with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At June 30, 2025, the City deposits (bank balances) were collateralized under California Law.

2) CASH AND INVESTMENTS, (continued)

**Concentration of Credit Risk**

The City's investment policy imposes restrictions on the percentage that the City can invest in certain types of investments. As of June 30, 2025, there were no investments in any one issuer that represents 5% or more of the total City's investments. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

**Interest Rate Risk**

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2025, the City had the following investments and original maturities:

| Investment Types | Less than 1 year | 1 to 3 years | 3 to 5 years | Total |
|---|---|---|---|---|
| External Investment Pools - | | | | |
| Local Agency Investment Fund | $ 75,089,873 | $ - | $ - | $ 75,089,873 |
| Negotiable Certificates of Deposits | 331,436 | 6,456,800 | - | 6,788,236 |
| U.S. Treasury Securities | 15,621,054 | - | - | 15,621,054 |
| U.S. Government Bonds | 246,656 | 2,203,572 | - | 2,450,228 |
| Medium term corporate notes | - | 494,135 | - | 494,135 |
| Fidelity Money Market | 45,648,872 | - | - | 45,648,872 |
| Held by Bond Trustee: | | | | |
| Money Market Mutual Funds | 33,097,434 | - | - | 33,097,434 |
| **Total Investments** | $ 170,035,325 | $ 9,154,507 | $ - | $ 179,189,832 |

*The remainder of this page has been left blank intentionally.*

2) CASH AND INVESTMENTS, (continued)

**Fair Value Measurements**

Generally accepted accounting standards establish a fair value hierarchy that consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly, that can include quoted prices for similar assets or liabilities in active or inactive markets, or market-corroborated inputs, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability.

The following table presents the balances of the assets measured at fair value on a recurring basis as of June 30, 2025:

| | | Fair Value Measurement Using | | |
|---|---|---|---|---|
| **Investments by Fair Value Level** | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Negotiable Certificates of Deposit | $ 6,788,236 | $ - | $ 6,788,236 | $ - |
| U.S. Treasury Securities | 15,621,054 | - | 15,621,054 | - |
| U.S. Government Bonds | 2,450,228 | - | 2,450,228 | - |
| Medium term corporate notes | 494,135 | - | 494,135 | - |
| Total Investments by Fair Value Level | 25,353,653 | $ - | $ 25,353,653 | $ - |
| Not subject to the Fair Value Hierarchy: | | | | |
| Local Agency Investment Fund | 75,089,873 | | | |
| Fidelity Money Market | 45,648,872 | | | |
| Held by Bond Trustee: | | | | |
| Money Market Mutual Funds | 33,097,434 | | | |
| **Total Investments** | $ 179,189,832 | | | |

*The remainder of this page has been left blank intentionally.*

3) LEASES RECEIVABLE

**Government Activities**

The City has entered into leases as a Lessor for the use of cell towers, infrastructure and buildings, for a period of 51 to 319 months. The initial lease receivables were recorded in the range between $71,855 to $2,598,160. The lessee is required to make monthly fixed payments in the range between $2,723 to $110,000. The leases have an interest rate in the range between 0.8930% to 3.6500%. The cell towers, infrastructure and buildings estimated useful life have a range between 51 to 319 months as of the contract commencement. The cell towers, infrastructure and buildings have 2 to 3 extension options each for 60 months.

Total lease receivable, deferred inflow of resources and revenue recognized at June 30, 2025 were $5,433,402, $5,197,882 and $498,245, respectively.

Total principal and interest expected to maturity is as follows:

| | Governmental Activities | | |
|---|---|---|---|
| **Fiscal Year** | **Principal Payments** | **Interest Payments** | **Total Payments** |
| 2026 | $ 405,583 | $ 137,863 | $ 543,446 |
| 2027 | 317,418 | 128,541 | 445,959 |
| 2028 | 291,095 | 121,232 | 412,327 |
| 2029 | 301,244 | 113,806 | 415,050 |
| 2030 | 311,745 | 106,110 | 417,855 |
| 2031 - 2035 | 1,208,085 | 425,326 | 1,633,411 |
| 2036 - 2040 | 1,091,476 | 267,485 | 1,358,961 |
| 2041 - 2045 | 1,035,475 | 136,741 | 1,172,216 |
| 2046 - 2049 | 471,281 | 18,717 | 489,998 |
| **Total Remaining Receivable** | $ 5,433,402 | $ 1,455,821 | $ 6,889,223 |

*The remainder of this page has been left blank intentionally.*

3) LEASES RECEIVABLE, (continued)

**Business Activities**

The City has entered into leases as a Lessor for the use of the HHO/Tarmac Airport, the Hawthorne Municipal Airport and the Zelman Airport, for a period of 234 to 401 months. The initial lease receivables were recorded in the range between $384,836 to $15,910,384. The lessee is required to make monthly fixed payments in the range between $1,500 to $52,348. The leases have an interest rate in the range between 2.3780% to 2.5830%. The Hawthorne Municipal Airport and the Zelman Airport have 2 and 3 extension options, respectively, each for 60 months.

Total lease receivable, deferred inflow of resources and revenue recognized at June 30, 2025 were $16,818,603, $16,125,340 and $491,848, respectively.

Total principal and interest expected to maturity is as follows:

| | Business-Type Activities | | |
|---|---|---|---|
| Fiscal Year | Principal Payments | Interest Payments | Total Payments |
| 2026 | $ 333,726 | $ 427,512 | $ 761,238 |
| 2027 | 342,280 | 418,957 | 761,237 |
| 2028 | 351,054 | 410,184 | 761,238 |
| 2029 | 360,053 | 401,185 | 761,238 |
| 2030 | 369,283 | 391,955 | 761,238 |
| 2031 - 2035 | 1,993,367 | 1,812,821 | 3,806,188 |
| 2036 - 2040 | 2,262,354 | 1,543,835 | 3,806,189 |
| 2041 - 2045 | 2,021,767 | 1,266,650 | 3,288,417 |
| 2046 - 2050 | 2,235,170 | 995,718 | 3,230,888 |
| 2051 - 2055 | 2,530,869 | 688,019 | 3,218,888 |
| 2056 - 2060 | 2,795,507 | 345,381 | 3,140,888 |
| 2061 - 2062 | 1,223,173 | 33,182 | 1,256,355 |
| **Total Remaining Receivable** | $ 16,818,603 | $ 8,735,399 | $ 25,554,002 |

*The remainder of this page has been left blank intentionally.*

## 4) CAPITAL ASSETS

Capital asset activity was as follows for the year ended June 30, 2025:

| **Governmental activities**: | **Balance June 30, 2024** | **Additions** | **Transfers/ Deletions** | **Balance June 30, 2025** |
|---|---|---|---|---|
| Capital assets, not being depreciated/amortized: | | | | |
| Land | $ 25,350,766 | $ 350,000 | $ - | $ 25,700,766 |
| Construction in progress | 16,311,546 | 20,625,627 | (22,859,780) | 14,077,393 |
| Total capital assets, not being depreciated | 41,662,312 | 20,975,627 | (22,859,780) | 39,778,159 |
| Capital assets, being depreciated/amortized: | | | | |
| Structures and improvements | 55,113,808 | - | - | 55,113,808 |
| Machinery and equipment: | | | | |
| City | 12,361,011 | 170,755 | (748,661) | 11,783,105 |
| Equipment replacement/vehicles | 7,320,167 | 1,588,073 | (1,197,843) | 7,710,397 |
| Parking Authority - structures | 17,199,243 | - | (839,689) | 16,359,554 |
| Infrastructure | 175,593,553 | 23,188,569 | - | 198,782,122 |
| Right-to-use leases: | | | | |
| Equipment replacement/vehicles | - | 325,632 | - | 325,632 |
| Right-to-use subscriptions | 34,523 | 1,735,755 | (34,523) | 1,735,755 |
| Investment in joint venture (RCC) | 7,307,384 | 49,498 | - | 7,356,882 |
| Total capital assets, being depreciated/amortized | 274,929,689 | 27,058,282 | (2,820,716) | 299,167,255 |
| Less accumulated depreciation/amortization for: | | | | |
| Structures and improvements | (37,736,245) | (1,464,724) | - | (39,200,969) |
| Machinery and equipment: | | | | |
| City | (8,704,218) | (590,922) | 760,693 | (8,534,447) |
| Equipment replacement/vehicles | (4,928,200) | (578,211) | 1,197,843 | (4,308,568) |
| Parking Authority - structures | (16,214,655) | (11,121) | - | (16,225,776) |
| Infrastructure | (72,613,020) | (3,184,550) | - | (75,797,570) |
| Right-to-use leases | | | | |
| Equipment replacement/vehicles | - | (10,627) | - | (10,627) |
| Right-to-use subscriptions | (23,014) | (826,689) | 34,523 | (815,180) |
| Investment in joint venture (RCC) | (4,049,886) | (305,088) | - | (4,354,974) |
| Total accumulated depreciation and amortization | (144,269,238) | (6,971,932) | 1,993,059 | (149,248,111) |
| Total capital assets, being depreciated/amortized, net | 130,660,451 | 20,086,350 | (827,657) | 149,919,144 |
| **Total governmental activities** | $ 172,322,763 | $ 41,061,977 | $ (23,687,437) | $ 189,697,303 |

4) CAPITAL ASSETS, (continued)

| **Business-type activities**: | **Balance June 30, 2024** | **Additions** | **Transfers/ Deletions** | **Balance June 30, 2025** |
|---|---|---|---|---|
| Capital assets, not being depreciated: | | | | |
| Land | $ 37,314 | $ - | $ - | $ 37,314 |
| Construction in progress | 681,585 | 2,326,813 | - | 3,008,398 |
| Total capital assets, not being depreciated | 718,899 | 2,326,813 | - | 3,045,712 |
| Capital assets, being depreciated: | | | | |
| Structures and improvements | 3,020,109 | - | - | 3,020,109 |
| Machinery and equipment | 28,130 | 698,839 | - | 726,969 |
| Infrastructure: | | | | |
| Airport | 12,319,397 | - | - | 12,319,397 |
| Storm and sewer drain | 14,917,102 | - | - | 14,917,102 |
| Total capital assets, being depreciated | 30,284,738 | 698,839 | - | 30,983,577 |
| Less accumulated depreciation for: | | | | |
| Structures and improvements | (2,165,794) | (51,395) | - | (2,217,189) |
| Machinery and equipment | (28,130) | (38,610) | - | (66,740) |
| Infrastructure: | | | | |
| Airport | (6,073,619) | (306,871) | - | (6,380,490) |
| Storm and sewer drain | (11,265,162) | (91,647) | - | (11,356,809) |
| Total accumulated depreciation | (19,532,705) | (488,523) | - | (20,021,228) |
| Total capital assets, being depreciated, net | 10,752,033 | 210,316 | - | 10,962,349 |
| **Total business-type activities** | $ 11,470,932 | $ 2,537,129 | $ - | $ 14,008,061 |

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

| | |
|---|---|
| Governmental Activities: | |
| General government | $ 1,671,670 |
| Public safety | 1,590,020 |
| Public works | 2,878,212 |
| Community development | 94,537 |
| Parks and recreation | 147,775 |
| Internal service fund | 589,718 |
| Total depreciation/amortization expense – governmental activities | $ 6,971,932 |
| Business-type Activities: | |
| Structures and improvements - Airport | $ 51,395 |
| Machinery and equipment - Sewer Storm and Drain | 38,610 |
| Infrastructure: | |
| Airport | 306,871 |
| Sewer and Storm Drain | 91,647 |
| Total depreciation expense – business-type activities | $ 488,523 |

5) INTERFUND ACTIVITY

The following represents the City's interfund activity for the fiscal year ended June 30, 2025.

**Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the year. The following is a summary of current interfund balances as of June 30, 2025:

| Receivable Fund | Amount | Payable Fund | Amount |
|---|---|---|---|
| General Fund | $ 11,212,181 | Major Funds: | |
| | | Hawthorne Housing Authority | $ 334,736 |
| | | CA Parks & Recreation | |
| | | Community Center | 3,610,607 |
| | | Park Improvements | 3,316,252 |
| | | Non-Major Funds: | |
| | | Street Lighting | 464,053 |
| | | Street | 78,047 |
| | | California Office of Traffic Safety | 43,952 |
| | | Community Development Block Grant | 330,008 |
| | | MTA Measure W | 429,159 |
| | | CA Parks & Recreation | |
| | | Senior Center | 214,464 |
| | | HUD Community Development | 464,410 |
| | | Building Resilient | |
| | | Infrastructure & Communities | 275,649 |
| | | Cannabis Retail Acess Grant | 31,342 |
| | | Recycling Fund | 68,959 |
| | | Homeland Security - StoneGarden | 98,429 |
| | | Social Security Administration | 3,715 |
| | | USDOT – SS4A | 227,207 |
| | | 2019 Pension Obligation Bond | 1,221,192 |
| Totals | $ 11,212,181 | | $ 11,212,181 |

The loans from the General Fund to the major and non-major funds were made to eliminate short-term cash deficits.

5) INTERFUND ACTIVITY, (continued)

**Interfund Transfers**

| Funds | Transfers in | Transfers out |
|---|---|---|
| *Major Funds:* | | |
| General | $ 41,494 | $ 16,033,444 |
| Hawthorne Housing Authority | - | 113,855 |
| Park Improvements | 411,721 | - |
| Civic Center Lease Bonds | 1,500,000 | - |
| *Non-Major Funds:* | | |
| Street Lighting | - | 26,544 |
| Gas Tax | - | 1,667,992 |
| Street | 1,500,000 | 289,264 |
| Proposition A | - | 43,782 |
| MTA Measure M | - | 55,491 |
| MTA Measure R | - | 42,343 |
| Proposition C | - | 10,934 |
| Housing Asset | - | 66,578 |
| HOME Grant | - | 48,039 |
| CDBG | - | 7,158 |
| MTA Measure W | - | 62,214 |
| Capital Improvement Fund | 3,295,633 | - |
| 2016 Refunding Bonds | 3,288,713 | - |
| 2016 Direct Placement Lease Financing | 240,352 | - |
| 2019 Pension Obligation Bond | 7,615,197 | - |
| *Internal Service Funds:* | | |
| Equipment Replacement | - | 98,364 |
| Hardware Replacement | 1,000,000 | 53,143 |
| *Enterprise Funds:* | | |
| Airport | - | 160,216 |
| Sewer and Storm Drain | - | 113,749 |
| Total transfers | $ 18,893,110 | $ 18,893,110 |

Transfer to the General Fund of $41,494 was Hawthorne Blvd property expenses and CFD administrative fees.

The transfer to the 2019 Pension Obligation Bond fund was to fund the debt services payments, including $6,694,597 from the General Fund, $79,515 from the Hawthorne Housing Authority Fund, and the non-major funds for the remainder.

5) INTERFUND ACTIVITY, (continued)

**Interfund Transfers, (continued)**

The transfer from the General Fund in the amount of $240,352 consists of debt service payments on the 2007 SBPRCA Series B bonds/2016 Direct Placement Leasing.

The transfer of $3,288,713 to the 2016 Refunding Bonds fund was for debt service payments, including $2,891,141 from the General Fund, $34,340 from the Hawthorne Housing Authority Fund, and the non-major funds for the remainder.

The transfer from the Gas Tax Fund to the Street Fund in the amount of $1,500,000 was to fund eligible projects and programs in the Street Fund.

6) LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2025

| | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 | Due Within One Year |
|---|---|---|---|---|---|
| Governmental Activities: | | | | | |
| Bonds Payable: | | | | | |
| Governmental Funds: | | | | | |
| 2016 Direct Placement Lease Financing | $ 1,301,850 | $ - | $ (205,850) | $ 1,096,000 | $ 207,100 |
| 2016 Certificates of Participation | 17,375,000 | - | (2,215,000) | 15,160,000 | 2,290,000 |
| Plus (less) deferred amounts: | | | | | |
| Issuance premium | 1,037,735 | - | (163,951) | 873,784 | 163,951 |
| Issuance discount | (50,985) | - | 8,498 | (42,487) | (8,498) |
| 2019 Pension Obligation Bonds - direct placement | 108,530,000 | - | (2,930,000) | 105,600,000 | 3,000,000 |
| 2024 Lease Revenue Bonds | - | 26,950,000 | - | 26,950,000 | 395,000 |
| Issuance premium | - | 3,489,453 | (101,776) | 3,387,677 | 174,473 |
| Total Bonds Payble | 128,193,600 | 30,439,453 | (5,608,079) | 153,024,974 | 6,222,026 |
| Direct Borrowing: | | | | | |
| Governmental Funds: | | | | | |
| Lease payable | - | 325,632 | (13,583) | 312,049 | 78,198 |
| SBITA payable | - | 1,236,976 | (375,555) | 861,421 | 417,704 |
| Total Governmental Funds | - | 1,562,608 | (389,138) | 1,173,470 | 495,902 |
| Internal Service Funds: | | | | | |
| SBITA payable | 11,506 | - | (11,506) | - | - |
| Total Internal Service Funds | 11,506 | - | (11,506) | - | - |
| Total Direct Borrowing | 11,506 | 1,562,608 | (400,644) | 1,173,470 | 495,902 |
| **Total long-term debt** | $ 128,205,106 | $ 32,002,061 | $ (6,008,723) | $ 154,198,444 | $ 6,717,928 |

The City has a legal debt limit of 15% of gross Assesed valuation, or $430,222,895 in fiscal year 2024-2025. None of the City's general obligation bonds are applicable to this limit.

6) LONG-TERM DEBT, (continued)

**2016 Direct Placement Lease Financing**

In August 2016, the 2016 Direct Placement Lease Financing was issued in the amount of $2,730,900 to refund $2,755,000 in SBRPCA 2007 Series B Bonds. The bonds consisting of serial bonds maturing in annual installments of $143,350 to $233,450. The bonds bear interest at 2.650%. Total principal and interest remaining on the bonds as of June 30, 2025 is $1,175,853 payable through 2030.

The obligation of the City to make Lease Payments pursuant to the Lease Agreement does not constitute a debt of the City or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction and does not constitute an obligation for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The City will pay Lease Payments from its general funds. No amounts in the general funds of the City will be segregated, set aside or pledged to the payment of the Lease Payments and no amounts will be reasonably expected to be used directly or indirectly to pay Lease Payments. The 2016 Direct Placement Lease Financing is subject to optional redemption prior to maturity.

If the City fails to perform any of its obligations under the Lease Agreement, the Sublessor may take such action as may be necessary to cure such failure, including the advancement of money, and the City shall be obligated to repay all such advances as additional rental as provided for under the terms of the agreement, with interest at the rate set forth in Section 4.3(c) of the agreement.

The total debt service requirements to maturity as of June 30, 2025, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 207,100 | $ 29,044 | $ 236,144 |
| 2027 | 213,150 | 23,556 | 236,706 |
| 2028 | 218,600 | 15,010 | 233,610 |
| 2029 | 223,700 | 9,150 | 232,850 |
| 2030 | 233,450 | 3,093 | 236,543 |
| **Total** | $ 1,096,000 | $ 79,853 | $ 1,175,853 |

6) LONG-TERM DEBT, (continued)

**2016 Certificate of Participation Series A and Series B**

*Series A Certificates*

In May 2016, The City issued $12,645,000 Series A Certificates of Participation to provide funds to (a) refinance the obligations of the City under a lease agreement by and between the California Infrastructure and Economic Development Bank and the City, executed in 2001 to finance the costs of construction of the City of Hawthorne Police Headquarters, (b) pay a portion of the costs of the reserve fund municipal bond insurance policy in lieu of cash funding a reserve fund for the Certificates and (3) pay delivery costs incurred in connection with the execution, delivery, and sale of the Series A Certificates. Total principal and interest remaining on the bonds as of June 30, 2025 is $14,474,700 payable through 2031.

The Series A Certificates maturing on August 1, 2026, are not subject to optional redemption prior to maturity. The Series A Certificates maturing on and after August 1, 2027, are subject to optional redemption prior to maturity in whole or in part on any date in such order of maturity as shall be designated by the City (or, if the City shall fail to so designate the order of redemption, in pro rata among maturities) and by lot within a maturity, on or after August 1, 2026, at a redemption price equal to the principal amount of the Certificates to be redeemed, together with accrued interest, without premium, to the date fixed for redemption, from the proceeds of the optional prepayment of Series A Lease Payments made by the City pursuant to the Lease Agreement.

*Series B Certificates*

In May 2016, the City issued $17,470,000 Series B Certificates of Participation to provide funds to (a) refinance the obligations with respect to the City of Hawthorne Pension Obligation Bonds, Series 2005, (b) pay a portion of the costs of the Reserve Policy and (c) pay delivery costs incurred in connection with the execution, delivery and sale of the Series B Certificates. Total principal and interest remaining on the bonds as of June 30, 2025 is $2,563,181 payable through 2027.

The Series B Certificates are not subject to optional redemption prior to maturity.

The obligation of the City to make the Lease Payments under the Lease Agreement for the 2016 Certificate of Participation Series A and Series B does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to make Lease Payments does not constitute a debt of the City, the State of California or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

6) LONG-TERM DEBT, (continued)

**2016 Certificate of Participation Series A and Series B, (continued)**

Although the Lease Agreement does not create a pledge, lien or encumbrance upon the funds of the City, the City is obligated under the Lease Agreement to pay the Lease Payments from any source of legally available funds and the City has covenanted in the Lease Agreement that, for so long as the Property is available for its use, it will make the necessary annual appropriations within its budget for the Lease Payments. The City is currently liable and may become liable on other obligations payable from general revenues, some of which may have a priority over the Lease Payments, or which the City, in its discretion, may determine to pay prior to the Lease Payments.

Whenever any Event of Default shall have happened and be continuing, it shall be lawful for the Corporation to exercise any and all remedies available pursuant to law or granted pursuant to the Lease Agreement; provided, however, that notwithstanding anything in the Lease Agreement or in the Trust Agreement to the contrary, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant in the Lease Agreement to be kept and performed by the City is expressly made a condition and upon the breach thereof, the Corporation may exercise any and all rights of entry and reentry upon the Property, and also, at its option, with or without such entry, may terminate the Lease Agreement; provided, that no such termination shall be effected either by operation of law or acts of the parties to the Lease Agreement, except only in the manner expressly provided in the Lease Agreement. In the event of such default and notwithstanding any re-entry by the Corporation, the City shall, as expressly provided in the Lease Agreement, continue to remain liable for the payment of the Lease Payments and/or damages for breach of the Lease Agreement and the performance of all conditions contained in the Lease Agreement and, in any event such rent and/or damages shall be payable to the Corporation at the time and in the manner as provided on the Lease Agreement.

The total debt service requirements to maturity as of June 30, 2025, are as follows:

| Year Ending | Series A | | Series B | | Total | |
|---|---|---|---|---|---|---|
| June 30, | Principal | Interest | Principal | Interest | Principal | Interest |
| 2026 | $ - | $ 505,800 | $ 2,290,000 | $ 44,525 | $ 2,290,000 | $ 550,325 |
| 2027 | 2,145,000 | 462,900 | 225,000 | 3,656 | 2,370,000 | 466,556 |
| 2028 | 2,470,000 | 370,600 | - | - | 2,470,000 | 370,600 |
| 2029 | 2,570,000 | 269,800 | - | - | 2,570,000 | 269,800 |
| 2030 | 2,675,000 | 164,900 | - | - | 2,675,000 | 164,900 |
| 2031 | 2,785,000 | 55,700 | - | - | 2,785,000 | 55,700 |
| **Total** | $ 12,645,000 | $ 1,829,700 | $ 2,515,000 | $ 48,181 | $ 15,160,000 | $ 1,877,881 |

6) LONG-TERM DEBT, (continued)

**2019 Pension Obligation Bonds**

On September 24, 2019, the City of Hawthorne issued 2019 Taxable Pension Obligation Bonds, Series 2019 in the amount of $121,865,000. The 2019 Bonds were placed with U.S. Bank National Association. The bonds were issued to (a) finance a portion of the City's unfunded accrued liability to the California Public Employees' Retirement System (CalPERS) for the benefit of the City's employees and to pay a portion of current normal costs, and (b) pay the costs incurred in connection with the issuance of the bonds. The bonds bear variable interest rates ranging from 2.115% to 3.299% and are payable semiannually on June 1 and December 1 of each year, commencing June 1, 2020 until maturity or earlier redemption. The bonds mature in fiscal year 2049. Total principal and interest remaining on the bonds as of June 30, 2025 is $160,156,651.

The obligations of the City under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the City imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligations of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions in contravention of any constitutional or statutory debt limitation or restriction.

For the purpose of paying the principal of and interest on the Bonds, the City Council has covenanted under the Trust Agreement, to take such actions annually as are necessary or appropriate to cause the debt service on the Bonds due in any fiscal year to be included in the budget for such fiscal year and to make the necessary appropriations therefor from any legally available funds, including the General Fund, to ensure that sufficient sums are available to pay the annual principal of and interest on the Bonds as the same become due.

The Bonds maturing on or before June 1, 2029, are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on and after June 1, 2030, are subject to optional redemption from any source of available funds of the City, prior to their respective maturities, in whole or in part among maturities as specified by the City, and by lot within a maturity, on any date on or after June 1, 2029, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

The Bonds maturing on June 1, 2039 and June 1, 2044, are also subject to mandatory sinking fund redemption on June 1 in the years, and in the amounts, as set forth in the Official Statement at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption.

6) LONG-TERM DEBT, (continued)

**2019 Pension Obligation Bonds, (continued)**

The following events constitute Events of Default under the Trust Agreement: (a) if default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise; (b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; (c) if default shall be made by the City in the observance of any of the covenants, agreements or conditions on its part in the Trust Agreement or in the Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the City; or (d) if the City shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the City under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the City or of the whole or any substantial part of its property. A Bondholder may exercise any remedies available pursuant to the law or the Trust Agreement if an event of default occurs under the Trust Agreement.

The total debt service requirements to maturity as of June 30, 2025, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 3,000,000 | $ 3,672,670 | $ 6,672,670 |
| 2027 | 3,075,000 | 3,598,030 | 6,673,030 |
| 2028 | 3,155,000 | 3,518,110 | 6,673,110 |
| 2029 | 3,240,000 | 3,432,957 | 6,672,957 |
| 2030 | 3,330,000 | 3,342,269 | 6,672,269 |
| 2031-2035 | 18,230,000 | 15,132,851 | 33,362,851 |
| 2036-2040 | 21,525,000 | 11,833,600 | 33,358,600 |
| 2041-2045 | 25,730,000 | 7,643,098 | 33,373,098 |
| 2046-2049 | 24,315,000 | 2,383,066 | 26,698,066 |
| **Total** | $ 105,600,000 | $ 54,556,651 | $ 160,156,651 |

6) LONG-TERM DEBT, (continued)

**2024 Lease Revenue Bonds**

In September 2024, the City issued $29,950,000 to provide funds to (a) pay a portion of the costs of construction and renovation of the city hall expansion and new civic center park, new public works yard, expanded senior center, police facility improvements, aquatics center and pool improvements, and certain other related capital improvements, and (b) pay cost of issuance of the Bonds. The bonds bear variable interest of 5% and are payable semiannually on May 1 and November 1 of each year, commencing May 1, 2025 until maturity or earlier redemption. The bonds mature in fiscal year 2055. Total principal and interest remaining on the bonds as of June 30, 2025 is $52,511,306.

The total debt service requirements to maturity as of June 30, 2025, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 395,000 | $ 1,452,306 | $ 1,847,306 |
| 2027 | 415,000 | 1,327,750 | 1,742,750 |
| 2028 | 440,000 | 1,307,000 | 1,747,000 |
| 2029 | 460,000 | 1,285,000 | 1,745,000 |
| 2030 | 485,000 | 1,262,000 | 1,747,000 |
| 2031-2035 | 2,820,000 | 5,920,500 | 8,740,500 |
| 2036-2040 | 3,630,000 | 5,138,750 | 8,768,750 |
| 2041-2045 | 4,655,000 | 4,133,750 | 8,788,750 |
| 2046-2050 | 5,980,000 | 2,545,500 | 8,525,500 |
| 2051-2055 | 7,670,000 | 1,188,750 | 8,858,750 |
| **Total** | $ 26,950,000 | $ 25,561,306 | $ 52,511,306 |

**Lease Payable**

As of June 30, 2025, the City had 7 active leases. The leases have payments that range from $1,483 to $4,455 and interest rates that range from 2.822% to 2.899%. As of June 30, 2025, the total combined value of the lease liability is $312,049. The combined value of the right to use asset, as of June 30, 2025 of $325,632 with accumulated amortization of $10,627, which is detailed in Note 4.

6) LONG-TERM DEBT, (continued)

**Lease Payable, (continued)**

The following is a schedule by year of future minimum lease payments under the agreements as of June 30, 2025:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 78,198 | $ 7,804 | $ 86,002 |
| 2027 | 80,443 | 5,559 | 86,002 |
| 2028 | 82,753 | 3,249 | 86,002 |
| 2029 | 70,655 | 896 | 71,551 |
| **Total** | $ 312,049 | $ 17,508 | $ 329,557 |

**Subscriptions Payable**

*Governmental Funds*

As of June 30, 2025 the City had 14 active subscriptions. The subscriptions have payments that range from $5,616 to $101,417 and interest rates that range from 1.710% to 3.281%. As of June 30, 2025, the total combined value of the subscription liability is $861,421, and the total combined value of the short-term subscription liability is $417,704. The combined value of the right to use asset, as of June 30, 2025 of $1,735,755 with accumulated amortization of $815,180, which is detailed in Note 4.

*Internal Service Funds*

In prior years, the City entered into a 36-month subscription for the use of WinCams Maintenance & ISM. An initial subscription liability was recorded in the amount of $34,523. The City is required to make annual fixed payments of $11,506. The subscription has an interest rate of 2.1840%. This has been paid in full and the related right to use asset and accumulated amortization have been removed from the City's capital assets.

The following is a schedule by year of future minimum subscription payments under the agreement as of June 30, 2025:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 417,704 | $ 23,260 | $ 440,964 |
| 2027 | 357,754 | 11,489 | 369,243 |
| 2028 | 85,963 | 2,037 | 88,000 |
| **Total** | $ 861,421 | $ 36,786 | $ 898,207 |

7) COMPENSATED ABSENCES

The following is a summary of changes in compensated absences for the year ended June 30, 2025:

| | Balance June 30, 2024 | Net Change | Balance June 30, 2025 | Due Within One Year |
|---|---|---|---|---|
| Governmental Funds | $ 8,026,448 | $ 1,677,279 | $ 9,703,727 | $ 1,940,745 |
| Internal Service Funds | 44,769 | 22,302 | 67,071 | 13,414 |
| Business-Type Activities | 120,015 | 15,063 | 135,078 | 27,016 |
| **Total compensated absences** | $ 8,191,232 | $ 1,714,644 | $ 9,905,876 | $ 1,981,175 |

As discussed in Note 1 of the financial statements for governmental fund types, the City's liability for vested and unpaid compensated absences (accrued vacation and sick pay) that exceeds expendable, available financial resources is reported in long-term liabilities.

8) CLAIMS AND JUDGMENTS

The following is a summary of changes in claims and judgments for the year ended June 30, 2025:

| | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 | Due Within One Year |
|---|---|---|---|---|---|
| Internal Service Funds: | | | | | |
| **Claims and judgements** | $ 6,594,710 | $ - | $ (117,721) | $ 6,476,989 | $ 1,295,398 |

As of June 30, 2025, the City is party to certain lawsuits. After reviewing these lawsuits with legal counsel, management has estimated the potential claims against the City not covered by insurance resulting from such litigation, and has recorded a liability in the Internal Service Fund. At June 30, 2025, total estimated claims payable were $6,476,989 See note 14 for more information.

*The remainder of this page has been left blank intentionally.*

9) NON-CITY OBLIGATION DEBT - SPECIAL ASSESSMENT BONDS

**Assessment District Bonds**

On April 20, 2005, the District issued the 2004-1 (Fusion at South Bay) 2005 Special Tax Bonds totaling $3,880,000 to acquire an easement and certain public facilities of benefit to the District. As of June 30, 2025, the bonds outstanding from this Community Facility District totaled $2,240,000.

On November 21, 2006, the City of Hawthorne issued the 2006 Special Tax Bonds totaling $14,755,000 for its Community Facilities District No. 2006-1 (Three Sixty Degrees @ South Bay) (the "District"), to finance the acquisition of an easement and certain public facilities in the vicinity of the District. The bonds are payable solely from Special Tax Revenues levied upon the District. On January 23, 2020, the City of Hawthorne, for and on behalf the District, issued the 2020 Special Tax Refunding Bonds in the amount of $9,435,000 to (i) refund the outstanding City of Hawthorne Community Facilities District No. 2006-1 (Three Sixty Degrees @ South Bay) 2006 Special Tax Bonds, (ii) fund a reserve fund for the Bonds, and (iii) pay costs of issuing the Bonds. The Bonds are payable from the proceeds of an annual Special Tax (as defined in the Fiscal Agent Agreement) being levied on certain property located within the District, and from certain funds pledged under the Fiscal Agent Agreement. The Special Tax is being levied according to a rate and method of apportionment of Special Taxes approved in 2006.

Interest on the Bonds is payable on March 1 and September 1 of each year, commencing on September 1, 2020. The Bonds are subject to optional redemption and redemption from Special Tax Prepayments prior to their respective maturities. As of June 30, 2025, the bonds outstanding from this Community Facility District totaled $7,340,000.

Such bonds do not constitute an indebtedness of either the City or the Agency and are payable solely from special taxes collected from property owners within the Districts. In the opinion of City and Agency officials, these bonds are not payable from any revenues or assets of the City or Agency and none of the full faith and credit of the City, the Agency, the Districts, the State or any political subdivision thereof is obligated to the payment of the principal or interest on the bonds. Accordingly, no liability has been recorded as long-term debt.

## 10) NET POSITION CLASSIFICATIONS

Net position for governmental activities and business-type activities is classified as (1) net investment in capital assets, (2) restricted, (3) unrestricted. The capital assets, net of accumulated depreciation do not include assets with joint ventures The details of the Net Position as of June 30, 2025 are presented below:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Net Investment in Capital Assets: | | | |
| Capital assets, net of accumulated depreciation | $ 186,695,395 | $ 14,008,061 | $ 200,703,456 |
| Less capital related debt balances: | | | |
| 2016 Direct Placement Lease Financing | (1,096,000) | - | (1,096,000) |
| 2016 Certificate of Participation - Series A | (15,160,000) | - | (15,160,000) |
| 2024 Lease Revenue Bonds | (26,950,000) | - | (26,950,000) |
| Plus unspent portion | 30,149,018 | - | 30,149,018 |
| Plus (less) deferred amounts: | | | |
| Issuance premium | (4,261,461) | - | (4,261,461) |
| Issuance discount | 42,487 | - | 42,487 |
| Leases payable | (312,049) | - | (312,049) |
| Subscriptions payable | (861,421) | - | (861,421) |
| | (18,449,426) | - | (18,449,426) |
| Total Net Investment in Capital Assets | 168,245,969 | 14,008,061 | 182,254,030 |
| Restricted for: | | | |
| Public safety | 1,821,431 | - | 1,821,431 |
| Community development | 8,682,362 | - | 8,682,362 |
| Parks and recreation | 451,871 | - | 451,871 |
| Public works | 20,289,154 | - | 20,289,154 |
| Capital improvements | 9,316,338 | - | 9,316,338 |
| Debt service | 31,981,905 | - | 31,981,905 |
| Total Restricted | 72,543,061 | - | 72,543,061 |
| Unrestricted | (154,949,808) | 3,591,911 | (151,357,897) |
| **Total** | $ 85,839,222 | $ 17,599,972 | $ 103,439,194 |

## 11) RETIREMENT PLANS

### A) General Information about the Pension Plans

*Plan Descriptions*

The Plans consist of an agent multiple-employer defined benefit pension plan and a public agency cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS).

11) RETIREMENT PLANS, (continued)

A) General Information about the Pension Plans, (continued)

*Miscellaneous – Agent, Multiple-Employer Defined Benefit Pension Plan*

The Plan is an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Plan's June 30, 2023 Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website.

*Safety – Cost Sharing, Multiple-Employer Defined Benefit Pension Plan*

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in two safety plans in safety risk pools. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

*Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

11) RETIREMENT PLANS, (continued)

A) General Information about the Pension Plans, (continued)

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plans' provisions and benefits in effect as of June 30, 2025, are summarized as follows:

| | **Miscellaneous** | |
|---|---|---|
| Hire date | Prior to January 1, 2013 | On or after January 1, 2013 |
| Benefit formula | 3% @ 60 | 2% @ 62 |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50 - 55 | 52 - 57 |
| Monthly benefits, as a % of eligible compensation | 2.0% to 3.0% | 1.0% to 2.5% |
| Required employee contribution rates | 8.000% | 7.500% |
| Required employer contribution rates | 13.38% | 13.38% |

| | **Safety** | |
|---|---|---|
| Hire date | Prior to January 1, 2013 | On or after January 1, 2013 |
| Benefit formula | 3% @ 50 | 2.7% @ 57 |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50 | 50 - 57 |
| Monthly benefits, as a % of eligible compensation | 3.0% | 2.0% to 2.7% |
| Required employee contribution rates | 9.00% | 14.50% |
| Required employer contribution rates | 29.30% | 14.72% |

*Employees Covered*

As of June 30, 2023 (valuation date), the following employees were covered by the benefit terms:

| | **Miscellaneous** | **Safety** |
|---|---|---|
| Inactive employees or beneficiaries currently receiving benefits | 360 | 250 |
| Inactive employees entitled to but not yet receiving benefits | 295 | 47 |
| Active employees | 178 | 82 |
| **Total** | 833 | 379 |

11) RETIREMENT PLANS, (continued)

A) General Information about the Pension Plans, (continued)

*Contributions*

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process.

*Miscellaneous – Agent, Multiple-Employer Defined Benefit Pension Plan*

The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2025, were $3,611,272.

*Safety – Cost Sharing, Multiple-Employer Defined Benefit Pension Plan*

The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2025 were $5,657,559.

B) Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

11) RETIREMENT PLANS, (continued)

B) Net Pension Liability, (continued)

*Actuarial Methods and Assumptions Used to Determine Total Pension Liability*

| | |
|---|---|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2024 |
| Actuarial Cost Method | Entry Age Acturial Cost Method |
| Asset Valuation Method | Fair Value of Assets |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table [(1)] | Derived using CALPERS' membership data for all funds |
| Post Retirement Benefit Increase | The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter. |

[(1)] The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

*Long-term Expected Rate of Return*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

11) RETIREMENT PLANS, (continued)

B) Net Pension Liability, (continued)

The expected real rates of return by asset class are as follows:

| Asset Class | Assumed Asset Allocation | Real Return[1,2] |
|---|---|---|
| Global equity - cap-weighted | 30.00% | 4.54% |
| Global equity - non-cap-weighted | 12.00% | 3.84% |
| Private equity | 13.00% | 7.28% |
| Treasury | 5.00% | 0.27% |
| Mortgage-backed securities | 5.00% | 0.50% |
| High yield | 5.00% | 2.27% |
| Emerging market debt | 5.00% | 2.48% |
| Private debt | 5.00% | 3.57% |
| Real assets | 15.00% | 3.21% |
| Leverage | (5.00%) | (0.59%) |

[1] An expected inflation of 2.30% used for this period.
[2] Figures are based on the 2021-22 Asset Liability Management study.

*Discount Rate*

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Subsequent Events*

There were no subsequent events that would materially affect the results presented in this disclosure.

11) RETIREMENT PLANS, (continued)

B) Net Pension Liability, (continued)

*Pension Plan Fiduciary Net Position*

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

**Miscellaneous – Agent, Multiple-Employer Defined Benefit Pension Plan**

The following table shows the changes in net pension liability over the measurement period.

| | Increase (decrease) | | |
|---|---|---|---|
| | **Total Pension Liability (a)** | **Plan Fiduciary Net Position (b)** | **Net Pension Liability / (Asset) (c) = (a) - (b)** |
| **Balance at: 6/30/2023 (VD)** | **$ 232,302,593** | **$ 217,628,277** | **$ 14,674,316** |
| **Changes Recognized for the Measurement Period:** | | | |
| Service Cost | 2,830,458 | - | 2,830,458 |
| Interest on the total pension liability | 15,648,199 | - | 15,648,199 |
| Changes in benefit terms | - | - | - |
| Differences between expected and actual experience | (518,345) | - | (518,345) |
| Contributions from the employer | - | 1,970,337 | (1,970,337) |
| Contributions from employees | - | 1,147,931 | (1,147,931) |
| Net investment income | - | 20,213,228 | (20,213,228) |
| Benefit payments, including refunds of employee contributions | (12,827,967) | (12,827,967) | - |
| Administrative expense | - | (177,085) | 177,085 |
| **Net Changes during 2022-23** | **5,132,345** | **10,326,444** | **(5,194,099)** |
| **Balance at: 6/30/2024 (MD)** | **$ 237,434,938** | **$ 227,954,721** | **$ 9,480,217** |

11) RETIREMENT PLANS, (continued)

C) Proportionate Share of Net Pension Liability

**Safety – Cost Sharing, Multiple-Employer Defined Benefit Pension Plan**

The following table shows the Plan's proportionate share of the net pension liability over the measurement period.

| | Increase (Decrease) | | |
|---|---|---|---|
| | **Plan Total Pension Liability (a)** | **Plan Fiduciary Net Position (b)** | **Plan Net Pension Liability / (Asset) (c ) = (a) - (b)** |
| Balance at: 6/30/2023 (VD) | $ 269,811,532 | $ 251,688,792 | $ 18,122,740 |
| Balance at: 6/30/2024 (MD) | 284,315,083 | 267,774,047 | 16,541,036 |
| **Net Changes during 2023-24** | $ 14,503,551 | $ 16,085,255 | $ (1,581,704) |

Valuation Date (VD), Measurement Date (MD).

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. City's proportionate share of the net pension liability for the safety Plan as of the June 30, 2023 and 2024 measurement dates was as follows:

| | **Safety** |
|---|---|
| Proportionate Share of NPL - June 30, 2023 | 0.24245% |
| Proportionate Share of NPL - June 30, 2024 | 0.22687% |
| **Change - decrease** | (0.01558%) |

*The remainder of this page has been left blank intentionally.*

11) RETIREMENT PLANS, (continued)

C) Proportionate Share of Net Pension Liability, (continued)

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the City's proportionate share of the net pension liability of each Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (6.90 percent) than the current rate:

| | Discount Rate - 1% (5.90%) | Current Discount Rate (6.90%) | Discount Rate + 1% (7.90%) |
|---|---|---|---|
| Miscellaneous Plan's Net Pension Liability | $ 39,690,357 | $ 9,480,217 | $ (15,476,305) |
| Safety Plan's Net Pension Liability | $ 55,378,203 | $ 16,541,036 | $ (15,222,307) |

*Amortization of Deferred Outflows and Deferred Inflows of Resources*

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

| | |
|---|---|
| Difference between projected and actual earnings | 5 year straight-line amortization |
| All other amounts | Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period |

11) RETIREMENT PLANS, (continued)

D) Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2023), the City's total net pension liability was $32,797,056. For the measurement period ending June 30, 2024 (the measurement date), the City incurred a total pension expense of $14,168,163. A breakdown of the pension expense and deferred outflows and deferred inflows of resources related to each pension plan is presented on the following pages.

*Miscellaneous – Agent, Multiple-Employer Defined Benefit Pension Plan*

As of the start of the measurement period (July 1, 2023), the net pension liability was $14,674,316. For the measurement period ending June 30, 2024 (the measurement date), the City incurred a pension expense of $5,371,594 for the miscellaneous plan. A complete breakdown of the pension expense is as follows:

| Description | Amount |
|---|---|
| Service cost | $ 2,830,458 |
| Interest on the total pension liability | 15,648,199 |
| Changes of benefit terms | - |
| Recognized changes of assumptions | 1,259,467 |
| Differences between expected and actual experience | 745,673 |
| Contributions - employees | (1,147,931) |
| Projected earnings on pension plan investments | (14,663,093) |
| Recognized differences between projected and actual earnings on plan investments | 521,736 |
| Administrative expenses | 177,085 |
| **Total Pension Expense** | **$ 5,371,594** |

*Safety – Cost Sharing, Multiple-Employer Defined Benefit Pension Plan*

As of the start of the measurement period (July 1, 2023), the net pension liability for the safety plan was $18,122,740. For the measurement period ending June 30, 2024 (the measurement date), the City incurred a pension expense of $8,796,569 for the safety plan.

11) RETIREMENT PLANS, (continued)

D) Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions, (continued)

As of June 30, 2025, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

| | Miscellaneous | | Safety | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between Expected and Actual Experience | $ 346,162 | $ 302,368 | $ 1,349,896 | $ 43,891 |
| Changes of Assumptions | - | - | 407,537 | - |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | 4,021,496 | - | 799,518 | - |
| Change in Employer's Proportion | - | - | 9,434,517 | - |
| Difference in Actual vs Projected Contributions | - | - | - | 10,664,331 |
| Pension Contributions Subsequent to Measurement Date | 3,611,272 | - | 5,657,559 | - |
| **Total** | $ 7,978,930 | $ 302,368 | $ 17,649,027 | $ 10,708,222 |

These amounts above are net of outflows and inflows recognized in the 2023/24 measurement period expense. The $3,611,272 and $5,657,559 reported as deferred outflows of resources related to the contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

| Fiscal Year Ended June 30, | Deferred Outflows/(Inflows) of Resources, Net | |
|---|---|---|
| | Miscellaneous | Safety |
| 2026 | $ (10,217) | $ 2,021,475 |
| 2027 | 5,983,491 | 178,685 |
| 2028 | (797,957) | (643,354) |
| 2029 | (1,110,027) | (273,560) |
| 2030 | - | - |
| Thereafter | - | - |

E) Payable to the Pension Plan

As of June 30, 2025, the City reported a payable of $0 for the outstanding amount of contributions to the pension plans required for the year then ended.

12) OTHER POST-EMPLOYMENT EMPLOYEE BENEFITS

**Plan Description**

The City provides certain postemployment health care benefits under a agent multiple employer defined benefit plan, in accordance with the various City Council Resolutions: No. 966, No. 5967, No. 5978, No. 5983, No. 5984, No. 6022 and No. 6046, to the following three employee categories: general, fire and police.

The following is a description of the eligibility requirements, the term of the benefits, and the postemployment health benefits available to eligible employees:

*General*

All employees who have retired from a classification covered by the memorandum of understanding, are receiving retirement benefits from PERS, and have a minimum of 10 years of full-time employment, shall be entitled to enroll in a PERS health plan. The City agrees to reimburse an amount equal to the coverage for the plan in which the employee is enrolled. This benefit commences upon the employee's retirement date and ceases when the employee becomes ineligible for coverage under the PERS health benefits plan.

*Fire*

All employees who have retired from a classification covered by the memorandum of understanding, are receiving retirement benefits from PERS and have a minimum of 15 years of full-time employment, shall be entitled to enroll in a PERS health plan. The City agrees to reimburse an amount equal to the cost of the coverage for the plan in which the employee is enrolled. This benefit commences upon the employee's retirement date and ceases when the employee becomes ineligible for coverage under the PERS health benefits plan. The City began contracting with the County of Los Angeles beginning in February 1997. Therefore, this benefit pertained only to those employees retiring before February 1997.

*Police*

All employees who have retired, have at least 20 years of service in the Hawthorne Police Department, and have reached the age of 50, shall be entitled to enroll in a PERS health plan. The City agrees to pay for health insurance for the retired employee and his or her dependent spouse or family less the retiree contribution of $14.15 per month for 2-party coverage or $23.99 per month for family coverage.

A qualified retiree shall be covered by this provision as long as he/she is eligible for PERS health insurance coverage. The dependent spouse of a qualified retiree shall be covered until he/she reaches the age of 65. Any employee who retires with less than the minimum requirements as noted above shall be offered the opportunity to continue their participation in the group health insurance (PERS) in effect at that time. The City does not provide dental, vision, Medicare Part B, or life insurance as part of the plan.

12) OTHER POST-EMPLOYMENT EMPLOYEE BENEFITS, (continued)

### Employees Covered

As of the June 30, 2023 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

| Category | Count |
|---|---|
| Active employees | 289 |
| Inactive employees or beneficiaries currently receiving benefits | 259 |
| Inactive employees entitled to but not yet receiving benefit payments | 56 |
| **Total** | 604 |

### Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City Council and/or the employee association. Currently, contributions are not required from plan members. If liquidation of the policy were to occur, the General Fund would be responsible for funding the outstanding OPEB liability.

The City pays for postemployment health insurance on a pay-as-you-go basis which has been funded by trust fund account. For fiscal year 2024-25, the City paid $8,468,419 for other postemployment benefits, of which $3,027,419 was for health insurance benefits and $4,850,000 was for Trust contributions, and $591,000 in implicit subsidy benefit payments.

### Actuarial Methods and Assumptions Used to Determine Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation using the Alternative Measurement Method dated June 30, 2023 that was rolled forward to determine the June 30, 2024 total OPEB liability, based on the following actuarial methods and assumptions:

| Actuarial Assumptions | June 30, 2024 Measurement Date (MD) |
|---|---|
| Actuarial Valuation Date | June 30, 2023 |
| Contribution Policy | Ad-hoc contributions to trust, benefit payments outside of trust |
| Discount Rate | 4.53% at MD June 30, 2024, 4.27% at MD June 30, 2023 (Bond Buyer 20-Bond Index) |
| General Inflation | 2.50% annually |
| Mortality, Retirement, Disability, Termination | Based on CalPERS 2000-2019 Experience Study |
| Salary increases | Aggregate - 2.75% annually<br>Merit - CalPERS 2000-2019 Experience Study |
| Medical Trend | Non-Medicare – 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076.<br>Medicare (Non-Kaiser) – 6.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076.<br>Medicare (Kaiser) - 5.65% for 2026, decreasing to an ultimate rate of 3.45% in 2076 |
| Healthcare Participation | Actives: 95%; Retirees: 100% if covered, 5% re-elect at 65 if waived. |

12) OTHER POST-EMPLOYMENT EMPLOYEE BENEFITS, (continued)

**Long-term Expected Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, both short-term and long-term market return expectations are taken into account. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach.

The expected real rates of return by asset class are as follows:

| Asset Class | Target Allocation | Long-term expected real rate |
|---|---|---|
| Asset class component: | | |
| Global Equity | 60% | 4.56% |
| Fixed income | 35% | 0.78% |
| Cash | 5% | -0.50% |
| Total | 100% | |

**Discount Rate**

A discount rate of 4.53% was used in the valuation for measurement date June 30, 2024. This was updated from 4.27%.

**Changes In Assumptions**

The changes in assumptions as of the measurement date of June 30, 2024, were: The discount rate was updated based on crossover test from 4.27% to 4.53%, the municipal bond rate and the medical trend rate were updated.

*The remainder of this page has been left blank intentionally.*

12) OTHER POST-EMPLOYMENT EMPLOYEE BENEFITS, (continued)

**Changes in the net OPEB Liability**

The changes in the net OPEB liability for the Plan are as follows:

| | Increase (decrease) | | |
|---|---|---|---|
| | **Total OPEB Liability (a)** | **Fiduciary Net Position {b}** | **Net OPEB Liabiltiy {c} = {a} - {b}** |
| **Balance at June 30, 2024 (6/30/2023 measurement date)** | $ 104,312,362 | $ 3,693,288 | $ 100,619,074 |
| **Changes recognized for the measurement period:** | | | |
| Service cost | 3,170,778 | - | 3,170,778 |
| Interest | 4,520,973 | - | 4,520,973 |
| Changes of assumptions | (3,679,915) | - | (3,679,915) |
| Contributions – employer | - | 4,220,745 | (4,220,745) |
| Net investment income | - | 513,277 | (513,277) |
| Benefit payments | (3,211,093) | (3,211,093) | - |
| Administrative expense | - | (19,664) | 19,664 |
| **Net change** | 800,743 | 1,503,265 | (702,522) |
| **Balance at June 30, 2025 (6/30/2024 measurement date)** | $ 105,113,105 | $ 5,196,553 | $ 99,916,552 |

**Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

| | **1% Decrease 3.53%** | **Current Discount Rate 4.53%** | **1% Increase 5.53%** |
|---|---|---|---|
| Total OPEB Liability | $ 116,875,184 | $ 99,916,552 | $ 86,348,785 |

12) OTHER POST-EMPLOYMENT EMPLOYEE BENEFITS, (continued)

**Sensitivity of the net OPEB Liability to Changes in the Health Care Trend Rates**

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

| | 1% Decrease | Current Healthcare Cost Trend Rates | 1% Increase |
|---|---|---|---|
| Total OPEB Liability | $ 85,137,896 | $ 99,916,552 | $ 118,608,423 |

**Recognition of Deferred Outflows and Deferred Inflows of Resources**

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The net difference between projected and actual earnings on OPEB plan investments is amortized using the straight-line method over 5 years, while all other amounts are amortized over the expected average remaining service lifetime (EARSL) of plan participants.

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of $3,226,609 with details as follows:

| Description | Amount |
|---|---|
| Service Cost | $ 3,170,778 |
| Interest | 4,520,973 |
| Projected Earnings on Investments | (224,726) |
| Administrative Expenses | 19,664 |
| Recognition of deferred outflows/(inflows): | |
| Plan Experience | (2,021,010) |
| Assumption Changes | (2,166,593) |
| Asset returns | (72,477) |
| **Total OPEB Expense (Income)** | $ 3,226,609 |

12) OTHER POST-EMPLOYMENT EMPLOYEE BENEFITS, (continued)

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB, (continued)**

The amortization period differs depending on the source of the gain or loss:

| | |
|---|---|
| Net difference between projected and actual earnings on pension plan investments | 5-year straight-line amortization |
| All other amounts | Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period (5.8 years). |

As of fiscal year ended June 30, 2025, the City reported deferred outflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 4,370,926 | $ 4,072,438 |
| Changes of assumptions | 2,539,115 | 22,035,598 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 275,140 |
| Contributions to OPEB plan subsequent to measurement da | 8,468,419 | - |
| **Total** | $ 15,378,460 | $ 26,383,176 |

The $8,468,419 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2024 measurement date will be recognized as a reduction of the total OPEB liability in the upcoming years:

| Fiscal Year Ended June 30: | Deferred Outflows/(Inflows) of Resources |
|---|---|
| 2026 | $ (6,613,631) |
| 2027 | (7,501,035) |
| 2028 | (4,159,871) |
| 2029 | (691,023) |
| 2030 | (507,575) |
| Thereafter: | - |

13) INSURANCE

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City established the Insurance Reserve Fund to account for and finance its uninsured risks of loss and records its risk in long-term debt.

The Insurance Reserve Fund provides coverage for up to a maximum of $250,000 for each workers' compensation claim and $250,000 for each general liability claim. The City is a member of the Independent Cities Risk Management Authority (ICRMA) for its excess liability insurance coverage and workers' compensation coverage and purchases commercial insurance for claims in excess of coverage provided by the fund for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the City except the fiduciary funds participate in the program and make payments to the fund based on actuarial estimates of the amounts needed to pay prior year and current year claims. The claims liability of $6,476,989 reported in the Insurance Reserve Fund at June 30, 2025, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Insurance Reserve Fund's claims liability amounts in the fiscal years 2023, 2024, and 2025, were as follows:

| Fiscal Year | Beginning Balance | Changes in Estimates | Claims Payments | Ending Balances | Due within One Year |
|---|---|---|---|---|---|
| 2022-2023 | $ 5,840,182 | $ - | $ (262,537) | $ 5,577,645 | $ 1,115,529 |
| 2023-2024 | 5,577,645 | 1,017,065 | - | 6,594,710 | 1,318,942 |
| 2024-2025 | 6,594,710 | - | (117,721) | 6,476,989 | 1,295,398 |

## 14) COMMITMENT AND CONTINGENCIES

*Construction Commitments*

The following construction commitments existed at June 30, 2025:

| Fund | Remaining Commitments as of June 30, 2025 |
|---|---|
| Non-major Funds | $ 234,692 |
| Internal Service Funds: | |
| Equipment Replacement | 377,019 |
| Enterprise Funds: | |
| Airport | 1,117 |
| | $ 612,828 |

*Litigation*

The City of Hawthorne has been named as a defendant in numerous lawsuits and claims arising in the course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable financial loss to the City, such loss has been accrued in the accompanying combined financial statements.

*The remainder of this page has been left blank intentionally.*

15) JOINT VENTURES

**South Bay Regional Public Communications Authority (SBRPCA)**

The City is a member of the South Bay Regional Public Communications Authority (SBRPCA), a joint powers authority of the Cities of Hawthorne, Gardena, Manhattan Beach and El Segundo. SBRPCA was formed October 14, 1975, for the purpose of financing a public safety communications system for the member cities. The governing board is composed of the mayor of each member city. During fiscal year 2024-25, the City was assessed $3,061,676, which was paid to SBRPCA for the operations and maintenance of the consolidated regional public safety services communications system that SBRPCA provides to its member cities.

The City's share of SBRPCA capital assets is recorded as a component of the City's capital assets (see note 4). Ownership percentages are determined by joint agreement. As of June 30, 2024, the following Member Agencies have the following approximate ownership interest:

| | |
|---|---|
| City of Hawthorne | 32.08% |
| City of Gardena | 45.07% |
| City of Manhattan Beach | 22.85% |

As of and for the year ended June 30, 2025, SBRPCA's preliminary financial information is as follows:

| | |
|---|---|
| Net Position | |
| Total assets | $ 16,646,321 |
| Total deferred outflows of resources | 5,229,661 |
| Total liabilities | (12,488,175) |
| Total deferred inflows of resources | (2,317,166) |
| Total net position | $ 7,070,641 |
| | |
| Change in Net Position | |
| Operating revenues | $ 14,360,147 |
| Operating expenses | (13,008,602) |
| Operating income | 1,351,545 |
| | |
| Nonoperating revenues (expenses) | 529,944 |
| Change in net position | 1,881,489 |
| Beginning net position | 5,189,152 |
| Ending net position | $ 7,070,641 |

Complete financial statements for the SBRPCA may be obtained from the City's Finance Department.

Should SBRPCA liquidate, all members would receive their equity in the SBRPCA based upon their cumulative contributions.

16) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The City recognizes deferred outflows of resources in the City's financial statements pertaining to the unamortized loss on defeasance of debt and pension contributions made subsequent to the measurement date. The unamortized loss on defeasance of debt is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

The deferred inflows of resources pertains to unavailable revenues which represent receivables that were not received within the availability period and the difference between actual and projected income on pension plan investments.

| | Governmental Activities Balance at June 30, 2025 |
|---|---|
| Deferred outflows of resources | |
| Unamortized loss on defeasance of debt | $ 184,487 |

| | Governmental Funds at June 30, 2025 |
|---|---|
| Deferred inflows of resources | |
| Unavailable Revenue - Receivables that were not received within the availability period and were not recognized as revenues | $ 8,952,748 |

Refer to Note 12 for deferred outflows and inflows of resources related to pensions and Note 13 for deferred outflows and inflows of resources related to other post-employment benefits.

17) TAX ABATEMENTS

The Community Redevelopment Agency of the City of Hawthorne (the City) entered into an agreement with Oceangate Properties, Inc. on July 23, 2001. The Developer leases certain real property located at 13900 Hawthorne Boulevard on which the Developer operates a facility for the retail sale of new and used automobile and light trucks known as "South Bay Ford". At the time of the agreement the Developer will be the owner of certain real property ("Parcel 1") located in the City. Parcel 1 and the Hawthorne Boulevard Property were both located within the Hawthorne Redevelopment Project No. 2 in the City and are subject to the provisions of the Redevelopment Plan for the project adopted by the City Council of the City on November 26, 1984, by Ordinance No. 1330, as amended. In connection with the Owner Participation Agreement, as amended by the fifth implementation agreement dated April 12, 1999, hereinafter collectively referred to as the "OPA". In connection with the OPA, the Agency and the City entered into a cooperation and Loan agreement ("Cooperation Agreement"), pursuant to which the City agreed the make a loan to the Agency to be used by the Agency to make certain payments required by the OPA.

17) TAX ABATEMENTS, (continued)

**Oceangate Properties, INC**.

Pursuant to the OPA, the site was subdivided into eight (8) parcels: Parcels 1, 2, 3, 4A, 4B, 5, 6A, and 6B. The Developer and the Agency have entered into a "Sixth Implementation Agreement" which amends and restates the provisions of the OPA governing the redevelopment of Parcel 1, and the City and the Agency have entered into a Revised Cooperation and Loan Agreement revising the provisions of the Cooperation Agreement with respect to Parcel 1 only. Pursuant to the Sixth Implementation Agreement, the Developer intends to develop a facility for the retail sale and/or leasing of new automobiles and/or light trucks on Parcel 1 and relocate the Developer's new car sales operations to Parcel 1. The Developer further intends to continue to use the Hawthorne Boulevard Property for the sale of used vehicles and for service, parts and warranty purposes.

In connection with the sale of Parcel 1 to the Developer, the Developer's immediate predecessor in interest, Mission-Oceangate, a California general Partnership ("Mission"), has assigned to the Developer its right to received periodic payments of "Sales Tax Generation" and "Net Tax Increment" from Parcels 2-6 as defined in the revised method of financing to the first implementation. In addition, Mission has assigned to the Developer its right to receive periodic payments of "Mello-Roos Reimbursement" from Parcel 1. The thirty (30) year term for the Agency's payment of Net Tax Increment to the Developer commenced on July 1, 1992 and terminated on September 30, 2022. The thirty (30) year term for the payment of Sales Tax Generation to the Developer commenced on July 1, 1992 and terminated on July 1, 2022.

Payments of Parcel 1 Net Tax Increment Revenue shall be made annually in arrears on or before September 30 of each fiscal year. Payments of Parcel 1 Apportioned Sales Tax Generation shall be made quarterly in arrears, on October 1 (for the first quarter of the calendar year), January 1 (for the second quarter of the preceding calendar year), April 1 (for the third quarter of the preceding year) and July 1 (for the fourth quarter of the preceding calendar year).

Payments of Parcel 1 Apportioned Sales Tax Generation attributable to leasing activity shall be made annually in arrears on July 1 (for the preceding year), provided, however, that if the Developer is able to document to the Agency's satisfaction on a quarterly basis the amount of Parcel 1 Apportioned Sales Tax Generation attributable to leasing activity, then such payments attributable to leasing activity shall be made at the same time (on a quarterly basis) as other payments of Parcel 1 Apportioned Sales Tax Generation.

Parcel 1 Net Tax Increment Revenue shall be paid to the Agency pursuant to California Health and Safety Code Section 33670(b) that is attributable to assessed value of Parcel 1 in excess of $8,240,000 less any portion of such Parcel 1 Net Tax Increment Revenues required to be deposited in the Agency's Low- and Moderate-Income Housing Fund.

Parcel 1 Apportioned Sales Tax Generation shall be defined as an amount equal to the applicable portion of tax revenues actually received by the City from the application of Bradley-Burns Local Sales and Use Tax Law on the privilege of selling and leasing tangible personal property at retail on transactions occurring on Parcel 1 and cannot exceed the sum of the Parcel 1 Apportioned Sales Tax Generation Annual Cap and carry over payment.

17) TAX ABATEMENTS, (continued)

**Mogul Hospitality Partners – Hawthorne LLC**

The City entered into an agreement Mogul Hospitality Partners on August 30, 2016. The Developer is the owner of certain real property totaling approximately 4,000 square feet and located in the City of Hawthorne on which the Developer operates and maintains hotels known as “Marriott Courtyard” and “TownePlace Suites”. In order to induce the Developer to construct and operate the hotels on the property for the Operating Period, and upon the fulfillment of the City Disbursement Conditions, the City agreed provide to the Developer TOT Incentive Payments upon the terms set and as follows:

The City shall pay TOT Incentive Payments to Developer pursuant to and in accordance with the terms of the Agreement in an amount equal to fifty percent (100%) of the Net Transient Occupancy Tax Revenues collected and remitted to the City from the Hotels during the term of the lease, however, that the aggregate total of TOT Incentive Payments shall not exceed a total amount of Two Million Five Hundred Thousand Dollars ($2,500,000), subject to the limitations set forth in the definitions of Net Transient Occupancy Tax Collected and TOT Incentive Payments.

Upon commencement of the lease, TOT Incentive Payments shall be made by the City to Developer following the issuance of a certificate of occupancy (including a temporary certificate of occupancy) for the Hotels, which is 45 days after the date Hotel TOT revenues are collected and received by the City, but in any event (i) if the Hotel Transient Occupancy Tax Revenues are collected and received by the City quarterly, the Lease Payment Date shall occur not more than 90 days after the end of each calendar quarter; and (ii) if the Hotel Transient Occupancy Tax Revenues are collected and received by the City monthly, the Lease Payment Date shall occur not more than 90 days after the end of each calendar month.

As of June 30, 2025, the City abated TOT taxes totaling $1,764,033 under this agreement.

*The remainder of this page has been left blank intentionally*

## 18) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City's former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency's boundaries and as such, are not available for the use of the City.

### Disclosure of Successor Agency Debts

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

| | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 | Due Within One Year |
|---|---|---|---|---|---|
| Bonds payable - Direct placement | | | | | |
| Tax allocation bonds - 2016 | $ 17,435,000 | $ - | $ (17,435,000) | $ - | $ - |
| Plus deferred amounts: | | | | | |
| Issuance premium | 3,229,014 | - | (3,229,014) | - | - |
| Tax allocation bonds - 2025 | - | 13,540,000 | - | 13,540,000 | - |
| Plus deferred amounts: | | | | | |
| Issuance premium | - | 1,423,386 | - | 1,423,386 | - |
| Total bonds payable | 20,664,014 | 14,963,386 | (20,664,014) | 14,963,386 | - |
| Notes payable - Direct borrowing | 33,061,331 | 1,125,000 | (1,044,626) | 33,141,705 | - |
| **Total** | $ 53,725,345 | $ 16,088,386 | $ (21,708,640) | $ 48,105,091 | $ - |

### Tax Allocation Bonds

### Redevelopment Project Area 2:

*2016 Tax Allocation Bonds*

2016 Project Area No. 2 Tax Allocations Bonds, Series 2016 was issued to (a) refund certain outstanding bonds issued by the former Community Redevelopment Agency of the City of Hawthorne (the "Former Agency"), the proceeds of which were used to finance and refinance redevelopment activities of the Former Agency, (b) purchase a municipal bond insurance policy in lieu of funding a debt service reserve fund for the Bonds, and (c) provide for the costs of issuing the Bonds. The Bonds are payable from and secured by a first lien on the Tax Revenues, as defined in the Indenture, and moneys in certain funds and accounts established under the Indenture. The bonds consist of $29,785,000 serial bonds with an annual maturity dates from September 1, 2016 through September 1, 2036, bearing interest ranging from 2.00% to 5.00%. As of June 30, 2025, the bonds were refunded with the 2025 Tax Allocation Bonds.

18) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, (continued)

**Disclosure of Successor Agency Debts, (continued)**

*2025 Tax Allocation Bonds*

In June 2025, The Successor Agency issued $13,540,000 to provide funds to (a) refund the Successor Agency's Subordinate Tax Allocation Refunding Bonds, Series 2016, outstanding in the principal amount of $15,625,000, the proceeds of which were used to refinance redevelopment activities of the former Community Redevelopment Agency of the City of Hawthorne (the "Former Agency"), (b) purchase a debt service reserve insurance policy for the Bonds, and (c) pay costs of issuance of the Bonds. The bonds bear variable interest of 5% and are payable semiannually on March 1 and September 1 of each year, commencing March 1, 2026 until maturity. The refunding of the bonds reduced the total debt service payments by $1,311,264 and to obtain an economic gain of $1,081,883. The bonds mature in fiscal year 2037.

The Successor Agency shall not submit a Last and Final ROPS without the prior written consent of Assured Guaranty Municipal Corp., or any successor thereto.

The bonds do not contain a provision allowing for the acceleration of the Bonds following an Event of Default.

The following schedule summarizes the debt service to maturity requirements for bonds outstanding as of June 30, 2025:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ - | $ 460,736 | $ 460,736 |
| 2027 | 845,000 | 655,875 | 1,500,875 |
| 2028 | 1,015,000 | 609,375 | 1,624,375 |
| 2029 | 1,060,000 | 557,500 | 1,617,500 |
| 2030 | 1,110,000 | 503,250 | 1,613,250 |
| 2031-2035 | 6,460,000 | 1,601,500 | 8,061,500 |
| 2036-2037 | 3,050,000 | 154,500 | 3,204,500 |
| **Total** | $ 13,540,000 | $ 4,542,736 | $ 18,082,736 |

18) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, (continued)

**Disclosure of Successor Agency Debts, (continued)**

**Note Payable**

AutoNation/Costco Note – A first implementation agreement to a Disposition and Development Agreement (DDA) was entered with certain developers in August 2000, paying interest at 9.0%. The developers had advanced to the Agency $5,500,000 and canceled a note owed by the Agency (the Costco note) for approximately $7,000,000. In return, the Agency executed a promissory note to the developers for $12,500,000. Sources for repayment of this note consist of Mello-Roos tax refunds, sales tax and transient occupancy tax refunds to the extent these taxes are generated within the project site. As of June 30, 2025, the outstanding balance on this note totaled $33,141,705.

The Agency pledged the Tax Increment to payment of the special taxes on the Refunding Bonds and repayment of the Agency Note pursuant to Health and Safety Code Sections 33641 and 33671.5 and other applicable provisions of law. The Tax Increment shall be subordinate to the Agency's obligations to make debt service payments on any Tax Allocation Bonds.

The Agency shall deposit or cause all Tax Increments to be deposited in a special fund administered by a trustee that shall be the fiscal agent for the Refunding Bonds.

**Commitments and Contingencies**

The Successor Agency has assumed a commitment of the former Hawthorne Redevelopment Agency, pertaining to the Oceangate Development.

The Developer is reimbursed 25% of the sales tax generated from parcels two to four and 40% from parcels five and six for 15 years; commencing January 1, 1999. All Mello-Roos taxes received in excess of $506,800 are refunded to the Developer until the 1998 Special Tax Refunding bonds are fully repaid and all tax increments received, except from parcel one, less the low- and moderate-income housing set-aside amount which is refunded to the Developer for a period of 30 years.

*The remainder of this page has been left blank intentionally.*

19) OTHER REQUIRED DISCLOSURES

**Deficit in Fund Balance**

The following funds have deficits in fund balance or net position at June 30, 2025:

| Fund | Amount |
|---|---|
| **Major Governmental Funds:** | |
| *Special Revenue Funds:* | |
| CA Parks & Recreation-Community Center | $ (3,664,957) |
| Park Improvements | (3,569,467) |
| **Nonmajor Governmental Funds:** | |
| *Special Revenue Funds:* | |
| Street Lighting | (460,746) |
| Street | (417,951) |
| California Office of Traffic Safety | (53,058) |
| HOME Grant | (1,693,976) |
| Community Development Block Grant | (686,065) |
| MTA Measure W | (442,325) |
| CA Parks & Recreation Senior Center | (215,435) |
| HUD Community Development | (428) |
| Building Resilient Infrastructure & Communities | (275,649) |
| Cannabis Retail Access Grant | (44,345) |
| Recycling Fund | (70,337) |
| Homeland Security - StoneGarden | (78,879) |
| USDOT – SS4A | (227,207) |
| *Debt Service Fund:* | |
| 2019 Pension Obligation Bon | (1,221,186) |
| *Internal Service Fund:* | |
| Insurance Reserve | (6,543,168) |

The City intends to fund these deficits with future revenue, transfers and reductions of expenditures/expenses.

## 20) RESTATEMENT OF BEGINNING BALANCES

Due to the reclassification from major fund to nonmajor fund and vice versa, the beginning fund balance was restated.

| | Net position/fund balance June 30, 2025 as previously reported | Change from/to nonmajor/major | Net position/fund balance June 30, 2025 as restated/adjusted |
|---|---|---|---|
| **Governmental funds** | | | |
| Major funds: | | | |
| CA Parks & Recreation - Community Center | $ - | $ (923,820) | $ (923,820) |
| Park Improvements | - | (220,262) | (220,262) |
| Nonmajor funds | 27,288,574 | (445,890) | 26,842,684 |
| **Total governmental funds** | $ 27,288,574 | $ (1,589,972) | $ 25,698,602 |

The City also separated the fund presentation of the Asset Forfeiture Fund into Asset Forfeiture Fund, the Asset Forfeiture - Justice Fund and the Homeland Security/Treasury Forfeiture Fund in fiscal year ended June 30, 2025. The net change to the beginning fund balance for the nonmajor funds is zero.

This page intentionally left blank.

# REQUIRED SUPPLEMENTARY

# INFORMATION

This page intentionally left blank.

**Required Supplementary Information**
**General Fund**

**Major Governmental Fund**

**General Fund** is used to account for financial resources traditionally associated with general government operations, which are not required legally or by financial management to be accounted for in another fund.

This page intentionally left blank.

## Required Supplementary Information
## Budgetary Comparison Schedule by Department
## General Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Taxes | $ 97,478,911 | $ 94,124,937 | $ 98,138,428 | $ 4,013,491 |
| Licenses and permits | 1,858,419 | 2,058,419 | 1,885,304 | (173,115) |
| Intergovernmental | 1,466,000 | 1,690,950 | 1,884,985 | 194,035 |
| Charges for services | 4,618,500 | 5,368,900 | 6,315,694 | 946,794 |
| Fines and forfeitures | 3,200,000 | 3,200,000 | 2,168,952 | (1,031,048) |
| Use of money and property | 1,500,000 | 3,500,000 | 5,275,216 | 1,775,216 |
| Contributions | 200,000 | 200,000 | 200,000 | - |
| Miscellaneous | 1,882,331 | 2,392,912 | 2,569,034 | 176,122 |
| Total revenues | 112,204,161 | 112,536,118 | 118,437,613 | 5,901,495 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government: | | | | |
| Mayor and City Council | 8,812,681 | 9,541,828 | 9,677,605 | (135,777) |
| City clerk | 446,563 | 446,175 | 357,770 | 88,405 |
| City manager | 962,222 | 950,213 | 618,657 | 331,556 |
| City treasurer | 52,366 | 54,888 | 52,940 | 1,948 |
| City attorney | 1,270,645 | 1,443,354 | 1,442,601 | 753 |
| Administrative services | 11,670,122 | 11,593,471 | 10,839,811 | 753,660 |
| Public safety: | | | | |
| Police | 65,473,611 | 67,252,731 | 63,063,778 | 4,188,953 |
| Community development: | | | | |
| Planning | 2,680,848 | 2,765,097 | 2,265,803 | 499,294 |
| Building and safety | 1,336,226 | 1,354,634 | 1,225,734 | 128,900 |
| Parks and recreation | 5,849,039 | 5,809,700 | 5,250,375 | 559,325 |
| Public works | 3,747,190 | 3,836,972 | 2,051,545 | 1,785,427 |
| Capital outlay | 24,720 | 856,091 | 848,008 | 8,083 |
| Total expenditures | 102,326,233 | 105,905,154 | 97,694,627 | 8,210,527 |
| Excess (deficiency) of revenues over (under) expenditures | 9,877,928 | 6,630,964 | 20,742,986 | 14,112,022 |
| **Other Financing Sources (Uses)** | | | | |
| Subscription acquisition | - | 481,964 | 492,800 | 10,836 |
| Transfers in | 3,000,000 | 42,493 | 41,494 | (999) |
| Transfers out | (7,623,630) | (11,536,937) | (16,033,444) | (4,496,507) |
| Total other financing sources (uses) | (4,623,630) | (11,012,480) | (15,499,150) | (4,486,670) |
| Net change in fund balance | 5,254,298 | (4,381,516) | 5,243,836 | 9,625,352 |
| **Fund Balance** | | | | |
| Beginning | 109,473,673 | 109,473,673 | 109,473,673 | - |
| Ending | $ 114,727,971 | $ 105,092,157 | $ 114,717,509 | $ 9,625,352 |

**This page intentionally left blank.**

## Major Special Revenue Funds

**Hawthorne Housing Authority Special Revenue Fund** is used to account for the housing assistance programs for the qualified low-income residents.

**American Rescue Plan Act Fund** is used to provide relief to the City for the negative impacts caused from the COVID-19 Pandemic.

**California Parks & Recreation Community Center Fund** is used to account for grant funding to rehabilitate the city's community center.

This page intentionally left blank.

## Required Supplementary Information
## Budgetary Comparison Schedule
## Hawthorne Housing Authority Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 12,375,267 | $ 12,375,267 | $ 12,160,068 | $ (215,199) |
| Charges for services | 1,097,185 | 1,097,185 | 856,853 | (240,332) |
| Use of money and property | - | - | 115 | 115 |
| Miscellaneous | 16,484 | 16,484 | 5,150 | (11,334) |
| Total revenues | 13,488,936 | 13,488,936 | 13,022,186 | (466,750) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 13,502,087 | 13,551,287 | 12,708,993 | 842,294 |
| Community services | 3,400 | 3,400 | 2,781 | 619 |
| Total expenditures | 13,505,487 | 13,554,687 | 12,711,774 | 842,913 |
| Excess (deficiency) of revenues over (under) expenditures | (16,551) | (65,751) | 310,412 | 376,163 |
| **Other Financing Uses** | | | | |
| Transfers out | (146,183) | (146,183) | (113,855) | 32,328 |
| Total other financing uses | (146,183) | (146,183) | (113,855) | 32,328 |
| Net change in fund balance | (162,734) | (211,934) | 196,557 | 408,491 |
| **Fund Balance** | | | | |
| Beginning | 432,928 | 432,928 | 432,928 | - |
| Ending | $ 270,194 | $ 220,994 | $ 629,485 | $ 408,491 |

## Required Supplementary Information
## Budgetary Comparison Schedule
## American Rescue Plan Act Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ - | $ - | $ 4,223,722 | $ 4,223,722 |
| Use of money and property | - | - | (833,344) | (833,344) |
| Total revenues | - | - | 3,390,378 | 3,390,378 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government: | 8,170,990 | 7,248,392 | 4,223,722 | 3,024,670 |
| Public safety | 2,230,182 | 2,230,182 | - | 2,230,182 |
| Total expenditures | 10,401,172 | 9,478,574 | 4,223,722 | 5,254,852 |
| Net change in fund balance | (10,401,172) | (9,478,574) | (833,344) | 8,645,230 |
| **Fund Balance** | | | | |
| Beginning | 833,344 | 833,344 | 833,344 | - |
| Ending | $ (9,567,828) | $ (8,645,230) | $ - | $ 8,645,230 |

## Required Supplementary Information
## Budgetary Comparison Schedule
## CA Parks & Recreation Community Center Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ 5,000,000 | $ 5,000,000 | $ - | $ (5,000,000) |
| Total revenues | 5,000,000 | 5,000,000 | - | (5,000,000) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | - | - | 74,171 | (74,171) |
| Parks and recreation | 4,913,864 | 4,913,864 | 146,726 | 4,767,138 |
| Capital outlay | - | 218,211 | 2,520,240 | (2,302,029) |
| Total expenditures | 4,913,864 | 5,132,075 | 2,741,137 | 2,390,938 |
| Net change in fund balance | 86,136 | (132,075) | (2,741,137) | (2,609,062) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | - | - | (923,820) | (923,820) |
| Ending | $ 86,136 | $ (132,075) | $ (3,664,957) | $ (3,532,882) |

## Required Supplementary Information
## Schedule of Changes in Net Pension Liability and Related Ratios
## Last Ten Years

| Measurement Period | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|
| **TOTAL PENSION LIABILITY** | | | | |
| Service Cost | $ 2,320,007 | $ 2,435,899 | $ 2,423,798 | $ 2,499,955 |
| Interest | 12,647,730 | 13,024,281 | 13,232,559 | 13,468,820 |
| Changes of Benefit Terms | - | - | - | - |
| Difference Between Expected and Actual Experience | (3,637,760) | (990,439) | (1,869,811) | (1,608,731) |
| Changes of Assumptions | (3,045,664) | - | 10,775,154 | (888,445) |
| Benefit Payments, Including Refunds of Employee Contributions | (8,707,272) | (9,518,736) | (9,562,803) | (10,222,978) |
| **Net Change in Total Pension Liability** | **(422,959)** | **4,951,005** | **14,998,897** | **3,248,621** |
| **Total Pension Liability - Beginning** | **175,206,854** | **174,783,895** | **179,734,900** | **194,733,797** |
| **Total Pension Liability - Ending (a)** | **174,783,895** | **179,734,900** | **194,733,797** | **197,982,418** |
| **PLAN FIDUCIARY NET POSITION** | | | | |
| Contributions - Employer | 2,628,948 | 2,956,754 | 3,304,427 | 3,987,019 |
| Contributions - Employee | 1,100,494 | 1,074,004 | 973,001 | 990,915 |
| Net Investment Income | 3,019,296 | 700,955 | 14,402,918 | 11,595,557 |
| Benefit Payments, Including Refunds of Employee Contributions | (8,707,272) | (9,518,736) | (9,562,803) | (10,222,978) |
| Net Plan to Plan Resource Movement | (36,608) | - | - | (341) |
| Administrative Expenses | (154,341) | (83,347) | (194,723) | (219,421) |
| Other Miscellaneous Income/(Expense)[1] | - | - | - | (416,685) |
| **Net Change in Fiduciary Net Position** | **(2,149,483)** | **(4,870,370)** | **8,922,820** | **5,714,066** |
| **Plan Fiduciary Net Position - Beginning[2]** | **138,907,456** | **136,757,973** | **131,887,603** | **140,810,423** |
| **Plan Fiduciary Net Position - Ending (b)** | **136,757,973** | **131,887,603** | **140,810,423** | **146,524,489** |
| **Plan Net Position Liability / (Asset) - Ending (a) - (b)** | **$ 38,025,922** | **$ 47,847,297** | **$ 53,923,374** | **$ 51,457,929** |
| **Plan Fiduciary Net Position as a Percentage of the Total Pension Liability / (Asset)** | **78.24%** | **73.38%** | **72.31%** | **74.01%** |
| **Covered Payroll[3]** | **$ 13,145,259** | **$ 14,172,919** | **$ 12,670,141** | **$ 12,808,459** |
| **Plan Net Pension Liability / (Asset) as a Percentage of Covered Payroll** | **289.27%** | **337.60%** | **425.59%** | **401.75%** |

[1] During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

[2] Includes any beginning of year adjustment.

[3] Includes one year's payroll growth using 2.80 percent payroll growth assumption for fiscal years ended June 30, 2022-24; 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-21; 3 percent payroll growth assumption for fiscal years ended June 30, 2015-17.

**Notes to Schedule:**

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

| 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|
| $ 2,467,368 | $ 2,391,450 | $ 2,478,272 | $ 2,662,009 | $ 2,664,738 | $ 2,830,458 |
| 13,791,792 | 14,191,317 | 14,602,910 | 14,801,624 | 15,327,104 | 15,648,199 |
| - | - | - | - | 226,510 | - |
| (1,116,355) | 154,829 | 699,629 | (961,116) | 2,653,910 | (518,345) |
| - | - | - | 6,297,331 | - | - |
| (10,415,096) | (11,161,427) | (11,977,102) | (12,481,867) | (12,977,655) | (12,827,967) |
| **4,727,709** | **5,576,169** | **5,803,709** | **10,317,981** | **7,894,607** | **5,132,345** |
| **197,982,418** | **202,710,127** | **208,286,296** | **214,090,005** | **224,407,986** | **232,302,593** |
| **202,710,127** | **208,286,296** | **214,090,005** | **224,407,986** | **232,302,593** | **237,434,938** |
| 4,555,596 | 57,022,354 | 1,612,478 | 1,599,394 | 2,001,272 | 1,970,337 |
| 997,444 | 1,002,245 | 1,047,853 | 984,017 | 1,106,404 | 1,147,931 |
| 9,470,424 | 9,133,158 | 45,476,553 | (17,954,498) | 12,895,701 | 20,213,228 |
| (10,415,096) | (11,161,427) | (11,977,102) | (12,481,867) | (12,977,655) | (12,827,967) |
| (581) | - | - | - | - | - |
| (104,563) | (212,912) | (206,592) | (151,228) | (157,925) | (177,085) |
| 341 | - | - | - | - | - |
| **4,503,565** | **55,783,418** | **35,953,190** | **(28,004,182)** | **2,867,797** | **10,326,444** |
| **146,524,489** | **151,028,054** | **206,811,472** | **242,764,662** | **214,760,480** | **217,628,277** |
| **151,028,054** | **206,811,472** | **242,764,662** | **214,760,480** | **217,628,277** | **227,954,721** |
| **$ 51,682,073** | **$ 1,474,824** | **$ (28,674,657)** | **$ 9,647,506** | **$ 14,674,316** | **$ 9,480,217** |
| **74.50%** | **99.29%** | **113.39%** | **95.70%** | **93.68%** | **96.01%** |
| **$ 12,552,747** | **$ 12,358,915** | **$ 12,768,014** | **$ 12,798,121** | **$ 12,873,129** | **$ 14,116,999** |
| **411.72%** | **11.93%** | **-224.58%** | **75.38%** | **113.99%** | **67.15%** |

## Required Supplementary Information
## Schedule of Plan Contributions – Agent Plan
## Last Ten Years

### Miscellaneous Plan

| Fiscal Year | Measurement Date | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Deficiency (Excess) | Employer's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|---|
| 6/30/2016 | 6/30/2015 | $ 2,956,754 | $ (2,956,754) | $ - | $ 12,670,141 | 23.34% |
| 6/30/2017 | 6/30/2016 | 3,304,427 | (3,304,427) | - | 12,808,459 | 25.80% |
| 6/30/2018 | 6/30/2017 | 3,987,019 | (3,987,019) | - | 12,552,747 | 31.76% |
| 6/30/2019 | 6/30/2018 | 4,555,596 | (4,555,596) | - | 12,358,915 | 36.86% |
| 6/30/2020 | 6/30/2019 | 5,392,780 | (57,022,354) | (51,629,574) | 12,768,014 | 42.24% |
| 6/30/2021 | 6/30/2020 | 1,612,478 | (1,612,478) | - | 12,798,121 | 12.63% |
| 6/30/2022 | 6/30/2021 | 1,598,786 | (1,598,786) | - | 12,798,121 | 12.49% |
| 6/30/2023 | 6/30/2022 | 2,000,024 | (2,000,024) | - | 12,873,129 | 15.54% |
| 6/30/2024 | 6/30/2023 | 1,970,114 | (1,970,114) | - | 14,116,999 | 15.21% |
| 6/30/2025 | 6/30/2024 | 2,686,318 | (3,611,272) | (924,954) | 14,228,821 | 18.88% |

***Notes to Schedule:***

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022-23 were from the June 30, 2021 Funding Valuation Report.

| | |
|---|---|
| Actuarial Cost Method | Entry Age Actuarial Cost Method |
| Amortization Method/Period | For details, see June 30, 2022 Funding Valuation Report. |
| Asset Valuation Method | Fair Value of Assets |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table | The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 *CalPERS Experience Study and Review of Actuarial Assumptions*. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. |
| Post Retirement Benefit Increase | The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter. |

## Required Supplementary Information
## Schedule of City's Proportionate Share of the Plan's Net Pension Liability and Related Ratios as of the Measurement Date
## Last Ten Years

### Safety Plan

| Measurement Date | Employer's Proportion of the Collective Net Pension Liability / (Asset)[1] | Employer's Proportionate Share of the Collective Net Pension Liability / (Asset) | Employer's Covered Payroll | Employer's Proportionate Share of the Collective Net Pension Liability / (Asset) as a percentage of the Employer's Covered Payroll | Pension Plan's Fiduciary Net Position as a percentage of the Total Pension Liability / (Asset) |
|---|---|---|---|---|---|
| 6/30/2015 | 0.60260% | $ 41,362,512 | $ 9,859,032 | 419.54% | 78.40% |
| 6/30/2016 | 0.61630% | 53,325,378 | 9,229,395 | 577.78% | 74.06% |
| 6/30/2017 | 0.61251% | 60,744,172 | 8,569,976 | 708.80% | 73.31% |
| 6/30/2018 | 0.63994% | 61,666,264 | 7,590,002 | 812.47% | 75.26% |
| 6/30/2019 | 0.64788% | 66,388,233 | 10,129,496 | 655.40% | 75.26% |
| 6/30/2020 | 0.02863% | 3,115,161 | 8,106,797 | 38.43% | 75.10% |
| 6/30/2021 | -0.63645% | (34,421,128) | 8,335,602 | -412.94% | 88.29% |
| 6/30/2022 | 0.09501% | 10,974,696 | 9,084,823 | 120.80% | 76.68% |
| 6/30/2023 | 0.24245% | 18,122,740 | 8,621,419 | 210.21% | 76.21% |
| 6/30/2024 | 0.22687% | 16,541,036 | 8,858,957 | 186.72% | 78.08% |

[1] Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

## Required Supplementary Information
## Schedule of Plan Contributions – Cost Sharing Plan
## Last Ten Years

### Safety Plan

| Fiscal Year | Measurement Date | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Deficiency (Excess) | Employer's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|---|
| 6/30/2016 | 6/30/2015 | $ 3,638,229 | $ (3,638,229) | $ - | $ 9,229,395 | 39.42% |
| 6/30/2017 | 6/30/2016 | 4,092,276 | (4,092,276) | - | 8,569,976 | 47.75% |
| 6/30/2018 | 6/30/2017 | 4,728,485 | (4,728,485) | - | 7,590,002 | 62.30% |
| 6/30/2019 | 6/30/2018 | 5,532,655 | (5,532,655) | - | 10,129,496 | 54.62% |
| 6/30/2020 | 6/30/2019 | 6,347,166 | (73,465,481) | (67,118,315) | 8,106,797 | 78.29% |
| 6/30/2021 | 6/30/2020 | 2,397,913 | (2,397,913) | - | 8,335,602 | 28.71% |
| 6/30/2022 | 6/30/2021 | 2,851,665 | (2,851,665) | - | 9,084,823 | 31.39% |
| 6/30/2023 | 6/30/2022 | 3,471,882 | (3,471,882) | - | 8,621,419 | 40.27% |
| 6/30/2024 | 6/30/2023 | 3,023,248 | (3,023,248) | - | 8,858,957 | 34.13% |
| 6/30/2025 | 6/30/2024 | 4,304,114 | (5,657,559) | (1,353,445) | 10,045,846 | 42.84% |

***Notes to Schedule:***

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

## Required Supplementary Information
## Schedule of Plan Contributions – OPEB
## Last Ten Years*

| Fiscal Year | Actuarially Determined Contributions (ADC) | Contributions in relation to the ADC | Contribution Deficiency (Excess) | Covered-employee payroll | Contribution as a percentage of covered-employee payroll |
|---|---|---|---|---|---|
| 2024 | $ 8,347,000 | $ (4,220,745) | $ 4,126,255 | $ 32,583,616 | 13% |
| 2025 | 8,583,000 | (8,468,419) | 114,581 | 36,480,635 | 23% |

Notes to schedule:

Contributions are fixed and not based on a measure of pay, therefore covered-employee payroll is used in the schedule.

Changes in assumptions:

Discount rate was updated based on crossover test from 4.27% to 4.53%, and medical trend was updated.

Methods and assumptions used to determine contributions:

*Actuarial Cost Method*
Entry age normal, level percent of pay.

*Amortization Method*
Level percent of pay.

*Amortization Period*
17-year fixed period for 2024-25

*Inflation*
2.50%

*Assumed Payroll Growth*
2.75%

*Healthcare Cost Trend Rates*
Non-Medicare: 7.9% trending down to 3.75%.
Medicare (non-Kaiser): 6.90% trending down to 3.45%.
Medicare (Kaiser): 5.65% trending down to 3.45%.

*Discount rate*
4.53%

*Mortality and Retirement Rates*
CalPERS rates

* Historical information is required only for measurement period for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available. Fiscal Year 2023-24 was the first year the City had a trust.

## Required Supplementary Information
## Schedule of Changes in the Net OPEB Liability and Related Ratios
## Last Ten Years*

| Fiscal Year | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---|---|---|---|
| Measurement Period | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
| **Total OPEB Liability** | | | | |
| Service cost | $ 4,251,000 | $ 3,574,000 | $ 3,405,180 | $ 3,555,411 |
| Interest | 3,360,000 | 3,863,000 | 4,148,492 | 3,830,827 |
| Differences between expected and actual experience | - | - | (8,450,705) | - |
| Changes of assumptions | (14,185,000) | (5,105,000) | 5,945,521 | 27,930,290 |
| Benefit payments | (2,713,000) | (2,806,000) | (2,926,000) | (2,959,379) |
| Net change in total OPEB liability | (9,287,000) | (474,000) | 2,122,488 | 32,357,149 |
| Total OPEB liability - beginning | 115,015,000 | 105,728,000 | 105,254,000 | 107,376,488 |
| Total OPEB liability - ending | $ 105,728,000 | $ 105,254,000 | $ 107,376,488 | $ 139,733,637 |
| **Plan Fiduciary Net Position** [2] | | | | |
| Contributions – employer | - | - | - | - |
| Net investment income | - | - | - | - |
| Benefit payments | - | - | - | - |
| Administrative expense | - | - | - | - |
| Net change in plan fiduciary net position | - | - | - | - |
| Plan fiduciary net position - beginning | - | - | - | - |
| Plan fiduciary net position - ending (b) | - | - | - | - |
| Net OPEB liability - ending (a) - (b) | $ 105,728,000 | $ 105,254,000 | $ 107,376,488 | $ 139,733,637 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.0% | 0.0% | 0.0% | 0.0% |
| Covered-employee payroll [1] | $ 24,186,000 | $ 25,246,508 | $ 25,373,487 | $ 27,111,119 |
| Total OPEB liability as a percentage of covered-employee payroll [1] | 437.1% | 416.9% | 423.2% | 515.4% |

Notes to schedule:

[1] Covered-employee payroll represented above is based on covered-employee payroll provided by the employer. GASB 75 defines covered-employee payroll as the total payroll of employees that are provided OPEBs through the OPEB plan. Contributions are not based on a measure of pay, therefore, covered-employee payroll is used in this schedule.

[2] The city opened a PARS trust in fiscal year ended June 30, 2024, prior to this, the City did not have assets accumulated in a trust that met the criteria of GASB 75 to pay related benefits.

Significant changes in assumptions:

In fiscal year ended June 30, 2025 (Measurement date June 30, 20234, the discount rate was updated to 4.53% from prior years' rate of 4.27%

**Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.*

| 2021-22<br>2020-21 | 2022-23<br>2021-22 | 2023-24<br>2022-23 | 2024-25<br>2023-24 |
|---|---|---|---|
| $ 5,252,506 | $ 4,500,230 | $ 3,198,898 | $ 3,170,778 |
| 3,168,811 | 2,693,466 | 3,621,358 | 4,520,973 |
| (14,253,534) | - | 6,671,414 | - |
| (8,870,441) | (25,044,228) | (6,663,008) | (3,679,915) |
| (3,202,013) | (3,263,442) | (3,231,292) | (3,211,093) |
| (17,904,671) | (21,113,974) | 3,597,370 | 800,743 |
| 139,733,637 | 121,828,966 | 100,714,992 | 104,312,362 |
| $ 121,828,966 | $ 100,714,992 | $ 104,312,362 | $ 105,113,105 |
| - | - | 6,740,492 | 4,220,745 |
| - | - | 198,459 | 513,277 |
| - | - | (3,231,292) | (3,211,093) |
| - | - | (14,371) | (19,664) |
| - | - | 3,693,288 | 1,503,265 |
| - | - | - | 3,693,288 |
| - | - | 3,693,288 | 5,196,553 |
| $ 121,828,966 | $ 100,714,992 | $ 100,619,074 | $ 99,916,552 |
| 0.0% | 0.0% | 3.5% | 4.9% |
| $ 27,282,854 | $ 31,883,839 | $ 32,583,616 | $ 36,480,635 |
| 446.5% | 315.9% | 308.8% | 273.9% |

## General Budget Policies

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Supplemental appropriations, where required during the period, are also approved by the Council. Intradepartmental budget changes are approved by the City Manager. Expenditures may not exceed appropriations at the department level, which is the legal level of control. During the year, several supplementary appropriations were necessary. At fiscal year-end, all operating budget appropriations lapse.

Budgets for all governmental type funds are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for the General, Special Revenue, Capital Project and Debt Service Funds, with the exception of the following Special Revenue Funds: Hawthorne Boulevard Mobility Improvement Program, CARES Act, LEAP Grant, Homeless Prevention and Rapid Re-housing Program (HPRP), Edward Byrne Memorial Justice Assistance Program, Building Resilient Infrastructure & Communities, and the American Down Payment Dream Program.

*The remainder of this page has been left blank intentionally.*

## Excess of Expenditures over Appropriations

Excesses of expenditures over appropriations at the department level are as follows:

| Fund | Appropriations | Expenditures | Excess |
|---|---|---|---|
| **Major Governmental Fund** | | | |
| *General Fund:* | | | |
| General government: | | | |
| Mayor and City Council | $ 9,541,828 | $ 9,677,605 | $ (135,777) |
| *CA Parks & Recreation Community Center:* | | | |
| Community development | - | 74,171 | (74,171) |
| Capital outlay | 218,211 | 2,520,240 | (2,302,029) |
| *Park Improvements* | | | |
| Community development | 231,756 | 328,789 | (97,033) |
| *Civic Center Lease Bonds* | | | |
| Interest and fiscal charges | - | 778,556 | (778,556) |
| Bond issuance costs | - | 439,453 | (439,453) |
| **Nonmajor Governmental Funds** | | | |
| *Special Revenue Fund:* | | | |
| Street Lighting | | | |
| Public works | 845,478 | 970,312 | (124,834) |
| Asset Forfeiture | | | |
| Capital outlay | 837,713 | 840,175 | (2,462) |
| MTA Measure R | | | |
| Capital outlay | 970,000 | 970,996 | (996) |
| SB1383 Local Assistance Grant | | | |
| Community development | 100,000 | 128,291 | (28,291) |
| Permanent Local Housing Allocation | | | |
| Community development | 347,488 | 740,624 | (393,136) |
| LA Centers for Alcohol and Drug Abuse | | | |
| Parks and recreation | 154,615 | 252,253 | (97,638) |
| CA Parks & Recreation Senior Center | | | |
| Community development | - | 12,734 | (12,734) |
| Recycling Fund | | | |
| Public works | 40,000 | 44,806 | (4,806) |
| USDOT – SS4A | | | |
| Public works | 200,000 | 227,207 | (27,207) |
| Homeland Security/Treasury Forfeiture | | | |
| Public safety | 21,654 | 41,607 | (19,953) |

# SUPPLEMENTARY INFORMATION

## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Street Lighting Fund** is used to account for the cost of providing lighting and intersection safety lighting on all City streets. The Engineering Division provides engineering and administration for the street lighting assessment district.

**Gas Tax Fund** is used to account for the City's share of revenues derived from the State Highway Users Tax Account Sections 2105, 2106, 2107 and 2107.5. Gasoline taxes must be used for maintenance and improvement of City streets, which serve as State and County thoroughfares.

**Street Fund** is used to account for all related revenues and expenditures, including street repair, reconstruction and maintenance, which are not required to be accounted for in the City's State Gas Tax Fund.

**Asset Forfeiture Fund** is used to account for all revenues and expenditures related to monies and property seized by the Police Department in drug related incidents. These funds may only be expended on activities used to enhance law enforcement activities.

**COPS Fund** is used to account for money appropriated statewide and to be used for the supplemental funding of front line law enforcement. These services include personnel, equipment, and programs that meet front line law enforcement objectives.

**California Office of Traffic Safety Fund** is used to assist in offsetting the personnel costs for the Sobriety Checkpoint Program and the Seat Belt Compliance Program. No budget was legally adopted for the fund.

**Edward Byrne Memorial Justice Assistance Program Fund** is used to account for financial assistance provided to local law enforcement's agencies to expand efforts in addressing alcohol-related problems. No budget was legally adopted for the fund.

**Local Law Enforcement Block Grant Fund** is used to account for both Federal (90%) and City (10%) funds. This program allows for local law enforcement to provide equipment, technology and other materials directly related to law enforcement functions.

**MTA Measure R Fund** is an ongoing maintenance and Capital Improvement Transportation Fund.

**Proposition A Fund** is used to account for revenues received by the State; funneled to the City through the Los Angeles County Metropolitan Transit Authority. The City uses these funds for Dial-A-Ride, Recreational Transit and Bus Stop Maintenance. Excess of these funds are traded with other Los Angeles County municipalities for General Funds.

**MTA Measure M Fund** is used to account for the ongoing maintenance and Capital Improvement Transportation Fund.

**Special Revenue Funds, (continued)**

**American Down Payment Dream Program Fund** is used to eliminate the obstacles to lower income families by providing upfront down payment and closing costs assistance. No budget was legally adopted for the fund.

**Proposition C Fund** is used to account for a second half-cent sales tax approved by the voters, the proceeds of which are used to improve transit service and operations, reduce traffic congestion, improve air quality and efficiently operate and improve the condition of streets and highways utilized by public transit.

**Air Quality Fund** is used to support the South Coast Air Quality Management District's (SCAQMD) imposition of an additional vehicle registration fee and to receive fee revenues for implementing programs to reduce air pollution from motor vehicles.

**California Used Oil Recycling Fund** is used to account for all the revenues and expenditures associated with grant funds received from the State Integrated Waste Management Board to promote the recycling of used motor oil.

**California Beverage Container Recycling Fund** is used to account for all the revenues and expenditures associated with grant funds received from the Department of Conservation. Program is funded by (CRV) California Redemption Value Funds. The program targets public education and other programs targeting increased bottle recycling.

**Hawthorne Blvd Mobility Improvement Program Fund** is used to account for the project that will improve the storm drain system along Hawthorne Blvd., between El Segundo Blvd. and Rosecrans Ave. to eliminate local flooding and will install large infiltration chambers in three preselected areas under center medians for diverting runoff from Dominguez Channel to underground water supply. All traffic signals will be replaced and upgraded throughout the project limits and a new traffic signal will be constructed at the intersection of Hawthorne Blvd. and 141st Street. All center medians will be completely reconstructed with new designs to accommodate new dedicated left turn pockets and as result, entire landscape areas will be replaced with newly designed landscape and irrigation systems. New trees will be planted. 105,000 square feet of new sidewalks and entire pavement structural system will be replaced throughout the project limits.

**CATV Peg Fund** is used to account for monies received from the City's cable television franchisee.

**Housing Asset Fund** accounts for assets used for low and moderate income housing activities in accordance with the applicable housing-related regulations

**HOME Grant Fund** is used to account for HOME Fund grants received from the U.S. Department of Housing & Urban Development. These funds are to be used predominantly to aid low & moderate income residents with their housing needs.

**Community Development Block Grant Fund** is used to account for Federal grants received from the Department of Housing and Urban Development (HUD). Grant activity is administered by the Community Development Department and is predominantly restricted to activities in 'target areas'.

**Special Revenue Funds, (continued)**

**HPRP Funds** is used to account for transactions related to the Homeless Prevention and Rapid Re-housing Program. The aim of the program is to assist homeless households and those at risk of homelessness. No budget was legally adopted for the fund.

**FEMA Grant Fund** is used to provide the city with assistance for the management, control and reduction of immediate threats to public health and safety.

**SB1383 Local Assistance Grant Fund** is used to aid in implementing CalRecycle regulations associated with capacity planning, collection, edible food recovery, and education & outreach. No budget was legally adopted for the fund.

**Permanent Local Housing Allocation Fund** is used to address local community housing needs. No budget was legally adopted for the fund.

**CARES Act Fund** is used to provide direct economic aid to State and Local governments negatively impact by the COVID-19 pandemic. No budget was legally adopted for the fund.

**MTA Measure W Fund** is used to account for the ongoing maintenance and Capital Improvement Transportation Fund.

**SB2 Planning Grant Fund** is used to implement the Safety and Environmental Justice Elements of the Housing Element to advance policies and strategies that address climate resiliency, sustainability, and equity and fair access to housing, job, healthy groceries, and mobility options.

**LEAP Grant Fund** is used to implement a development permit tracking system and complete the 6th cycle Housing Element and RHNA allocation.

**Urban Area Security Initiative Fund** is used to account for funding to enhance regional preparedness and capabilities in designated high-threat, high-density areas.

**Rain Water Grant Fund** is used to account settlement funds to pay for PCB and rain water sampling, and mitigation methods.

**LA Centers for Alcohol & Drug Abuse Fund**. is used to account for grant funding to provide services to those struggling with addiction and behavioral issues.

**California Parks & Recreation Senior Center Fund** is to used to account for grant funding to rehabilitate the city's senior center.

**HUD Community Development Fund** is used to account for funds to develop and revitalize viable urban and rural communities through projects initiated and developed at the local level based on local needs, priorities, and benefits.

**Special Revenue Funds, (continued)**

**Building Resilient Infrastructure & Communities Fund** is used to account for federal funds available to states, U.S territories, federally recognized tribal governments, and local communities for hazard mitigation activities. No budget was legally adopted for the fund.

**Cannabis Retail Access Grant Fund** is used to account for grant funding that provides local governments with resources to develop and implement cannabis retailer licensing programs.

**Recycling Fund** is used to account for all the revenues and expenditures associated with grant funds received from the State of California to promote recycling.

**Homeland Security – StoneGarden Fund** is used to account for Federal grants that provide increased operational capability in law enforcement along international boundaries, cross-border crime, and intelligence collection.

**Asset Forfeiture – Justice Fund** is a nationwide law enforcement initiative that removes the tools of crime from criminal organizations, deters crime and deprives wrongdoers of their criminal proceeds, and recovers property that may be used to compensate victims. Equitable sharing further enhances the law enforcement mission by fostering cooperation among federal, state, and local law enforcement agencies. Federal law authorizes the Attorney General to share federally forfeited property with participating state and local law enforcement agencies.

**Social Security Administration Fund** is used to account for Federal grants that are used for placement of investigators on the SSA Task Force.

**USDOT – SS4A Fund** is the US Department of Transportation's grant to create a Comprehensive Safety Action Plan to address areas where safety countermeasures are urgently needed, primarily in underserved communities.

**Homeland Security/Treasury Forfeiture Fund** is a nationwide law enforcement initiative that removes the tools of crime from criminal organizations, deters crime and deprives wrongdoers of the proceeds of their criminal proceeds, and recovers property that may be used to compensate victims. Equitable sharing further enhances the law enforcement mission by fostering cooperation among federal, state, and local law enforcement agencies. Federal law authorizes Treasury to share federally forfeited property with participating state and local law enforcement agencies.

**2009 Street Improvements Fund** is used to account for the City's roadway improvement projects from street and intersection widening to pavement rehabilitations/reconstructions, upgrade or replacement of traffic signals, improvement of street grading and drainage and concrete improvement including ADA accessibility as well as sidewalks and curbs/gutters throughout the City. Funding for such projects are varied and usually received through competitive grants based on availability.

### Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

**Development Impact Fund** is used to account for both the collection and expenditures of impact fees imposed on all developments within the City boundaries. These fees are used to defray the costs associated with infrastructure improvements due to new developments.

**Capital Improvements Fund** is used to account for current and future city capital improvement projects. Current projects include the City Hall Renovation, Civic Center, new City Yard.

### Debt Service Funds

Debt service funds are used to account for debt service transactions including revenue collection and payments of principal and interest on long-term obligations.

**Public Financing Authority Fund** is used to account for debt issued for the purpose of financing capital improvements throughout the City. In 1992, the Authority issued $10 million in Certificates of Participation to provide financing for acquisitions, construction, and improvements within the City. In 1997, these certificates were refunded by the 1997 Certificate of Participation. Funds are transferred from the General Fund to make the debt service payments.

**2016 Refunding Bonds** is used to account for the debt service on the 2016 Certificate of Participation Series A and Series B bonds.

**2016 Direct Placement Lease Financing Fund** is used to account for the debt service on the 2016 Direct Placement Lease Financing.

**2019 Pension Obligation Bond Fund** is used to account for the debt service on the 2019 Taxable Pension Obligation Bonds.

## Combining Balance Sheet
## Non-Major Governmental Funds
## June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | Street Lighting | Gas Tax | Street |
| **ASSETS** | | | |
| Cash and investments | $ - | $ 4,247,929 | $ - |
| Cash and investments with fiscal agents | - | - | - |
| Receivables: | | | |
| Accounts | - | 630,835 | - |
| Taxes | 8,585 | - | 2,910 |
| Interest | - | 25,314 | - |
| Due from Successor Agency | - | - | - |
| Total assets | $ 8,585 | $ 4,904,078 | $ 2,910 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ 2,601 | $ 65,401 | $ 296,916 |
| Accrued liabilities | 2,677 | 19,112 | 45,898 |
| Unearned revenue | - | - | - |
| Deposits payable | - | - | - |
| Due to other funds | 464,053 | - | 78,047 |
| Total liabilities | 469,331 | 84,513 | 420,861 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | - | - | - |
| **Fund Balances (Deficit):** | | | |
| Restricted | - | 4,819,565 | - |
| Unassigned | (460,746) | - | (417,951) |
| Total fund balances | (460,746) | 4,819,565 | (417,951) |
| Total liabilities, deferred inflows of resources, and fund balances | $ 8,585 | $ 4,904,078 | $ 2,910 |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| Asset Forfeiture | COPS | California Office of Traffic Safety | Edward Byrne Memorial Justice Assistance Program | Local Law Enforcement Block Grant |
| $ 968,270 | $ 363,302 | $ - | $ 17 | $ 10,401 |
| - | - | - | - | - |
| - | - | 45,194 | - | - |
| - | - | - | - | - |
| - | 2,702 | - | - | - |
| - | - | - | - | - |
| $ 968,270 | $ 366,004 | $ 45,194 | $ 17 | $ 10,401 |
| | | | | |
| $ 72,804 | $ - | $ 1,350 | $ - | $ - |
| 21,299 | - | 7,756 | 17 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | 43,952 | - | - |
| 94,103 | - | 53,058 | 17 | - |
| - | - | 45,194 | - | - |
| 874,167 | 366,004 | - | - | 10,401 |
| - | - | (53,058) | - | - |
| 874,167 | 366,004 | (53,058) | - | 10,401 |
| $ 968,270 | $ 366,004 | $ 45,194 | $ 17 | $ 10,401 |

## Combining Balance Sheet
## Non-Major Governmental Funds
## June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | MTA Measure R | Proposition A | MTA Measure M |
| **ASSETS** | | | |
| Cash and investments | $ 2,661,383 | $ 6,018,310 | $ 2,676,389 |
| Cash and investments with fiscal agents | - | - | - |
| Receivables: | | | |
| Accounts | - | - | - |
| Taxes | - | - | - |
| Interest | 16,535 | 39,227 | 17,013 |
| Due from Successor Agency | - | - | - |
| Total assets | $ 2,677,918 | $ 6,057,537 | $ 2,693,402 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ - | $ 36,015 | $ 154,332 |
| Accrued liabilities | 9,400 | 2,098 | 3,047 |
| Unearned revenue | - | - | - |
| Deposits payable | - | - | - |
| Due to other funds | - | - | - |
| Total liabilities | 9,400 | 38,113 | 157,379 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | - | - | - |
| **Fund Balances (Deficit):** | | | |
| Restricted | 2,668,518 | 6,019,424 | 2,536,023 |
| Unassigned | - | - | - |
| Total fund balances | 2,668,518 | 6,019,424 | 2,536,023 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 2,677,918 | $ 6,057,537 | $ 2,693,402 |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| American Down Payment Dream Program | Proposition C | Air Quality | California Used Oil Recycling | California Beverage Container Recycling |
| $ 15,600 | $ 4,240,153 | $ 261,054 | $ 182,170 | $ 164,825 |
| - | - | - | - | - |
| - | - | 29,784 | - | - |
| - | - | - | - | - |
| - | 27,433 | 1,585 | 1,165 | 1,075 |
| - | - | - | - | - |
| $ 15,600 | $ 4,267,586 | $ 292,423 | $ 183,335 | $ 165,900 |
| $ - | $ 177,324 | $ 130 | $ - | $ - |
| - | 4,190 | - | - | 1,345 |
| - | - | - | 42,862 | 8,771 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 181,514 | 130 | 42,862 | 10,116 |
| - | - | - | - | - |
| 15,600 | 4,086,072 | 292,293 | 140,473 | 155,784 |
| - | - | - | - | - |
| 15,600 | 4,086,072 | 292,293 | 140,473 | 155,784 |
| $ 15,600 | $ 4,267,586 | $ 292,423 | $ 183,335 | $ 165,900 |

## Combining Balance Sheet
## Non-Major Governmental Funds
## June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | Hawthorne Blvd Mobility Improv. Program | CATV Peg | Housing Asset |
| **ASSETS** | | | |
| Cash and investments | $ 674 | $ 701,912 | $ 8,061,237 |
| Cash and investments with fiscal agents | - | - | - |
| Receivables: | | | |
| Accounts | - | 17,611 | - |
| Taxes | - | - | - |
| Interest | 4 | - | 52,640 |
| Due from Successor Agency | - | - | 366,734 |
| Total assets | $ 678 | $ 719,523 | $ 8,480,611 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ - | $ - | $ 22,944 |
| Accrued liabilities | - | - | 3,982 |
| Unearned revenue | - | - | - |
| Deposits payable | - | - | 51,125 |
| Due to other funds | - | - | - |
| Total liabilities | - | - | 78,051 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | - | - | 366,734 |
| **Fund Balances (Deficit):** | | | |
| Restricted | 678 | 719,523 | 8,035,826 |
| Unassigned | - | - | - |
| Total fund balances | 678 | 719,523 | 8,035,826 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 678 | $ 719,523 | $ 8,480,611 |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| HOME Grant | Community Development Block Grant | HPRP Funds | FEMA Grant | SB1383 Local Assistance Grant |
| $ 71,914 | $ 140,781 | $ 15,153 | $ 3,227 | $ 154,770 |
| - | - | - | - | - |
| 18,420 | 328,751 | - | - | - |
| - | - | - | - | - |
| - | - | - | 21 | 1,059 |
| - | - | - | - | - |
| $ 90,334 | $ 469,532 | $ 15,153 | $ 3,248 | $ 155,829 |
| | | | | |
| $ 907,266 | $ 641,565 | $ - | $ - | $ - |
| 4,886 | 1,130 | - | - | 6,132 |
| 872,158 | - | - | - | 132,034 |
| - | 17,897 | - | - | - |
| - | 330,008 | - | - | - |
| 1,784,310 | 990,600 | - | - | 138,166 |
| | | | | |
| - | 164,997 | - | - | - |
| | | | | |
| - | - | 15,153 | 3,248 | 17,663 |
| (1,693,976) | (686,065) | - | - | - |
| (1,693,976) | (686,065) | 15,153 | 3,248 | 17,663 |
| | | | | |
| $ 90,334 | $ 469,532 | $ 15,153 | $ 3,248 | $ 155,829 |

## Combining Balance Sheet
## Non-Major Governmental Funds
## June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | Permanent Local Housing Allocation | CARES Act | MTA Measure W |
| **ASSETS** | | | |
| Cash and investments | $ 330,678 | $ 40 | $ - |
| Cash and investments with fiscal agents | - | - | - |
| Receivables: | | | |
| Accounts | - | - | 25,770 |
| Taxes | - | - | - |
| Interest | 3,998 | - | - |
| Due from Successor Agency | - | - | - |
| Total assets | $ 334,676 | $ 40 | $ 25,770 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ 182,325 | $ - | $ 32,798 |
| Accrued liabilities | - | - | 6,138 |
| Unearned revenue | 55,232 | - | - |
| Deposits payable | - | - | - |
| Due to other funds | - | - | 429,159 |
| Total liabilities | 237,557 | - | 468,095 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | - | - | - |
| **Fund Balances (Deficit):** | | | |
| Restricted | 97,119 | 40 | - |
| Unassigned | - | - | (442,325) |
| Total fund balances | 97,119 | 40 | (442,325) |
| Total liabilities, deferred inflows of resources, and fund balances | $ 334,676 | $ 40 | $ 25,770 |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| SB2 Planning Grant | LEAP Grant | Urban Security Initiative Grant | Rain Water Grant | LA Centers for Alcohol & Drug Abuse |
| $ 44,881 | $ - | $ - | $ 473,855 | $ 25,904 |
| - | - | - | - | - |
| - | - | - | - | 118,638 |
| - | - | - | - | - |
| 293 | - | - | 3,099 | 120 |
| - | - | - | - | - |
| $ 45,174 | $ - | $ - | $ 476,954 | $ 144,662 |
| $ - | $ - | $ - | $ - | $ 82,870 |
| - | - | - | - | - |
| - | - | - | 438,451 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | 438,451 | 82,870 |
| - | - | - | - | 57,030 |
| 45,174 | - | - | 38,503 | 4,762 |
| - | - | - | - | - |
| 45,174 | - | - | 38,503 | 4,762 |
| $ 45,174 | $ - | $ - | $ 476,954 | $ 144,662 |

## Combining Balance Sheet
## Non-Major Governmental Funds
## June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | CA Parks & Recreation Senior Center | HUD Community Development | Building Resilient Infrastructure & Communities |
| **ASSETS** | | | |
| Cash and investments | $ - | $ - | $ - |
| Cash and investments with fiscal agents | - | - | - |
| Receivables: | | | |
| Accounts | - | 465,662 | - |
| Taxes | - | - | - |
| Interest | - | - | - |
| Due from Successor Agency | - | - | - |
| Total assets | $ - | $ 465,662 | $ - |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ - | $ 1,680 | $ - |
| Accrued liabilities | 349 | - | - |
| Unearned revenue | 622 | - | - |
| Deposits payable | - | - | - |
| Due to other funds | 214,464 | 464,410 | 275,649 |
| Total liabilities | 215,435 | 466,090 | 275,649 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | - | - | - |
| **Fund Balances (Deficit):** | | | |
| Restricted | - | - | - |
| Unassigned | (215,435) | (428) | (275,649) |
| Total fund balances | (215,435) | (428) | (275,649) |
| Total liabilities, deferred inflows of resources, and fund balances | $ - | $ 465,662 | $ - |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| Cannabis Retail Acess Grant | Recycling Fund | Homeland Security - StoneGarden | Asset Forfeiture - Justice | Social Security Administration |
| $ - | $ - | $ - | $ 26,703 | $ 3,715 |
| - | - | - | - | - |
| 45,000 | 29,800 | 106,000 | - | 3,715 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| $ 45,000 | $ 29,800 | $ 106,000 | $ 26,703 | $ 7,430 |
| $ 13,003 | $ - | $ - | $ - | $ - |
| - | 1,378 | 7,571 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 31,342 | 68,959 | 98,429 | - | 3,715 |
| 44,345 | 70,337 | 106,000 | - | 3,715 |
| 45,000 | 29,800 | 78,879 | - | 3,715 |
| - | - | - | 26,703 | - |
| (44,345) | (70,337) | (78,879) | - | - |
| (44,345) | (70,337) | (78,879) | 26,703 | - |
| $ 45,000 | $ 29,800 | $ 106,000 | $ 26,703 | $ 7,430 |

**Combining Balance Sheet**
**Non-Major Governmental Funds**
**June 30, 2025**

| | Special Revenue Fund | | |
|---|---|---|---|
| | USDOT – SS4A | Homeland Security/Treasury Forfeiture | 2009 Street Improvement **(Formerly Major)** |
| **ASSETS** | | | |
| Cash and investments | $ - | $ 500,288 | $ 1,522,411 |
| Cash and investments with fiscal agents | - | - | - |
| Receivables: | | | |
| Accounts | 227,207 | 7,299 | 131,971 |
| Taxes | - | - | - |
| Interest | - | - | 5,284 |
| Due from Successor Agency | - | - | - |
| Total assets | $ 227,207 | $ 507,587 | $ 1,659,666 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ - | $ - | $ 32,283 |
| Accrued liabilities | - | - | 22,754 |
| Unearned revenue | - | - | 129,919 |
| Deposits payable | - | - | - |
| Due to other funds | 227,207 | - | - |
| Total liabilities | 227,207 | - | 184,956 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | 227,207 | - | 131,971 |
| **Fund Balances (Deficit):** | | | |
| Restricted | - | 507,587 | 1,342,739 |
| Unassigned | (227,207) | - | - |
| Total fund balances | (227,207) | 507,587 | 1,342,739 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 227,207 | $ 507,587 | $ 1,659,666 |

| Capital Improvement Funds | | Debt Service Funds | |
|---|---|---|---|
| Development Impact | Capital Improvements | Public Financing Authority | 2016 Refunding Bonds |
| $ 2,154,584 | $ 5,291,703 | $ 277,144 | $ 119,549 |
| - | - | - | 1 |
| - | - | - | - |
| - | - | - | - |
| 14,105 | - | 1,812 | - |
| - | - | - | - |
| $ 2,168,689 | $ 5,291,703 | $ 278,956 | $ 119,550 |
| $ 6,105 | $ 198,128 | $ - | $ - |
| - | 2,083 | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 6,105 | 200,211 | - | - |
| - | - | - | - |
| 2,162,584 | 5,091,492 | 278,956 | 119,550 |
| - | - | - | - |
| 2,162,584 | 5,091,492 | 278,956 | 119,550 |
| $ 2,168,689 | $ 5,291,703 | $ 278,956 | $ 119,550 |

This page intentionaly left blank

**Combining Balance Sheet**
**Non-Major Governmental Funds**
**June 30, 2025** **(concluded)**

| | Debt Service Funds | | |
|---|---|---|---|
| | 2016 Direct Placement Lease Financing | 2019 Pension Obligation Bond | Total Nonmajor Governmental Funds |
| **ASSETS** | | | |
| Cash and investments | $ 48,842 | $ - | $ 41,779,768 |
| Cash and investments with fiscal agents | - | 6 | 7 |
| Receivables: | | | |
| Accounts | - | - | 2,231,657 |
| Taxes | - | - | 11,495 |
| Interest | 57 | - | 214,541 |
| Due from Successor Agency | - | - | 366,734 |
| Total assets | $ 48,899 | $ 6 | $ 44,604,202 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | |
| **Liabilities:** | | | |
| Accounts payable | $ - | $ - | $ 2,927,840 |
| Accrued liabilities | - | - | 173,242 |
| Unearned revenue | - | - | 1,680,049 |
| Deposits payable | - | - | 69,022 |
| Due to other funds | - | 1,221,192 | 3,950,586 |
| Total liabilities | - | 1,221,192 | 8,800,739 |
| **Deferred Inflows of Resources:** | | | |
| Unavailable revenue | - | - | 1,150,527 |
| **Fund Balances (Deficit):** | | | |
| Restricted | 48,899 | - | 40,540,523 |
| Unassigned | - | (1,221,186) | (5,887,587) |
| Total fund balances | 48,899 | (1,221,186) | 34,652,936 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 48,899 | $ 6 | $ 44,604,202 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | Street Lighting | Gas Tax | Street |
| **Revenues** | | | |
| Taxes | $ 580,622 | $ - | $ - |
| Licenses and permits | - | - | - |
| Intergovernmental | 170,001 | 4,837,552 | 143,656 |
| Charges for services | - | - | 195,858 |
| Fines and forfeitures | - | - | - |
| Use of money and property | 388 | 183,977 | 7,956 |
| Miscellaneous | - | - | 352,507 |
| Total revenues | 751,011 | 5,021,529 | 699,977 |
| **Expenditures** | | | |
| Current: | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Community development | - | - | - |
| Parks and recreation | - | - | - |
| Public works | 970,312 | 1,271,865 | 1,825,726 |
| Capital outlay | - | 1,200,000 | 884,692 |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 970,312 | 2,471,865 | 2,710,418 |
| Excess (deficiency) of revenues over (under) expenditures | (219,301) | 2,549,664 | (2,010,441) |
| **Other Financing Sources (Uses)** | | | |
| Lease acquisition | - | - | - |
| Subscription acquisition | - | - | - |
| Transfers in | - | - | 1,500,000 |
| Transfers out | (26,544) | (1,667,992) | (289,264) |
| Total other financing sources (uses) | (26,544) | (1,667,992) | 1,210,736 |
| Net change in fund balances | (245,845) | 881,672 | (799,705) |
| **Fund Balances (Deficit)** | | | |
| Fund balance, previously reported | (214,901) | 3,937,893 | 381,754 |
| Change in presentation of fund activity | - | - | - |
| Change from/to nonmajor/major | - | - | - |
| Beginning, as restated | (214,901) | 3,937,893 | 381,754 |
| Ending | $ (460,746) | $ 4,819,565 | $ (417,951) |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| Asset Forfeiture | COPS | California Office of Traffic Safety | Edward Byrne Memorial Justice Assistance Program | Local Law Enforcement Block Grant |
| $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - |
| - | 258,276 | 223,016 | - | 276,720 |
| - | - | - | - | - |
| 1,254,647 | - | - | - | - |
| - | 18,773 | - | - | - |
| - | - | - | - | - |
| 1,254,647 | 277,049 | 223,016 | - | 276,720 |
| - | - | - | - | - |
| 194,915 | - | 268,210 | - | 53,080 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 300,000 | - | - | - |
| 840,175 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 1,035,090 | 300,000 | 268,210 | - | 53,080 |
| 219,557 | (22,951) | (45,194) | - | 223,640 |
| 325,632 | - | - | - | - |
| 404,213 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 729,845 | - | - | - | - |
| 949,402 | (22,951) | (45,194) | - | 223,640 |
| 633,246 | 388,955 | (7,864) | - | (213,239) |
| (708,481) | - | - | - | - |
| - | - | - | - | - |
| (75,235) | 388,955 | (7,864) | - | (213,239) |
| $ 874,167 | $ 366,004 | $ (53,058) | $ - | $ 10,401 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | MTA Measure R | Proposition A | MTA Measure M |
| **Revenues** | | | |
| Taxes | $ - | $ - | $ - |
| Licenses and permits | - | - | - |
| Intergovernmental | 1,398,678 | 2,248,710 | 1,584,655 |
| Charges for services | - | 3,048 | - |
| Fines and forfeitures | - | - | - |
| Use of money and property | 117,930 | 252,011 | 112,348 |
| Miscellaneous | - | - | - |
| Total revenues | 1,516,608 | 2,503,769 | 1,697,003 |
| **Expenditures** | | | |
| Current: | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Community development | - | - | - |
| Parks and recreation | - | - | - |
| Public works | 274,057 | 1,390,510 | 151,338 |
| Capital outlay | 970,996 | - | 950,880 |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 1,245,053 | 1,390,510 | 1,102,218 |
| Excess (deficiency) of revenues over (under) expenditures | 271,555 | 1,113,259 | 594,785 |
| **Other Financing Sources (Uses)** | | | |
| Lease acquisition | - | - | - |
| Subscription acquisition | - | - | - |
| Transfers in | - | - | - |
| Transfers out | (42,343) | (43,782) | (55,491) |
| Total other financing sources (uses) | (42,343) | (43,782) | (55,491) |
| Net change in fund balances | 229,212 | 1,069,477 | 539,294 |
| **Fund Balances (Deficit)** | | | |
| Fund balance, previously reported | 2,439,306 | 4,949,947 | 1,996,729 |
| Change in presentation of fund activity | - | - | - |
| Change from/to nonmajor/major | - | - | - |
| Beginning, as restated | 2,439,306 | 4,949,947 | 1,996,729 |
| Ending | $ 2,668,518 | $ 6,019,424 | $ 2,536,023 |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| American Down Payment Dream Program | Proposition C | Air Quality | California Used Oil Recycling | California Beverage Container Recycling |
| $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - |
| - | 1,865,248 | 114,053 | - | 13,032 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 183,448 | 9,200 | 7,631 | 6,719 |
| - | - | - | - | - |
| - | 2,048,696 | 123,253 | 7,631 | 19,751 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | 24,213 | - | - |
| - | - | - | - | - |
| - | 477,499 | - | 24,288 | 12,492 |
| - | 1,159,592 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 1,637,091 | 24,213 | 24,288 | 12,492 |
| - | 411,605 | 99,040 | (16,657) | 7,259 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | (10,934) | - | - | - |
| - | (10,934) | - | - | - |
| - | 400,671 | 99,040 | (16,657) | 7,259 |
| 15,600 | 3,685,401 | 193,253 | 157,130 | 148,525 |
| - | - | - | - | - |
| - | - | - | - | - |
| 15,600 | 3,685,401 | 193,253 | 157,130 | 148,525 |
| $ 15,600 | $ 4,086,072 | $ 292,293 | $ 140,473 | $ 155,784 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | Hawthorne Blvd Mobility Improv. Program | CATV Peg | Housing Asset |
| **Revenues** | | | |
| Taxes | $ - | $ - | $ - |
| Licenses and permits | - | 76,395 | - |
| Intergovernmental | - | - | - |
| Charges for services | - | - | - |
| Fines and forfeitures | - | - | - |
| Use of money and property | 29 | - | 713,231 |
| Miscellaneous | - | - | - |
| Total revenues | 29 | 76,395 | 713,231 |
| **Expenditures** | | | |
| Current: | | | |
| General government | - | - | 13,119 |
| Public safety | - | - | - |
| Community development | - | - | 224,808 |
| Parks and recreation | - | - | - |
| Public works | - | - | - |
| Capital outlay | - | 95,924 | - |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | - | 95,924 | 237,927 |
| Excess (deficiency) of revenues over (under) expenditures | 29 | (19,529) | 475,304 |
| **Other Financing Sources (Uses)** | | | |
| Lease acquisition | - | - | - |
| Subscription acquisition | - | - | - |
| Transfers in | - | - | - |
| Transfers out | - | - | (66,578) |
| Total other financing sources (uses) | - | - | (66,578) |
| Net change in fund balances | 29 | (19,529) | 408,726 |
| **Fund Balances (Deficit)** | | | |
| Fund balance, previously reported | 649 | 739,052 | 7,627,100 |
| Change in presentation of fund activity | - | - | - |
| Change from/to nonmajor/major | - | - | - |
| Beginning, as restated | 649 | 739,052 | 7,627,100 |
| Ending | $ 678 | $ 719,523 | $ 8,035,826 |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| HOME Grant | Community Development Block Grant | HPRP Funds | FEMA Grant | SB1383 Local Assistance Grant |
| $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - |
| 1,415,658 | 2,073,249 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 18,420 | - | - | 675 | 201,803 |
| - | - | - | - | - |
| 1,434,078 | 2,073,249 | - | 675 | 201,803 |
| - | - | - | - | - |
| - | - | - | - | - |
| 2,122,900 | 1,898,555 | - | - | 128,291 |
| - | - | - | - | - |
| - | - | - | - | 62,744 |
| - | 191,752 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 2,122,900 | 2,090,307 | - | - | 191,035 |
| (688,822) | (17,058) | - | 675 | 10,768 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| (48,039) | (7,158) | - | - | - |
| (48,039) | (7,158) | - | - | - |
| (736,861) | (24,216) | - | 675 | 10,768 |
| (957,115) | (661,849) | 15,153 | 2,573 | 6,895 |
| - | - | - | - | - |
| - | - | - | - | - |
| (957,115) | (661,849) | 15,153 | 2,573 | 6,895 |
| $ (1,693,976) | $ (686,065) | $ 15,153 | $ 3,248 | $ 17,663 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | Permanent Local Housing Allocation | CARES Act | MTA Measure W |
| **Revenues** | | | |
| Taxes | $ - | $ - | $ - |
| Licenses and permits | - | - | - |
| Intergovernmental | 748,222 | - | 25,770 |
| Charges for services | - | - | - |
| Fines and forfeitures | - | - | - |
| Use of money and property | 39,518 | 2 | 9,187 |
| Miscellaneous | - | - | - |
| Total revenues | 787,740 | 2 | 34,957 |
| **Expenditures** | | | |
| Current: | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Community development | 740,624 | - | - |
| Parks and recreation | - | - | - |
| Public works | - | - | 459,772 |
| Capital outlay | 74,051 | - | 400,000 |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 814,675 | - | 859,772 |
| Excess (deficiency) of revenues over (under) expenditures | (26,935) | 2 | (824,815) |
| **Other Financing Sources (Uses)** | | | |
| Lease acquisition | - | - | - |
| Subscription acquisition | - | - | - |
| Transfers in | - | - | - |
| Transfers out | - | - | (62,214) |
| Total other financing sources (uses) | - | - | (62,214) |
| Net change in fund balances | (26,935) | 2 | (887,029) |
| **Fund Balances (Deficit)** | | | |
| Fund balance, previously reported | 124,054 | 38 | 444,704 |
| Change in presentation of fund activity | - | - | - |
| Change from/to nonmajor/major | - | - | - |
| Beginning, as restated | 124,054 | 38 | 444,704 |
| Ending | $ 97,119 | $ 40 | $ (442,325) |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| SB2 Planning Grant | LEAP Grant | Urban Security Initiative Grant | Rain Water Grant | LA Centers for Alcohol & Drug Abuse |
| $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - |
| - | 75,291 | 88,000 | - | 256,832 |
| - | - | - | - | - |
| - | - | - | - | - |
| 1,967 | - | - | 20,767 | 183 |
| - | - | - | - | - |
| 1,967 | 75,291 | 88,000 | 20,767 | 257,015 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 252,253 |
| - | - | - | - | - |
| - | - | 427,963 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | 427,963 | - | 252,253 |
| 1,967 | 75,291 | (339,963) | 20,767 | 4,762 |
| - | - | - | - | - |
| - | - | 339,963 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | 339,963 | - | - |
| 1,967 | 75,291 | - | 20,767 | 4,762 |
| 43,207 | (75,291) | - | 17,736 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 43,207 | (75,291) | - | 17,736 | - |
| $ 45,174 | $ - | $ - | $ 38,503 | $ 4,762 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | Special Revenue Funds | | |
|---|---|---|---|
| | CA Parks & Recreation Community Center **(Formerly Nonmajor)** | CA Parks & Recreation Senior Center | HUD Community Development |
| **Revenues** | | | |
| Taxes | | $ - | $ - |
| Licenses and permits | | - | - |
| Intergovernmental | | - | 465,662 |
| Charges for services | | - | - |
| Fines and forfeitures | | - | - |
| Use of money and property | | 238,861 | - |
| Miscellaneous | | - | - |
| Total revenues | | 238,861 | 465,662 |
| **Expenditures** | | | |
| Current: | | | |
| General government | | - | - |
| Public safety | | - | - |
| Community development | | 12,734 | 15,569 |
| Parks and recreation | | 292,593 | - |
| Public works | | - | - |
| Capital outlay | | 167,911 | - |
| Debt service: | | | |
| Principal retirement | | - | - |
| Interest and fiscal charges | | - | - |
| Total expenditures | | 473,238 | 15,569 |
| Excess (deficiency) of revenues over (under) expenditures | | (234,377) | 450,093 |
| **Other Financing Sources (Uses)** | | | |
| Lease acquisition | | - | - |
| Subscription acquisition | | - | - |
| Transfers in | | - | - |
| Transfers out | | - | - |
| Total other financing sources (uses) | | - | - |
| Net change in fund balances | | (234,377) | 450,093 |
| **Fund Balances (Deficit)** | | | |
| Fund balance, previously reported | (923,820) | 18,942 | (450,521) |
| Change in presentation of fund activity | - | - | - |
| Change from/to nonmajor/major | 923,820 | - | - |
| Beginning, as restated | - | 18,942 | (450,521) |
| Ending | $ - | $ (215,435) | $ (428) |

| Special Revenue Funds | | | | |
|---|---|---|---|---|
| Building Resilient Infrastructure & Communities | Cannabis Retail Access Grant | Recycling Fund | Homeland Security - StoneGarden | Asset Forfeiture - Justice |
| $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - |
| - | - | 15,006 | 27,121 | - |
| - | - | - | - | - |
| - | - | - | - | 441,557 |
| - | - | - | - | - |
| - | 140,100 | - | - | - |
| - | 140,100 | 15,006 | 27,121 | 441,557 |
| - | - | - | - | - |
| - | - | - | 106,000 | 678,067 |
| - | 185,100 | - | - | - |
| - | - | - | - | - |
| - | - | 44,806 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 185,100 | 44,806 | 106,000 | 678,067 |
| - | (45,000) | (29,800) | (78,879) | (236,510) |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | (45,000) | (29,800) | (78,879) | (236,510) |
| (275,649) | 655 | (40,537) | - | - |
| - | - | - | - | 263,213 |
| - | - | - | - | - |
| (275,649) | 655 | (40,537) | - | 263,213 |
| $ (275,649) | $ (44,345) | $ (70,337) | $ (78,879) | $ 26,703 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025

| | Special Revenue Fund | | |
|---|---|---|---|
| | Social Security Administration | USDOT – SS4A | Homeland Security/Treasury Forfeiture |
| **Revenues** | | | |
| Taxes | $ - | $ - | $ - |
| Licenses and permits | - | - | - |
| Intergovernmental | - | - | - |
| Charges for services | - | - | - |
| Fines and forfeitures | - | - | 103,926 |
| Use of money and property | - | - | - |
| Miscellaneous | - | - | - |
| Total revenues | - | - | 103,926 |
| **Expenditures** | | | |
| Current: | | | |
| General government | - | - | - |
| Public safety | - | - | 41,607 |
| Community development | - | - | - |
| Parks and recreation | - | - | - |
| Public works | - | 227,207 | - |
| Capital outlay | - | - | - |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | - | 227,207 | 41,607 |
| Excess (deficiency) of revenues over (under) expenditures | - | (227,207) | 62,319 |
| **Other Financing Sources (Uses)** | | | |
| Lease acquisition | - | - | - |
| Subscription acquisition | - | - | - |
| Transfers in | - | - | - |
| Transfers out | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net change in fund balances | - | (227,207) | 62,319 |
| **Fund Balances (Deficit)** | | | |
| Fund balance, previously reported | - | - | - |
| Change in presentation of fund activity | - | - | 445,268 |
| Change from/to nonmajor/major | - | - | - |
| Beginning, as restated | - | - | 445,268 |
| Ending | $ - | $ (227,207) | $ 507,587 |

| Special Revenue Fund | Capital Projects Funds | | | Debt Service Funds |
|---|---|---|---|---|
| 2009 Street Improvement **(Formerly Major)** | Development Impact | Capital Improvements | Park Improvements **(Formerly Nonmajor)** | Public Financing Authority |
| $ - | $ - | $ - | | $ - |
| - | 77,425 | - | | - |
| 4,511,678 | - | 214,207 | | - |
| - | - | - | | - |
| - | - | - | | - |
| 7,456 | 94,136 | 131,983 | | 12,146 |
| 250,000 | - | - | | - |
| 4,769,134 | 171,561 | 346,190 | | 12,146 |
| - | - | 2,032,533 | | - |
| - | - | - | | - |
| - | 19,826 | - | | - |
| - | - | - | | - |
| 1,257,934 | - | - | | - |
| 578,489 | 71,174 | - | | - |
| - | - | - | | - |
| - | - | - | | - |
| 1,836,423 | 91,000 | 2,032,533 | | - |
| 2,932,711 | 80,561 | (1,686,343) | | 12,146 |
| - | - | - | | - |
| - | - | - | | - |
| - | - | 3,295,633 | | - |
| - | - | - | | - |
| - | - | 3,295,633 | | - |
| 2,932,711 | 80,561 | 1,609,290 | | 12,146 |
| - | 2,082,023 | 3,482,202 | (220,262) | 266,810 |
| - | - | - | - | - |
| (1,589,972) | - | - | 220,262 | - |
| (1,589,972) | 2,082,023 | 3,482,202 | - | 266,810 |
| $ 1,342,739 | $ 2,162,584 | $ 5,091,492 | $ - | $ 278,956 |

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance
## Non-Major Governmental Funds
## For the Fiscal Year Ended June 30, 2025 (concluded)

| | Debt Service Funds | | | Total Non-major Governmental Funds |
|---|---|---|---|---|
| | 2016 Refunding Bonds | 2016 Direct Placement Lease Financing | 2019 Pension Obligation Bond | |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ 580,622 |
| Licenses and permits | - | - | - | 153,820 |
| Intergovernmental | - | - | - | 23,050,293 |
| Charges for services | 6,047 | - | 14,002 | 218,955 |
| Fines and forfeitures | - | - | - | 1,800,130 |
| Use of money and property | 100 | 1,906 | 9,194 | 2,401,945 |
| Miscellaneous | - | - | - | 742,607 |
| Total revenues | 6,147 | 1,906 | 23,196 | 28,948,372 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | - | 204 | - | 2,045,856 |
| Public safety | - | - | - | 1,341,879 |
| Community development | - | - | - | 5,372,620 |
| Parks and recreation | - | - | - | 544,846 |
| Public works | - | - | - | 8,750,550 |
| Capital outlay | - | - | - | 8,013,599 |
| Debt service: | | | | |
| Principal retirement | 2,215,000 | 205,850 | 2,930,000 | 5,350,850 |
| Interest and fiscal charges | 623,372 | 34,499 | 3,749,413 | 4,407,284 |
| Total expenditures | 2,838,372 | 240,553 | 6,679,413 | 35,827,484 |
| Excess (deficiency) of revenues over (under) expenditures | (2,832,225) | (238,647) | (6,656,217) | (6,879,112) |
| **Other Financing Sources (Uses)** | | | | |
| Lease acquisition | - | - | - | 325,632 |
| Subscription acquisition | - | - | - | 744,176 |
| Transfers in | 3,288,713 | 240,352 | 7,615,197 | 15,939,895 |
| Transfers out | - | - | - | (2,320,339) |
| Total other financing sources (uses) | 3,288,713 | 240,352 | 7,615,197 | 14,689,364 |
| Net change in fund balances | 456,488 | 1,705 | 958,980 | 7,810,252 |
| **Fund Balances (Deficit)** | | | | |
| Fund balance, previously reported | (336,938) | 47,194 | (2,180,166) | 27,288,574 |
| Change in presentation of fund activity | - | - | - | - |
| Change from/to nonmajor/major | - | - | - | (445,890) |
| Beginning, as restated | (336,938) | 47,194 | (2,180,166) | 26,842,684 |
| Ending | $ 119,550 | $ 48,899 | $ (1,221,186) | $ 34,652,936 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Park Improvements Capital Projects Fund – Major Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 5,574,990 | $ 5,628,794 | $ - | $ (5,628,794) |
| Use of money and property | - | 3,000 | 2,288 | (712) |
| Total revenues | 5,574,990 | 5,631,794 | 2,288 | (5,629,506) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 231,756 | 231,756 | 328,789 | (97,033) |
| Parks and recreation | 4,025,591 | 4,025,591 | 3,434,425 | 591,166 |
| Total expenditures | 4,257,347 | 4,257,347 | 3,763,214 | 494,133 |
| Excess (deficiency) of revenues over (under) expenditures | 1,317,643 | 1,374,447 | (3,760,926) | (5,135,373) |
| **Other Financing Uses** | | | | |
| Transfers in | - | 411,721 | 411,721 | - |
| Total other financing uses | - | 411,721 | 411,721 | - |
| Net change in fund balance | 1,317,643 | 1,786,168 | (3,349,205) | (5,135,373) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | - | - | (220,262) | (220,262) |
| Ending | $ 1,317,643 | $ 1,786,168 | $ (3,569,467) | $ (5,355,635) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Civic Center Lease Bonds Fund – Major Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ - | $ 250,000 | $ 797,456 | $ 547,456 |
| Total revenues | - | 250,000 | 797,456 | 547,456 |
| **Expenditures** | | | | |
| Debt service: | | | | |
| Principal retirement | 1,500,000 | 1,500,000 | - | 1,500,000 |
| Interest and fiscal charges | - | - | 778,556 | (778,556) |
| Bond issuance costs | - | - | 439,453 | (439,453) |
| Total expenditures | 1,500,000 | 1,500,000 | 1,218,009 | 281,991 |
| Excess (deficiency) of revenues over (under) expenditures | (1,500,000) | (1,250,000) | (420,553) | 829,447 |
| **Other Financing Sources** | | | | |
| Issuance of debt | - | - | 26,950,000 | 26,950,000 |
| Premium on issuance of debt | - | - | 3,489,453 | 3,489,453 |
| Transfers in | 1,500,000 | 1,500,000 | 1,500,000 | - |
| Total other financing sources | 1,500,000 | 1,500,000 | 31,939,453 | 30,439,453 |
| Net change in fund balance | - | 250,000 | 31,518,900 | 31,268,900 |
| **Fund Balance** | | | | |
| Beginning | - | - | - | - |
| Ending | $ - | $ 250,000 | $ 31,518,900 | $ 31,268,900 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Street Lighting Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Taxes | $ 580,000 | $ 580,000 | $ 580,622 | $ 622 |
| Intergovernmental | 180,000 | 180,000 | 170,001 | (9,999) |
| Use of money and property | 100 | 100 | 388 | 288 |
| Total revenues | 760,100 | 760,100 | 751,011 | (9,089) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 845,478 | 845,478 | 970,312 | (124,834) |
| Total expenditures | 845,478 | 845,478 | 970,312 | (124,834) |
| Excess (deficiency) of revenues over (under) expenditures | (85,378) | (85,378) | (219,301) | (133,923) |
| **Other Financing Uses** | | | | |
| Transfers out | (32,208) | (32,208) | (26,544) | 5,664 |
| Total other financing uses | (32,208) | (32,208) | (26,544) | 5,664 |
| Net change in fund balance | (117,586) | (117,586) | (245,845) | (128,259) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (214,901) | (214,901) | (214,901) | - |
| Ending | $ (332,487) | $ (332,487) | $ (460,746) | $ (128,259) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Gas Tax Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 4,647,213 | $ 4,647,213 | $ 4,837,552 | $ 190,339 |
| Use of money and property | 100 | 130,100 | 183,977 | 53,877 |
| Total revenues | 4,647,313 | 4,777,313 | 5,021,529 | 244,216 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 1,777,412 | 1,786,583 | 1,271,865 | 514,718 |
| Capital Outlay | 1,250,000 | 1,250,000 | 1,200,000 | 50,000 |
| Total expenditures | 3,027,412 | 3,036,583 | 2,471,865 | 564,718 |
| Excess (deficiency) of revenues over (under) expenditures | 1,619,901 | 1,740,730 | 2,549,664 | 808,934 |
| **Other Financing Uses** | | | | |
| Transfers out | (1,677,141) | (1,677,141) | (1,667,992) | 9,149 |
| Total other financing uses | (1,677,141) | (1,677,141) | (1,667,992) | 9,149 |
| Net change in fund balance | (57,240) | 63,589 | 881,672 | 818,083 |
| **Fund Balance** | | | | |
| Beginning | 3,937,893 | 3,937,893 | 3,937,893 | - |
| Ending | $ 3,880,653 | $ 4,001,482 | $ 4,819,565 | $ 818,083 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Street Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 123,008 | $ 123,008 | $ 143,656 | $ 20,648 |
| Charges for services | 196,000 | 196,000 | 195,858 | (142) |
| Use of money and property | 5,000 | 17,000 | 7,956 | (9,044) |
| Miscellaneous | 300,000 | 300,000 | 352,507 | 52,507 |
| Total revenues | 624,008 | 636,008 | 699,977 | 63,969 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 2,264,884 | 2,264,884 | 1,825,726 | 439,158 |
| Capital outlay | 300,000 | 1,345,791 | 884,692 | 461,099 |
| Total expenditures | 2,564,884 | 3,610,675 | 2,710,418 | 900,257 |
| Excess (deficiency) of revenues over (under) expenditures | (1,940,876) | (2,974,667) | (2,010,441) | 964,226 |
| **Other Financing Sources (Uses)** | | | | |
| Transfers in | 1,500,000 | 1,500,000 | 1,500,000 | - |
| Transfers out | (208,071) | (208,071) | (289,264) | (81,193) |
| Total other financing sources (uses) | 1,291,929 | 1,291,929 | 1,210,736 | (81,193) |
| Net change in fund balance | (648,947) | (1,682,738) | (799,705) | 883,033 |
| **Fund Balance** | | | | |
| Beginning | 381,754 | 381,754 | 381,754 | - |
| Ending | $ (267,193) | $ (1,300,984) | $ (417,951) | $ 883,033 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Asset Forfeiture Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Fines and forfeitures | $ 1,040,000 | $ - | $ 1,254,647 | $ 1,254,647 |
| Total revenues | 1,040,000 | - | 1,254,647 | 1,254,647 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 2,110,285 | 836,962 | 194,915 | 642,047 |
| Capital outlay | 100,000 | 837,713 | 840,175 | (2,462) |
| Total expenditures | 2,210,285 | 1,674,675 | 1,035,090 | 639,585 |
| Excess (deficiency) of revenues over (under) expenditures | (1,170,285) | (1,674,675) | 219,557 | 1,894,232 |
| **Other Financing Sources** | | | | |
| Lease acquisition | - | 325,632 | 325,632 | - |
| Subscription acquisition | - | 404,213 | 404,213 | - |
| Total other financing sources | - | 729,845 | 729,845 | - |
| Net change in fund balance | (1,170,285) | (944,830) | 949,402 | 1,894,232 |
| **Fund Balance** | | | | |
| Beginning fund Balance, previously reported | 633,246 | 633,246 | 633,246 | - |
| Change in presentation of fund activity | - | - | (708,481) | (708,481) |
| Beginning, as restated | 633,246 | 633,246 | (75,235) | (708,481) |
| Ending | $ (537,039) | $ (311,584) | $ 874,167 | $ 1,185,751 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## COPS Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 230,000 | $ 230,000 | $ 258,276 | $ 28,276 |
| Use of money and property | 2,000 | 10,000 | 18,773 | 8,773 |
| Total revenues | 232,000 | 240,000 | 277,049 | 37,049 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 300,000 | 300,000 | 300,000 | - |
| Total expenditures | 300,000 | 300,000 | 300,000 | - |
| Net change in fund balance | (68,000) | (60,000) | (22,951) | 37,049 |
| **Fund Balance** | | | | |
| Beginning | 388,955 | 388,955 | 388,955 | - |
| Ending | $ 320,955 | $ 328,955 | $ 366,004 | $ 37,049 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## California Office of Traffic Safety Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 388,674 | $ 388,674 | $ 223,016 | $ (165,658) |
| Total revenues | 388,674 | 388,674 | 223,016 | (165,658) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 388,674 | 396,977 | 268,210 | 128,767 |
| Total expenditures | 388,674 | 396,977 | 268,210 | 128,767 |
| Net change in fund balance | - | (8,303) | (45,194) | (36,891) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (7,864) | (7,864) | (7,864) | - |
| Ending | $ (7,864) | $ (16,167) | $ (53,058) | $ (36,891) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Local Law Enforcement Block Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 39,876 | $ 92,956 | $ 276,720 | $ 183,764 |
| Total revenues | 39,876 | 92,956 | 276,720 | 183,764 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 39,876 | 92,956 | 53,080 | 39,876 |
| Total expenditures | 39,876 | 92,956 | 53,080 | 39,876 |
| Net change in fund balance | - | - | 223,640 | 223,640 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (213,239) | (213,239) | (213,239) | - |
| Ending | $ (213,239) | $ (213,239) | $ 10,401 | $ 223,640 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## MTA Measure R Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 1,499,590 | $ 1,499,590 | $ 1,398,678 | $ (100,912) |
| Use of money and property | 2,000 | 77,000 | 117,930 | 40,930 |
| Total revenues | 1,501,590 | 1,576,590 | 1,516,608 | (59,982) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 535,300 | 661,332 | 274,057 | 387,275 |
| Capital outlay | 900,000 | 970,000 | 970,996 | (996) |
| Total expenditures | 1,435,300 | 1,631,332 | 1,245,053 | 386,279 |
| Excess (deficiency) of revenues over (under) expenditures | 66,290 | (54,742) | 271,555 | 326,297 |
| **Other Financing Uses** | | | | |
| Transfers out | (51,033) | (51,033) | (42,343) | 8,690 |
| Total other financing uses | (51,033) | (51,033) | (42,343) | 8,690 |
| Net change in fund balance | 15,257 | (105,775) | 229,212 | 334,987 |
| **Fund Balance** | | | | |
| Beginning | 2,439,306 | 2,439,306 | 2,439,306 | - |
| Ending | $ 2,454,563 | $ 2,333,531 | $ 2,668,518 | $ 334,987 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Proposition A Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 2,410,509 | $ 2,410,509 | $ 2,248,710 | $ (161,799) |
| Charges for services | 1,800 | 2,300 | 3,048 | 748 |
| Use of money and property | 2,000 | 152,000 | 252,011 | 100,011 |
| Total revenues | 2,414,309 | 2,564,809 | 2,503,769 | (61,040) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 4,767,271 | 5,180,815 | 1,390,510 | 3,790,305 |
| Total expenditures | 4,767,271 | 5,180,815 | 1,390,510 | 3,790,305 |
| Excess (deficiency) of revenues over (under) expenditures | (2,352,962) | (2,616,006) | 1,113,259 | 3,729,265 |
| **Other Financing Uses** | | | | |
| Transfers out | (15,081) | (15,081) | (43,782) | (28,701) |
| Total other financing uses | (15,081) | (15,081) | (43,782) | (28,701) |
| Net change in fund balance | (2,368,043) | (2,631,087) | 1,069,477 | 3,700,564 |
| **Fund Balance** | | | | |
| Beginning | 4,949,947 | 4,949,947 | 4,949,947 | - |
| Ending | $ 2,581,904 | $ 2,318,860 | $ 6,019,424 | $ 3,700,564 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## MTA Measure M Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 1,699,536 | $ 1,699,536 | $ 1,584,655 | $ (114,881) |
| Use of money and property | 2,000 | 52,000 | 112,348 | 60,348 |
| Total revenues | 1,701,536 | 1,751,536 | 1,697,003 | (54,533) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 658,428 | 680,931 | 151,338 | 529,593 |
| Capital outlay | 1,000,000 | 1,000,000 | 950,880 | 49,120 |
| Total expenditures | 1,658,428 | 1,680,931 | 1,102,218 | 578,713 |
| Excess (deficiency) of revenues over (under) expenditures | 43,108 | 70,605 | 594,785 | 524,180 |
| **Other Financing Uses** | | | | |
| Transfers out | (42,249) | (42,249) | (55,491) | (13,242) |
| Total other financing uses | (42,249) | (42,249) | (55,491) | (13,242) |
| Net change in fund balance | 859 | 28,356 | 539,294 | 510,938 |
| **Fund Balance** | | | | |
| Beginning | 1,996,729 | 1,996,729 | 1,996,729 | - |
| Ending | $ 1,997,588 | $ 2,025,085 | $ 2,536,023 | $ 510,938 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Proposition C Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 1,999,454 | $ 1,999,454 | $ 1,865,248 | $ (134,206) |
| Use of money and property | 2,000 | 92,000 | 183,448 | 91,448 |
| Total revenues | 2,001,454 | 2,091,454 | 2,048,696 | (42,758) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 1,027,272 | 1,393,884 | 477,499 | 916,385 |
| Capital outlay | 1,320,000 | 1,320,000 | 1,159,592 | 160,408 |
| Total expenditures | 2,347,272 | 2,713,884 | 1,637,091 | 1,076,793 |
| Excess (deficiency) of revenues over (under) expenditures | (345,818) | (622,430) | 411,605 | 1,034,035 |
| **Other Financing Uses** | | | | |
| Transfers out | (87,848) | (87,848) | (10,934) | 76,914 |
| Total other financing uses | (87,848) | (87,848) | (10,934) | 76,914 |
| Net change in fund balance | (433,666) | (710,278) | 400,671 | 1,110,949 |
| **Fund Balance** | | | | |
| Beginning | 3,685,401 | 3,685,401 | 3,685,401 | - |
| Ending | $ 3,251,735 | $ 2,975,123 | $ 4,086,072 | $ 1,110,949 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Air Quality Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 100,000 | $ 100,000 | $ 114,053 | $ 14,053 |
| Use of money and property | 500 | 4,500 | 9,200 | 4,700 |
| Total revenues | 100,500 | 104,500 | 123,253 | 18,753 |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 113,840 | 213,840 | 24,213 | 189,627 |
| Total expenditures | 113,840 | 213,840 | 24,213 | 189,627 |
| Net change in fund balance | (13,340) | (109,340) | 99,040 | 208,380 |
| **Fund Balance** | | | | |
| Beginning | 193,253 | 193,253 | 193,253 | - |
| Ending | $ 179,913 | $ 83,913 | $ 292,293 | $ 208,380 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## California Used Oil Recycling Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 20,000 | $ 20,000 | $ - | $ (20,000) |
| Use of money and property | 100 | 5,100 | 7,631 | 2,531 |
| Total revenues | 20,100 | 25,100 | 7,631 | (17,469) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 24,695 | 24,695 | 24,288 | 407 |
| Total expenditures | 24,695 | 24,695 | 24,288 | 407 |
| Excess (deficiency) of revenues over (under) expenditures | (4,595) | 405 | (16,657) | (17,062) |
| **Other Financing Uses** | | | | |
| Transfers out | (288) | (288) | - | 288 |
| Total other financing uses | (288) | (288) | - | 288 |
| Net change in fund balance | (4,883) | 117 | (16,657) | (16,774) |
| **Fund Balance** | | | | |
| Beginning | 157,130 | 157,130 | 157,130 | - |
| Ending | $ 152,247 | $ 157,247 | $ 140,473 | $ (16,774) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## California Beverage Container Recycling Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 50,000 | $ 50,000 | $ 13,032 | $ (36,968) |
| Use of money and property | 100 | 5,100 | 6,719 | 1,619 |
| Total revenues | 50,100 | 55,100 | 19,751 | (35,349) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 14,270 | 14,270 | 12,492 | 1,778 |
| Total expenditures | 14,270 | 14,270 | 12,492 | 1,778 |
| Excess (deficiency) of revenues over (under) expenditures | 35,830 | 40,830 | 7,259 | (33,571) |
| **Other Financing Uses** | | | | |
| Transfers out | (288) | (288) | - | 288 |
| Total other financing uses | (288) | (288) | - | 288 |
| Net change in fund balance | 35,542 | 40,542 | 7,259 | (33,283) |
| **Fund Balance** | | | | |
| Beginning | 148,525 | 148,525 | 148,525 | - |
| Ending | $ 184,067 | $ 189,067 | $ 155,784 | $ (33,283) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## CATV Peg Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Licenses and permits | $ 100,000 | $ 100,000 | $ 76,395 | $ (23,605) |
| Total revenues | 100,000 | 100,000 | 76,395 | (23,605) |
| **Expenditures** | | | | |
| Capital outlay | 200,000 | 280,000 | 95,924 | 184,076 |
| Total expenditures | 200,000 | 280,000 | 95,924 | 184,076 |
| Net change in fund balance | (100,000) | (180,000) | (19,529) | 160,471 |
| **Fund Balance** | | | | |
| Beginning | 739,052 | 739,052 | 739,052 | - |
| Ending | $ 639,052 | $ 559,052 | $ 719,523 | $ 160,471 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Housing Asset Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ 412,844 | $ 633,844 | $ 713,231 | $ 79,387 |
| Total revenues | 412,844 | 633,844 | 713,231 | 79,387 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 900,000 | 1,330,625 | 13,119 | 1,317,506 |
| Community development | 233,880 | 506,502 | 224,808 | 281,694 |
| Total expenditures | 1,133,880 | 1,837,127 | 237,927 | 1,599,200 |
| Excess (deficiency) of revenues over (under) expenditures | (721,036) | (1,203,283) | 475,304 | 1,678,587 |
| **Other Financing Uses** | | | | |
| Transfers out | (8,916) | (50,409) | (66,578) | (16,169) |
| Total other financing uses | (8,916) | (50,409) | (66,578) | (16,169) |
| Net change in fund balance | (729,952) | (1,253,692) | 408,726 | 1,662,418 |
| **Fund Balance** | | | | |
| Beginning | 7,627,100 | 7,627,100 | 7,627,100 | - |
| Ending | $ 6,897,148 | $ 6,373,408 | $ 8,035,826 | $ 1,662,418 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## HOME Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 7,287,660 | $ 7,287,660 | $ 1,415,658 | $ (5,872,002) |
| Use of money and property | - | - | 18,420 | 18,420 |
| Total revenues | 7,287,660 | 7,287,660 | 1,434,078 | (5,853,582) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 7,289,404 | 8,241,412 | 2,122,900 | 6,118,512 |
| Total expenditures | 7,289,404 | 8,241,412 | 2,122,900 | 6,118,512 |
| Excess (deficiency) of revenues over (under) expenditures | (1,744) | (953,752) | (688,822) | 264,930 |
| **Other Financing Uses** | | | | |
| Transfers out | (5,452) | (5,452) | (48,039) | (42,587) |
| Total other financing uses | (5,452) | (5,452) | (48,039) | (42,587) |
| Net change in fund balance | (7,196) | (959,204) | (736,861) | 222,343 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (957,115) | (957,115) | (957,115) | - |
| Ending | $ (964,311) | $ (1,916,319) | $ (1,693,976) | $ 222,343 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Community Development Block Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 3,208,131 | $ 3,208,131 | $ 2,073,249 | $ (1,134,882) |
| Use of money and property | 45,000 | 45,000 | - | (45,000) |
| Total revenues | 3,253,131 | 3,253,131 | 2,073,249 | (1,179,882) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 1,902,621 | 2,502,672 | 1,898,555 | 604,117 |
| Capital outlay | 1,080,000 | 868,796 | 191,752 | 677,044 |
| Debt service: | | | | |
| Principal retirement | - | 335,000 | - | 335,000 |
| Interest and fiscal charges | - | 4,774 | - | 4,774 |
| Total expenditures | 2,982,621 | 3,711,242 | 2,090,307 | 1,620,935 |
| Excess (deficiency) of revenues over (under) expenditures | 270,510 | (458,111) | (17,058) | 441,053 |
| **Other Financing Uses** | | | | |
| Transfers out | (19,051) | (733) | (7,158) | (6,425) |
| Total other financing uses | (19,051) | (733) | (7,158) | (6,425) |
| Net change in fund balance | 251,459 | (458,844) | (24,216) | 434,628 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (661,849) | (661,849) | (661,849) | - |
| Ending | $ (410,390) | $ (1,120,693) | $ (686,065) | $ 434,628 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## FEMA Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 158,468 | $ 158,468 | $ - | $ (158,468) |
| Use of money and property | - | 1,000 | 675 | (325) |
| Total revenues | 158,468 | 159,468 | 675 | (158,793) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 158,468 | 158,468 | - | 158,468 |
| Total expenditures | 158,468 | 158,468 | - | 158,468 |
| Net change in fund balance | - | 1,000 | 675 | (325) |
| **Fund Balance** | | | | |
| Beginning | 2,573 | 2,573 | 2,573 | - |
| Ending | $ 2,573 | $ 3,573 | $ 3,248 | $ (325) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## SB1383 Local Assistance Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ 229,999 | $ 333,069 | $ 201,803 | $ (131,266) |
| Total revenues | 229,999 | 333,069 | 201,803 | (131,266) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 50,000 | 100,000 | 128,291 | (28,291) |
| Public works | 120,000 | 120,000 | 62,744 | 57,256 |
| Total expenditures | 170,000 | 220,000 | 191,035 | 28,965 |
| Net change in fund balance | 59,999 | 113,069 | 10,768 | (102,301) |
| **Fund Balance** | | | | |
| Beginning | 6,895 | 6,895 | 6,895 | - |
| Ending | $ 66,894 | $ 119,964 | $ 17,663 | $ (102,301) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Permanent Local Housing Allocation Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 1,048,208 | $ 1,048,208 | $ 748,222 | $ (299,986) |
| Use of money and property | - | 25,000 | 39,518 | 14,518 |
| Total revenues | 1,048,208 | 1,073,208 | 787,740 | (285,468) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 136,220 | 347,488 | 740,624 | (393,136) |
| Capital outlay | 2,986,906 | 2,986,906 | 74,051 | 2,912,855 |
| Total expenditures | 3,123,126 | 3,334,394 | 814,675 | 2,519,719 |
| Net change in fund balance | (2,074,918) | (2,261,186) | (26,935) | 2,234,251 |
| **Fund Balance** | | | | |
| Beginning | 124,054 | 124,054 | 124,054 | - |
| Ending | $ (1,950,864) | $ (2,137,132) | $ 97,119 | $ 2,234,251 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## MTA Measure W Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 800,000 | $ 800,000 | $ 25,770 | $ (774,230) |
| Use of money and property | 300 | 8,300 | 9,187 | 887 |
| Total revenues | 800,300 | 808,300 | 34,957 | (773,343) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public Works | 743,005 | 942,879 | 459,772 | 483,107 |
| Capital outlay | 400,000 | 400,000 | 400,000 | - |
| Total expenditures | 1,143,005 | 1,342,879 | 859,772 | 483,107 |
| Excess (deficiency) of revenues over (under) expenditures | (342,705) | (534,579) | (824,815) | (290,236) |
| **Other Financing Uses** | | | | |
| Transfers out | (79,889) | (79,889) | (62,214) | 17,675 |
| Total other financing uses | (79,889) | (79,889) | (62,214) | 17,675 |
| Net change in fund balance | (422,594) | (614,468) | (887,029) | (272,561) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | 444,704 | 444,704 | 444,704 | - |
| Ending | $ 22,110 | $ (169,764) | $ (442,325) | $ (272,561) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## SB2 Planning Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ - | $ 1,200 | $ 1,967 | $ 767 |
| Total revenues | - | 1,200 | 1,967 | 767 |
| Net change in fund balance | - | 1,200 | 1,967 | 767 |
| **Fund Balance** | | | | |
| Beginning | - | 43,207 | 43,207 | - |
| Ending | $ - | $ 44,407 | $ 45,174 | $ 767 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Urban Security Initiative Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amount | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 123,372 | $ 123,372 | $ 88,000 | $ (35,372) |
| Total revenues | 123,372 | 123,372 | 88,000 | (35,372) |
| **Expenditures** | | | | |
| Capital outlay | 123,753 | 463,716 | 427,963 | 35,753 |
| Total expenditures | 123,753 | 463,716 | 427,963 | 35,753 |
| Excess (deficiency) of revenues over (under) expenditures | (381) | (340,344) | (339,963) | 381 |
| **Other Financing Uses** | | | | |
| Subscription acquisition | | 339,963 | 339,963 | - |
| Total other financing uses | - | 339,963 | 339,963 | - |
| Net change in fund balance | (381) | (381) | - | 381 |
| **Fund Balance** | | | | |
| Beginning | - | - | - | - |
| Ending | $ (381) | $ (381) | $ - | $ 381 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Rain Water Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ - | $ 10,000 | $ 20,767 | $ 10,767 |
| Total revenues | - | 10,000 | 20,767 | 10,767 |
| Net change in fund balance | - | 10,000 | 20,767 | 10,767 |
| **Fund Balance** | | | | |
| Beginning | | 17,736 | 17,736 | - |
| Ending | $ - | $ 27,736 | $ 38,503 | $ 10,767 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Los Angeles Centers for Alcohol and Drug Abuse Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 289,985 | $ 289,985 | $ 256,832 | $ (33,153) |
| Use of money and property | - | - | 183 | 183 |
| Total revenues | 289,985 | 289,985 | 257,015 | (32,970) |
| **Expenditures** | | | | |
| Current: | | | | |
| Parks and recreation | 154,615 | 154,615 | 252,253 | (97,638) |
| Total expenditures | 154,615 | 154,615 | 252,253 | (97,638) |
| Net change in fund balance | 135,370 | 135,370 | 4,762 | (130,608) |
| **Fund Balance** | | | | |
| Beginning | - | - | - | - |
| Ending | $ 135,370 | $ 135,370 | $ 4,762 | $ (130,608) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## California Parks & Recreation Senior Center Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ - | $ 5,000 | $ 238,861 | $ 233,861 |
| Total revenues | - | 5,000 | 238,861 | 233,861 |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | - | - | 12,734 | (12,734) |
| Parks and recreation | 485,400 | 774,162 | 292,593 | 481,569 |
| Capital outlay | - | 237,029 | 167,911 | 69,118 |
| Total expenditures | 485,400 | 1,011,191 | 473,238 | 537,953 |
| Net change in fund balance | (485,400) | (1,006,191) | (234,377) | 771,814 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | 18,942 | 18,942 | 18,942 | - |
| Ending | $ (466,458) | $ (987,249) | $ (215,435) | $ 771,814 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## HUD Community Development Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 500,000 | $ 500,000 | $ 465,662 | $ (34,338) |
| Total revenues | 500,000 | 500,000 | 465,662 | (34,338) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 16,200 | 99,179 | 15,569 | 83,610 |
| Total expenditures | 16,200 | 99,179 | 15,569 | 83,610 |
| Net change in fund balance | 483,800 | 400,821 | 450,093 | 49,272 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (450,521) | (450,521) | (450,521) | - |
| Ending | $ 33,279 | $ (49,700) | $ (428) | $ 49,272 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Cannabis Retail Access Grant Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Miscellaneous | $ 315,000 | $ 315,000 | $ 140,100 | $ (174,900) |
| Total revenues | 315,000 | 315,000 | 140,100 | (174,900) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 315,000 | 315,000 | 185,100 | 129,900 |
| Total expenditures | 315,000 | 315,000 | 185,100 | 129,900 |
| Net change in fund balance | - | - | (45,000) | (45,000) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | 655 | 655 | 655 | - |
| Ending | $ 655 | $ 655 | $ (44,345) | $ (45,000) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Recycling Fund Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 40,000 | $ 40,000 | $ 15,006 | $ (24,994) |
| Total revenues | 40,000 | 40,000 | 15,006 | (24,994) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 34,000 | 40,000 | 44,806 | (4,806) |
| Total expenditures | 34,000 | 40,000 | 44,806 | (4,806) |
| Net change in fund balance | 6,000 | - | (29,800) | (29,800) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (40,537) | (40,537) | (40,537) | - |
| Ending | $ (34,537) | $ (40,537) | $ (70,337) | $ (29,800) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Homeland Security - StoneGarden Fund Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ - | $ - | $ 27,121 | $ 27,121 |
| Miscellaneous | - | 106,000 | - | (106,000) |
| Total revenues | - | 106,000 | 27,121 | (78,879) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | - | 106,000 | 106,000 | - |
| Total expenditures | - | 106,000 | 106,000 | - |
| Net change in fund balance | - | - | (78,879) | (78,879) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | - | - | - | - |
| Ending | $ - | $ - | $ (78,879) | $ (78,879) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Asset Forfeiture - Justice Fund Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Fines and forfeitures | $ - | $ 1,000,000 | $ 441,557 | $ (558,443) |
| Total revenues | - | 1,000,000 | 441,557 | (558,443) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | - | 1,874,043 | 678,067 | 1,195,976 |
| Total expenditures | - | 1,874,043 | 678,067 | 1,195,976 |
| Net change in fund balance | - | (874,043) | (236,510) | 637,533 |
| **Fund Balance** | | | | |
| Beginning | 263,213 | 263,213 | 263,213 | - |
| Ending | $ 263,213 | $ (610,830) | $ 26,703 | $ 637,533 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## USDOT – SS4A Fund Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ - | $ 200,000 | $ - | $ (200,000) |
| Total revenues | - | 200,000 | - | (200,000) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | - | 200,000 | 227,207 | (27,207) |
| Total expenditures | - | 200,000 | 227,207 | (27,207) |
| Net change in fund balance | - | - | (227,207) | (227,207) |
| **Fund Balance (Deficit)** | | | | |
| Beginning | - | - | - | - |
| Ending | $ - | $ - | $ (227,207) | $ (227,207) |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Homeland Security/Treasury Forfeiture Fund Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Fines and forfeitures | $ - | $ 41,654 | $ 103,926 | $ 62,272 |
| Total revenues | - | 41,654 | 103,926 | 62,272 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | - | 21,654 | 41,607 | (19,953) |
| Total expenditures | - | 21,654 | 41,607 | (19,953) |
| Net change in fund balance | - | 20,000 | 62,319 | 42,319 |
| **Fund Balance** | | | | |
| Beginning | 445,268 | 445,268 | 445,268 | - |
| Ending | $ 445,268 | $ 465,268 | $ 507,587 | $ 42,319 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## 2009 Street Improvements Fund Special Revenue Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ 15,752,000 | $ 15,752,000 | $ 4,511,678 | $ (11,240,322) |
| Use of money and property | 2,000 | 2,000 | 7,456 | 5,456 |
| Miscellaneous | - | - | 250,000 | 250,000 |
| Total revenues | 15,754,000 | 15,754,000 | 4,769,134 | (10,984,866) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public works | 12,674,000 | 13,505,112 | 1,257,934 | 12,247,178 |
| Capital outlay | 3,000,000 | 3,000,000 | 578,489 | 2,421,511 |
| Total expenditures | 15,674,000 | 16,505,112 | 1,836,423 | 14,668,689 |
| Net change in fund balance | 80,000 | (751,112) | 2,932,711 | 3,683,823 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | - | - | (1,589,972) | (1,589,972) |
| Ending | $ 80,000 | $ (751,112) | $ 1,342,739 | $ 2,093,851 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Development Impact Capital Projects Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Licenses and permits | $ 500,000 | $ 500,000 | $ 77,425 | $ (422,575) |
| Use of money and property | 5,000 | 65,000 | 94,136 | 29,136 |
| Total revenues | 505,000 | 565,000 | 171,561 | (393,439) |
| **Expenditures** | | | | |
| Current: | | | | |
| Community development | 50,804 | 50,804 | 19,826 | 30,978 |
| Capital outlay | 1,000,000 | 1,000,000 | 71,174 | 928,826 |
| Total expenditures | 1,050,804 | 1,050,804 | 91,000 | 959,804 |
| Net change in fund balance | (545,804) | (485,804) | 80,561 | 566,365 |
| **Fund Balance** | | | | |
| Beginning | 2,082,023 | 2,082,023 | 2,082,023 | - |
| Ending | $ 1,536,219 | $ 1,596,219 | $ 2,162,584 | $ 566,365 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Capital Improvements Capital Projects Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ - | $ - | $ 214,207 | $ 214,207 |
| Use of money and property | - | 130,000 | 131,983 | 1,983 |
| Total revenues | - | 130,000 | 346,190 | 216,190 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 4,155,585 | 4,155,585 | 2,032,533 | 2,123,052 |
| Total expenditures | 4,155,585 | 4,155,585 | 2,032,533 | 2,123,052 |
| Excess (deficiency) of revenues over (under) expenditures | (4,155,585) | (4,025,585) | (1,686,343) | 2,339,242 |
| **Other Financing Sources** | | | | |
| Transfers in | - | 3,295,633 | 3,295,633 | - |
| Total other financing sources | - | 3,295,633 | 3,295,633 | - |
| Net change in fund balance | (4,155,585) | (729,952) | 1,609,290 | 2,339,242 |
| **Fund Balance** | | | | |
| Beginning | 3,482,202 | 3,482,202 | 3,482,202 | - |
| Ending | $ (673,383) | $ 2,752,250 | $ 5,091,492 | $ 2,339,242 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## Public Financing Authority Debt Service Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ - | $ 7,000 | $ 12,146 | $ 5,146 |
| Total revenues | - | 7,000 | 12,146 | 5,146 |
| Net change in fund balance | - | 7,000 | 12,146 | 5,146 |
| **Fund Balance** | | | | |
| Beginning | 266,810 | 266,810 | 266,810 | - |
| Ending | $ 266,810 | $ 273,810 | $ 278,956 | $ 5,146 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## 2016 Refunding Bonds Debt Service Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Charges for services | $ - | $ - | $ 6,047 | $ 6,047 |
| Use of money and property | 300 | 300 | 100 | (200) |
| Total revenues | 300 | 300 | 6,147 | 5,847 |
| **Expenditures** | | | | |
| Debt service: | | | | |
| Principal retirement | 2,215,000 | 2,215,000 | 2,215,000 | - |
| Interest and fiscal charges | 673,372 | 673,372 | 623,372 | 50,000 |
| Total expenditures | 2,888,372 | 2,888,372 | 2,838,372 | 50,000 |
| Excess (deficiency) of revenues over (under) expenditures | (2,888,072) | (2,888,072) | (2,832,225) | 55,847 |
| **Other Financing Sources** | | | | |
| Transfers in | 2,510,166 | 2,510,166 | 3,288,713 | 778,547 |
| Total other financing sources | 2,510,166 | 2,510,166 | 3,288,713 | 778,547 |
| Net change in fund balance | (377,906) | (377,906) | 456,488 | 834,394 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (336,938) | (336,938) | (336,938) | - |
| Ending | $ (714,844) | $ (714,844) | $ 119,550 | $ 834,394 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## 2016 Direct Placement Lease Financing Debt Service Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Use of money and property | $ 400 | $ 1,500 | $ 1,906 | $ 406 |
| Total revenues | 400 | 1,500 | 1,906 | 406 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 5,704 | 5,704 | 204 | 5,500 |
| Debt service: | | | | |
| Principal retirement | 205,850 | 205,850 | 205,850 | - |
| Interest and fiscal charges | 34,500 | 34,500 | 34,499 | 1 |
| Total expenditures | 246,054 | 246,054 | 240,553 | 5,501 |
| Excess (deficiency) of revenues over (under) expenditures | (245,654) | (244,554) | (238,647) | 5,907 |
| **Other Financing Sources** | | | | |
| Transfers in | 240,350 | 240,350 | 240,352 | 2 |
| Total other financing sources | 240,350 | 240,350 | 240,352 | 2 |
| Net change in fund balance | (5,304) | (4,204) | 1,705 | 5,909 |
| **Fund Balance** | | | | |
| Beginning | 47,194 | 47,194 | 47,194 | - |
| Ending | $ 41,890 | $ 42,990 | $ 48,899 | $ 5,909 |

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
## 2019 Pension Obligation Bond Debt Service Fund
## For the Fiscal Year Ended June 30, 2025

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **Revenues** | | | | |
| Charges for services | $ - | $ - | $ 14,002 | $ 14,002 |
| Use of money and property | - | - | 9,194 | 9,194 |
| Total revenues | - | - | 23,196 | 23,196 |
| **Expenditures** | | | | |
| Debt service: | | | | |
| Principal retirement | 2,930,000 | 2,930,000 | 2,930,000 | - |
| Interest and fiscal charges | 3,749,603 | 3,749,603 | 3,749,413 | 190 |
| Total expenditures | 6,679,603 | 6,679,603 | 6,679,413 | 190 |
| Excess (deficiency) of revenues over (under) expenditures | (6,679,603) | (6,679,603) | (6,656,217) | 23,386 |
| **Other Financing Sources** | | | | |
| Transfers in | 6,526,432 | 6,526,432 | 7,615,197 | 1,088,765 |
| Total other financing sources | 6,526,432 | 6,526,432 | 7,615,197 | 1,088,765 |
| Net change in fund balance | (153,171) | (153,171) | 958,980 | 1,112,151 |
| **Fund Balance (Deficit)** | | | | |
| Beginning | (2,180,166) | (2,180,166) | (2,180,166) | - |
| Ending | $ (2,333,337) | $ (2,333,337) | $ (1,221,186) | $ 1,112,151 |

## Combining Statement of Net Position
## Internal Service Funds
## June 30, 2025

| Assets | Equipment Replacement | Hardware Replacement | Insurance Reserve | Total |
|---|---|---|---|---|
| Current Assets: | | | | |
| Cash and investments | $ 3,154,522 | $ 4,000,000 | $ - | $ 7,154,522 |
| Receivables: | | | | |
| Accounts | 24,794 | - | 72 | 24,866 |
| Inventories | 14,311 | - | - | 14,311 |
| Total current assets | 3,193,627 | 4,000,000 | 72 | 7,193,699 |
| Noncurrent assets: | | | | |
| Capital assets, net of depreciation/amortization | 3,401,829 | - | - | 3,401,829 |
| Total noncurrent assets | 3,401,829 | - | - | 3,401,829 |
| Total assets | 6,595,456 | 4,000,000 | 72 | 10,595,528 |
| **Deferred Outflows of Resources** | | | | |
| Pension related | 153,841 | - | 186,248 | 340,089 |
| **Liabilities** | | | | |
| Current liabilities: | | | | |
| Accounts payable | 385,839 | - | 16,150 | 401,989 |
| Accrued liabilities | 18,144 | - | 7,999 | 26,143 |
| Compensated absences | 13,414 | - | - | 13,414 |
| Claims and judgements | - | - | 1,295,398 | 1,295,398 |
| Total current liabilities | 417,397 | - | 1,319,547 | 1,736,944 |
| Noncurrent liabilities: | | | | |
| Compensated absences | 53,657 | - | - | 53,657 |
| Claims and judgements | - | - | 5,181,591 | 5,181,591 |
| Net pension liability | 182,788 | - | 221,292 | 404,080 |
| Total noncurrent liabilities | 236,445 | - | 5,402,883 | 5,639,328 |
| Total liabilities | 653,842 | - | 6,722,430 | 7,376,272 |
| **Deferred Inflows of Resources** | | | | |
| Pension related | 5,830 | - | 7,058 | 12,888 |
| **Net Position (deficit)** | | | | |
| Net investment in capital assets | 3,401,829 | - | - | 3,401,829 |
| Unrestricted | 2,687,796 | 4,000,000 | (6,543,168) | 144,628 |
| Total net position | $ 6,089,625 | $ 4,000,000 | $ (6,543,168) | $ 3,546,457 |

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position
## Internal Service Funds
## For the Fiscal Year Ended June 30, 2025

| | Equipment Replacement | Hardware Replacement | Insurance Reserve | Total |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Sales and service charges | $ 3,054,042 | $ - | $ 7,769,664 | $ 10,823,706 |
| Miscellaneous | 116,788 | - | - | 116,788 |
| Total operating revenues | 3,170,830 | - | 7,769,664 | 10,940,494 |
| **Operating Expenses** | | | | |
| Public safety | 78,924 | - | - | 78,924 |
| Administration and general | 1,418,469 | - | 375,210 | 1,793,679 |
| Materials and supplies | 672,564 | - | 2,989 | 675,553 |
| Contractual services | 183,317 | - | 7,266,234 | 7,449,551 |
| Depreciation | 589,718 | - | - | 589,718 |
| Total operating expenses | 2,942,992 | - | 7,644,433 | 10,587,425 |
| Operating income (loss) | 227,838 | - | 125,231 | 353,069 |
| **Transfers** | | | | |
| Transfers in | - | 1,000,000 | - | 1,000,000 |
| Transfers out | (98,364) | - | (53,143) | (151,507) |
| Total transfers | (98,364) | 1,000,000 | (53,143) | 848,493 |
| Change in net position | 129,474 | 1,000,000 | 72,088 | 1,201,562 |
| **Net Position (Deficit)** | | | | |
| Beginning | 5,960,151 | 3,000,000 | (6,615,256) | 2,344,895 |
| Ending | $ 6,089,625 | $ 4,000,000 | $ (6,543,168) | $ 3,546,457 |

## Combining Statement of Cash Flows
## Internal Service Funds
## For the Fiscal Year Ended June 30, 2025

| | Equipment Replacement | Hardware Replacement | Insurance Reserve | Total |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Cash received from customers and users | $ 3,151,792 | $ - | $ 7,789,354 | $ 10,941,146 |
| Cash paid to suppliers for goods and services | (2,159,530) | - | (7,619,178) | (9,778,708) |
| Cash paid to employees for services | (400,823) | - | (117,033) | (517,856) |
| Net cash provided by operating activities | 591,439 | - | 53,143 | 644,582 |
| **Cash flows from noncapital financing activities** | | | | |
| Transfer from other service funds | - | 1,000,000 | - | 1,000,000 |
| Transfer to debt service funds | (98,364) | - | (53,143) | (151,507) |
| Net cash provided (used) by noncapital financing activities | (98,364) | 1,000,000 | (53,143) | 848,493 |
| **Cash flows from capital and related financing activities** | | | | |
| Acquisition and construction of capital assets | (1,588,073) | - | - | (1,588,073) |
| Payments on SBITA | (11,506) | - | - | (11,506) |
| Net cash used for capital and related financing activities | (1,599,579) | - | - | (1,599,579) |
| **Net increase (decrease) in cash and cash equivalents** | (1,106,504) | 1,000,000 | - | (106,504) |
| Cash and cash equivalents, beginning of year | 4,261,026 | 3,000,000 | - | 7,261,026 |
| Cash and cash equivalents, end of year | $ 3,154,522 | $ 4,000,000 | $ - | $ 7,154,522 |
| **Reconciliation of operating income (loss) to net cash provided by operating activities:** | | | | |
| Operating income (loss) | $ 227,838 | $ - | $ 125,231 | $ 353,069 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | |
| Depreciation/amortization | 589,718 | - | - | 589,718 |
| (Increase) decrease in operating assets: | | | | |
| Accounts receivable | (19,038) | - | 19,690 | 652 |
| Deferred outflows of resources | 131,961 | - | 159,757 | 291,718 |
| Increase (decrease) in operating liabilities: | | - | | |
| Accounts payable | (267,354) | - | (15,885) | (283,239) |
| Accrued liabilities | 4,035 | - | 743 | 4,778 |
| Claims and judgements payable | - | - | (117,721) | (117,721) |
| Compensated absences | 22,302 | - | - | 22,302 |
| Net pension liability | (100,147) | - | (121,243) | (221,390) |
| Deferred inflows of resources | 2,124 | - | 2,571 | 4,695 |
| Total adjustments | 363,601 | - | (72,088) | 291,513 |
| **Net cash provided by operating activities** | $ 591,439 | $ - | $ 53,143 | $ 644,582 |

# STATISTICAL SECTION

This page intentionally left blank.

## Statistical Section

This section of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.


| CONTENTS | Page |
|---|---|
| **Financial Trends** | 189 |
| These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time. | |
| **Revenue Capacity** | 199 |
| These schedules contain information to help the reader assess one of the City's most significant local revenue source, the property tax. | |
| **Debt Capacity** | 204 |
| These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future. | |
| **Demographic and Economic Information** | 210 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | |
| **Operating Information** | 213 |
| 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 government provides and the activities it performs. | |


Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

## Net Position by Component
## Last Ten Fiscal Years
## (accrual basis of accounting)

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Governmental Activities: | | | | | |
| Net investment in capital assets | $ 98,816,219 | $ 104,229,572 | $ 105,088,517 | $ 113,929,703 | $ 115,535,476 |
| Restricted for: | | | | | |
| Public safety | 293,845 | 1,400,432 | 539,905 | 908,793 | 2,132,992 |
| Community development | 3,211,422 | 4,086,416 | 6,417,462 | 7,686,125 | 7,489,182 |
| Parks and recreation | - | - | - | - | 221,702 |
| Public works | 5,821,832 | 6,174,648 | 6,772,717 | 7,328,057 | 12,391,232 |
| Capital improvements | 4,428,834 | 4,243,801 | 4,974,337 | 3,787,315 | 4,273,286 |
| Debt service | 1,989,372 | 1,776,572 | 1,785,449 | 2,287,599 | 2,443,670 |
| Unrestricted | (104,694,912) | (114,897,815) | (199,077,160) | (195,983,739) | (196,188,925) |
| Total governmental activities net position | $ 9,866,612 | $ 7,013,626 | $ (73,498,773) | $ (60,056,147) | $ (51,701,385) |
| Business-type activities: | | | | | |
| Net investment in capital assets | $ 10,443,914 | $ 10,034,549 | $ 9,657,296 | $ 9,269,159 | $ 8,894,639 |
| Unrestricted | 770,871 | 1,479,009 | 863,905 | 994,105 | 4,414,574 |
| Total business-type activities net position | $ 11,214,785 | $ 11,513,558 | $ 10,521,201 | $ 10,263,264 | $ 13,309,213 |
| Primary Government: | | | | | |
| Net investment in capital assets | $ 109,260,133 | $ 114,264,121 | $ 114,745,813 | $ 123,198,862 | $ 124,430,115 |
| Restricted for: | | | | | |
| Public safety | 293,845 | 1,400,432 | 539,905 | 908,793 | 2,132,992 |
| Community development | 3,211,422 | 4,086,416 | 6,417,462 | 7,686,125 | 7,489,182 |
| Parks and recreation | - | - | - | - | 221,702 |
| Public works | 5,821,832 | 6,174,648 | 6,772,717 | 7,328,057 | 12,391,232 |
| Capital improvements | 4,428,834 | 4,243,801 | 4,974,337 | 3,787,315 | 4,273,286 |
| Debt service | 1,989,372 | 1,776,572 | 1,785,449 | 2,287,599 | 2,443,670 |
| Unrestricted | (103,924,041) | (113,418,806) | (198,213,255) | (194,989,634) | (191,774,351) |
| Total primary government net position | $ 21,081,397 | $ 18,527,184 | $ (62,977,572) | $ (49,792,883) | $ (38,392,172) |

Source: City of Hawthorne, Finance Department

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| $ 115,055,399 | $ 117,437,597 | $ 135,562,068 | $ 149,390,159 | $ 168,245,969 |
| 1,220,865 | 1,441,602 | 1,240,790 | 1,892,112 | 1,821,431 |
| 7,628,820 | 7,937,659 | 8,189,764 | 7,204,311 | 8,682,362 |
| 523,567 | 439,384 | 475,684 | 451,871 | 451,871 |
| 14,519,981 | 16,267,086 | 17,717,046 | 17,566,534 | 20,289,154 |
| 4,466,496 | 4,906,446 | 4,914,903 | 6,747,980 | 9,316,338 |
| 2,483,866 | 2,242,510 | 285,016 | 329,603 | 31,981,905 |
| (196,644,055) | (122,568,622) | (144,430,630) | (126,435,776) | (154,949,808) |
| $ (50,745,061) | $ 28,103,662 | $ 23,954,641 | $ 57,146,794 | $ 85,839,222 |
| $ 8,638,581 | $ 11,008,202 | $ 11,296,460 | $ 11,470,932 | $ 14,008,061 |
| 5,036,958 | 4,953,411 | 5,972,118 | 5,959,822 | 3,591,911 |
| $ 13,675,539 | $ 15,961,613 | $ 17,268,578 | $ 17,430,754 | $ 17,599,972 |
| $ 123,693,980 | $ 128,445,799 | $ 146,858,528 | $ 160,861,091 | $ 182,254,030 |
| 1,220,865 | 1,441,602 | 1,240,790 | 1,892,112 | 1,821,431 |
| 7,628,820 | 7,937,659 | 8,189,764 | 7,204,311 | 8,682,362 |
| 523,567 | 439,384 | 475,684 | 451,871 | 451,871 |
| 14,519,981 | 16,267,086 | 17,717,046 | 17,566,534 | 20,289,154 |
| 4,466,496 | 4,906,446 | 4,914,903 | 6,747,980 | 9,316,338 |
| 2,483,866 | 2,242,510 | 285,016 | 329,603 | 31,981,905 |
| (191,607,097) | (117,615,211) | (138,458,512) | (120,475,954) | (151,357,897) |
| $ (37,069,522) | $ 44,065,275 | $ 41,223,219 | $ 74,577,548 | $ 103,439,194 |

## Changes in Net Position
## Last Ten Fiscal Years
## (accrual basis of accounting)

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Expenses: | | | | | |
| Governmental Activities: | | | | | |
| General government | $ 9,959,013 | $ 11,094,220 | $ 14,701,855 | $ 14,732,354 | $ 11,217,900 |
| Public safety | 47,961,278 | 54,633,003 | 54,381,340 | 54,981,502 | 59,715,116 |
| Community development | 11,948,791 | 12,849,025 | 15,498,320 | 14,471,029 | 15,845,559 |
| Parks and recreation | 3,539,851 | 3,827,432 | 4,521,785 | 4,365,183 | 3,832,039 |
| Public works | 10,020,953 | 12,051,189 | 10,335,197 | 13,563,064 | 10,587,442 |
| Interest on long-term debt | 2,862,959 | 918,037 | 1,348,742 | 1,003,660 | 4,903,784 |
| Total governmental activities expenses | 86,292,845 | 95,372,906 | 100,787,239 | 103,116,792 | 106,101,840 |
| Business-type activities: | | | | | |
| Airport | 931,989 | 1,131,440 | 1,230,891 | 1,745,924 | 1,603,543 |
| Sewer and storm drain | 838,433 | 933,015 | 2,342,547 | 884,469 | 709,837 |
| Total business-type activities expenses | 1,770,422 | 2,064,455 | 3,573,438 | 2,630,393 | 2,313,380 |
| Total primary government expenses | 88,063,267 | 97,437,361 | 104,360,677 | 105,747,185 | 108,415,220 |
| Program Revenues: | | | | | |
| Governmental Activities: | | | | | |
| General government (1) | 11,770,484 | 11,224,984 | 11,003,976 | 11,202,311 | 10,219,365 |
| Public safety | 9,250,179 | 5,460,890 | 5,673,185 | 6,089,974 | 5,006,103 |
| Community development (1) | 7,923,370 | 12,460,275 | 13,194,352 | 14,155,829 | 16,745,927 |
| Parks and recreation | 663,082 | 642,713 | 709,246 | 637,610 | 445,260 |
| Public works | 4,682,406 | 9,318,132 | 6,181,485 | 13,830,239 | 12,524,253 |
| Total governmental activities program revenues | 34,289,521 | 39,106,994 | 36,762,244 | 45,915,963 | 44,940,908 |
| Business-type activities: | | | | | |
| Airport | 860,162 | 908,988 | 1,009,726 | 882,878 | 1,497,105 |
| Sewer and storm drain | 1,459,572 | 1,448,366 | 1,559,160 | 1,482,507 | 1,335,231 |
| Total business-type activities program revenues | 2,319,734 | 2,357,354 | 2,568,886 | 2,365,385 | 2,832,336 |
| Total primary government program revenues | 36,609,255 | 41,464,348 | 39,331,130 | 48,281,348 | 47,773,244 |
| Net (expenses) revenues: | | | | | |
| Governmental activities | (52,003,324) | (56,265,912) | (64,024,995) | (57,200,829) | (61,160,932) |
| Business-type activities | 549,312 | 292,899 | (1,004,552) | (265,008) | 518,956 |
| Total primary government net (expenses)/revenues | (51,454,012) | (55,973,013) | (65,029,547) | (57,465,837) | (60,641,976) |

Notes:

(1) Beginning in fiscal year 2009-2010, all costs relating to the construction inspection function are reported under community development instead of highways, streets, and parks. Also, the storm water management function is under general government instead of highways, streets, and parks.

Source: City of Hawthorne, Finance Department

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| | | | | |
| $ 13,076,135 | $ 10,495,723 | $ 18,556,345 | $ 16,820,840 | $ 26,300,945 |
| 64,422,256 | 8,867,389 | 100,223,524 | 71,667,280 | 67,271,419 |
| 16,134,233 | 14,158,033 | 16,020,080 | 18,779,695 | 18,027,905 |
| 3,588,888 | 3,234,730 | 5,755,134 | 6,092,428 | 5,578,935 |
| 11,234,733 | 11,318,323 | 14,305,443 | 15,874,801 | 14,195,033 |
| 4,882,047 | 4,699,446 | 4,535,860 | 4,439,565 | 6,220,201 |
| 113,338,292 | 52,773,644 | 159,396,386 | 133,674,609 | 137,594,438 |
| | | | | |
| 1,155,254 | 808,620 | 1,209,697 | 1,466,634 | 1,306,868 |
| 706,086 | 642,025 | 385,151 | 933,692 | 986,956 |
| 1,861,340 | 1,450,645 | 1,594,848 | 2,400,326 | 2,293,824 |
| | | | | |
| 115,199,632 | 54,224,289 | 160,991,234 | 136,074,935 | 139,888,262 |
| | | | | |
| 10,261,589 | 12,193,870 | 20,180,711 | 20,969,476 | 15,332,290 |
| 5,999,374 | 6,732,123 | 8,085,082 | 7,047,480 | 8,792,545 |
| 17,223,580 | 17,614,291 | 20,152,742 | 27,553,728 | 29,001,721 |
| 307,385 | 562,525 | 568,916 | 970,295 | 689,745 |
| 6,908,300 | 9,131,706 | 9,335,044 | 12,572,803 | 11,163,342 |
| 40,700,228 | 46,234,515 | 58,322,495 | 69,113,782 | 64,979,643 |
| | | | | |
| 1,023,571 | 1,993,209 | 1,000,940 | 1,035,369 | 1,225,683 |
| 1,399,410 | 1,490,743 | 1,636,519 | 1,231,979 | 1,331,501 |
| 2,422,981 | 3,483,952 | 2,637,459 | 2,267,348 | 2,557,184 |
| | | | | |
| 43,123,209 | 49,718,467 | 60,959,954 | 71,381,130 | 67,536,827 |
| | | | | |
| (72,638,064) | (6,539,129) | (101,073,891) | (64,560,827) | (72,614,795) |
| 561,641 | 2,033,307 | 1,042,611 | (132,978) | 263,360 |
| | | | | |
| (72,076,423) | (4,505,822) | (100,031,280) | (64,693,805) | (72,351,435) |

## Changes in Net Position, (continued)
## Last Ten Fiscal Years
## (accrual basis of accounting)

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| General Revenues and Other Changes in Net Positions: | | | | | |
| Governmental activities: | | | | | |
| Taxes: | | | | | |
| Property taxes | $ 14,693,230 | $ 17,000,228 | $ 17,212,040 | $ 18,297,687 | $ 19,494,231 |
| Sales taxes | 14,721,975 | 16,856,609 | 18,498,130 | 28,408,757 | 28,627,941 |
| Transient occupancy taxes | 4,806,401 | 5,200,111 | 5,412,476 | 5,970,823 | 5,548,885 |
| Franchise taxes | 1,809,159 | 1,724,565 | 1,765,717 | 2,171,334 | 1,980,644 |
| Business license taxes | 6,419,659 | 5,615,982 | 6,314,957 | 6,921,485 | 7,851,079 |
| Utility users tax | 6,667,384 | 6,613,873 | 6,726,815 | 6,358,691 | 6,476,401 |
| Other taxes | - | - | - | - | - |
| Miscellaneous revenue | 1,060,219 | 1,649,614 | 11,507,607 | 2,104,588 | 850,007 |
| Gain on sale of assets | - | - | - | - | 177,628 |
| Use of money and property | 69,833 | 40,189 | 100,699 | 410,090 | 999,325 |
| Transfers in/(out) | - | - | - | - | (2,490,447) |
| Total governmental activities | 50,247,860 | 54,701,171 | 67,538,441 | 70,643,455 | 69,515,694 |
| Business-type activities: | | | | | |
| Miscellaneous | 23,963 | 5,874 | 12,195 | 7,071 | 36,546 |
| Transfers in/(out) | - | - | - | - | 2,490,447 |
| Total business-type activities | 23,963 | 5,874 | 12,195 | 7,071 | 2,526,993 |
| Total primary government | 50,271,823 | 54,707,045 | 67,550,636 | 70,650,526 | 72,042,687 |
| Change in Net Position: | | | | | |
| Governmental activities | (1,755,464) | (1,564,741) | 3,513,446 | 13,442,626 | 8,354,762 |
| Business-type activities | 573,275 | 298,773 | (992,357) | (257,937) | 3,045,949 |
| Total primary government | $ (1,182,189) | $ (1,265,968) | $ 2,521,089 | $ 13,184,689 | $ 11,400,711 |

Source: City of Hawthorne, Finance Department

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| | | | | |
| $ 20,793,917 | $ 21,799,982 | $ 22,825,681 | $ 24,417,302 | $ 26,024,052 |
| 32,184,097 | 38,271,401 | 40,393,795 | 36,012,398 | 36,632,700 |
| 4,186,432 | 6,071,367 | 7,891,009 | 6,846,103 | 7,458,960 |
| 2,277,912 | 2,536,844 | 3,090,928 | 3,693,594 | 2,084,128 |
| 6,293,567 | 9,456,866 | 9,452,193 | 10,541,480 | 9,809,437 |
| 6,837,852 | 7,459,343 | 8,792,532 | 8,029,444 | 9,846,539 |
| - | - | 676,610 | 189,024 | 460,422 |
| 620,764 | 749,456 | 1,185,504 | 1,529,779 | 1,952,089 |
| - | - | - | - | - |
| 188,680 | (1,166,634) | 2,421,009 | 6,269,230 | 6,764,931 |
| 211,167 | 209,227 | 195,609 | 224,626 | 273,965 |
| 73,594,388 | 85,387,852 | 96,924,870 | 97,752,980 | 101,307,223 |
| | | | | |
| 15,852 | 461,994 | 459,963 | 519,780 | 179,823 |
| (211,167) | (209,227) | (195,609) | (224,626) | (273,965) |
| (195,315) | 252,767 | 264,354 | 295,154 | (94,142) |
| | | | | |
| 73,399,073 | 85,640,619 | 97,189,224 | 98,048,134 | 101,213,081 |
| | | | | |
| 956,324 | 78,848,723 | (4,149,021) | 33,192,153 | 28,692,428 |
| 366,326 | 2,286,074 | 1,306,965 | 162,176 | 169,218 |
| | | | | |
| $ 1,322,650 | $ 81,134,797 | $ (2,842,056) | $ 33,354,329 | $ 28,861,646 |

## Fund Balances of Governmental Funds
## Last Ten Fiscal Years
## (modified accrual basis of accounting)

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| General Fund: | | | | | |
| Nonspendable | $ 3,217,524 | $ 53,986 | $ 49,432 | $ 52,198 | $ 80,632 |
| Restricted | - | - | - | - | - |
| Unassigned | 10,763,286 | 16,615,228 | 26,066,029 | 37,202,338 | 44,563,186 |
| Total General Fund | 13,980,810 | 16,669,214 | 26,115,461 | 37,254,536 | 44,643,818 |
| All Other Governmental Funds: | | | | | |
| Nonspendable | 335,181 | - | - | - | 20,318 |
| Restricted | 15,412,581 | 17,790,488 | 21,191,173 | 21,997,889 | 28,952,064 |
| Unassigned | (1,874,224) | (625,215) | (911,566) | (760,486) | (2,123,366) |
| Total all other governmental funds | 13,873,538 | 17,165,273 | 20,279,607 | 21,237,403 | 26,849,016 |
| Total governmental funds | $ 27,854,348 | $ 33,834,487 | $ 46,395,068 | $ 58,491,939 | $ 71,492,834 |

Source: City of Hawthorne, Finance Department

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| $ 1,900,896 | $ 69,652 | $ 67,458 | $ 70,471 | $ 70,292 |
| 36,529 | 36,529 | 36,529 | 36,529 | 36,529 |
| 57,837,119 | 78,747,034 | 93,988,358 | 109,366,673 | 114,610,688 |
| 59,774,544 | 78,853,215 | 94,092,345 | 109,473,673 | 114,717,509 |
| - | - | - | 88,000 | - |
| 30,807,066 | 33,192,169 | 33,300,890 | 35,112,998 | 72,688,908 |
| (2,427,492) | (3,259,095) | (4,449,863) | (8,236,124) | (13,122,011) |
| 28,379,574 | 29,933,074 | 28,851,027 | 26,964,874 | 59,566,897 |
| $ 88,154,118 | $ 108,786,289 | $ 122,943,372 | $ 136,438,547 | $ 174,284,406 |

## Changes in Fund Balances of Governmental Funds
## Last Ten Fiscal Years
## (modified accrual basis of accounting)

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenues: | | | | | |
| Taxes | $ 54,107,964 | $ 58,115,240 | $ 63,954,559 | $ 75,799,317 | $ 73,088,871 |
| Licenses and permits | 2,291,930 | 2,535,471 | 3,384,070 | 4,121,946 | 3,861,839 |
| Intergovernmental | 16,469,698 | 22,245,586 | 21,283,289 | 22,515,800 | 24,208,218 |
| Charges for services | 2,500,544 | 2,412,936 | 2,325,798 | 2,631,104 | 2,605,973 |
| Fines and forfeitures | 3,934,011 | 5,850,331 | 3,101,340 | 4,241,409 | 4,621,263 |
| Use of money and property | 471,056 | 530,465 | 580,685 | 937,192 | 1,420,058 |
| Contributions | 188,206 | 873,620 | 888,145 | 3,670,175 | 4,640,773 |
| Miscellaneous | 5,279,485 | 5,392,496 | 12,435,535 | 4,093,289 | 2,025,498 |
| Total Revenues | 85,242,894 | 97,956,145 | 107,953,421 | 118,010,232 | 116,472,493 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government (1) | 9,517,701 | 9,388,771 | 10,130,387 | 12,073,085 | 32,079,731 |
| Public safety | 43,038,523 | 46,173,983 | 49,374,104 | 50,438,881 | 120,366,980 |
| Community development (1) | 12,590,103 | 12,747,063 | 14,603,141 | 13,807,096 | 24,445,268 |
| Parks and recreation | 3,467,866 | 3,654,856 | 3,743,089 | 3,767,113 | 10,795,897 |
| Public works | 8,202,451 | 13,565,765 | 11,786,057 | 18,750,519 | 21,327,728 |
| Capital outlay | 2,438,251 | 3,164,810 | 2,183,616 | 3,360,606 | 2,408,275 |
| Debt service: | | | | | |
| Principal retirement | 4,010,186 | 5,473,428 | 2,365,154 | 2,414,644 | 4,718,303 |
| Interest and fiscal charges | 2,658,786 | 980,189 | 1,207,292 | 1,142,617 | 3,694,549 |
| Bond issuance costs | 941,625 | 108,692 | - | - | 1,112,189 |
| Total expenditures | 86,865,492 | 95,257,557 | 95,392,840 | 105,754,561 | 220,948,920 |
| Excess/(deficiency) of Revenues Over Expenditures | (1,622,598) | 2,698,588 | 12,560,581 | 12,255,671 | (104,476,427) |
| Other financing sources (uses): | | | | | |
| Issuance of debt | 31,803,741 | 2,730,900 | - | - | 121,865,000 |
| Premium on issuance of debt | - | - | - | - | - |
| Payment to bond escrow agent | (29,910,984) | - | - | - | - |
| Proceeds from disposal of assets | - | - | - | - | 8,602 |
| Lease acquisition | - | 550,651 | - | - | - |
| Subscription acquisition | - | - | - | - | - |
| Transfers in | 5,894,967 | 2,759,313 | 2,804,428 | 2,950,318 | 8,423,404 |
| Transfers out | (5,894,967) | (2,759,313) | (2,804,428) | (3,109,118) | (12,819,684) |
| Total other financing sources (uses) | 1,892,757 | 3,281,551 | - | (158,800) | 117,477,322 |
| Net Change in Fund Balances | $ 270,159 | $ 5,980,139 | $ 12,560,581 | $ 12,096,871 | $ 13,000,895 |
| Debt service as a percentage of noncapital expenditures | 7.89% | 7.34% | 4.05% | 4.40% | 3.89% |

Notes:

(1) Beginning in fiscal year 2009-2010, all costs relating to the construction inspection function are reported under community development instead of highways, streets, and parks. Also, the storm water management function is under general government instead of highways, streets, and parks.

Source: City of Hawthorne, Finance Department

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| $ 76,549,888 | $ 89,449,254 | $ 97,282,234 | $ 93,641,913 | $ 98,719,050 |
| 2,268,593 | 1,987,892 | 1,746,860 | 2,035,110 | 2,039,124 |
| 25,920,897 | 28,410,517 | 38,969,342 | 46,001,617 | 41,319,068 |
| 2,465,164 | 3,378,713 | 5,236,034 | 5,117,107 | 7,391,502 |
| 2,996,112 | 4,485,414 | 5,405,531 | 4,020,318 | 3,969,082 |
| 782,986 | (686,139) | 2,924,818 | 7,023,048 | 7,643,676 |
| 492,799 | 1,854,290 | 200,000 | 200,000 | 200,000 |
| 1,782,379 | 1,894,159 | 3,207,985 | 2,622,420 | 3,316,791 |
| 113,258,818 | 130,774,100 | 154,972,804 | 160,661,533 | 164,598,293 |
| | | | | |
| 10,589,644 | 11,870,620 | 20,484,434 | 19,332,706 | 29,258,962 |
| 47,760,972 | 54,876,411 | 56,901,806 | 58,062,768 | 64,405,657 |
| 15,033,877 | 15,619,482 | 15,765,070 | 19,534,211 | 21,976,110 |
| 2,901,385 | 3,704,975 | 5,584,740 | 5,304,040 | 9,379,153 |
| 9,776,751 | 12,723,514 | 12,635,793 | 14,210,768 | 10,802,095 |
| 1,070,437 | 1,237,324 | 19,338,781 | 15,623,046 | 11,381,847 |
| 4,861,023 | 5,638,129 | 6,124,000 | 5,904,300 | 5,350,850 |
| 4,995,712 | 4,866,191 | 4,693,492 | 4,578,803 | 5,185,840 |
| - | - | - | - | 439,453 |
| 96,989,801 | 110,536,646 | 141,528,116 | 142,550,642 | 158,179,967 |
| 16,269,017 | 20,237,454 | 13,444,688 | 18,110,891 | 6,418,326 |
| - | - | - | - | 26,950,000 |
| - | - | - | - | 3,489,453 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 325,632 |
| - | - | 400,042 | - | 1,236,976 |
| 11,510,975 | 12,375,331 | 17,532,349 | 31,895,480 | 17,893,110 |
| (11,118,708) | (11,980,614) | (17,219,996) | (36,511,196) | (18,467,638) |
| 392,267 | 394,717 | 712,395 | (4,615,716) | 31,427,533 |
| $ 16,661,284 | $ 20,632,171 | $ 14,157,083 | $ 13,495,175 | $ 37,845,859 |
| 10.53% | 10.04% | 9.04% | 9.02% | 7.83% |

This page intentionaly left blank

## Assessed Value and Estimated Actual Value of Taxable Property (1)
## Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Secured | Unsecured | Less: Exemptions | Taxable Assessed Value | Direct Tax Rate (2) |
|---|---|---|---|---|---|
| 2016 | $ 6,360,930,083 | $ 261,718,287 | $ (38,794,555) | $ 6,583,853,815 | 0.09137 |
| 2017 | 6,761,280,688 | 586,347,166 | (70,829,245) | 7,276,798,609 | 0.09174 |
| 2018 | 7,149,882,995 | 639,095,098 | (62,805,701) | 7,726,172,392 | 0.09127 |
| 2019 | 7,532,179,160 | 732,745,553 | (75,014,723) | 8,189,909,990 | 0.09104 |
| 2020 | 7,971,171,054 | 728,823,022 | (69,188,809) | 8,630,805,267 | 0.08950 |
| 2021 | 8,394,513,934 | 871,235,153 | (89,168,195) | 9,176,580,892 | 0.08648 |
| 2022 | 8,771,167,546 | 740,382,503 | (106,971,423) | 9,404,578,626 | 0.08939 |
| 2023 | 9,143,741,870 | 997,321,789 | (67,095,584) | 10,073,968,075 | 0.08939 |
| 2024 | 9,650,550,517 | 1,189,309,755 | (98,589,184) | 10,842,229,863 | 0.08517 |
| 2025 | 10,224,617,091 | 1,364,389,748 | (116,396,307) | 11,472,610,532 | 0.08605 |

Notes:

(1) In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is re-assessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

(2) Tax Rate Area 13-115.

Source: Los Angeles County Assessor 2024/25 Combined Tax Rolls

## Direct and Overlapping Property Tax Rates (1)
## Last Ten Fiscal Years
## (rate per $100 of assessed value)

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| City basic rate | 0.09484 | 0.09484 | 0.09484 | 0.09484 | 0.09484 |
| Redevelopment agency | | | | | |
| Overlapping Rates | | | | | |
| El Camino Community College | 0.01745 | 0.02294 | 0.02120 | 0.02223 | 0.02155 |
| Hawthorne School District | 0.10176 | 0.09553 | 0.08818 | 0.08395 | 0.11025 |
| Inglewood Unified School Dist | 0.12761 | 0.11351 | 0.11675 | 0.13079 | 0.09832 |
| LA Community College District | 0.03575 | 0.03596 | 0.04599 | 0.04621 | 0.02717 |
| Lawndale Elementary School Dist | 0.04207 | 0.04064 | 0.06143 | 0.06385 | 0.06343 |
| Lennox School District | 0.08456 | 0.09078 | 0.16337 | 0.16522 | 0.17202 |
| Los Angeles Unified School District | 0.12971 | 0.13110 | 0.12219 | 0.12323 | 0.12552 |
| Metropolitan Water District | 0.00350 | 0.00350 | 0.00350 | 0.00350 | 0.00350 |
| Wiseburn School District | 0.13341 | 0.10166 | 0.11222 | 0.10532 | 0.11111 |
| Wiseburn-Centinela Unified | 0.14481 | 0.16592 | 0.13062 | 0.17572 | 0.15734 |
| Total Direct Rate | 0.09137 | 0.09174 | 0.09127 | 0.08993 | 0.08950 |

Notes:

(1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies in which the subject property resides. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of various voter-approved bonds.

(2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all property owners.

(3) City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's 'Levy has been subtracted where known.

(4) Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

(5) Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| 0.09484 | 0.09484 | 0.09484 | 0.09484 | 0.09484 |
| 0.02362 | 0.02264 | 0.02299 | 0.02116 | 0.02101 |
| 0.10069 | 0.09933 | 0.08637 | 0.06723 | 0.07167 |
| 0.09294 | 0.14381 | 0.12904 | 0.07881 | 0.06440 |
| 0.04016 | 0.04376 | 0.02488 | 0.06023 | 0.05136 |
| 0.06246 | 0.05494 | 0.05821 | 0.05750 | 0.08534 |
| 0.17062 | 0.16888 | 0.16320 | 0.16423 | 0.14441 |
| 0.13993 | 0.11323 | 0.12107 | 0.12422 | 0.12802 |
| 0.00350 | 0.00350 | 0.00350 | 0.00350 | 0.00700 |
| 0.08507 | 0.08631 | 0.09948 | 0.10150 | 0.10737 |
| 0.18371 | 0.17242 | 0.18567 | 0.14387 | 0.17592 |
| 0.08648 | 0.08939 | 0.08625 | 1.82225 | 1.85650 |

## Principal Property Taxpayers
## Current Year and Nine Years Ago

| Taxpayer | 2024/2025 Taxable Assessed Value (1) | Rank | 2024/2025 Percentage of Total City Taxable Assessed Value | 2015/2016 Taxable Assessed Value (1) | Rank | 2015/2016 Percentage of Total City Taxable Assessed Value |
|---|---|---|---|---|---|---|
| SPACE EXPLORATION TECHNOLOGIES CORP | $ 874,193,612 | *1* | 7.62 % | | | |
| CRESTONE DC ASSETS LLC | 114,860,160 | *2* | 1.00 | | | |
| DCT CARGO LLC | 93,014,587 | *3* | 0.81 | $ 68,403,006 | 1 | 1.04 % |
| MOGUL HOSPITALITY PARTNERS HAWTHORNE LLC | 92,576,402 | *4* | 0.81 | | | |
| FALCON LANDING LLC | 73,441,029 | *5* | 0.64 | | | |
| M & A GABAEE | 70,088,197 | 6 | 0.61 | 46,011,481 | 5 | 0.70 |
| ASHFORD HAWTHORNE LP | 69,518,617 | *7* | 0.61 | | | |
| COSTCO WHOLESALE CORPORATION | 68,132,283 | *8* | 0.59 | 55,948,047 | 2 | 0.85 |
| BSP ZELMAN HAWTHORNE LLC | 68,010,966 | *9* | 0.59 | 42,961,274 | 6 | 0.65 |
| EQUITY HOLDINGS LLC | 63,362,712 | *10* | 0.55 | | | |
| RS HAWTHORNE LLC | | | | 52,089,500 | 3 | 0.79 |
| RT ROCKET ROAD LLC | | | | 46,650,000 | 4 | 0.71 |
| OCEANGATE PROPERTY LLC | | | | 40,244,879 | 7 | 0.61 |
| 2 LA CIENEGA INC | | | | 39,755,252 | 8 | 0.60 |
| TRIUMPH AEROSTRUCTURES VOUGHT AIRCRAF | | | | 33,280,750 | 9 | 0.51 |
| HAWTHORNE GATEWAY LP | | | | 32,537,498 | 10 | 0.49 |
| Total | $ 1,587,198,565 | | 13.83 % | $ 457,881,687 | | 6.95 % |

Note:
The amounts shown above include assessed value date for both the City and the Successor Agency (former Redevelopment Agency).

Source: HDL Coren & Core, Los Angeles County Assessor 2024/2025 Combined Tax Rolls

## Property Tax Levies and Collections
## Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|
| | | Amount | Percentage of Levy | | Amount | Percentage |
| 2016 | $ 6,479,711 | $ 5,109,479 | 78.85 % | $ - | $ 5,109,479 | 78.85 % |
| 2017 | 7,170,731 | 6,339,236 | 88.40 | - | 6,339,236 | 88.40 |
| 2018 | 7,600,938 | 6,731,784 | 88.57 | 350,002 | 7,081,786 | 93.17 |
| 2019 | 8,045,958 | 7,121,892 | 88.52 | 132,075 | 7,253,967 | 90.16 |
| 2020 | 8,468,355 | 8,048,688 | 95.04 | 216,167 | 8,264,855 | 97.60 |
| 2021 | 8,979,687 | 8,658,320 | 96.42 | 230,657 | 8,888,976 | 98.99 |
| 2022 | 9,198,418 | 9,083,898 | 98.76 | 620,967 | 9,704,865 | 105.51 |
| 2023 | 9,760,440 | 9,548,020 | 97.82 | 532,296 | 10,080,316 | 103.28 |
| 2024 | 10,453,491 | 10,166,094 | 97.25 | 383,094 | 10,549,189 | 100.92 |
| 2025 | 11,060,879 | 10,896,147 | 98.51 | 266,875 | 11,163,022 | 100.92 |

Source: Los Angeles County Auditor and Controller Office.

## Ratios of Outstanding Debt by Type
## Last Ten Fiscal Years

| Fiscal Year | Governmental Activities (1) General Obligation Bonds | Revenue Bonds | Notes Payable | Capital Leases | Loans Payable | Lease / SBITA Payable | Total Primary Government | Percentage of Personal Income | Per Capita |
|---|---|---|---|---|---|---|---|---|---|
| 2016 | $ 31,684,772 | $ 7,174,930 | $ - | $ 6,778 | $ 3,218,691 | $ - | $ 42,085,171 | 0.023 | 480 |
| 2017 | 30,032,646 | 4,353,127 | 2,587,550 | 482,893 | 2,856,328 | - | 40,312,544 | 0.022 | 454 |
| 2018 | 29,211,468 | 3,178,249 | 2,419,000 | 378,119 | 2,493,585 | - | 37,680,421 | 0.020 | 429 |
| 2019 | 27,752,014 | 2,618,249 | 2,247,100 | 269,455 | 2,130,448 | - | 35,017,266 | 0.018 | 399 |
| 2020 | 26,352,538 | 1,987,303 | 2,067,000 | 156,759 | 1,766,893 | - | 32,330,492 | 0.016 | 372 |
| 2021 | 141,764,586 | 1,354,131 | 1,884,150 | 39,880 | 1,757,899 | - | 146,800,646 | 0.066 | 1,687 |
| 2022 | 137,170,635 | 691,503 | 1,693,650 | 44,749 | 1,400,000 | - | 141,000,536 | 0.064 | 1,624 |
| 2023 | 132,121,683 | - | 1,501,150 | 15,964 | 1,045,000 | - | 134,683,797 | 0.053 | 1,572 |
| 2024 | 126,891,744 | - | 1,301,850 | - | - | - | 128,193,594 | 0.045 | 1,498 |
| 2025 | 121,591,297 | 30,337,677 | 1,096,000 | - | - | 1,173,470 | 154,198,444 | 0.053 | 1,800 |

Note:

(1) General bonded debt is debt payable with governmental fund resources. Details regarding the City's outstanding debt can be found in the notes to basic financial statements.

Source: City Finance Department.

**Ratios of General Bonded Debt Outstanding**
**Last Ten Fiscal Years**

| Fiscal Year | General Obligation Bonds | Revenue Bonds (1) | Total | Percent of Assessed Value (2) | Per Capita |
|---|---|---|---|---|---|
| 2016 | $ 31,684,772 | $ 7,174,930 | $ 38,859,702 | 0.590 | 442 |
| 2017 | 30,032,646 | 4,353,127 | 34,385,773 | 0.473 | 392 |
| 2018 | 29,211,468 | 3,178,249 | 32,389,717 | 0.419 | 365 |
| 2019 | 27,752,014 | 2,618,249 | 30,370,263 | 0.371 | 346 |
| 2020 | 26,352,538 | 1,987,303 | 28,339,841 | 0.328 | 326 |
| 2021 | 141,764,586 | 1,354,131 | 143,118,717 | 1.560 | 1,645 |
| 2022 | 137,170,635 | 691,503 | 137,862,138 | 1.466 | 1,588 |
| 2023 | 132,121,683 | - | 132,121,683 | 1.312 | 1,542 |
| 2024 | 126,891,744 | - | 126,891,744 | 1.181 | 1,483 |
| 2025 | 121,591,297 | 30,337,677 | 151,928,974 | 1.324 | 1,774 |

Notes:
(1) The revenue bonds are secured by lease payments to be made by the City

(2) Assessed value has been used because actual value of taxable property is not readily available in the State of California.

Source: City Finance Department.

## Legal Debt Margin Information
## Last Ten Fiscal Years

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Total assessed valuation | $ 6,583,853,815 | $ 7,276,798,609 | $ 7,726,172,392 | $ 8,189,909,990 | $ 8,630,805,267 |
| Conversion percentage | 25% | 25% | 25% | 25% | 25% |
| Adjusted assessed valuation | 1,645,963,454 | 1,819,199,652 | 1,931,543,098 | 2,047,477,498 | 2,157,701,317 |
| Debt limit percentage | 15% | 15% | 15% | 15% | 15% |
| Debt limit | 246,894,518 | 272,879,948 | 289,731,465 | 307,121,625 | 323,655,198 |
| Total net debt applicable to limit: General obligation bonds | - | - | - | - | - |
| Legal debt margin | $ 246,894,518 | $ 272,879,948 | $ 289,731,465 | $ 307,121,625 | $ 323,655,198 |
| Total debt applicable to the limit as a percentage of debt limit | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |

Note:
The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City Finance Department
County of Los Angeles Tax Assessor's Office

| Fiscal Year | | | | |
|---|---|---|---|---|
| 2021 | 2022 | 2023 | 2024 | 2025 |
| $ 9,176,580,892 | $ 9,404,578,626 | $ 10,073,968,075 | $ 10,741,271,088 | $ 11,472,610,532 |
| 25% | 25% | 25% | 25% | 25% |
| 2,294,145,223 | 2,351,144,657 | 2,518,492,019 | 2,685,317,772 | 2,868,152,633 |
| 15% | 15% | 15% | 15% | 15% |
| 344,121,783 | 352,671,698 | 377,773,803 | 402,797,666 | 430,222,895 |
| - | - | - | - | - |
| $ 344,121,783 | $ 352,671,698 | $ 377,773,803 | $ 402,797,666 | $ 430,222,895 |
| 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |

## Pledged-Revenue Coverage
## Last Ten Fiscal Years

| | Revenue Bonds (1) | | | |
|---|---|---|---|---|
| | | Debt Service (2) | | |
| Fiscal Year | Revenue | Principal | Interest | Coverage |
| 2016 | $ 1,249,488 | $ 653,184 | $ 370,536 | 1.22 |
| 2017 | 3,744,990 | 823,428 | 409,710 | 3.04 |
| 2018 | 976,241 | 730,152 | 187,849 | 1.06 |
| 2019 | 897,558 | 754,644 | 199,655 | 0.94 |
| 2020 | 973,932 | 608,203 | 110,698 | 1.35 |
| 2021 | 1,003,000 | 633,172 | 84,758 | 1.40 |
| 2022 | 19,698 | 662,628 | 57,754 | 0.03 |
| 2023 | 243,684 | 691,503 | - | 0.35 |
| 2024 | 249,634 | - | - | - |
| 2025 | 1,500,000 | - | 778,556 | - |

Notes:
(1) Revenue bonds are secured by lease payments to be made by the City
(2) Debt service shown is annual debt service.

Source: City Finance Department.

## Direct and Overlapping Debt
## As of June 30, 2025

**2024-25 Assessed Valuation: $11,472,610,532**

| | Total Debt 06/30/25 | % Applicable (1) | City's Share of Debt 06/30/25 |
|---|---|---|---|
| **OVERLAPPING TAX AND ASSESMENT DEBT:** | | | |
| Metropolitan Water District | $ 17,155,000.00 | 0.282% | $ 48,377 |
| El Camino Community College District | 480,045,366 | 6.672% | 32,028,627 |
| Los Angeles Community College District | 4,919,505,000 | 0.078% | 3,837,214 |
| Los Angeles Unified School District | 11,745,405,000 | 0.095% | 11,158,135 |
| Centinela Valley Union High School District | 223,190,827 | 37.954% | 84,709,846 |
| Centinela Valley Union High School District SFID No. 2016-1 | 213,360,000 | 36.536% | 77,953,210 |
| Inglewood Unified School District | 319,615,000 | 0.030% | 95,885 |
| Wiseburn Unified School District | 152,564,464 | 14.694% | 22,417,822 |
| Hawthorne School District | 62,991,440 | 97.312% | 61,298,230 |
| Lawndale School District | 49,225,000 | 19.482% | 9,590,015 |
| Lennox School District | 33,609,174 | 7.200% | 2,419,861 |
| City of Hawthorne Community Facilities District No. 2004-1 | 2,240,000 | 100% | 2,240,000 |
| City of Hawthorne Community Facilities District No. 2006-1 | 7,340,000 | 100% | 7,340,000 |
| TOTAL GROSS OVERLOPPING TAX & ASSESSMENT DEBT | | | $ 315,137,221 |
| Less: Los Angeles Unified School District supported general obligation bonds | | | $ 438,169 |
| TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT | | | $ 314,699,052 |
| DIRECT AND OVERLAPPING GENERAL FUND DEBT: | | | |
| Los Angeles County General Fund Obligations | $ 3,036,637,390 | 0.546% | $ 16,580,040 |
| Los Angeles County Superintendent of Schools Certificates of Participation | 2,331,775 | 0.546% | 12,731 |
| Los Angeles Unified School District Certificates of Participation | 225,010,000 | 0.095% | 213,760 |
| Centinela Valley Union High School District Certificates of Participation | 4,895,000 | 58.991% | 2,887,609 |
| Inglewood Unified School District Certificates of Participation | 975,000 | 0.030% | 293 |
| Wiseburn Unified School District General Fund Obligations | 10,220,476 | 14.694% | 1,501,797 |
| Hawthorne School District Certificates of Participation | 9,730,000 | 97.312% | 9,468,458 |
| Lennox School District Certificates of Participation | 3,105,000 | 7.200% | 223,560 |
| City of Hawthorne General Fund Obligations | 47,424,974 | 100% | 47,424,974 |
| City of Hawthorne Pension Obligation Bonds | 105,600,000 | 100% | 105,600,000 |
| Lease and SBITA | 1,173,470 | 100% | 1,173,470 |
| TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT | | | $ 185,086,691 |
| OVERLAPPING TAX INCREMENT DEBT (Successor Agency): | $ 13,540,000.00 | 100% | $ 13,540,000 |
| TOTAL DIRECT DEBT | | | $ 154,198,444 |
| TOTAL GROSS OVERLAPPING DEBT | | | $ 359,565,468 |
| TOTAL NET OVERLAPPING DEBT | | | $ 359,127,299 |
| | | (2) | $ 513,763,912 |
| | | | $ 513,325,743 |

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated b determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2024-25 Assessed Valuation:

| | |
|---|---|
| Total Gross Overlapping Tax and Assessment Debt | 2.75% |
| Total Net Overlapping Tax and Assessment Debt | 2.74% |
| Total Direct Debt ($154,198,444) | 1.34% |
| Gross Combined Total Debt | 4.43% |
| Net Combined Total debt | 4.43% |

Ratios to Redevelopment Successor Agency Incremental Valuation ($2,782,924,355):

| | |
|---|---|
| Total Overlapping Tax and Assessment Debt | 0.47% |

## Demographic and Economic Statistics
## Last Ten Calendar Years

| Fiscal Year | Square Miles | Population | Population Percentage Change | Personal Income (In Thousands) | Per Capita Personal Income (1) | Unemployment Rate (2) |
|---|---|---|---|---|---|---|
| 2015 | 6.08 | 88,003 | 1.52% | $ 1,755,987 | $ 19,954 | 6.0% |
| 2016 | 6.08 | 87,662 | -0.39% | 1,801,255 | 20,548 | 4.7% |
| 2017 | 6.08 | 88,772 | 1.27% | 1,841,485 | 20,744 | 5.2% |
| 2018 | 6.08 | 87,854 | -1.03% | 1,958,750 | 22,296 | 4.8% |
| 2019 | 6.08 | 86,903 | -1.08% | 2,078,695 | 23,920 | 4.4% |
| 2020 | 6.08 | 86,999 | 0.11% | 2,233,826 | 25,676 | 15.1% |
| 2021 | 6.08 | 86,841 | -0.18% | 2,219,718 | 25,561 | 10.4% |
| 2022 | 6.08 | 85,702 | -1.31% | 2,530,079 | 29,522 | 5.0% |
| 2023 | 6.08 | 85,566 | -0.16% | 2,821,044 | 32,969 | 4.8% |
| 2024 | 6.08 | 85,653 | 0.10% | 2,891,771 | 33,761 | 5.7% |

Sources:
HdL Coren & Cone

## Principal Employers
## Current Year and Nine Years Ago

| Employer | 2025 Number of Employees | 2025 Percent of Total Employment | 2017 Number of Employees | 2017 Percent of Total Employment |
|---|---|---|---|---|
| SpaceX - Space Exploration Technologies | 7,661 | 17.57% | 4,781 | 10.77% |
| Hawthorne School District | 1,063 | 2.44% | 801 | 1.80% |
| Wiseburn Unified School District | 530 | 1.22% | 357 | 0.80% |
| Amazon Fulfillment Center (includes Ring HQ) | 299 | 0.69% | | |
| OSI Systems Inc | 275 | 0.63% | 350 | 0.79% |
| Home Depot* | 257 | 0.59% | | 0.70% |
| Teledyne Relays | 254 | 0.58% | 309 | 0.74% |
| City of Hawthorne | 253 | 0.58% | 328 | |
| South Bay Ford | 174 | 0.40% | 225 | 0.51% |
| Hawthorne Healthcare and Wellness Center | 158 | 0.36% | | |
| Lithographix Inc | | | 242 | 0.55% |
| Costco Wholesale | | | 166 | 0.37% |
| Target | | | 150 | 0.34% |
| Total | 10,924 | 25.00% | 7,709 | 17.36% |
| Total City Employment (1) | 43,600 | | 44,400 | |

Source: MuniServices, LLC / Neumo

Source: FY2017, City of Hawthorne - ACFR Publication (Historical data is unavailable.)

(1) Total City Labor Force provided by EDD Labor Force Data.

Notes:

*Includes FT, and PT Employment

This page intentionally left blank.

## Full-time and Part-time Employees by Function
## Last Ten Fiscal Years

| Function/Program: | Fiscal Year 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| General government | 120 | 130 | 129 | 141 | 123 | 131 | 133 | 130 | 131 | 143 |
| Public safety | 112 | 100 | 99 | 97 | 98 | 94 | 97 | 88 | 90 | 91 |
| Public works, streets maint | 47 | 48 | 45 | 45 | 43 | 40 | 43 | 32 | 34 | 36 |
| Comm dev-planning, building, housing | 28 | 26 | 27 | 30 | 27 | 29 | 31 | 28 | 25 | 30 |
| Recreation & Comm-serv, parks | 84 | 99 | 92 | 100 | 90 | 89 | 71 | 88 | 85 | 121 |
| Total | 391 | 403 | 392 | 413 | 381 | 383 | 375 | 366 | 365 | 421 |

Source: City Finance Department.

## Operating Indicators by Function
## Last Ten Years

| Function/Program | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---|---|---|---|
| General Government: | | | | |
| Number of business licenses issued | 6,221 | 5,992 | 5,752 | 6,588 |
| Number of requests for public information | 152 | 223 | 201 | 179 |
| Number of new hires including part-time | 97 | 95 | 84 | 96 |
| Number of invoices processed | 9,478 | 21,887 | 20,958 | 19,501 |
| Public Safety: | | | | |
| Police: | | | | |
| Number of emergency calls | 51,402 | 40,002 | 39,703 | 40,658 |
| Fire: | | | | |
| Contracts with the Los Angeles | N/A | N/A | N/A | N/A |
| Highways and Streets: | | | | |
| Number of street lights added in current year | - | 1 | 2 | - |
| Number of traffic signals added in current year | - | 1 | - | 2 |
| Miles of streets swept | 15,184 | 15,184 | 15,184 | 15,184 |
| Storm drain structures cleaned and repaired | 993 | 993 | 993 | 997 |
| Culture and Recreation: | | | | |
| Number of facility rentals | 867 | 889 | 847 | 1,044 |
| Number of swim program participants | 24,280 | 25,494 | 30,625 | 30,520 |
| Number of adult sports participants | 80 | 80 | 30 | 2,458 |
| Number of youth sports participants | 577 | 605 | 701 | 3,490 |
| Number of senior nutrition program meals served | 18,750 | 18,750 | 16,841 | 17,290 |
| Community Development: | | | | |
| Number of building permits issued | 712 | 594 | 775 | 695 |
| Approximate number of building inspections conducted | 7,020 | 4,000 | 6,200 | 6,475 |
| Number of new business licenses issued | 839 | 764 | 669 | 930 |

Source: Various City Departments.

| 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|---|---|---|---|---|---|
| 6,001 | 6,016 | 5,351 | 5,910 | 6,308 | 5,556 |
| 188 | 276 | 233 | 387 | 353 | 435 |
| 39 | 80 | 62 | 62 | 86 | 55 |
| 19,486 | 18,842 | 19,218 | 19,533 | 19,638 | 20,261 |
| 42,221 | 42,395 | 41,298 | 40,508 | 40,655 | 37,421 |
| N/A | N/A | N/A | N/A | N/A | N/A |
| 3 | 1 | - | 1 | - | - |
| - | - | - | 1 | 1 | 1 |
| 15,184 | 15,184 | 15,184 | 15,184 | 15,184 | 15,184 |
| 997 | 997 | 997 | 997 | 997 | 997 |
| 300 | 95 | 1,350 | 1,325 | 1,295 | 1,152 |
| 11,757 | 21,352 | 18,043 | 19,056 | 19,990 | 21,052 |
| 1,708 | 200 | 2,972 | 3,052 | 2,056 | - |
| 2,442 | 200 | 4,268 | 4,986 | 5,830 | 3,895 |
| 13,125 | 34,272 | 29,120 | 29,120 | 28,564 | 25,982 |
| 644 | 802 | 629 | 359 | 130 | 197 |
| 4,000 | 3,323 | 4,180 | 3,399 | 5,967 | 6,405 |
| 686 | 531 | 479 | 150 | 468 | 654 |

**Capital Asset Statistics by Function/Program**
**Last Ten Fiscal Years**

| Function/Program | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|
| Public Safety: | | | | |
| Police (1) | | | | |
| Number of police stations | 1 | 1 | 1 | 1 |
| Number of emergency vehicles | 99 | 96 | 96 | 101 |
| Fire | | | | |
| Number of fire stations (1) | N/A | N/A | N/A | N/A |
| Number of emergency vehicles | N/A | N/A | N/A | N/A |
| Highways and Streets: | | | | |
| Miles of streets (2) | 91 | 91 | 91 | 91 |
| Number of street lights | 3,639 | 3,639 | 3,639 | 3,639 |
| Culture and Recreation: | | | | |
| Parks | 10 | 10 | 10 | 10 |
| Acres of park land | 50.38 | 50.38 | 50.38 | 47.14 |
| Pools | 1 | 1 | 1 | 2 |

Notes:
(1) The Fire station is owned by LA County. We contract the fire service

(2) The number includes both California Edison Owned street lights and street light owned by City of Hawthorne

Sources: Various City departments.

| 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| 1 | 1 | 1 | 1 | 1 | 1 |
| 113 | 105 | 105 | 113 | 118 | 118 |
| N/A | N/A | N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A | N/A | N/A |
| 91 | 91 | 91 | 91 | 91 | 91 |
| 3,639 | 3,645 | 3,645 | 3,645 | 3,645 | 3,645 |
| 10 | 10 | 10 | 10 | 10 | 10 |
| 47.14 | 57.06 | 57.06 | 57.06 | 57.06 | 57.06 |
| 2 | 2 | 2 | 2 | 2 | 2 |

This page intentionally left blank.

**AGENDA ITEM NO. 12.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Housing

---

**City Manager: Department Head:**



**SUBJECT:**
Approval of Memorandum of Understanding with the Los Angeles Dream Center for Homelessness Response Collaboration.

**RECOMMENDED MOTION:**
Staff recommends that the City Council:

1. Approve the Memorandum of Understanding (MOU) between the City of Hawthorne and the Los Angeles Dream Center; and
2. Authorize the City Manager to execute the MOU in a form approved by the City Attorney.

**DISCUSSION:**
**BACKGROUND**
On June 9, 2025, Hawthorne staff attended a site tour of the Los Angeles Dream Center to observe its homelessness outreach, case management, recovery services, food distribution, and transitional housing programs. The tour provided insight into the organization's operational capacity, service model, and potential alignment with the City's homelessness response efforts.

Following the visit, staff identified opportunities to formalize a collaborative framework that would enhance services for persons experiencing homelessness (PEH) within the City of Hawthorne.

The proposed MOU establishes a cooperative, non-binding framework to clarify roles, outline areas of collaboration, and promote coordinated service delivery consistent with each Party's mission and available resources.

**DISCUSSION**
The MOU outlines shared programmatic goals, including:
â€¢ Improving outreach and engagement to PEH within Hawthorne;
â€¢ Increasing access to supportive services and referrals;
â€¢ Enhancing coordination among service providers;
â€¢ Supporting City-led homelessness initiatives and events; and
â€¢ Exploring grant and funding opportunities when appropriate.

Subject to availability and capacity, the Los Angeles Dream Center may provide services such as:
â€¢ Street-based outreach and engagement;
â€¢ Case management and service navigation;
â€¢ Referrals to emergency shelter, transitional housing, and recovery programs;

â€¢ Food distribution and hunger relief;
â€¢ Clothing, hygiene, and basic needs assistance; and
â€¢ Life skills, employment readiness, and recovery-oriented programming.

The MOU also provides for collaboration during Monday PEH-focused events at the Hawthorne Memorial Center and other City-sponsored initiatives.
Importantly, the MOU:
â€¢ Is non-binding in nature;
â€¢ Does not obligate either Party to expend funds;
â€¢ Does not create a partnership or joint venture;
â€¢ Requires separate written agreements for any financial commitments or grant-funded activities; and
â€¢ Includes standard provisions related to confidentiality, indemnification, and compliance with applicable laws.

This agreement strengthens the City's ability to connect residents experiencing homelessness with established nonprofit service providers while maintaining fiscal and legal safeguards.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
This action supports the City's ongoing commitment to addressing homelessness through coordinated outreach, partnerships, and service alignment with qualified nonprofit organizations.

**FISCAL IMPACT:**
None.

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
Dream Center - Hawthorne MOU
Los Angeles Dream Center Presentation

# MORANDUM OF UNDERSTANDING (MOU)

This Memorandum of Understanding ("MOU") is entered into by and between the **Los Angeles Dream Center**, a California nonprofit public benefit corporation ("Dream Center"), and the **City of Hawthorne**, a California municipal corporation ("City"). Dream Center and City may be referred to individually as a "Party" and collectively as the "Parties."

## I. PURPOSE AND INTENT

The purpose of this MOU is to establish a cooperative and non binding framework for collaboration between the Parties to address the needs of persons experiencing homelessness ("PEH") within the City of Hawthorne. This MOU is intended to clarify roles, outline areas of collaboration, and promote coordinated service delivery consistent with each Party's mission, authority, and available resources.

Nothing in this MOU is intended to, nor shall it be construed to, create a partnership, joint venture, or agency relationship between the Parties, nor to obligate either Party to expend funds or enter into any contract.

## II. PROGRAMMATIC GOALS

The Parties share the following programmatic goals:

- To improve engagement and outreach to PEH in Hawthorne;
- To increase access to supportive services, referrals, and basic needs resources;
- To enhance coordination among service providers;
- To support City led initiatives and events focused on homelessness response; and
- To explore funding and resource opportunities that advance these objectives.

## III. AREAS OF COLLABORATION

Subject to available capacity, funding, and mutual agreement, the Parties may collaborate in the following areas:

### A. Outreach and Engagement

- Coordinated street based and site based outreach efforts within Hawthorne.
- Engagement activities designed to build trust and connect PEH to services.

## B. Dream Center Programmatic Services

The Dream Center may provide, as available and appropriate, the following services to PEH in Hawthorne:

- **Homeless Outreach and Engagement**
- **Case Management and Service Navigation**
- **Referrals to Emergency Shelter, Transitional Housing, and Recovery Programs**
- **Food Distribution and Hunger Relief Programs**
- **Clothing, Hygiene, and Basic Needs Support**
- **Life Skills, Employment Readiness, and Recovery Oriented Programming**

Services are provided at no guarantee of capacity and are subject to Dream Center policies and program eligibility requirements.

## C. Service Provider Coordination and Referrals

- Bi directional referrals between the Parties and partner agencies.
- Participation in care coordination meetings, case conferencing, or service alignment efforts when appropriate.

## D. Monday PEH Events at the Hawthorne Memorial Center

- Collaboration on PEH focused Monday events hosted at the Hawthorne Memorial Center.
- Dream Center participation as a service provider, resource partner, or outreach entity, subject to scheduling and space availability.

## E. City Driven Events and Vendor Opportunities

- Opportunities for Dream Center to participate as a vendor or nonprofit partner at City sponsored events.
- Outreach, service promotion, and resource distribution during such events, subject to City policies and approvals.

## F. Grant and Funding Collaboration (When Applicable)

- Exploration of joint or complementary grant applications.
- Any financial obligations, scope of work, or reporting requirements shall be governed by separate written agreements.

## G. Donations and In Kind Resources

- Coordination related to donated goods or in kind resources, subject to availability and applicable regulations.

# IV. ROLES AND RESPONSIBILITIES

## A. Los Angeles Dream Center

The Dream Center shall:

- Provide services consistent with its mission, capacity, and nonprofit status;
- Maintain all required licenses, insurance, and compliance obligations;
- Coordinate with the City and partner agencies as appropriate;
- Protect confidential client information in accordance with applicable law; and
- Bear sole responsibility for its staff, volunteers, and operations.

## B. City of Hawthorne

The City shall:

- Support coordination of homelessness response efforts within the City;
- Facilitate access to City led events and facilities as approved and appropriate;
- Provide communication and logistical coordination related to City initiatives;
- Maintain compliance with all applicable municipal, state, and federal laws.

# V. DATA SHARING AND CONFIDENTIALITY

The Parties acknowledge that any exchange of information involving PEH may be subject to confidentiality and privacy laws, including but not limited to HIPAA, HMIS requirements, and applicable state and federal regulations.

- No personally identifiable information shall be shared without proper authorization.
- Any data sharing shall occur only as permitted by law and, if necessary, pursuant to a separate written data sharing agreement.
- Each Party agrees to maintain the confidentiality of non public information received from the other Party.

# VI. INDEMNIFICATION AND LIABILITY

Each Party shall be responsible for the acts and omissions of its own officers, employees, agents, volunteers, and contractors. To the extent permitted by law, each Party agrees to indemnify, defend, and hold harmless the other Party from claims arising out of its own negligent or wrongful acts or omissions.

## VII. PRINCIPAL CONTACTS

Each Party shall designate a principal contact for coordination under this MOU.

**Los Angeles Dream Center**
Chase Garcia
Director of Transitions and Veterans Programs
(714) 605-2726
Email: cgarcia@dreamcenter.org

**City of Hawthorne**
Kimberly Mack
Director of Housing
(310) 349-1603
Email: kmack@cityofhawthorne.org

## VIII. TERM, AMENDMENT, AND TERMINATION

This MOU shall become effective on **February 24, 2026**, and shall remain in effect on an open-ended basis unless terminated by either Party upon written notice.

This MOU may be amended only by a written document signed by authorized representatives of both Parties.

## IX. NON-BINDING NATURE

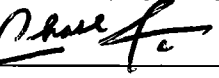
This MOU is not a contract and does not create enforceable financial or legal obligations. Any future agreements involving funding, services, or use of facilities shall be documented in separate written agreements approved by the appropriate authorities.

---

## X. SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding as of the dates set forth below.

**Los Angeles Dream Center Foundation**

Signature: 
Chase Garcia
Chief Program Officer
Date: 2/17/26

**City of Hawthorne**

Signature: _____
Vontray Norris
City Manager
Date: _____

**Authorized Representative (Third Signature)**

Signature: _____
David Caceres
Interim City Attorney
Date: _____

Los Angeles Dream Center

City of

# Hawthorne

Presentation - 2026



www.dreamcenter.org

Our Company

# Vision And Mission

## Our Vision

We envision a community where every person has the opportunity to rise above struggles, realize their potential, and live with purpose, hope, and dignity. Through service, outreach, and leadership development, we strive to create lasting impact, one life at a time, across Los Angeles and beyond.

## Our Mission

The Dream Center exists to transform lives and restore hope by providing free programs and resources that address homelessness, hunger, addiction, and life-controlling challenges. We empower individuals and families through education, mentorship, community, and hands-on support, enabling them to rebuild their lives and achieve lasting change.



Dream Center

# Discipleship

The Dream Center’s Discipleship recovery program is a one-year residential program designed to support men and women who are overcoming life-controlling issues, and recovering from drug and alcohol addictions, depression, and abuse. This program is structured to eliminate distractions so that participants can focus on building a healthy foundation to rebuild their lives. Food, housing, education, and mentorship, are all provided free of charge.

Dream Center

# Transitional Housing Programs



## Foster Youth

Roughly 20% of youth who age out of Foster Care end up homeless within the first two years? Dedicated to helping youths who have transitioned out of the foster care system, this program supports young adults (ages 18-26) by providing the resources for educational learning and job training, along with a supportive community and mentorship



## Veterans

The Dream Center Veterans Program is a one-year residential program designed to help equip male and female military veterans with the spiritual, practical, and foundational skills needed to transition back into civilian life. In collaboration with local organizations, volunteers, and the Dream Center community, and by providing individualized assistance, the program enables veterans to develop positive social skills, build life skills, find employment resources, continue in education, learn to utilize veterans' benefits, and grow in a like-minded environment.

www.dreamcenter.org

Dream Center

# Family Floors

Thousands of struggling homeless families have found refuge through our Transitional Housing Program for Homeless Families. This program provides the opportunity for struggling homeless families to gain support in spiritual, emotional, educational, financial and vocational areas, while establishing stability and engaging in community. To equip these families, especially parents, for long-term success, this program focuses on building a strong foundation and provides opportunities to transition out with a healthy and sustainable future.



www.dreamcenter.org

On-site

# Food Ministries

## DC Diner

The Food Ministry is a cornerstone of the Dream Center's Food & Essential Resources pillar, encompassing the operations of the Food Bank and the DC Diner. It exists to alleviate hunger, provide consistent access to nutritious meals, and foster relational connection. The Diner gives out more then 1,000 meals daily







## DC Food Bank

The Dream Center's Food Bank aims to meet the surrounding community's basic food needs while supporting individuals' transitions to a more sustainable lifestyle. Every month, over half a million pounds of food gets distributed to various communities through the Dream Center's programs including Food Truck outreach and Carey Kitchen, as well as other service-led organizations.

Dream Center

# Clothing Outreach

Our vision is to build a compassionate Los Angeles where every person — regardless of housing status or income level — has access to clean, suitable clothing that restores dignity, supports well-being, and fosters confidence. In a region where an estimated 75,000+ individuals experience homelessness on any given night and many more families struggle with poverty and clothing insecurity, we envision a network of community-driven clothing support that reaches every neighborhood in need.



Dream Center

# Adult Education

The Adult Education program provides free individualized GED tutoring, life skills classes, job readiness classes, and additional coaching to Dream Center program residents. This program is also available to the general public. By providing a safe, supportive learning environment with qualified tutors, teachers, and coaches, adults are enabled to pursue higher education, successful careers, financial stability, and brighter futures.




www.dreamcenter.org

Dream Center

# Care Management

The vision of the Care Team is to provide holistic, trauma-informed, and faith-centered support to vulnerable populations navigating instability and transition. We are committed to walking alongside families, individuals in recovery, veterans, and foster youth experiencing homelessness addressing immediate crises while equipping clients with practical tools, life skills, resources, and spiritual support necessary for long-term stability and restored purpose.

The Care Team seeks to break cycles of homelessness, addiction, disconnection, and generational trauma by offering compassionate, Christ-centered care grounded in dignity, accountability, and hope, in alignment with the Dream Center's Leadership Declaration.



# California Psychological Services



California Psychological Services is a family-owned and operated therapy practice that is committed to providing high quality, person-centered, accessible mental health services in order to share the Good News of the Gospel of Jesus Christ. Our mission is to meet those in need of care with quality services regardless of where they are in their faith journey. For those that are not interested in receiving Gospel-centered services, we provide services that respect their desire for care that is rooted in clinical best practice while not proselytizing, but embodying the love of Christ through providing compassion to those that are hurting. For those that desire to overtly incorporate the power of the Gospel into their services, we train clinicians to fully integrate the Gospel and Christian practices into their services. We commit to provide care that is accessible by joining all insurance networks, including Medi-Cal, so that people can use their benefits to access high quality, faith integrated services. Further, we strive to provide the best training and development to faith-based Clinicians in order to increase the number of mental health practitioners that can confidently integrate the power of the Gospel into their clinical work.

Dream Center

# Off-site Outreaches



## Food Truck

An estimated 2 million people in Los Angeles county live with food insecurity, which means 1 in 5 people who live here may not know where their next meal is coming from (Los Angeles Regional Food Bank, 2019). The Dream Center addresses this need by distributing food to individuals and families through multiple local distribution sites. On average, our food programs feed more than 20,000 people monthly. Over the course of a year, more than 500,000 bags of groceries are distributed.



## Foster Care Intervention

The Foster Care Intervention team works with individual families who have open cases with the Department of Children and Family Services. We help families stay together by providing basic necessities and in many cases, the furniture they need. Our goal in partnering with DCFS is to help loving families avoid separation, provide support families who are in the process of reunification and ultimately help close their case.

DREAMCENTER



# CONTACT US

(213) 273-7000

2301 Bellevue Ave. Los Angeles, CA 90026

info@dreamcenter.org

www.dreamcenter.org



**AGENDA ITEM NO. 13.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Police Department

---

**City Manager: Department Head:**

**SUBJECT:**
Approval of Agreement with LA CADA for Homeless Outreach and Related Services; Appropriation of $100,000.00 from Opioid Settlement Funding.

**RECOMMENDED MOTION:**
Staff recommends that the City Council approve the one-year agreement between the City of Hawthorne and LA CADA (Los Angeles Centers for Alcohol and Drug Abuse) for homeless outreach and transportation services, and appropriating $100,000.00 from Opioid Settlement funding.

**DISCUSSION:**
The Hawthorne Police Department has maintained a longstanding and highly effective collaboration with LA CADA, a nonprofit organization specializing in behavioral health, addiction treatment, and homeless outreach services. Over several years, this partnership has successfully provided homeless outreach and transportation to unhoused individuals in the community. LA CADA has demonstrated exceptional professionalism, effectiveness, and dedication in supporting the Department's homeless outreach efforts.

To continue and formalize this partnership, staff proposes entering into a one-year agreement with LA CADA for the following services:

â€¢ Homeless outreach services five (5) days per week, from 6:00 AM to 9:00 AM, working directly alongside the Hawthorne Police Department's homeless outreach program.

â€¢ Transportation of unhoused individuals seeking treatment, along with documentation of daily activities (typically occurring after 9:00 AM).

Funding for this program is available through Opioid Settlement funds, with approximately $100,000.00 anticipated annually for these allowable expenses (consistent with guidelines for abatement activities related to opioid impacts, including support for unhoused individuals affected by substance use). The agreement is for one year in the amount of $100,000.00.

The attached document outlining allowable expenses under the Opioid Settlement funding supports the use of these funds for this purpose. The proposed agreement will include scope of services, performance metrics, and other standard terms to ensure accountability and effectiveness.
This partnership has proven highly beneficial to the City's unhoused residents by facilitating connections to treatment, housing resources, and support services.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
N/A

**FISCAL IMPACT:**

Appropriation of $100,000.00 from the Opioid Settlement Fund. There will be no impact to the General Fund.

**NOTICING PROCEDURE:**

72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**

Agreement with LA CADA
CA-OSF-Allowable-Expenses

**CITY OF HAWTHORNE**

**AGREEMENT FOR CONSULTANT SERVICES**

**THIS CONSULTANT AGREEMENT** ("Agreement") is made and effective as of February 1, 2026 between the City of Hawthorne Police Department ("City") and Los Angeles Centers for Alcohol and Drug Abuse, a California nonprofit public-benefit corporation ("L.A. CADA" or "Consultant") (collectively, the "Parties"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

This Agreement shall commence on February 1, 2026, and shall remain in effect for one (1) year through January 31, 2027 ("Initial Term").

The Agreement may be renewed annually upon the City's review and approval of the Consultant's performance and compliance with the terms of this Agreement.

The City shall have the option, at its sole discretion, to extend the Agreement for one (1) additional one-year term, allowing the Agreement to be extended through January 31, 2028. To exercise this option, the City shall provide Consultant with written notice of its intent to extend at least ninety (90) days prior to the expiration of the Initial Term.

Upon the City's provision of such notice, mutual agreement by the Parties on applicable work items and rates, and approval by the City Council, the Agreement shall be extended for an additional twelve (12) months.

2. **SERVICES**

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full, as part of its services. Consultant may be asked to provide additional services if necessary during the term of this Agreement, in which case, the Parties will mutually agree upon such additional services, specifically as to the scope of work and compensation therefor, in a signed Amendment to this Agreement.

3. **PERFORMANCE**

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **PAYMENT**

(a) The City agrees to pay Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full, according to the Annual Contract Sum and Monthly Fee reflected in the Schedule of Compensation and Budget indicated in Exhibit C of this Agreement, unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the Chief of Police. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the Chief of Police and at the time the City's written authorization is given to Consultant for the performance of said services. Any such additional services will also be memorialized in an Amendment to this Agreement signed by all Parties.

(c) Consultant will submit invoices to support City's payment of the Monthly Fee per the Schedule of Compensation in Exhibit C hereto. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

5. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least thirty (30) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the pro-rated portions of any outstanding amounts of the Monthly Fee owed for services rendered up to the time of termination. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City.

6. **DEFAULT OF CONSULTANT**

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue

compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the Chief of Police or his delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

7. **OWNERSHIP OF DOCUMENTS**

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant.

8. **INDEMNIFICATION**

(a) When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("City Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) City hereby agrees to, and shall hold Consultant, its officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for breach of confidentiality or property damage which may arise from City's negligent acts, errors or omissions in the performance of this Agreement. City agrees to and shall defend Consultant and its officers, agents and employees from any suits or actions at law or in equity for damage caused, or alleged to have been caused, by reason of any of the aforesaid negligent acts, errors or omissions by City.

9. **INSURANCE (see also Exhibit B, attached hereto)**

A) Consultant shall maintain in-force: Professional Liability Insurance. Consultant shall maintain in-force; Professional Liability Insurance (and/or Errors & Omissions Insurance) with minimum limits of liability of $1,000,000 combined single limit coverage against an injury, death, loss or damages because of wrongful or negligent acts or omissions by the named insured.

B) Contractor shall maintain in-force Workers' Compensation and Employer's Liability Insurance as required by the California Labor Code. Evidence of coverage shall take the form of a Certificate of Insurance or a California Certificate to Self-Insure. Acceptable minimum limits for this coverage are: Workers' Compensation; Statutory in California; Employer's Liability: $1,000,000.

C) Certificates of Insurance. Contractor shall furnish to Customer evidence of any insurance required by this Agreement. A Certificate of Insurance from an insurer admitted to do business in the State of California will be provided, indicating that the respective policy(s) meets the following requirements: (1) The City, its officers, and employees shall be named as additional insured on the General Liability Insurance; (2) Insurance shall not be canceled or terminated without 30 days written notice; (3) General Liability shall be primary and any insurance held by City for its own protection shall be excess and shall be effective only upon exhaustion of Contractor's insurance; (4) Insurance shall be maintained for the duration of the Agreement,

including any period extended beyond the expiration date of this Agreement required to complete performance as stipulated in this Agreement and all amendments thereto.

10. **INDEPENDENT CONSULTANT**

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

11. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

12. **UNDUE INFLUENCE**

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City of Hawthorne in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Hawthorne will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

13. **NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

14. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

15. **CONFIDENTIALITY AGREEMENT**

During the course of this Agreement, Consultant may provide the City with certain information or material, including oral disclosure of information which will be deemed “Confidential”. Except as required by law, the City shall receive and hold such information in confidence and agrees to use reasonable effort to prevent its disclosure to third parties. This obligation will continue in effect for two (2) years after expiration or termination of the Agreement. The City will not consider information disclosed to it by Consultant as confidential if such information: (1) is now public knowledge or subsequently becomes such through no breach of this Agreement; (2) is rightfully in City’s possession prior to Consultant’s disclosure as shown by written records; (3) is rightfully disclosed to City by a third party; (4) is independently developed by or for City without reliance upon confidential information received from Consultant; or (5) was created, maintained, and/or

transmitted to City by Consultant at City's express request in furtherance, and during the course of, Consultant's performance of services under this Agreement.

Notwithstanding the foregoing, all client and/or patient data received by City from Consultant will be maintained in accordance with the requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, "HIPAA"), as well as 42 C.F.R. Part 2 *et seq*.

16. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City because of the personal nature of the services to be rendered pursuant to this Agreement.

17. **LICENSES**

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

18. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Hawthorne.

19. **ENTIRE AGREEMENT**

This Agreement, and any attachments and/or exhibits hereto, contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

20. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of

the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed the day and year first above written.

| CITY OF HAWTHORNE: | CONSULTANT: |
|---|---|
| _____ | By:_____ |
| **Vontray Norris** | **Name: Juan Navarro** |
| *City Manager* | *Chief Executive Officer* |
| City of Hawthorne | Los Angeles Centers for Alcohol and Drug Abuse |
| APPROVED AS TO FORM: | ATTEST: |
| _____ | _____ |
| **David Caseras** | **Dayna Williams-Hunter** |
| *City Attorney* | *City Clerk* |
| City of Hawthorne | City of Hawthorne |

# EXHIBIT A

**Program Description**

The City of Hawthorne is partnering with Los Angeles Centers for Alcohol and Drug Abuse (L.A. CADA), a nonprofit provider of comprehensive behavioral healthcare services addressing substance use disorders, mental health conditions, trauma, and other factors contributing to homelessness.

This proposal aligns with State of California Department of Health Care Services (DHCS) guidance on allowable uses of California Opioid Settlement funds. The Scope of Work advances High Impact Abatement Activities (HIAA) by addressing the needs of communities of color and other vulnerable populations—including sheltered and unsheltered individuals—who are disproportionately impacted by substance use disorders (SUD).

Specifically, this Scope of Work supports High Impact Abatement Activity #3 by providing targeted outreach and linkage to treatment for unsheltered individuals experiencing homelessness in the City of Hawthorne. L.A. CADA will deploy two Homeless Outreach staff (Project Lead Coordinator and Outreach Navigator) to conduct street-based outreach and transportation services for individuals experiencing homelessness Monday through Friday, between 6:00 a.m. and 9:00 a.m.

**Program Purpose**

Los Angeles Centers for Alcohol and Drug Abuse (L.A. CADA) shall provide targeted homeless outreach and substance use disorder (SUD) engagement services within the City of Hawthorne. The purpose of this Scope of Work is to mitigate opioid-related harms, reduce overdose risk, and expand access to evidence-based SUD treatment for unsheltered individuals disproportionately impacted by substance use, in alignment with Measure H objectives and High Impact Abatement Activities (HIAA) under the California Opioid Settlement.

**Eligible Activities and Service Model**

**A. Street-Based Outreach and Engagement**

L.A. CADA outreach staff shall conduct proactive, field-based outreach to unsheltered individuals, including regular visits to encampments and other locations where individuals experiencing homelessness reside. Outreach activities shall include, but are not limited to:

- Engagement of individuals experiencing homelessness who are not otherwise connected to services
- Distribution of harm-reduction supplies and overdose prevention education
- Screening for substance use disorder and co-occurring behavioral health needs
- Immediate linkage to treatment, housing navigation, and supportive services
- Transportation of individuals to linkages or treatment services

Opioid Settlement Alignment (Primary):

L.A. CADA employees will provide outreach and resources to the unsheltered homeless population in Hawthorne to provide treatment and resources for a population disproportionately impacted by SUD and homelessness, in line with High Impact Abatement Activity #3.

**B. Linkage to SUD Treatment and Abatement Services**

L.A. CADA shall provide active care coordination to guide engaged individuals into the SUD treatment continuum, prioritizing services funded or supported through Measure H and opioid settlement resources. Services include:

- Referral and warm handoff to outpatient, residential, and withdrawal management programs
- Coordination with medication-assisted treatment (MAT) providers, including opioid use disorder treatment
- Connection to mental health services, primary care, and crisis response as appropriate
- Housing navigation and stabilization services that support treatment engagement

As part of this engagement model, homeless outreach staff will visit encampments to provide resources and guide clients to SUD treatment infrastructure, expanding access to treatment for SUD in line with High Impact Abatement Activity #2.

**C. Case Management and Continuity of Care**

L.A. CADA shall provide short-term case management and follow-up services to ensure continuity of care and sustained engagement, including:

- Ongoing contact following referral or treatment entry
- Coordination with treatment providers, housing navigators, and community partners
- Re-engagement efforts for individuals who disengage from services

These activities directly support Measure H goals of reducing chronic homelessness and stabilizing individuals with high-acuity SUD needs.

**Performance Management and Reporting**

L.A. CADA shall implement program oversight and quality assurance practices consistent with Measure H and opioid settlement reporting expectations, including:

- Tracking outreach contacts, referrals, and treatment linkages
- Monitoring engagement outcomes and service utilization
- Participation in coordination meetings with City staff as requested
- Submission of weekly program reports documenting abatement-related activities
- Submission of comprehensive quarterly reports summarizing outcomes and performance

**Coordination with City and Community Partners**

L.A. CADA shall coordinate with City departments, law enforcement, emergency medical services, and community-based organizations to ensure integrated service delivery, avoid duplication of services, and maximize the impact of Measure H and opioid settlement resources.

**Compliance and Allowable Use of Funds**

All services under this Scope of Work shall comply with the City of Hawthorne Agreement, Exhibit A, and applicable Measure H and California Opioid Settlement requirements. Funds shall be used exclusively for eligible abatement activities, including outreach, engagement, treatment linkage, and care coordination services targeting individuals impacted by opioid and other substance use disorders.

# SCOPE OF WORK

# EXHIBIT B

## INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

**Commercial General Liability Insurance** using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the equivalent. Limits are subject to review but in no event less than $1,000,000 per occurrence.

**Professional Liability Coverage**. Consultant shall maintain in-force Professional Liability Insurance (and/or errors & Omissions Insurance) for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations be by the Consultant or by its employees, or subconsultants. The amount of this insurance shall not be less than one million dollars ($ 1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

# EXHIBIT C

## SCHEDULE OF COMPENSATION

**1.** Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in this Section. The total annual compensation will be **One Hundred Thousand Dollars ($100,000.00) USD** per year (the "Annual Contract Sum") unless additional compensation is approved pursuant to Section 2. The Annual Contract Sum is all inclusive and covers all labor, materials, direct and indirect costs, and expenses necessary for Consultant to provide services under this Agreement.

**2.** City acknowledges and agrees that it shall pay compensation under this Agreement on a monthly, flat rate basis. This method of compensation is calculated by dividing the Annual Contract Sum by twelve (12) months. For example, Consultant will receive monthly compensation in the amount of **$8,333.33 USD** (the "Monthly Fee") per month during the course of this Agreement.

# CALIFORNIA OPIOID SETTLEMENTS

## Allowable Expenditures

On July 21, 2021, California Attorney General Rob Bonta announced the final settlement agreements with prescription opioid manufacturer Janssen Pharmaceuticals and pharmaceutical distributors McKesson, Cardinal Health, and AmerisourceBergen (the Distributors). These were the first of several opioid settlements that will provide substantial funds for the remediation of the opioid crisis in California.

This document is intended to provide guidance for California's cities and counties (otherwise known as Participating Subdivisions) that receive funds from the California Abatement Accounts Fund through current and future California Opioid Settlements.[1]

This resource includes three sections:

- Section 1: Use of California (CA) Abatement Accounts Fund
- Section 2: High Impact Abatement Activities (HIAA)
- Section 3: List of Opioid Remediation Uses (Exhibit E) – Core Strategies and Approved Uses

Questions about the applicability of strategies to expend funds received from the CA Abatement Accounts Fund can be directed to DHCS at OSF@dhcs.ca.gov.

[1] Opioid settlements in this instance refers to final and proposed agreements between the State of California and opioid distributors and manufacturers: Janssen Pharmaceuticals and Johnson & Johnson (collectively "Janssen"); McKesson, Cardinal Health, and AmerisourceBergen (collectively, Distributors); Teva; Allergan; and pharmacies Walgreens, Walmart, and CVS (collectively, The Pharmacies), as well as any future opioid settlement agreements which follow the structure of these agreements.

# Section 1: Use of California (CA) Abatement Accounts Fund

Funds from the California Opioid Settlements are intended to support opioid remediation activities. As defined in the National Opioid Settlement Agreements, opioid remediation is the "care, treatment, and other programs and expenditures designed to (1) address the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid crisis."

Pursuant to the California State-Subdivision Agreements, funds from the CA Abatement Accounts Fund must be used for opioid remediation activities in one or more of the areas described in Exhibit E of the National Opioid Settlement Agreements. Section 3 of this document provides a copy of Exhibit E, which is divided into Schedule A and Schedule B strategies. Schedule A provides a list of core opioid remediation strategies identified through the National Opioid Settlements, while Schedule B provides a list of additional opioid remediation strategies identified through the settlements.

Pursuant to the National Opioid Settlement Agreements, funds from the CA Abatement Accounts Fund may also be used to support reasonable related administrative expenses for opioid remediation activities.

# Section 2: High Impact Abatement Activities (HIAA)

California state officials, in partnership with counsel representing cities and counties, have agreed on a list of opioid remediation activities to prioritize within the State of California. These priorities, referred to as High Impact Abatement Activities (HIAA), can be found in the respective California State-Subdivision Agreements. Many of the activities listed in Exhibit E of the National Opioid Settlement Agreements can qualify as HIAA, depending on their focus.

Pursuant to the California State-Subdivision Agreements, **no less than fifty percent (50%)** of the funds received by a Participating Subdivision in each calendar year from the CA Abatement Accounts Fund will be used for one or more of the HIAA listed below:

**Table 1: High Impact Abatement Activities (HIAA)**

| No. | Activity |
|---|---|
| **1** | Provision of matching funds or operating costs for substance use disorder (SUD) facilities within the Behavioral Health Continuum Infrastructure Program (BHCIP) |
| **2** | Creating new or expanded SUD treatment infrastructure[2] |
| **3** | Addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD |
| **4** | Diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction |
| **5** | Interventions to prevent drug addiction in vulnerable youth |
| **6** | The purchase of naloxone for local entities including for distribution and efforts to expand access to naloxone for opioid overdose reversals. |

## Section 3: List of Opioid Remediation Uses – Core Strategies and Approved Uses

Participating Subdivisions shall choose from among the opioid remediation strategies listed in "Approved Uses" (Schedule B) of Exhibit E, which are listed below. However, priority should be given to the following core opioid remediation strategies ("Core Strategies" (Schedule A)).

Pursuant to the National Opioid Settlement Agreements, words like "expand," "fund," or "provide" shall not indicate a preference for new or existing programs.

[2] May include cost overrun for BHCIP programs as needed.

## Core Strategies (Schedule A)

**A. Naloxone or Other FDA-Approved Drug to Reverse Opioid Overdoses**

1. Expand training for first responders, schools, community support groups and families; and
2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.

**B. Medication-Assisted Treatment (MAT) Distribution and Other Opioid-Related Treatment**

1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;
2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;
3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and
4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

**C. Pregnant and Postpartum Women**

1. Expand Screening, Brief Intervention, and Referral to Treatment (SBIRT) services to non-Medi-Cal eligible or uninsured pregnant women;
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for women with co-occurring Opioid Use Disorder (OUD) and other SUD/Mental Health disorders for uninsured individuals for up to 12 months postpartum; and
3. Provide comprehensive wrap-around services to individuals with OUD, including housing, transportation, job placement/training, and childcare.

**D. Expanding Treatment for Neonatal Abstinence Syndrome (NAS)**

1. Expand comprehensive evidence-based and recovery support for NAS babies;
2. Expand services for better continuum of care with infant-need dyad; and
3. Expand long-term treatment and services for medical monitoring of NAS babies and their families.

**E. Expansion Of Warm Hand-Off Programs and Recovery Services**

1. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments;
2. Expand warm hand-off services to transition to recovery services;
3. Broaden scope of recovery services to include co-occurring SUD or mental health conditions;
4. Provide comprehensive wrap-around services to individuals in recovery, including housing, transportation, job placement/training, and childcare; and
5. Hire additional social workers or other behavioral health workers to facilitate expansions above.

**F. Treatment for Incarcerated Population**

1. Provide evidence-based treatment and recovery support, including MAT for persons with OUD and co-occurring SUD/MH disorders within and transitioning out of the criminal justice system; and
2. Increase funding for jails to provide treatment to inmates with OUD.

**G. Prevention Programs**

1. Funding for media campaigns to prevent opioid use (similar to the FDA's "Real Cost" campaign to prevent youth from misusing tobacco);
2. Funding for evidence-based prevention programs in schools;
3. Funding for medical provider education and outreach regarding best prescribing practices for opioids consistent with the 2016 CDC guidelines, including providers at hospitals (academic detailing);
4. Funding for community drug disposal programs; and
5. Funding and training for first responders to participate in pre-arrest diversion programs, post-overdose response teams, or similar strategies that connect at-risk individuals to behavioral health services and supports.

**H. Expanding Syringe Service Programs**

1. Provide comprehensive syringe services programs with more wrap-around services, including linkage to OUD treatment, access to sterile syringes and linkage to care and treatment of infectious diseases.

**I. Evidence-Based Data Collection and Research Analyzing the Effectiveness of the Abatement Strategies Within the State**

## Approved Uses (Schedule B)

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder (SUD) or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

### Part I: Treatment

**A. TREAT OPIOID USE DISORDER (OUD)**

Support treatment of OUD and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of MAT approved by the U.S. Food and Drug Administration.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (ASAM) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MAT, as well as counseling, psychiatric support, and other treatment and recovery support services.
4. Improve oversight of Opioid Treatment Programs (OTPs) to assure evidence- based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.
5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.

7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.
8. Provide training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including tele-mentoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.
10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Offer scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (DATA 2000) to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Disseminate of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.
14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication– Assisted Treatment.

## B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.

3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.
4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved mediation with other support services.
5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.
10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.
11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

## C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)

Provide connections to care for people who have — or are at risk of developing — OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund SBIRT programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.
3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.
6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.
7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.
8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co- occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid- related adverse event.

10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace
14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

## D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
    1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative (“PAARI”);
    2. Active outreach strategies such as the Drug Abuse Response Team (“DART”) model;
    3. “Naloxone Plus” strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
    4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion (“LEAD”) model;

5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.

2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.
3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.
4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co- occurring SUD/MH conditions who are incarcerated in jail or prison.
5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co- occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
6. Support critical time interventions ("CTI"), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
7. Provide training on best practices for addressing the needs of criminal justice- involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

## E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with NAS, through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women—or women who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Provide training for obstetricians or other healthcare personnel who work with pregnant women and their families regarding treatment of OUD and any co- occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; and expand long-term treatment and services for medical monitoring of NAS babies and their families.
5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with NAS get referred to appropriate services and receive a plan of safe care.
6. Provide child and family supports for parenting women with OUD and any co- occurring SUD/MH conditions.
7. Provide enhanced family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.
8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
9. Offer home-based wrap-around services to persons with OUD and any co- occurring SUD/MH conditions, including, but not limited to, parent skills training.
10. Provide support for Children's Services — Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

## Part II: Prevention

### F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs ("PDMPs"), including, but not limited to, improvements that:
    i. Increase the number of prescribers using PDMPs;
    ii. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
    iii. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increasing electronic prescribing to prevent diversion or forgery.
8. Educating dispensers on appropriate opioid dispensing.

## G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Funding community anti-drug coalitions that engage in drug prevention efforts.
6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration ("SAMHSA").
7. Engaging non-profits and faith-based communities as systems to support prevention.
8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co- occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health

needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

## H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities providing free naloxone to anyone in the community.
3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.
7. Public education relating to immunity and Good Samaritan laws.
8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co- occurring SUD/MH conditions.
13. Supporting screening for fentanyl in routine clinical toxicology testing.

## Part III: Other Strategies

### I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid- related emergency events.

### J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH

conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.

## K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co- occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

## L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.
3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.
4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (e.g., Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring ("ADAM") system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.

**AGENDA ITEM NO. 14.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Public Works

---

**City Manager: Department Head:**

**SUBJECT:**
Progress Payment #2 in the amount of $167,152.50 due to Jermax Construction Inc. of San Fernando, CA for Holly Park Restroom Renovation (Project #25-07).

**RECOMMENDED MOTION:**
City staff recommends that the City Council approve this Progress Payment #2 for Jermax Construction Inc. of San Fernando, CA.

**DISCUSSION:**
This project involves the complete demolition and replacement of the existing restroom building at Holly Park. The new structure will be a multi-use facility that includes restrooms, a snack bar, office space, a storage room, a drinking fountain, and an electrical room. The project also includes upgrades to the surrounding landscape and site features to improve accessibility, sustainability, and overall functionality.

This progress payment includes work done for the sewer, concrete paving, plumbing, placement of CMU blocks, electrical work, digging for the irrigation system.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure. City departments shall continue to work cooperatively to ensure that improvements to infrastructure are kept apace of wear and tear.

**FISCAL IMPACT:**
None. Funds for this progress payment in amount of $167,152.50 is available in the adopted Fiscal Year 2025-2026 budget and will be paid through the Baldwin Hills and Urban Watersheds Conservancy Grant Program (Prop 40) and local shares.

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
Holly Park Restroom PP2

Honorable Mayor and City Council
City of Hawthorne
Hawthorne, CA 90250

February 24, 2026
Council Date

**RE: PROGRESS PAYMENT NO. 2 FOR Holly Park Restroom Renovation Project (Project #: 25-07)**

The following is a detailed breakdown of **Progress Payment No.2** due to Jermax Construction Inc., 11275 San Fernando Rd, San Fernando CA 91340, for work done on the subject project through February 28th, 2026.

| | Description | Contract Quantity | Unit | Unit Price | Contract Amount | Qty Previous | % Previous | Qty or % This estimate | $ Amount This Estimate | Total Qty or % to Date | Total $ Amount to Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | DEMOLITION, CLEARING AND GRUBBING / IMPLEMENTATION OF BMPS/SWPPP | 1 | LS | $68,500.00 | $68,500.00 | $ 68,500.00 | 100.0% | 0.0% | $ - | 100.0% | $ 68,500.00 |
| 2 | DRAINAGE | 1 | LS | $22,500.00 | $22,500.00 | $ 11,250.00 | 50.0% | 0.0% | $ - | 50.0% | $ 11,250.00 |
| 3 | SEWER | 1 | LS | $25,000.00 | $25,000.00 | $ 12,500.00 | 50.0% | 50.0% | $ 12,500.00 | 100.0% | $ 25,000.00 |
| 4 | CONCRETE PAVING | 1 | LS | $55,000.00 | $55,000.00 | $ 8,250.00 | 15.0% | 64.5% | $ 35,500.00 | 79.5% | $ 43,750.00 |
| 5 | PLUMBING | 1 | LS | $288,000.00 | $288,000.00 | $ 72,000.00 | 25.0% | 20.0% | $ 57,600.00 | 45.0% | $ 129,600.00 |
| 6 | PAINTING | 1 | LS | $30,000.00 | $30,000.00 | $ - | 0.0% | 0.0% | $ - | 0.0% | $ - |
| 7 | RESTROOM BUILDING | 1 | LS | $88,000.00 | $88,000.00 | $ 13,200.00 | 15.0% | 45.5% | $ 40,000.00 | 60.5% | $ 53,200.00 |
| 8 | ELECTRICAL | 1 | LS | $65,000.00 | $65,000.00 | $ 6,500.00 | 10.0% | 30.8% | $ 20,000.00 | 40.8% | $ 26,500.00 |
| 9 | PLANTING/LANDSCAPING | 1 | LS | $41,000.00 | $41,000.00 | $ - | 0.0% | 0.0% | $ - | 0.0% | $ - |
| 10 | IRRIGATION | 1 | LS | $30.00 | $51,000.00 | $ 5,100.00 | 10.0% | 10.0% | $ 5,100.00 | 20.0% | $ 10,200.00 |
| 11 | FLAG POLE REMOVAL AND INSTALLATION | 1 | LS | $15.00 | $35,000.00 | $ 5,250.00 | 15.0% | 15.0% | $ 5,250.00 | 30.0% | $ 10,500.00 |
| 12 | PROJECT CONSTRUCTION SIGN | 1 | EA | $950.00 | $10,000.00 | $ 10,000.00 | 100.0% | 0.0% | $ - | 100.0% | $ 10,000.00 |
| | **Total Contract Price** | | | | $ 779,000.00 | | | | | | |
| | | | | | | TOTAL | | | $ 175,950.00 | | $ 388,500.00 |
| | | | | | | LESS RETENTION | | | $ 8,797.50 | | $ 19,425.00 |
| | | | | | | LESS PREVIOUSLY PAID | | | | | $ 201,922.50 |
| | | | | | | **TOTAL AMOUNT DUE** | | | **$ 167,152.50** | | **$ 167,152.50** |

**TOTAL AMOUNT DUE THIS 2ND PROGRESS PAYMENT:**
Account # 332-6110-000-0-0-40514 $ 167,152.50

This **second** Progress Payment is hereby submitted for your review and approval.

**M. DAVID ESFANDI**
*Project Engineer*

# APPLICATION AND CERTIFICATE FOR PAYMENT

*AIA DOCUMENT G702/CMa*



| | | | | | |
|---|---|---|---|---|---|
| To Contractor: | Jermax Construction Inc. | PROJECT: | Holly Park | APPLICATION NO: | 2 |
| | 11275 San Fernando Rd | | 2058 W 120th st | PERIOD TO: | 2/15/2026 |
| | San Fernando CA 91340 | | Hawthorne CA 90250 | PROJECT NO: | 2507 |
| FROM SUBCONTRACTOR: | | | | SUBMITTED DATE: | |

Distribution to:
- [ ] OWNER
- [ ] ARCHITECT
- [X] CONTRACTOR

## CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

| | | | |
|---|---|---|---|
| 1. ORIGINAL CONTRACT SUM | | | $ 779,000.00 |
| 2. Net change by Change Orders | | | $ - |
| 3. CONTRACT SUM TO DATE (Line 1 ± 2) | | | $ 779,000.00 |
| 4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) | | | $ 388,500.00 |
| 5. RETAINAGE: | | | |
| a. 5 % of Completed Work (Column D + E on G703) | $ | 19,425.00 | |
| b. 5 % of Stored Material (Column F on G703) | $ | - | |
| Total Retainage (Lines 5a + 5b or Total in Column I of G703) | | | $ 19,425.00 |
| 6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total) | | | $ 369,075.00 |
| 7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) | | | $ 201,922.50 |
| 8. CURRENT PAYMENT DUE | | | $ **167,152.50** |
| 9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6) | $ | | 409,925.00 |

| CHANGE ORDER SUMMARY | ADDITIONS | DEDUCTIONS |
|---|---|---|
| Total changes approved in previous months by Owner | $0.00 | $0.00 |
| Total approved this Month | $0.00 | $0.00 |
| Totals: | $0.00 | $0.00 |
| Net Change by Change Order | $0.00 | |

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: _____ Date: 2/17/2026

State of: County of:

Subscribed and sworn to before me this day of

Notary Public:

My Commission expires:

AIA DOCUMENT G702/CMa · APPLICATION AND CERTIFICATION FOR PAYMENT · CONSTRUCTION MANAGER-ADVISER EDITION · 1992 EDITION · AIA · ©1992

THE AMERICAN INSTITUTE OF ARCHITECTS, 1745 NEW YORK AVE., N.W., WASHINGTON, DC 20006-5292

**CONTINUATION SHEET** **AIA DOCUMENT G703**

APPLICATION NUMBER: **1**
APPLICATION DATE: **2/15/2026**
PERIOD TO: **2/1/2026-2/28/2026**
PROJECT NO:

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached.
In tabulations below, amounts are stated to the nearest dollar.
Use Column I on Contracts where variable retainage for line items may apply.

| A. | | B. | C. | D. | E. | F. | G. | | H. | I. |
|---|---|---|---|---|---|---|---|---|---|---|
| ITEM NO. | CSI NUMBER | DESCRIPTION OF WORK | SCHEDULED VALUE | FROM PREVIOUS APPLICATION (D+E) | WORK COMPLETED | | TOTAL COMPLETED AND STORED TO DATE (D+E+F) | % (G/C) | BALANCE TO FINISH (C-G) | RETAINAGE |
| | | | | | WORK IN PLACE | STORED MATERIALS | | | | 5% |
| 1 | | DEMOLITION, CLEARING AND GRUBBING / IMPLEMENTATION OF BMPS/SWPPP | $ 68,500.00 | $ 68,500.00 | $ - | $ - | $ 68,500.00 | **100.0%** | $ - | $ 3,425.00 |
| 2 | | DRAINAGE | $ 22,500.00 | $ 11,250.00 | $ - | $ - | $ 11,250.00 | **50.0%** | $ 11,250.00 | $ 562.50 |
| 3 | | SEWER | $ 25,000.00 | $ 12,500.00 | $ 12,500.00 | $ - | $ 25,000.00 | **100.0%** | $ - | $ 1,250.00 |
| 4 | | CONCRETE PAVING | $ 55,000.00 | $ 8,250.00 | $ 35,500.00 | $ - | $ 43,750.00 | **79.5%** | $ 11,250.00 | $ 2,187.50 |
| 5 | | PLUMBING | $ 288,000.00 | $ 72,000.00 | $ 57,600.00 | $ - | $ 129,600.00 | **45.0%** | $ 158,400.00 | $ 6,480.00 |
| 6 | | PAINTING | $ 30,000.00 | $ - | $ - | $ - | $ - | **0.0%** | $ 30,000.00 | $ - |
| 7 | | RESTROOM BUILDING | $ 88,000.00 | $ 13,200.00 | $ 40,000.00 | $ - | $ 53,200.00 | **60.5%** | $ 34,800.00 | $ 2,660.00 |
| 8 | | ELECTRICAL | $ 65,000.00 | $ 6,500.00 | $ 20,000.00 | $ - | $ 26,500.00 | **40.8%** | $ 38,500.00 | $ 1,325.00 |
| 9 | | PLANTING/LANDSCAPING | $ 41,000.00 | $ - | $ - | $ - | $ - | **0.0%** | $ 41,000.00 | $ - |
| 10 | | IRRIGATION ** Digging | $ 51,000.00 | $ 5,100.00 | $ 5,100.00 | $ - | $ 10,200.00 | **20.0%** | $ 40,800.00 | $ 510.00 |
| 11 | | FLAG POLE REMOVAL AND INSTALLATION | $ 35,000.00 | $ 5,250.00 | $ 5,250.00 | $ - | $ 10,500.00 | **30.0%** | $ 24,500.00 | $ 525.00 |
| 12 | | PROJECT CONSTRUCTION SIGN | $ 10,000.00 | $ 10,000.00 | $ - | $ - | $ 10,000.00 | **100.0%** | $ - | $ 500.00 |
| 13 | | | | $ - | $ - | $ - | $ - | **#DIV/0!** | $ - | $ - |
| 14 | | | $ - | $ - | $ - | $ - | $ - | **#DIV/0!** | $ - | $ - |
| | | **ORIGINAL CONTRACT TOTAL:** | **$ 779,000.00** | **$ 212,550.00** | **$ 175,950.00** | **$ -** | **$ 388,500.00** | **49.9%** | **$ 390,500.00** | **$ 19,425.00** |
| 1 | | | $ - | $ - | $ - | $ - | $ - | **#DIV/0!** | $ - | $ - |
| 2 | | | $ - | $ - | $ - | $ - | $ - | **0.0%** | $ - | $ - |
| | | **CHANGE ORDER TOTAL:** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | 0.0% | **$ -** | **$ -** |
| | | **GRAND TOTALS:** | **$ 779,000.00** | **$ 212,550.00** | **$ 175,950.00** | **$ -** | **$ 388,500.00** | **49.9%** | **$ 390,500.00** | **$ 19,425.00** |

**AGENDA ITEM NO. 15.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Planning

---

**City Manager: Department Head:**

**SUBJECT:**
First Amendment to the Agreement Between the City of Hawthorne and MNS Engineers, Inc.

**RECOMMENDED MOTION:**
Approve the First Amendment to the MNS Engineers, Inc. contract with the City.

**DISCUSSION:**
MNS provides professional planning personnel services to fill vacancies in the Planning Department staffing. The Department has two vacancies previously beginning in June 2025. These vacancies consist of the Planning Technician and Planning Assistant positions. MNS was contracted to provide one planner to the City as of July, 2025, but the recruitment of permanent employees is taking much longer than anticipated. This amendment will provide funding to continue the contract staff services until the vacancies are filled or June 30, 2026, whichever comes first.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
Not applicable

**FISCAL IMPACT:**
TBD

**NOTICING PROCEDURE:**
None.

**ATTACHMENTS**
First Amendment
Agreement

**FIRST AMENDMENT**
**TO AGREEMENT BETWEEN THE CITY OF HAWTHORNE**
**AND MNS ENGINEERS, INC.**

THIS FIRST AMENDMENT TO THE AGREEMENT, for Professional Planning Services ("First Amendment"), is made and entered into this 25th day of February, 2026, by and between the City of Hawthorne ("City") and MNS ENGINEERS, Inc. ("Consultant").

## RECITALS

A. Reference is hereby made to the Contract dated June 24, 2025, ("Agreement") whereby Consultant agreed to provide the City with services listed in Exhibit "A" of the Agreement entitled "Scope of Services".

B. The Agreement provided for Consultant's services as stated in Exhibit "A" for a fee not to exceed $129,500.00.

C. Since the approval of the Agreement, the City wishes the Consultant to provide professional planning staffing services until two vacant positions in the Planning Department are filled or until June 30, 2026, whichever comes first.

D. Consultant has indicated in order to provide the additional services, the Agreement would need to be extended through June 30, 2026, and such additional services will exceed the maximum fee allowed under the Agreement.

E. This First Amendment amends Section 3(a) of the Agreement pertaining to "COMPENSATION" to increase the maximum fee for the contract period by $15,500.00 to a total of $145,000.00.

F Except as otherwise specifically amended herein in this First Amendment, all other terms and conditions contained in the original Agreement shall remain in full force and effect.

G. A copy of the Agreement is attached hereto and incorporated herein as Exhibit "B".

**NOW, THEREFORE**, in consideration of the foregoing Recitals, the agreement of the parties as set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Subsection (a) of Section 3 "COMPENSATION, METHOD OF PAYMENT, AND ADDITIONAL SERVICES" in the Agreement and amended in the First Amendment is hereby deleted and replaced by new subsection (a) of Section 3 which shall read as follows:

**3. <u>COMPENSATION, METHOD OF PAYMENT, AND ADDITIONAL SERVICES</u>**

(a) CITY shall pay CONSULTANT no more than ($145,000.00).

**IN WITNESS WHEREOF**, this First Amendment to the Agreement has been executed by their duly authorized representatives.

CITY OF HAWTHORNE

By:_____
Vontray Norris
City Manager

APPROVED AS TO FORM:

By:_____
David Caceres
City Attorney

MNS ENGINEERS, INC.

By:_____
Peter Minegar
Vice President-Planning

ATTEST:

By:_____
Dayna Williams-Hunter
City Clerk

**PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF HAWTHORNE AND MNS ENGINEERS, INC.**

This PROFESSIONAL SERVICES AGREEMENT ("AGREEMENT") is made and entered into this ____ day of _____, 2025, by and between the City of Hawthorne, a California municipal corporation and general law city ("CITY") and MNS Engineers, Inc., a California Corporation ("CONSULTANT") (Collectively, the "Parties"). This agreement is made with reference to the following:

**RECITALS**

A. CITY requested a proposal for professional services with respect to providing as-needed Contract Planning Services for the City's Planning Department.

B. CONSULTANT submitted a scope of work and a schedule of fees for the performance of such services, a true and correct copy of which is attached hereto as Exhibit "A" and by this reference made a part hereof.

C. CITY desires for CONSULTANT to provide professional services as described in Exhibit "A".

D. CONSULTANT represents in meeting its obligations under this AGREEMENT, CONSULTANT shall employ, generally accepted standards and practices utilized by persons engaged in providing services similar to or under similar circumstances to those required of CONSULTANT under this AGREEMENT.

**NOW, THEREFORE**, in consideration of the foregoing Recitals, the Agreement of the parties as set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

## 1. DEFINITIONS

The following definitions shall apply to the following terms, except where the context of this AGREEMENT otherwise requires:

(a) Services: CONSULTANT shall provide professional services as described in Exhibit "A", attached herein.

(b) Duration: Said AGREEMENT shall be effective from the date of execution of this AGREEMENT until December 31, 2025.

(c) Consultant: MNS Engineers, Inc., 3850 Vine Street, Riverside, CA 92507.

(d) City: 4455 w 126$^{th}$ St., Hawthorne, CA 90250

## 2. SCOPE OF SERVICES

(a) CONSULTANT shall forthwith undertake and complete the scope of work in accordance with Exhibit "A" hereto and all in accordance with any applicable law, ordinances, and guidelines, all to the reasonable satisfaction of CITY.

(b) CONSULTANT shall, at CONSULTANT'S sole cost and expense, secure and hire such other persons as may, in the opinion of CONSULTANT, be necessary to comply with the terms of this Agreement. In the event any such other persons are retained by CONSULTANT, CONSULTANT hereby warrants that such persons shall be fully qualified to perform services required hereunder. CONSULTANT further agrees that no subcontractor shall be retained by CONSULTANT, except upon the prior written approval of CITY.

## 3. COMPENSATION, METHOD OF PAYMENT, AND ADDITIONAL SERVICES

(a) CITY shall pay CONSULTANT no more than ($129,500.00).

(b) Payments to CONSULTANT shall be made by CITY in accordance with the invoices submitted by CONSULTANT, and such invoices shall be paid within thirty (30) days after said invoices are received by CITY. Each invoice shall detail work performed and charges. All charges shall be in accordance with CONSULTANT's proposal with respect to project expenses as set forth in Exhibit "A".

(c) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not be deemed to waive any defects in work performed by CONSULTANT.

## 4. CITY ASSISTANCE AND AVAILABILITY OF CITY RECORDS

(a) The CITY shall provide the following assistance to CONSULTANT as needed so CONSULTANT can perform the services described above:

(i.) Photographically reproducible copies of forms, documents, codes and other information, if available, which CONSULTANT considers necessary in order to complete the project.

(ii.) Such information as is generally available from CITY files applicable to the scope of work. Scope of Work.

(iii.) Assistance, if necessary, in obtaining information from other governmental agencies and/or private parties.

## 5. CONSULTANT'S BOOK OF RECORDS

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for five (5) years from the date of execution of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying at any time during regular business hours, upon written request by the CITY or CITY's designated representative. Copies of such documents or records shall be provided directly to the requesting party for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon. Such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where CITY or CONSULTANT has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, the CITY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to all parties to this AGREEMENT, as well as to their successors-in-interest and authorized representatives.

## 6. TERMINATION OF AGREEMENT

This AGREEMENT may be terminated without cause by CITY upon the giving of a written "Notice of Termination" to CONSULTANT upon thirty (30) days prior written notice or the CONSULTANT may terminate this contract upon thirty (30) days prior written notice. In the event this Agreement is so terminated, CONSULTANT shall be compensated on a pro-rata basis with respect to the percentage of the project completed as of the date of termination. In no event, however, shall CONSULTANT receive more than the maximum specified in paragraph 3(a), above. CONSULTANT shall provide to CITY any and all documents, data, studies, surveys, drawings, maps, models, photographs, and reports, whether in draft or final form, prepared by CONSULTANT as of the date of termination. CONSULTANT may not terminate this Agreement except for cause.

## 7. NOTICES AND DESIGNATED REPRESENTATIVES

(a) Any and all notices, demands, invoices, and written communications between the parties hereto shall be addressed as set forth in this paragraph. The below named individuals, furthermore, shall be those persons primarily responsible for the performance by the parties under this AGREEMENT:

To CITY
4455 West 126th Street,
Hawthorne, CA 90250
Attn: Director of Planning

To CONSULTANT
3850 Vine Street, Suite 110
Riverside, CA 92507

(b) Any such notices, demands, invoices, and written communications, shall be delivered by United States mail, and shall be deemed to have been received by the addressee forty-eight (48) hours after deposit thereof, postage prepaid and properly addressed as set forth above.

## 8. CONTINUITY OF PERSONNEL

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall notify CITY of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to any such performance. CITY shall not be responsible for time and costs associated with CONSULTANT's turnover or reassignment of staff.

## 9. STATUS OF CONSULTANT

(a) The parties hereto agree that CONSULTANT and its employers, officers and agents are independent contractors under this Agreement and shall not be construed for any purpose to be employees of CITY.

CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, employees or agents are in any manner officials, officers, employees or agents of CITY.

(c) The CONSULTANT or any of CONSULTANT's officers, employees or agents, shall not obtain any rights to retirement, health care or any other benefits that may otherwise accrue to CITY employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights.

## 10. LEGAL RESPONSIBILITIES

The CONSULTANT shall keep itself informed of applicable State and Federal laws and regulations, which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this AGREEMENT. The CONSULTANT shall at all times observe and comply with all such laws and regulations pursuant to sound professional practices including, but not limited to, possessing and maintaining all necessary licensing. CITY, and its officers and employees, shall not be liable at law or in equity occasioned by negligent failure of the CONSULTANT to comply with this Section.

## 11. NON-DISCRIMINATION

CONSULTANT shall not discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), sexual orientation, marital status, and denial of family care leave. CONSULTANT shall ensure that the evaluation and treatment of their employees and applicants for employment are free from discrimination and harassment. CONSULTANT shall comply with the provisions of the California Fair Employment and Housing Act (Government Code Section 12900, et seq.), and the regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285, et seq.). If applicable, CONSULTANT shall give written notice of their obligation under this clause to labor organizations with which they have a collective bargaining AGREEMENT or other AGREEMENT.

## 12. INDEMNIFICATION

To the fullest extent provided by law, CONSULTANT shall indemnify, hold harmless, and defend CITY, its officers, employees, elected and appointed officials, and volunteers from and against any and all claims and losses, costs or expenses for any damage resulting in death or injury to any person and/or injury or damage to any property resulting from any negligent act or omission of CONSULTANT or any of its officers, employees, agents, or subcontractors in the performance of this AGREEMENT. Such cost and expense shall include reasonable attorney fees.

## 13. CONFLICT OF INTEREST

(a) No CITY employee whose position with CITY enables such employee to influence the award of this AGREEMENT or any competing AGREEMENT, and no spouse or economic dependent of such employee, shall be employed in any capacity by the CONSULTANT or have any other direct or indirect financial interest in this AGREEMENT. No officer or employee of this CONSULTANT who may financially benefit from the performance of work hereunder shall in any way participate in the CITY's approval, or ongoing evaluation of such work, or in any way attempt to unlawfully influence CITY's approval or ongoing evaluation of such work.

(b) The CONSULTANT shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this AGREEMENT. The CONSULTANT warrants that it is not now aware of any facts that create a conflict of interest. If

the CONSULTANT hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the CITY. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this section shall be a material breach of this contract.

## 14. CONFIDENTIAL INFORMATION

All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without prior written authorization from the CITY, except as may be required by law.

## 15. INSURANCE

(a) During the course of the term of this AGREEMENT, CONSULTANT shall maintain Professional Liability Insurance in a combined single limit of not less than $2 million per claim or occurrence and $4 million in the aggregate. CONSULTANT shall also maintain General Liability Insurance in a combined single limit of not less than $2 million per claim or occurrence and $4 million in the aggregate.

(b) CONSULTANT shall provide a certificate naming CITY as additional insured. CONSULTANT shall procure and maintain, for the duration of the AGREEMENT, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance or the work hereunder, and the results of that work by the CONSULTANT, his agents, representatives, employees or subcontractors.

## 16. AUTHORITY TO EXECUTE

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

## 17. MODIFICATION OF AGREEMENT

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the CITY. The Parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

## 18. WAIVER

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

## 19. LAW TO GOVERN; VENUE

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.

## 20. ATTORNEY'S FEES, COSTS, AND EXPENSES

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

## 21. ENTIRE AGREEMENT

This AGREEMENT, including the attached Exhibit "A", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party that are not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

## 22. SEVERABILITY

If a term, condition or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

**IN WITNESS WHEREOF**, this Professional Services Agreement has been executed by their duly authorized representatives.

CITY OF HAWTHORNE

By: _____
Vontray Norris
City Manager

MNS Engineers, Inc.

By: Peter Minegar
[Name] Peter Minegar
[Title] Vice President - Planning

APPROVED AS TO FORM:

By: _____
Robert M. Kim
City Attorney

ATTEST:

By: _____
Dayna Williams-Hunter
City Clerk

# EXHIBIT A
# As-Needed Planning Services – Scope of Work and 2025 Standard Schedule of Fees

**April 23, 2025**

**Gregg McClain**
Director
**Planning Department**
4455 W 126th St.
Hawthorne, CA 90250

**SUBJECT: As-Needed Planning Services – Agency Staffing**

Dear Mr. McClain,

MNS Engineers, Inc. (MNS) is pleased to submit this letter proposal to provide as-needed Contract Planning services for the City of Hawthorne Planning Department. MNS is a multiservice infrastructure consulting firm, in business for more than 60 years, specializing in construction management, civil engineering, and land surveying services. In addition to these service lines, MNS has recently expanded to add Planning services, including overload agency staffing services, community planning, environmental compliance (CEQA/NEPA), regulatory permitting, entitlement, and housing. While these services may be new to MNS, our team is staffed with professionals who are very experienced and well known in the industry.

MNS understands the city wishes to maintain current levels of service by having additional support to assist current staff with day-to-day counter and project management, so we offer an exceptional Planner, Julain Reynaga. The scope of work provided herein reflects the services we believe the City is looking for. staff by providing the overload staff review

Should you have any questions about the proposed scope of work or want to discuss anything further, please do not hesitate to contact me via email at tnelson@mnsengineers.com or by phone at (951) 323-4343.

Sincerely,
**MNS Engineers, Inc.**

**Trayci Nelson**
Planning Practice Lead - Agency Staffing

## MNS DETAILS

**LEGAL NAME**
MNS Engineers, Inc.

**FIRM OWNERSHIP TYPE**
C-Corporation

**YEAR FIRM ESTABLISHED**
1962

**CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS**
DIR No. 1000003564

**CORPORATE OFFICE**
201 N. Calle Cesar Chavez, Suite 300
Santa Barbara, CA 93103
mnsengineers.com

**LOCAL OFFICE (Virtual)**
3850 Vine Street, Suite 110
Riverside, CA 92507

**PROJECT CONTACTS**
Trayci Nelson
Planning Practice Lead-Agency Staffing
951.323.4343
tnelson@mnsengineers.com

**VICE PRESIDENT, PLANNING**
Peter Minegar, AICP
951.541.3011
pminegar@mnsengineers.com

## Sccope of Work

MNS has prepared the following scope of work based on our understanding of the services required by the City. All services provided under this scope of work will be charged on a Time and Materials basis according to the rates in the included rate schedule. Julian Reynaga will be our lead for this effort and will continue to do so under this pursuit. MNS will provide the services required by the City Planning Department, including at a minimum those types of services described below:

- Review proposed development plans for compliance with all local plans and ordinances including the City's General Plan, Zoning Ordinance and any applicable design guidelines.
- Front counter management services.
- Utilization of City electronic and paper files to research previous and/or related cases.
- Coordinate the City's interdepartmental review of proposed projects which would include routing of plans to various City departments; consolidation of comments; resolution of internal inconsistencies; and presentation of recommendations and revisions to the applicant.
- Meet and/or teleconference with staff and/or the applicant as necessary to identify and discuss critical items and develop workable solutions, as necessary.
- Preparation of comments, letters to applicants.
- Maintenance of communication with applicants, interested parties, property owners, homeowner associations, various governmental agencies, and other City departments. Response to inquiries about projects from residents and applicants.
- Preparation of notices for public meetings and hearings.
- Management of the project schedule in accordance with City's adopted timeframes.
- Maintaining and closing electronic and paper files in accordance with City procedures.
- Prepare staff reports and present them for consideration and action by the Planning Commission and City Council.
- Prepare Planning Commission and City Council resolutions and/or ordinances related to proposed development projects and CEQA document certification.
- Prepare other documents related to Planning Commission and City Council decisions relevant to development projects.
- Coordinate the preparation and filing of all required notices with the State Clearinghouse and/ County Clerk's office.
- Perform other related duties, as assigned by the Community Development Director.

## Schedule of Fees

MNS agrees to the following rate schedule for this assignment. If the City requests additional staff, services will be provided in accordance with MNS' Standard rate schedule. MNS will obtain client authorization prior to reclassifying or substituting personnel.

| Description | Rate |
|---|---|
| Assistant Planner | $120.00 |

**Assumptions and Exclusions:**

- Services will be rendered in-person at City Hall.
- Rates provided in this proposal are valid for 1 calendar year from the date of contract execution.
- Escalation of rates will follow the provisions in the attached Standard Schedule of Fees.

## 2025 Standard Schedule of Fees

| | |
|---|---|
| **Principal in Charge** | $325.00 - $350.00 |
| **Senior Project Manager** | $265.00 – $285.00 |
| **Project Manager** | $230.00 - $265.00 |
| **Principal Planner/Scientist** | $195.00 - $230.00 |
| **Senior Planner/Scientist** | $165.00 - $195.00 |
| **Associate Planner/Scientist** | $140.00 - $165.00 |
| **Assistant Planner/Scientist** | $120.00 - $140.00 |
| **Planning Technician** | $100.00 - $120.00 |
| **Senior Technical Editor** | $125.00 - $150.00 |
| **Technical Editor** | $110.00 - $125.00 |
| **Senior GIS Technician/Graphic Artist** | $125.00 - $160.00 |
| **GIS Technician/Graphic Artist** | $110.00 - $125.00 |

**DIRECT EXPENSES**. Use of outside consultants as well as copies, blueprints, survey stakes, monuments, computer plots, telephone, travel (out of area) and all similar charges directly connected with the work will be charged at cost plus ten percent (10%). Mileage will be charged at the current federal mileage reimbursement rate.

**ANNUAL ESCALATION**. Standard fee rates provided for each classification are subject to 5% annual escalation or the most recent US Bureau of Labor Statistics Consumer Price Index, whichever is higher.

**AGENDA ITEM NO. 21.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 06/24/2025
Originating Department: Planning

City Manager: Department Head:

SUBJECT:
Professional services agreement with MNS Engineer, Inc. to provide temporary staffing to the Planning Department.

RECOMMENDED MOTION:
Approve agreement.

DISCUSSION:
The Planning Department is currently understaffed by two positions--Planning Clerk and Planning Assistant. This contract is for one planner to interface with the public and to assist with plan checking and license review activities during the period of staff recruiting.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
Goal 3: Improve development processing and customer service operations.

FISCAL IMPACT:
Up to $129,500, to be paid with the savings in Planning Department's FY2025-2026 personnel budget resulting from two vacancies.

NOTICING PROCEDURE:
Not required.

**AGENDA ITEM NO. 16.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Public Works

---

**City Manager: Department Head:**

**SUBJECT:**
Acquisition of a portable, self-contained camera system for deployment in areas experiencing spikes in SB1383 Illegal dumping and contamination areas.

**RECOMMENDED MOTION:**
Approve the purchase of a "Wanco Portable Surveillance Camera Trailer" from "WANCO Inc.," for the related cost of $47,860.

**DISCUSSION:**
The camera trailer is an important enforcement tool that helps the City comply with SB 1383 organic waste diversion requirements. Under state law, the City is responsible for ensuring that organic materials are properly separated and not disposed of in landfill-bound trash. When organics are improperly discarded, particularly at City facilities such as parks, it leads to contamination and potential penalties for non-compliance. The trailer will allow staff to monitor known dumping hotspots and identify situations where improper disposal is occurring.
By capturing video evidence of violations, the camera trailer provides enforcement staff with the documentation needed to issue warnings or citations when appropriate. This strengthens accountability and deters repeat offenses, especially in areas that have historically experienced illegal dumping or contamination issues. Rather than relying solely on staff presence, which can be time-consuming and reactive, the trailer allows for targeted and efficient monitoring.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
The camera trailer supports the City's Economic Development Strategic Plan by helping maintain clean, safe, and well-managed public spaces, which are critical to attracting businesses, investors, and visitors.

**FISCAL IMPACT:**
None. Funds for this purchase in the amount of $47,860 are available in the adopted Fiscal Year 2025-26 budget and will be paid for with approved and allocated SB1383 Local Assistance Grant Program funds.

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
Quote
Specifications
Sole Source Memo

5870 Tennyson St, Arvada, CO 80003
Phone 303-427-5700 | www.wanco.com

# Quote

Tim Paulino
For assistance please call or email
+14702339831 | tim.paulino@wanco.com

| Shipping Instructions | Lead Time | 6-8 Weeks ARO | Quote # | SQ272644140 |
|---|---|---|---|---|
| Client MUST have loading dock or forklift with 8' forks in order to offload equipment. | Terms | Net 30 | Date | 02/18/2026 |
| | | | Expiration | 03/04/2026 |

| Customer Information | Ship To Information |
|---|---|
| Hawthorne City Of CA<br>Selena Acuna<br>sacuna@cityofhawthorne.org | Hawthorne City Of CA<br>4455 W 126th St<br>Hawthorne, CA 90250 |

| Notes |
|---|
| Freight cost TBD if zero. |

| Part # | Description | Qty | Price | Total |
|---|---|---|---|---|
| **WCTS-MINI-800-2** | WCTS Mini Trailer, 800W solar and IR HD dual cameras (400Ah AGM Battery Bank @ 24VDC)<br><br>Trailer: Welded tubular steel construction, front access forklift pockets, round full wheel fenders that are bolted to the trailer frame, axle assembly 2,000 lb., double-eye leaf springs, 15 inch wheel and tires, Four 2,000 lb. corner stabilizer jacks, red and white conspicuity tape. Drawbar: Tilting, 2 inch ball hitch, swivel wheel tongue jack, flat-four trailer lights plug<br>Tower: Telescoping 20 ft hand crank tower, rotates approximately 360 degrees, tower top with quad head, cables up mast protected in liquid tight loom<br>Solar panel: Hand crank tilting frame, solar charge controller with LVD<br>24VDC (800W Trailer) Victron solar charging package with 5-year online trailer health data & local Bluetooth<br>Batteries: Heavy-duty steel security box with dual puck locks, Four 4D AGM Batteries 24VDC system, 50A smart battery charger<br>Standard Colors: Powder-coated flat black frame and tower, white battery box<br>Primary Camera: Primary IR HD Mini Dome PTZ camera, 1080p resolution, 23x optical zoom, 4 TB SSD, smart switch, IR range 150 ft., blue flashing LED beacons, 4G modem with 10GB/month plan 2-year service**, Wi-Fi, GPS, Analytics<br>Switch Box & Speaker: Weatherproof enclosure with network switch and outdoor speaker with pre-recorded audio | **1** | **$47,860.00** | **$47,860.00** |

| | |
|---|---|
| Product Subtotal | $47,860.00 |

| | |
|---|---|
| Options Subtotal | $0.00 |
| Sales Tax | $0.00 |
| Freight | $900.00 |
| Total | $48,760.00 |

To ensure prompt processing of your accepted quotation, please sign below and return this form to quote@wanco.com

Print Name: Date:

Signature: PO #:

Please add any applicable sales tax. All terms are based on approved credit.

For equipment shipping from the factory, the shipping address must have a forklift and forklift operator, or loading dock. Additional fees may apply if location cannot unload equipment. Dealer to perform safety check on all equipment upon delivery, which may include tire inflation, drawbar connection, and connecting tail lights. Equipment will ship on open flatbed commercial truck and may need to be washed on arrival.

Dealer is responsible for registration filing and fees if required by local jurisdiction. Wanco will mail certificates of origin to the billing location upon shipment of equipment.

All products sold with Fleet Manager access may require additional data subscription. Fleet Manager is owned and maintained by Wanco and therefore all data collected and residing in Fleet Manager is property of Wanco. Wanco reserves the right to use data as needed.

For equipment warranty information, visit: https://www.wanco.com/support/warranty-policy/

**Thank you for choosing Wanco!**

# Mini Solar Surveillance System

Portable Reliable 24/7 Video Surveillance

- **Secure job sites**
- **Deter theft**
- **Promote safety**

The Wanco® Mini Solar Surveillance System is an all-in-one portable video solution, manufactured in America to be rugged and dependable.

The system comes equipped with a feature rich camera system—one pan-tilt-zoom infrared camera with configurable recording (a second camera is optional)—and can be deployed by a single person in less than 10 minutes.

Instantly add security and safety to virtually any location with the Wanco Mini Solar Surveillance System.



**WCTS-Mini**

WANCO®

## Features

Primary 1080p HD camera includes:

- Low-light IR PTZ with 360° rotation
- Onboard digital recording to a solid state 2 TB hard-drive
- High-speed 4G LTE cellular modem with built-in GPS
- LAN Wi-Fi connectivity, 2.4 or 5.8 GHz

Secondary 1080p HD IR PTZ camera is optional

Cellular plan included

Tilting solar array for maximizing solar gain

24 VDC system power with 6.67 kWh usable capacity

Onboard AC charger

**For more details or to place an order, call 800.972.0755 or visit wanco.com.**




Solar power manager dashboard



Self-contained camera system with quick disconnect for storage and transport

Highly visible blue LED strobe lights and pre-recorded audio from speaker to deter theft

Telescoping 20-foot tower with 355° rotation

High-efficiency solar panels provide greater charging capacity

800-watt solar array provides autonomous operation in most locations

Compact trailer weighs less than 1400 lbs and can be towed by most vehicles

Tilting drawbar for compact storage

Maintenance-free lithium-ion batteries

Standard 2-inch ball hitch
(Other hitches are optional)

Heavy-duty security battery box with dual puck-locks

Due to Wanco's commitment to continuous improvement of our products, all information is subject to change without notice. Wanco and the Wanco logo are registered trademarks of Wanco Inc. All other trademarks are property of their respective owners.

**WANCO INC.**
5870 Tennyson Street
Arvada, Colorado 80003 USA
800-972-0755 / 303-427-5700
info@wanco.com

wanco.com for more

©2025 Wanco Inc. All rights reserved. 250905-01

February 18, 2026

Selena Acuna
Public Works Manager
City of Hawthorne
4455 West 126th St.
Hawthorne, CA 90250

RE: Sole Source Letter for Wanco

Ms. Acuna:

Wanco, Inc. is the sole manufacturer for Wanco Portable Video Surveillance products. Should you have any questions regarding this matter please feel free to reach me by email or phone, tim.paulino@wanco.com or 470-233-9831

Sincerely,



Tim Paulino
Director of Business Development & Innovation
Wanco, Inc.
Tim.paulino@wanco.com

**AGENDA ITEM NO. 17.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: Public Works

---

**City Manager: Department Head:**

**SUBJECT:**
Progress Payment #7 in the amount of $905,942.73 is due to Martinez Landscape Co., Inc of Sylmar, CA for the City of Hawthorne New City Yard (Project #24-02).

**RECOMMENDED MOTION:**
Staff recommends that the City Council approve this Progress Payment #7 to Martinez Landscape Co. Inc of Sylmar, CA.

**DISCUSSION:**
The work for the project includes adequate parking spaces for large and regular vehicles, a two-story building, a fuel-pumping station for gas and diesel vehicles, an above-ground propane tank, a mechanic station, wash down bays, hazardous material storage, welding area, general storage, employee restroom, and storage space for large city vehicles. Vehicle parking spaces will have a photovoltaic canopy above, as well as on all building rooftops. The two-story administration building will contain ground level storage, a public-facing entrance/vestibule, elevator, office, restrooms, and elevator equipment room. The second story will include City offices, training rooms, conference rooms, mail intake and sorting, and staff restrooms. The roof of the administration building will also hold a new radio tower and drone pad. Additionally, new sidewalks will be installed that are ADA compliant, along with driveways that provide entrance and exit to the facility. This project also consists of multiple trades, from low voltage electrical work to fueling station design & construction. This requires the awarding contractor to have multiple subcontractors for various works which include but not limited to: low voltage electrical work for communication/security system, elevator construction and installation, mechanical lifts and pressure systems, fueling station design and installation, hazardous material storage construction, fire suppression system, standard plumbing, mechanical and electrical systems, ADA sidewalk construction, landscaping, etc. Any and all other additional, reduced or removed work will be made through negotiated change orders after the projects contract has been awarded in accordance with the bid documents.

The CMU perimeter wall is erected, Building B2 exterior walls erected, and roof beams welded along with load supporting vertical metal columns. Building B2 metal roof deck is welded on and inspected, building A1 interior steel beams/grade beams are installed and interior CMU walls are being formed, and building A2 column pads have been trenched, rebar placed and concrete poured to support the steel beams. A1 steel beams have been welded and inspected. Building A1 steel column foundations have been poured. Final concrete columns for the light & medium duty bays are being formed and poured this month. The fueling station underground tanks are installed and the above-ground canopy and concrete pad are being worked on this month.

The scope of work completed and billed for this progress payment is for the improvement of the transient, which includes, but not limited to, lighting, conduits, security cameras, electrical panels, signage (fire/exit) and all necessary equipment for installation.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure.

**FISCAL IMPACT:**
None. Funds for this progress payment in the amount of $905,942.73 will be funded through the issuance of 2024 Lease Revenue Bonds (the "2024 Bonds"), Equipment Funds, Sewer Funds, Proposition A & C, and allocated funds from the 2024-2025 budget.

**NOTICING PROCEDURE:**
72 hours posted notice pursuant to the Ralph M. Brown Act.

**ATTACHMENTS**
PP#7 Project #24-02

Honorable Mayor and City Council
City of Hawthorne
Hawthorne, CA 90250

24-February-2026
Council Date

RE: PROGRESS PAYMENT NO.7 FOR CITY OF HAWTHORNE NEW CITY YARD PROJECT #24-02

The following is a detailed breakdown of Progress Payment No.7 due to Martinez Landscape Co., Inc Sylmar, CA for work done on the subject through February 2026.

| ITEM | DESCRIPTION | CONTRACT QUANTITY | UNIT | UNIT PRICE | CONTRACT AMOUNT | QTY OR % PREVIOUS | QTY OR % THIS ESTIMATE | AMOUNT THIS ESTIMATE | TOTAL QTY OR % TO DATE | TOTAL AMOUNT TO DATE |
|---|---|---|---|---|---|---|---|---|---|---|
| **A** | **Building B2 structural walls erected, shop drawings reviewed and approved, trenching for underground utilities (electrical/plumbing). Building A2 footing excavated, compacted, rebar placed, concrete poured. Underground electrical conduit and plumbing lines excavated and placed/being placed. Building A1 leveling and compaction completed, to commence trenching for underground utilitie. Purchase of material and equipment include but not limited to electrical conduits, wiring, plumbing pipes, rebar, concrete, sand, steel, electrical box, receptacles, switches, etc.** | **LS** | **1** | **$ 13,770,087.00** | **$ 13,770,087.00** | **69%** | **7%** | **$ 953,623.93** | **76%** | **$ 10,489,863.16** |
| A1 | BDLG B2: COMMUNICATIONS - LINE ITEM 57A-57AIV. TELEPHONE, DATA OUTLET, IDF, TELEPHONE BACKBOARD, TESTING. ELECTRONIC SAFETY & SECURITY: FIRE ALARM, SECURITY ALARM (PP#7 HAS LINE ITEM BROKEN INTO A1 THROUGH A7 MEANING SUM OF A1 THROUGH A7 WILL REFLECT TOTAL AT LINE ITEM A) | LS | 1 | $ 41,425.00 | $ 41,425.00 | 0% | 100% | $ 41,425.00 | 100% | $ 41,425.00 |
| A2 | B2 MEP/SPECIALTIES - LINE ITEMS 51A & 56A-56FII (PP#7 HAS LINE ITEM BROKEN INTO A1 THROUGH A7 MEANING SUM OF A1 THROUGH A7 WILL REFLECT TOTAL AT LINE ITEM A) | LS | 1 | $ 44,677.38 | $ 44,677.38 | 0% | 100% | $ 44,677.38 | 100% | $ 44,677.38 |
| A3 | BDLG A2: ELECTRONIC SAFETY & SECURITY LINE ITEM 40A-40BI: FIRE ALARM, SECURITY ALARM (PP#7 HAS LINE ITEM BROKEN INTO A1 THROUGH A7 MEANING SUM OF A1 THROUGH A7 WILL REFLECT TOTAL AT LINE ITEM A) | LS | 1 | $ 30,702.00 | $ 30,702.00 | 0% | 100% | $ 30,702.00 | 100% | $ 30,702.00 |
| A4 | BLDG A2: ELECTRICAL LINE ITEMS 38A-38FII. PANEL BOARD & FEEDER, 2" EMT CONDUIT, PANEL "C",BRANCH POWER (PP#7 HAS LINE ITEM BROKEN INTO A1 THROUGH A7 MEANING SUM OF A1 THROUGH A7 WILL REFLECT TOTAL AT LINE ITEM A) | LS | 1 | $ 125,259.00 | $ 125,259.00 | 0% | 100% | $ 125,259.00 | 100% | $ 125,259.00 |
| A5 | BDLG A1: COMMUNICATIONS - LINE ITEM 21A-21AVII. TELEPHONE, 2-DATA OUTLET, IDF, WAP, 3/4" EMT CONDUIT/PULLSTRING, CAT CABLES, TELEPHONE BACKBOARD, TESTING. ELECTRONIC SAFETY & SECURITY LINE ITEM 22A-22BI: FIRE ALARM, SECURITY ALARM | LS | 1 | $ 144,424.00 | $ 144,424.00 | 0% | 100% | $ 144,424.00 | 100% | $ 144,424.00 |
| A6 | BLDG A1: ELECTRICAL LINE ITEM 20F XIV-20GII (PP#7 HAS LINE ITEM BROKEN INTO A1 THROUGH A7 MEANING SUM OF A1 THROUGH A7 WILL REFLECT TOTAL AT LINE ITEM A) | LS | 1 | $ 95,891.90 | $ 95,891.90 | 0% | 100% | $ 95,891.90 | 100% | $ 95,891.90 |
| A7 | SITE UTILITIES LINE ITEMS 4F-4QI: PRIMARY POWER SERVICE, SECONDARY POWER SERVICE, MAIN SWITCHBOARD, EMERGENCY POWER, FUEL MONITIORING, SITE LIGHTING,PHOTOO VOLTAIC (A1 ROOF), INCOMING COMMUNICATION, SITE SECURITY, SITE ELECTRICAL.(PP#7 HAS LINE ITEM BROKEN INTO A1 THROUGH A7 MEANING SUM OF A1 THROUGH A7 WILL REFLECT TOTAL AT LINE ITEM A) | LS | 1 | $ 471,244.65 | $ 471,244.65 | 0% | 100% | $ 471,244.65 | 100% | $ 471,244.65 |
| **1** | **Change Order #1: Redesign of the North metal roofed parking structure at the request of the City for the New City Yard Project. Work to be done includes the design & build of a solar panel shaded structure in the North portion of the New City Yard Project, including all needed materials/equipment/installation.** | **LS** | **1** | **$ 901,050.30** | **$ 901,050.30** | **0%** | **0%** | **$ -** | **0%** | **$ -** |
| | TOTAL CONTRACT AMOUNT | | | | **$ 14,671,137.30** | | | | | |

| | | | |
|---|---|---|---|
| TOTAL: | $ 953,623.93 | | $ 10,489,863.16 |
| LESS RETENTION: | $ 47,681.20 | | $ 524,493.16 |
| LESS PREVIOUSLY PAID: | $ - | | $ 9,059,427.28 |
| TOTAL AMOUNT DUE: | $ 905,942.73 | | $ 905,942.73 |

**TOTAL AMOUNT DUE THIS 7TH PROGRESS PAYMENT:**

**ACCOUNT NUMBER:**

**280-3400-000-0-0-47744** **$ 905,942.73**

*German Franco*

**German Franco**

**Project Engineer**

**MARTINEZ LANDSCAPE CO., INC**
12357 SAN FERNANDO RD | SYLMAR, CA 91342
PH: (818) 364-9188 | FAX: (818) 364-9958

# APPLICATION FOR PAYMENT

**TO:** City Of Hawthorne

**FROM:** Martinez Landscape Co., Inc
(Contractor)
12357 San Fernando Rd. Sylmar, CA 91342
(Remittance Address)

**PROJECT NAME:** New City Yard
**PROJECT ADDRESS:** 12613 Doty Ave. Hawthorne, CA 90250
**PROJECT NO:** #24-02

| | | |
|---|---|---|
| | **APPLICATION NO:** | **7** |
| | **APPLICATION DATE:** | **9-Feb-26** |
| | **PERIOD TO:** | **20-Feb-26** |
| 0 | **CONTRACT START DATE:** | **0-Jan-00** |
| | **CONTRACT NUMBER:** | **24-02** |
| | **VENDOR ID NO:** | **0** |

## CONTRACTOR'S APPLICATION FOR PAYMENT

| | | |
|---|---|---|
| **1. ORIGINAL CONTRACT AMOUNT** | $ | **13,770,087.00** |
| **2. Net Change by Change Orders** | $ | **901,050.30** |
| **3. CONTRACT AMOUNT TO DATE** (Line 1 + Line 2) | $ | **14,671,137.30** |
| **4. TOTAL COMPLETED & STORED TO DATE** (Column G on Continuation Sheet) | $ | **10,489,863.17** |
| **5. RETAINAGE:** | | |
| a._5_% of Completed Work (Line 4) **$ 524,493.16** | | |
| **TOTAL RETAINAGE** | $ | **524,493.16** |
| **6. TOTAL EARNED LESS RETAINAGE** (Line 4 less Line 5 Total) | $ | **9,965,370.01** |
| **7. LESS PREVIOUS CERTIFICATES FOR PAYMENT** (Line 6 from prior Application for Payment) | $ | **9,059,427.28** |
| **8. CURRENT PAYMENT DUE** (Line 6 less Line 7) | $ | **905,942.73** |
| **9. BALANCE TO FINISH, INCLUDING RETAINAGE** (Line 3 less Line 6) | $ | **4,705,767.29** |

## CERTIFICATION

Under penalty of perjury under the Laws of California, I certify that all items, units, quantities and prices for work shown on this payment request are correct; that all Work has been performed and materials supplied in full accordance with the terms and conditions of the construction contract on this project; that all of the information set forth herein or attached hereto is a true and correct statement of the Contract Amount and the Contract Time up to and including the last day of the period covered by this invoice, and that no part of the "Current Payment Due" has been received.

Contractor: Martinez Landscape Co., Inc
(Please print name of company)
Paulette Martinez, Office Manager
(Name and title)
Paulette Martinez 02/09/2026
(Contractor's Signature) (Date)

*Owner Use Only:*

| | | |
|---|---|---|
| **10. TOTAL WITHHOLDS (from *Owner Assessment Summary*):** | $ | |
| **11. TOTAL RELEASES (from *Owner Assessment Summary*):** | $ | |
| **12. ADJUSTED PAYMENT AMOUNT:** | $ | **905,942.73** |

**REVIEWED AND APPROVED AS PER TERMS OF CONTRACT**

**Owner's Authorized Representative** (Signature) (Date)

**AGENDA ITEM NO. 18.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Manager

---

**City Manager: Department Head:**

**SUBJECT:**
Hero Housing Empowerment Recovery And Outreach Community Services Memorandum Of Understanding

## RECOMMENDED MOTION:
City Council to approve the MOU for Street Outreach and Case Management, and also a Homeless Housing Coordinator to assist our Homeless Services Division.

## DISCUSSION:
The Community Services Department is requesting City Council approval of the MOU with HERO for Street Outreach, Case Management, and a Homeless Housing Coordinator to support the Homeless Services Division. The total annual cost will not exceed $240,000, allocated as $160,000 for Street Outreach and Case Management and $80,000 for the Homeless Housing Coordinator. These services will be funded through a grant awarded to the City by SBCCOG.
HERO Community Services proposes to provide a dedicated three-person homeless services team to serve the City. The team will consist of two (2) Case Managers and one (1) Housing Navigator/Coordinator. This service model is designed to strengthen the City's homeless services infrastructure through consistent field engagement, streamlined care coordination, comprehensive case management, and coordinated housing navigation.

## ECONOMIC DEVELOPMENT STRATEGIC PLAN:
N/A

## FISCAL IMPACT:
The total not-to-exceed amount is $240,000, allocated as $160,000 for Street Outreach and Case Management and $80,000 for the Homeless Housing Coordinator. Payment shall be made as a flat monthly service fee equal to 1/12 of each program's annual amount. These services will be funded through a grant awarded to the City by SBCCOG.

## NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act

## ATTACHMENTS
MOU for Street Outreach and Case Management

**MEMORANDUM OF UNDERSTANDING**
Between the City of Hawthorne and HERO Housing Empowerment Recovery and Outreach Community Services
Hawthorne Street Outreach/Case Management, and Housing Coordination Services

**1. Parties**
This Memorandum of Understanding ("MOU") is entered into by and between the City of Hawthorne, a municipal corporation ("City"), and HERO Community Services, a California nonprofit organization ("HERO"), collectively referred to as the "Parties."

**2. Purpose**
The purpose of this MOU is to define the terms, conditions, and scope of services under which HERO shall provide homeless outreach, case management, and housing coordination services within the City of Hawthorne.

**3. Term**
The term of this MOU shall be for one (1) year commencing upon full execution of the agreement. The City may, at its sole discretion, authorize up to three (3) additional one-year renewal terms.

**4. Scope of Services**

- Hawthorne Street Outreach and Case Management
  The Scope of Work is attached hereto as **Appendix A** and is incorporated herein by this reference as though fully set forth.
- Hawthorne Homeless Housing Coordinator
  The Scope of Work is attached hereto as **Appendix A** and is incorporated herein by this reference as though fully set forth.

**5. Payment Terms**
This agreement is structured as a flat fee-for-service contract. Monthly invoices shall be submitted by the 10th of each month. Payments shall be issued on the first business day of each month. The initial payment shall be issued one month prior to commencement of field-based services.

The total not-to-exceed amount is $240,000, allocated as $160,000 for Street Outreach and Case Management and $80,000 for the Homeless Housing Coordinator. Payment shall be made as a flat monthly fee for service equal to 1/12 of each program's annual amount.

**6. Insurance**

A. The Parties agree to indemnify, defend, and hold harmless each other, including its elected and appointed officers, employees, agents, attorneys, and designated volunteers from and against any and all liability, including, but not limited to demands, claims, actions, fees, costs, and expenses (including reasonable attorney's and expert witness fees), arising from or connected with the respective acts of each entity arising from or related to this MOU. Neither entity shall indemnify the other entity for that other entity's own negligence or willful misconduct.

B. Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, with an insurance company admitted to do business in California and approved by the City of Hawthorne (1) a policy or policies of broad-form comprehensive general liability insurance with minimum limits of $1,000,000.00 combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts by Consultant, its officers, employees, agents, and independent contractors in performance of services under this Agreement; (2) property damage insurance with a minimum limit of $1,000,000.00; (3) automotive liability insurance, with minimum combined single limits coverage of $1,000,000.00; (4) worker's compensation insurance with a minimum limit of $1,000,000.00 or the amount required by law, whichever is greater; and (5) comprehensive crime insurance with a minimum limit of $1,000,000.00. City of Hawthorne and participating public agencies, their respective officers, employees, attorneys, staff consultants, and volunteers shall be named as additional insureds on the policies as to comprehensive general liability, property damage, and automotive liability. The policies as to comprehensive general liability, property damage, and automobile liability shall provide that they are primary, and that any insurance maintained by the City of Hawthorne shall be excess insurance only.

**7. Reporting and Compliance**

HERO shall submit monthly reports documenting services, participant demographics, and outcomes, ensuring transparency and compliance with City requirements.

**8. Independent Contractor**

HERO shall perform services as an independent contractor. Nothing herein creates an employer-employee relationship.

**9. Governing Law**

This MOU shall be governed by the laws of the State of California.

**10. Signatures**

CITY OF HAWTHORNE

_____

City Manager Date:

_____

City Attorney Date:

_____

City Clerk Date

HERO COMMUNITY SERVICES

_____

Chief Executive Officer Date:

**APPENDIX A**

**Scope of Work**

HERO Community Services – Hawthorne Homeless Services Team

HERO Community Services proposes to deliver a three-person homeless services team dedicated to serving the City of Hawthorne. This team will include two (2) Case Managers and one (1) Housing Navigator/Coordinator. This model strengthens Hawthorne's homeless services infrastructure through consistent field engagement, streamlined care coordination, comprehensive case management, and collaborative housing navigation.

**Program Objectives**

- Increase consistent engagement of individuals experiencing homelessness within Hawthorne.
- Ensure all participants are entered into HMIS with complete, accurate, and up-to-date records.
- Achieve full document readiness including identification and benefits verification.
- Strengthen linkages to social services, emphasizing benefits and supports participants are not currently receiving.
- Expand housing access through dedicated navigation and ICMS coordination.
- Improve collaboration between City staff, County agencies, housing partners, and service providers.
- Increase interim, bridge, and permanent housing placements.
- Reduce gaps, duplication, and system failures impacting Hawthorne residents.

**Core Service Components**

*1. Outreach and Engagement*

Case Managers will conduct proactive field outreach throughout Hawthorne in encampments, parks, alleys, commercial corridors, and areas identified by the City.

- Building rapport through trauma-informed and person-centered engagement.
- Identifying new unhoused individuals and documenting inflow and outflow.
- Conducting needs assessments, housing evaluations, and crisis de-escalation.
- Coordinating joint engagements with Hawthorne City staff and partner agencies.

*2. Comprehensive Case Management*

Case Managers will provide comprehensive, housing-focused case management supported by administrative resources necessary for outreach implementation, coordination, communication, mileage reimbursement, and supplies.

HMIS Data Entry and Record Maintenance

- Accurate participant profiles
- Service entries
- Document uploads
- Housing assessments
- Progress notes and exit documentation

All entries will meet LAHSA and City of Hawthorne requirements.

Document Readiness

- California Identification or Driver's License
- Social Security card
- Birth certificate
- Income and benefits verification
- Medical documentation required for housing placements

Transportation support, appointment scheduling, and application assistance are included as part of service delivery.

Service Linkages

- Medi-Cal
- DPSS programs including General Relief and CalFresh
- Social Security benefits
- Mental health services
- Substance use treatment programs
- Medical and behavioral health care
- Workforce development and vocational programs

*3. Housing Navigation and Coordination*

The Housing Navigator/Coordinator is a dedicated role focused on bridging gaps between outreach, case management, ICMS partners, housing providers, and Hawthorne's homeless services personnel.

- Developing individualized housing plans in coordination with Case Managers and City staff.

- Coordinating ICMS for participants accessing Permanent Supportive Housing or intensive care programs.
- Assisting with applications, housing search, landlord communication, and unit showings.
- Supporting placements into motel programs, bridge housing, interim housing, shared housing, reunification, and permanent supportive housing.
- Ensuring documentation is complete and prevents administrative disqualifications.
- Providing structured follow-up to reduce risk of housing loss.

*4. Collaboration with Community Partners*

- Hawthorne City staff and homeless services personnel
- Los Angeles Homeless Services Authority
- Los Angeles County Departments of Mental Health, Health Services, and Public Social Services
- Local shelters, interim housing providers, and motel programs
- Substance use treatment providers
- Workforce and vocational programs
- Law enforcement and Fire/EMS, as appropriate
- Community-based organizations

HERO staff will participate in case conferencing, multidisciplinary team meetings, and City-requested coordination sessions.

*5. Crisis Response Support*

- Providing follow-up after hospitalizations, MET contacts, or EMS engagements.
- Monitoring high-risk participants.
- Coordinating with DMH, MET, and PMRT for higher-acuity behavioral health needs.
- Supporting appropriate service connections to reduce reliance on police, fire, and emergency medical services.

*6. Reporting and Accountability*

- HMIS data and updates
- Weekly or biweekly case conferencing summaries
- Monthly service metrics
- Housing placement outcomes
- Barrier analysis and system recommendations
- Documentation required for City compliance

**AGENDA ITEM NO. 19.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Manager

**SUBJECT:**
Hawthorne Municipal Airport News & Developments -- F. Johnson

**AGENDA ITEM NO. 20.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Manager

**SUBJECT:**
Establishing a Public Works Commission -- K. Manning

**AGENDA ITEM NO. 21.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Manager

**SUBJECT:**
Proclamation for Fair Housing Month (April) -- A. Monteiro/K. Manning

**AGENDA ITEM NO. 22.**

**CITY OF HAWTHORNE**
**City Council**
**AGENDA BILL**
For the meeting of 02/24/2026
Originating Department: City Manager

**SUBJECT:**
Donation of a Vehicle from SpaceX to the City of Hawthorne -- F. Johnson