

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ending
June 30, 2022

Los Angeles County, California





LOS ANGELES COUNTY BOARD OF SUPERVISORS



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1st District



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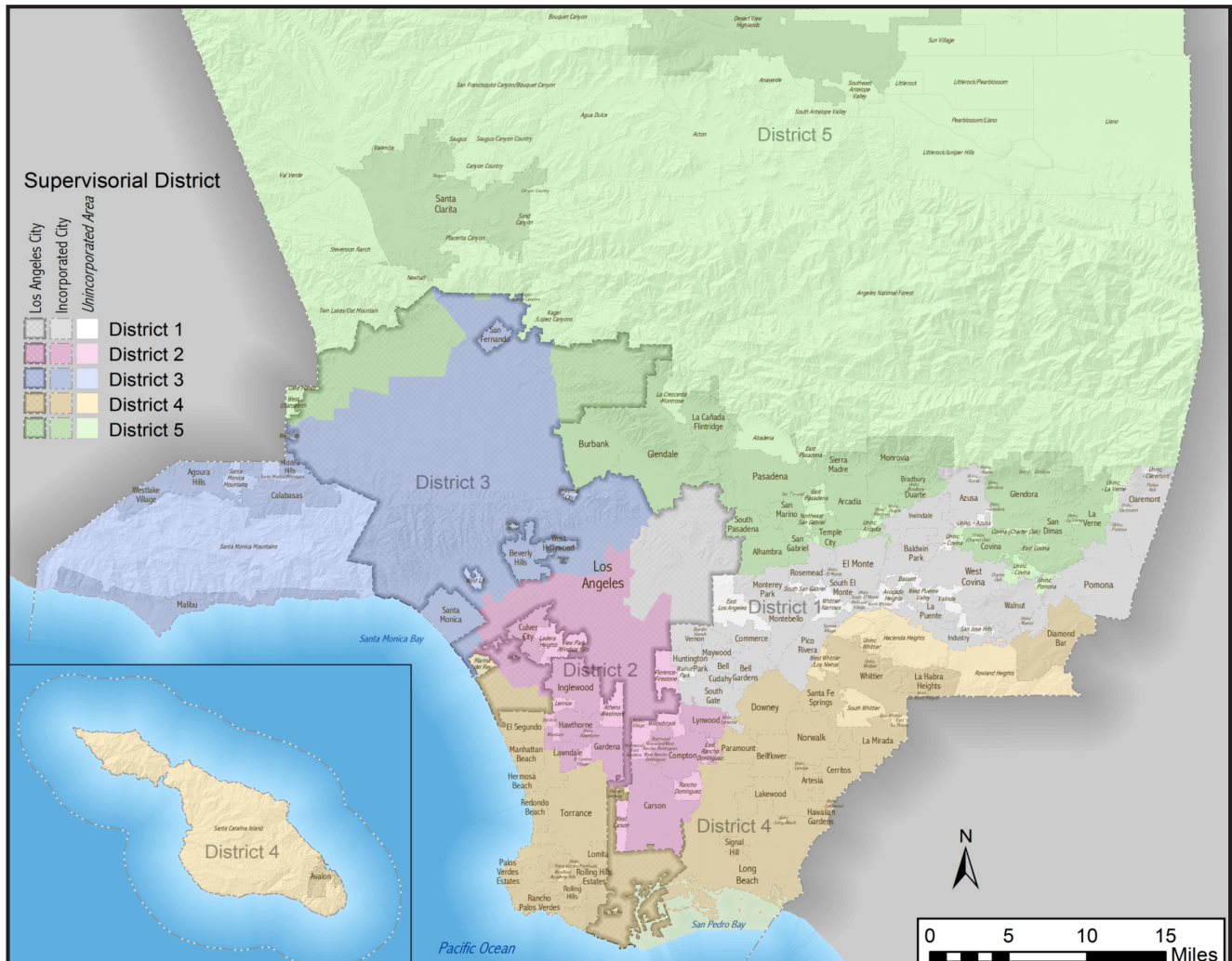
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LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2022

PREPARED BY:
FINANCE AND BUDGET DIVISION

EMILIO SALAS, EXECUTIVE DIRECTOR
KATHY THOMAS, CHIEF OF OPERATIONS
TRACIE MANN, CHIEF OF PROGRAMS
MATTHEW FORTINI, CHIEF FINANCIAL OFFICER



LACDA

Los Angeles County Development Authority

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY CALIFORNIA

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION (Unaudited)	
Letter of Transmittal	i
Board of Supervisors.....	xix
Principal Officials	xx
Organizational Chart.....	xxi
Certificate of Achievement for Excellence in Financial Reporting	xxii
 FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	19
Reconciliation of Government Funds Balance Sheet to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	22
Statement of Net Position – Proprietary Funds.....	23
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds.....	25
Statement of Fiduciary Net Position – Fiduciary Fund.....	26
Statement of Changes in Fiduciary Net Position – Fiduciary Fund.....	27
Notes to Basic Financial Statements	28
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual:	
General Fund.....	67
Federal Housing and Community Development	68
Other Federal	69
Local Housing and Community Development	70
Low- and Moderate-Income Housing Asset Fund.....	71
Notes to Required Supplementary Information and Schedule of Funding Progress	72
Supplementary Information:	
Combining Statement of Net Position – Internal Service Funds.....	82
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	83
Combining Statement of Cash Flows – Internal Service Funds	84

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY CALIFORNIA

TABLE OF CONTENTS

	Page
FINANCIAL SECTION, Continued	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	85
STATISTICAL SECTION (UNAUDITED)	
Net Position by Component	89
Changes in Net Position.....	90
Fund Balances of Governmental Funds	93
Changes in Fund Balances of Governmental Funds	94
Revenue by Source	96
Ratios of Outstanding Debt by Type.....	97
Ratios of General Revenue Bonds	98
Ratios of Lease Revenue Bonds.....	99
Demographic and Economic Statistics	100
Ten Largest Industries.....	101
Full-Time Equivalent Employees by Division.....	102
Operating Indicators by Function	103
Capital Assets by Function	104



December 2, 2022

Honorable Board of Commissioners
Los Angeles County Development Authority
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Please find for your review the Annual Comprehensive Financial Report of the Los Angeles County Development Authority (LACDA) for the fiscal year ended June 30, 2022. This report consists of management's representations concerning the finances of the LACDA. Management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the LACDA's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the LACDA's comprehensive 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 assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. All disclosures necessary to enable the knowledgeable reader to gain an understanding of the financial activities have been included.

INDEPENDENT AUDIT

The LACDA's financial statements have been audited by Lance, Soll & Lunghard, LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2022, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the LACDA's financial statements for the fiscal year ended June 30, 2022.

The independent audit of the financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the LACDA's separately issued Single Audit Report.



MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)

The MD&A document provides a narrative introduction, an overview, and an analysis of the basic financial statements. It is intended to complement this letter of transmittal and should be read in conjunction with it.

BUDGETARY CONTROL

The LACDA’s accounting system provides timely information concerning the uncommitted balance of appropriations and unrealized revenues. The annual budget, adopted by the Los Angeles County Board of Commissioners, provides for the general operations of the LACDA. It includes proposed expenditures and estimated revenues for the governmental and enterprise funds.

The Executive Director is authorized to transfer appropriations between divisions and programs. Any revision that changes the total expenditures must be approved by the Board of Commissioners.

Budgets for the governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). The LACDA uses two (2) different accounting methods: modified and full accrual when preparing the budget.

INTERNAL CONTROL

The LACDA uses internal accounting control which employs best practices specific to governmental accounting. It is designed to provide reasonable assurance with regards to the safeguarding of assets against loss from unauthorized use or disposition, the maintaining of accountability for assets, and the reliability of financial records for preparing financial statements.

The concept of reasonable assurance used by the LACDA recognizes that the costs of internal control should not exceed the benefits likely to be derived from it, and that the evaluation of costs and benefits require estimates and judgments by management.

The LACDA’s internal control adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

PROFILE OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

On May 16, 2019 the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA), established on July 1, 1982 under the provisions of Section 34100-34160 of the Health and Safety Code of the State of California, was officially rebranded to the Los Angeles County Development Authority (LACDA). The rebranding provided an opportunity for the agency to reconnect with residents, partners, and clients and reintroduce its program portfolio, expanded service operations, and initiatives to better meet the needs of County residents and businesses.

The basic financial statements of the LACDA include the financial activities of the LACDA, and the Los Angeles County Community Development Foundation (LACDF). The Community Development Properties Los Angeles County Incorporated (CDPLAC) was dissolved in April 2022 and is no longer a blended component unit of LACDA. The LACDA has determined that the LACDF should be included in the basic financial statement as blended component unit in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39, No. 61, and No. 80.;

- The LACDA is responsible for management of the County’s Public Housing and Section 8 Housing programs.
- The LACDA’s governing board establishes policies, appoints management, and exercises budgetary control.
- The LACDF is a 501(c)(3) non-profit organization dedicated to improving the quality of life for low-income Public Housing and Section 8 program residents living in Los Angeles County. The LACDF provides scholarships, funding for students to attend conferences, and SAT preparation courses free of charge. The LACDF is a single-purpose entity and the LACDA is its sole corporate member. In addition, the services provided are only available to participants of the LACDA’s Public Housing and Section 8 programs. Therefore, the LACDF is reported as a blended component unit of the LACDA.

SERVICES PROVIDED

The LACDA is responsible for the following services:

- Utilizing funding through Notice of Funding Availability (NOFA) on new construction and acquisition/rehabilitation projects that create new affordable multifamily rental housing units. NOFA eligible affordable multifamily rental housing projects may apply for both capital financing and rental assistance in the form of Section 8 Project-Based Vouchers (PBVs) and Project-Based Veterans Affairs Supportive Housing (PBVASH) Vouchers;
- Providing economic development, business revitalization, and comprehensive planning and financing for affordable housing;
- Funding community developments for one of the largest urban counties in the United States, including street resurfacing, and home and business rehabilitation;
- Working with the County's non-profit and for-profit development and service provider communities, the County health and human service departments, and many of the 88 cities within the County, to address housing needs for the homeless, transition age youth, and other special needs residents of the County; and
- Directing the County's Public Housing and Section 8 programs including planning, finance, preservation, and management.
- The LACDA functions in the unincorporated areas of the County of Los Angeles and in 48 participating cities that have requested involvement in the Community Development Block Grant program.

THE LACDA'S GENERAL OPERATING PROGRAMS

Housing Related Programs

The Housing related programs are comprised of Housing Investment and Finance, Public Housing, and Section 8 Housing.

The Housing Investment and Finance programs facilitate residential development and preservation throughout the County of Los Angeles, assisting those residents and residential property owners with limited incomes. The program works closely with non-profit and not-for-profit organizations, residents, owners, government agencies, supportive service providers, and property management companies to increase and sustain the availability of affordable and supportive housing for low- and moderate-income homeowners and residents.

The Public Housing programs provide affordable housing within the County of Los Angeles. As of June 30, 2022, there are 3,229 housing units leased under these programs. There are nine (9) housing developments with varying units as follows: Carmelitos 713 units, Harbor Hills 301 units, Nueva Maravilla 504 units, West County 487 units, North County 285 units, East County 263 units, South County 409 units, Kings Road Apartments 106 units, Lancaster Apartments 120 units, and RHCP Santa Monica 41 units. RHCP is the Rental Housing Construction Program which is funded by rental income and the State of California.

The Section 8 Housing Choice Voucher (HCV) Program provides housing assistance to low-income individuals, families, senior citizens, and persons with disabilities residing in the County of Los Angeles:

- The Continuum of Care (CoC) Program provides rental assistance services to low-income individuals with special needs in compliance with HUD regulations.
- The Family Self-Sufficiency (FSS) Program provides a five-year voluntary program designed for low-income families in the Housing Choice Voucher (HCV) Program to achieve self-sufficiency by providing case management and referrals to supportive social services. Some of these services include career counseling, money management, job search training, and education.
- The Homeless Initiative Program (HIP) provides local funds to help homeless families and individuals with a federal housing voucher to secure subsidized housing, by encouraging landlord acceptance of homeless households with rental subsidies administered by the LACDA.

- The Veterans Affairs Supportive Housing (VASH) Program provides rental assistance services to low-income veterans and their families in combination with case management and clinical services through the Department of Veterans Affairs (VA) at Veterans Affairs Medical Center (VAMC) supportive services sites.

The Emergency Housing Voucher (EHV) Program is a tenant-based rental assistance program and aids those experiencing homelessness, are at risk of homelessness, fleeing domestic abuse, human trafficking, stalking, or sexual assault. The EHV is part of the American Rescue Plan (ARP) signed on March 11, 2021 by President Joe Biden and provides \$5 billion for approximately 70,000 Emergency Housing Vouchers (EHV).

Community Development Block Grant

The LACDA's CDBG Program is the largest Urban County Program in the country. We partner with various cities, county-based organization, and County department to utilize funds received from the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) program account for 10% of the LACDA's expenditures in its governmental fund types. The LACDA's primary role in administering the program is to ensure that funds are spent on eligible projects and that the recipients of the funds comply with HUD regulations. Currently, the recipients consist of 48 participating cities, 54 community-based organizations, seven (7) County departments, and three (3) other public agencies.

This year, 2022, marks the 48th anniversary of the CDBG Program. Since its inception, the CDBG Program has consistently assisted County residents with limited means through a variety of community and economic development, public infrastructure, social services, and housing rehabilitation programs. Strong partnerships among County departments, participating cities, and community-based organizations/other public agencies have helped ensure the quality and effectiveness of the CDBG Program with the County.

ECONOMIC CONDITION AND OUTLOOK FOR THE LOS ANGELES COUNTY REGION

The LACDA operates under a complex set of economic, social, and technological conditions that both directly and indirectly affect operations. The Financial Section, within this report, will be best understood if viewed within this context.

The County of Los Angeles (LA County), established on February 18, 1850 several months before California was admitted into the Union, is comprised of 88 cities and 120 unincorporated communities. LA County is part of the greater Southern California region, which also includes Orange, San Bernardino, Riverside, Ventura, and San Diego counties with a total population of about 22 million. LA County serves as home to people from over 140 countries who speak 224 identifiable languages reflecting a continued history of being rich in ethnicity and diversity. It is home to one quarter of Californians with LA County's population at 10.1 million in 2022, making it the most populous county in California. If LA County were a state, its economy would rank number seven (7) between Pennsylvania and Ohio. And, if LA County were a nation, its economy would rank number 21 in the world between Saudi Arabia and Poland. It is home to more than 244,000 businesses, with more minority and women owned businesses than any other in the nation. And, LA County produces over one quarter of the state's Gross Domestic Product (GDP) making it both a proxy for and driver of many of the economic trends occurring at the state-level.

LA County continues to utilize Coronavirus Aid, Relief, and Economic Security Act (CARES Act 2020) funding and Coronavirus Response and Consolidated Appropriations Act (2021) funding to provide economic assistance to businesses and residents alike. Additional federal funding was received through the American Rescue Plan (ARP). On July 13, 2021 the Los Angeles County (County) Board of Supervisors adopted a motion to use ARP funds to maximize benefits for communities suffering health and economic impacts from the pandemic. The County adopted ARP Phase One Spending Plan on July 27, 2021. The plan is comprised of three (3) pillars; Equity-based investments, building a bridge to equitable recovery, and fiscal stability and social safety net. \$87 million in investments supporting Care First and Community Investments and 81 programs administered by 17 departments. As of June 2022, the County ARP program has launched 22 equity focused investments (Pillar 1) programs, 19 building bridge to equitable recovery (Pillar 2) programs, and 6 fiscal stability and social safety net (Pillar 3) programs.

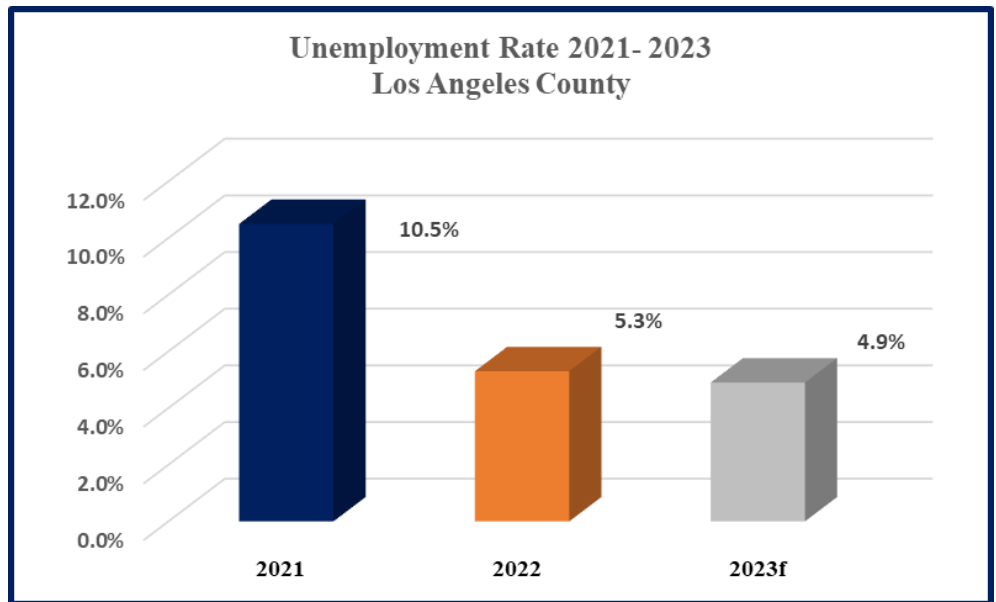
Significant Economic Data - Los Angeles County 2021-2023

	2021	2022	2023f
Total Population	10.0M	10.1M	10.1M
Unemployment Rate	10.5%	5.3%	4.9%
Per Capita Income	\$66,000	\$67,000	\$69,000
Permits-New Homes	23,284	23,608	21,122

Sources: CA Department of Finance, U.S. Bureau of Labor Statistics, CA Employment Development Department, U.S. Department of Housing & Urban Development (HUD), CA Department of Transportation Economics Analysis Branch

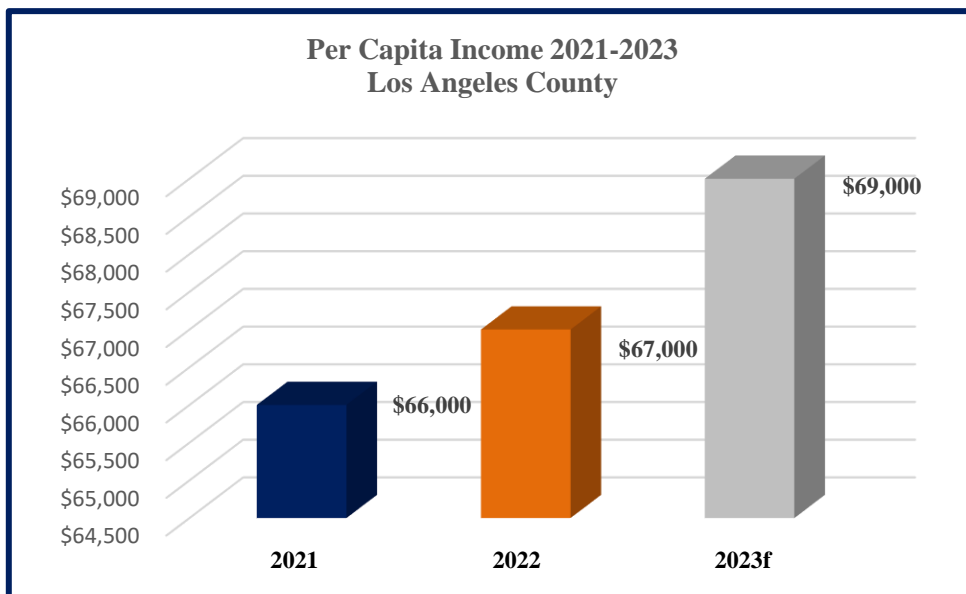
Note: Per Capita Income and Permits-New Homes economic results were not available at the time of this report preparation and would not be available until January 2023. The data used is from 2021 projections.

During the first half of 2021, LA County slowly began its economic recovery. By the second half of 2021, LA County started adding jobs back at a rate faster than the state or the nation. At the end of fiscal year 2022, unemployment was at 5.3%, which is was significantly lower during the same period a year prior at 9.4%. While employment in LA County has recovered significantly across all industries, the decline and recovery of jobs from the pandemic-induced recession has been highly influenced by factors such as which types of businesses can effectively operate remotely during extended economic shutdowns and with COVID-19 precautions in place.



The hardest hit industries are trending upwards while many still have quite a way to go before they reach pre-pandemic employment levels. The lagging industries include leisure and hospitality, information (which includes the motion picture and sound recording industry), and other services (which includes personal care services such as hair and nail salons). Overall, LA County employment was significantly up across most industries this fiscal year compared to the previous fiscal year 2021. And, over the next two fiscal years, professional and business services, leisure and hospitality, and education and health services are expected to add the most payroll jobs, forecasted by the LAEDC.

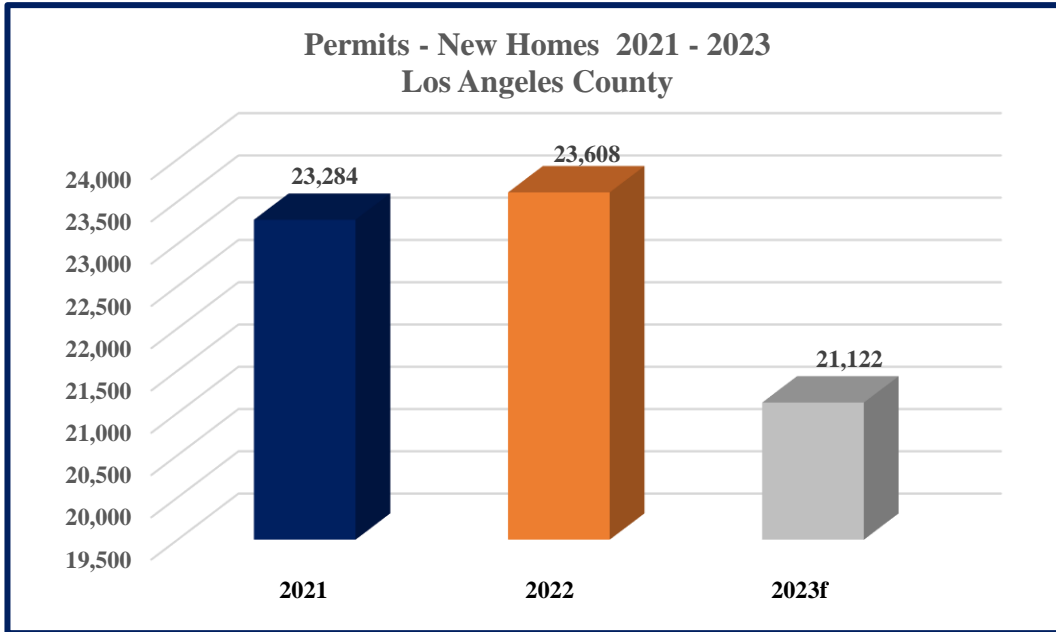
As the County’s vaccination efforts and reopening of the economy began in the last quarter of fiscal year 2021, a rise in the median family income was expected as jobs were added back to payrolls. By the end of fiscal year 2022, the region gained back nearly 84% of the 785,00 jobs lost during the initial COVID-19 lockdown.



As the County’s vaccination efforts and reopening of the economy began in the last quarter of fiscal year 2021, a rise in the median family income was expected as jobs were added back to payrolls. By the end of fiscal year 2022, the region gained back nearly 84% of the 785,00 jobs lost during the initial COVID-19 lockdown.

LA County saw the median price of homes peak in September 2021 after a two-year housing boom spurred by record low borrowing costs. The market now shows signs of cooling with a decrease in home purchase and an increase in the number of homes for sale. Sales volume collapsed by 32%, according to the California Association of Realtors (C.A.R.) recent

resale report. The median sales price in LA County was \$846,320, down 1.6% Month-To-Month (MTM) and up 4.5% Year-To-Year (YTY), which indicates slowing in the market. The metropolitan area of Los Angeles posted a decline of 35% Year-Over-Year (YOY) in sales of existing single-family homes. The median home price in LA metro region was \$780,000, 6.7% higher compared to July 2021, when it was \$731,000. Currently, LA County has a three (3) month inventory of homes for sale. In general, a balanced market lies between a four (4) to six (6) month



supply, according to economists. For LA County, this means the housing market will continue to see upward pressure on home prices into the next fiscal year.

Qualified buyers were tempted to the housing market due to low borrowing rates. However, those who could not qualify for mortgages turned to the rental market creating an increase in the demand for affordable apartment rentals. According to online apartment finder Zumper, median Los Angeles rents in May stood at \$2,372 for a one-bedroom and \$3,215 for a two-bedroom. By comparison, in April 2021, Zumper found one-bedrooms averaging \$1,950 and two-bedrooms averaging \$2,654. Data indicates the median rent in Los Angeles has an 18 % Year-Over-Year (YOY) change. Other data sources also showed a steady increase since the beginning of the year, which analysts attributed to job growth and returning demand for city life as the pandemic ebbs.

Rents have grown significantly faster than average incomes for several straight years earlier in the cycle, and it is not sustainable over an extended period. Affordability is probably the biggest challenge currently weighing on growth into the next fiscal year. In January 2022, the Los Angeles County Board of Supervisors voted to extend the COVID-19 Tenant Protections Resolution (formerly the LA County Eviction Moratorium) which went into effect March 4, 2020. The resolution extends certain protections to residential and commercial tenants affected by the COVID-19 pandemic in LA County and has been extended through December 31, 2022.

LA County continues to be America’s gateway to Asia. International trade plays an important role in the county’s economy. The Port of Los Angeles and neighboring Port of Long Beach comprise the San Pedro Bay Port Complex, which are the largest ports in the United States, as measured by container volume. During the fiscal year, the ports faced congestion due to consumers switching purchasing habits from services to goods. The result was a high demand for imports, which placed a strain on the global supply chain. Congestion at the ports reached record levels in November 2021 with ships waiting up to three (3) weeks before being allowed to dock and discharge payloads. By March 2022, the port recorded its third-busiest month as work continued to clear marine terminals of cargo and reduce the number of ships waiting at sea.

Worldwide, the Port of Los Angeles ranks number 17, and the San Pedro Bay Port Complex ranks number 9. This key port for international trade makes it the nation’s number one port complex for the import of furniture, auto parts, apparel, plastics, and footwear. And, the export of pet/animal feed, paper, soybeans, fabrics/raw cotton, and scrap metal. Thousands of jobs in the region depend on the flow of the nation’s goods moving in and out of Gateway Cities such as Los Angeles, Long Beach and San Pedro.

With the impact of the pandemic carrying over well into 2022, the County of Los Angeles continues to cushion the pandemic’s economic consequences, protect the vulnerable populations and set the stage for a lasting recovery.

MAJOR MANAGEMENT INITIATIVES

The County of Los Angeles continues to make it a priority to address the health and safety of all its residents post COVID-19 pandemic. In the midst of the pandemic, working closely with County officials and agencies, the LACDA provided much needed assistance to small businesses and continues to provide services to County residents. The utilization of CARES Act funding, signed into law in 2020, provided funding for various programs and infused small businesses with capital to sustain operations and give rental assistance to housing tenants. The CARES Act provided the Economic Development Administration (EDA) with \$1.5 billion to support recovery efforts for communities impacted by the COVID-19 pandemic. Among the \$1.5 billion allocated, \$1.467 billion is available for grantmaking. These funds finance the \$38 million EDA CARES Act Recovery Assistance grant. The agency received a \$10.9 million grant in the prior fiscal year to capitalize and administer a Revolving Loan Fund (RLF) program that extends credit to small businesses in Los Angeles County and augments existing business recovery assistance programs to prevent job losses and closure. Utilizing these funds, the LACDA has continued to offer loans for working capital, equipment, and inventory needs.

Nationally, \$5 billion in Community Development Block Grant Program-Coronavirus (CDBG-CV) funds was distributed as part of the CARES act to respond to the COVID-19 crisis. The LACDA staff worked with partner agencies to develop CDBG-CV activities, which assisted residents with limited means who have been impacted by COVID-19, including rental assistance, grab-and-go/delivery meal programs, small business assistance programs to retain employees that are low- and moderate-income, and support of other COVID-19 response services. The LACDA received approximately \$32 million in Community Development Block Grant-Coronavirus (CDBG-CV) that were fully allocated among projects targeting small businesses, vulnerable populations, and health and safety projects. Federal Emergency Solutions Grant-CV (ESG-CV) totaling \$69 million was awarded to the LACDA under the CARES Act to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homeless prevention activities to mitigate the impacts created by corona virus. As the administrator, the LACDA allocated these funds to various agencies throughout LA County for rapid rehousing, temporary emergency shelter, homeless prevention, street outreach and homeless services. Major activities included \$300,000 for Small Business Assistance grants, \$14.4 million Senior Meal programs and \$700,000 to Emergency Rental and Utility Assistance programs. In the Small Business Assistance program, 37 businesses were assisted, and 463 jobs were created/retained. In the Emergency Rental and Utility Assistance program, approximately 475 households were assisted.

The LA County business community continued to face economic challenges after the reopening of the economy and COVID-19 restrictions were amended to allow for in person business activities to resume. There was a prevalent need for working capital to assist businesses to continue operations.

The LACDA joined forces with Urban County participating cities to deliver much needed financial support to their business communities through the LACDA/Cities Small Business Grant Program (SBG). Cities committed CDBG and CDBG-CV funds and promoted the program to eligible businesses while the LACDA developed and administered the program on their behalf. The simplicity of this collaborative model effectively responded to a new economic reality with an innovative, intergovernmental approach that provided a needed boost to the loss of revenue due to the pandemic. The objective to support cities and provide immediate benefit to businesses and communities through strategic use of funds during and in response to the pandemic, fueled offering three rounds of the program over an 18-month period.

The SBG Program disbursed 277 grants to small businesses, created/retained 184 jobs for low-and moderate-income persons, and benefited more than 100,000 low- and moderate-income residents. With a pioneering approach and limited resources, the SBG Program provided a total \$2.9 million in financial assistance to cover day-to-day operations such as payroll, paying rent, and purchasing adaptive equipment to maintain physical distancing and keep employees and the community safe. Partner Cities included Azusa, Claremont, Commerce, Covina, Culver City, Duarte, Hermosa Beach, La Cañada-Flintridge, La Mirada, Lomita, Malibu, Maywood, San Dimas, San Fernando, South El Monte, Torrance, and Westlake Village.

The leadership of the County of Los Angeles recognized the need for a collaborative, sustained effort to combat and end homelessness and passed a comprehensive set of strategies which make up the County's Homeless Initiative. The Initiative covers six (6) major areas: preventing homelessness, subsidizing housing, increasing income, providing case management and services, creating a coordinated system, and increasing the supply of affordable and homeless housing. In 2017, the Los Angeles County Board of Supervisors proposed, and voters approved, the Measure H ballot initiative, a quarter cent sales tax for the County of Los Angeles, generating approximately \$355 million annually to support the implementation of the Homeless Initiative. LA County is in Year Five of a 10-year effort to combat and prevent homelessness funded by Measure

H, thanks to the affirmation and support of voters across LA County. Los Angeles is investing, responding, and working together and we are making a difference and the LACDA is fully engaged in the County's plan, serving as a lead, or collaborative agency, on 27 of the 51 individual strategies.

The LACDA administers several programs that provide housing opportunities for lower income families, the elderly, the disabled, youth transitioning out of foster care, and individuals and families experiencing homelessness, especially our homeless veterans. Additionally, the LACDA serves as the second largest Public Housing Agency (PHA) in Southern California, receives funding from HUD, and utilizes a blend of local, state, and federal resources to administer several grant-funded rental subsidy programs.

The LACDA created the Homeless Incentive Program (HIP) to remove barriers to access for voucher holders that were finding it next to impossible to use their voucher to secure a unit. HIP allows us to engage property owners to secure their rental units in exchange for a monetary incentive while qualified renters with a voucher are referred to the owner. The HIP also assists clients with funding to pay for security deposits, utility fees, move-in expenses, and a damage mitigation fund, which provides owners with a safety net to cover the costs of damages to the unit. Additionally, we leveraged our partnerships to expand this program which supports eight (8) other PHAs in the County who have replicated HIP, with the LACDA providing oversight and technical assistance. Each client receives access to County-funded intensive case management services to help with the transition and any ongoing supportive service needs. The LACDA has administered approximately \$54 million in the five (5) years of Measure H. These resources helped over 6,743 individuals and families find a home through this strategy.

Through the Bringing Families Home Program (BFH) the LACDA and Department of Children and Family Services (DCFS), in collaboration with housing partners, 353 families with 938 children have been successfully provided housing. The primary focus of BFH is to provide rapid re-housing and case management services to families in the child welfare system. Despite the challenges to locate affordable housing for these high-barrier families in LA County, the continued success of the program reflects the strong partnership and shared mission to reunify families and end homelessness in the community.

Over the LACDA's 40-year history, we have been focused and resolute in our mission to *Build Better Lives and Better Neighborhoods*. We will continue to advocate for policies and funding that allow for the development of new affordable housing, preservation of existing affordable housing, supportive services for individuals and families in need, additional housing subsidies, and the programmatic flexibility to maximize their effectiveness, as well as protections for clients that allow them to find and retain affordable housing.

CERTIFICATE OF ACHIEVEMENT IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the LACDA for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the 36th consecutive year that the LACDA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

OTHER SIGNIFICANT AWARDS FOR THE FISCAL YEAR 2021-2022

Government Finance Officers Association (GFOA) of the United States and Canada
FY 2021-22 Distinguished Budget Presentation Award

Government Finance Officers Association (GFOA) of the United States and Canada
FY 2020-21 Certificate of Excellence in Financial Reporting

National Association of Counties (NACo) Achievement Award
Community and Economic Development - LACDA/ Keep LA County Dining (KLAD) Program

National Association of Counties (NACo) Achievement Award

Risk and Emergency Management – Rent Relief Program: Ensuring Housing Stability During COVID-19

National Association for County Community and Economic Development (NACCED) Award Best Practices Story

LACDA/Small Business Grant Program

National Association of Housing and Redevelopment (NAHRO) Merit Award

Project Design - Public Housing Improvements Without Relocation

National Association of Housing and Redevelopment (NAHRO) Merit Award

Resident and Client Services – Guiding Residents on a Path to Success

ACCOMPLISHMENTS

Community Development Division

The Community Development Division (CDD) facilitates equitable development and community services throughout unincorporated areas of Los Angeles County through public and private partnerships. The division is comprised of two units; Construction Management (CMU) and Grants Management (GMU). The CDD underwent a major reorganization in mid 2021. The Los Angeles County Board of Supervisors approved the LACDA’s Economic Development Unit (CDD-EDU) to be transferred to the Los Angeles County Department of Economic Opportunity (DEO). The transfer was completed in January 2022.

Community Development Division - Construction Management Unit

The Construction Management Unit (CDD-CMU) is comprised of staff professionals with expertise in all phases of capital project development including architecture, engineering, project management, labor compliance, procurement and construction management. With this varied expertise, staff manages design development and provides construction oversight services for capital projects undertaken or funded by the LACDA, numerous other County groups including the Los Angeles County Board offices, other County departments and non-profit organizations.

Magic Johnson Park Phase 1B

The park, named after retired Los Angeles Lakers point guard Earvin “Magic” Johnson Jr., is the largest park in South Los Angeles. The first phase of the parks’ renovation, which officially opened to the public in January 2021, is a world-class urban park for the community while also serving as a model for sustainability and conservation for the County of Los Angeles. Hailed as the gold star in sustainable park design, the project not only offers a hub for the community to gather and recreate but demonstrates how urban environments can be models of water conservation.

The LACDA, working alongside contractors and County contracted architectural firms, put the finishing touches on its revitalization of Phase 1B was completed and re-opened to the public in February 2022. With the opening of Phase 1B, it will be the first off-leash dog park in South Los Angeles. This phase also includes a ¾ mile of walking trails, an off-leash dog park, educational California native habitat gardens, an informal natural amphitheater, a ¼ mile fitness loop with exercise equipment, and a community flexible lawn space.

Temple City Library

The Temple City Library, located at 5939 Golden West Avenue, is a 10,000 square foot library that was enlarged to approximately 11,400 square feet. The additional upgrades will maximize the use of space for expanded programming. Upgrades will include a new community meeting room, group study room, enhanced family place and children’s reading areas, interior finishes, lighting, low voltage, HVAC (heating, ventilation, and air conditioning), energy saving measures, and furnishing. Exterior improvements include upgrades to the exiting parking lot. The project was budgeted at \$6.6 million and funded by Fifth District County Capital funds, with a contribution from Temple City. The project is projected to close out in early FY 2022-2023.

The San Pedro Service Center

The project utilized \$1.7 million of County funding to provide refurbishment of an approximately 11,000 square foot community center located at 769 West Third Street in the community of San Pedro. The scope of work consisted of interior renovations within the existing structure, including demolition of flooring, new interior and exterior paint, new LVT flooring tile, acoustical ceiling tiles, new led light fixtures, new customer service desk, Americans with Disabilities Act (ADA) upgrades, and removal of exterior patio floor paint. In October 2021, the LACDA received Notice to Proceed on the project and began construction in December 2021, working in conjunction with Emar Studio for Public Architecture. In June 2022, the project was substantially completed.

Community Development Division - Grants Management Unit

The Community Development Division-Grants Management Unit (CDD-GMU) is an exemplary rated program by the U.S. Department of Housing and Urban Development (HUD). The staff conducted 359 In-Progress Monitoring (IPM) reviews for compliance monitoring of the Community Development Block Grant (CDBG) activities funded in the fiscal year 2021-2022. This unit also conducted 11 labor compliance reviews of CDBG-funded construction projects completed during the fiscal year to ensure sub-recipients and their contractors complied with Federal labor standards provisions and HUD's Section 3 regulations that require training/employment of low-income residents.

Vermont Manchester

A Mixed-use project. Executed Amendment to Option to Ground Lease a mixed-use development consisting of 180 units of affordable housing (62 senior and 118 family), parking structure, Metro transit plaza, Metro training center, grocer and three (3) retail spaces.

West Altadena

A Request for Proposal (RFP) was issued based on responses received from a previously issued Request for Statements of Qualification. Two (2) finalists were invited to response to the RFP. Identification of the winning responses was subsequently halted to comply with AP 1486: surplus Land Act. Notices of availability have been drafted and will be distributed to surrounding developers and local governments once the Board of Supervisors declares the County property as surplus for the purposes of the Act.

The properties were declared surplus and a Notice of Availability (NOA) was issued. Six (6) proposers responded to NOA. A Notice of Continuing Interest listing the purchase price for properties was issued to all six (6) proposers. Three (3) of the proposers responded that they continued to be interested in purchasing the properties. An RFP will be distributed to the three (3) proposers that remain. Once a proposal is selected, LACDA will enter into an ENA with the selected proposer.

Lead-Free Homes LA Program

The LACDA, in partnership with Los Angeles County Department of Public Health (DPH), launched Lead-Free Homes LA (LFHLA), a program intended to mitigate the lead-based paint hazards from homes surrounding the Exide Technologies Battery Recycling Facility.

The LFHLA Program encompasses the Exide program serving the area surrounding the former Exide Technologies battery recycling facility in East Los Angeles, and the larger Countywide program funded through the SoCal Gas Litigation funds and the paint company legal settlement, respectively.

During this fiscal year, the program developed five (5) Service Area Plans that identified the outreach and enrollment strategies for five (5) focus areas throughout the County where the Program was initiated. Contracts were executed with six (6) partners to conduct the outreach and enrollment portion of the program in the five concurrent focus areas throughout the County:

- Impact Assessment for the 1st District Exide and Adjacent Communities Focus Area,
- Esperanza Community Housing Corp./St. John's Family Well Child and Family Center for the unincorporated 2nd District Willowbrook/Compton Focus Area,

- Pacoima Beautiful for the 3rd District San Fernando Valley Focus Area,
- City of Long Beach Health Department for the 4th District, City of Long Beach Focus Area
- City of Pasadena Health Department for the 5th District, Cities of Pasadena and Monrovia and the unincorporated Altadena and North San Gabriel Focus Area.

Also, during the year, nine (9) stakeholder community meetings to introduce the Program and obtain local support and assistance with the outreach to eligible residents was held. And, nearly 36,000 mailer packets and reminder postcards were sent to residents that live in the targeted communities within the focus areas to invite them to participate in the Program.

As of June 30, 2022, 1,014 applications were received of which 647 were deemed eligible or pending an eligibility determination, 245 were deemed not eligible, and 122 were eligible but opted-out. Five hundred twenty-one properties were tested for lead-based paint hazards, 487 tested positive, and 34 tested negative for lead toxicity. The program completed the mitigation of 73 homes from lead hazards.

The LFHLA Program responded to HUD’s Notice of Funding Opportunity (NFO) for the Lead-Based Paint Hazard Reduction Grant Program. The Program was awarded a \$5.7 million Lead-Based Paint Hazard Reduction Grant from HUD for a three-year program to remediate multi-family properties with five (5) or more units.

Family Reunification Housing Subsidy Program

Over the course of the fiscal year, the Family Reunification Housing Subsidy (FRHS) program allocated \$2.3 million received from the Department of Children and Family Services (DCFS) to various external agencies. The funds provided rapid re-housing financial assistance and supportive services for homeless families with children. As of June 30, 2022, a cumulative of 471 families with 1,133 children were reunited from foster care and received housing from the \$9.5 million expended.

Bring Families Home Program

The LACDA implemented the State of California’s Bring Families Home Program (BFH) by providing grant administration of eight (8) projects for a total of \$4.6 million, comprised of contract development, project monitoring, monthly and quarterly reporting, and monthly partner meetings. As of June 30, 2022, 353 families with 938 children received housing from the \$7 million expended.

As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the LACDA received approximately \$32 million in Community Development Block Grant-Coronavirus (CDBG-CV) and \$69 million in Emergency Solutions Grant-CV (ESG-CV) funds. CDBG-CV funds were allocated based on the same formula as regular CDBG and have been fully allocated among projects targeting small businesses, vulnerable populations, and health and safety projects. ESG-CV funds were used to assist persons who are homeless.

Approximately \$17.2 million was expended during FY 2021-2022. Major activities included \$300,000 for Small Business Assistance grants, \$14.4 million Senior Meal programs and \$700,000 to Emergency Rental and Utility Assistance programs. In the Small Business Assistance program, 37 businesses were assisted, and 463 jobs were created/retained. In the Emergency Rental and Utility Assistance program, approximately 475 households were assisted.

Under the Coronavirus Aid, Relief, and Economic Stimulus (CARES) Act enacted March 27, 2020, the LACDA was awarded approximately \$69 million towards Emergency Solutions Grant-CV (ESG-CV) to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.

Funds were allocated to the Los Angeles Homeless Services Authority (LAHSA), Department of Health Services (DHS), and Internal Services Department (ISD) and City of Torrance to implement the following activities:

- Rapid Re-Housing (RRH)
- Temporary Emergency Shelter (TES)
- Homelessness Prevention (HP)
- Street Outreach (Street)

Activity	Goals	Accomplishments	Expenditures
RRH	1,750	2,292	\$19,053,222
TES	2,912	3,144	\$20,681,980
HP	405	1,173	\$678,008
Street	2,000	7,850	\$500,000

Under the CARES, the LACDA was awarded approximately \$36.8 million from the State Emergency Solutions Grant-CV (State ESG-CV) to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus

Funds were allocated to the Los Angeles Homeless Services Authority (LAHSA) to implement Rapid Re-Housing (RRH).

Accomplishments and expenditures as of June 30, 2022:

Goals	Accomplishments	Expenditures
1000	3,859	\$27,469,586

Housing Investment and Finance Division

The Housing Investment and Finance (HIF) Division is responsible for implementing programs that facilitate residential development and preservation throughout Los Angeles County, assisting those residents and residential property owners with limited incomes. The division works closely with non-profit and not-for-profit organizations, residents, owners, government agencies, supportive service providers, and property management companies to increase and sustain the availability of affordable and supportive housing for low – and moderate-income homeowners and residents.

During the reporting period HOME, Measure H, Mental Health Housing Funds, Homeless Service Center Funds, No Place Like Home, and Affordable Housing Trust funds were utilized to assist in the financing of affordable and special needs housing. A total of 537 units were completed and received the Certificate of Occupancy from a total expenditure of \$209.8 million.

The Homeownership Program (HOP) funded 34 deferred loans totaling \$3 million for buyers earning less than 80 % of the Area Median Income (AMI). To further assist buyers, the HOP is combined with Mortgage Credit Certificates (MCC), a federal income tax credit. During the fiscal year 2021-2022, 36 certificates were issued in concert with mortgages totaling \$15.4 million. The Single Family Home Improvement Program (SFHIP), Handy Worker program (HW), and Mobile Home program (MH) provided assistance to eligible low-income homeowners for safety related repairs. There were 22 units completed under SFHIP, 67 units under the HW program, and 15 units under the MH program for total expenditures of approximately \$2.1 million.

The Residential Sound Insulation Program (RSIP) provided grants to sound insulate residential dwelling units from aircraft noise caused by the Los Angeles World Airports in the unincorporated area of Lennox, Del Aire, and Athens. During the fiscal year, 114 units with code-related issues were completed for approximately \$5.7 million.

Directed by the Los Angeles County Board of Supervisors, the Chief Executive Office (CEO), Treasurer and Tax Collector (TTC), the LACDA, and County Counsel to develop a process to help secure tax-defaulted properties through Chapter 8 Agreement Sales for Community Land Trusts (CLTs) to create long-term affordable housing. Further, the motion instructed the departments to establish a Pilot Community Land Trust Partnership Program, solicit partnerships with CLTs and nonprofits to utilize the process, and identify and designate funding for the Pilot Program. The CEO and the LACDA determined that the most efficient method to assist CLTs in purchasing properties is for the LACDA to administer the Pilot Program, which includes executing grant agreements with the CLTs and completing the transfer of County funding into an escrow account for the respective CLT to acquire the property. During this fiscal year, assistance was provided in the acquisition of four (4) properties with 16 units for conversion to affordable housing for the CLT program totaling \$5 million.

Stanford Apartments

On September 1, 2021, officials from the LACDA joined LA County 2nd District Supervisor Holly J. Mitchell to celebrate the grand opening of the Stanford Avenue Apartments. Stanford Avenue Apartments is a permanent supportive housing project for homeless households with special needs and low-income families. The project was developed by Hollywood Community Housing Corporation, a Community Housing Development Organization (CHDO). The project features 85 units including two manager's units comprised of two (2) three-story structures. The project totals approximately 118,483 square feet of residential space on a 2.72-acre site. The site is comprised of three (3) contiguous parcels located in the unincorporated area of Compton in Los Angeles County. The development includes 46 one-bedroom units, 12 two-bedroom units, and 25 three-bedroom units with one (1) two-bedroom unit and one (1) three-bedroom unit set aside as manager's units.

The project received \$2.5 million in Affordable Housing Trust Funds (AHTF) and \$2.5 million in HOME funds from NOFA 22. The project received an additional \$1 million in AHTF and \$6.7 million from NOFA 23-A. The Second Supervisorial District provided \$250,000 of AHTF to the project. Additionally, the LACDA provided a seller carryback loan of \$1.3 million.

Vistas del Puerto

Completed in February 2022, Vistas del Puerto is a housing project located in Supervisorial District 4 mainly serving homeless households with low-income families. Vistas del Puerto is a five-story mixed-use affordable housing development totaling 48 units in the City of Long Beach. The development is comprised of 47 units plus one (1) manager's unit. The 48 units are comprised of 22 1-bedroom units, 13 2-bedroom units, and 13 3-bedroom units. Twenty three units will be reserved for low-income families earning at or below 50% area median income and 24 units will be reserved for low-income families earning at or below 30% area median income. The development features four stories of residential housing above three ground floor commercial spaces and parking.

Vistas del Puerto was developed to meet Green Point Platinum environmental standards. The development features large community spaces, onsite parking, secured pedestrian entry, bike storage, bike lounge, edible garden planters, a community room with complete kitchen, an outdoor courtyard, onsite laundry, property management and supportive service offices. The unit amenities include a full kitchen, heating, air conditioning, and the homeless units are fully furnished. The LACDA provided \$3.4 million for the construction and permanent financing of the project.

The Emerald

In February 2022, officials from the LACDA joined LA County Fifth District Supervisor Kathryn Barger at the groundbreaking ceremony to launch construction on The Emerald. The Emerald will be a 72-unit, new construction, mixed-population development located in the City of Lancaster. It is being constructed on an unimproved vacant parcel totaling 4.81 acres. The design consists of seven two-story residential buildings and one single-story community building, which will include property management offices, supportive services offices, a computer room, laundry facilities, and common space for residents. The Emerald includes ample outdoor amenities, including a walking path with six exercise stations, multiple BBQ areas, a children's playground, and dog park. There will also be a 138 surface parking spaces and 72 bicycle parking stalls.

The affordable housing project received a commitment for up to \$5 million of No Place Like Home (NPLH) Program funding, \$5 million of County General Funds (CGF), and 35 Project-Based Vouchers through LACDA's NOFA 26. Additionally, at the request of the Developer, the Fifth Supervisorial District set aside \$1 million in discretionary CDBG funding for the project (as identified in the 2021-2022 Action Plan). The grant funds, which will be issued and monitored by the LACDA, will cover costs associated with street, sidewalk, water, and sewer improvements. The LACDA is the sole public lender on The Emerald.

The Emerald was designed to provide housing opportunities for large families living in the County of Los Angeles, and includes six one-bedroom units, 44 two-bedroom units and 22 three-bedroom units. LA Family Housing (LAFH) made the decision to construct larger units following several meetings with the City of Lancaster, Service Planning Area (SPA) representatives, and local stakeholders concerning local housing needs.

Fairview Heights Apartments

In April 2022, the LACDA joined City of Inglewood officials, Supervisorial District 2 representatives, and Linc Housing representatives for the grand opening of the Fairview Heights Apartments (Project). This is a new 101-unit rental housing development located in the heart of the City of Inglewood. The development is comprised of 50-units for formerly homeless residents, 50-units for general low-income residents, and one manager's unit. Fairview Heights includes community indoor and outdoor space, supportive service office space, 5,000 square feet of commercial/retail space, and a transit plaza on the ground floor. The project received \$9.5 million from the LACDA for construction and permanent financing and \$2 million in Prop A Local Return Funds from the County of Los Angeles' Second Supervisorial District for costs associated with development of the transit plaza. The project also received Flexible Housing Subsidy Pool funds from the Los Angeles County Department of Health Services to cover rental subsidies for the formerly homeless residents.

The project was built on County-owned land that is being leased to LINC-CORE Fairview Metro, LP. The site is also across the street from the Fairview Heights Metro Transit Station, which is part of the future Crenshaw/LAX Light Rail Line.

Corazón del Valle

In April 2022, the LACDA joined LA County Supervisorial District 3 representatives and representatives from Clifford Beers Housing to celebrate the groundbreaking for the Carazon del Valle affordable and permanent supportive housing complex. Located in the Panorama City neighborhood of the San Fernando Valley, Corazon del Valle I and II will be developed on County-owned property comprised of a 1.72-acre (approximately) parcel. The site was improved with one vacant office building approximately 51,000 square feet, formerly occupied by the Los Angeles County Department of Public Social Services. Clifford Beers Housing (Developer) was selected from a Request for Proposals issued by the LACDA on behalf of the County. The 1.72-acre parcel will be split into two sites, each approximately 0.86 acres, to allow for the development of two separate project phases, Corazón del Valle I and Corazón del Valle II. The County entered into a 75-year Ground Lease Agreement with the Developer to develop and operate the proposed projects. The projects include the construction of a total of 180 affordable housing units (90 units in each building) for families and populations with special needs, including four unrestricted manager's units. Fifty percent of the units will be designated as special needs and the remaining as general affordable units. The units will be restricted to households earning 15% to 60% of Area Median Income (AMI). Project amenities include a community room with a kitchen and community event space, courtyards, a roof deck, office space for service providers and property management, outdoor space, two laundry rooms, and 180 parking spaces. The LACDA provided \$14 million (\$7 million each phase) for the development of the projects.

Rose Apartments

Completed in May 2022, Rose Apartments is a housing development project serving Transitional Age Youth and Homeless households with low-income families. Located in Supervisorial District 3, this housing development features 34 units plus one (1) manager's unit. All 34 units are comprised of studio units and 1-bedroom units. These units will be reserved for low-income families earning at or below 30% of the AMI.

The Rose Apartments housing development is in the Venice neighborhood of the City of Los Angeles, on a mixed residential and commercial corridor. The overall project included the demolition of two existing structures (no existing housing) and was developed by Venice Community Housing Corporation. This is a new construction of a 35-unit, permanent supportive housing development with administrative offices and some limited social services on the ground floor. The unit mix consists of 31 studios, three 1-bedrooms, and one 2-bedroom manager's unit. Building amenities include a large community room, laundry room, an open courtyard with greenery, and views of a green roof. The modern design uses large windows, open walkways, a courtyard, and low maintenance exterior materials to create a welcoming and interactive feeling for the community, and 17 on-site parking spaces to accommodate the residential and commercial requirements. The LACDA provided \$2.9 million in No Place Like Home funds for development of the apartment complex.

Housing Operations Division

The LACDA has 3,229 public and affordable housing units located throughout Los Angeles County. Inventory consists of 2,962 public housing units located at 63 sites; 226 units under the Multi-Family/Section 8 New Construction Program at Kings Road in West Hollywood and Lancaster Homes in Lancaster; and 41 State Rental Housing Construction Program units in Santa Monica.

The Housing Operations Division (HOD) receives Operating Subsidies and Housing Assistance Payments contracts from U.S. Department of Housing and Urban Development (HUD). Additional revenue consists of rent receipts, County General Funds and other federal and state grants. These revenue sources are used to operate and provide modest affordable housing and to provide resident supportive services to families and seniors with limited means.

The Public Housing Program has been rated High Performer for the last 12 years. The Public Housing Assessment System Score Report tracks four indicators: Management Operations, Physical Conditions of our properties, Financial Conditions, and timely obligation and expenditure of Capital Funds. The lease up rate for public housing is 99% and the overall Real Estate Assessment Center (REAC) property inspections score is 94 out of 100.

Capital Fund Program funds received from HUD are utilized for modernization and property improvements. The Capital Fund Grant award received in FY 2021-2022 will fund 12 new renovation projects countywide. CDBG funds will also be used for capital improvements. For FY 2022-2023, the HOD will continue with 40 renovation projects including the South Bay Garden Balconies, Harbor Hills Unit Heaters, Marina Manor Pipe Coating, Carmelitos Kitchen Rehab (Phase IV), and the Lancaster Homes Generator Installation projects.

Through the receipt of a \$1.1 million grant from Solar On Multifamily Affordable Housing (SOMAH), solar panels will be installed at Orchard Arms and South Bay Gardens housing sites. The projects will include new carports with solar panels and each project will result in reduced utility bills for residents. Launched 2019, the SOMAH program provides financial incentives for installing photovoltaic (PV) energy systems on multifamily affordable housing in California. The program delivers clean power and credits on energy bills to hundreds of thousands of the state's affordable housing residents.

Our ongoing vision is to disrupt the cycle of generational poverty and homelessness. We house homeless families in South Los Angeles County through our partnerships with the Los Angeles Homeless Services Authority (LAHSA) and the Los Angeles County Department of Children and Family Services (DCFS). The past year still continued to be challenging due to the lingering effects of COVID-19 with the discovery of certain variants. During this reporting period, we still found unique ways to provide services to our communities and residents, successfully hosting vaccination clinics across six (6) different housing developments to administer 400 vaccines to residents, employees, and community members. Carmelitos residents continue to receive work readiness, employer linkages, job placement, educational advancement technology skills, and financial literacy training.

Our Resident Services Program, non-profit partners, and resident councils provide numerous resident support services including case management and counseling, activities for youth, health and life skills classes, and referrals to address barriers to self-sufficiency. The Community Development Foundation (LACDF), our non-profit organization, awards annual scholarships and supports residents pursuing higher education.

Through the Residential Services Program, we provide needs-based services to public housing residents utilizing various grants and connecting the residents to services available through program providers in the community. During the fiscal year, we provided case management assistance services to 1,035 residences through the Family Resource Center, which offers family support services, transportation and childcare referrals, and other counseling services. And, provided mental wellness services through the Los Angeles County Department of Mental Health (LACDMH) service provider at 13 senior housing sites. In collaboration with YMCA, Boys & Girls Club, and East LA Rising, educational services were provided to 315 unduplicated public housing youth participating in the afterschool programs. 400 seniors and persons with disabilities were provided with Quality of Life programs, case management, and clinical services. Assisted Living Waiver Program services were provided to 54 seniors at South Bay Gardens, Orchard Arms, and Lancaster Homes. Provided onsite computer literacy, ESL, and High School Diploma classes to 80 public housing adult residents by partnering with local agencies. Carmelitos residents received work readiness, employer linkages, job placement, educational advancement technology skills, and financial literacy training. Pacific Gateway, a workforce development agency, maintained 80 enrolled residents and expanded services.

The LACDF is a 501(c)3 non-profit organization of the LACDA. Its mission is to end generational poverty in low-income housing throughout the Los Angeles County. The LACDF is meeting this mission by implementing a set of programs that empower extremely low-income students through college and continues to award annual scholarships and supports residents pursuing higher education.

The Scholarship Program awards are typically \$1,000 for students. Since 1997, the LACDF has awarded over \$380,000 in scholarships to over 360 participants, many of whom have since graduated and entered into professional fields of practice including doctors, nurses, and lawyers. During the fiscal year, 20 scholarships were awarded. Additionally, the LACDF

offers College Access and Success Workshops to prepare students for college enrollment and completion. These workshops include FAFSA assistance, SAT test preparation, effective study tips, and assistance with college applications, and essays. Professionals within varying fields facilitate these workshops and are available for follow-up support. These workshops support both the student and parent in making decisions, with a special focus on navigating the transition from high school to college.

Housing Assistance Division

The LACDA is the second largest Public Housing Agency in Southern California. We receive Federal funds from the U.S. Housing and Urban Development (HUD) to provide housing subsidies paid directly to private landlords, for over 29,000 eligible families, seniors, veterans, and persons with disabilities living in the unincorporated area of Los Angeles and 62 participating cities. The rental subsidy programs include Section 8 Housing Choice Voucher (HCV) Program, Veterans Affairs Supportive Housing (VASH), Continuum of Care (CoC), Moderate Rehabilitation, Project-Based Voucher (PBV), Mainstream, Family Unification and Housing Opportunities for Persons with Aids (HOPWA).

During this reporting period, the Housing Assistance Division (HAD) received over \$417 million in local and Federal funding to house low-income, homeless, and special needs households; awarded over 400 Project-Based Vouchers to assist homeless, veterans, seniors and special needs; commenced/completed leasing activities for six (6) affordable housing developments; issued over 1,900 vouchers to applicant households; and leased over 1,393 first-time program participants.

The LACDA continues to be proud partners in the County's Homeless Initiative. Since our last communication, one (1) additional local public housing authority joined our efforts to administer a Homeless Incentive Program (HIP), bringing the number of collaborating Public Housing Agencies to nine (9) total. The HIP provides monetary assistance to help homeless families secure decent, safe, and sanitary housing. First, property owners/managers receive the equivalent of one month's rent to hold their units and consider accepting a family with a housing voucher or certificate. The owner may also receive funds when the family moves out to prepare the unit for the next family. Secondly, HIP provides families with a listing of available units, assistance in the preparation for the rental process, transportation to visit units, and financial assistance to cover the application fee, security deposit, utility deposit, and other move-in costs. Since July 1, 2019, the LACDA successfully secured housing for nearly 4,000 formerly homeless families, expending over \$18 million in incentive payments and financial assistance to families in the process. The success of this initiative is a direct result of collective collaborations and commitments to end homelessness throughout Los Angeles County.

The Homeless Incentive Program (HIP) incentivizes property owners to rent to homeless HCV voucher holders while providing our clients with financial assistance for security deposits, and other move-in costs. Funding for the program comes as part of the Homeless Prevention Initiative, a collaborative effort between multiple County agencies supported by funding from Los Angeles County Measure H. In the fiscal year 2021-2022, HIP housed 753 individuals and families, paid 407 security deposits, provided clients with other move-in assistance; 40 rental application fees, convened or attended 37 landlord engagement events, received 1553 landlord requests to participate in HIP, and secured 753 units. Working in conjunction with eight (8) local Public Housing Agencies, 1,100 vouchers were committed.

The Section 8 Housing Choice Voucher (HCV) Program continues to provide housing assistance to low-income families to afford decent, safe, and sanitary housing. This fiscal year, we utilized 90% of allocated vouchers and expended 93% of annual Housing Assistance Payments (HAP) funding.

The Emergency Housing Voucher (EHV) Program was implemented by the LACDA effective July 1, 2021. During this reporting period the program provided lease and voucher assistance to qualifying LA County residence. A total of 567 EHV clients have leased (moved into housing) and 2,568 EHV clients were issued vouchers (to be used when a unit is located for lease).

During the fiscal year, the Family Self-Sufficiency (FSS) Program increased its enrollment to 87%. FSS is a five-year voluntary program designed to help families achieve economic self-sufficiency by providing services ranging from case management and referrals to supportive social services such as childcare, job preparation, education, and money management. As families report wage increases, their rent is adjusted, and a portion of their rent increase is credited into an interest-bearing escrow savings account monthly. FSS participants must successfully achieve all goals established in the FSS Contract of Participation and graduate from the Program in order to be eligible to receive escrow funds. This fiscal year ended with 30 participants graduating from the program; 24 Section 8 HCV and 6 Public Housing residents.

We received a "High Performer" rating under HUD's Section Eight Management Assessment Program (SEMAP) for the fiscal year 2020-2021 and are on pace to receive the SEMAP High Performer rating for eleven (11) consecutive years.

Communications and Public Affairs Unit

The LACDA's marketing, media, and public relations efforts are led by the Communications and Public Affairs Unit (CPAU). The team is well versed in maintaining strong relationships with local media and with legislators at the local, State, and Federal levels. The team's focus is to promote the agency internally to employees as well as to the public through various channels including social media marketing, media coordination, public information, and legislative analysis.

CPAU proactively communicates the LACDA's mission and programs to key target audiences, which include funders, clients, partners, and staff. To that end, the team manages the agency's website content and social media pages; produces the agency's bi-weekly newsletter, six-month Look Back Books, and award-winning annual report Year-End Highlights (YEH); works with the Executive Office to prepare and distribute employee messaging from the Executive Director; and provides content for the agency's employee communication portal.

Maximizing communication to the public remained important again this past year, to promote programs still in place to assist in the recovery of the COVID-19 pandemic. For example, the Unit partnered with the State to continue promotion of the CA COVID-19 Rent Relief Program to engage eligible property owners and renters to apply for assistance, particularly in light of the Program's sunset date. The Unit also developed collateral to help promote the agency's Emergency Housing Voucher (EHV) Program, in an effort to recruit property owners to rent their home and help house the County's most vulnerable residents.

Additionally, monthly communications meetings held with County Departments who are deploying American Rescue Plan Act programs provided an opportunity to give an update on program development and vet marketing material for COVID-19 related programming through the Anti-Racism, Diversity and Inclusion team, such as for the impending Childcare Grant Program that is to launch in August 2022, to ensure adherence to guidelines; worked with Countywide Communications to promote programs to ethnic media.

Internal communication assistance and coordination was also provided through weekly LA County Chief Executive Office (CEO) meetings with Workforce Development, Aging and Community Services (WDACS), Department of Consumer and Business Affairs (DCBA), and County Human Resources, for the transfer of Economic Development Unit staff. Input was given on marketing, development of Frequently Asked Questions for employees/public, new letterhead, business cards, welcome and benefits events, program collateral and website development.

Finally, as a result of Unit's advocacy efforts, particularly for requesting that the 20% cap on Project-Based Vouchers (PBV) be lifted, and by preparing and submitting a request through the earmark process to members of the County's Congressional delegation, the LACDA was able to secure PBV as well as Continuum of Care (CoC) language in the House Transportation-Housing and Urban Development report that encourages the U.S. Department of Housing and Urban Development (HUD) to work with its authorizing committees to consider increasing the percentage cap on project-based rental assistance in order to expand housing opportunities for populations such as those with special needs. This is very promising and a direct result of our advocacy efforts.

In anticipation of the sunset of the State COVID-19 Rent Relief Program, we partnered with the State and the County's Department of Consumer and Business Affairs (DCBA) to market and promote the Program to eligible property owners and renters encouraging their application for assistance. We also developed collateral to help promote the agency's Emergency Housing Voucher Program, to recruit property owners to rent their home and help house the County's most vulnerable residents.

The Unit continued to grow the agency's social media audience, particularly by reaching over 4,650 followers on Facebook; over 1,900 followers on Twitter; and over 2,600 followers on LinkedIn. And, continued to maintain a high agency profile in the local media and public television through Cable station programming, such as LA Close-Up, and by creating in-house videos. Maintained media and public profiles by issuing over 20 press releases, timely responses to over 30 media inquiries, and release of 11 program videos produced by the County or created in-house. Coordinated responses to almost 400 California Public Records requests and monitored responses for over 2,000 inquiries received through the Public Inquiry Portal.

We assisted in the preparation of legislative material in coordination with the LA County CEO for the Board of Supervisor's virtual advocacy visit to Sacramento in February 2022. Coordinated a virtual agency advocacy visit to Washington, D.C., April 2022, to meet with key legislators and HUD requesting regulatory fixes and increased funding for agency programming. Assisted in the preparation of the Board of Supervisors' advocacy visit to Washington, D.C., in April 2022, which included participation by the LACDA Executive Director.

Traffic Administration Services Program

The Traffic Administration Services (TAS) Program (formerly Traffic Violator School Monitoring) was created on April 15, 1997, when the LA County Board of Supervisors approved the Three-Party Agreement between the LACDA (then CDC/HACoLA), the Superior Court of California, and the County of Los Angeles (Court).

TAS provides and manages Traffic Court Specialist staff assigned at various Court locations to process and receive traffic citations on behalf of the Court. TAS also serves the Court's customers in providing printed and electronic information regarding the Court and traffic violator schools and providing customers with real-time assistance in resolving complaints regarding traffic violator course completion certificates.

In addition, TAS administers the LACDA's Court-Referred Community Service Program Monitoring (CRCS), which establishes and enforces policies and procedures for Community Service Referral Agencies (CSRAs) and provides the Court and its customers with a countywide list of CRCS-approved CSRAs. Through CRCS, TAS provides well-needed independent monitoring of the CSRA industry to help improve program reliability and accountability.

During the fiscal year, we resolved 1,558 traffic violator school completion certificate issues on behalf of the Los Angeles Superior Court and individual traffic violator schools. And also provided and managed 11 TAS Traffic Court Specialist (TCS) and three (3) TCS Supervisors to render traffic court customer and administration services at 18 Court locations. Traffic citation and traffic school related assistance was provided to 15,489 customers who contacted us via telephone, email and the LACDA/TAS website.

A total of 158,280 published copies of the Los Angeles Superior Court/TAS Traffic Violator School Location List (pursuant to Section 11205 of the California Vehicle Code) were distributed.

ACKNOWLEDGEMENT

The preparation of this report was accomplished through the efforts of the entire staff of the Finance and Budget Division. Assistance was also provided by employees of other Divisions and by our auditors, Lance, Soll & Lunghard, LLP. We wish to express our appreciation to the individuals who contributed to its preparation.

Sincerely,



EMILIO SALAS

Executive Director



MATTHEW FORTINI

Chief Financial Officer

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES



HILDA L. SOLIS
FIRST SUPERVISORIAL DISTRICT

HOLLY J. MITCHELL
SECOND SUPERVISORIAL DISTRICT

LINDSEY P. HORVATH
THIRD SUPERVISORIAL DISTRICT

JANICE HAHN
FOURTH SUPERVISORIAL DISTRICT

KATHRYN BARGER
FIFTH SUPERVISORIAL DISTRICT

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

PRINCIPAL OFFICIALS

*BOARD OF COMMISSIONERS

Janice HahnChair of the Board
Hilda L. Solis..... Supervisor First District
Holly J. Mitchell.....Supervisor Second District
Lindsey P. Horvath Supervisor Third District
Kathryn BargerSupervisor Fifth District

*HOUSING ADVISORY COMMITTEE

Zella Knight.....Chair of Committee
Pamela Williams..... Vice Chair of Committee
Mary Canoy Tenant Member
Renee Contreras Tenant Member
Ruthie Myers Tenant Member
Anna Swett Tenant Member
Takao Suzuki.....Non-Tenant Member, First District
Kelli Lloyd Non-Tenant Member, Second District
Elda Mendez-Lemus..... Non-Tenant Member, Third District
Connor Lock..... Non-Tenant Member, Fourth District
James Brooks..... Non-Tenant Member, Fifth District

OFFICERS

Emilio Salas..... Executive Director
Kathy Thomas Chief of Operations
Tracie Mann Chief of Programs

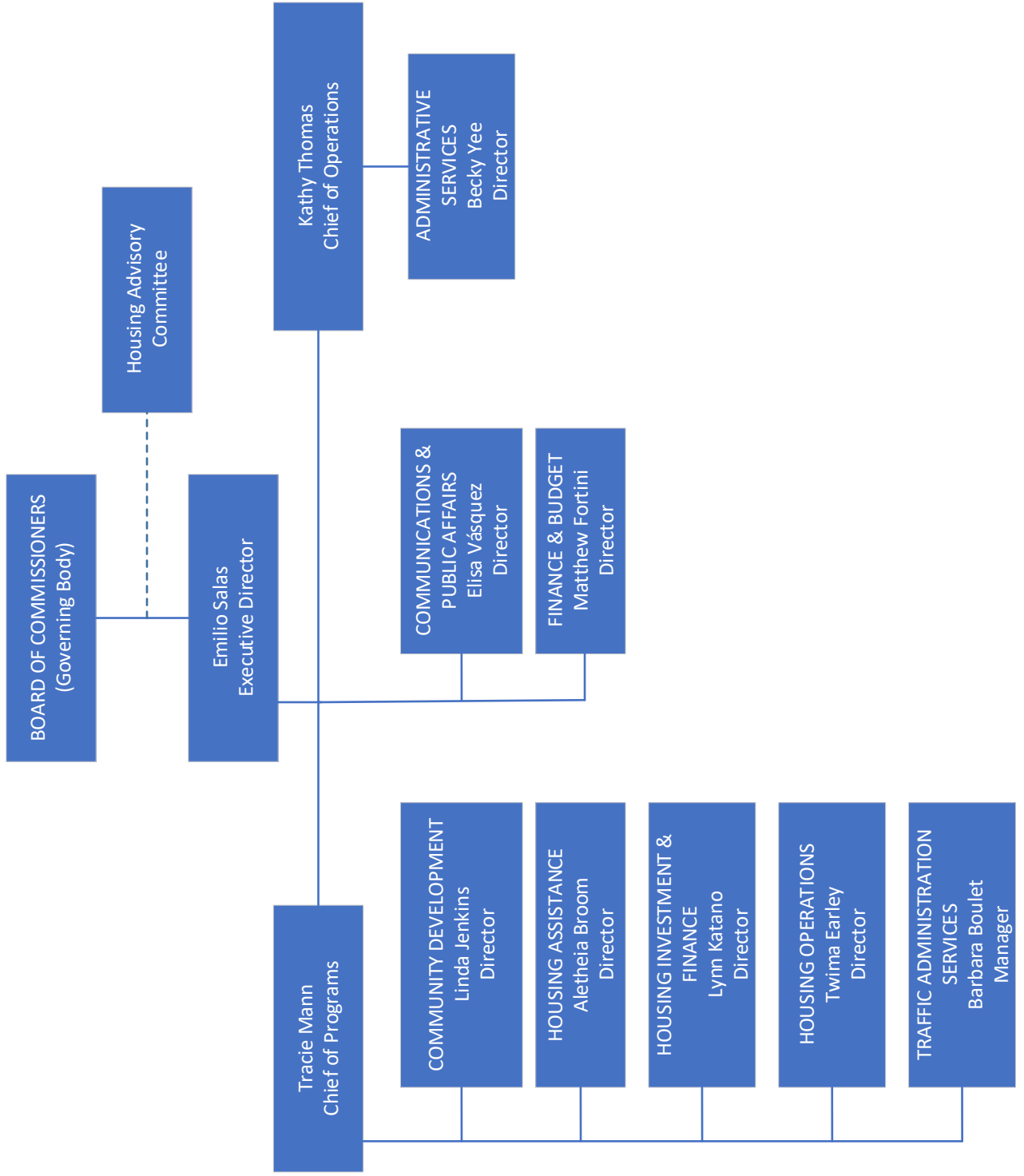
DIRECTORS

Aletheia Broom Housing Assistance
Twima EarlyHousing Operations
Matthew Fortini.....Finance and Budget
Linda Jenkins..... Community Development
Lynn KatanoHousing Investment and Finance
Elisa Vásquez Communications and Public Affairs
Becky Yee Administrative Services

*The Board of Commissioners and Housing Advisory Committee is as of December 31, 2022.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Los Angeles County Development Authority
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Los Angeles County Development Authority
County of Los Angeles, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Los Angeles County Development Authority (the LACDA), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the LACDA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the LACDA as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the 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. 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 LACDA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1(b) to the financial statements, in the fiscal year ended June 30, 2022, the LACDA adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.



To the Board of Commissioners
Los Angeles County Development Authority
County of Los Angeles, California

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 LACDA'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 opinion. 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 LACDA'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 LACDA'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.

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund, the Federal Housing and Community Development fund, the Other Federal fund, the Local Housing and Community Development fund, and the Low and Moderate Income Housing Asset fund; the schedule of changes in net pension liability and related ratios; the schedule of employer contributions for pension; the schedule of changes in net OPEB liability and related ratio; and the schedule of employer contributions for OPEB be



To the Board of Commissioners
Los Angeles County Development Authority
County of Los Angeles, California

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 auditing standards generally accepted in the United States of America, 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 LACDA's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) 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 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 auditing standards generally accepted in the United States of America. In our opinion, the 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 report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 November 10, 2022 on our consideration of the LACDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the LACDA'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 LACDA's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lance, Soll & Loughard, LLP". The signature is written in a cursive, flowing style.

Brea, California
November 10, 2022

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

This Management's Discussion and Analysis (MD&A) section of the Annual Comprehensive Financial Report provides a financial overview and analysis of the LACDA's financial activities for the fiscal year ended June 30, 2022. The areas discussed include financial highlights, government-wide financial analysis, fund financial analysis, capital assets, and debt administration. This information should be read in conjunction with the accompanying transmittal letter, basic financial statements, notes to the basic financial statements, and required supplemental information. Financial activities deemed immaterial were not analyzed.

Financial Highlights

- Total aggregated net position for LACDA as of June 30, 2022, is \$719,671,229 and includes the following:
 - \$138,789,853 in net investment in capital assets
 - \$536,400,284 in restricted net position
 - \$44,481,092 in unrestricted net position
- Compared to last fiscal year, LACDA's total net position increased by \$14,591,227. Of this increase, a decrease of \$884,782 was attributed to governmental activities offset by an increase of \$15,476,009 to business-type activities.
- At the end of the fiscal year, LACDA's fund balances of all governmental funds totaled \$526,559,574, an increase of \$6,399,544 over last fiscal year. \$3,536,173 of the total fund balances is non-spendable, while \$517,297,796 is restricted, and \$5,725,605 is unassigned.
- \$3,536,173 of the total general fund balance is non-spendable, \$56,040,705 is restricted, and \$6,264,047 is unassigned.
- The LACDA's total debt decreased by \$36,774,674 during the fiscal year. The decrease was primarily due to a decrease in the net pension liability of \$36.3 million, \$2.7 million in net other postemployment benefits liability, the early redemption of \$31.9 million of the lease revenue bonds, and the debt payments of \$1.6 million in Section 108 loans. This was offset by an increase of a new general revenue bonds issuance of \$31.1 million along with a \$3.6 million unamortized premium on bonds payable, and an increase of \$1 million in lease liability for the Palmdale office building.
- Total revenue is \$850,301,140, comprised of the following activities: governmental \$401,384,757 or 47% of total revenue, and business-type \$448,916,383 or 53% of total revenue.
- Total expenses are \$835,709,913, comprised of the following activities: governmental \$403,258,275 or 48% of total expenses, and business-type \$432,451,638 or 52% of total expenses. The governmental activities include general government expenses of \$3,117,660 or 0.4% of total expenses.

Overview of the Basic Financial Statements

The basic financial statements include all the activities of the LACDA, using the integral approach prescribed by GASB Statement No. 34 and its related GASB Statements. The Government-wide Financial Statements present the financial position of the LACDA from the economic resources' measurement focus, using the accrual basis of accounting. Governmental activities and business-type activities are presented separately. The statement of net position presents all assets and liabilities of the LACDA, including restricted and unrestricted assets. Financial activities of the LACDA's component units are also reported in the financial statements.

The accompanying Fund Financial Statements include statements for three categories of activities: governmental, proprietary, and fiduciary. The governmental funds are prepared using the current financial resources measurement focus

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

and the modified-accrual basis of accounting. The proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary fund is *not* presented in the accompanying government-wide financial statements since the resources of those funds are *not* available to support the LACDA's programs. The basis of accounting used for the fiduciary fund is similar to what is used for the proprietary funds. The reconciliations of the Fund Financial Statements to the Government-wide Financial Statements are provided to facilitate a comparison between governmental funds and governmental activities.

Following the basic financial statements are the accompanying notes, which provide additional information essential to fully understanding the data provided in the Government-wide and Fund Financial Statements. Certain required supplemental information, demonstrating the LACDA's progress in meeting its funding obligations, and in maintaining budgetary control, is also provided in the Required Supplementary Information section.

During the fiscal year, the LACDA implemented the following GASB statements: *GASB Statement No. 87, Leases*, *GASB Statement No. 92, Omnibus 2020*, and *GASB Statement No. 93, Replacement of Interbank Offered Rates (IBOR)*. The primary objective of *GASB Statement No. 87* is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this statement required restatement of LACDA's beginning net position for the fiscal year ended June 30, 2022. The objectives of *GASB Statement No. 92* are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. *GASB Statement No. 93* addresses accounting and financial reporting implications that are resulted from the replacement of an IBOR. The implementation of these two GASB statements have minimal impact in the presentation of the LACDA's financial statements.

Government-wide Financial Statements

The statement of net position and the statement of activities provide information about the LACDA as an integrated whole. These basic financial statements include all assets, liabilities, deferred outflows of resources, deferred inflows of resources, and net position of the LACDA using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two basic financial statements report the LACDA's changes in net position and activities for the year. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Over time, increases and decreases in net position may serve as a useful indication of improvement or deterioration of the LACDA's financial health.

Fund Financial Statements

The LACDA, like state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements. The LACDA uses three fund categories: governmental, proprietary and fiduciary.

Governmental funds

General Fund – The General Fund accounts for all general revenues and other receipts that are not appropriated by law or contractual agreement to specific funds. Expenditures of this fund include general operating expenditures, which are not paid through specific funds.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Other Major Governmental Funds – Other major governmental funds include Federal Housing and Community Development, Other Federal, Local Housing and Community Development, and Low and Moderate Income Housing Asset. These funds are used to account for revenues derived from specific sources, which are usually required by law or administrative regulation to be accounted for in separate funds.

The basic governmental fund statements are presented on pages 19-21 of this report.

Proprietary funds

Internal Service Funds – Internal service funds are used to account for the accumulation of resources and payments of services provided to multiple departments on a cost-reimbursement basis. The Internal Service Fund group includes: Construction Management, Central Services, Data Processing, Risk Management, and the Alhambra Building.

Enterprise Funds – Enterprise funds are used to account for activities similar to those found in the private sector. The LACDA's major enterprise funds are Public Housing, Other Housing, Section 8 program, and the LACDA's component unit, Community Development Properties Los Angeles County, Incorporated (CDPLAC).

The basic proprietary fund statements are presented on pages 23-25 of this report.

Fiduciary fund

Successor Agency Fund – The Successor Agency Fund is used to report assets and liabilities transferred from the LACDA's former redevelopment agency, held in a trustee capacity. The LACDA's redevelopment agency was dissolved in early 2012, per State legislation, ABX1 26.

The basic fiduciary fund statements are presented on pages 26-27 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the financial statements are found on pages 28-64 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information*, such as the schedule of revenues, expenditures, and changes of fund balances for all governmental funds with actual results compared to budget, and the LACDA's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 67-77 of this report.

Internal Service Funds are presented on pages 82-84, immediately following the required supplementary information.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Government-wide Financial Analysis

As presented earlier, the LACDA's net position at June 30, 2022, totaled \$719,671,229 with \$536,400,284 restricted, \$138,789,853 net investment in capital assets, and \$44,481,092 unrestricted. The changes in this year's net position include a decrease of \$884,782 in governmental activities and an increase of \$15,476,009 in business-type activities.

Los Angeles County Development Authority - Net Position

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$644,644,472	\$620,558,254	\$ 59,718,564	\$ 83,689,337	\$704,363,036	\$704,247,591
Capital assets, net of accumulated depreciation/amortization	55,787,189	58,028,825	119,075,554	112,756,407	174,862,743	170,785,232
Total assets	700,431,661	678,587,079	178,794,118	196,445,744	879,225,779	875,032,823
Deferred outflows of resources related to pensions and OPEB	7,448,953	9,663,432	4,742,263	6,198,485	12,191,216	15,861,917
Long-term liabilities	57,244,381	46,272,196	7,322,491	55,069,350	64,566,872	101,341,546
Other liabilities	58,551,923	70,731,971	10,158,048	11,675,532	68,709,971	82,407,503
Total liabilities	115,796,304	117,004,167	17,480,539	66,744,882	133,276,843	183,749,049
Deferred inflows of resources related to leases, pensions and OPEB	23,164,280	1,763,955	15,304,643	636,344	38,468,923	2,400,299
Net investment in capital assets	22,973,045	26,295,814	115,816,808	110,556,407	138,789,853	136,852,221
Restricted	522,334,698	507,675,114	14,065,586	7,020,432	536,400,284	514,695,546
Unrestricted	23,612,287	35,511,461	20,868,805	17,686,164	44,481,092	53,197,625
Total net position	\$568,920,030	\$569,482,389	\$150,751,199	\$135,263,003	\$719,671,229	\$704,745,392

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Los Angeles County Development Authority – Changes in Net Position

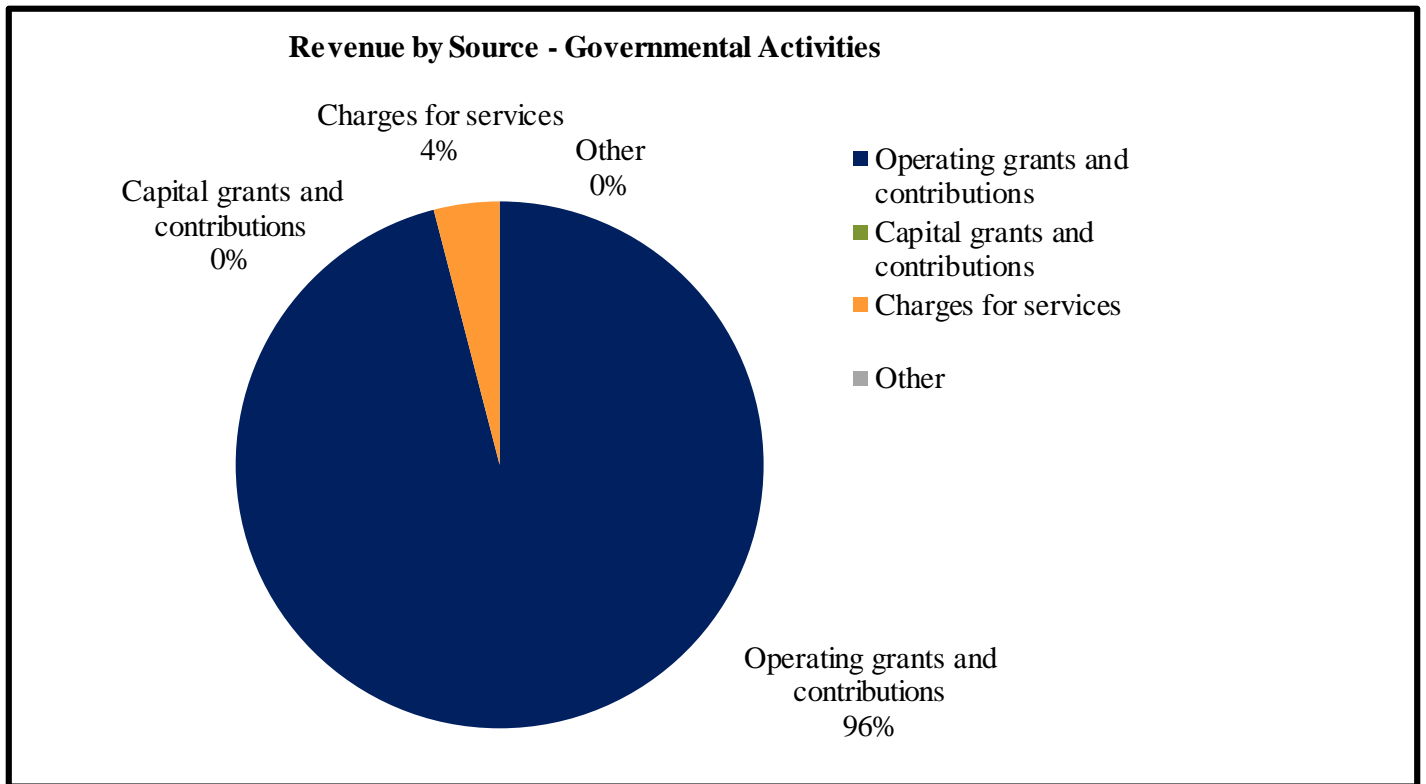
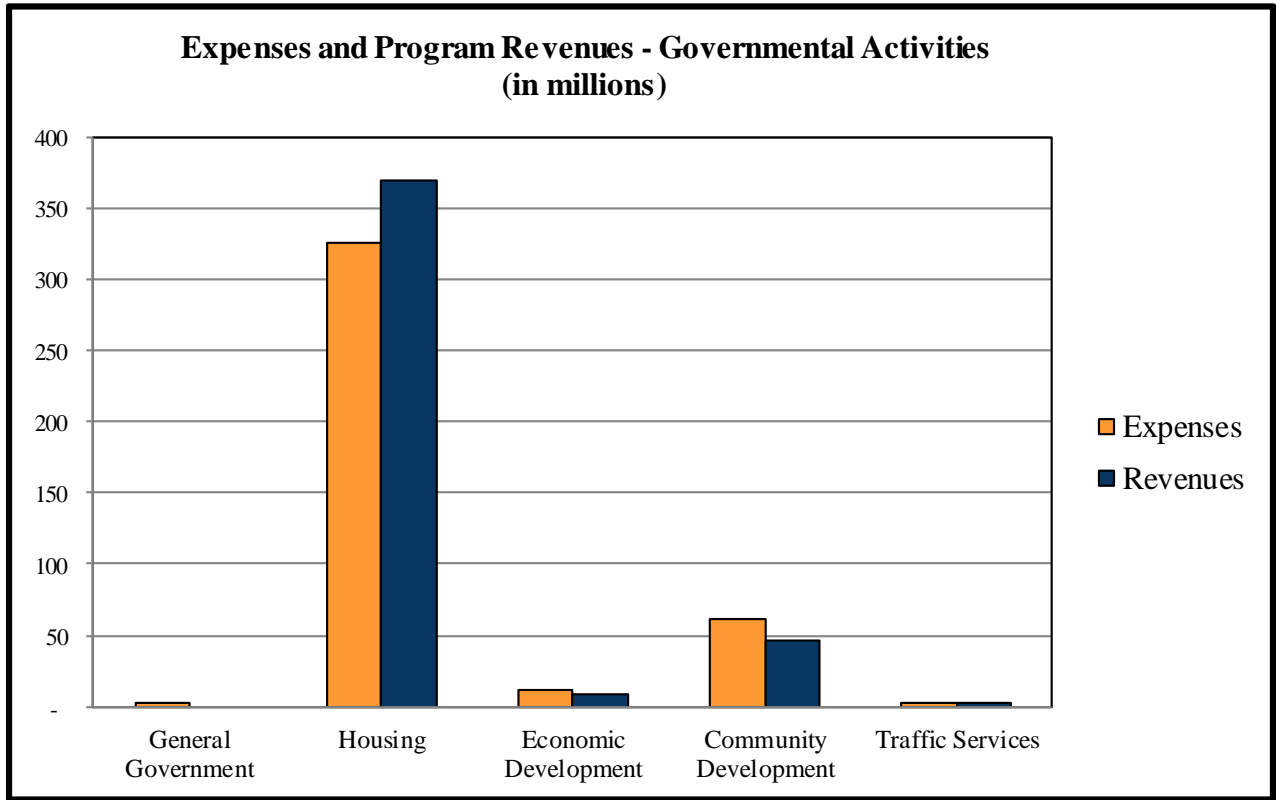
	Years ended June 30					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 17,147,435	\$ 16,339,245	\$ 15,994,970	\$ 15,054,746	\$ 33,142,405	\$ 31,393,991
Operating grants and contributions	409,164,900	435,161,783	423,350,541	413,571,049	832,515,441	848,732,832
Capital grants and contributions	-	-	7,962,202	4,284,800	7,962,202	4,284,800
General revenues:						
Investment income (loss)	(24,927,578)	(1,619,551)	1,608,670	1,882,490	(23,318,908)	262,939
Gain on sale of property	-	8,043	-	-	-	8,043
Total revenues	401,384,757	449,889,520	448,916,383	434,793,085	850,301,140	884,682,605
Program expenses:						
General government	3,117,660	567,904	-	-	3,117,660	567,904
Housing	324,945,641	379,160,360	-	-	324,945,641	379,160,360
Economic development	12,156,257	96,318,013	-	-	12,156,257	96,318,013
Community development	60,531,276	56,802,273	-	-	60,531,276	56,802,273
Traffic services	2,330,716	2,326,319	-	-	2,330,716	2,326,319
Interest on long-term debt	176,725	216,773	-	-	176,725	216,773
Section 8 program	-	-	395,443,329	376,943,905	395,443,329	376,943,905
Public housing	-	-	30,813,539	30,882,171	30,813,539	30,882,171
Other housing	-	-	4,875,639	4,991,203	4,875,639	4,991,203
CDPLAC	-	-	1,319,131	1,658,792	1,319,131	1,658,792
Total expenses	403,258,275	535,391,642	432,451,638	414,476,071	835,709,913	949,867,713
Change in net position before transfers	(1,873,518)	(85,502,122)	16,464,745	20,317,014	14,591,227	(65,185,108)
Transfers	988,736	(3,390,485)	(988,736)	3,390,485	-	-
Change in net position	(884,782)	(88,892,607)	15,476,009	23,707,499	14,591,227	(65,185,108)
Net position – beginning, as restated	569,804,812	658,374,996	135,275,190	111,555,504	705,080,002	769,930,500
Net position – ending	\$ 568,920,030	\$ 569,482,389	\$ 150,751,199	\$ 135,263,003	\$ 719,671,229	\$ 704,745,392

Governmental Activities

The decrease in net position of \$884,782 for governmental activities was attributed to the following decreases: \$27 million in fair market value of the LACDA's investment assets, \$9.7 million construction cost for the Vermont Manchester development project, and \$2.5 million loans issued to small business owners due to the pandemic caused by COVID-19. These decreases were offset by an increase of \$33.3 million funding from local housing and community development programs, and \$5 million due to changes in net pension and OPEB liabilities.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Management's Discussion and Analysis
Year ended June 30, 2022**

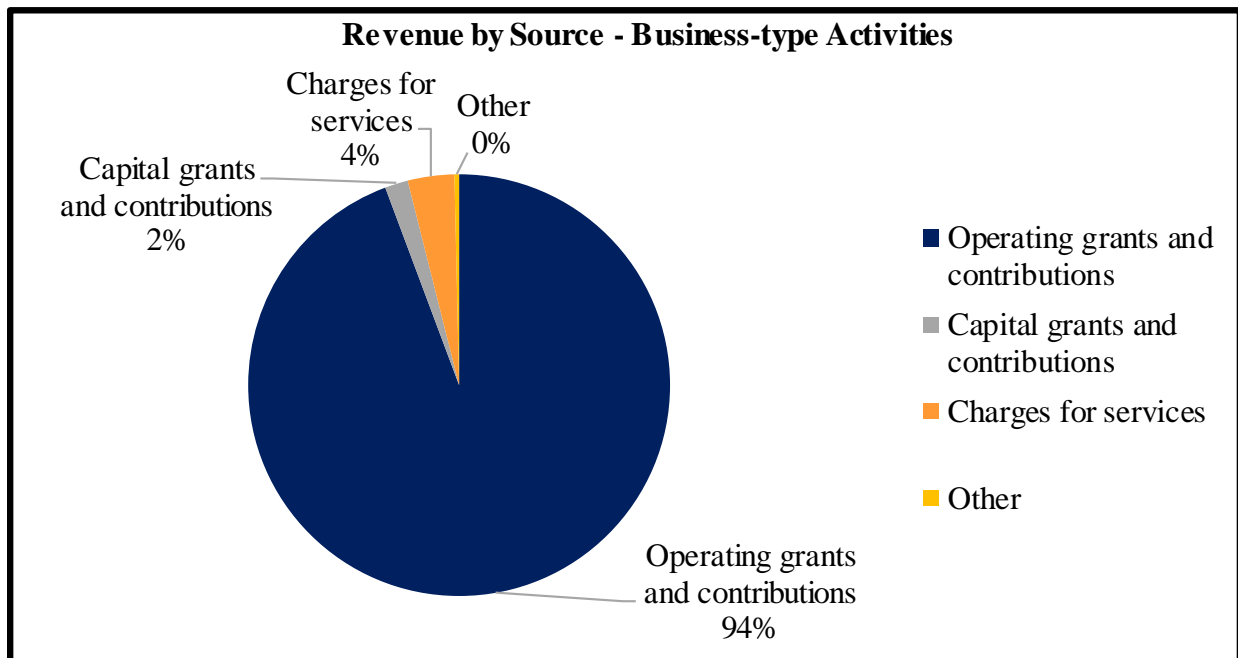
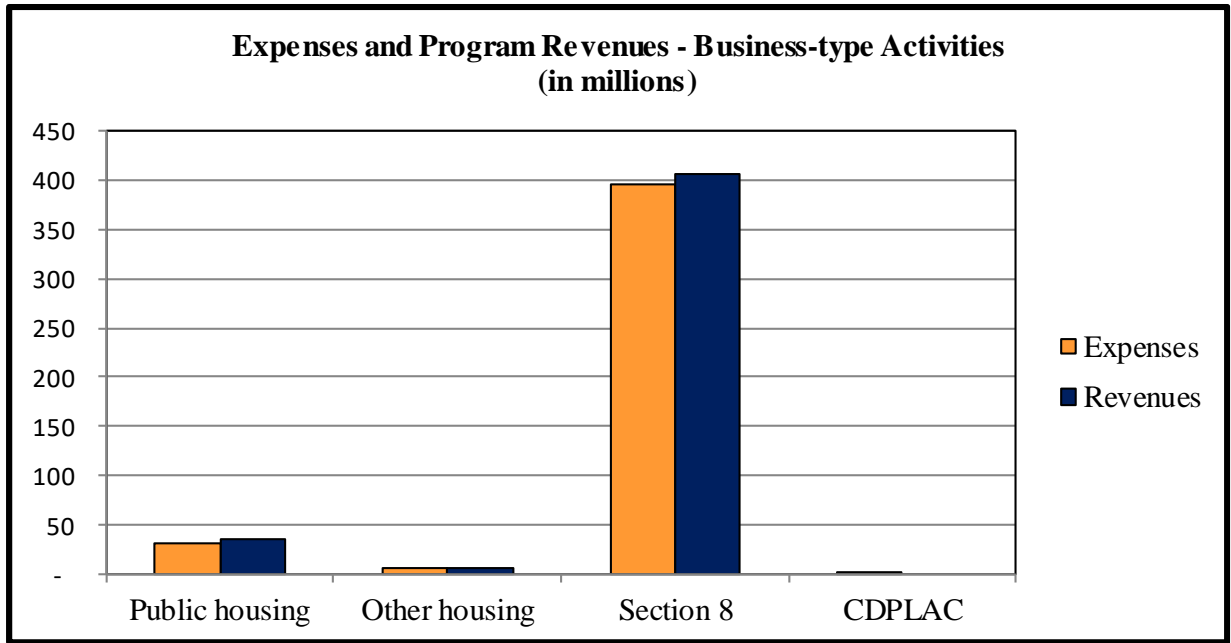


LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Management’s Discussion and Analysis
Year ended June 30, 2022**

Business-type Activities

The increase of \$15,476,009 in net position for business-type activities was mainly attributed to an increase of \$10.5 million in the Section 8 Program, \$5.2 million in Public Housing and \$0.2 million in the Other Housing Programs. The increase in Section 8 Program was due primarily to a new funding of \$8 million for Emergency Housing Vouchers along with a reduction of \$2 million in pension and OPEB expenses. The remaining increase was due to an increase of \$3.7 million in Public Housing Capital Fund for improvement of the housing sites, and a \$1 million increase in rental revenue.



LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Fund Financial Analysis

Governmental Funds

At June 30, 2022, the LACDA's total governmental fund balance was \$526,559,574, a net increase of \$6,399,544, or 1.2% from last fiscal year. An increase of \$33.3 million in the Local Housing and Community Development was mainly attributed to additional funding from the State for the administration of the No Place Like Home housing development program, and an increase of \$1.9 million in Other Federal to recognize the CARES Act available revenues in this fiscal year for the Economic Development Revolving Loan Fund. This increase was offset by a decrease of \$26.6 million in General Fund due to a lower market valuation of investment assets at year-end arising from an increase in interest rates by the Federal Reserve. The remaining decrease of \$2.5 million in Federal Housing and Community Development was due to revenues recognized in prior years but expended in the current fiscal year.

Proprietary Funds

The increase of \$5,232,725 in the net position of the Public Housing Program was due mainly to the addition capital assets funded by the Capital Fund program, the increase in dwelling rental and the decrease in program administration. Additional funding of \$3.7 million was received from the Public Housing Capital Fund for improvement of the housing sites. Dwelling rental revenue of \$14.7 million increased approximately by \$1 million and a decrease of \$1.9 million in program administration expenses as compared with last fiscal year.

The increase of \$182,055 in the net position of the Other Housing Program was due mainly to a decrease in pension and OPEB expenses.

The increase in net position of \$10,533,329 in the Section 8 Program was primarily due to a new funding award of approximately \$8 million in Emergency Housing Vouchers (EHV) and a decrease of \$2 million in pension and OPEB expenses.

General Fund Budgetary Highlights

The unfavorable variance in the intergovernmental revenues is attributed mainly to \$7.2 million funding received from the County in prior fiscal year for the Magic Johnson Park, Temple City Library, and the Vermont Manchester Prop A projects. Charges for services has a favorable variance of \$1.8 million is due to higher admin fees earned and higher bonds fees received. The General Fund investment loss of \$25 million is primarily due to the decrease in fair market value of the investment assets at year-end.

The favorable variance of \$1 million in general government expenditures was due primarily to savings in planning and general administrative costs as the construction of the Antelope Valley Office is no longer needed. Housing expenditures were \$1.5 million lower than the budgeted amount due to savings in salaries and general administrative costs. The variance of \$1.7 million in economic development expenditures was attributed mainly to the mid-year transfer of various economic development related programs to County of Los Angeles which resulted in various programs underspending for LACDA this fiscal year. Community development expenditures were \$3.1 million lower than budgeted due to the construction pacing of the Magic Johnson Park, Fire Station 110, and Norwalk Library projects.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Capital Assets

Capital assets are reported as governmental or business-type activities in the accompanying Government-wide Financial Statements. Capital assets are defined by the LACDA as assets with an initial unit cost of more than \$5,000 and an estimated useful life in excess of one year, and include property, furniture and fixtures, vehicle, equipment, and right-to-use leased assets.

Los Angeles County Development Authority - Capital Assets

(Net of accumulated depreciation/amortization)

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Land and land improvements	\$ 29,798,910	\$ 29,798,910	\$ 58,992,131	\$ 58,992,131	\$ 88,791,041	\$ 88,791,041
Construction in progress	134,315	134,315	5,175,991	3,822,724	5,310,306	3,957,039
Buildings and improvements	24,775,870	26,601,989	53,100,672	49,493,627	77,876,542	76,095,616
Right-to-use leased buildings	-	-	1,061,909	-	1,061,909	-
Equipment	133,899	107,340	744,851	447,925	878,750	555,265
Right-to-use leased equipment	151,078	-	-	-	151,078	-
Vehicles	2,157	540,384	-	-	2,157	540,384
Right-to-use leased vehicles	29,230	-	-	-	29,230	-
Furniture and fixtures	70,013	51,694	-	-	70,013	51,694
Software	691,717	794,193	-	-	691,717	794,193
Total	\$ 55,787,189	\$ 58,028,825	\$ 119,075,554	\$ 112,756,407	\$ 174,862,743	\$ 170,785,232

Additional information on the LACDA's capital assets can be found in Note 7 under *Notes to Basic Financial Statements* of this report.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Debt Administration

The LACDA's total long-term liabilities of \$64,566,872 as of June 30, 2022, are composed of the following:

Long-term liabilities arising from governmental activities	\$ 57,244,381
Long-term liabilities arising from business-type activities	<u>7,322,491</u>
	<u>\$ 64,566,872</u>

Los Angeles County Development Authority - Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Long-term liability						
Long-term debt:						
Lease revenue bonds	\$ -	\$ -	\$ -	\$ 31,930,000	\$ -	\$ 31,930,000
General revenue bonds	31,140,000	-	-	-	31,140,000	-
Unamortized premium on bonds payable	3,630,741	-	-	-	3,630,741	-
Lease liability	186,406	414,261	1,058,746	-	1,245,152	414,261
Direct borrowing:						
Section 108 notes payable	5,882,000	7,452,000	-	-	5,882,000	7,452,000
Notes payable to CA State Dept	-	-	2,200,000	2,200,000	2,200,000	2,200,000
Compensated absences	1,847,620	1,734,115	1,466,697	1,442,802	3,314,317	3,176,917
Claims payable	3,525,540	3,525,540	-	-	3,525,540	3,525,540
Net pension liability	11,032,074	30,943,518	2,597,048	18,980,923	13,629,122	49,924,441
Net other postemployment benefits liability	-	2,202,762	-	515,625	-	2,718,387
Total	<u>\$57,244,381</u>	<u>\$46,272,196</u>	<u>\$ 7,322,491</u>	<u>\$55,069,350</u>	<u>\$ 64,566,872</u>	<u>\$ 101,341,546</u>

Additional information on LACDA's long-term debt can be found in Note 8, Note 9, Note 11, Note 12, and Note 17 under *Notes to Basic Financial Statements* of this report.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Budgetary Highlights for Next Fiscal Year 2022-2023

The total budget for the Los Angeles County Development Authority (LACDA) is \$982.4 million for the fiscal year 2022-2023, a \$112.8 million increase from fiscal year 2021-2022. The increase is primarily due to the increased funding for the Housing Choice Voucher (HCV) program, No Place Like Home, and the new American Rescue Plan (ARP) programs. The increase is offset by decreases from the Federal and State COVID-19 Emergency Solutions Grants (ESG) and CDBG funds as authorized by the CARES Act.

The budget consists mainly of federal monies, funded for housing and community development programs under HUD. Local revenue sources include Public Housing dwelling rental and County General Funds. Other sources include the Federal Aviation Administration (FAA) and the Los Angeles World Airports (LAWA).

The following major funding sources for fiscal year 2022-2023 are detailed below:

- Housing Assistance and Public Housing primary programs are budgeted at \$599.2 million and consist of the following: \$497 million for Housing Assistance Voucher programs, such as HCV, Emergency Housing Vouchers, Veterans Affairs Supportive Housing Vouchers, and Shelter Plus Care, used to administer over 29,000 rental subsidies for eligible individuals and families, seniors, veterans, and persons with disabilities living in the unincorporated area of Los Angeles County and participating cities; \$48.8 million for Public Housing (including resident services) and Modernization programs to manage and maintain 3,229 public and affordable housing units, including new and carryover projects throughout Los Angeles County to rehabilitate housing units and perform site improvements; and \$53.4 million for Rapid Rehousing and Landlord Incentive programs dedicated to serve the chronically homeless population with supportive housing programs like the Department of Children and Family Services/Bringing Family Homes, Measure H: Homeless Incentive Program, and Fair Housing.
- Affordable Housing and Community Development programs are budgeted at \$325.3 million and consist of the following: \$250 million for Housing Development programs, such as No Place Like Home, Affordable Housing Trust Funds, new ARP Housing Development, and Los Angeles County Department of Mental Health, used to develop supportive and affordable housing for the homeless and/or mentally-ill individuals/families; \$39.2 million for Community Development programs consisting of Federal and State Emergency Solutions Grants and Permanent Local Housing programs that provide homeless shelter and prevention, CDBG Program to assist County residents with limited means; \$32.1 million for Economic Development programs, such as the new ARP programs for Keep LA County Dining, Small Business Rent Relief, and Childcare; Vermont Manchester and Cudahy, for mixed-use to increase job growth and affordable housing; \$3.7 million for Construction Management Services to complete the Fire Station 110 and Magic Johnson Park construction projects; and \$0.3 million for various activities related to development programs.
- Housing Preservation programs are budgeted at \$50 million and consist of the following: \$26.1 million for Lead-Based Paint Mitigation programs to mitigate hazards in 726 residential units in the Countywide and Exide service areas; \$9.8 million for the Residential Sound Insulation Program (RSIP) to improve living conditions of 136 residents within the RSIP project area; \$10.7 million for homeownership and improvement programs; and \$3.4 million for other housing preservation programs.
- Other programs are budgeted at \$7.9 million. These remaining funds consist of the following: \$3.9 million for General Activities such as legal and program monitoring; \$2.9 million to administer the Traffic Administration Services (TAS) and the Court-Referred Community Service (CRCS) programs; and the remaining \$1.1 million is used to support other program initiatives by the LACDA.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Management's Discussion and Analysis Year ended June 30, 2022

Contacting Finance and Budget

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the LACDA's finances, including the LACDA's accountability for the money it receives. Inquiries regarding this report, or requests for additional information should be directed to: Mr. Matthew Fortini, Chief Financial Officer, Finance and Budget Division, 700 W. Main Street, Alhambra, California 91801, (626) 586-1890.



LACDA

Los Angeles County Development Authority

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Statement of Net Position
June 30, 2022**

	Primary government		
	Governmental activities	Business-type activities	Totals
Assets			
Cash and pooled investments	\$ 549,198,330	\$ 41,100,258	\$ 590,298,588
Restricted investments	9,493,126	-	9,493,126
Accounts receivable, net	3,449,617	1,384,183	4,833,800
Due from other governments	26,287,645	17,626,896	43,914,541
Internal balances	3,064,822	(3,064,822)	-
Notes receivable, net	20,818,407	-	20,818,407
Land held for resale	12,753,608	-	12,753,608
Inventory	50,447	3,125	53,572
Prepaid costs and other assets	711,859	2,687	714,546
Lease receivable	3,182,392	291,468	3,473,860
Net other postemployment benefits asset	3,330,213	2,374,769	5,704,982
Investment in JPA	12,304,006	-	12,304,006
Capital assets:			
Land	29,798,910	58,992,131	88,791,041
Construction in progress	134,315	5,175,991	5,310,306
Capital assets, net of accumulated depreciation/amortization	25,853,964	54,907,432	80,761,396
Total assets	<u>700,431,661</u>	<u>178,794,118</u>	<u>879,225,779</u>
Deferred Outflows of Resources			
Pension related amounts	4,539,313	3,550,400	8,089,713
Other postemployment benefits related amounts	2,909,640	1,191,863	4,101,503
Total deferred outflows of resources	<u>7,448,953</u>	<u>4,742,263</u>	<u>12,191,216</u>
Liabilities			
Accounts payable and accrued liabilities	46,393,087	4,556,541	50,949,628
Due to other governments	5,259,165	2,026,330	7,285,495
Tenant security deposits	42,583	1,127,054	1,169,637
Unearned revenue	6,857,088	2,448,123	9,305,211
Long-term liabilities:			
Due within one year:			
Long-term debt obligations	876,649	195,249	1,071,898
Estimated claims payable	352,554	-	352,554
Accrued compensated absences	1,662,858	1,320,027	2,982,885
Subtotal	<u>2,892,061</u>	<u>1,515,276</u>	<u>4,407,337</u>
Due in more than one year:			
Long-term debt obligations	39,962,498	3,063,497	43,025,995
Estimated claims payable	3,172,986	-	3,172,986
Accrued compensated absences	184,762	146,670	331,432
Net pension liability	11,032,074	2,597,048	13,629,122
Long-term liabilities, net of current portion	<u>54,352,320</u>	<u>5,807,215</u>	<u>60,159,535</u>
Total liabilities	<u>115,796,304</u>	<u>17,480,539</u>	<u>133,276,843</u>
Deferred Inflows of Resources			
Lease related amounts	2,730,820	277,999	3,008,819
Pension related amounts	15,126,247	12,442,115	27,568,362
Other postemployment benefits related amounts	5,307,213	2,584,529	7,891,742
Total deferred inflows of resources	<u>23,164,280</u>	<u>15,304,643</u>	<u>38,468,923</u>
Net Position			
Net investment in capital assets	22,973,045	115,816,808	138,789,853
Restricted for:			
Pension obligations	9,493,126	-	9,493,126
Housing	462,911,971	-	462,911,971
Economic development	23,713,558	-	23,713,558
Community development	22,623,186	-	22,623,186
Traffic services	3,592,857	-	3,592,857
Housing assistance payments	-	13,500,275	13,500,275
Housing improvement projects	-	565,311	565,311
Unrestricted	23,612,287	20,868,805	44,481,092
Total net position	<u>\$ 568,920,030</u>	<u>\$ 150,751,199</u>	<u>\$ 719,671,229</u>

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Statement of Activities
Year ended June 30, 2022**

Functions/programs	Program revenues			Net revenue (expense) and changes in net position		
	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Totals
Governmental activities:						
General government	\$ 3,117,660	\$ 93,610	\$ -	\$ (2,747,891)	\$ -	\$ (2,747,891)
Housing	324,945,641	354,406,386	-	44,208,103	-	44,208,103
Economic development	12,156,257	8,677,229	-	(3,247,249)	-	(3,247,249)
Community development	60,531,276	44,054,465	-	(14,584,672)	-	(14,584,672)
Traffic services	2,330,716	1,933,210	-	(397,506)	-	(397,506)
Interest on long-term debt	176,725	-	-	(176,725)	-	(176,725)
Total governmental activities	403,258,275	409,164,900	-	23,054,060	-	23,054,060
Business-type activities:						
Public housing	30,813,539	12,676,992	7,962,202	-	4,612,330	4,612,330
Other housing	4,875,639	4,732,334	-	-	1,064,990	1,064,990
Section 8 program	395,443,329	405,887,045	-	-	10,443,716	10,443,716
CDPLAC	1,319,131	54,170	-	-	(1,264,961)	(1,264,961)
Total business-type activities	432,451,638	423,350,541	7,962,202	-	14,856,075	14,856,075
Total	\$ 835,709,913	\$ 832,515,441	\$ 7,962,202	23,054,060	14,856,075	37,910,135
General revenues:						
Investment income (loss)				(24,927,578)	1,608,670	(23,318,908)
Transfers				988,736	(988,736)	-
Total general revenues and transfers				(23,938,842)	619,934	(23,318,908)
Change in net position				(884,782)	15,476,009	14,591,227
Net position – beginning, as restated				569,804,812	135,275,190	705,080,002
Net position – ending				\$ 568,920,030	\$ 150,751,199	\$ 719,671,229

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2022

Assets	General fund	Federal housing and community development	Other federal	Local housing and community development	Low and moderate income housing asset fund	Total
Cash and pooled investments	\$ 35,540,153	\$ 10,112,763	\$ 1,159,072	\$ 482,427,089	\$ 3,780,377	\$ 533,019,454
Restricted investments	9,493,126	-	-	-	-	9,493,126
Accounts receivable	3,367,713	11,778	-	25,182	429	3,405,102
Lease receivable	1,870,358	1,312,034	-	-	-	3,182,392
Due from other governments	3,289,602	20,499,083	2,015,359	483,601	-	26,287,645
Due from other funds	9,720,996	-	-	-	-	9,720,996
Advances to other funds	3,064,822	-	-	-	-	3,064,822
Land held for resale	2,646,093	4,215,128	-	56,551	5,835,836	12,753,608
Prepaid costs and other assets	689,915	-	-	-	-	689,915
Total assets	\$ 69,682,778	\$ 36,150,786	\$ 3,174,431	\$ 482,992,423	\$ 9,616,642	\$ 601,617,060
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,128,321	\$ 16,427,872	\$ 538,680	\$ 26,254,543	\$ 60,516	\$ 45,409,932
Due to other funds	-	9,650,000	70,996	-	-	9,720,996
Due to other governments	-	4,726,626	-	532,539	-	5,259,165
Tenant security deposits	42,583	-	-	-	-	42,583
Unearned revenues	756	-	913,066	5,943,266	-	6,857,088
Total liabilities	2,171,660	30,804,498	1,522,742	32,730,348	60,516	67,289,764
Deferred inflows of resources:						
Unavailable revenues	-	4,824,103	212,799	-	-	5,036,902
Lease related amounts	1,670,193	1,060,627	-	-	-	2,730,820
Total deferred inflows of resources	1,670,193	5,884,730	212,799	-	-	7,767,722
Fund balances:						
Nonspendable						
Land held for resale	2,646,093	-	-	-	-	2,646,093
Lease receivable	200,165	-	-	-	-	200,165
Inventory, prepaid costs and other assets	689,915	-	-	-	-	689,915
Restricted						
Pension obligations	9,493,126	-	-	-	-	9,493,126
Housing	26,456,112	-	1,116,248	421,238,891	9,556,126	458,367,377
Economic development	9,668,857	-	322,642	13,722,059	-	23,713,558
Community development	10,422,610	-	-	11,708,268	-	22,130,878
Traffic services	-	-	-	3,592,857	-	3,592,857
Unassigned	6,264,047	(538,442)	-	-	-	5,725,605
Total fund balances	65,840,925	(538,442)	1,438,890	450,262,075	9,556,126	526,559,574
Total liabilities, deferred inflows of resources and fund balances	\$ 69,682,778	\$ 36,150,786	\$ 3,174,431	\$ 482,992,423	\$ 9,616,642	\$ 601,617,060

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2022

Total governmental fund balances	\$ 526,559,574
Amounts reported for governmental activities in the accompanying statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those capital assets consist of:	
Capital assets, net of accumulated depreciation/amortization	22,190,065
Certain notes receivable are not considered to be current financial resources.	20,818,407
Internal service funds are used by management to charge the costs of certain activities, such as insurance, and vehicle and computer replacement, to individual funds. These assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	6,880,311
Investment in JPA is a long-term asset which is not considered current financial resources.	12,304,006
Amounts reported as unavailable revenues do not provide current financial resources and therefore are not reported in the governmental funds.	5,036,902
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Those long-term liabilities consist of:	
Section 108 notes payable	(5,882,000)
Compensated absences	(1,224,840)
Amounts reported for net pension liability are not due in the current period and therefore are not reported in the governmental funds. Related components that will affect the net pension liability in future measurement years are reported as deferred outflows and deferred inflows of resources and are therefore not reported in the governmental funds.	
Net pension liability	(10,519,104)
Deferred outflows of resources related to pensions	3,278,349
Deferred inflows of resources related to pensions	(11,104,772)
Amounts reported for net other postemployment benefits asset are not due in the current period and therefore are not reported in the governmental funds. Related components that will affect the net other postemployment benefits asset in future measurement years are reported as deferred outflows and deferred inflows of resources and are therefore not reported in the governmental funds.	
Net other postemployment benefits asset	2,513,040
Deferred outflows of resources related to other postemployment benefits	2,312,335
Deferred inflows of resources related to other postemployment benefits	(4,170,001)
Accrued interest payable on long-term liabilities do not require the use of current financial resources and therefore are not reported in the governmental funds.	(72,242)
Net position of governmental activities	<u>\$ 568,920,030</u>

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year ended June 30, 2022

	General fund	Federal housing and community development	Other federal	Local housing and community development	Low and moderate income housing asset fund	Total
Revenues:						
Intergovernmental	\$ 6,109,032	\$ 116,464,567	\$ 13,471,976	\$ 277,295,662	\$ 310,574	\$ 413,651,811
Charges for services	15,330,263	54,329	26,430	837,137	-	16,248,159
Rentals	434,675	464,601	-	-	-	899,276
Investment income (loss)	(24,755,717)	1,789,259	205,187	5,715,870	156,490	(16,888,911)
Other revenues	122,579	521,614	-	51,811	-	696,004
Total revenues	(2,759,168)	119,294,370	13,703,593	283,900,480	467,064	414,606,339
Expenditures:						
Current:						
General government	2,961,334	-	-	-	-	2,961,334
Housing	9,994,023	73,564,435	2,304,760	244,135,630	119,778	330,118,626
Economic development	7,076,182	-	4,507,979	2,546,480	-	14,130,641
Community development	6,837,053	46,277,394	5,016,849	982,422	-	59,113,718
Traffic services	-	-	-	2,330,248	-	2,330,248
Debt service:						
Principal	-	1,570,000	-	-	-	1,570,000
Interest	-	193,457	-	-	-	193,457
Total expenditures	26,868,592	121,605,286	11,829,588	249,994,780	119,778	410,418,024
Excess (deficiency) of revenues over expenditures	(29,627,760)	(2,310,916)	1,874,005	33,905,700	347,286	4,188,315
Other financing sources (uses):						
Transfers in	3,009,103	-	-	-	-	3,009,103
Transfers out	-	(164,980)	(15,992)	(616,902)	-	(797,874)
Net other financing sources (uses)	3,009,103	(164,980)	(15,992)	(616,902)	-	2,211,229
Change in fund balances	(26,618,657)	(2,475,896)	1,858,013	33,288,798	347,286	6,399,544
Fund balances at beginning of year, as restated	92,459,582	1,937,454	(419,123)	416,973,277	9,208,840	520,160,030
Fund balances at end of year	\$ 65,840,925	\$ (538,442)	\$ 1,438,890	\$ 450,262,075	\$ 9,556,126	\$ 526,559,574

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year ended June 30, 2022

Net change in fund balances – total governmental funds	\$ 6,399,544
Amounts reported for governmental activities in the accompanying statement of activities are different because:	
Government 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/amortization expense.	
Depreciation/amortization expense	(855,562)
Loans issued, net of collections do not have any effect on net position.	(2,279,194)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, and vehicle and computer replacement, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	199,872
Investment in JPA that do not provide current financial resources are not reported in the governmental funds.	(145,929)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Changes in compensated absences	(45,364)
Principal payment on Section 108 notes payable	1,570,000
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. These expenses consist of the following:	
Changes in interest payable for long-term liabilities	16,732
Changes in net other postemployment benefits liabilities and OPEB related accounts	769,421
Changes in net pension liabilities and pension related accounts	4,383,629
Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds.	<u>(10,897,931)</u>
Change in net position of governmental activities	<u>\$ (884,782)</u>

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Statement of Net Position
Proprietary Funds
June 30, 2022**

	Public housing	Other housing	Section 8 program	CDPLAC	Totals	Internal service funds
Assets						
Current assets:						
Cash and pooled investments	\$ 10,394,113	\$ 6,111,230	\$ 24,594,915	\$ -	\$ 41,100,258	\$ 16,178,876
Accounts receivable, net	409,491	39,360	935,332	-	1,384,183	44,515
Due from other governments	3,836,200	1,324,694	12,466,002	-	17,626,896	-
Inventory	1,961	-	1,164	-	3,125	50,447
Prepaid costs and other assets	-	-	2,687	-	2,687	21,944
Total current assets	14,641,765	7,475,284	38,000,100	-	60,117,149	16,295,782
Noncurrent assets:						
Lease receivable	291,468	-	-	-	291,468	-
Net other postemployment benefits asset	1,224,016	76,263	1,074,490	-	2,374,769	817,173
Capital assets, net	109,918,805	8,094,840	1,061,909	-	119,075,554	33,597,124
Total noncurrent assets	111,434,289	8,171,103	2,136,399	-	121,741,791	34,414,297
Total assets	126,076,054	15,646,387	40,136,499	-	181,858,940	50,710,079
Deferred Outflows of Resources						
Pension related amounts	1,109,900	139,220	2,301,280	-	3,550,400	1,260,964
Other postemployment benefits related amounts	567,646	44,107	580,110	-	1,191,863	597,305
Total deferred outflows of resources	1,677,546	183,327	2,881,390	-	4,742,263	1,858,269
Liabilities						
Current liabilities:						
Accounts payable and accrued liabilities	3,546,038	370,792	639,711	-	4,556,541	910,913
Due to other governments	461,189	-	1,565,141	-	2,026,330	-
Advances from other funds	218,887	114,315	2,731,620	-	3,064,822	-
Tenant security deposits	1,026,963	100,091	-	-	1,127,054	-
Unearned revenue	168,847	10,291	2,268,985	-	2,448,123	-
Estimated claims payable	-	-	-	-	-	352,554
Accrued compensated absences	360,479	83,779	875,769	-	1,320,027	560,502
Long-term debt obligations - current portion	-	-	195,249	-	195,249	140,649
Total current liabilities	5,782,403	679,268	8,276,475	-	14,738,146	1,964,618
Noncurrent liabilities:						
Estimated claims payable	-	-	-	-	-	3,172,986
Accrued compensated absences	40,053	9,309	97,308	-	146,670	62,278
Long-term debt obligations	-	2,200,000	863,497	-	3,063,497	34,816,498
Net pension liability	1,000,455	53,614	1,542,979	-	2,597,048	512,970
Total noncurrent liabilities	1,040,508	2,262,923	2,503,784	-	5,807,215	38,564,732
Total liabilities	6,822,911	2,942,191	10,780,259	-	20,545,361	40,529,350
Deferred Inflows of Resources						
Lease related amounts	277,999	-	-	-	277,999	-
Pension related amounts	4,051,580	463,912	7,926,623	-	12,442,115	4,021,475
Other postemployment benefits related amounts	1,363,536	106,060	1,114,933	-	2,584,529	1,137,212
Total deferred inflows of resources	5,693,115	569,972	9,041,556	-	15,304,643	5,158,687
Net Position						
Net investment in capital assets	109,918,805	5,894,840	3,163	-	115,816,808	782,980
Restricted for:						
Housing assistance payments	-	-	13,500,275	-	13,500,275	-
Housing improvement projects	565,311	-	-	-	565,311	-
Unrestricted	4,753,458	6,422,711	9,692,636	-	20,868,805	6,097,331
Total net position	\$ 115,237,574	\$ 12,317,551	\$ 23,196,074	\$ -	\$ 150,751,199	\$ 6,880,311

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year ended June 30, 2022

	Public housing	Other housing	Section 8 program	CDPLAC	Totals	Internal service funds
Operating revenues:						
Government subsidies	\$ 12,556,682	\$ 4,520,435	\$ 405,746,898	\$ -	\$ 422,824,015	\$ -
Charges for services	43,300	2,198	-	-	45,498	17,133,408
Rentals	14,743,375	1,206,097	-	-	15,949,472	3,322,944
Other revenue	120,310	211,899	140,147	54,170	526,526	95,188
Total operating revenues	27,463,667	5,940,629	405,887,045	54,170	439,345,511	20,551,540
Operating expenses:						
Current:						
Program administration	15,214,169	3,237,312	32,917,008	-	51,368,489	-
Utilities	3,231,403	261,071	146,620	-	3,639,094	469,577
Maintenance	6,966,036	777,790	581,696	-	8,325,522	2,590,941
General administration	1,939,039	205,218	689,815	-	2,834,072	13,076,527
Subgrants to county, cities, and community-based organizations	-	-	1,881,403	-	1,881,403	-
Housing assistance payments	16,961	300	358,989,080	-	359,006,341	-
Depreciation and amortization	3,445,931	391,134	205,531	-	4,042,596	1,355,336
Total operating expenses	30,813,539	4,872,825	395,411,153	-	431,097,517	17,492,381
Operating income (loss)	(3,349,872)	1,067,804	10,475,892	54,170	8,247,994	3,059,159
Nonoperating revenues (expenses):						
Investment income	134,134	56,656	21,219	1,396,661	1,608,670	34,276
Interest expense	-	(2,814)	(32,176)	(1,319,131)	(1,354,121)	(1,671,070)
Net nonoperating revenues (expenses)	134,134	53,842	(10,957)	77,530	254,549	(1,636,794)
Change in net position before transfers and capital grants	(3,215,738)	1,121,646	10,464,935	131,700	8,502,543	1,422,365
Capital grants	7,962,202	-	-	-	7,962,202	-
Transfers in	486,261	-	68,394	-	554,655	603,800
Transfers out	-	(939,591)	-	(603,800)	(1,543,391)	(1,826,293)
Change in net position	5,232,725	182,055	10,533,329	(472,100)	15,476,009	199,872
Net position at beginning of year, as restated	110,004,849	12,135,496	12,662,745	472,100	135,275,190	6,680,439
Net position at end of year	\$ 115,237,574	\$ 12,317,551	\$ 23,196,074	\$ -	\$ 150,751,199	\$ 6,880,311

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2022**

	Public housing	Other housing	Section 8 program	CDPLAC	Totals	Internal service funds
Cash flows from operating activities:						
Receipts from tenants	\$ 14,481,526	\$ 1,204,561	\$ -	\$ 54,170	\$ 15,740,257	\$ -
Receipts from rentals	-	-	-	-	-	3,322,944
Charges for services	43,300	2,198	-	-	45,498	17,088,893
Payments to employees for services	(9,041,086)	(1,799,006)	(21,114,355)	-	(31,954,447)	(8,495,827)
Payments to vendors for goods and services	(18,517,661)	(2,975,741)	(376,073,617)	-	(397,567,019)	(6,726,360)
Government subsidies	12,357,994	3,508,860	393,449,460	-	409,316,314	-
Other revenue	120,310	184,633	140,147	-	445,090	95,188
Net cash provided by (used in) operating activities	(555,617)	125,505	(3,598,365)	54,170	(3,974,307)	5,284,838
Cash flows from noncapital financing activities:						
Payment of advances to other funds	(33,879)	-	-	-	(33,879)	-
Advances from other funds received	-	68,250	448,971	-	517,221	-
Transfer out to other funds	-	(939,591)	-	(497,884)	(1,437,475)	(1,826,293)
Transfers in from other funds	486,261	-	68,394	-	554,655	497,884
Net cash provided by (used in) noncapital financing activities	452,382	(871,341)	517,365	(497,884)	(399,478)	(1,328,409)
Cash flows from capital and related financing activities:						
Purchase and construction of capital assets	(9,094,303)	-	-	(105,916)	(9,200,219)	(64,562)
Payment of lease obligations	-	-	(208,694)	-	(208,694)	(31,463,320)
Proceeds from bond issuance	-	-	-	-	-	34,770,967
Receipt of lease revenue payments	120,279	-	-	31,318,750	31,439,029	-
Payment of principal on bonds payable	-	-	-	(31,930,000)	(31,930,000)	-
Capital grants received	7,962,202	-	-	-	7,962,202	-
Interest paid	-	(2,814)	(32,176)	(1,856,548)	(1,891,538)	(1,671,296)
Net cash used in capital and related financing activities	(1,011,822)	(2,814)	(240,870)	(2,573,714)	(3,829,220)	1,571,789
Cash flows from investing activities:						
Interest received	134,134	56,656	21,219	1,396,661	1,608,670	34,276
Net cash provided by (used in) investing activities	134,134	56,656	21,219	1,396,661	1,608,670	34,276
Net increase (decrease) in cash and cash equivalents	(980,923)	(691,994)	(3,300,651)	(1,620,767)	(6,594,335)	5,562,494
Cash and cash equivalents at beginning of year	11,375,036	6,803,224	27,895,566	1,620,767	47,694,593	10,616,382
Cash and cash equivalents at end of year	\$ 10,394,113	\$ 6,111,230	\$ 24,594,915	\$ -	\$ 41,100,258	\$ 16,178,876
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (3,349,872)	\$ 1,067,804	\$ 10,475,892	\$ 54,170	\$ 8,247,994	\$ 3,059,159
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	3,445,931	391,134	205,531	-	4,042,596	1,355,336
Changes in assets and liabilities:						
Accounts receivable	(161,833)	(27,266)	(258,596)	-	(447,695)	(44,515)
Due from other governments	(337,347)	(1,011,575)	(10,060,691)	-	(11,409,613)	-
Inventory	3,579	-	4,990	-	8,569	(3,657)
Prepaid costs and other assets	-	92,009	(2,687)	-	89,322	(6,320)
Deferred outflows of resources - pension	386,993	119,663	512,754	-	1,019,410	297,888
Deferred outflows of resources - OPEB	180,094	35,978	220,740	-	436,812	204,828
Net other postemployment benefits asset	(1,224,016)	(76,263)	(1,074,490)	-	(2,374,769)	(817,173)
Accounts payable and accrued expenses	1,024,523	(333,985)	148,878	-	839,416	264,079
Due to other governments	138,659	-	208,664	-	347,323	-
Unearned revenue	(3,421)	(4,402)	(2,186,815)	-	(2,194,638)	-
Tenant security deposits	24,962	2,866	-	-	27,828	-
Compensated absences	(24,912)	7,371	41,436	-	23,895	68,141
Deferred inflows of resources - lease	(121,557)	-	-	-	(121,557)	-
Deferred inflows of resources - pension	4,051,580	463,912	7,926,623	-	12,442,115	4,021,475
Deferred inflows of resources - OPEB	1,096,423	80,305	771,457	-	1,948,185	803,666
Net pension liability	(5,338,659)	(625,759)	(10,419,457)	-	(16,383,875)	(3,510,127)
Net other postemployment benefits liability	(346,744)	(56,287)	(112,594)	-	(515,625)	(407,942)
Net adjustments	2,794,255	(942,299)	(14,074,257)	-	(12,222,301)	2,225,679
Net cash provided by (used in) operating activities	\$ (555,617)	\$ 125,505	\$ (3,598,365)	\$ 54,170	\$ (3,974,307)	\$ 5,284,838
Noncash noncapital financing activities:						
Issuance of leases	\$ -	\$ -	\$ 1,267,440	\$ -	\$ 1,267,440	\$ 233,571
Transfer of capital assets to other funds	\$ -	\$ -	\$ -	\$ (105,916)	\$ (105,916)	\$ -
Transfer of capital assets from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,916
Write-off of capital assets for GASB 87 implementation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,695
Right-to-use leased vehicles restatement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (102,909)

See accompanying notes to basic financial statements.

**SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY
OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY**

**Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2022**

	<u>Private-Purpose Trust Fund</u>
Assets	
Cash and cash equivalents	\$ 919
Total assets	<u>919</u>
Liabilities	
Accounts payable and accrued liabilities	<u>-</u>
Total liabilities	<u>-</u>
Net Position	
Net position held in trust	<u>\$ 919</u>

See accompanying notes to basic financial statements.

**SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY
OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY**

**Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year ended June 30, 2022**

	<u>Private-Purpose Trust Fund</u>
Additions:	
Other revenues	\$ 303
Total additions	<u>303</u>
 Change in net position	 303
Net position held in trust - beginning	<u>616</u>
Net position held in trust - ending	<u>\$ 919</u>

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(1) Summary of Significant Accounting Policies

The basic financial statements of the Los Angeles County Development Authority, California (LACDA) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) of the United States of America as promulgated by the Governmental Accounting Standards Board (GASB) which acts as the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The LACDA's most significant accounting policies are described below.

(a) *Description of Reporting Entity*

Los Angeles County Development Authority

On May 16, 2019, the Community Development Commission/Housing Authority of the County of Los Angeles established on July 1, 1982, under the provisions of Section 34100-34160 of the Health and Safety Code of the State of California, was officially rebranded to the Los Angeles County Development Authority (LACDA). The rebranding constituted the dissolution of the Housing Authority of the County of Los Angeles and the merger of responsibilities of the former Housing Authority to LACDA.

The LACDA is responsible for:

- Administering the Housing Choice Voucher and other Section 8 programs;
- Directing the County's housing programs, including planning, housing finance, production and conservation, and management of the County's public housing developments;
- Financing community improvements such as resurfacing streets and rehabilitating homes and businesses;
- Providing economic development, business revitalization services, and comprehensive planning systems for affordable housing; and
- Developing housing, business, and industry in designated areas.

The LACDA has program jurisdiction in the unincorporated areas of the County, and currently works with 48 participating cities that have requested LACDA's assistance in conducting various community development block grant programs.

The LACDA is a discretely presented component unit of the County of Los Angeles, California, as the Board of Supervisors of the County also serve as LACDA's governing board.

In evaluating how to define the LACDA for financial reporting purposes, management considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth by GAAP. As required by GASB Statement No. 14 (as amended by GASB Statements No. 39, 61 and 80), these basic financial statements include the activities of both LACDA and the following blended component units.

Blended Component Units

Los Angeles County Community Development Foundation (CDF)

The CDF is a 501(c)(3) non-profit organization dedicated to improve the quality of life for low-income Section 8 and public housing residents living in Los Angeles County. CDF provides scholarships, funding for students to attend conferences and SAT preparation courses free of charge.

CDF is a single-purpose entity and the LACDA is its sole corporate member. In addition, the services provided by CDF are only available to participants of LACDA's Section 8 and Public Housing programs. Therefore,

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

CDF is reported as a blended component unit of the LACDA. Separate financial statements are prepared for CDF and are available by contacting LACDA's Finance and Budget Division.

Community Development Properties Los Angeles County, Inc. (CDPLAC)

The CDPLAC is a California non-profit public benefit corporation formed in September 2010 to issue lease revenue bonds on behalf of the LACDA. The proceeds of the bonds were used to finance the purchase of land and construction of an office building (the Project) leased by the LACDA as its main office headquarters. The debt service for the bonds is not the obligation of the LACDA. However, the LACDA is responsible for the monthly lease payments, which are used to pay the scheduled debt service on the bonds. The lease term is for 30 years.

CDPLAC was dissolved on April 21, 2022, and therefore, is no longer a blended component unit of LACDA. As an option in its lease agreement with CDPLAC, LACDA terminated the lease and fully satisfied the outstanding lease obligation through the issuance of LACDA's own general revenue bonds. LACDA then exercised the option fee of \$1.00 to purchase the building.

(b) *Implementation of New Accounting Pronouncements*

During the fiscal year ended June 30, 2022, the LACDA identified and adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

GASB Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this statement resulted in a restatement of LACDA's beginning net position balance to recognize the lease liability, right-to-use lease asset, lease receivable and the deferred inflow of resources as of the beginning of the fiscal year.

GASB Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The implementation of this statement did not impact LACDA's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 93, *Replacement of Interbank Offered Rates (IBOR)*. The objective of this statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable, (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, and (5) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap. The implementation of this statement did not impact LACDA's financial statements for the fiscal year ended June 30, 2022.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(c) Government-wide and Fund Financial Statements

The Government-wide Financial Statements, the statement of net position and the statement of activities, report information on all the financial activities of the primary government and its component units. As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between certain functions of the LACDA. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities that are normally supported by intergovernmental revenues, are reported separately from business-type activities, which are supported by revenues received from HUD's Housing and Section 8 programs, and other income from subsidized housing.

The accompanying Government-wide 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, 2) grants and contributions that are restricted to meeting the financial requirements of a particular function or segment, and the income earned on investments acquired with such grants and contributions. Other items not included among program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual business-type funds are reported on separate columns in the accompanying fund financial statements.

Business-type funds distinguish operating revenues and expenses from nonoperating items. Operating revenues include rental income and government subsidies received from HUD's Housing and Section 8 programs, while operating expenses are incurred to provide affordable housing, and to subsidize rental payments. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

The accompanying government-wide financial statements, which consist of the statement of net position and the statement of activities, are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when 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 when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the LACDA considers revenues to be available if they are collected within 60 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, claims and judgments, are recorded only when payments are made.

For the governmental funds' financial statements, revenues are recorded when they are susceptible to accrual. Specifically, investment income (loss), charges for services and other miscellaneous revenue are all considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met and are recorded at the time of receipt or earlier, if the susceptible to accrual criteria are met. When all eligibility requirements are met, except for the

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

timing requirements, a deferred inflow of resources is reported until the time requirements have passed. All other revenues are not considered susceptible to accrual and are recognized when received.

The accounts of the LACDA are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves, and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The LACDA reports the following major funds:

Governmental Funds

General Fund – To account for all general revenues and other receipts that are not allocated by law or contractual agreement to other funds. Expenditures of this fund include general operating expenditures.

Federal Housing and Community Development – To account for Federally-funded programs designed to provide funding for the development of vacant, substandard, or underutilized properties, programs designed for the development of viable urban communities to provide decent housing, and suitable living opportunities for persons with low and moderate income, for the purpose of creating affordable housing and for the purpose of providing financial assistance to qualified owners to rehabilitate their homes, and to provide financial assistance to first time home buyers. Funds are also used to provide various types of loans at favorable interest rates to low- and moderate-income property owners for improvements and rehabilitation, and to provide administrative services and support to these programs. Revenues are received based on an annual appropriation from HUD.

Other Federal Program – To account for Federally-funded programs designed to provide funding for RSIP which provides grants to eligible property owners to insulate residential homes and rental units from noise caused by aircraft arriving and departing the Los Angeles International Airport, to account for economic development programs designed to provide small business stabilization loans that business was impacted by COVID-19, and to provide rental assistance and economic relief to small businesses due to the pandemic caused by COVID-19. This fund also accounts for projects designed to strengthen the County's economic base through the generation of added employment opportunities, the improvement and expansion of the County's industrial base, and the administrative services and support of these programs. Sources of revenue are primarily from FAA, U.S. Treasury's Coronavirus State and Local Fiscal Recovery Funds and the Economic Development Administration's CARES Act Revolving Loan Fund.

Local Housing and Community Development – To account for the homeless and the development of affordable housing programs, lead-based paint hazard remediation program, and traffic administration services. Sources of revenue are primarily from the County of Los Angeles, the State of California and from the residual receipts of the development loans.

Low and Moderate Income Housing Asset – To account for the housing assets approved by the State Department of Finance to remain with LACDA after the dissolution of the former Redevelopment Agency of the County of Los Angeles. The program's revenue is mainly from administrative allowance from the State of California.

Proprietary Funds

Public Housing – To account for conventional housing programs designed to provide affordable housing for lower income, elderly, disabled, and handicapped persons. Housing units are constructed or acquired, and rehabilitated through HUD funding, and rented to eligible persons.

Other Housing – To account for other housing programs including non-conventional housing and CDF which provide affordable housing and other assistance for lower income, elderly, disabled, and handicapped persons.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Section 8 Program – To account for the housing assistance program designed to assist lower income, elderly, disabled, and handicapped persons obtain adequate housing. Assistance payments are made directly to landlords to reduce tenant rent and utility charges of approved units.

CDPLAC – To account for the blended component unit which issued lease revenue bonds on behalf of the LACDA. This fund accounts for the use of the bond proceeds and the payments made to the bond's debt service. However, CDPLAC was dissolved in April 2022, and it is no longer a component unit of the LACDA.

Internal Service Funds – To be presented in a “memo format” under the proprietary fund financial statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. These internal service funds account for charges to other funds and departments for data processing, fleet management, procurement, printing, construction management, maintenance for the Alhambra building and insurance.

Fiduciary Fund

Private-purpose Trust Fund (Successor Agency) – To account for assets and trust arrangements where principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to LACDA's former Redevelopment Agency.

(e) Budgetary Control and Accounting

The LACDA adheres to the following general procedures in establishing the budgetary data, reflected as required supplementary information:

- A legally adopted budget is employed as a management control device during the fiscal year for the governmental funds. The budget is adopted on a fiscal-year basis; appropriations lapse at year-end.
- The level of budgetary control over appropriations is at the budget unit level. The LACDA is a budget unit within the budgetary structure of the County of Los Angeles. The Executive Director is authorized to transfer appropriations between programs within a budget unit. Any revisions that alter the total expenditures of any budget unit must be approved by the Board of Commissioners.
- Budgets for the governmental fund types are adopted on a modified accrual basis of accounting which is generally accepted accounting principle in the United States of America.

(f) Cash and Investments

The LACDA pools cash from all funds for the purpose of increasing interest earnings through investment activities. Cash and cash equivalents are combined with investments and displayed as cash and investments. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the LACDA operates an internal cash management pool that maintains the general characteristics of a demand deposit account.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with the provision of GASB Statement No. 72 – *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date.

The LACDA's restricted cash and investments are pledged to the payment of deposits payable or for the security of certain long-term debt issuances.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(g) *Inventories*

Inventories are stated at cost, applied on a first-in, first-out basis in the proprietary funds. The cost of governmental fund type inventories is recorded as an expenditure at the time the individual inventory items are consumed.

(h) *Land Held for Resale*

The LACDA records land held for resale at the lower of cost or estimated net realizable value. The cost of the land includes all costs incurred that are directly associated with the acquisition of the land, including purchase price, escrow costs, clearing land for use costs, demolition costs, etc.

(i) *Capital Assets and Right-to-Use Leased Assets*

Capital assets, which include property, furniture and fixtures, vehicle, equipment, right-to-use leased assets, and intangible assets, are reported in the applicable governmental or business-type activities columns in the accompanying government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Right-to-use leased assets are recorded at the present value of future lease payments. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized, as projects are constructed.

Capital assets are defined by the LACDA as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year, which include property, furniture and fixtures, vehicle, and equipment. The LACDA's capitalization threshold for software intangible assets is \$1 million. Upon sale or retirement of capital assets, the cost and the related accumulated depreciation or amortization, as applicable, are removed from the respective accounts and any resulting gain or loss is included in the results of operations. Specific disclosures related to capital assets appear in Note 7. Amortization for software and other intangible assets is included in the reporting of depreciation.

Right-to-use leased assets are defined by the LACDA as assets with an initial individual cost of more than \$15,000 and an estimated useful life in excess of one year. Such assets are recorded at the present value of the lease liability, including expenses to place the asset into service. In accordance with GASB Statement No. 87, LACDA has reported right-to-use leased assets for buildings, equipment, and vehicles.

The provision for depreciation or amortization of capital assets of the LACDA is computed using the straight-line method over estimated useful lives, and are as follows:

Building and improvements	15 to 30 years
Vehicles	5 years
Furniture and fixtures	7 years
Equipment	3 to 7 years
Software	5 to 25 years
Right-to-use leased assets	Shorter of the leased asset's useful life or the lease term

(j) *Employee Compensated Absences*

On January 1, 1998, the LACDA added an optional Flexible Benefits Plan, authorized under Section 125 of the Internal Revenue Code. Employees who enrolled in the Flexible Benefits Plan do not accrue vacation or sick leave. Employees in this plan receive 80 hours annual leave on January first of each calendar year. Employees may elect to purchase up to 160 additional Elective Annual Leave (EAL) hours under this plan.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Employees who did not enroll in the Flexible Benefits Plan earn vacation leave, as follows:

<u>Years of service:</u>	<u>Annual accrual</u>
1 to 4	80 hours
5 to 10	120 hours
11	128 hours
12	136 hours
13	144 hours
14	152 hours
15	160 hours

Unused vacation leaves in excess of 240 hours, as of December 31 of each year, is paid to the employees. Sick leave is accrued at the rate of 8 hours per month and is based upon 120 compensated hours per month. Employees are not paid for accrued sick leave upon termination of employment.

(k) Pensions

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

Deferred outflows and inflows of resources represent the effects on the net pension liability that have occurred after the liability was measured. Therefore, these will affect the net pension liability in future years. As noted in Note 11, deferred outflows and inflows of resources will be recognized as pension expense in future years; however, contributions subsequent to the measurement period will be recognized during the fiscal year ending June 30, 2023.

(l) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the LACDA's Retiree Benefits Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred outflows and inflows of resources represent the effects on the net OPEB liability that have occurred after the liability was measured. Therefore, these will affect the net OPEB liability in future years. As noted in Note 12, deferred outflows and inflows of resources will be recognized as OPEB expense in future years; however, contributions subsequent to the measurement period will be recognized during the fiscal year ending June 30, 2023.

(m) Fund Balance Reporting

Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, distinguishes fund balance classifications that comprise based on the relative strength of the constraints that control the purposes for which specified amounts can be spent. Beginning with the most restrictive constraints, fund balance amounts will be reported in the following categories in the governmental funds:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Nonspendable fund balance - 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 nonspendable form criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted fund balance - amounts that reflect constraints placed on the use of resources that are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the LACDA's highest level of decision-making authority, the Board of Commissioners of the LACDA. These committed amounts cannot be used for any other purpose unless the LACDA removes or changes the specific use by taking the same type of action. Committed fund balance also should incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Board action to commit fund balance should occur within the fiscal reporting periods; however, the amount can be determined subsequently.

Assigned fund balance - amounts that are constrained by the LACDA's *intent* to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established by: (a) the governing body itself, or (b) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The Board of Commissioners of the LACDA delegated to the Executive Director of the LACDA, or his/her designee, the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available fund balance in any particular fund.

Unassigned fund balance - amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance.

The LACDA's current fund balance practice provides that restricted fund balance be spent first when the expenditure is incurred for which both restricted and unrestricted fund balance is available. Similarly, when expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, committed amounts are to be spent first, followed by assigned amounts and then unassigned amounts. GASB Statement No. 54 mandates that this hierarchy of expending fund balance be reported in new categories, using new terminology, and be formally adopted by the LACDA. It should be noted that the new categories only emphasize the extent that the LACDA is bound to honor expenditure constraints and the purposes for which amounts can be spent. The total reported fund balance would remain the same.

(n) Use of Estimates

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

(o) Reclassifications

Certain prior year accounts may have been reclassified to conform to current year presentation. These reclassifications had no effect on reported net position.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(p) Concentration of Risk

LACDA manages the County’s housing programs, economic developments, public housing developments and Section 8 Housing Choice Voucher Programs. These programs are fully dependent on continued funding from HUD. Total grants received from HUD during the fiscal year ended June 30, 2022, amounted to approximately \$540 million, or 63% of total revenues of the LACDA during the fiscal year.

(q) Pronouncements Issued But Not Yet Adopted

The GASB has issued pronouncements that have an effective date subsequent to June 30, 2022, which may impact future financial presentations. Except as noted below, management has not determined what, if any, impact implementation of the following Statements may have on future financial statements of the LACDA:

- GASB Statement No. 91, *Conduit Debt Obligations*: Effective for the LACDA’s fiscal year ending June 30, 2023.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*: Effective for the LACDA’s fiscal year ending June 30, 2023.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*: Effective for the LACDA’s fiscal year ending June 30, 2023.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*: Effective for the LACDA’s fiscal year ending June 30, 2023.
- GASB Statement No. 99, *Omnibus 2022*: Effective for the LACDA’s fiscal year ending June 30, 2024.

(2) Cash and Investments

Cash and investments at June 30, 2022, are classified in the accompanying financial statements as follows:

	<u>Government-Wide Financial Statement</u>			<u>Total</u>
	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Fiduciary fund</u>	
Cash and investments	\$ 549,198,330	\$ 41,100,258	\$ 919	\$ 590,299,507
Restricted investments - Section 115 Trust	9,493,126	-	-	9,493,126
Total cash and investments	<u>\$ 558,691,456</u>	<u>\$ 41,100,258</u>	<u>\$ 919</u>	<u>\$ 599,792,633</u>

Cash and investments at June 30, 2022, consist of the following:

Deposits with financial institutions	\$ 18,202,746
Investments	563,391,910
Cash and investments held by trustee	<u>18,197,977</u>
Total cash and investments	<u>\$ 599,792,633</u>

(a) Investments Authorized by the LACDA’s Investment Policy

The table below identifies the investment types that are authorized under the LACDA’s investment policy. The table further identifies provisions in the LACDA’s investment policy that address interest rate risk, credit risk, and concentration of risk.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in one Issuer
U.S., State and Local Government Obligations	5 years	None	None
Banker's Acceptances	180 days	40%	30% of Portfolio
Commercial Paper	270 days	15%	10% of Outstanding CP of issuing Corp.
Negotiable Certificates of Deposit	3 years	20%	10% of Portfolio
Non-negotiable Certificates of Deposit	3 years	25%	10% of Portfolio
Repurchase Agreements	90 days	30%	None
Medium Term Corp Notes	5 years	30%	15% of Portfolio
Mutual Funds	N/A	20%	10% of Portfolio
State & Municipal Agency Investment Pools	N/A	None	None
Asset Backed Securities	5 years	20%	None
Supranational Bonds	5 years	30%	None

(b) Investments Authorized by Debt Agreements

Investments held by trustee are governed by provisions in the LACDA's investment policy. Investments held in trust are short-term in nature consisting of three-month treasury bills and money market accounts, thus not materially affected by interest rate risk, credit risk, or concentration of credit risk.

(c) Interest Rate Risk

Interest rate risk results from changes in market interest rates that can adversely affect the fair value of an investment. Sensitivity to fair value is greater when investments are held with longer maturities. Therefore, the LACDA's investment policy sets maturity limits for each type of investment instrument to safeguard against interest rate risk.

At June 30, 2022, the LACDA had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1 Year	1 to 3 Years	3-5 Years
U.S., State and Local Government Obligations	\$ 344,807,633	\$ 30,388,373	\$ 169,239,154	\$ 145,180,106
Non-negotiable Certificates of Deposit	250,000	250,000	-	-
Corporate Bonds	135,826,086	3,535,186	4,880,050	127,410,850
Commercial Paper	11,985,204	11,985,204	-	-
County Investment Pool	65,259,574	65,259,574	-	-
State Investment Pool	5,263,413	5,263,413	-	-
Total investments	\$ 563,391,910	\$ 116,681,750	\$ 174,119,204	\$ 272,590,956

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(d) **Credit Risk**

In general, credit risk refers to the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This risk is measured by a nationally recognized statistical rating organization (NRSRO) such as Standard & Poor's. The LACDA's investment policy requires that, where applicable, all allowable investments meet or exceed a minimum rating provided by an NRSRO, in the A category. The LACDA's minimum rating schedule is as follows:

Rating Agency

Moody's	Standard & Poor's	Fitch IBCA	Bauer Financial*
P-1/Aaa	A-1/AAA	2-A	4
P-1/Aa	A-1/AA	2-A/B	3
P-1/A	A-1/A	2-B	

*Alternative Rating Agency when security is not listed by an NRSRO

The LACDA currently holds investments in Municipal, Agency and Corporate Bonds, which are rated by an NRSRO. All other investments held by the LACDA are not rated. At the time of purchase, all bond purchases met or exceeded the LACDA's minimum rating requirement.

(e) **Custodial Credit Risk**

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 its deposits or collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk associated with investments that are uninsured, are not in the name of LACDA, or are held by counterparty or counterparty's trust department or agent but not in the LACDA's name. In the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the counterparty is then unable to deliver securities that are in the possession of another party. As of June 30, 2022, none of LACDA's deposits or investments were exposed to custodial credit risk.

(f) **Concentration of Credit Risk**

The LACDA's investment policy contains limitations on the amount that can be invested in any one issuer for bankers' acceptances, commercial paper, certificates of deposits, mutual funds and medium-term notes. At June 30, 2022, the LACDA did not have investments in any one issuer that represents 5 percent or more of the LACDA's total investments.

(g) **Fair Value Measurement**

The LACDA categorizes its fair value measurement within the fair value hierarchy established by Generally Accepted Accounting Principles (GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy use a market approach to measure fair value. The LACDA's pricing vendor, through rules-based logic, utilizes valuation techniques that reflect market participants' assumptions and vary by asset class and per methodology, and maximizes the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs.

The increase or decrease in fair value is reflected only under the General Fund in order to minimize any temporary effect of the adjustment to the other program funds reported in the government-wide statements. The fair value adjustment is automatically reversed at the beginning of the new fiscal year.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

The LACDA has the following recurring fair value measurements as of June 30, 2022:

Investments by fair value level	Fair Value	Fair Value Measurement Using Significant Other Observable Inputs (Level 2)
Debt Securities:		
U.S., State and Local Government Obligations	\$ 344,807,633	\$ 344,807,633
Corporate Bonds	135,826,086	135,826,086
Total debt securities	480,633,719	<u>\$ 480,633,719</u>
Uncategorized:		
Non-negotiable Certificates of Deposit	250,000	
Commercial Paper	11,985,204	
County Investment Pool	65,259,574	
State Investment Pool	5,263,413	
Total uncategorized	<u>82,758,191</u>	
Total investments measured at fair value	<u>\$ 563,391,910</u>	

(h) *Restricted Investments Section 115 Trust for Pension*

The LACDA established a Section 115 Pension Trust in March 2021. The investment was held by the trustee and the trust is irrevocable. As of June 30, 2022, the LACDA reported restricted investments held by the Pension Trust in the amount of \$9,493,126.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(3) Due from Other Governments

At June 30, 2022, amounts due from other governments included:

	U.S. Department of Housing and Urban Development	Other governmental entities	Total
Governmental activities:			
General fund	\$ -	\$ 3,289,602	\$ 3,289,602
Federal housing and community development	16,327,685	4,171,398	20,499,083
Other federal grants	4,397	2,010,962	2,015,359
Local housing and community development	-	483,601	483,601
Total governmental	16,332,082	9,955,563	26,287,645
Business-type activities:			
Public housing	3,836,200	-	3,836,200
Other housing	1,177,684	147,010	1,324,694
Section 8 program	12,466,002	-	12,466,002
Total business-type	17,479,886	147,010	17,626,896
Total due from other governments	\$ 33,811,968	\$ 10,102,573	\$ 43,914,541

The LACDA anticipates full collection of the above receivables in future years.

(4) Notes Receivable

The LACDA's notes receivable at June 30, 2022, are reported as governmental activities and are related to the following programs:

	Governmental activities
Loans to assist in the rehabilitation of properties for low-income, elderly and handicapped persons	\$ 117,610,167
Development projects under various disposition and development agreements	973,135,334
Neighborhood stabilization program	16,150,892
Section 108 loan program	2,000,000
Economic development Loans	16,751,449
Other notes receivables	2,066,958
Total	1,127,714,800
Less allowance for uncollectible loans	(1,106,896,393)
Notes receivable, net	\$ 20,818,407

Because of the nature of the various notes receivable from low-income, elderly, and handicapped persons, the LACDA provides an allowance for uncollectible against such notes receivable. The LACDA reports such notes as loan

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

program costs. Allowance for uncollectible accounts is also established for loans related to development projects under various disposition and development agreements.

(5) Lease Receivable

The LACDA is reporting lease receivable of \$3,473,860 at June 30, 2022. For the fiscal year ended June 30, 2022, LACDA reported lease revenue of \$389,011 and interest revenue of \$110,377 related to lease payment received. These leases are summarized as follows:

Lease	Lease Receivable	Lease Revenue	Lease Interest Revenue
Carmelitos Health Center	\$ 167,362	\$ 55,791	\$ 5,904
Carmelitos Community Center	36,208	9,975	1,258
Harbor Hills Childcare Center	35,159	22,317	1,423
Nueva Maravilla Childcare Center	52,739	33,475	2,135
Willowbrook Shopping Center	688,029	15,934	20,812
Ground and Improvement Lease	624,004	6,564	18,757
Centro Estrella Office Building	1,870,359	244,955	60,088
Total	<u>\$ 3,473,860</u>	<u>\$ 389,011</u>	<u>\$ 110,377</u>

Carmelitos Health Center Lease - On June 22, 2020, LACDA entered into a five-year lease agreement with Central Neighborhood Health Foundation for the lease of the community space limited to health center, parking lot, community center and senior complex at Carmelitos Housing Development to conduct health care services for LACDA public housing residents and the surrounding community. Based on this agreement, LACDA is receiving monthly payments through 2025. There are no renewal options included in this lease agreement.

Carmelitos Community Center Lease - On September 1, 2020, LACDA entered into a five-year lease agreement with Fairfield YMCA for the lease of the community space and outdoor areas at Carmelitos Housing Development to provide programs or services for elementary and middle school youth for the residents of this housing site. Based on this agreement, LACDA is receiving monthly payments through 2025. There are no renewal options included in this lease agreement.

Harbor Hills Lease - On January 14, 2019, LACDA entered into a five-year lease agreement with Child Development Consortium of LA Inc. for the lease of the community space limited to the childcare center and gymnasium at Harbor Hills Housing Community to facilitate daycare/childcare services for pre-school aged children. Based on this agreement, LACDA is receiving monthly payments through 2024. There are no renewal options included in this lease agreement.

Nueva Maravilla Lease - On January 3, 2019, LACDA entered into a five-year lease agreement with Child Development Consortium of Los Angeles, Inc. for the lease of community space limited to the childcare center and main hall at Nueva Maravilla Public Housing to conduct daycare/childcare services for pre-school aged children, 2-5 years old and parent workshops. Based on this agreement, LACDA is receiving monthly payments through 2024. There are no renewal options included in this lease agreement.

Willowbrook Shopping Center Ground Lease - On August 22, 1985, LACDA entered into a sixty-five-year ground lease agreement with Willowbrook Shopping Center Partnership, commonly known as the Willowbrook Community Shopping Center for the lease of real property for retail, commercial, office, and transportation and general public service uses. Based on this agreement, LACDA is receiving quarterly payments through 2050. There are no renewal options included in this lease agreement.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Ground and Improvement Lease - On December 31, 2016, LACDA entered into a ninety-nine-year lease agreement with Guadalupe Terrace, LLC for the lease of real property to be used for housing and the provision of services for low-income families and directly related uses. Based on this agreement, LACDA is receiving annual payments through 2115. There are no renewal options included in this lease agreement.

Centro Estrella Office Building Lease - On January 1 and on September 30, 2014, LACDA entered into a ten-year lease agreement with the Associated League of Mexican Americans (ALMA) and Department of Mental Health of the County of Los Angeles respectively for the lease of an office building to provide services to persons with mental, physical and disabilities. Based on this agreement, LACDA is receiving monthly payments through 2024. There are three additional five-year extensions renewal options.

The lease receivable will be reduced as repayments are received. Annual requirements to reduce lease receivable and related interest are as follows:

Fiscal year ending June 30:	Principal	Interest	Total
2023	\$ 396,787	\$ 103,944	\$ 500,731
2024	374,710	87,021	461,731
2025	350,461	76,270	426,731
2026	295,174	66,557	361,731
2027	302,097	57,634	359,731
2028-2032	640,792	191,505	832,297
2033-2037	121,234	158,766	280,000
2038-2042	140,758	139,242	280,000
2043-2047	163,426	116,574	280,000
2048-2052	125,308	91,692	217,000
2053-2057	16,493	83,507	100,000
2058-2062	19,120	80,880	100,000
2063-2067	22,166	77,834	100,000
2068-2072	25,696	74,304	100,000
2073-2077	29,789	70,211	100,000
2078-2082	34,533	65,467	100,000
2083-2087	40,034	59,966	100,000
2088-2092	46,410	53,590	100,000
2093-2097	53,802	46,198	100,000
2098-2102	62,371	37,629	100,000
2103-2107	72,305	27,695	100,000
2108-2112	83,822	16,178	100,000
2113-2115	56,572	3,428	60,000
	<u>\$ 3,473,860</u>	<u>\$ 1,786,092</u>	<u>\$ 5,259,952</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

The deferred inflows of resources related to leases will be recognized as lease revenue as follows:

Fiscal year ending June 30:	<u>Amount</u>
2023	\$ 389,011
2024	361,115
2025	328,570
2026	269,116
2027	267,453
2028-2032	557,913
2033-2037	112,493
2038-2042	112,493
2043-2047	112,493
2048-2052	84,610
2053-2057	32,822
2058-2062	32,822
2063-2067	32,822
2068-2072	32,822
2073-2077	32,822
2078-2082	32,822
2083-2087	32,822
2088-2092	32,822
2093-2097	32,822
2098-2102	32,822
2103-2107	32,822
2108-2112	32,822
2113-2115	19,688
	<u>\$ 3,008,819</u>

(6) Investment in Southern California Housing Financing Authority (SCHFA)

The LACDA has recorded its investment interest in the SCHFA in accordance with the requirements of GASB Statement No. 61. The SCHFA was established by a Joint Powers Agreement (JPA) between the County of Los Angeles and the County of Orange for the purpose of issuing mortgage revenue bonds for the financing of single-family homes. The LACDA was assigned by the Los Angeles County Board to oversee and administer the activities of the SCHFA. As of June 30, 2022, the LACDA's investment interest in the JPA is \$12,304,006.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(7) Capital Assets

Capital asset activities for the year ended June 30, 2022, are as follows:

Governmental Activities:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated/amortized:				
Land and land improvements	\$ 29,798,910	\$ -	\$ -	\$ 29,798,910
Construction in progress	134,315	-	-	134,315
Total capital assets not being depreciated/amortized	<u>29,933,225</u>	-	-	<u>29,933,225</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	49,730,310	57,938	-	49,788,248
Equipment	5,065,425	71,313	(68,092)	5,068,646
Right-to-use leased equipment	-	233,571	-	233,571
Vehicles	1,335,522	-	(1,253,812)	81,710
Right-to-use leased vehicles, as restated	197,215	-	-	197,215
Furniture and fixtures	964,471	41,226	-	1,005,697
Software	1,024,764	-	-	1,024,764
Total capital assets being depreciated/amortized, as restated	<u>58,317,707</u>	<u>404,048</u>	<u>(1,321,904)</u>	<u>57,399,851</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(23,128,321)	(1,884,057)	-	(25,012,378)
Equipment	(4,958,085)	(42,051)	65,389	(4,934,747)
Right-to-use leased equipment	-	(82,493)	-	(82,493)
Vehicles	(795,138)	(3,235)	718,820	(79,553)
Right-to-use leased vehicles, as restated	(94,306)	(73,679)	-	(167,985)
Furniture and fixtures	(912,777)	(22,907)	-	(935,684)
Software	(230,571)	(102,476)	-	(333,047)
Total accumulated depreciation/amortization, as restated	<u>(30,119,198)</u>	<u>(2,210,898)</u>	<u>784,209</u>	<u>(31,545,887)</u>
Total capital assets being depreciated/amortized, net, as restated	<u>28,198,509</u>	<u>(1,806,850)</u>	<u>(537,695)</u>	<u>25,853,964</u>
Governmental activities capital assets, net, as restated	<u>\$ 58,131,734</u>	<u>\$(1,806,850)</u>	<u>\$ (537,695)</u>	<u>\$ 55,787,189</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

Business-type Activities:

	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets not being depreciated/amortized:					
Land and land improvements	\$ 58,992,131	\$ -	\$ -	\$ -	\$ 58,992,131
Construction in progress	3,822,724	4,383,957	-	(3,030,690)	5,175,991
Total capital assets not being depreciated/amortized	62,814,855	4,383,957	-	(3,030,690)	64,168,122
Capital assets being depreciated/amortized:					
Buildings and improvements	197,714,367	4,479,825	-	2,661,723	204,855,915
Right-to-use leased buildings	-	1,267,440	-	-	1,267,440
Equipment	2,141,560	230,521	(17,832)	368,967	2,723,216
Vehicles	28,572	-	-	-	28,572
Total capital assets being depreciated/amortized	199,884,499	5,977,786	(17,832)	3,030,690	208,875,143
Less accumulated depreciation/amortization for:					
Buildings and improvements	(148,220,740)	(3,534,503)	-	-	(151,755,243)
Right-to-use leased buildings	-	(205,531)	-	-	(205,531)
Equipment	(1,693,635)	(302,562)	17,832	-	(1,978,365)
Vehicles	(28,572)	-	-	-	(28,572)
Total accumulated depreciation/amortization	(149,942,947)	(4,042,596)	17,832	-	(153,967,711)
Total capital assets being depreciated/amortized, net	49,941,552	1,935,190	-	3,030,690	54,907,432
Business-type activities capital assets, net	\$ 112,756,407	\$ 6,319,147	\$ -	\$ -	\$ 119,075,554

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

Governmental activities:

General government	\$ 375,736
Federal housing and community development	392,065
Local housing and community development	87,761
Capital assets held by LACDA's internal service funds	1,355,336
Total depreciation/amortization expenses - governmental activities	<u>\$ 2,210,898</u>

Business-type activities:

Public housing	\$ 3,445,931
Other housing	391,134
Section 8 program	205,531
Total depreciation/amortization expenses - business-type activities	<u>\$ 4,042,596</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(8) Long-term Debt

Long-term debt activity for the year ended June 30, 2022, were as follows:

	Balance, July 1, 2021	Additions	Deletions	Balance, June 30, 2022	Due within one year
<u>Governmental activities:</u>					
General revenue bonds	\$ -	\$ 31,140,000	\$ -	\$ 31,140,000	35,000
Unamortized premium on bonds payable	-	3,630,967	(226)	3,630,741	-
Lease liability	414,261	330,976	(558,831)	186,406	105,649
Direct borrowing:					
Section 108 notes payable	7,452,000	-	(1,570,000)	5,882,000	736,000
Total	<u>\$ 7,866,261</u>	<u>\$ 35,101,943</u>	<u>\$ (2,129,057)</u>	<u>\$ 40,839,147</u>	<u>\$ 876,649</u>
<u>Business-type activities:</u>					
Lease revenue bonds	\$ 31,930,000	\$ -	\$ (31,930,000)	\$ -	\$ -
Lease liability	-	1,267,440	(208,694)	1,058,746	195,249
Direct borrowing:					
Notes payable	2,200,000	-	-	2,200,000	-
Total	<u>\$ 34,130,000</u>	<u>\$ 1,267,440</u>	<u>\$ (32,138,694)</u>	<u>\$ 3,258,746</u>	<u>\$ 195,249</u>

(a) 2022 LACDA General Revenue Bonds

On April 21, 2022, LACDA issued \$31,140,000 in general revenue bonds to terminate its lease agreement with CDPLAC and to fully satisfy its lease obligation of \$30,658,970. These bonds were issued with a premium of \$3,630,967 and will be amortized over the terms of the bond. The residual proceeds will be used by LACDA to fund renewable energy generation improvements, energy management systems and office renovations.

The LACDA's outstanding bonds payable related to governmental activities of \$31,140,000 contain a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due if LACDA is unable to make payment.

(b) Section 108 Notes Payable

The purpose of these debts is to finance eligible community and economic development activities. Such activities include the development of infrastructure and public facilities, job creation activities, as well as relocation and environmental remediation assistance.

The LACDA's outstanding notes payable related to governmental activities of \$5,882,000 contain a provision that in an event of default, outstanding amounts become immediately due if LACDA is not able to make payment.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(c) Lease Liability

Lease agreements are summarized as follows:

Describe	Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Balance June 30, 2022
Palmdale Office	9/1/2017	10 Years	\$ 243,557	3.00%	\$ 1,267,440	1,058,746
Enterprise Fleet Management Services	3/1/2019	5 Years	73,060	3.50%	97,405	26,621
Konica Minolta Photocopier Services	7/1/2018	5 Years	20,096	4.90%	38,367	19,573
Toshiba Managed Print Services	7/1/2019	5 Years	62,646	4.90%	195,204	140,212
Total Lease Agreements						<u>\$ 1,245,152</u>

The Palmdale office building was leased to be used by the Section 8 Program staff serving the Antelope Valley area. At the end of the current lease term, LACDA has the option to renew for another five years. The 3.00% interest rate is used to determine the net present value of this lease, which is comparable to LACDA issued development loan interest rate.

The vehicles were leased from Enterprise FM Trust for LACDA’s Fleet Management Services, beginning on March 1, 2019, for a term of five years. The 3.50% interest rate is an average rate calculated from the individual lease schedule of all the leased vehicles. This lease is not renewable and LACDA will not acquire the vehicles at the end of the five years.

The Konica Minolta photocopiers were leased for the Print Shop, beginning on July 1, 2018, for a term of five years. This lease may be extended in month-to-month increments at the sole discretion of LACDA. The lease agreement specified an interest rate of 4.90%.

The printers were leased from Toshiba Business Solutions for LACDA’s Managed Print Services, beginning on July 1, 2019, for a term of five years. The lease agreement did not specify any interest rate. The 4.90% interest rate is used based the similar equipment lease of the agency. This lease is not renewable and LACDA will not acquire the printers at the end of the lease term.

(d) 2011 Lease Revenue Bonds

These bonds were issued by CDPLAC on behalf of LACDA. The bond proceeds were used in financing the purchase of land and the construction of a building leased by LACDA.

CDPLAC lease revenue bonds were officially defeased in April 2022 as LACDA fully satisfied its lease obligation. The outstanding principal balance of \$31,115,000 was defeased through the issuance of the LACDA’s general revenue bonds.

(e) Notes Payable to Department of Housing and Community Development

The purpose of this notes payable is to finance the acquisition of the real property and the construction of a multi-unit rental housing development.

The LACDA’s outstanding notes payable related to business-type activities of \$2,200,000 contain a provision that in an event of default, outstanding amounts become immediately due if LACDA is not able to make payment and failure to perform or observe any other term or provision of this note. Per the promissory note, no payment installments are required but rather the full amount of debt be repaid by LACDA on the maturity date of 2081.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements
Year ended June 30, 2022

(f) *Annual Debt Service Requirements*

Annual debt service requirements to maturity for the general revenue bonds and the unamortized premium on bonds payable (governmental activities) are as follows:

	Principal	Interest	Unamortized Premium	Total
Fiscal year ending June 30:				
2023	\$ 35,000	\$ 1,253,635	\$ 22,681	\$ 1,311,316
2024	675,000	1,438,225	41,697	2,154,922
2025	705,000	1,403,725	59,244	2,167,969
2026	745,000	1,367,475	77,366	2,189,841
2027	790,000	1,329,100	97,186	2,216,286
2028-2032	4,605,000	5,993,875	858,704	11,457,579
2033-2037	9,200,000	4,290,750	1,635,599	15,126,349
2038-2042	11,730,000	1,790,250	820,754	14,341,004
2043	2,655,000	53,100	17,510	2,725,610
	<u>\$31,140,000</u>	<u>\$18,920,135</u>	<u>\$ 3,630,741</u>	<u>\$53,690,876</u>

Annual debt service requirements to maturity for the Section 108 (governmental activities) loans are as follows:

	Principal	Interest	Total
Fiscal year ending June 30:			
2023	\$ 736,000	\$ 164,030	\$ 900,030
2024	743,000	144,906	887,906
2025	747,000	125,115	872,115
2026	744,000	104,856	848,856
2027	279,000	90,557	369,557
2028-2032	1,390,000	323,505	1,713,505
2033-2037	1,118,000	110,790	1,228,790
2038	125,000	2,241	127,241
	<u>\$ 5,882,000</u>	<u>\$ 1,066,000</u>	<u>\$ 6,948,000</u>

Annual debt service requirements to maturity for the lease liability obligations and related interest are as follows:

	Principal	Interest	Total
Fiscal year ending June 30:			
2023	\$ 300,898	\$ 33,598	\$ 334,496
2024	260,225	25,734	285,959
2025	212,978	17,539	230,517
2026	213,612	11,210	224,822
2027	220,109	4,713	224,822
2028 and on	37,330	140	37,470
	<u>\$ 1,245,152</u>	<u>\$ 92,934</u>	<u>\$ 1,338,086</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(9) Compensated Absences

During the fiscal year end June 30, 2022, in addition to the Section 108 notes payable, revenue bonds and lease liability in Note 8, net pension liability in Note 11, other postemployment benefits in Note 12, and claims payable in Note 17, LACDA has the following changes in compensated absences:

	Balance, July 1, 2021	Additions	Deletions	Balance, June 30, 2022	Due within one year
<u>Governmental activities:</u>					
Compensated absences	\$ 1,734,115	\$ 1,575,986	\$ (1,462,481)	\$ 1,847,620	\$ 1,662,858
Total	<u>\$ 1,734,115</u>	<u>\$ 1,575,986</u>	<u>\$ (1,462,481)</u>	<u>\$ 1,847,620</u>	<u>\$ 1,662,858</u>
<u>Business-type activities:</u>					
Compensated absences	\$ 1,442,802	\$ 1,311,112	\$ (1,287,217)	\$ 1,466,697	\$ 1,320,027
Total	<u>\$ 1,442,802</u>	<u>\$ 1,311,112</u>	<u>\$ (1,287,217)</u>	<u>\$ 1,466,697</u>	<u>\$ 1,320,027</u>

The general fund and internal services funds are typically used to liquidate the compensated absences payable, the claims payable, the net pension liability, and the other postemployment benefit liability for governmental activities while the proprietary funds are typically used to liquidate these liabilities for business-type activities.

(10) Interfund receivables, payables, and transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Receivable Fund	Amount	Payable Fund	Amount
Due to/from General Fund	<u>\$ 9,720,996</u>	Federal Housing and Community Development	\$ 9,650,000
		Other Federal	70,996
			<u>\$ 9,720,996</u>
Advances to/from General Fund	<u>\$ 3,064,822</u>	Public Housing Proprietary Fund	\$ 218,887
		Other Housing Proprietary Fund	114,315
		Section 8 program	2,731,620
			<u>\$ 3,064,822</u>

These balances are primarily to fund working capital for the housing reimbursement programs. The general fund expects to collect in subsequent years.

Amounts reported in the funds as advances to and from other funds were eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities. The following residual amounts due between governmental and business-type activities are presented in the statement of net position as internal balances but are eliminated in the total primary government column.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Advances from governmental activities to business-type activities for working capital	\$ 3,064,822
Total advances	<u>\$ 3,064,822</u>

The composition of interfund transfers for the year ended June 30, 2022, is as follows:

Funds	Transfer in	Transfer out
Governmental Funds:		
General fund	\$ 3,009,103	\$ -
Federal housing and community development	-	164,980
Other federal	-	15,992
Local housing and community development	-	616,902
Internal Service Funds:		
Central services	-	510,199
Data processing	-	1,210,362
Risk management	-	105,732
Alhambra building	603,800	-
Proprietary Funds:		
Public housing	486,261	-
Other housing	-	939,591
Section 8 program	68,394	-
CDPLAC	-	603,800
Total	<u>\$ 4,167,558</u>	<u>\$ 4,167,558</u>

Transfers are used to finance various programs that must be accounted for in accordance with budgetary authorizations including amounts provided as subsidies or matching funds for various grant programs. Transfers also include indirect expense allocations, which represent support services in administering the various governmental and business-type activities.

(11) Defined Benefit Pension Plan

(a) General information about the Pension Plan

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the LACDA’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and LACDA resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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 10 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.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.1% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.000%	7.000%
Required employer contribution rates	8.000%	8.000%

Employees Covered – At June 30, 2022, the following employees were covered by the benefit terms of the Plan:

Inactive employees or beneficiaries currently receiving benefits	565
Inactive employees entitled to but not yet receiving benefits	829
Active employees	518
Total	1,912

Contributions – Section 20814(c) of CalPERS Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. 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 LACDA is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

(b) Net Pension Liability

The LACDA'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, 2021, using an annual actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Actuarial Assumptions – The total pension liability actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-age normal cost method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.00% (2)
Mortality	Derived using CalPERS' Membership data for all Funds

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Change of Assumptions – In 2021, there were no changes in assumptions and the discount rate remained at 7.15%.

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for the Plan. 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.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of 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 as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

The expected real rates of return by asset class are as followed:

Asset Class	Current Target Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+(b)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

^(a) An expected inflation of 2.0% used for this period.

^(b) An expected inflation of 2.92% used for this period.

Subsequent Events – On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-2021. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(c) *Changes in the Net Pension Liability*

The following table shows the changes in net pension liability over the measurement period:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at 6/30/2020	\$ 298,667,118	\$ 248,742,677	\$ 49,924,441
Changes Recognized for the Measurement Period:			
Service Cost	5,745,188	-	5,745,188
Interest on the Total Pension Liability	21,174,641	-	21,174,641
Differences between Expected and Actual Experiences	804,178	-	804,178
Contributions from the Employer	-	5,615,368	(5,615,368)
Contributions from the Employee	-	2,867,296	(2,867,296)
Net Investment Income	-	55,785,141	(55,785,141)
Benefit Payments, including Refunds of Employee Contributions	(12,390,125)	(12,390,125)	-
Administrative Expense	-	(248,479)	248,479
Net Changes during 2020-2021	15,333,882	51,629,201	(36,295,319)
Balance at 6/30/2021	<u>\$ 314,001,000</u>	<u>\$ 300,371,878</u>	<u>\$ 13,629,122</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the LACDA, calculated using the discount rate, as well as what LACDA’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

1% decrease	6.15%
Net pension liability	\$ 56,789,220
Current discount rate	7.15%
Net pension liability	\$ 13,629,122
1% increase	8.15%
Net pension liability (asset)	\$ (21,910,600)

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(d) Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the fiscal year ended June 30, 2022, LACDA recognized pension expense of \$304,194. At June 30, 2022, LACDA reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,799,052	\$ -
Difference between actual and expected experience	1,290,661	-
Net Differences between projected and actual earnings on plan investments	-	27,568,362
	<u>\$ 8,089,713</u>	<u>\$ 27,568,362</u>

Deferred outflows of resources totaling \$6,799,052 are related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal year ending June 30:	
2023	\$ 5,864,234
2024	6,142,331
2025	6,635,759
2026	<u>7,635,377</u>
	<u>\$ 26,277,701</u>

Refer to Required Supplementary Information for the Funded Status of the Pension Plan.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(12) Other Postemployment Benefits (OPEB) Plan

(a) *General information about the OPEB Plan*

Plan Descriptions – In June 2011, the LACDA created a trust with the California Employers’ Retiree Benefit Trust (CERBT), a single-employer defined benefit plan, which is administered by CalPERS for the purpose of prefunding obligations for past services. In addition to the pension benefits described in Note 11, the LACDA also provides retiree health care benefits for eligible employees. The retiree health care benefits provided by the LACDA are basically a continuation of the medical plans for active employees. Eligibility for continuation of medical coverage for employees hired prior to August 3, 2010, requires retirement from the LACDA on or after age 50 with at least 10 years of continuous service with the LACDA. The LACDA will contribute 75% plus 5% for each year of service in excess of 15 years up to 100% towards the cost of coverage. Eligibility for continuation of medical coverage for employees hired on or after August 3, 2010, requires retirement from the LACDA on or after age 50 with at least 25 years of continuous service with the LACDA. Effective January 1, 2005, the LACDA will not pay more than the highest amount contributed for a current regular employee, for employee only medical insurance.

Employees Covered – As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms of the OPEB Plan:

Active employees	540
Inactive employees or beneficiaries currently receiving benefits	196
Inactive employees entitled to but not yet receiving benefits	-
Total	<u>736</u>

Contributions – The OPEB Plan and its contribution requirements are established and may be amended by the Executive Director of the LACDA. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2022, LACDA’s cash contributions were \$1,203,253 in payments to the trust and to the providers for the retiree’s insurance premium, and the estimated implied subsidy was \$282,949 resulting in total payments of \$1,486,202.

(b) *Net OPEB Liability*

The LACDA’s net OPEB liability for the Plan is measured as the total OPEB liability, less the OPEB plan’s fiduciary net position. The net OPEB liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2021 to determine the June 30, 2021 total OPEB liability. A summary of principal assumptions and methods used to determine the net OPEB liability is shown below.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Actuarial Assumptions – The total OPEB liability actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation	2.75%
Salary Increase	2.75% per annum, plus merit scale
Investment Rate of Return	7.00%
Mortality Rate	Derived using CalPERS' Membership data for all Funds
Pre-Retirement Turnover	Derived using CalPERS' Membership data for all Funds
Healthcare Trend Rate	6.50% HMO/6.50% PPO decreasing to 4.50% HMO/4.50% PPO

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.00%	N/A
Fixed Income	25.00%	N/A
Treasury Inflation-Protected Securities (TIPS)	5.00%	N/A
Real Estate Investment Trusts (REITS)	8.00%	N/A
Commodities	3.00%	N/A
Cash	0.00%	N/A
Total	100.00%	7.00%

Change of Assumptions – In 2021, there were no changes in assumptions and the discount rate remained at 7.00%.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

Discount Rate – The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that LACDA’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

(c) **Changes in the Net OPEB Liability/Asset**

The following table shows the changes in net OPEB liability/asset over the measurement period:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (Asset)</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability (Asset)</u>
Balance at 6/30/2020	\$ 27,400,372	\$ 24,681,985	\$ 2,718,387
Changes Recognized for the Measurement Period:			
Service Cost	868,462	-	868,462
Interest on the Total OPEB Liability	1,939,265	-	1,939,265
Differences between Expected and Actual Experiences	(2,589,121)	-	(2,589,121)
Changes of Assumptions	543	-	543
Contributions from the Employer	-	1,868,358	(1,868,358)
Net Investment Income	-	6,783,499	(6,783,499)
Benefit Payments, including Refunds of Employee Contributions	(1,149,538)	(1,149,538)	-
Administrative Expense	-	(9,339)	9,339
Net Changes during 2020-2021	(930,389)	7,492,980	(8,423,369)
Balance at 6/30/2021	<u>\$ 26,469,983</u>	<u>\$ 32,174,965</u>	<u>\$ (5,704,982)</u>

Sensitivity of the Net OPEB Liability/Asset to Changes in the Discount Rate – The following presents the net OPEB liability/asset of the LACDA, calculated using the discount rate of 7.00%, as well as what LACDA’s net OPEB liability/asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Net OPEB liability (asset)	\$ (2,316,105)	\$ (5,704,982)	\$ (8,535,172)

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements
Year ended June 30, 2022

Sensitivity of the Net OPEB Liability/Asset to Changes in the Health Care Cost Trend Rates – The following presents the net OPEB liability/asset of the LACDA if it were calculated using a health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.50%HMO/5.50%PPO decreasing to 3.50%HMO/3.50%PPO)	Current Healthcare Cost Trend Rates Rate (6.50%HMO/6.50%PPO decreasing to 4.50%HMO/4.50%PPO)	1% Increase (7.50%HMO/7.50%PPO decreasing to 5.50%HMO/5.50%PPO)
Net OPEB liability (asset)	\$ (8,927,641)	\$ (5,704,982)	\$ (1,744,897)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued plan financial reports.

(d) OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022, the LACDA recognized OPEB expense of \$5,026. At June 30, 2022, the LACDA reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,203,253	\$ -
Difference between actual and expected experience	522,537	4,401,703
Changes in assumptions	2,375,713	-
Net Differences between projected and actual earnings on OPEB plan investments	-	3,490,039
	<u>\$ 4,101,503</u>	<u>\$ 7,891,742</u>

Deferred outflows of resources totaling \$1,203,253 are related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal year ending June 30:	
2023	\$ 943,332
2024	909,171
2025	945,359
2026	1,110,965
2027	104,697
Thereafter	979,968
	<u>\$ 4,993,492</u>

(13) Deferred Compensation Plan

The LACDA offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan permits employees to defer a portion of their salary until future years.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

The Plan is administered by an independent trustee. In accordance with GASB Statement No. 32, the accumulated assets of the deferred compensation plan are not reported in the accompanying basic financial statements of the LACDA but are considered resources of the participants.

While the LACDA has full power and authority to administer and to adopt rules and regulations for the plan, all investment decisions under the plan are the responsibility of the deferred compensation plan participants. The LACDA has no liability for losses under the deferred compensation plan but does have the duty of due care that would be required of an ordinary prudent investor. Under certain circumstances, employees may modify their arrangements with the deferred compensation plan to provide for greater or fewer contributions, or to terminate their participation.

If participants retire under the deferred compensation plan or terminate service with the LACDA, they may be eligible to receive payments under the deferred compensation plan in accordance with the provisions thereof. In the event of a serious financial emergency, the LACDA may approve, upon request, withdrawals from the deferred compensation plan by the participants, along with their allocated contributions.

The following is a summary of activity of the trust for the year ended June 30, 2022:

Fund assets (at fair value), July 1, 2021	\$ 88,322,136
Deferrals of compensation	4,820,662
Earnings and increase (decrease) in fair value of investments	(3,994,555)
Payments to eligible participants and beneficiaries	<u>(10,567,383)</u>
Fund assets (at fair value), June 30, 2022	<u>\$ 78,580,860</u>

(14) Mortgage Revenue Bonds (Conduit debt)

The LACDA expands the supply of affordable housing by issuing multifamily mortgage revenue bonds. Since 1984, the LACDA has issued more than \$650 million in mortgage revenue bonds for multifamily housing. The bonds are issued to developers to finance low- and moderate-income housing for families.

Projects instrumental to neighborhood revitalization provide significant public benefit and preserve existing affordable housing. Requests to issue bonds are submitted to the California Debt Limit Allocation Committee. Projects must be located within the County of Los Angeles. If the project is located within an incorporated city, the LACDA will require a cooperative resolution adopted by that city.

The County requires a defined public benefit before it is willing to act as an issuer for tax-exempt multifamily housing bonds. These benefits must conform to all federal and state requirements for tax-exempt multifamily housing bonds. To ensure a public benefit, developers must set aside at least 20 percent of the units in each project for rent to very low-income tenants (50 percent of median income, adjusted for household size) for a minimum term of 30 years. The County reserves the right to impose added restrictions.

The mortgage revenue bonds are not debt of the LACDA. The bonds are secured by a letter of credit through a major financial institution. Since these bonds do not constitute a legal debt of the LACDA, such amounts have not been included in the accompanying basic financial statements.

(15) Federal Grant Awards

The LACDA's Grant Programs operate under a line of credit established with HUD, and other federal agencies, for its federal grant revenues. The approved line of credit amount was approximately \$441,253,131. Life-to-date, the LACDA has drawn down funds approximating \$277,101,385, against the line of credit, to cover its grant programs' activities, leaving available funds of approximately \$164,151,746 at June 30, 2022. The funds do not represent an obligation of LACDA and are available for draw-down by the LACDA to finance CDBG Float, Section 108, and

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements
Year ended June 30, 2022

Home Loan programs, which are repaid to the LACDA; and are also utilized for activities of the LACDA’s Grant Programs.

(16) Construction Commitments

The LACDA has entered into various contracts for the purchase of materials, professional and non-professional services for construction projects. At June 30, 2022, significant remaining commitments are as follows:

Project	Contract Amount	Spent-to-Date	Remaining Commitment
Sherman Oaks Senior Housing	\$ 5,058,085	\$ 4,544,760	\$ 513,325
433 Vermont Apartments	1,500,000	875,821	624,179
Orchard Arms Unit & Common Area Windows	895,894	259,035	636,859
The Angel	5,720,000	5,034,179	685,821
Essex Tower	7,000,000	6,311,267	688,733
Magic Johnson Park Phase 1B - Maintenance Yard	1,498,297	736,034	762,263
Marian Place	1,880,000	887,148	992,852
Palm Apartments Pipe Coating	1,425,104	356,276	1,068,828
Long Beach Senior Housing	7,000,000	5,909,328	1,090,672
Nueva Maravilla Pipe Coating	1,510,373	395,136	1,115,237
Fairview Heights	11,460,000	10,343,706	1,116,294
Whittier & Downey NorthWest	7,940,000	6,698,426	1,241,574
Orchard Arms Solar & Roof	1,941,640	651,378	1,290,262
Juniper Grove Apartments	13,680,000	12,262,000	1,418,000
3rd and Dangler	7,000,000	5,580,169	1,419,831
Corazon Del Valle I	7,000,000	5,547,263	1,452,737
The Brine	10,570,000	9,102,403	1,467,597
Francisquito Villa Kitchen Rehab	1,664,834	133,959	1,530,875
El Monte Area X Apartments	6,750,000	5,178,988	1,571,012
The Pointe on La Brea	9,020,852	7,286,324	1,734,528
West Carson Villas	14,000,000	12,264,992	1,735,008
PCH Magnolia	8,540,000	6,687,663	1,852,337
803 5th Street	14,500,000	12,600,000	1,900,000
Ramona Metro Point	5,520,000	3,574,488	1,945,512
Carmelitos Kitchen Rehab Phase III	2,112,258	48,770	2,063,488
Weingart Tower 1A - 144	5,434,783	2,729,730	2,705,053
Nadeau Apartments	7,000,000	4,199,716	2,800,284
2652 Pico Apartments	11,660,000	8,352,192	3,307,808
Imagine Village II	7,840,000	4,203,499	3,636,501
Salvation Army Pasadena Hope Center	4,830,000	1,089,534	3,740,466
Corazon Del Valle II	7,000,000	3,239,248	3,760,752
The Emerald	10,000,000	6,074,377	3,925,623
841 N. Banning	7,130,000	350,000	6,780,000
Weingart Tower 1A - 134	9,565,217	2,539,188	7,026,029
Montesquieu Manor	10,074,000	2,857,519	7,216,481
Rousseau Residences	9,942,000	2,344,024	7,597,976
	<u>\$ 245,663,337</u>	<u>\$ 161,248,540</u>	<u>\$ 84,414,797</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements Year ended June 30, 2022

(17) Commitments and Contingencies

(a) *General Liability and Workers' Compensation*

The LACDA has been named as a defendant in various general damage and personal injury lawsuits and claims. Such claims arise primarily from injuries or damages sustained by claimants while on property owned and maintained by LACDA. The LACDA is self-insured for its general liability and workers' compensation claims up to \$500,000 per each type of claim. The LACDA has established accrued liabilities aggregating \$3,525,540 of which \$3,172,986 is considered noncurrent, for the estimated liability for payment of incurred (both reported and unreported) but unpaid claims at June 30, 2022. The LACDA obtains periodic funding valuations from claims-servicing companies managing the general liability and workers' compensation programs, and adjusts the charges to the various funds or departments as required, to maintain the appropriate level of estimated claims liability. No settlements exceeded insurance coverage in the last two fiscal years ended June 30, 2022, and June 30, 2021. Management believes that the ultimate result of the pending lawsuits and claims, beyond that already accrued, if any, will not have a material adverse effect upon the LACDA's financial position.

During the fiscal years 2022 and 2021, the changes in the self-insurance liability were as follows:

	<u>2022</u>		<u>2021</u>
Beginning balance	\$ 3,525,540	\$	3,525,540
Additions	3,005,204		2,968,289
Payments	(3,005,204)		(2,968,289)
Ending balance	<u>\$ 3,525,540</u>	<u>\$</u>	<u>3,525,540</u>

(b) *Grants and Other*

Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as inappropriate expenditures, under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The LACDA's management believes disallowances, if any, will not adversely affect the LACDA's financial position.

(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 LACDA's former Redevelopment Agency (Successor Agency). The LACDA, as the Successor Agency, serves in a fiduciary capacity as custodian of the assets, and to unwind 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 by the LACDA.

The Successor Agency is allocated revenue in the amount that is necessary to pay the enforceable obligations of the former Redevelopment Agency until all obligations of the former Redevelopment Agency have been paid in full, and all assets have been liquidated.

(19) Restatements of Net Position and Fund Balance

(a) *Government-Wide Statement*

Beginning net position for governmental and business-type activities in the government-wide Statement of Activities has been restated due to the implementation of GASB Statement No. 87, *Leases*. The two accounting activities resulted a total increase in the beginning balance of net position by \$334,610. The LACDA recognized \$3,850,370 in net lease receivable on July 1, 2021; however, this amount was offset by \$3,397,829 of net deferred inflows of resources for leases. The LACDA also recognized \$102,909 in net book value for the

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Notes to Basic Financial Statements
Year ended June 30, 2022

intangible right-to-use asset and a lease liability of \$97,406 for leased vehicles. These increases were offset by the removal of \$123,434 in net book value and lease liability of the old capital leased vehicles and equipment.

	Net Position, beginning of year, as originally reported	Restatements	Net Position, beginning of year, as reported on the Statement of Activities
Governmental activities	\$ 569,482,389	\$ 322,423	\$ 569,804,812
Business-type activities	135,263,003	12,187	135,275,190
Net Position	<u>\$ 704,745,392</u>	<u>\$ 334,610</u>	<u>\$ 705,080,002</u>

(b) Governmental Funds Statement

The beginning fund balances of governmental funds were restated as follows due to the implementation of GASB Statement No. 87, *Leases*:

	Fund Balances, beginning of year, as originally reported	Restatements	Fund Balances, beginning of year, as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund	\$ 92,260,729	\$ 198,853	\$ 92,459,582
Federal housing and community development	1,695,954	241,500	1,937,454
Other federal	(419,123)	-	(419,123)
Local housing and community development	416,973,277	-	416,973,277
Low and moderate income housing asset fund	9,208,840	-	9,208,840
Total Fund Balance, Governmental Funds	<u>\$ 519,719,677</u>	<u>\$ 440,353</u>	<u>\$ 520,160,030</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Notes to Basic Financial Statements
Year ended June 30, 2022**

(c) Proprietary Funds Statement

The beginning balances of net position of proprietary funds were restated as follows due to the implementation of GASB Statement No. 87, *Leases*:

	Net Position, beginning of year, as originally reported	Restatements	Net Position, beginning of year, as reported on the Statement of Revenues, Expenses and Changes in Net Position
Public housing	\$ 109,992,662	\$ 12,187	\$ 110,004,849
Other housing	12,135,496	-	12,135,496
Section 8 program	12,662,745	-	12,662,745
CDPLAC	472,100	-	472,100
Net Position, Proprietary Funds	<u>\$ 135,263,003</u>	<u>\$ 12,187</u>	<u>\$ 135,275,190</u>
Internal service funds	<u>\$ 6,798,369</u>	<u>\$ (117,930)</u>	<u>\$ 6,680,439</u>

(20) Subsequent Events

The LACDA has evaluated events subsequent to June 30, 2022, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November 10, 2022, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require additional disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION



LACDA

Los Angeles County Development Authority

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Change in Fund Balances – Budget and Actual
 General Fund
 Year ended June 30, 2022**

	Budget		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 16,565,944	\$ 13,356,285	\$ 6,109,032	\$ (7,247,253)
Charges for services	12,032,816	13,518,321	15,330,263	1,811,942
Rentals	489,000	784,300	434,675	(349,625)
Investment income (loss)	4,162,942	4,203,042	(24,755,717)	(28,958,759)
Other revenues	387,813	387,813	122,579	(265,234)
Total revenues	<u>33,638,515</u>	<u>32,249,761</u>	<u>(2,759,168)</u>	<u>(35,008,929)</u>
Expenditures:				
Current:				
General government	4,467,557	4,042,555	2,961,334	1,081,221
Housing	13,796,227	11,543,677	9,994,023	1,549,654
Economic development	8,432,575	8,726,871	7,076,182	1,650,689
Community development	10,119,030	9,945,528	6,837,053	3,108,475
Total expenditures	<u>36,815,389</u>	<u>34,258,631</u>	<u>26,868,592</u>	<u>7,390,039</u>
Excess (deficiency) of revenues over expenditures	<u>(3,176,874)</u>	<u>(2,008,870)</u>	<u>(29,627,760)</u>	<u>(27,618,890)</u>
Other financing sources (uses):				
Transfers in (out)	<u>3,174,876</u>	<u>2,008,871</u>	<u>3,009,103</u>	<u>1,000,232</u>
Net other financing sources (uses)	<u>3,174,876</u>	<u>2,008,871</u>	<u>3,009,103</u>	<u>1,000,232</u>
Change in fund balance	(1,998)	1	(26,618,657)	(26,618,658)
Fund balance at beginning of year, as restated	<u>92,459,582</u>	<u>92,459,582</u>	<u>92,459,582</u>	<u>-</u>
Fund balance at end of year	<u>\$ 92,457,584</u>	<u>\$ 92,459,583</u>	<u>\$ 65,840,925</u>	<u>\$(26,618,658)</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Change in Fund Balances – Budget and Actual
 Federal Housing and Community Development
 Year ended June 30, 2022**

	Budget		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$130,766,111	\$ 140,899,031	\$ 116,464,567	\$ (24,434,464)
Charges for services	-	-	54,329	54,329
Rentals	-	-	464,601	464,601
Investment income	200,000	200,000	1,789,259	1,589,259
Other revenues	-	400,000	521,614	121,614
Total revenues	<u>130,966,111</u>	<u>141,499,031</u>	<u>119,294,370</u>	<u>(22,204,661)</u>
Expenditures:				
Current:				
Housing	73,745,218	75,729,740	73,564,435	2,165,305
Economic development	600,000	600,000	-	600,000
Community development	54,187,689	62,766,091	46,277,394	16,488,697
Debt service:				
Principal	1,972,000	1,942,000	1,570,000	372,000
Interest	461,200	461,200	193,457	267,743
Total expenditures	<u>130,966,107</u>	<u>141,499,031</u>	<u>121,605,286</u>	<u>19,893,745</u>
Excess (deficiency) of revenues over expenditures	<u>4</u>	<u>-</u>	<u>(2,310,916)</u>	<u>(2,310,916)</u>
Other financing sources (uses):				
Transfers out	-	-	(164,980)	(164,980)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(164,980)</u>	<u>(164,980)</u>
Change in fund balance	4	-	(2,475,896)	(2,475,896)
Fund balance at beginning of year, as restated	<u>1,937,454</u>	<u>1,937,454</u>	<u>1,937,454</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,937,458</u>	<u>\$ 1,937,454</u>	<u>\$ (538,442)</u>	<u>\$ (2,475,896)</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Change in Fund Balances – Budget and Actual
 Other Federal
 Year ended June 30, 2022**

	Budget		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 14,066,633	\$ 13,982,533	\$ 13,471,976	\$ (510,557)
Charges for services	-	-	26,430	26,430
Investment income	-	-	205,187	205,187
Total revenues	<u>14,066,633</u>	<u>13,982,533</u>	<u>13,703,593</u>	<u>(278,940)</u>
Expenditures:				
Current:				
Housing	1,998,832	2,335,333	2,304,760	30,573
Economic development	4,857,900	6,600,000	4,507,979	2,092,021
Community development	7,209,901	5,047,200	5,016,849	30,351
Total expenditures	<u>14,066,633</u>	<u>13,982,533</u>	<u>11,829,588</u>	<u>2,152,945</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,874,005</u>	<u>1,874,005</u>
Other financing sources (uses):				
Transfers out	-	-	(15,992)	(15,992)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(15,992)</u>	<u>(15,992)</u>
Change in fund balance	-	-	1,858,013	1,858,013
Fund balance at beginning of year	<u>(419,123)</u>	<u>(419,123)</u>	<u>(419,123)</u>	<u>-</u>
Fund balance at end of year	<u>\$ (419,123)</u>	<u>\$ (419,123)</u>	<u>\$ 1,438,890</u>	<u>\$ 1,858,013</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Change in Fund Balances – Budget and Actual
 Local Housing and Community Development
 Year ended June 30, 2022**

	Budget		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 245,019,978	\$ 256,830,062	\$ 277,295,662	\$ 20,465,600
Charges for services	111,800	154,800	837,137	682,337
Investment income	4,675,800	4,675,800	5,715,870	1,040,070
Other revenues	132,800	3,754,900	51,811	(3,703,089)
Total revenues	<u>249,940,378</u>	<u>265,415,562</u>	<u>283,900,480</u>	<u>18,484,918</u>
Expenditures:				
Current:				
Housing	238,429,496	255,207,275	244,135,630	11,071,645
Economic development	5,622,999	5,429,000	2,546,480	2,882,520
Community development	2,605,080	1,498,482	982,422	516,060
Traffic services	2,855,805	2,855,806	2,330,248	525,558
Total expenditures	<u>249,513,380</u>	<u>264,990,563</u>	<u>249,994,780</u>	<u>14,995,783</u>
Excess (deficiency) of revenues over expenditures	<u>426,998</u>	<u>424,999</u>	<u>33,905,700</u>	<u>33,480,701</u>
Other financing sources (uses):				
Transfers out	<u>(425,000)</u>	<u>(425,000)</u>	<u>(616,902)</u>	<u>(191,902)</u>
Net other financing sources (uses)	<u>(425,000)</u>	<u>(425,000)</u>	<u>(616,902)</u>	<u>(191,902)</u>
Change in fund balance	1,998	(1)	33,288,798	33,288,799
Fund balance at beginning of year, as restated	<u>416,973,277</u>	<u>416,973,277</u>	<u>416,973,277</u>	<u>-</u>
Fund balance at end of year	<u>\$ 416,975,275</u>	<u>\$ 416,973,276</u>	<u>\$ 450,262,075</u>	<u>\$ 33,288,799</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Change in Fund Balances – Budget and Actual
 Low- and Moderate-Income Housing Asset Fund
 Year ended June 30, 2022**

	Budget		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 190,800	\$ 121,800	\$ 310,574	\$ 188,774
Investment income	-	-	156,490	156,490
Total revenues	<u>190,800</u>	<u>121,800</u>	<u>467,064</u>	<u>345,264</u>
Expenditures:				
Current:				
Housing	<u>190,801</u>	<u>121,801</u>	<u>119,778</u>	<u>2,023</u>
Total expenditures	<u>190,801</u>	<u>121,801</u>	<u>119,778</u>	<u>2,023</u>
Change in fund balance	(1)	(1)	347,286	347,287
Fund balance at beginning of year	<u>9,208,840</u>	<u>9,208,840</u>	<u>9,208,840</u>	<u>-</u>
Fund balance at end of year	<u>\$ 9,208,839</u>	<u>\$ 9,208,839</u>	<u>\$ 9,556,126</u>	<u>\$ 347,287</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

Year ended June 30, 2022

(1) Budget

Budgets for the governmental fund types are adopted on a modified accrual basis of accounting which is a generally accepted accounting principle in the United States of America.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
Year ended June 30, 2022

(2) **Additional Pension Information**

(a) *Schedule of Changes in the Net Pension Liability and Related Ratios*

Last Ten Years *

Measurement Date of June 30,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service Cost	\$ 5,745,188	\$ 5,686,125	\$ 5,193,567	\$ 5,373,884	\$ 5,493,966	\$ 4,779,725	\$ 4,580,146	\$ 4,703,232
Interest on total pension liability	21,174,641	20,115,695	18,950,485	17,754,300	17,075,665	16,007,563	15,070,316	14,282,452
Differences between expected and actual experience	804,178	2,492,999	3,343,450	(1,368,676)	599,428	232,779	(1,060,307)	-
Changes in assumptions	-	-	-	(2,851,868)	15,801,836	-	(4,135,536)	-
Benefit payments, including refunds of employee contributions	(12,390,125)	(11,260,063)	(9,913,298)	(9,389,940)	(8,205,369)	(7,743,352)	(7,719,533)	(6,607,237)
Net change in total pension liability	15,333,882	17,034,756	17,574,204	9,517,700	30,765,526	13,276,715	6,735,086	12,378,447
Total pension liability - beginning	298,667,118	281,632,362	264,058,158	254,540,458	223,774,932	210,498,217	203,763,131	191,384,684
Total pension liability - ending (a)	\$ 314,001,000	\$ 298,667,118	\$ 281,632,362	\$ 264,058,158	\$ 254,540,458	\$ 223,774,932	\$ 210,498,217	\$ 203,763,131
Plan Fiduciary Net Position:								
Contributions - employer	\$ 5,615,368	\$ 4,816,329	\$ 4,161,151	\$ 3,611,401	\$ 3,528,385	\$ 3,511,537	\$ 2,285,548	\$ 2,283,753
Contributions - employee	2,867,296	2,839,782	2,682,042	2,619,662	2,523,028	2,588,047	2,447,451	2,738,370
Net investment income	55,785,141	12,036,510	14,904,211	17,970,975	21,715,192	995,011	4,318,628	29,150,178
Benefit payments	(12,390,125)	(11,260,063)	(9,913,298)	(9,389,940)	(8,205,369)	(7,743,352)	(7,719,533)	(6,607,237)
Plan and plan resource movement	-	-	-	(531)	-	-	905	-
Administrative expense	(248,479)	(339,257)	(163,404)	(335,245)	(289,184)	(119,839)	(221,319)	-
Other miscellaneous income (expense)	-	-	531	(636,636)	-	-	-	-
Net change in plan fiduciary net position	51,629,201	8,093,301	11,671,233	13,839,686	19,272,052	(768,596)	1,111,680	27,565,064
Plan fiduciary net position - beginning	248,742,677	240,649,376	228,978,143	215,138,457	195,866,405	196,635,001	195,523,321	167,958,257
Plan fiduciary net position - ending (b)	\$ 300,371,878	\$ 248,742,677	\$ 240,649,376	\$ 228,978,143	\$ 215,138,457	\$ 195,866,405	\$ 196,635,001	\$ 195,523,321
Net pension liability - ending (a)-(b)	\$ 13,629,122	\$ 49,924,441	\$ 40,982,986	\$ 35,080,015	\$ 39,402,001	\$ 27,908,527	\$ 13,863,216	\$ 8,239,810
Plan fiduciary net position as a percentage of the total pension liability	95.66%	83.28%	85.45%	86.72%	84.52%	87.53%	93.41%	95.96%
Covered payroll	\$ 39,594,678	\$ 39,241,716	\$ 35,817,702	\$ 37,035,726	\$ 37,056,290	\$ 35,779,057	\$ 34,043,007	\$ 33,527,459
Net pension liability as percentage of covered payroll	34.42%	127.22%	114.42%	94.72%	106.33%	78.00%	40.72%	24.58%

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

Year ended June 30, 2022

Notes to Schedule:

Benefit changes - The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes in assumption - None in 2019 - 2021. 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 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.50% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5% discount rate.

* Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**REQUIRED SUPPLEMENTARY INFORMATION
Year ended June 30, 2022**

(b) Schedule of Contributions

	Last Ten Years*									
	2022	2021	2020	2019	2018	2017	2016	2015		
Actuarially determined contributions	\$ 6,799,052	\$ 5,613,483	\$ 4,815,740	\$ 4,161,355	\$ 2,488,319	\$ 3,528,363	\$ 3,511,596	\$ 2,282,387		
Contributions in relation to the actuarially determined contributions	(6,799,052)	(5,613,483)	(4,815,740)	(4,161,355)	(2,488,319)	(3,528,363)	(3,511,596)	(2,282,387)		
Contributions deficiency (excess)	-	-	-	-	-	-	-	-		
Covered payroll	\$ 43,280,538	\$ 39,594,678	\$ 39,241,716	\$ 35,817,702	\$ 37,035,726	\$ 37,056,290	\$ 35,779,057	\$ 34,043,007		
Contributions as a percentage of covered payroll	15.71%	14.18%	12.27%	11.62%	6.72%	9.52%	9.81%	6.70%		

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were from the June 30, 2019 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	CalPERS employs an amortization and smoothing policy that pays for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. This direct rate smoothing method is equivalent to a method using a 5-year asset smoothing period with no actuarial value of asset corridor and a 25-year amortization period for gains and losses. 2.50% compounded annually
Inflation	2.50% compounded annually
Salary increases	Varies by Entry age and Service
Payroll Growth	2.75% compounded annually
Investment rate of return	7.00% compounded annually (net of expenses)
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

*Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

Year ended June 30, 2022

(3) Additional Other Postemployment Benefits (OPEB) Information

(a) Schedule of Changes in the Net OPEB Liability and Related Ratios

Measurement Date of June 30,	Last Ten Years *				
	2021	2020	2019	2018	2017
Total OPEB Liability:					
Service Cost	\$ 868,462	\$ 909,559	\$ 601,214	\$ 583,703	\$ 545,518
Interest on total OPEB liability	1,939,265	2,005,552	1,599,935	1,519,491	1,436,483
Differences between expected and actual experience	(2,589,121)	(2,700,336)	783,804	-	-
Changes in assumptions	543	-	3,562,843	-	-
Benefit payments, including refunds of employee contributions	(1,149,538)	(1,092,688)	(1,049,052)	(893,928)	(774,789)
Net change in total OPEB liability	(930,389)	(877,913)	5,498,744	1,209,266	1,207,212
Total OPEB liability - beginning	27,400,372	28,278,285	22,779,541	21,570,275	20,363,063
Total OPEB liability - ending (a)	\$ 26,469,983	\$ 27,400,372	\$ 28,278,285	\$ 22,779,541	\$ 21,570,275
Plan Fiduciary Net Position:					
Contributions - employer	\$ 1,868,358	\$ 2,651,321	\$ 1,100,201	\$ 1,281,968	\$ 1,241,648
Net investment income	6,783,499	789,365	1,291,178	1,522,386	1,781,325
Benefit payments	(1,149,538)	(1,092,688)	(1,049,052)	(893,928)	(774,789)
Administrative expense	(9,339)	(10,915)	(4,497)	(10,195)	(9,055)
Other expense	-	-	-	(25,305)	-
Net change in plan fiduciary net position	7,492,980	2,337,083	1,337,830	1,874,926	2,239,129
Plan fiduciary net position - beginning	24,681,985	22,344,902	21,007,072	19,132,146	16,893,017
Plan fiduciary net position - ending (b)	\$ 32,174,965	\$ 24,681,985	\$ 22,344,902	\$ 21,007,072	\$ 19,132,146
Net OPEB liability (asset) - ending (a)-(b)	\$ (5,704,982)	\$ 2,718,387	\$ 5,933,383	\$ 1,772,469	\$ 2,438,129
Plan fiduciary net position as a percentage of the total OPEB liability	121.55%	90.08%	79.02%	92.22%	88.70%
Covered-employee payroll	\$ 40,460,413	\$ 39,574,100	\$ 37,418,466	\$ 35,947,478	\$ 35,721,075
Net OPEB liability (asset) as percentage of covered-employee payroll	-14.10%	6.87%	15.86%	4.93%	6.83%

Notes to Schedule:

Changes in assumption - In 2018 - 2021, there were no changes in the discount rate. In 2017, the discount rate was reduced from 7.28% (net of administrative expense) to 7.00%.

* Fiscal year 2018 was the first year of implementation, therefore only five years are shown.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

Year ended June 30, 2022

(b) Schedule of Contributions

	Last Ten Years*				
	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ 1,203,253	\$ 1,575,146	\$ 2,348,739	\$ 863,366	\$ 1,078,833
Contributions in relation to the actuarially determined contributions	(1,203,253)	(1,575,146)	(2,348,739)	(863,366)	(1,078,833)
Contributions deficiency (excess)	-	-	-	-	-
Covered-employee payroll	\$ 43,280,538	\$ 40,460,413	\$ 39,574,100	\$ 37,418,466	\$ 35,947,478
Contributions as a percentage of covered-employee payroll	2.78%	3.89%	5.94%	2.31%	3.00%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were from the June 30, 2021 actuarial valuation.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll over a closed rolling 16-year period
Asset valuation method	Market value
Inflation	2.75%
Payroll Growth	2.75% per annum, plus merit scale
Investment rate of return	7.00%
Healthcare cost trend rates	6.50% initial, 0.25% per year to ultimate rate of 4.50%
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	Pre-retirement and post-retirement mortality probabilities are based on 2017 CalPERS 1997-2015 Experience Study covering CalPERS participants.

*Fiscal year 2018 was the first year of implementation, therefore only five years are shown.



LACDA

Los Angeles County Development Authority

SUPPLEMENTARY INFORMATION



LACDA

Los Angeles County Development Authority

INTERNAL SERVICE FUNDS

Internal service funds are used to account for services provided to benefit other funds. These funds are as follows:

Construction Management – To account for construction management services provided to other departments within the LACDA.

Central Services – To account for staff development, emergency management, purchasing, and printing costs provided to other departments within the LACDA.

Data Processing – To account for the operation of data processing equipment and data processing services provided to the divisions within the LACDA.

Risk Management – To account for the accumulation of resources and payment of liability self-insurance and workers' compensation provided to the divisions within the LACDA.

Alhambra Building – To account for lease payments and building maintenance for the LACDA's headquarters.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Combining Statement of Net Position

Internal Service Funds

June 30, 2022

Assets	Construction Management	Central Services	Data Processing	Risk Management	Alhambra Building	Total
Cash and pooled investments	\$ 3,455,059	\$ 914,748	\$ 1,725,100	\$ 4,483,676	\$ 5,600,293	\$ 16,178,876
Accounts receivable	-	44,515	-	-	-	44,515
Inventory	-	50,447	-	-	-	50,447
Prepaid costs and other assets	-	-	-	21,944	-	21,944
Net other postemployment benefits asset	370,206	183,903	216,113	23,247	23,704	817,173
Capital assets, net	695,848	51,167	222,371	-	32,627,738	33,597,124
Total assets	4,521,113	1,244,780	2,163,584	4,528,867	38,251,735	50,710,079
Deferred Outflows of Resources						
Pension related amounts	605,720	184,222	435,694	35,328	-	1,260,964
Other postemployment benefits related amounts	254,134	151,231	158,085	15,230	18,625	597,305
Total deferred outflows of resources	859,854	335,453	593,779	50,558	18,625	1,858,269
Liabilities						
Current liabilities:						
Accounts payable and accrued liabilities	141,336	59,003	369,536	31,229	309,809	910,913
Long-term debt obligations - current portion	-	42,522	63,127	-	35,000	140,649
Estimated claims payable	-	-	-	352,554	-	352,554
Accrued compensated absences	229,022	105,742	200,736	17,814	7,188	560,502
Noncurrent liabilities:						
Long-term debt obligations	-	3,672	77,085	-	34,735,741	34,816,498
Estimated claims payable	-	-	-	3,172,986	-	3,172,986
Accrued compensated absences	25,447	11,749	22,304	1,979	799	62,278
Net pension liability	512,970	-	-	-	-	512,970
Total liabilities	908,775	222,688	732,788	3,576,562	35,088,537	40,529,350
Deferred Inflows of Resources						
Pension related amounts	1,924,001	675,945	1,300,274	121,255	-	4,021,475
Other postemployment benefits related amounts	499,544	277,334	298,381	27,074	34,879	1,137,212
Total deferred inflows of resources	2,423,545	953,279	1,598,655	148,329	34,879	5,158,687
Net Position						
Net investment in capital assets	695,848	4,973	82,159	-	-	782,980
Unrestricted	1,352,799	399,293	343,761	854,534	3,146,944	6,097,331
Total net position	\$ 2,048,647	\$ 404,266	\$ 425,920	\$ 854,534	\$ 3,146,944	\$ 6,880,311

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
Year ended June 30, 2022

	Construction Management	Central Services	Data Processing	Risk Management	Alhambra Building	Total
Operating revenues:						
Charges for services	\$ 6,840,305	\$ 2,846,719	\$ 5,896,930	\$ 1,167,962	\$ 381,492	\$ 17,133,408
Rentals	-	-	-	-	3,322,944	3,322,944
Other revenue	-	50,175	10,372	1,166	33,475	95,188
Total operating revenues	6,840,305	2,896,894	5,907,302	1,169,128	3,737,911	20,551,540
Operating expenses:						
Utilities	26,702	21,100	33,580	1,778	386,417	469,577
Maintenance	227,062	505,662	1,007,553	4,856	845,808	2,590,941
General administration	5,070,570	1,974,262	4,371,205	1,124,792	535,698	13,076,527
Depreciation and amortization	104,313	99,679	93,989	-	1,057,355	1,355,336
Total operating expenses	5,428,647	2,600,703	5,506,327	1,131,426	2,825,278	17,492,381
Operating income (loss)	1,411,658	296,191	400,975	37,702	912,633	3,059,159
Nonoperating revenues (expenses):						
Investment income	34,276	-	-	-	-	34,276
Interest expense	-	(3,578)	(8,227)	-	(1,659,265)	(1,671,070)
Net nonoperating revenues (expenses)	34,276	(3,578)	(8,227)	-	(1,659,265)	(1,636,794)
Change in net position before transfers	1,445,934	292,613	392,748	37,702	(746,632)	1,422,365
Transfers in	-	-	-	-	603,800	603,800
Transfers out	-	(510,199)	(1,210,362)	(105,732)	-	(1,826,293)
Net transfers	-	(510,199)	(1,210,362)	(105,732)	603,800	(1,222,493)
Change in net position	1,445,934	(217,586)	(817,614)	(68,030)	(142,832)	199,872
Net position at beginning of year, as restated	602,713	621,852	1,243,534	922,564	3,289,776	6,680,439
Net position at end of year	\$ 2,048,647	\$ 404,266	\$ 425,920	\$ 854,534	\$ 3,146,944	\$ 6,880,311

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Combining Statement of Cash Flows

Internal Service Funds

Year ended June 30, 2022

	Construction Management	Central Services	Data Processing	Risk Management	Alhambra Building	Total
Cash flows from operating activities:						
Charges for services	\$ 6,840,305	\$ 2,802,204	\$ 5,896,930	\$ 1,167,962	\$ 381,492	\$ 17,088,893
Receipts from rentals	-	-	-	-	3,322,944	3,322,944
Payments to employees for services	(4,892,427)	(985,186)	(2,331,137)	(193,815)	(93,262)	(8,495,827)
Payments to vendors for goods and services	(948,415)	(1,262,537)	(2,195,936)	(869,848)	(1,449,624)	(6,726,360)
Other revenue	-	50,175	10,372	1,166	33,475	95,188
Net cash provided by operating activities	<u>999,463</u>	<u>604,656</u>	<u>1,380,229</u>	<u>105,465</u>	<u>2,195,025</u>	<u>5,284,838</u>
Cash flows from noncapital financing activities:						
Transfers out to other funds	-	(510,199)	(1,210,362)	(105,732)	-	(1,826,293)
Transfers in from other funds	-	-	-	-	497,884	497,884
Net cash used in noncapital financing activities	<u>-</u>	<u>(510,199)</u>	<u>(1,210,362)</u>	<u>(105,732)</u>	<u>497,884</u>	<u>(1,328,409)</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	(26,670)	-	(37,892)	(64,562)
Payment of lease obligations	-	(89,578)	(54,992)	-	(31,318,750)	(31,463,320)
Proceeds from bond issuance	-	-	-	-	34,770,967	34,770,967
Payments of interest on leases	-	(3,578)	(8,227)	-	(1,659,491)	(1,671,296)
Net cash used in capital and related financing activities	<u>-</u>	<u>(93,156)</u>	<u>(89,889)</u>	<u>-</u>	<u>1,754,834</u>	<u>1,571,789</u>
Cash flows from investing activities:						
Interest received	34,276	-	-	-	-	34,276
Net cash provided by investing activities	<u>34,276</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,276</u>
Net increase (decrease) in cash and cash equivalents						
Cash and cash equivalents at beginning of year	1,033,739	1,301	79,978	(267)	4,447,743	5,562,494
Cash and cash equivalents at end of year	<u>2,421,320</u>	<u>913,447</u>	<u>1,645,122</u>	<u>4,483,943</u>	<u>1,152,550</u>	<u>10,616,382</u>
	<u>\$ 3,455,059</u>	<u>\$ 914,748</u>	<u>\$ 1,725,100</u>	<u>\$ 4,483,676</u>	<u>\$ 5,600,293</u>	<u>\$ 16,178,876</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 1,411,658	\$ 296,191	\$ 400,975	\$ 37,702	\$ 912,633	\$ 3,059,159
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	104,313	99,679	93,989	-	1,057,355	1,355,336
Changes in assets and liabilities:						
Accounts receivable	-	(44,515)	-	-	-	(44,515)
Inventory	-	(15,612)	5,473	6,482	-	(3,657)
Prepaid costs and other assets	-	2,225	-	(8,545)	-	(6,320)
Deferred outflows of resources - pension	154,939	39,714	93,501	9,734	-	297,888
Deferred outflows of resources - OPEB	88,380	49,810	57,287	3,028	6,323	204,828
Net other postemployment benefits asset	(370,206)	(183,903)	(216,113)	(23,247)	(23,704)	(817,173)
Accounts payable and accrued expenses	14,944	(36,565)	50,085	3,134	232,481	264,079
Compensated absences	42,867	8,219	19,298	(1,490)	(753)	68,141
Deferred inflows of resources - pension	1,924,001	675,945	1,300,274	121,255	-	4,021,475
Deferred inflows of resources - OPEB	353,720	199,272	207,573	18,843	24,258	803,666
Net pension liability	(2,556,972)	(367,808)	(529,554)	(55,793)	-	(3,510,127)
Net other postemployment benefits liability	(168,181)	(117,996)	(102,559)	(5,638)	(13,568)	(407,942)
Net adjustments	<u>(412,195)</u>	<u>308,465</u>	<u>979,254</u>	<u>67,763</u>	<u>1,282,392</u>	<u>2,225,679</u>
Net cash provided by operating activities	<u>\$ 999,463</u>	<u>\$ 604,656</u>	<u>\$ 1,380,229</u>	<u>\$ 105,465</u>	<u>\$ 2,195,025</u>	<u>\$ 5,284,838</u>
Noncash noncapital financing activities:						
Issuance of leases	\$ -	\$ 38,367	\$ 195,204	\$ -	\$ -	\$ 233,571
Transfer of capital assets from other funds	\$ -	\$ -	\$ -	\$ -	\$ 105,916	\$ 105,916
Write-off of capital assets for GASB 87 implementation	\$ -	\$ 537,695	\$ -	\$ -	\$ -	\$ 537,695
Right-to-use leased vehicles restatement	\$ -	\$ (102,909)	\$ -	\$ -	\$ -	\$ (102,909)



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Los Angeles County Development Authority
County of Los Angeles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Los Angeles County Development Authority (LACDA), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the LACDA's basic financial statements, and have issued our report thereon dated November 10, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the LACDA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LACDA's internal control. Accordingly, we do not express an opinion on the effectiveness of the LACDA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LACDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an



To the Board of Commissioners
Los Angeles County Development Authority
County of Los Angeles, California

objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lance, Solt & Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California
November 10, 2022



STATISTICAL SECTION

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

STATISTICAL SECTION

This part of the Los Angeles County Development Authority's annual comprehensive financial report presents 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.

FINANCIAL TRENDS 89

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

REVENUE CAPACITY 96

These schedules contain information to help the reader assess the government's most significant local revenue source.

DEBT CAPACITY..... 97

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION 100

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

OPERATING INFORMATION..... 102

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.



LACDA

Los Angeles County Development Authority

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 22,973,045	\$ 26,295,814	\$ 28,056,834	\$ 29,812,460	\$ 33,952,068	\$ 37,762,410	\$ 39,061,742	\$ 40,577,570	\$ 42,345,130	\$ 43,350,776
Restricted	522,334,698	507,675,114	587,497,637	458,315,771	347,542,030	268,310,478	279,056,059	320,848,472	274,977,329	267,100,572
Unrestricted	23,612,287	35,511,461	42,820,525	40,727,205	32,299,543	45,129,790	46,029,017	39,988,964	49,356,080	41,646,683
Total governmental activities net position	\$ 568,920,030	\$ 569,482,389	\$ 658,374,996	\$ 528,855,436	\$ 413,793,641	\$ 351,202,678	\$ 364,146,818	\$ 401,415,006	\$ 366,678,539	\$ 352,098,031
Business-type activities										
Net investment in capital assets	\$ 115,816,808	\$ 110,556,407	\$ 104,716,447	\$ 100,923,037	\$ 95,306,977	\$ 93,867,211	\$ 91,312,812	\$ 96,735,090	\$ 95,234,083	\$ 92,729,420
Restricted	14,065,586	7,020,432	1,720,363	5,719,780	4,460,906	4,423,184	3,119,103	1,094,744	6,538,377	9,733,236
Unrestricted	20,868,805	17,686,164	5,118,694	10,368,296	13,531,950	16,001,513	13,858,747	5,758,347	14,878,380	7,721,601
Total business-type activities net position	\$ 150,751,199	\$ 135,263,003	\$ 111,555,504	\$ 117,011,113	\$ 113,299,833	\$ 114,291,908	\$ 108,290,662	\$ 103,588,181	\$ 116,650,840	\$ 110,184,257
Primary government										
Net investment in capital assets	\$ 138,789,853	\$ 136,852,221	\$ 132,773,281	\$ 130,735,497	\$ 129,259,045	\$ 131,629,621	\$ 130,374,554	\$ 137,312,660	\$ 137,579,213	\$ 136,080,196
Restricted	536,400,284	514,695,546	589,218,000	464,035,551	352,002,936	272,733,662	282,175,162	321,943,216	281,515,706	276,833,808
Unrestricted	44,481,092	53,197,625	47,939,219	51,095,501	45,831,493	61,131,303	59,887,764	45,747,311	64,234,460	49,368,284
Total primary government net position	\$ 719,671,229	\$ 704,745,392	\$ 769,930,500	\$ 645,866,549	\$ 527,093,474	\$ 465,494,586	\$ 472,437,480	\$ 505,003,187	\$ 483,329,379	\$ 462,282,288

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2022	2021	2020	2019	2018
Expenses					
Governmental Activities:					
General government	\$ 3,117,660	\$ 567,904	\$ 2,291,048	\$ 2,187,542	\$ 2,803,179
Housing	324,945,641	379,160,360	162,860,678	112,292,273	57,833,721
Economic development	12,156,257	96,318,013	5,133,365	4,500,735	3,454,263
Community development	60,531,276	56,802,273	76,560,540	61,309,030	54,250,382
Traffic services	2,330,716	2,326,319	2,416,089	2,362,136	2,205,696
Non-Hud	-	-	-	-	-
Home development	-	-	-	-	-
Low and moderate income housing asset	-	-	-	-	-
Interest on long-term debt	176,725	216,773	249,782	555,017	664,950
Total governmental activities expenses	<u>403,258,275</u>	<u>535,391,642</u>	<u>249,511,502</u>	<u>183,206,733</u>	<u>121,212,191</u>
Business-type activities:					
Section 8 program	395,443,329	376,943,905	363,117,764	314,731,935	301,122,863
Public housing	30,813,539	30,882,171	31,513,140	25,192,440	25,294,307
Other housing	4,875,639	4,991,203	4,869,765	4,864,480	4,104,471
CDPLAC	1,319,131	1,658,792	1,707,021	1,738,252	1,768,750
Total business-type activities expenses	<u>432,451,638</u>	<u>414,476,071</u>	<u>401,207,690</u>	<u>346,527,107</u>	<u>332,290,391</u>
Total primary government expenses	<u>\$ 835,709,913</u>	<u>\$ 949,867,713</u>	<u>\$ 650,719,192</u>	<u>\$ 529,733,840</u>	<u>\$ 453,502,582</u>
Program Revenues					
Governmental activities:					
Charges for services	\$ 17,147,435	\$ 16,339,245	\$ 14,899,757	\$ 13,927,765	\$ 13,424,682
Operating grants and contributions	409,164,900	435,161,783	354,926,429	275,283,870	173,316,221
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>426,312,335</u>	<u>451,501,028</u>	<u>369,826,186</u>	<u>289,211,635</u>	<u>186,740,903</u>
Business-type activities:					
Charges for services	15,994,970	15,054,746	14,768,427	14,167,900	13,345,797
Operating grants and contributions	423,350,541	413,571,049	374,410,041	329,460,096	314,299,590
Capital grants and contributions	7,962,202	4,284,800	4,545,291	5,911,481	3,160,718
Total business-type activities program revenues	<u>447,307,713</u>	<u>432,910,595</u>	<u>393,723,759</u>	<u>349,539,477</u>	<u>330,806,105</u>
Total primary government program revenues	<u>\$ 873,620,048</u>	<u>\$ 884,411,623</u>	<u>\$ 763,549,945</u>	<u>\$ 638,751,112</u>	<u>\$ 517,547,008</u>
Net (expense) / revenue					
Governmental activities	23,054,060	(83,890,614)	120,314,684	106,004,902	65,528,712
Business-type activities	14,856,075	18,434,524	(7,483,931)	3,012,370	(1,484,286)
Total primary government net expense	<u>\$ 37,910,135</u>	<u>\$ (65,456,090)</u>	<u>\$ 112,830,753</u>	<u>\$ 109,017,272</u>	<u>\$ 64,044,426</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Investment income (loss)	\$ (24,927,578)	\$ (1,619,551)	\$ 6,221,356	\$ 5,492,450	\$ (1,945,659)
Gain on sale of property	-	8,043	1,283,413	51,347	141,890
Insurance recoveries	-	-	-	1,500,000	2,029,672
Share in net income (losses) of JPA	-	-	335,623	378,778	228,367
Transfers	988,736	(3,390,485)	1,364,484	1,634,318	1,469,202
Total governmental activities	<u>(23,938,842)</u>	<u>(5,001,993)</u>	<u>9,204,876</u>	<u>9,056,893</u>	<u>1,923,472</u>
Business-type activities:					
Investment earnings	1,608,670	1,882,490	2,138,542	2,333,228	2,262,971
Gain on sale of property	-	-	-	-	-
Insurance recoveries	-	-	1,254,264	-	-
Transfers	(988,736)	3,390,485	(1,364,484)	(1,634,318)	(1,469,202)
Total business-type activities	<u>619,934</u>	<u>5,272,975</u>	<u>2,028,322</u>	<u>698,910</u>	<u>793,769</u>
Total primary government	<u>\$ (23,318,908)</u>	<u>\$ 270,982</u>	<u>\$ 11,233,198</u>	<u>\$ 9,755,803</u>	<u>\$ 2,717,241</u>
Change in Net Position					
Governmental activities	\$ (884,782)	\$ (88,892,607)	\$ 129,519,560	\$ 115,061,795	\$ 67,452,184
Business-type activities	15,476,009	23,707,499	(5,455,609)	3,711,280	(690,517)
Total primary government	<u>\$ 14,591,227</u>	<u>\$ (65,185,108)</u>	<u>\$ 124,063,951</u>	<u>\$ 118,773,075</u>	<u>\$ 66,761,667</u>

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2017	2016 *	2015	2014	2013
Expenses					
Governmental Activities:					
General government	\$ 2,242,060	\$ 11,738,327	\$ 62,456,044	\$ 61,955,666	\$ 39,067,640
Housing	67,190,627	57,196,903	1,860,539	10,339,502	23,050,538
Economic development	2,183,750	1,477,105	861,139	798,732	967,190
Community development	49,720,611	69,478,969	27,589,454	31,641,120	25,983,235
Traffic services	2,632,595	2,862,723	-	-	-
Non-Hud	-	-	32,583,839	31,881,152	21,565,259
Home development	-	-	9,771,730	14,269,207	17,978,500
Low and moderate income housing asset	-	-	4,852	33,901	-
Interest on long-term debt	748,466	830,052	927,516	1,037,033	1,128,683
Total governmental activities expenses	124,718,109	143,584,079	136,055,113	151,956,313	129,741,045
Business-type activities:					
Section 8 program	299,167,327	272,186,686	257,669,164	265,240,552	275,133,351
Public housing	25,582,030	26,039,497	25,187,671	24,364,736	24,088,705
Other housing	3,993,129	-	-	-	-
CDPLAC	1,799,675	1,827,127	6,239	-	199,557
Total business-type activities expenses	330,542,161	300,053,310	282,863,074	289,605,288	299,421,613
Total primary government expenses	\$ 455,260,270	\$ 443,637,389	\$ 418,918,187	\$ 441,561,601	\$ 429,162,658
Program Revenues					
Governmental activities:					
Charges for services	\$ 14,489,871	\$ 13,043,325	\$ 40,361,927	\$ 52,065,464	\$ 52,789,250
Operating grants and contributions	91,893,872	90,232,440	136,891,756	110,463,305	112,731,508
Capital grants and contributions	-	450,000	-	-	-
Total governmental activities program revenues	106,383,743	103,725,765	177,253,683	162,528,769	165,520,758
Business-type activities:					
Charges for services	12,875,572	12,273,564	11,833,493	11,409,987	11,157,522
Operating grants and contributions	317,757,507	287,137,215	268,062,835	279,390,066	284,173,888
Capital grants and contributions	4,147,073	3,251,292	-	-	-
Total business-type activities program revenues	334,780,152	302,662,071	279,896,328	290,800,053	295,331,410
Total primary government program revenues	\$ 441,163,895	\$ 406,387,836	\$ 457,150,011	\$ 453,328,822	\$ 460,852,168
Net (expense) / revenue					
Governmental activities	(18,334,366)	(39,858,314)	41,198,570	10,572,456	35,779,713
Business-type activities	4,237,991	2,608,761	(2,966,746)	1,194,765	(4,090,203)
Total primary government net expense	\$ (14,096,375)	\$ (37,249,553)	\$ 38,231,824	\$ 11,767,221	\$ 31,689,510
General Revenues and Other Changes in Net Position					
Governmental activities:					
Investment income (loss)	\$ (1,457,032)	\$ 2,280,398	\$ 3,228,862	\$ 3,361,139	\$ 2,469,953
Gain on sale of property	-	-	6,651	16,221	313,234
Insurance recoveries	5,831,509	-	-	-	-
Share in net income (losses) of JPA	494,774	498,057	286,404	959,556	(2,511,326)
Transfers	520,975	(188,329)	2,408,367	(328,864)	(1,841,492)
Total governmental activities	5,390,226	2,590,126	5,930,284	4,008,052	(1,569,631)
Business-type activities:					
Investment earnings	2,194,037	1,905,391	-	-	-
Gain on sale of property	-	-	1,062,741	5,770,539	-
Insurance recoveries	-	-	-	-	-
Transfers	(520,975)	188,329	(2,408,367)	328,864	1,841,492
Total business-type activities	1,673,062	2,093,720	(1,345,626)	6,099,403	1,841,492
Total primary government	\$ 7,063,288	\$ 4,683,846	\$ 4,584,658	\$ 10,107,455	\$ 271,861
Change in Net Position					
Governmental activities	\$ (12,944,140)	\$ (37,268,188)	\$ 47,128,854	\$ 14,580,508	\$ 34,210,082
Business-type activities	5,911,053	4,702,481	(4,312,372)	7,294,168	(2,248,711)
Total primary government	\$ (7,033,087)	\$ (32,565,707)	\$ 42,816,482	\$ 21,874,676	\$ 31,961,371

* During the year ended June 30, 2016, LACDA reclassified certain balances to more accurately reflect the activities and operations of the governmental activities. The previous years shown have not been adjusted.



LACDA

Los Angeles County Development Authority

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General fund										
Nonspendable	\$ 3,536,173	\$ 3,330,608	\$ 3,408,137	\$ 3,488,870	\$ 3,387,904	\$ 3,340,321	\$ 3,182,883	\$ 11,121,811	\$ 12,949,160	\$ 8,083,188
Restricted	56,040,705	63,862,210	62,743,730	79,117,573	52,328,361	52,584,561	56,381,862	138,771,585	92,855,488	107,708,909
Unassigned	6,264,047	25,067,911	29,126,053	22,131,514	16,988,700	27,256,387	28,873,762	43,465,677	43,480,961	40,182,734
Total general fund	\$ 65,840,925	\$ 92,260,729	\$ 95,277,920	\$ 104,737,957	\$ 72,704,965	\$ 83,181,269	\$ 88,438,507	\$ 193,359,073	\$ 149,285,609	\$ 155,974,831
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ 25,909	\$ 287	\$ 140	\$ 301	\$ 16,038,523	\$ 16,796,908	\$ 17,616,286
Restricted	461,257,091	427,878,071	524,753,907	379,198,198	295,213,669	215,725,917	222,674,197	141,085,391	139,337,864	122,659,219
Unassigned	(538,442)	(419,123)	-	-	-	-	(294,683)	-	-	-
Total all other governmental funds	\$ 460,718,649	\$ 427,458,948	\$ 524,753,907	\$ 379,224,107	\$ 295,213,956	\$ 215,726,057	\$ 222,379,815	\$ 157,123,914	\$ 156,134,772	\$ 140,275,505

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2022	2021	2020	2019	2018
Revenues					
Intergovernmental	\$ 413,651,811	\$ 417,077,843	\$ 343,402,394	\$ 266,430,555	\$ 165,044,218
Charges for services	16,248,159	15,451,338	14,046,168	13,001,370	12,535,930
Rentals	899,276	887,907	853,589	926,395	888,752
Investment income (loss)	(16,888,911)	6,008,030	18,734,877	16,002,336	5,218,408
Contributions	-	7,222,820	165,516	4,697,836	-
Other revenues	696,004	2,012,222	3,995,118	1,417,877	1,588,470
Total revenues	414,606,339	448,660,160	381,197,662	302,476,369	185,275,778
Expenditures					
Program administration	-	-	-	-	-
Loan program costs	-	-	-	-	-
Subgrants to county, cities, and community based organizations	-	-	-	-	-
Housing assistance payments	-	-	-	-	-
General government	2,961,334	258,928	994,311	1,990,079	2,645,496
Housing	330,118,626	375,567,273	160,543,207	113,092,750	54,494,494
Economic development	14,130,641	103,356,409	7,243,648	5,968,153	4,309,382
Community development	59,113,718	62,279,653	75,804,218	60,000,659	52,664,125
Traffic services	2,330,248	2,309,773	2,404,760	2,353,795	2,198,010
Capital outlay:					
Capital	-	8,824	-	-	307,104
Noncapital	-	-	-	-	-
Debt service:					
Principal	1,570,000	1,568,000	1,564,000	7,922,000	2,660,000
Interest	193,457	232,965	236,708	733,494	702,312
Total expenditures	410,418,024	545,581,825	248,790,852	192,060,930	119,980,923
Excess of revenues over (under) expenditures	4,188,315	(96,921,665)	132,406,810	110,415,439	65,294,855
Other financing sources (uses)					
Issuance of debt	-	-	-	3,120,000	511,000
Insurance recoveries	-	-	421,794	-	2,029,672
Sale of property	-	-	1,755,449	739,740	141,890
Transfers in	3,009,103	-	1,549,301	1,990,437	1,034,178
Transfers out	(797,874)	(3,390,485)	(63,591)	(222,473)	-
Total other financing sources (uses)	2,211,229	(3,390,485)	3,662,953	5,627,704	3,716,740
Net change in fund balances	\$ 6,399,544	\$ (100,312,150)	\$ 136,069,763	\$ 116,043,143	\$ 69,011,595
Debt service as a percentage of noncapital expenditures	0.4%	0.3%	0.7%	4.5%	2.8%

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	2017	2016 *	2015	2014	2013
Revenues					
Intergovernmental	\$ 88,522,197	\$ 78,290,291	\$ 160,773,296	\$ 142,344,461	\$ 152,390,956
Charges for services	13,577,853	12,155,144	11,663,736	10,962,724	11,446,082
Rentals	912,019	888,181	766,857	730,292	664,851
Investment income (loss)	4,031,862	9,411,503	7,092,213	9,303,907	6,340,953
Contributions	-	1,138,000	-	-	-
Other revenues	1,562,252	6,076,571	2,905,715	996,294	4,418,190
Total revenues	108,606,183	107,959,690	183,201,817	164,337,678	175,261,032
Expenditures					
Program administration	-	-	37,842,664	30,000,755	30,163,897
Loan program costs	-	-	27,613,982	35,605,872	52,301,929
Subgrants to county, cities, and community based organizations	-	-	36,282,346	39,084,011	23,926,848
Housing assistance payments	-	-	44,279	141,992	172,774
General government	2,094,517	14,917,438	-	-	-
Housing	67,532,459	56,757,839	-	-	-
Economic development	2,806,389	2,146,702	-	-	-
Community development	48,640,072	67,169,442	-	-	-
Traffic services	2,641,087	2,856,830	-	-	-
Capital outlay:					
Capital	366,772	460,545	-	583,968	2,594,996
Noncapital	-	-	34,744,387	45,742,917	24,037,282
Debt service:					
Principal	2,581,000	2,507,000	3,488,000	2,739,000	2,661,000
Interest	784,046	858,559	981,008	1,074,813	1,163,857
Total expenditures	127,446,342	147,674,355	140,996,666	154,973,328	137,022,583
Excess of revenues over (under) expenditures	(18,840,159)	(39,714,665)	42,205,151	9,364,350	38,238,449
Other financing sources (uses)					
Issuance of debt	672,000	50,000	-	-	-
Insurance recoveries	5,831,509	-	-	-	-
Sale of property	-	-	-	-	-
Transfers in	475,093	21,835	6,865,072	4,463,104	11,324,509
Transfers out	(49,439)	(21,835)	(4,007,617)	(4,657,409)	(19,060,325)
Total other financing sources (uses)	6,929,163	50,000	2,857,455	(194,305)	(7,735,816)
Net change in fund balances	\$ (11,910,996)	\$ (39,664,665)	\$ 45,062,606	\$ 9,170,045	\$ 30,502,633
Debt service as a percentage of noncapital expenditures	2.6%	2.3%	3.2%	2.5%	2.8%

* During the year ended June 30, 2016, LACDA reclassified certain balances to more accurately reflect the activities and operations of the governmental activities. The previous years shown have not been adjusted.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Revenue by Source

The Los Angeles County Development Authority does not have a revenue category that can be categorized as "own source". A majority of revenues earned by LACDA is received through funding from HUD of the federal government with other funding received from state and county governments.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Revenue Bonds	Premium on Bonds Payable	Notes Payable	Lease Liability	Lease Revenue Bonds	Lease Liability	California State Department of Housing Notes Payable				
2013	\$ -	\$ -	\$28,128,000	\$2,568,898	\$ 37,210,000	\$ -	\$ 2,997,514	\$ 70,904,412	0.016%	\$ 7.12	
2014	-	-	25,389,000	1,919,525	36,640,000	-	2,011,097	65,959,622	0.014%	6.54	
2015	-	-	21,901,000	1,270,977	36,050,000	-	2,013,911	61,235,888	0.012%	6.05	
2016	-	-	19,444,000	611,243	35,440,000	-	2,016,725	57,511,968	0.011%	5.61	
2017	-	-	17,535,000	29,255	34,805,000	-	2,200,000	54,569,255	0.009%	5.30	
2018	-	-	15,386,000	980,336	34,140,000	-	2,200,000	52,706,336	0.009%	5.10	
2019	-	-	10,584,000	738,475	33,440,000	-	2,200,000	46,962,475	0.007%	4.52	
2020	-	-	9,020,000	612,673	32,705,000	-	2,200,000	44,537,673	0.006%	4.32	
2021	-	-	7,452,000	414,261	31,930,000	-	2,200,000	41,996,261	0.006%	4.09	
2022	31,140,000	3,630,741	5,882,000	186,406	-	1,058,746	2,200,000	44,097,893	0.006%	4.27	

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data applicable to Los Angeles County.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Ratios of General Revenue Bonds
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities		Percentage of Charges for services*	Per Capita**
	General Revenue Bonds ***	Unamortized Premium on Bonds Payable		
2022	\$ 31,140,000	\$ 3,630,741	N/A	3.01

** See changes in Net Position*

***See demographics for Los Angeles County*

****Bonds issued in fiscal year 2022*

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Ratios of Lease Revenue Bonds

Last Ten Fiscal Years

Fiscal Year	Business-type activities		Percentage of Charges for services*	Per Capita**
	Lease Revenue	Bonds		
2013	\$	37,210,000	N/A	3.74
2014		36,640,000	N/A	3.64
2015		36,050,000	N/A	3.56
2016		35,440,000	N/A	3.46
2017		34,805,000	N/A	3.38
2018		34,140,000	N/A	3.30
2019		33,440,000	N/A	3.22
2020		32,705,000	N/A	3.17
2021		31,930,000	N/A	3.11
2022		-	N/A	0.00

* See changes in Net Position

**See demographics for Los Angeles County

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Los Angeles County					Southern California				
	Population (000)	Household (000)	Unemployment rate (%)	Personal income (in millions)	New Homes Permitted	Population (000)	Household (000)	Unemployment rate (%)	Personal income (in millions)	New Homes Permitted
2013	9,961	3,267	9.6%	443,200	16,850	21,458	6,968	8.2%	941,300	46,149
2014	10,079	3,279	8.2%	470,200	18,841	21,672	7,001	6.9%	1,004,000	46,808
2015	10,124	3,293	7.3%	506,400	22,892	21,833	7,041	5.8%	1,078,800	54,911
2016	10,254	3,308	6.2%	545,100	19,936	22,153	7,077	4.9%	1,136,900	53,444
2017	10,300	3,323	5.0%	587,755	18,803	22,341	7,109	4.9%	1,196,912	53,732
2018	10,332	3,339	4.9%	619,400	17,795	22,374	7,157	4.9%	1,278,800	51,856
2019	10,384	3,355	4.9%	652,200	17,235	22,523	7,203	5.0%	1,346,000	49,718
2020	10,301	3,369	16.1%	687,000	22,930	22,492	7,253	11.2%	1,422,900	56,779
2021	10,279	3,379	8.8%	685,000	22,841	22,424	7,248	7.4%	1,397,700	53,077
2022	10,331	3,398	7.6%	728,000	21,223	22,320	7,332	5.2%	1,499,800	56,529

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Ten Largest Industries*
Current Year and Nine Years Ago**

Industry	June 30, 2022			June 30, 2013		
	Number of Employees	Rank	Percentage of Total	Number of Employees	Rank	Percentage of Total
Educational & Health Services	867,600	1	19.19%	695,900	2	16.89%
Trade, Transportation and Utilities	846,800	2	18.73%	780,900	1	18.95%
Professional & Business Services	657,000	3	14.53%	579,100	3	14.06%
Government	572,100	4	12.66%	561,300	4	13.62%
Leisure & Hospitality	499,900	5	11.06%	445,700	5	10.82%
Manufacturing	321,800	6	7.12%	377,400	6	9.16%
Information	228,200	7	5.05%	195,900	8	4.75%
Financial Activities	214,200	8	4.74%	213,300	7	5.18%
Construction	156,600	9	3.46%	115,103	10	2.79%
Other Services	150,200	10	3.32%	146,300	9	3.55%
Ten largest industries	4,514,400		99.86%	4,110,903		99.78%
All other industries	6,300		0.14%	9,000		0.22%
Total industries	4,520,700		100.00%	4,119,903		100.00%

* LACDA is a special district agency and does not have the type of demographic and economic information required for this section. As an alternative, we are providing County of Los Angeles' ten largest industries by employment based on the most recent information available.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Full-Time Equivalent Employees by Division
Last Ten Fiscal Years**

<u>Division</u>	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Administration & Internal Services	93	89	89	91	96	96	96	94	93	93
Housing Operations & Capital Fund	117	123	128	133	133	136	130	129	131	132
Housing Assistance	219	204	217	211	209	200	188	181	183	190
Housing Investment & Finance	58	60	59	49	43	43	42	45	46	43
Community Development	92	89	90	74	76	74	82	79	79	81
Special Programs	23	23	27	22	22	32	35	35	36	12
Total	602	588	610	580	579	581	573	563	568	551

Sources: LACDA's FY2022-2023 Annual Budget

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Operating Indicators by Function
Last Ten Fiscal Years**

<u>Function</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Section 8 Program										
Authorized Units	25,726	25,261	25,114	24,832	24,324	24,086	23,812	23,518	23,232	22,928
Units under contract	22,965	23,243	23,326	22,747	22,639	23,704	23,528	22,948	22,861	22,890
Public Housing										
Households	2,923	2,912	2,924	2,926	2,919	2,915	2,918	2,918	2,917	2,912
Tenants	6,356	6,482	6,521	6,601	6,516	6,528	6,410	6,521	6,533	6,365
Housing Development										
Homes Built	537	802	291	373	412	457	270	657	369	459
Homes Rehabilitated	218	105	162	272	306	333	657	486	677	428
Home Ownership Loans	34	24	52	57	44	64	33	41	70	56
Economic Development										
Business Loans Funded	22	390	98	4	5	4	4	4	8	6
Commercial Storefronts Renovated	5	5	17	10	27	27	19	8	24	15
Community Development										
Program Reviews	369	551	251	201	221	253	275	300	336	336
Single Audits	34	21	18	24	27	26	42	42	30	51
Community meetings	1	1	1	1	1	7	2	5	5	5

Sources: LACDA's various divisions

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

**Capital Assets by Function
Last Ten Fiscal Years**

<u>Function</u>	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Housing										
Apartment Units	3,174	3,162	3,179	3,182	3,174	3,151	3,049	3,036	3,157	3,143

Sources: LACDA's Housing Operations Division

Emilio Salas, Executive Director

Los Angeles County Development Authority

700 West Main Street, Alhambra, CA 91801

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