



# CITY OF CARSON, CALIFORNIA

## Popular Annual Financial Report

Fiscal year ended June 30, 2025



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&  
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## Message from the Finance Director William Jefferson



To the residents of the City of Carson:

On behalf of the City of Carson’s Finance Department, I am pleased to present the Popular Annual Financial Report for Fiscal Year 2024–2025. This report is designed to provide our residents, businesses, and community stakeholders with a clear and accessible overview of the City’s financial performance, major initiatives, and long-term fiscal outlook.

Despite continued economic uncertainties, the City remains in a strong financial position. Prudent fiscal management, responsible budgeting, and strategic investment in infrastructure have contributed to a General Fund balance of \$252.5 million, an increase of \$32.8 million from the prior fiscal year. The City’s net position stands at \$595.1 million, reflecting a solid foundation of capital assets, responsible stewardship of public funds, and a commitment to long-term financial stability.

Our revenue base continues to benefit from strong local economic activity, with notable gains in sales tax, oil business tax recoveries, and steady property tax growth. At the same time, we continue to prioritize essential services—public safety, community services, infrastructure maintenance, and economic development—while upholding the City Council’s fiscal policies, including the 20% Reserve for Economic Uncertainties.

The City once again received an unmodified (“clean”) audit opinion from Vasquez & Company, LLP for the fiscal year ended June 30, 2025. We are also proud to have earned the Government Finance Officers Association’s Certificate of Achievement for Excellence in Financial Reporting for the prior fiscal year—an honor we remain committed to achieving annually.

I would like to thank the Mayor and City Council for their leadership, City management for their continued support, and the dedicated staff of the Finance Department for their hard work and professionalism. Above all, I extend my appreciation to the residents and businesses of Carson for your trust and partnership as we continue building a stronger, more resilient community.

Together, we remain committed to transparency, accountability, and responsible stewardship of public resources.



# CITY COUNCILS



**Lula Davis-Holmes**  
Mayor



**Cedric L. Hicks, Sr.**  
Mayor Pro Temp,  
District 3



**Jawane Hilton**  
Council Member,  
District 1



**Jim Dear**  
Council Member,  
District 2



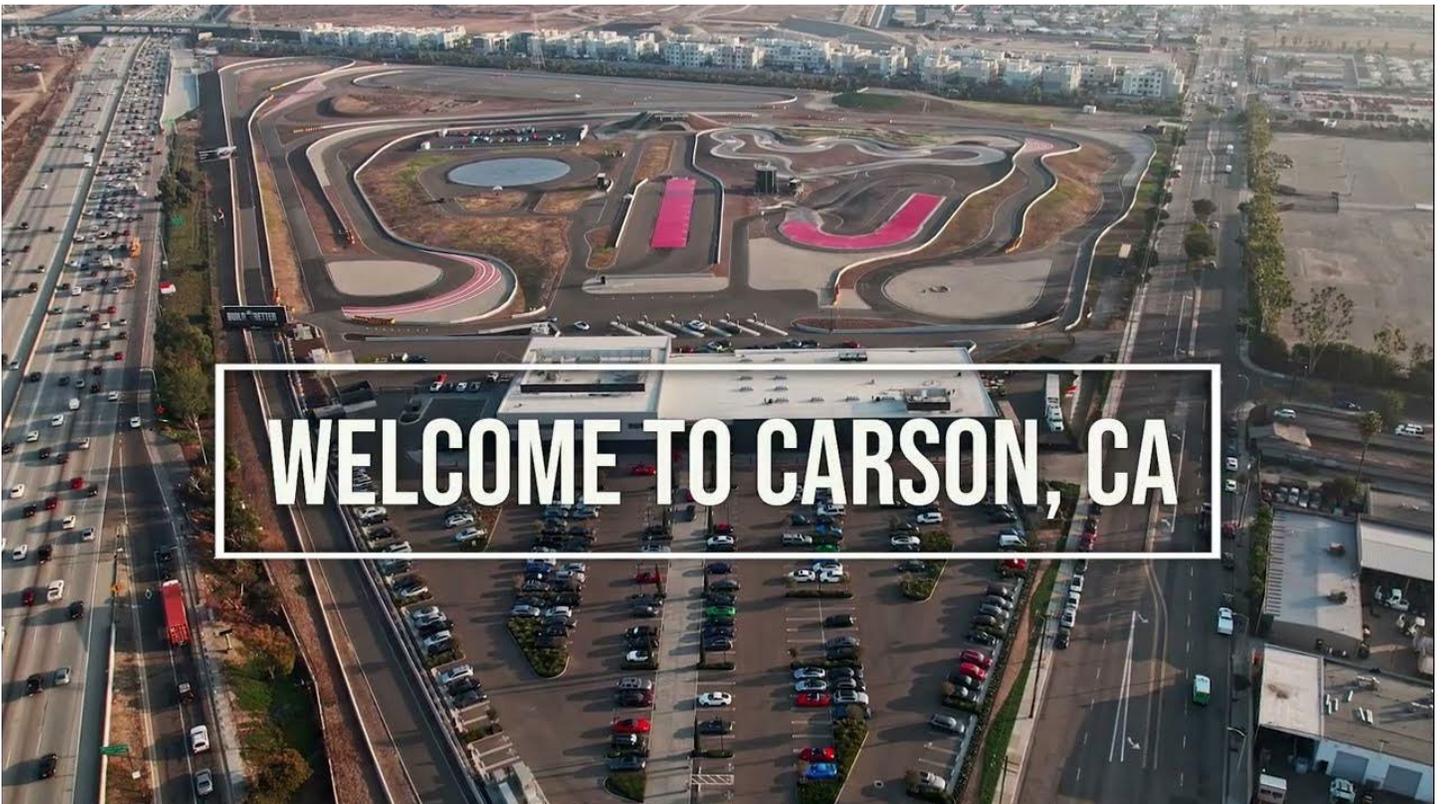
**Arleen Bocatija Rojas**  
Council Member,  
District 4

## Elected Officials

Dr. Khaleah K. Bradshaw, City Clerk  
Monica Cooper, City Treasurer

## Appointed Officials

David C. Roberts, Jr., City Manager  
Aleshire & Wynder, LLP, City Attorney



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# INTRODUCTION

As part of its ongoing commitment to transparency and community engagement, the City of Carson is pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2025. This report provides a clear, accessible summary of the City's financial activities, based on the information from the City's 2024-2025 Annual Comprehensive Financial Report (ACFR).

The Popular Annual Financial Report is designed to keep residents and businesses of City of Carson informed about the City's fiscal operations, key projects, and ongoing initiatives. It offers a look back at accomplishments from the past year, as well as a preview of plans for the current and coming years. We hope this report reflects our commitment to transparency, accountability, and responsible stewardship of public resources.

The City's ACFR is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited by Vasquez & Company LLP, a licensed public accounting firm. The PAFR is an unaudited document and presented in a simplified, non-GAAP format and does not include the full range of financial statements or disclosures required by GAAP. As such, it is not intended to replace the ACFR, but rather to offer a user-friendly overview of the City's finances, economic outlook, and key financial highlights.

The full ACFR is available on the City's website <http://ci.carson.ca.us> or at the City Hall in the Finance Department. For questions regarding either the ACFR or the PAFR, please contact the City's Finance Department at [accounting@carsonca.gov](mailto:accounting@carsonca.gov) or (310) 830-7600.

# CITY PROFILE

Located in the South Bay section of Los Angeles, Carson has a population of approximately 95,000. Over the years, the City's size has expanded to 19.2 square miles. Steady and continued growth has enabled Carson to become a city of regional significance. Carson has been included in the top 20 highest valued cities in the county since 1998, according to the Annual Report of the Assessor's Office of the County.

The City of Carson is a vibrant city with a small-town atmosphere where relationships are important. While Carson is well known as an industrial center with unparalleled access to transportation and the Pacific Rim, it is also a culturally diverse community that is an attractive place to live, work, and play. The community takes pride in the large percentage of Carson students who attend college, many to California State University, Dominguez Hills, an asset to the city.

The City has more than 120 acres of parkland divided into 12 parks, 2 mini-parks and sports/recreational facilities that include 3 swimming pools, a boxing center, a state-of-the-art sports complex and the Carson Community Center. These facilities allow the residents of Carson to enjoy a variety of sports, recreational and cultural programs. The city's educational needs are served by the Los Angeles Unified School District and Compton Unified School District, and the community has access to approximately 63 schools.

The City was incorporated as a General-Law city on February 20, 1968. On November 6, 2018, with the City's voters' approval, the City became a California Chartered city. The City Council serves as the governing and policy making body of the City. The City Council is composed of the mayor, elected every four years and four City Council persons elected to four-year terms of office by elections at large. The duties of the mayor include presiding at City Council meetings, appointing members of boards and commissions, and serving as the official head of the city. All City Council persons must be registered voters within the city limits of Carson.

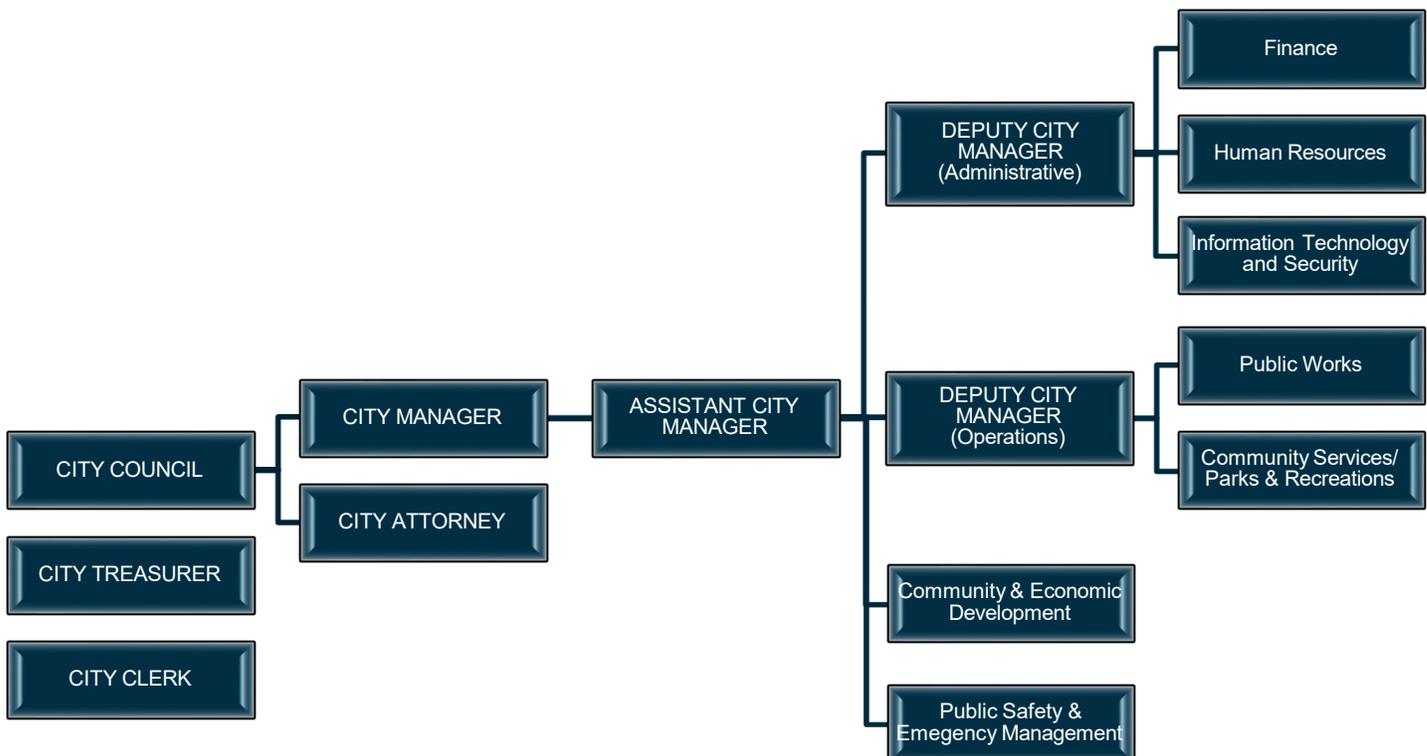
# CITY OF CARSON

## Organizational Structure

The City of Carson operates under a Council–Manager form of government. In this structure, the City Council serves as the community’s primary decision-making body, responsible for establishing policies and setting the City’s strategic direction. The Council consists of the Mayor and four Council Members, all elected on a non-partisan basis by Carson residents. Voters also elect the City Clerk and the City Treasurer. The City Manager, appointed by the Council, is charged with implementing Council policies and overseeing the City’s daily operations. In addition, the City Manager leads the executive team and appoints the department directors who manage the City’s various functions.

Carson’s management team includes:

- David C. Roberts, Jr., City Manager
- Dr. Robert Lennox, Assistant City Manager
- Thomas Toman, Deputy City Manager
- Armine Chaparyan, Deputy City Manager
- William Jefferson, Finance Director
- Joshua Boudreaux, Human Resources Director
- Gary Carter, Information Technology Director
- Nora Garcia, Public Safety & Emergency Services Director
- Dr. Arlington Rodgers, Jr., Public Works Director
- Mike Whittiker, Community Services/ Parks & Recreation Director



# CITY'S KEY STATISTICS



Average Household Income  
**\$127,844**



House Price Range  
**\$770,000 - \$800,000**



Population (2024)  
**91,749**



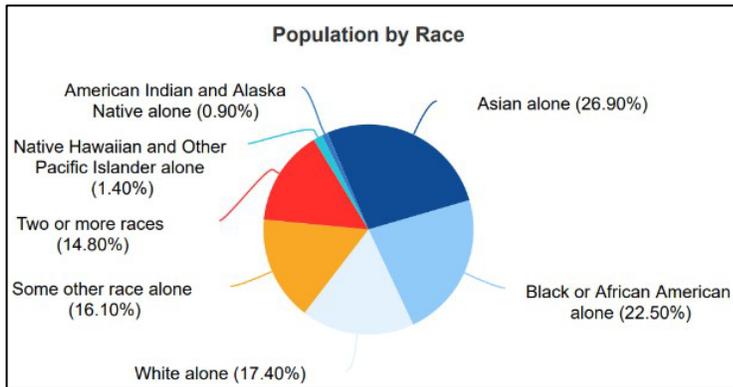
Active Businesses  
**5,590**



Transportation Services  
(Dial-A-Ride)  
**21,340 rides in FY2025**



Parks & Rec Programs attendance  
**43,442 in FY2025**



Unemployment Rate Comparison

- California – 5.4%
- Los Angeles County – 6.4%
- City of Carson – 6.4%

## Top 5 Principal Property Taxpayers

Tesoro Refining and Marketing Co.  
Watson Partners LP  
Phillips 66 Company  
Gatx Tank Storage Terminals Corp.  
Prologis

## Top 10 Principal Employers

The Salvation Army  
Kaiser Foundation Health Plan Inc.  
Marathon Refining Logistics Services  
Lakeshore Learning Materials, LLC  
See's Candy Chops Inc.  
Select Staffing  
County of LA Department of Children & Family  
Amazon.com Services LLC  
Pepsi Co Beverages Sales, LLC  
Dermalogica

# INITIATIVES & ACCOMPLISHMENTS



## Community Development

- ✓ Participated and received the first-place award - \$5,000, as one of five cities in the Sunstone Economic Development Challenge at USC Price to have students develop a proposal to attract aerospace and defense companies to the City of Carson.
- ✓ In collaboration with Community Services department, applied and received a \$1.43 million grant to acquire a former gas station parcel for the expansion of Friendship Park.

## City Manager Office

- ✓ Hired a consultant to support the City in preparing a strategic plan for the upcoming 2028 Olympic and Paralympic Games, for which the City of Carson will be a Venue City.
- ✓ Carried out the Neighborhood Pride Program to preserve the City's residential housing stock through grants or loans for eligible home improvements for low-income homeowners.



## Community Services

- ✓ Hosted four (4) well-attended Senior Information and Resource Fairs and the most successful Autism Acceptance 5K to date with over 650 registered participants, generating over \$10,000 in revenue.
- ✓ Partnered with LACMTA (LA Metro) and California Department of Transportation (Caltrans) to initiate new Transportation infrastructure projects and Games Route Network in preparation for the 2028 Summer Olympic Games.

## Public Works

- ✓ Successfully completed 7 phases as of June 2025, approximately 280 streets of the City-Wide Pavement Maintenance Program.
- ✓ Completed the City Hall HVAC and Roof Replacement & Coiling Wall Installation at Community Center.
- ✓ Installed EV Charging Stations at City Hall parking lot.
- ✓ Replaced Atrium Lights at the Carson Event Center on the patio and around the building.



# INITIATIVES & ACCOMPLISHMENTS

## Public Safety & Emergency Management



- ✓ City of Carson’s newly upgraded Emergency Operations Center (EOC) has been opened. This advanced facility represents a significant investment in protecting Carson’s residents and ensuring rapid, coordinated responses to emergencies, natural disasters, and major events, including the highly anticipated 2028 Olympic Games.
- ✓ Completed the procurement and installation of surveillance cameras and access control systems at key locations including City Hall, Community Center, Corporate Yard, and twelve city parks.

## Finance

- ✓ Received GFOA for Excellence in Financial Reporting for FY2023-2024 ACFR
- ✓ Proposed and maintained a structurally balanced budget for the fifth consecutive year
- ✓ Modernize the business license process by implementing a software (Enterprise, Permitting and Licensing) EP&L and online business license filing portal Civic Access.



## Human Resource

- ✓ Continue managing the Employee Tuition Reimbursement Program; 3% increase in participation from the preceding year.
- ✓ The Youth Employment Program successfully onboarded over 100 youth and young adults from the City of Carson, providing them with a unique opportunity to gain invaluable professional experience across a diverse array of City departments.



## Information Technology & Security

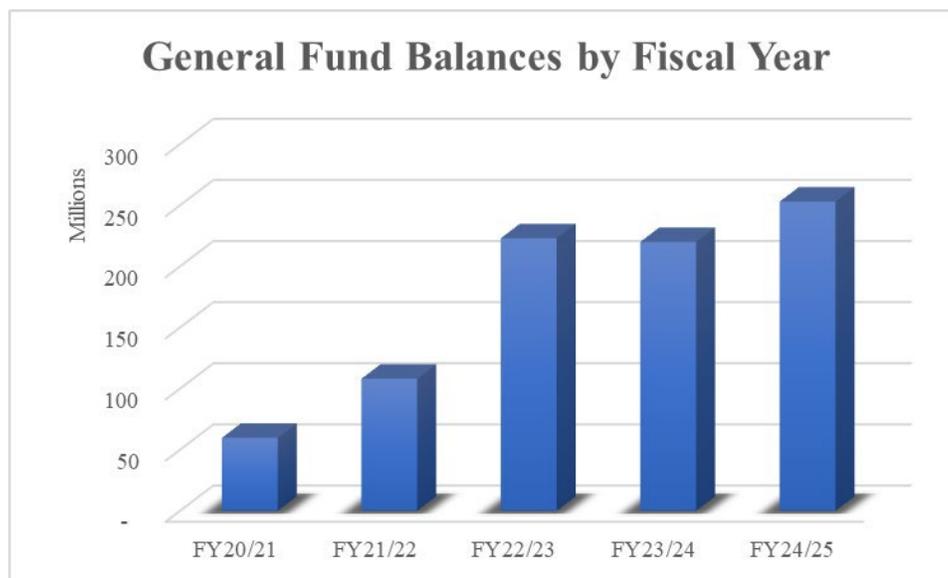
- ✓ New City’s Public Website launched
- ✓ 24/7 Cybersecurity Operation Center Activation
- ✓ Designed and initiated construction of Phase 1 Community Broadband Fiber Optic Network



# Financial Report Highlights

## General Fund Reserve

The General Fund balance serves as the cornerstone of the City's financial reserves. Under Resolution No. 17-043, the City must maintain a minimum balance committed as a "Reserve for Economic Uncertainties" equal to 20% of annual General Fund appropriations, excluding non-spendable, restricted, and assigned amounts. This reserve reflects the City's commitment to managing financial risks and sustaining essential services during periods of economic uncertainty. To further ensure adequate emergency funding, the City Council has established a policy requiring that at least 20% of the General Fund operating budget be maintained as a minimum reserve. The chart below illustrates the historical trend of the City's General Fund balance over the past five fiscal years.



- ❖ The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources on June 30, 2025, by \$595.1 million. This amount is referred to as the City's net position. Of this amount, \$450.6 million represents net investment in capital assets, \$84.6 million is restricted, and \$59.9 million is unrestricted net position.
- ❖ **Governmental Funds** - As of June 30, 2025, the City's governmental funds reported a combined ending fund balance of \$367.8 million, reflecting an increase of \$56.2 million from the prior fiscal year's balance of \$311.6 million. Of this total, approximately \$82.9 million remains unassigned.
- ❖ The General Fund serves as the City's primary operating fund, accounting for all discretionary revenues and expenditures needed to support basic government functions that are not recorded in other special revenue or grant funds.
- ❖ **General Fund** - As of the fiscal year ending 2025, the General Fund balance was \$252.5 million, an increase of \$32.8 million from the prior year's \$219.7 million. This growth reflects the completion of several capital improvement projects, recurring oil business tax revenues, and the issuance of 2024 Lease Revenue Bonds (LRB), which freed General Fund resources by reallocating approved project costs to LRB proceeds. These proceeds are held in a separate, designated fund and may only be used for approved capital projects such as constructing or renovating public facilities, improving roads and bridges, upgrading parks, and replacing outdated equipment and technology. Of the total balance, \$91.3 million is unassigned and available for discretionary spending, \$0.7 million is non-spendable, \$50 million is restricted, \$31 million is committed, and \$79.5 million is assigned for specific purposes.

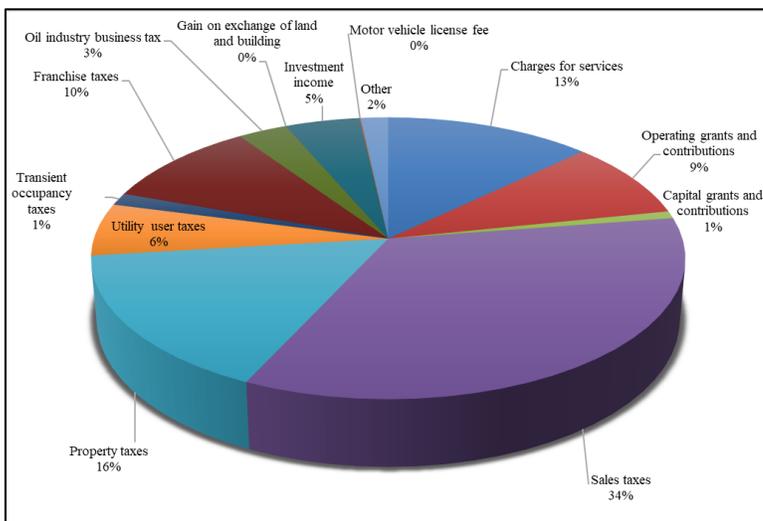
# Governmental Activities - General Revenues

## Where the Money Comes From

The major sources of revenue from the City are Sales Taxes and Property Taxes. The City received total revenues of 194.3 million in fiscal year 2024-2025, an increase of 15% from last year.

**Sales Taxes** remain the largest and most stable source of revenue for the City’s General Fund, reflecting the continued strength of the local economy and community spending. The State of California, through the California Department of Tax and Fee Administration (CDTFA), collects and distributes these taxes to the City on a monthly basis. Consumers currently pay a 10.5% sales tax rate, which is allocated as follows: 7.25% to the State, 2.50% to the County, and 0.75% to the City.

**Property taxes** make up 16% of the City’s total revenue for Fiscal Year 2024–2025. In Fiscal Year 2024-2025, property tax revenues totaled \$27.3 million, which was driven by rising assessed property values, new development, and steady local economic activity. Property tax revenue supports essential community services such as public safety, parks and recreation, and maintenance of city infrastructure. The City’s consistent property tax base helps ensure reliable funding for day-to-day operations and long-term financial stability.



<b>Revenues by Sources - Governmental Activities</b>		<b>FY2024-2025</b>
Sales Taxes		59,615,800
Property Taxes		27,290,994
Utility Users Taxes (Measure R)		11,037,003
Transient Occupancy Taxes (Measure K)		2,120,917
Franchise Taxes (Measure R)		13,214,723
Oil Industry Business Taxes		24,586,805
Motor Vehicle License Fee		147,919
Investment Income		7,512,640
Other Revenues		4,714,948

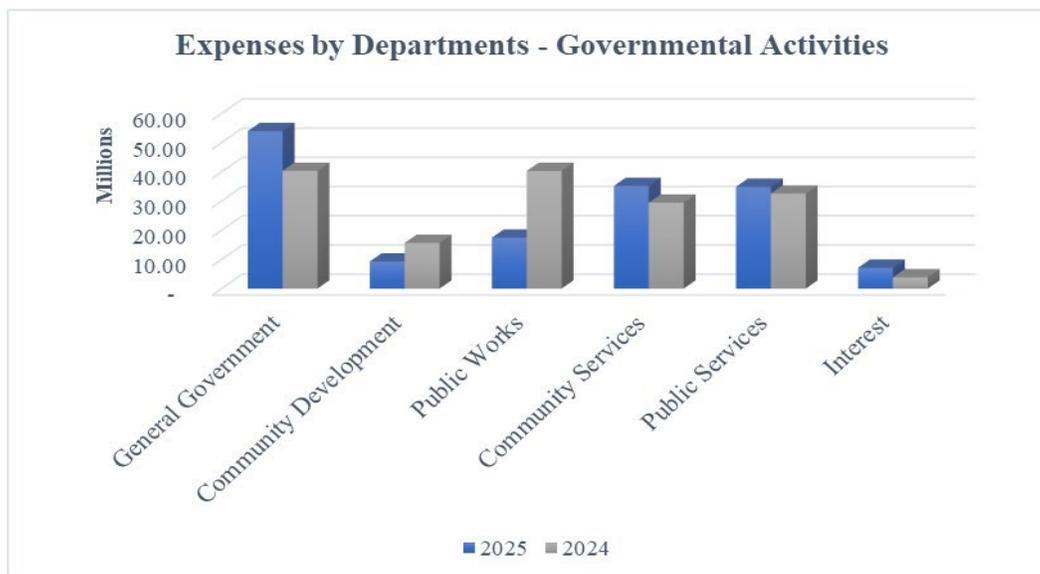
### Revenue Highlights

- ❖ Franchise Taxes – decreased by \$3.9 million compared to prior year. The increase or decrease in franchise taxes varies upon the annual change in the Los Angeles, Anaheim, and Riverside CPI factors.
- ❖ Utility Users Taxes (UUT) – increased by 0.7 million compared to prior fiscal year, mainly due to the inflation of the cost of utility consumption, despite increased use of energy-efficient appliances, equipment, and expanded use of renewable energy sources such as solar panels.
- ❖ Oil Industry Business Taxes – increased by \$19.3 million compared to prior fiscal year. The City received “an audit recovery” of backpay oil tax payments, which had temporarily increased significant oil business tax revenue.
- ❖ Miscellaneous (Investment Income) – decreased by \$0.5 million compared to prior year due to a decline in market interest rates and dividend income, which reduced the yield on bonds, CDs, and other investment accounts (i.e. money market funds and certificates of deposit).

# Governmental Activities - Expenditures

## How the Money Is Spent

In Fiscal Year 2024–2025, the City's total expenditures were \$157.9 million, supporting a wide range of essential services for the community. The largest portions of spending were directed toward General Government and Community Services programs, driven by ongoing infrastructure upgrades throughout the City and the delivery of community events. The City carefully manages its resources to ensure efficient delivery of services while maintaining a strong financial position. Strategic planning and disciplined budgeting allow the City to meet current needs and prepare for future priorities, ensuring long-term stability and quality of life for residents.



### Expenditures Highlights

- ❖ General Government remained the largest expenses category within the governmental activities, totaling \$53.9 million, or 34.2% of the total governmental expenses. This represents an increase of \$13.6 million compared to prior fiscal year. Contributing factors include higher personnel costs, technology upgrades, debt servicing, and other necessary expenditures to meet public needs.
- ❖ Community Services was the second largest governmental expense, totaling \$35.2 million, or 22.3% of the overall governmental expenditure. This represents an increase of \$5.7 million compared to the prior year, mainly due to expanded ongoing funding for the City-hosted events, activities, and programs for seniors and residents.
- ❖ Public Safety was the City's third largest governmental expense, totaling \$34.9 million, or 22.1% of the overall governmental expenditure. This reflects an increase of \$2.3 million compared to prior fiscal year. Contributing factors were higher costs for law enforcement services with the Los Angeles County Sheriff's Department, as well as increased investments in public safety preventive programs, emergency preparedness, disaster responses, and equipment.
- ❖ Public Works was the City's fourth largest governmental expense, totaling \$17.5 million, or 11.1% of the overall governmental expenditure. This reflects a decrease of \$22.9 million compared to prior fiscal year due to unfilled vacant positions and the completion of major projects.
- ❖ Community Development was the City's fifth largest governmental expense, totaling \$9.3 million, or 5.9% of the overall governmental expenditure. This reflects a decrease of \$6.4 million compared to prior fiscal year. The reduction in the department expenditure was due to organizational restructuring of divisions, cost saving initiatives, and renegotiation of the contracts that tied to the need for economic development, affordable housing, and urban planning and zoning.

# Capital Assets

The City’s net investment in capital assets for its governmental activities totals \$486.9 million (net of \$321.9 million in accumulated depreciation). This investment includes land, buildings and improvements, infrastructure (such as roads, sidewalks, and streetlights), machinery and equipment, and lease assets. Capital Assets are long-term investments that ensure the City maintains safe roads, reliable facilities, and well-maintained public spaces. During the fiscal year, the City advanced several major capital improvement projects, including HVAC infrastructure upgrades, facility enhancements, citywide street maintenance, and park improvements. These investments not only preserve and extend the life of existing assets but also strengthen the City’s capacity to support future growth and evolving community needs.

<b>Capital Assets</b> (Net of Accumulated Depreciation) June 30, 2025 and 2024			
	<b>Governmental Activities</b>		
	<b>2025</b>	<b>2024</b>	
Land, land rights, land improvements	\$ 101,470,031	\$ 101,470,031	
Infrastructure - street trees	18,970,757	18,970,757	
Buildings and Improvements	70,716,113	73,166,198	
Machinery and Equipment	11,348,762	9,673,755	
Infrastructure	238,020,088	208,660,043	
Right-of-use lease asset	402,982	80,937	
SBITA asset	1,428,423	1,264,080	
Construction in Progress	44,506,667	10,396,489	
	<b>\$ 486,863,823</b>	<b>\$ 423,682,290</b>	



# Economic Outlook

## Long-Term Financial Planning

The City of Carson remains committed to advancing the goals and strategies developed in response to the financial challenges brought on by the COVID-19 pandemic. The planning includes initiatives to prevent homelessness, support business recovery and development, and promote long-term financial stability for residents.

To support sound fiscal planning, the City continues to forecast upcoming CIP projects and business developments. The forecasting helps identify long-term economic trends and their potential impact on the City's financial outlook. By taking a forward-looking approach, the City Council and management are able to make informed decisions today with a clear understanding of their future implications.

At the core of the City Council's mission is the effective and equitable use of the City's resources to benefit the entire community. Ongoing economic development efforts aim to strengthen the City's revenue base by attracting new jobs and encouraging both residential and commercial development. These efforts are designed to increase the City's Assessed Value (AV) and generate additional revenue through property taxes, sales taxes, and transient occupancy taxes (TOT).

Additionally, the City of Carson is building its first municipal fiber-optic broadband network, fully funded (at least for the initial phase) by the City. The project has a budget of around \$27 million for the first phase. It aims to cover the city-wide, connecting public facilities, parks, and key anchor institutions like City Hall, the Civic Center, and Cal State Dominguez. It will promote better connectivity for public safety, traffic management, parks, and civic facilities. It will also support upcoming major events such as the 2026 FIFA World Cup and beyond for the 2028 Olympics.

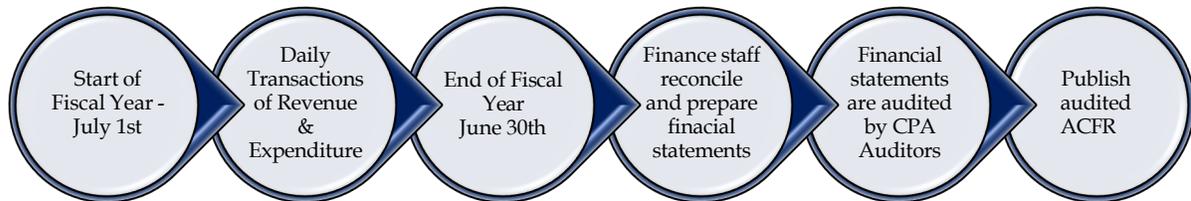
The City of Carson will proudly host several Olympic events, including Track Cycling at the Velodrome, Hockey at the fields adjacent to the Stadium, Rugby Sevens in the Stadium, and Tennis at the Tennis Center. This selection highlights Carson's commitment to excellence and reflects the strength and vibrancy of our community.



# Awards and Acknowledgements

## Annual Comprehensive Financial Report (ACFR)

The reporting period for financial transactions within ACFR is from July 1 to June 30.



The City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the fiscal year ended June 30, 2024. The GFOA's Certificate is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment. For FY 2024-2025 and moving forward, staff will continue to strive for excellence in the City's financial reporting and to achieve the Certificate of Achievement for Excellence from GFOA.

As a recipient of federal, state, and county financial assistance, the City is responsible for maintaining an effective internal control system to ensure compliance with all applicable laws and regulations governing these programs. Management periodically evaluates this internal control system. In any fiscal year when expenditures of federal financial assistance exceed \$750,000, the City must complete a single audit in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

For the fiscal year ended June 30, 2025, the City expended approximately \$5.92 million in federal financial assistance programs. Information related to this single audit, including Schedule of Expenditures of Federal Awards (SEFA), the independent auditors' reports on internal control and compliance, and the Schedule of Findings, is presented in a separate Single Audit Report.

The Finance Department prepares and publishes the City's Annual Comprehensive Financial Report (ACFR) after the completion of an independent and certified audit by the independent auditor, Vasquez & Company, LLP. At the completion of the audit, the auditor has expressed and issued an unmodified ("reasonable assurance") opinion on the City's financial statements for the fiscal year ended June 30, 2025. This means that their examination, testing, and audit procedures allowed them to conclude that the City's financial statements were presented fairly in all material aspects.

## STAY CONNECTED



<https://ci.carson.ca.us/State-of-the-City2025/>