

**SUCCESSOR AGENCY TO
THE INDUSTRY URBAN-DEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF INDUSTRY)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2025

*Successor Agency to the Industry Urban-Development Agency
(A Component Unit of the City of Industry)*

**Financial Statements
For the Year Ended June 30, 2025**

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Independent Auditor's Report

Honorable City Council
Successor Agency to Industry Urban-Development Agency
Industry, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Successor Agency to Industry Urban-Development Agency (the SA to IUDA) (a component unit of the City of Industry), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise SA's to IUDA basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the SA to IUDA, as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SA to IUDA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SA to IUDA'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 SA to IUDA'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 SA to IUDA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2026 on our consideration of the SA to IUDA'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 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 SA to IUDA's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
January 13, 2026

*Successor Agency to the Industry Urban-Development Agency
(A Component Unit of the City of Industry)*

**Statement of Fiduciary Net Position
June 30, 2025**

| | <u>Private-Purpose Trust Fund</u> |
|---------------------------------------|---------------------------------------|
| ASSETS | |
| Current assets: | |
| Cash | \$ 4,605,316 |
| Investments | 147,151,478 |
| Accounts receivable, net: | |
| Other | 3,199,142 |
| Interest receivable | 834,599 |
| Noncurrent assets: | |
| Property held for sale or disposition | 50,064,421 |
| Restricted assets: | |
| Investments | 35,438,449 |
| Capital assets, net of depreciation | <u>205,729,847</u> |
| Total assets | <u>447,023,252</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | <u>1,876,376</u> |
| Total current liabilities | <u>1,876,376</u> |
| NET POSITION | |
| Restricted for Successor Agency | <u>\$ 445,146,876</u> |

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

*Successor Agency to the Industry Urban-Development Agency
(A Component Unit of the City of Industry)*

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

| | <u>Private-Purpose Trust Fund</u> |
|--|---------------------------------------|
| ADDITIONS | |
| Revenues from use of money and property: | |
| Investment income | \$ 8,103,407 |
| Rental and other income | 36,832,479 |
| Other revenues | 1,838 |
| Total additions | <u>44,937,724</u> |
| DEDUCTIONS | |
| General administration | 103,980 |
| Project expenses | 2,426,656 |
| Total deductions | <u>2,530,636</u> |
| Change in net position | 42,407,088 |
| NET POSITION | |
| Beginning of year | <u>402,739,788</u> |
| End of year | <u>\$ 445,146,876</u> |

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

*Successor Agency to the Industry Urban-Development Agency
(A Component Unit of the City of Industry)*

**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Agency

The Industry Urban Development Agency (the IUDA) was a component unit and an integral part of the City of Industry (the City.) On December 29, 2011, the California Supreme Court upheld Assembly Bill XI 26 (referred to as the Bill) that provides for the dissolution of all redevelopment agencies in the state of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the successor agency to hold the assets until they are distributed to the other units of state and local government. The City has elected to become the successor agency to the Industry Urban Development Agency (the SA to IUDA). The City and the successor agency have separate boards of directors. However, individuals serving on the City Council also serve on the successor agency board. The successor agency is a component unit of the City that is fiduciary in nature and is reported in the statements of fiduciary net position and changes in fiduciary net position within the City's fiduciary funds.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the state of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are allocated revenue only in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Basis of Accounting

The financial statements of the SA to IUDA have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial statements include a statement of fiduciary net position and a statement of changes in fiduciary net position. These statements are presented on the accrual basis of accounting.

*Successor Agency to the Industry Urban-Development Agency
(A Component Unit of the City of Industry)*

**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Investments

Cash includes cash on hand and demand deposits and is carried at cost. Investments are reported at fair value other than money market funds which are reported at amortized cost, which approximates fair value. Changes in fair value that occur during the fiscal year are recognized as investment income for that fiscal year.

Redevelopment Property Tax Revenues

Pursuant to the redevelopment dissolution law, funds that would have been distributed to the former agency as tax increment, hereafter referred to as redevelopment property tax revenues, are deposited into the SA to IUDA's Redevelopment Property Tax Trust Fund (Trust Fund) administered by Los Angeles County's Auditor-Controller for the benefit of holders of the former IUDA's enforceable obligations and the taxing entities that receive pass-through payments. Any remaining funds in the Trust Fund, plus any unencumbered redevelopment cash and funds from asset sales, are distributed by the County to the local agencies in the project area unless needed to pay enforceable obligations.

Distributions are to be made twice each year on the following cycles:

| <u>Distribution dates</u> | <u>Covers Recognized Obligation Payment Schedules to be paid</u> |
|---------------------------|--|
| January 2 | January 1 through June 30 |
| June 1 | July 1 through December 1 |

The amounts distributed for Recognized Obligation Payment Schedules (ROPS) are forward looking to the next six-month period.

Tax Override Monies

On September 26, 2013, pursuant to Resolution No. CC 2013-25, the City has established a segregated fund in the treasury designated the Agency Override Fund and shall deposit all Agency Override Portion received by the City into the Agency Override Fund. Upon notification by the SA to IUDA of the debt service shortfall, the City shall apply the necessary amount (but only to the extent available) from the Agency Override Fund to pay the bond trustee or, to the extent that there is no trustee for any bond issue, the bondholders directly, to cover the debt service shortfall. So long as the IUDA bonds remain outstanding, the City shall make withdrawals from the Agency Override Fund solely for the purpose of covering debt service shortfalls. See Note 4 for further discussion.

*Successor Agency to the Industry Urban-Development Agency
(A Component Unit of the City of Industry)*

**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

The SA to IUDA has capital assets that it is holding until the assets are transitioned to entities that will be responsible for the maintenance of the assets. The SA to IUDA no longer records depreciation expense on these assets as these assets are not used in operations.

Property Held for Sale or Disposition

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates. Property held for resale represents land, structures and their related improvements that were acquired for resale in accordance with the objectives of the Redevelopment Projects and grants. These costs will be charged to current year project expenditures when the related land and structures are sold. Property held for resale is valued at the lower of cost or expected net realizable value.

Bond Issuance Costs and Premiums/Discounts

Bond premiums and discounts in the statement of fiduciary net position are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as expenses in the period incurred in the statement of changes in fiduciary net position.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

*Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 2 CASH AND INVESTMENTS

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

| | |
|----------------------------|-----------------------|
| Cash | \$ 4,605,316 |
| Investments | 147,151,478 |
| Investments - restricted | 35,438,449 |
| Total cash and investments | <u>\$ 187,195,243</u> |
| Cash: | |
| Petty cash | \$ 500 |
| Demand deposits | 4,604,816 |
| Investments | 182,589,927 |
| Total cash and investments | <u>\$ 187,195,243</u> |

The amounts held as Investments - Restricted of \$35,438,449, represent amounts specifically restricted to pay for project costs.

Demand Deposits

The carrying amount of the SA to IUDA's cash deposits were \$4,604,816 as of June 30, 2025. Bank balances in excess of the FDIC limit are insured or collateralized with securities held by the pledging financial institutions in the SA to IUDA's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the SA to IUDA's cash deposits by pledging securities as Collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the SA to IUDA's name.

The market value of pledged securities must equal at least 110% of the SA to IUDA's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the SA to IUDA's total cash deposits. The SA to IUDA may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The SA to IUDA, however, has not waived the collateralization requirements. As of June 30, 2025, SA to IUDA's deposits are federally insured or collateralized.

*Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 2 CASH AND INVESTMENTS (Continued)

Investments Authorized by SA to IUDA's Investment Policy

Under provision of SA to IUDA's Investment Policy (the SA to UIDA follows the City of Industry policy), and in accordance with Section 53601 of the California Government Code, and Section 33603 of the Health and Safety Code, SA to IUDA may invest in the following types of investments:

| <u>Authorized investment type</u> | <u>Maximum maturity</u> | <u>Maximum percentage allowed</u> | <u>Maximum investment in one issuer</u> |
|---|-------------------------|-----------------------------------|---|
| U.S. Treasury obligations | 5 Years | None | None |
| U.S. Government sponsored enterprise securities | 5 Years | None | None |
| State/Local Agency bonds | 5 Years | None | None |
| Money market funds (composed entirely of security of U.S. Government and agencies) | N/A | None | None |
| Bankers acceptances | 180 Days | 40% | 30% |
| Commercial paper | 270 Days | 25% | 10% |
| Negotiable certificates of deposit | 5 Years | 30% | None |
| Nonnegotiable certificates of deposit | 5 Years | None | None |
| Local Agency Investment Fund (LAIF) | N/A | None | None |
| Repurchase agreements | 1 Year | None | None |
| Los Angeles County investment pool | N/A | None | None |
| U.S. corporate medium term notes | 5 Years | 30% | None |

The SA to IUDA's investment policy does not contain any specific provisions intended to limit SA to IUDA's exposure to interest rate risk, credit risk, and concentration risk other than those specified in the California Government Code.

*Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 2 CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by the bond trustee are governed by provisions of the debt agreements. The debt agreement held by SA to IUDA and its bond trustees have investment policies that are the same as SA to IUDA's general investment policy, as listed above.

In no instance have additional types of investments, not permitted by SA to IUDA's general investment policy, been authorized.

Risk Disclosure

Interest Rate Risk

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in the market interest rates. One of the ways that SA to IUDA manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. SA to IUDA monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

| <u>Investment type</u> | <u>Amounts</u> | <u>Weighted average maturity</u> |
|---------------------------|-----------------------|--|
| Investments: | | |
| LAIF | \$ 49,869,966 | 248 days |
| U.S. Agencies | 15,970,582 | 2.0 months |
| Commercial paper | 18,957,791 | 0.4 months |
| Money market funds | 62,353,139 | N/A |
| Investments - restricted: | | |
| Money market funds | 35,438,449 | N/A |
| Total investments | <u>\$ 182,589,927</u> | |

*Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 2 CASH AND INVESTMENTS (Continued)

Risk Disclosure (Continued)

Credit Risk

Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical organization. Presented below is the minimum rating required by Section 53601 and Section 53635 of the California Government Code, Section 33603 of the Health and Safety Code, SA to IUDA's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

| Investment type | Amount | Minimum legal rating | Rating as of June 30, 2025 | | |
|--------------------------|-----------------------|----------------------|----------------------------|-----------------------|----------------------|
| | | | Actual rating | Rated | Not rated |
| LAIF | \$ 49,869,966 | N/A | | \$ - | \$ 49,869,966 |
| U.S. Agencies | 15,970,582 | | AA+ | 15,970,582 | |
| Commercial paper | 18,957,791 | A-1 | A-1+ | 18,957,791 | - |
| Money market funds | 62,353,139 | | AAAm | 62,353,139 | - |
| Investment - restricted: | | | | | - |
| Money market funds | 35,438,449 | N/A | N/A | 35,438,449 | - |
| Total investments | <u>\$ 182,589,927</u> | | | <u>\$ 132,719,961</u> | <u>\$ 49,869,966</u> |

Concentration of Credit Risk

The investment policy of the SA to IUDA contain no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2025, the SA to IUDA held commercial paper totaling \$11,225,943 from one issuer. Other than the commercial paper, the SA to IUDA did not hold any securities which was 5% or more of the total investments (other than U.S. Treasury obligations, mutual funds, and external investment pools).

State of California Local Agency Investment Fund

The SA to IUDA is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the SA to IUDA's investment in this pool is reported in the accompanying financial statements at amounts based upon the SA to IUDA's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF.

*Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 2 CASH AND INVESTMENTS (Continued)

Fair Value Measurement

The SA to IUDA categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are valued using a matrix pricing technique in where investments are valued based on the investments' relationship to benchmark quoted prices, and Level 3 inputs are significant unobservable inputs. The SA to IUDA has the following recurring fair value measurements as of June 30, 2025:

| Investment type | Measurement input | | | Total |
|--------------------------|-------------------|----------------------|-----------------------|-----------------------|
| | Level 1 | Level 2 | Uncategorized | |
| Investments: | | | | |
| LAIF | \$ - | \$ - | \$ 49,869,966 | \$ 49,869,966 |
| U.S. Agencies | | 15,970,582 | | 15,970,582 |
| Commercial paper | | 18,957,791 | | 18,957,791 |
| Money market funds | - | - | 62,353,139 | 62,353,139 |
| Investment - restricted: | | | | |
| Money market funds | - | - | 35,438,449 | 35,438,449 |
| Total investments | <u>\$ -</u> | <u>\$ 34,928,373</u> | <u>\$ 147,661,554</u> | <u>\$ 182,589,927</u> |

**Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 3 PROPERTY HELD FOR SALE OR DISPOSITION

The SA to IUDA has the following assets held for sale or disposition:

| | Balance at July 1, 2024 | Transfers | Additions | Deletions | Balance at June 30, 2025 |
|--|----------------------------|-----------|-----------|-----------|-----------------------------|
| Property held for sale or disposition: | | | | | |
| Land | \$ 50,064,421 | \$ - | \$ - | \$ - | \$ 50,064,421 |

In addition, the SA to IUDA has the following capital assets as of June 30, 2025:

| | Balance at July 1, 2024 | Transfers | Additions | Deletions | Balance at June 30, 2025 |
|------------------------------------|----------------------------|-----------|--------------|-----------|-----------------------------|
| Capital assets, being depreciated: | | | | | |
| Construction in progress | \$ 197,302,255 | \$ - | \$ 8,266,079 | \$ - | \$ 205,568,334 |
| Infrastructure | 166,310 | - | - | - | 166,310 |
| Less: accumulated depreciation | (4,797) | - | - | - | (4,797) |
| Capital assets, net | \$ 197,463,768 | \$ - | \$ 8,266,079 | \$ - | \$ 205,729,847 |

Note 4 RENTAL PROPERTY

On April 28, 2005, IUDA entered into an agreement with a private company (the Company) to lease land owned by IUDA to the Company for the purpose of having the land developed and operated by the Company. SA to IUDA is required to perform substantial public improvements surrounding the project area. The term of the agreement continues for 65 years from the commencement date. The agreement allows for SA to IUDA and the Company to split revenues generated by rents of the buildings after deductions for any loan payments or costs associated with the ownership, operation, financing, maintenance, and leasing of the various buildings.

In the event that rental income on the buildings is insufficient to repay any loans outstanding related to any financing of such building projects, and operation and maintenance of the various buildings, the SA to IUDA is required to contribute fifty percent for any shortfall as a capital contribution if the Company issues a demand for additional capital. Such payments if made by SA to IUDA on the projects would be subject to return by the Company with interest at the prime rate plus three percent provided that future rents generate revenue for SA to IUDA. During the year ended June 30, 2025, SA to IUDA earned and received \$36,832,479 in rental income.

*Successor Agency to the Industry Urban-Development Agency
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**Notes to Financial Statements
For the Year Ended June 30, 2025**

Note 5 SELF-INSURANCE PLAN

The City has established a Self-Insurance Plan (the Plan) to pay for liability claims against the City and SA to IUDA. The Plan is administered by an insurance committee which is responsible for approving all claims of \$25,000 or less and for making provision to have sufficient funds available to pay approved claims and legal and investigative expenses. The insurance committee has vested this authority with the City Manager. Potential liability for claims in excess of \$250,000 up to \$10,000,000 is covered by excess liability insurance policies.

As of June 30, 2025, there are no pending claims outstanding against the SA to IUDA.

Note 6 COMMITMENT AND CONTINGENCIES

Risk Management

The SA to IUDA is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, and general liabilities. As further discussed in Note 5, the City has a self-insurance plan to cover such risks. Claim expenses and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

Project Commitments

As of June 30, 2025, the total net position held in trust was \$445,146,876. All of the fiduciary net position are committed to fund project obligations.