

**THE MAYOR'S FUND
FOR LOS ANGELES**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

THE MAYOR'S FUND FOR LOS ANGELES
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025

CONTENTS

	Page
Independent Auditor's Report.....	1
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7



WE ARE AN INDEPENDENT MEMBER OF
THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK

**AUDIT
AND
ASSURANCE**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Mayor's Fund For Los Angeles

Opinion

We have audited the financial statements of The Mayor's Fund For Los Angeles, which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Mayor's Fund For Los Angeles as of December 31, 2025, and the changes in its net assets and its cash flows 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). 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 Mayor's Fund For Los Angeles 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 The Mayor's Fund For Los Angeles' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 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, 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 Mayor's Fund For Los Angeles' 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 Mayor's Fund For Los Angeles' 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.

Green Hasson & Janks LLP

May 12, 2026
Los Angeles, California

THE MAYOR'S FUND FOR LOS ANGELES

STATEMENT OF FINANCIAL POSITION
December 31, 2025

ASSETS

Cash	\$ 979,314
Investments	5,424,268
Pledges Receivable	1,475,000
Other Assets	<u>4,008</u>
TOTAL ASSETS	<u>\$ 7,882,590</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts Payable and Accrued Liabilities	<u>276,227</u>
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NET ASSETS:

Without Donor Restrictions - Undesignated	3,866,252
Without Donor Restrictions - Board Designated	913,390
With Donor Restrictions	<u>2,826,721</u>

TOTAL NET ASSETS	<u>7,606,363</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,882,590</u>
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The Accompanying Notes are an Integral Part of These Financial Statements

THE MAYOR'S FUND FOR LOS ANGELES

STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND OTHER INCOME:			
Contributions	\$ 4,460,778	\$ 1,726,632	\$ 6,187,410
In-Kind Contributions	48,217	-	48,217
Investment Return (Net)	268,494	-	268,494
Net Assets Released from Donor Restrictions	4,189,620	(4,189,620)	-
TOTAL PUBLIC SUPPORT AND OTHER INCOME	8,967,109	(2,462,988)	6,504,121
EXPENSES:			
Program Services	5,334,709	-	5,334,709
Supporting Services:			
Management and General	745,724	-	745,724
Fundraising	442,018	-	442,018
TOTAL EXPENSES	6,522,451	-	6,522,451
CHANGE IN NET ASSETS	2,444,658	(2,462,988)	(18,330)
Net Assets - Beginning of Year	2,334,984	5,289,709	7,624,693
NET ASSETS - END OF YEAR	\$ 4,779,642	\$ 2,826,721	\$ 7,606,363

The Accompanying Notes are an Integral Part of These Financial Statements

THE MAYOR'S FUND FOR LOS ANGELES

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2025

	Program Services			Total Program Services	Supporting Services		Total
	Expiring Programs	Homelessness Prevention	Short Term Programs		Management and General	Fundraising	
Salaries	\$ 97,007	\$ 381,712	\$ -	\$ 478,719	\$ 282,700	\$ 350,173	\$ 1,111,592
Employee Benefits	18,498	63,907	557	82,962	42,017	59,137	184,116
TOTAL PERSONNEL COSTS	115,505	445,619	557	561,681	324,717	409,310	1,295,708
Program Costs	4,703	2,575,331	52,052	2,632,086	-	-	2,632,086
Contract Services	218,872	1,744,537	-	1,963,409	25,249	-	1,988,658
Professional Fees	-	-	-	-	186,212	-	186,212
In-Kind Expense	-	-	-	-	48,217	-	48,217
Communications	-	1,000	-	1,000	95,333	-	96,333
Office Expense	650	66,449	3,818	70,917	19,079	22,565	112,561
Other Expense	754	6,034	580	7,368	27,438	3,427	38,233
Event Expense	76,949	10,084	-	87,033	-	770	87,803
Insurance	-	5,475	1,006	6,481	4,224	5,946	16,651
Dues and Membership	196	-	-	196	5,500	-	5,696
Travel	4,203	335	-	4,538	4,463	-	9,001
Bank Charges	-	-	-	-	5,292	-	5,292
TOTAL	\$ 421,832	\$ 4,854,864	\$ 58,013	\$ 5,334,709	\$ 745,724	\$ 442,018	\$ 6,522,451

The Accompanying Notes are an Integral Part of These Financial Statements

THE MAYOR'S FUND FOR LOS ANGELES

STATEMENT OF CASH FLOWS Year Ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in Net Assets	\$ (18,330)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Net Realized and Unrealized Gain on Investments	(62,305)
(Increase) Decrease in:	
Pledges Receivable	1,958,725
Other Assets	3,770
Increase (Decrease) in:	
Accounts Payable and Accrued Liabilities	<u>(160,056)</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES 1,721,804

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Investments	(3,989,882)
Interest and Dividends Reinvested	(121,518)
Proceeds on Sale of Investments	<u>1,000,000</u>

NET CASH USED IN INVESTING ACTIVITIES (3,111,400)

NET DECREASE IN CASH (1,389,596)

Cash - Beginning of Year 2,368,910

CASH - END OF YEAR \$ 979,314

The Accompanying Notes are an Integral Part of These Financial Statements

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 1 - ORGANIZATION

A 501(c)(3) organization overseen by an independent board of directors, The Mayor's Fund For Los Angeles (the Mayor's Fund) brings together business, philanthropy, the nonprofit sector, and local government to address the most urgent needs of all Angelenos. The Mayor's Fund is currently developing and supporting programs to help prevent Angelenos from falling into homelessness through outreach, case management and expanded legal services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) NET ASSETS

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.
- **Net Assets With Donor Restrictions.** Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Where the donor has, at the request of the Mayor's Fund, reclassified or released restrictions, those reclassifications are presented separately in the statement of activities.

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) CASH

The Mayor's Fund maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Mayor's Fund has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

(d) INVESTMENTS

Investments in equity and debt securities with readily determinable market values are reported at fair value. Securities are generally held in custodial investment accounts administered by financial institutions. Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex-dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in investment return in the statement of activities and represent the change in the difference between the cost and fair value of investments held at the end of the fiscal year.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility.

(e) CONTRIBUTIONS AND PLEDGES RECEIVABLE

Contributions, including endowment gifts and pledges, as well as unconditional promises to give, are recognized as revenue in the period promised. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not included as revenue until the conditions on which they depend have been met. Discounts for pledges (pledges due over one year) are recorded as reductions to contribution revenue and pledges receivable. Present value discounts are amortized to contribution revenue as pledge payments are received. There is one conditional promise to give at December 31, 2025 in the amount of \$1,750,000.

Pledges receivable of \$1,475,000 at December 31, 2025 are expected to be collected in their entirety within one year. An allowance for uncollectible pledges was not considered necessary.

(f) PROGRAM COSTS

Program costs in the statement of functional expenses include contributions and grants approved by the Mayor's Fund's Board of Directors.

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) IN-KIND CONTRIBUTIONS

Contributions of donated non-cash assets are recorded at fair value in the period received. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ended December 31, 2025, the Mayor's Fund recognized \$48,217 of pro bono legal services valued using standard hourly rates charged by the attorney.

A substantial number of volunteers have donated significant amounts of their time, including pro bono legal services, to programs and community initiatives funded by the Mayor's Fund. The services that these individuals rendered, however, do not meet the above criteria and, as such, are not recognized in the accompanying financial statements.

(h) INCOME TAXES

The Mayor's Fund is exempt from federal taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

In accordance with the Financial Accounting Standards Board's (FASB's) Accounting Standards Codification Topic No. 740, *Uncertainty in Income Taxes*, the Mayor's Fund recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended December 31, 2025, the Mayor's Fund performed an evaluation of uncertain tax positions and did not note any matters that would require recognition in the financial statements or which might have an effect on its tax-exempt status.

(i) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the Mayor's Fund's programs and other activities have been presented in the statement of functional expenses. Such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The Mayor's Fund uses salary dollars to allocate indirect costs.

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(k) SUBSEQUENT EVENTS

The Mayor's Fund evaluated events and transactions occurring subsequent to the statement of financial position date of December 31, 2025, for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through May 12, 2026, the date these financial statements were available to be issued. On March 30, 2026, the Mayor's Fund entered into an amended office lease agreement to extend the lease term through March 31, 2029.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Mayor's Fund has implemented the accounting standard for those assets that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. The standard applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset and include situations where there is little, if any, market activity for the asset.

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS December 31, 2025

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

The following table presents information about the Mayor's Fund's assets that are measured at fair value on a recurring basis at December 31, 2025, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Fair Value Measurements Using			
	Year Ended December 31, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 964	\$ 964	\$ -	\$ -
U.S. Treasury Bills	4,205,745	-	4,205,745	-
Bond Mutual Funds	243,371	243,371	-	-
Money Market Mutual Fund	974,188	974,188	-	-
TOTAL				
INVESTMENTS	\$ 5,424,268	\$ 1,218,523	\$ 4,205,745	\$ -

The fair values of investments within Level 1 were obtained based on quoted market prices at the closing of the last business day of the period. These investments can be redeemed daily.

The fair values of investments within Level 2 were obtained based on data points that are observable, such as quoted prices in active markets, interest rates and yield curves.

NOTE 4 - EMPLOYEE BENEFIT PLAN

The Mayor's Fund sponsors an Internal Revenue Code Section 403(b) qualified defined contribution retirement plan covering all employees, subject to eligibility requirements. The Mayor's Fund contributes up to a 5% match for employees contributing to the plan, in accordance with plan provisions. Employer contributions under this plan for the year ended December 31, 2025 were \$34,912.

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 5 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of undesignated and Board designated amounts as follows at December 31, 2025:

Undesignated	\$ 3,866,252
Board Designated Operating Reserve	<u>913,390</u>
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 4,779,642</u>

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2025:

Homelessness Prevention	\$ 1,501,722
Expiring Programs	<u>1,324,999</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 2,826,721</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2025:

Homelessness Prevention	\$ 3,715,735
Expiring Programs	421,833
Short Term Programs	<u>52,052</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 4,189,620</u>

THE MAYOR'S FUND FOR LOS ANGELES

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

NOTE 7 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by the Mayor's Fund at December 31, 2025 and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the statement of financial position are summarized in the following table:

Financial Assets at December 31, 2025:	
Cash	\$ 979,314
Investments	5,424,268
Pledges Receivable	<u>1,475,000</u>
TOTAL FINANCIAL ASSETS AT DECEMBER 31, 2025	7,878,582
Less Amounts Not Available to Be Used within One Year, Due to:	
Board Designations	(913,390)
Donor-Imposed Restrictions:	
Funds Held with Purpose Restrictions	(1,351,721)
Pledges Receivable Restricted by Purpose	<u>(1,475,000)</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 4,138,471</u>

The Mayor's Fund regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of the Mayor's Fund's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Mayor's Fund has various sources of liquidity at its disposal, including cash and cash equivalents and marketable debt and equity securities. In addition, it has a Board designated operating reserve of \$913,390 that could be drawn upon for emergency liquidity needs.