



ROSE BOWL OPERATING COMPANY  
(A COMPONENT UNIT OF THE CITY OF PASADENA, CALIFORNIA)  
FOR THE YEAR ENDED JUNE 30, 2025

BASIC FINANCIAL STATEMENTS

Focused  
on YOU



ROSE BOWL OPERATING COMPANY  
(A COMPONENT UNIT OF THE CITY OF PASADENA, CALIFORNIA)

Basic Financial Statements

For the Year Ended June 30, 2025

**THIS PAGE INTENTIONALLY LEFT BLANK**

ROSE BOWL OPERATING COMPANY  
(A COMPONENT UNIT OF THE CITY OF PASADENA, CALIFORNIA)

Basic Financial Statements

For the Year Ended June 30, 2025

Table of Contents

	<u>Page</u>
FINANCIAL SECTION	
Independent Auditors' Report .....	1
Management's Discussion and Analysis .....	5
BASIC FINANCIAL STATEMENTS	
Statement of Net Position.....	27
Statement of Revenues, Expenses, and Changes in Net Position .....	28
Statement of Cash Flows .....	29
Notes to the Basic Financial Statements.....	31
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Proportionate Share of the Net Pension Liability .....	52
Schedule of Plan Contributions .....	54
OTHER REPORT	
Independent Auditor's 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> .....	57

**THIS PAGE INTENTIONALLY LEFT BLANK**



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Rose Bowl Operating Company  
Pasadena, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of each major fund of Rose Bowl Operating Company, (hereafter, the "Company"), a component unit of the City of Pasadena, California, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Company'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 each major fund of the Company as of June 30, 2025, and the respective changes in financial position, and 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 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

##### Component Unit Reporting

As discussed in Note 1, the financial statements of the Company are intended to present the financial position, the changes in financial position, and cash flows of the business-type activities, of the City of Pasadena that is attributable to the transactions of the Company. They do not purport to, and do not, present fairly the financial position of the City of Pasadena, as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

##### Change in Accounting Principle

As described in Note 1 to the financial statements, in 2025, the Company adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.



To the Board of Directors  
Rose Bowl Operating Company  
Pasadena, California

### ***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 Company 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.

### ***Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 Company'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 Company'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.



To the Board of Directors  
Rose Bowl Operating Company  
Pasadena, California

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required pension and other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025, on our consideration of the Company'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 Company'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 Company's internal control over financial reporting and compliance.

***LSL, LLP***

Irvine, California  
December 10, 2025

**THIS PAGE INTENTIONALLY LEFT BLANK**

**ROSE BOWL OPERATING COMPANY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

**TABLE OF CONTENTS**

- I. OVERVIEW OF THE FINANCIAL STATEMENTS**
- II. EXECUTIVE SUMMARY**
- III. FINANCIAL STATEMENTS**
- IV. FINANCIAL ANALYSIS**
  - A. Statistical and Fiscal Trends**
  - B. Net Event and Operations Income Comparison**
  - C. Expense Comparison**
  - D. Other Non-Operating Revenue**
  - E. Balance Sheet Highlights**

The objective of management's discussion and analysis is to help readers of the Rose Bowl Operating Company's ("RBOC") financial statements better understand the financial position and operating activities for the fiscal year ended June 30, 2025 (FY 2025), with selected comparative information. This discussion should be read in conjunction with the financial statements. Unless otherwise indicated, years (2024, 2025) in this discussion refer to the fiscal year ended June 30.

**I. OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to the RBOC's basic financial statements. The RBOC's financial statements consist of two components: 1) fund financial statements and 2) notes to the financial statements.

**BASIC FINANCIAL STATEMENTS**

The **statement of net position** presents information on all the RBOC's assets and deferred outflows of resources, liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the RBOC is improving or deteriorating.

The **statement of revenues, expenses, and changes in net position** presents information showing how the RBOC's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*.

The **statement of cash flows** presents information on the cash inflows and outflows of cash during the fiscal year, directly attributing cash flows to types of sources and uses and reconciling those cash flows to the changes in net position for the fiscal year.

The basic financial statements can be found on pages **27-29** of this report.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages **31-49** of this report.

## II. EXECUTIVE SUMMARY (STADIUM AND GOLF COURSE)

**In FY 2025, Stadium and Golf Course key areas impacting events, operations and net income are highlighted below:**

- The RBOC continues commitment of efforts and resources toward addressing the increasing demands for capital, events fulfillment, golf complex maximization, community involvement, contributions towards debt service and representing the City of Pasadena worldwide.
- Legacy Connections has been successfully cultivating and growing a donor base, with a focus on grant applications as a newer form of capital funding efforts and the Lasting Legacy campaign targeting \$80M capital funding.
- Rose Bowl Stadium hosted 7 football games (6 UCLA and the 111<sup>th</sup> Rose Bowl Game), 4 Golden Voice Music Festivals, 1 Concert, 8 soccer matches (which included a match during the July 4<sup>th</sup> 2024, celebration) and approximately 119 enterprise events and 11 Flea Markets.
- Net Event Income totaled approximately \$20.5 million, after the impact of the Eaton Fire closures in January 2025. Fiscal 2025 Net Event Income was the 2<sup>nd</sup> highest in the past 20 years, 2<sup>nd</sup> only to FY 2024 of \$21.5 million.
- Golf operations revenues were drastically impacted by the Eaton Fires and associated debris during FY 2025; also, golf businesses have faced a slight decline since the highs experienced after COVID.
- Events and demands for capital projects created increased staffing demands that the RBOC has continuously been challenged with managing. At FY 2025 Year End the full-time employee count was 37 on a budget of 42. Event staffing has especially been a challenge to fulfill in a competitive market. Overall expenditures have continued to increase in areas of security, parking, public safety, event production (such as plumbing, electrical, etc.), janitorial, catering, and rental expenses due to labor market demands.
- Investment earnings have been consistent for two years based on events, golf cash receipts and the valuation of the debt service reserve. FY 2025 investment earnings were \$2.3 million mainly from the investments in California Asset Management Program (CAMP).
- Non-Operating revenues have increased by \$1.3 million primarily due to Tourism Business Improvement District revenues of \$3.2 million or 2% of gross room rental revenue in FY2025; which is \$500 thousand higher than budget due to the impact of Eaton fires hotel utilization (agreement sunsets June 30, 2033). Another significant impact was a \$2.1 million reduction of subsidies due to the refinancing of the 2010B bond. Concessionaire contributions, Senate Bill 96 tax recovery, Wireless carriers licensing/cost recoveries and Music Festival contributions to capital make up the balance of \$1.3 million.

### III. FINANCIAL STATEMENTS

ROSE BOWL OPERATING COMPANY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION - FULL ACCRUAL  
YEAR ENDING JUNE 30, 2025

	Rose Bowl	Golf Course	Combined Totals		Variance
			2025*	2024	
<b>Operating Revenues:</b>					
Green fees and other golf revenues	\$ -	\$ 7,093,543	\$ 7,093,543	\$ 7,304,652	(211,109)
Golf displacement	-	1,442,723	1,442,723	810,203	632,520
Advertising	3,387,667	-	3,387,667	3,360,209	27,458
Facility rentals and parking revenues	26,137,991	-	26,137,991	30,754,632	(4,616,641)
Concessions	3,592,679	-	3,592,679	5,316,653	(1,723,974)
Pro shop	-	235,600	235,600	214,965	20,635
Restaurant	-	3,255,261	3,255,261	3,349,211	(93,950)
Admission tax	1,190,200	-	1,190,200	1,343,694	(153,494)
Cost recoveries	18,393,872	165,000	18,558,872	10,064,987	8,493,885
<b>Total operating revenues</b>	<b>52,702,409</b>	<b>12,192,127</b>	<b>64,894,536</b>	<b>62,519,206</b>	<b>2,375,330</b>
<b>Operating Expenses:</b>					
Salaries and benefits (Overhead)	\$ (5,650,635)	\$ (316,586)	\$ (5,967,221)	\$ (5,431,557)	(535,663)
Annual PERS Valuation Adj	(161,013)	(22,797)	(183,810)	(391,378)	207,568
General and administrative	(7,041,350)	(1,228,336)	(8,269,686)	(6,753,358)	(1,516,329)
Depreciation	(10,521,799)	(958,132)	(11,479,931)	(11,577,268)	97,337
Capital Preventative Maint.Expense	(1,441,100)	(406,507)	(1,847,607)	(1,608,520)	(239,087)
Events and parking expenses	(32,211,866)	(405,054)	(32,616,920)	(28,979,755)	(3,637,166)
Green fees and other golf expenses	-	(6,094,938)	(6,094,938)	(4,750,307)	(1,344,631)
Restaurant Expenses	-	(2,900,254)	(2,900,254)	(2,821,314)	(78,940)
<b>Total Operating Expenses</b>	<b>(57,027,763)</b>	<b>(12,332,604)</b>	<b>(69,360,367)</b>	<b>(62,313,457)</b>	<b>(7,046,885)</b>
<b>Operating Income (Loss)</b>	<b>(4,325,354)</b>	<b>(140,477)</b>	<b>(4,465,831)</b>	<b>205,749</b>	<b>(4,671,555)</b>
<b>Nonoperating Revenues (Expenses):</b>					
Investment gain	\$ 1,840,810	\$ 459,892	\$ 2,300,702	\$ 2,446,726	(146,024)
Interest expense	(9,704,444)	-	(9,704,444)	(12,182,073)	2,477,629
Other nonoperating revenues / expenses (Net)	5,386,777	1,000,000	6,386,777	5,026,038	1,360,739
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(2,476,857)</b>	<b>1,459,892</b>	<b>(1,016,965)</b>	<b>(4,709,310)</b>	<b>3,692,345</b>
<b>Income (Loss) Before Transfers</b>	<b>(6,802,211)</b>	<b>1,319,415</b>	<b>(5,482,796)</b>	<b>(4,503,560)</b>	<b>(979,210)</b>
<b>Changes in Net Position</b>	<b>(6,802,211)</b>	<b>1,319,415</b>	<b>(5,482,796)</b>	<b>(4,503,560)</b>	<b>(979,235)</b>
<b>Net Position:</b>					
Beginning of Year	(47,740,231)	23,516,156	(24,224,075)	(19,720,515)	(4,503,560)
Restatements **	(195,415)	(6,110)	(201,525)	-	(201,525)
<b>End of Year</b>	<b>\$ (54,737,857)</b>	<b>\$ 24,829,461</b>	<b>\$ (29,908,396)</b>	<b>\$ (24,224,075)</b>	<b>(5,684,321)</b>

\* 2025 results Impacted by the Eaton Fires in January 2025.

\*\* Prior Year Retained Earning Restatement (GASB 96/101)

## FINANCIAL STATEMENTS (Continued)

ROSE BOWL OPERATING COMPANY  
STATEMENT OF NET POSITION - FULL ACCRUAL  
YEAR ENDING JUNE 30, 2025

	Rose Bowl	Golf Course	Totals		Variance
			2025	2024	
<b>Assets:</b>					
Current assets:					
Cash and investments	\$ 34,957,258	\$ 14,643,867	\$ 49,601,125	\$ 39,927,694	\$ 9,673,431
Accounts receivable, net of allowance	11,672,823	51,857	11,724,680	4,550,607	7,174,073
Lease Receivable	6,267,370	-	6,267,370	244,205	6,023,165
Inventory	4,591	343,394	347,985	274,382	73,603
Prepaid assets	115,485	2,838	118,323	165,359	(47,036)
<b>Total Current Assets</b>	<b>53,017,527</b>	<b>15,041,956</b>	<b>68,059,483</b>	<b>45,162,247</b>	<b>22,897,236</b>
Noncurrent assets:					
Due from Stadium	\$ -	\$ 5,372,473	\$ 5,372,473	\$ 2,199,129	\$ 3,173,344
Due from City of Pasadena	387,583	-	387,583	405,139	(17,556)
Cash and investments restricted	336,920	-	336,920	10,490,643	(10,153,723)
Capital assets:					
Construction in progress	704,321	-	704,321	-	704,321
Other capital assets, net	126,381,547	7,791,338	134,172,885	139,751,695	(5,578,810)
<b>Total Noncurrent Assets</b>	<b>127,810,371</b>	<b>13,163,811</b>	<b>140,974,182</b>	<b>152,846,606</b>	<b>(11,872,424)</b>
<b>Total Assets</b>	<b>180,827,898</b>	<b>28,205,767</b>	<b>209,033,665</b>	<b>198,008,853</b>	<b>11,024,812</b>
<b>Deferred outflows of Resources:</b>					
Deferred refunding charge	\$ 16,107,003	\$ -	\$ 16,107,003	\$ 1,015,275	\$ 15,091,728
Outflows related to net pension liability	1,335,068	70,267	1,405,335	1,769,581	(364,246)
<b>Total Deferred Outflows of Resources</b>	<b>17,442,071</b>	<b>70,267</b>	<b>17,512,338</b>	<b>2,784,856</b>	<b>14,727,482</b>
<b>Liabilities:</b>					
Current:					
Accounts payable and other liabilities	\$ 18,170,281	\$ 877,336	\$ 19,047,617	\$ 6,956,906	\$ 12,090,711
Accrued salaries and benefits	610,163	40,378	650,541	653,092	(2,551)
Interest payable	677,207	-	677,207	3,103,246	(2,426,039)
Due to Golf Course	5,372,473	-	5,372,473	2,199,129	3,173,344
Due to City of Pasadena	2,323,151	163,366	2,486,517	1,069,042	1,417,475
Deposits	744,516	-	744,516	833,759	(89,243)
Unearned revenues	16,307,408	52,673	16,360,081	7,421,893	8,938,188
Current portion of advance	100,000	-	100,000	100,000	-
Current portion compensated absences	293,481	15,225	308,706	212,286	96,420
Current portion of long-term debt	7,861,246	379,207	8,240,453	6,296,769	1,943,684
<b>Total Current Liabilities</b>	<b>52,459,926</b>	<b>1,528,185</b>	<b>53,988,111</b>	<b>28,846,122</b>	<b>25,141,989</b>
Noncurrent:					
Long-term advance	\$ 200,000	\$ -	\$ 200,000	\$ 300,000	\$ (100,000)
Compensated absences	183,269	14,463	197,732	92,178	105,554
Long-term debt	190,273,559	1,713,203	191,986,762	191,553,101	433,661
Net pension liability	3,601,365	189,546	3,790,911	3,931,792	(140,881)
<b>Total Noncurrent Liabilities</b>	<b>194,258,193</b>	<b>1,917,212</b>	<b>196,175,405</b>	<b>195,877,071</b>	<b>298,334</b>
<b>Total Liabilities</b>	<b>246,718,119</b>	<b>3,445,397</b>	<b>250,163,516</b>	<b>224,723,193</b>	<b>25,440,323</b>
<b>Deferred Inflows of Resources:</b>					
Deferred inflow related to Leasor	\$ 6,267,370	\$ -	\$ 6,267,370	\$ 231,524	\$ 6,035,846
Deferred inflow related to net pension liability	22,337	1,176	23,513	63,067	(39,554)
<b>Total Deferred inflows of Resources</b>	<b>6,289,707</b>	<b>1,176</b>	<b>6,290,883</b>	<b>294,591</b>	<b>5,996,292</b>
Net position:					
Net investment in capital assets	\$ (37,502,769)	\$ 5,698,928	\$ (31,803,841)	\$ (27,002,372)	\$ (4,801,469)
Restricted for debt service	336,920	-	336,920	9,544,725	(9,207,805)
Unrestricted	(17,572,008)	19,130,533	1,558,525	(6,766,428)	8,324,953
<b>Total Net Position</b>	<b>\$ (54,737,857)</b>	<b>\$ 24,829,461</b>	<b>\$ (29,908,396)</b>	<b>\$ (24,224,075)</b>	<b>\$ (5,684,321)</b>

## IV. FINANCIAL ANALYSIS

### A. Statistical and Fiscal Trends

During FY 2025 the Rose Bowl stadium hosted 20 displacement events and 11 Flea Market events with a combined attendance of 868,000, as well as 119 enterprise events including: runs/walks, food truck events, parties, graduations, and filming. The largest events attended were the Rose Bowl Game with 80,400 attendees on January 1, 2025, the July 4<sup>th</sup> LA Galaxy match and drone show with 56,400 attendees, and the AC/DC concert with 50,000 attendees. Also, the 6 FIFA Club world Cup matches and 1 Mexico-New Zealand match averaged 40,400 per event; 6 UCLA Football games averaged 22,500 per event, 4 Music Festivals averaged 20,900 per event and 11 Flea Market events averaged 16,100 per event.

#### ROSE BOWL OPERATING COMPANY EVENT STATISTICS: EVENT MIX YEAR ENDING JUNE 30, 2025

Major/Displacement		(1)					(2)		2025 Budget	Trend line
Major Event	Event Type	2019	2020	2021	2022	2023	2024	2025		
1	UCLA	7	6	4	7	8	6	6	6	
2	Rose Bowl Game	1	1	0	1	1	1	1	1	
3	Music Festival	0	1	0	5	10	4	4	8	
4	Concerts	5	1	0	0	2	4	1	3	
5	Soccer Matches	2	1	0	0	2	3	7	1	
6	4th of July Soccer (Celebration)	1	1	0	1	1	1	1	1	
Total Major/Displacement		16	11	4	14	24	19	20	20	
Flea Market		12	9	3	12	12	12	11	12	
Number of Enterprise Events		178	125	111	132	142	159	119	140	

(1) 2020-2022 with COVID impacts

(2) 2025 results Impacted by the Eaton Fires in January 2025.

#### EVENT STATISTICS: EVENT ATTENDANCE YEAR ENDING JUNE 30, 2025

Major/Displacement		(1)					(2)		2025 Budget	Trend line
Major Event	Event Type	2019	2020	2021	2022	2023	2024	2025		
1	UCLA	251,486	137,860	-	227,500	153,063	150,760	135,385	135,492	
2	Rose Bowl Game	84,313	69,814	-	78,345	75,284	86,081	80,397	75,000	
3	Music Festival	-	25,092	-	108,884	224,644	95,787	83,736	187,731	
4	Concerts	264,342	55,534	-	-	16,853	250,086	50,155	155,458	
5	Soccer Matches	111,252	34,019	-	-	126,037	141,466	283,331	49,745	
6	Americafest 4th of July Celebration	17,744	17,924	-	14,569	10,639	60,795	56,436	60,795	
Total Major/Displacement		729,137	340,243	-	429,298	606,520	784,975	689,440	664,221	
Flea Market		153,585	126,674	60,176	209,616	212,616	230,609	177,608	213,784	
Total Attendance		882,722	466,917	60,176	638,914	819,136	1,015,584	867,048	878,005	

(1) 2020-2022 with COVID impacts

(2) 2025 results Impacted by the Eaton Fires in January 2025.

## FINANCIAL ANALYSIS (Continued)

### Stadium / Golf Complex Net Event Income Comparison:

Stadium net event income for FY 2025 was \$20.5 million, next closest historical high was FY 2014 which was \$21.4 million. Highlights include football net event income of \$10.7 million made up of UCLA \$4.8 million and the 111<sup>th</sup> Rose Bowl Game quarterfinal hosting Ohio State vs. Oregon which drove an all-time high net event income of \$5.9 million. The Music Festival contract, in the 4th year of the 7-year contract, yielded \$3.1 million in net event income. During FY 2025 the Rose Bowl hosted (9) nine Other Major events (8 soccer matches, and 1 concert) with a combined \$3.6 million net event income, which included a July 4<sup>th</sup> celebration/soccer match which netted \$108,000. Other/Events Reconciliation/Development costs of \$267,600 included an RBOC share settlement of the Party of the Century contribution and other prior year adjustments.

Enterprise events' net income during FY 2025 was \$1.6 million, after business losses of \$282,000 mainly due to the January Eaton Fires. The average per enterprise event net income was approximately \$13,300, consistent with prior years.

The Flea Market operated a net event income of \$1.634 million for 11 events with the loss of the January event due to the Eaton Fires events, Average Net Event Income of \$148,500 per event, consistent with prior years.

ROSE BOWL OPERATING COMPANY NET EVENTS INCOME COMPARISON YEAR ENDING JUNE 30, 2025										
	(1)				(2)				2025 Budget	Trend line
Summary Net Event Income	2019	2020	2021	2022	2023	2024	2025	2025 Budget		
Stadium	\$ 15,951,579	\$ 14,724,361	\$ 3,666,040	\$ 14,314,999	\$ 18,488,455	\$ 21,399,480	\$ 20,490,541	\$ 20,461,295		
Golf	154,399	61,638	2,407	261,179	25,496	329,967	-	-		
Combined Net Event Income:	16,105,978	14,785,999	3,668,447	14,576,177	18,513,951	21,729,447	20,490,541	20,461,295		
	COVID IMPACTED 2020 to 2022									
Major/Displacement Events - Fiscal	2019	2020	2021	2022	2023	2024	2025	2025 Budget		
Event Count	16	11	4	14	24	19	20	20		
1. UCLA	\$ 4,429,625	\$ 4,346,696	\$ 635,891	\$ 4,752,393	\$ 3,982,199	\$ 4,318,696	\$ 4,886,463	\$ 5,801,446		
2. Rose Bowl Game	4,950,473	4,439,981	690,739	5,064,791	5,223,832	5,616,510	5,912,049	4,560,790		
3. Music Festival	-	2,845,446	-	1,378,330	4,335,027	1,639,667	3,119,441	3,279,867		
4. Concerts	3,497,195	856,401	-	-	854,683	4,646,231	648,666	2,782,749		
5. Soccer	837,639	297,691	-	-	1,233,319	1,416,273	2,866,985	342,531		
6. July 4th Soccer (or Celebration)	(170,869)	(168,665)	-	-	(467,987)	413,981	107,962	363,719		
7. Other/Event Reconciliations/Development	(205,238)	(46,639)	70,844	(113,777)	(136,883)	(43,774)	(267,653)	-		
Total Major/Displacement Events Net Income	13,338,825	12,570,911	1,397,474	11,081,737	15,024,190	18,007,584	17,273,913	17,131,102		
Enterprise Events										
1. Stadium	\$ 1,554,854	\$ 1,286,037	\$ 1,973,262	\$ 1,657,630	\$ 1,723,749	\$ 1,535,046	\$ 1,582,550	\$ 1,700,000		
2. Golf Complex	154,399	61,638	2,407	261,179	25,496	329,967	-	-		
Total Enterprise Events Net Income:	1,709,253	1,347,675	1,975,669	1,918,809	1,749,246	1,865,012	1,582,550	1,700,000		
Flea Market	\$ 1,057,900	\$ 867,413	\$ 295,304	\$ 1,575,632	\$ 1,740,516	\$ 1,856,850	\$ 1,634,078	\$ 1,630,193		
Total Net Event Income:	\$ 16,105,978	\$ 14,785,999	\$ 3,668,447	\$ 14,576,177	\$ 18,513,951	\$ 21,729,447	\$ 20,490,541	\$ 20,461,295		
Average Net Event Income (by Event Type)										
Displacement Event	\$ 833,677	\$ 1,142,810	\$ 349,369	\$ 791,553	\$ 626,008	\$ 947,768	\$ 863,696	\$ 856,555		
Enterprise Events	9,603	10,781	17,799	14,536	12,319	12,351	13,299	11,258		
Flea Market	88,158	96,379	98,435	131,303	145,043	154,738	148,553	135,849		

(1) 2020-2022 with COVID impacts

(2) 2025 results Impacted by the Eaton Fires in January 2025.

Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

### Golf Complex Key Statistics:

Brookside Golf Complex continues efforts to balance demand, course availability (given commitments to displacement events), competitive pricing, reinvestment in course health, renovation, and future business concepts. Below are key statistics utilized to manage the golf course financial performance:

- Total golf rounds of 126,700 generated a gross course revenue of \$7.1 million. Total Revenues per Round of \$55.95 increased from \$52.44 in FY 2024 (Average per Round plus Average Range Fee Per Round).
- A rounds per day average of 456 rounds reflects the gradual decline of demand since 2021.
- Playable days decreased to 278 days given the closure in the month of January due to the Eaton Fires as well as the 20 displacement events days (which displaces golf several days in event load in-out etc.).

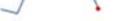
#### ROSE BOWL OPERATING COMPANY GOLF COURSE STATISTICS / GROSS GOLF REVENUES YEAR ENDING JUNE 30, 2025

Key Statistics	2019	(1)				2023	2024	(2)		2025 Budget	Trend line
		2020	2021	2022	2025						
Rounds	135,945	117,204	179,280	158,559	135,144	139,356	126,764		140,200		
Playable Days	321	278	353	327	286	303	278		310		
Rounds/Day	423	422	508	485	473	460	456		452		
Average Per Round	\$ 27.01	\$ 30.12	\$ 35.24	\$ 38.30	\$ 42.66	\$ 46.89	\$ 50.21		\$ 47.60		
Average Range Fees Per Round	\$ 4.43	\$ 4.68	\$ 4.56	\$ 4.83	\$ 5.96	\$ 5.55	\$ 5.74		\$ 5.38		
Total Revenue Per Round	\$ 31.44	\$ 34.80	\$ 39.80	\$ 43.13	\$ 48.62	\$ 52.44	\$ 55.95		\$ 52.98		
Gross Golf Revenues (in millions)	\$4.3	\$4.1	\$7.1	\$6.8	\$6.6	\$7.3	\$7.1		\$7.4		

(1) 2020-2022 with COVID impacts  
(2) 2025 results Impacted by the Eaton Fires in January 2025.

Golf Complex Net Income (made up of the below operating units) was \$1.3 million for FY 2025; with key drivers from Golf Course, Displacement/Parking, Cost recoveries, Non-Operating Revenues/Expenses and Overhead expenses (including Preventative Maintenance). Much of the misses to prior year and budget was due to the Eaton Fires impact.

#### ROSE BOWL OPERATING COMPANY GOLF COMPLEX OPERATING NET INCOME (Modified Accrual) YEAR ENDING JUNE 30, 2025

Fiscal Year	2019	(1)				2023	2024	(2)		2025 Budget	Trend line
		2020	2021	2022	2025						
Golf Complex Net Income by Unit											
Golf Course	\$ 988,898	\$ 812,838	\$ 2,487,962	\$ 2,207,591	\$ 2,145,446	\$ 2,554,345	\$ 998,605		\$ 1,857,180		
Restaurant	449,091	310,978	188,677	379,412	167,549	428,660	355,007		723,866		
Displacement / Parking	436,438	289,714	-	765,084	1,180,918	810,203	1,037,669		1,398,000		
Enterprise Events	115,484	31,467	2,407	261,179	25,496	421,128	-		-		
Pro shop	16,338	11,371	32,628	127,246	186,901	214,965	235,600		240,780		
Cost recoveries (non-event)	53,910	61,695	-	(144,272)	-	-	165,000		-		
Other Non-operating Revenues / Expense (3)	156,912	97,010	18,496	(156,341)	16,055	270,742	459,892		-		
Overhead Expenses	(787,464)	(715,138)	(830,476)	(932,672)	(973,471)	(1,398,829)	(1,951,429)		(1,288,440)		
Total Complex Net Income:	\$ 1,429,608	\$ 899,935	\$ 1,899,694	\$ 2,507,227	\$ 2,748,894	\$ 3,301,214	\$ 1,300,344		\$ 2,931,387		

(1) 2020-2022 with COVID impacts  
(2) Fiscal results Impacted by the Eaton Fires in January 2025.  
(3) 2025 Troon \$1M is reserved to capital and is not reported in Other Non-operating Revenues.

Trend line represents high and current point.

**FINANCIAL ANALYSIS (Continued)**

**B. Revenue/Expense, Net Event and Operations Income comparison (Stadium and Golf Complex)**

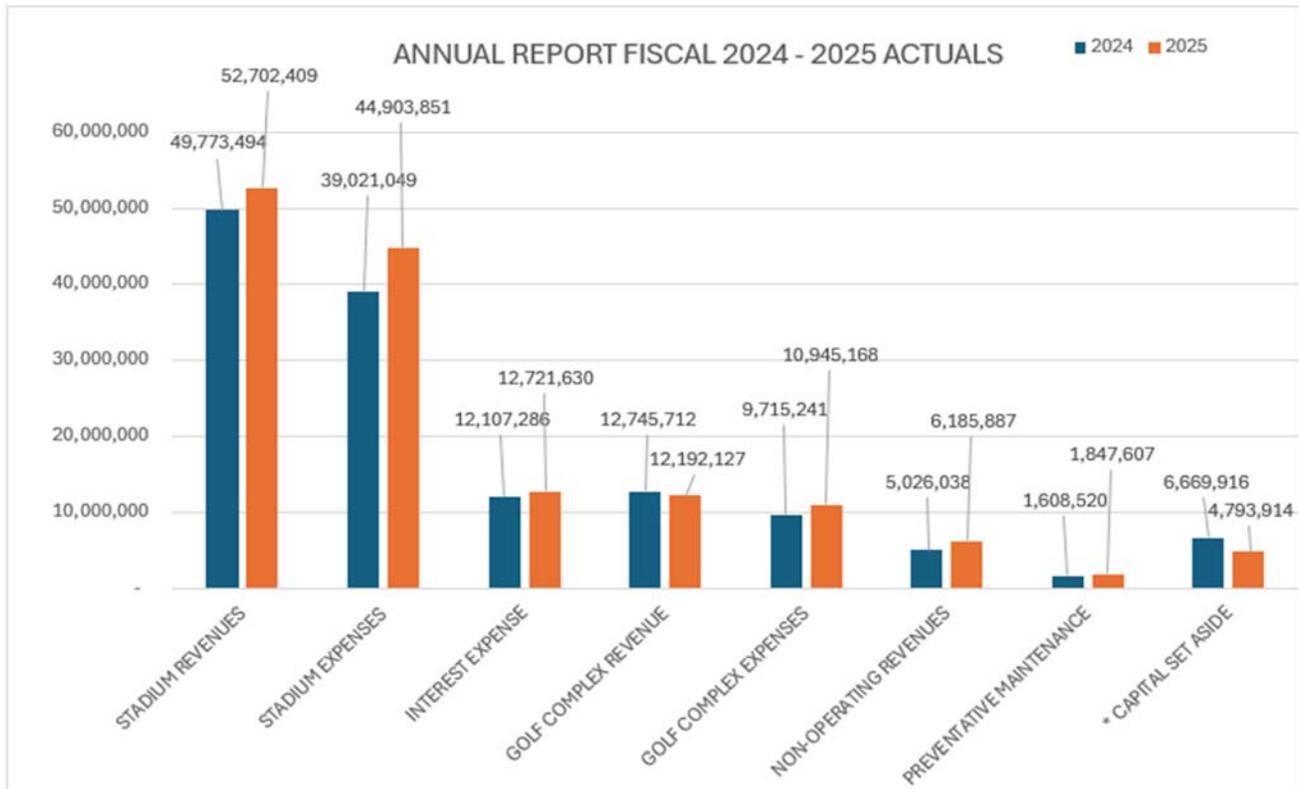
The chart and associated table below are comparisons of FY 2024 to FY 2025 revenues, expenses, debt service (Net), preventative maintenance expenditures and capital set aside (or designation from operations for preventative maintenance).

**Revenues, Expenses, Debt Service (Net), and Preventative Maintenance Fiscal Years 2024 and 2025:**

ROSE BOWL OPERATING COMPANY  
ANNUAL REPORT (FISCAL 2024 - 2025 ACTUAL)  
YEAR ENDING JUNE 30, 2025

FISCAL YEAR:	2024	2025	Y to Y Var
REVENUES	67,545,244	71,080,423	3,535,180
EXPENSES	62,452,096	70,418,257	7,966,160
Net (Excluding Capital Set aside)	5,093,147	662,167	(4,430,981)
STADIUM REVENUES	49,773,494	52,702,409	2,928,915
STADIUM EXPENSES	39,021,049	44,903,851	5,882,802
INTEREST EXPENSE	12,107,286	12,721,630	614,344
GOLF COMPLEX REVENUE	12,745,712	12,192,127	(553,585)
GOLF COMPLEX EXPENSES	9,715,241	10,945,168	1,229,927
NON-OPERATING REVENUES	5,026,038	6,185,887	1,159,850
PREVENTATIVE MAINTENANCE	1,608,520	1,847,607	239,087
* CAPITAL SET ASIDE	6,669,916	4,793,914	(1,876,003)

\* SET ASIDE FOR FUTURE CAPITAL.



Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

### Combined Net Event and Operations Income Comparison 7-Years:

Operating analysis excluding Depreciation and Nonoperating Contributions/Revenues

ROSE BOWL OPERATING COMPANY STATEMENT OF OPERATING REVENUES, EXPENSES, AND NET OPERATING INCOME(LOSS) - MODIFIED ACCRUAL YEAR ENDING JUNE 30, 2025									
	(1)				(2)				
SUMMARY	2019	2020	2021	2022	2023	2024	2025	2025 Budget	Trend line
Stadium Net Event and Operations Income/(Loss)	\$ (3,062,188)	\$ (4,265,643)	\$ (2,131,684)	\$ 3,886,516	\$ (1,174,867)	\$ 3,311,651	\$ (638,177)	\$ (3,265,229)	
Golf Net Operations Income/(Loss)	1,429,608	899,935	1,899,719	2,507,230	2,748,894	3,301,214	1,300,344	2,931,387	
<b>Combined Stadium and Golf Net Operating Income/(Loss)</b>	<b>\$ (1,632,579)</b>	<b>\$ (3,365,708)</b>	<b>\$ (231,965)</b>	<b>\$ 6,393,745</b>	<b>\$ 1,574,028</b>	<b>\$ 6,612,865</b>	<b>\$ 662,167</b>	<b>\$ (333,842)</b>	
Less Operating Reserve Policy	Unadjusted				(2,443,133)	(677,092)	(697,803)	(253,245)	
PM/Capital Reserve	Unadjusted				(1,944,000)	(842,626)	(324,971)	(582,115)	
* Less Capital Reserve Policy	Unadjusted				-	(5,093,147)	-	-	
<b>Net Operations after Reserve</b>	<b>\$ (1,632,579)</b>	<b>\$ (3,365,708)</b>	<b>\$ (231,965)</b>	<b>\$ 6,393,745</b>	<b>\$ (2,813,105)</b>	<b>-</b>	<b>\$ (360,606)</b>	<b>\$ (1,169,202)</b>	

(1) 2020-2022 with COVID impacts

(2) Total Fiscal results Impacted by approx. \$3.1M due to the Eaton Fires in January 2025.

\* Effective FY24 Forward - RBOC Reserve Policy requires Operating Net Income designated to Capital Reserves.

### Stadium

The FY 2025 Net Event Income was \$20.5 million and overhead expenses were \$14.1 million. Investment gain/interest expense and Non-Operating Revenues (Non-Capital) were \$5.7 million, and Debt Service, Net of expenses was \$12.7 million- for a Net Operating loss of \$638,000 for the Stadium. The Stadium Net Operating loss (\$638,000) was less than budgeted loss of (\$3.3) million – even after the impacts of the Eaton Fires, estimated to be \$1.55 million.

DETAILS										
	(1)				(2)					
Stadium Net Event and Operations Income/(Loss)	2019	2020	2021	2022	2023	2024	2025	2025 Budget	Trend line	
Operating Revenues / Expenses	\$ 36,227,585	\$ 27,935,904	\$ 8,087,414	\$ 30,225,641	\$ 41,941,449	\$ 49,773,494	\$ 52,702,409	\$ 50,989,289		
Events and parking expenses	(20,959,597)	(13,214,188)	(4,421,388)	(15,910,642)	(23,452,983)	(28,234,962)	(32,211,866)	(30,527,994)		
<b>Net Event Income:</b>	<b>15,267,988</b>	<b>14,721,716</b>	<b>3,666,026</b>	<b>14,314,999</b>	<b>18,488,466</b>	<b>21,538,532</b>	<b>20,490,543</b>	<b>20,461,295</b>		
<b>Overhead Expenses</b>										
Salaries and benefits	\$ (4,259,886)	\$ (4,706,761)	\$ (3,580,237)	\$ (4,289,386)	\$ (4,325,575)	\$ (5,132,757)	(5,650,635)	(5,909,064)		
Preventative Maintenance		(Effective 2025 moved from Capital to Operating Budget)						(1,441,100)	(1,491,572)	
General and administrative	(3,982,472)	(4,225,832)	(3,610,074)	(5,160,941)	(4,889,751)	(5,653,329)	(7,041,350)	(7,098,126)		
<b>Subtotal Overhead Expenses</b>	<b>\$ (8,242,358)</b>	<b>\$ (8,932,593)</b>	<b>\$ (7,190,311)</b>	<b>\$ (9,450,327)</b>	<b>\$ (9,215,326)</b>	<b>\$ (10,786,086)</b>	<b>\$ (14,133,085)</b>	<b>\$ (14,498,762)</b>		
<b>Net Event and Operations Income</b>	<b>7,025,630</b>	<b>5,789,123</b>	<b>(3,524,285)</b>	<b>4,864,671</b>	<b>9,273,140</b>	<b>10,752,445</b>	<b>6,357,458</b>	<b>5,962,532</b>		
Before Non Operating/Capital contributions, Bond subsidies, Depreciation and Annual PERs Valuation Adjust										
Investment Gain/(Loss), Other Operating Revenues	696,536	863,381	(122,228)	31,596	620,492	1,798,702	1,464,305	-		
Non-Operating Revenues (Non-Capital)(3)	1,433,995	1,183,725	1,514,830	1,517,054	2,263,357	2,241,573	4,255,462	3,888,423		
Debt Service, Net	(12,218,348)	(12,101,872)	-	(2,526,806)	(13,331,856)	(11,481,069)	(12,715,402)	(13,116,184)		
Investment Gain/Interest Expense	(10,087,817)	(10,054,766)	1,392,601	(978,156)	(10,448,007)	(7,440,794)	(6,995,635)	(9,227,761)		
<b>Stadium Net Event and Operations Income/(Loss)</b>	<b>\$ (3,062,188)</b>	<b>\$ (4,265,643)</b>	<b>\$ (2,131,684)</b>	<b>\$ 3,886,516</b>	<b>\$ (1,174,867)</b>	<b>\$ 3,311,651</b>	<b>\$ (638,177)</b>	<b>\$ (3,265,229)</b>		

(1) 2020-2022 with COVID impacts

(2) Stadium Fiscal results Impacted by approx. \$1.55M due to the Eaton Fires in January 2025.

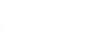
(3) Non-Operating Revenues (Non-Capital) - Prior years updated in Report to include Modified Accrual assumptions.

Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

### Golf Complex

Golf Complex Net Operating Income was \$1.3 million with Eaton Fires impacting Complex Net by approx. \$1.55M of lost revenues and increased expenses. Another, lesser impactful, driver to the budget miss was the transition to a new Golf Operator.

DETAILS	(1)				(2)			2025 Budget	Trend line	
Golf Net Operations Income /(Loss)	2019	2020	2021	2022	2023	2024	2025			
<b>Operating Revenues</b>										
Green fees and other golf revenues	\$ 4,302,350	\$ 4,131,359	\$ 7,137,906	\$ 6,830,452	\$ 6,570,865	\$ 7,304,652	\$ 7,093,543	\$ 7,427,796		
Green fees and other golf expenses	(3,313,453)	(3,318,521)	(4,649,944)	(4,622,862)	(4,425,419)	(4,750,307)	(6,094,938)	(5,570,616)		
<b>Golf Course Net Income</b>	<b>988,897</b>	<b>812,838</b>	<b>2,487,962</b>	<b>2,207,591</b>	<b>2,145,446</b>	<b>2,554,345</b>	<b>998,605</b>	<b>1,857,180</b>		
<b>Ancillary Net Income:</b>										
Restaurant	449,089	310,978	188,677	379,412	167,549	428,660	355,007	723,866		
Parking/Displacement	436,438	289,714	-	580,290	1,180,918	810,203	1,037,669	1,398,000		
Golf Enterprise Events	115,489	31,467	2,432	261,179	25,496	421,128	-	-		
Pro shop	16,338	11,371	32,628	127,246	186,901	214,965	235,600	240,780		
Cost Recovery (non-event)	53,910	61,695	-	40,522	-	-	165,000	-		
<b>Ancillary Net Income</b>	<b>1,071,264</b>	<b>705,225</b>	<b>223,737</b>	<b>1,388,650</b>	<b>1,560,864</b>	<b>1,874,956</b>	<b>1,793,276</b>	<b>2,362,646</b>		
<b>Operating Expenses</b>										
Salaries and benefits	(249,380)	(226,669)	(222,492)	(268,362)	(264,371)	(298,800)	(316,586)	(309,358)		
Preventative Maintenance	(Effective 2025 moved from Capital to Operating Budget)						(406,507)	(422,000)		
General and administrative	(538,084)	(488,469)	(607,984)	(664,309)	(709,100)	(1,100,029)	(1,228,336)	(557,082)		
<b>Total Overhead Expenses:</b>	<b>(787,464)</b>	<b>(715,138)</b>	<b>(830,476)</b>	<b>(932,671)</b>	<b>(973,471)</b>	<b>(1,398,829)</b>	<b>(1,951,429)</b>	<b>(1,288,440)</b>		
Before Non Operating/Capital contributions, Depreciation and Annual PERs Valuation Adjustment										
Investment Gain /(Loss)	156,912	97,010	18,496	(156,341)	16,055	470,742	459,892	-		
Non-Operating Revenues (Non-Capital) (3)							(200,000)	-	-	
<b>Golf Net Operations Income /(Loss)</b>	<b>\$ 1,429,608</b>	<b>\$ 899,935</b>	<b>\$ 1,899,719</b>	<b>\$ 2,507,230</b>	<b>\$ 2,748,894</b>	<b>\$ 3,301,214</b>	<b>\$ 1,300,344</b>	<b>\$ 2,931,387</b>		

(1) 2020-2022 with COVID impacts

(2) Golf Fiscal results Impacted by approx. \$1.55M due to the Eaton Fires in January 2025.

(3) 2025 Troon \$1M reserved for capital.

Significant Year to Year changes:

Four (4) key areas impacting Golf Net Operating Income included:

- Golf Course Net Income of \$998,600, missing budget by \$877,000, due to increased water costs and fires
- Ancillary Net Income of \$1.8 million missing budget by \$569,000 due to fires and transition to new operator
- Operating Expenses of \$1.9 million, missing budget by \$663,000 mainly due to fires and insurance costs.
- Investment Gains were \$459,900 mainly due to Golf invested cash on hand.

### **C. Expense Comparison**

The RBOC has 5 key areas of operating expenses: Event Expenses, Stadium Overhead, Debt Service, Golf Complex Overhead and Golf Course Direct expenses. Many of these expenses have experienced increases due to changes in market demand, driving costs higher than the cost-of-living adjustments (COLA). Key areas of increases include market costs of retaining industry experienced staff, professional and contracted services in areas such as information technology, business development and legal services.

Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

### Stadium Overhead Expenses:

Year to year - Stadium overhead expenses increased by \$1.7 million to \$12.9 million mainly due to:

- Eaton Fires mainly impacted the Contracted Services category by \$280,000 of the \$390,000 Increase.
- Salaries and benefits increased by \$518,000 in FY 2025: \$188,200 due to COLA, \$122,700 due to promotions and market adjustments and \$207,000 due to Benefits cost increases (note Salaries and benefits were less than Budget by \$258,000 due to 4.5 open FTEs during the Fiscal Year).
- Annual PERs Valuation was \$161,000 based on adjustment of Cal-Pers policy valuation.
- General and Administrative increased by \$764,000 mainly due to Contracted Services, Insurance, Utilities, and Professional Services in Legal, HR, IT and strategic services.

FY 2025 to Budget comparison - Stadium overhead expenses are less than budget by \$154,000.

ROSE BOWL OPERATING COMPANY  
STADIUM OVERHEAD EXPENSES  
YEAR ENDING JUNE 30, 2025

#### Overhead Expenses: Stadium

Fiscal Year:	2019	(1)				2023	(2)		2025 Budget	Current Yr % of Total	Trend line
		2020	2021	2022	2024		2025				
<b>Summary Category Expenses</b>											
Salaries and benefits (Overhead)	\$ 4,224,538	\$ 4,532,667	\$ 3,565,660	\$ 4,289,386	\$ 4,325,575	\$ 5,132,756	\$ 5,650,635	\$ 5,909,064	44.0%		
Annual PERs Valuation Adj	-	-	-	(182,143)	111,533	379,247	161,013	-	1.3%		
General and administrative	3,948,920	5,064,065	4,029,063	5,160,941	4,889,751	5,653,329	7,041,350	7,098,126	54.8%		
<b>Stadium Total Overhead Expense:</b>	<b>\$ 8,173,458</b>	<b>\$ 9,596,733</b>	<b>\$ 7,594,722</b>	<b>\$ 9,268,184</b>	<b>\$ 9,326,859</b>	<b>\$ 11,165,332</b>	<b>\$ 12,852,998</b>	<b>\$ 13,007,190</b>			
Preventative Maintenance (3)	747,034	485,337	840,501	1,166,639	1,333,444	1,465,840	1,441,100	1,491,572			

(1) COVID Impacted.

(2) Eaton Fires Impacts mainly Contracted Services, with other increases in Insurance, Utilities and Professional Services were due to Legal, HR, IT and strategic planning

(3) Effective 2025 moved from Capital to Operating Budget Expense.

#### STADIUM DETAILS:

##### Salaries & Benefits

Salaries & Taxes	\$ 2,959,005	\$ 3,188,855	\$ 2,544,660	\$ 3,063,475	\$ 3,201,828	\$ 3,724,611	\$ 4,035,465	\$ 4,354,997	71%	
Benefits	1,300,880	1,517,907	1,036,239	1,225,929	1,123,747	1,408,145	1,615,170	1,554,067	23%	
<b>Total Salaries &amp; Benefits</b>	<b>\$ 4,259,886</b>	<b>\$ 4,706,761</b>	<b>\$ 3,580,899</b>	<b>\$ 4,289,403</b>	<b>\$ 4,325,575</b>	<b>\$ 5,132,756</b>	<b>\$ 5,650,635</b>	<b>\$ 5,909,064</b>		
Annual PERs Valuation Adj	126,626	196,614	244,916	(182,143)	111,533	379,247	161,013	-		

#### STADIUM DETAILS:

##### General and administrative:

Utilities: Water, gas, power, refuse	\$ 1,278,771	\$ 1,426,906	\$ 1,319,565	\$ 1,481,509	\$ 1,587,769	\$ 1,851,475	\$ 2,006,568	\$ 1,749,805	28%	
Professional Services: City Legal, HR, IT, Contract Negotiation Support, Staff Development	782,595	789,218	880,712	1,497,174	876,079	778,425	1,103,166	1,207,857	16%	
Professional Services: Government Affairs	-	-	-	45,000	127,500	215,889	212,233	242,263	3%	
Contracted Services: Admin Support, Plumbing, Electrical, Pest Control, Janitorial, Landscaping, Security, Fleet/Fuel Maintenance, etc..	801,162	752,821	644,014	759,031	789,573	667,450	1,057,459	1,057,709	15%	
Repair and maintenance: Elevator, Landscaping, Equipment, Electricians, Plumbers, HVAC, Locksmith and City Internal Services (structural maintenance etc.)	90,642	87,935	51,790	43,667	66,606	273,144	330,392	425,388	5%	
Insurance	96,387	122,867	205,059	375,740	400,749	563,382	808,644	908,426	11%	
Premium Seating Sales / Contract Services	275,283	313,835	193,730	304,298	455,383	390,634	542,178	447,354	8%	
Operating Leases/Rental Expense: Vehicles, Office Equipment, Storage, etc..	162,113	279,324	122,904	138,237	169,498	179,337	181,156	256,222	3%	
Other: Advertising, dues, permits, banking fees.	218,090	194,915	102,622	297,983	206,255	368,533	448,339	472,636	6%	
Supplies: Medical, vehicle parts, electrical, plumbing equipment, general (ie office/postage, reference materials, communications/conferencing)	243,878	221,462	89,677	218,302	210,340	365,061	351,215	330,466	5%	
<b>Total General and administrative:</b>	<b>\$ 3,948,920</b>	<b>\$ 4,189,282</b>	<b>\$ 3,610,074</b>	<b>\$ 5,160,941</b>	<b>\$ 4,889,751</b>	<b>\$ 5,653,329</b>	<b>\$ 7,041,350</b>	<b>\$ 7,098,126</b>		

Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

### Golf Complex Overhead:

Year to Year – Golf 2025 Overhead Budget assumed \$650,000 of expenses moved from Complex Overhead to Golf Course expenses, which is why General and administrative expenses were reduced from \$1.1 million in 2024 to 2025 budget \$557,000. Golf overhead expenses managed to the budget with the miss mainly due to the Eaton fires in contracted service expenses of \$650,000.

ROSE BOWL OPERATING COMPANY  
GOLF COMPLEX OVERHEAD EXPENSES  
YEAR ENDING JUNE 30, 2025

#### Overhead Expenses: Golf Complex

Summary Category Expenses	(1)				(2)				2025 Budget	Current Yr % of Total
	2019	2020	2021	2022	2023	2024	2025			
Salaries and benefits (Overhead)	\$ 249,378	\$ 226,669	\$ 222,491	\$ 268,363	\$ 264,368	\$ 298,800	\$ 316,586	\$ 309,357	20.2%	
Annual PERs Valuation Adj	-	-	(4,653)	(180,044)	7,140	12,131	22,797	-	1.5%	
General and administrative	538,080	495,244	607,761	664,309	709,101	1,100,029	1,228,336	557,082	78.4%	
<b>Golf Complex Total Overhead Expense:</b>	<b>\$ 787,459</b>	<b>\$ 721,913</b>	<b>\$ 825,599</b>	<b>\$ 752,628</b>	<b>\$ 980,610</b>	<b>\$ 1,410,960</b>	<b>\$ 1,567,719</b>	<b>\$ 866,440</b>		
<b>Preventative Maintenance (3)</b>	<b>270,072</b>	<b>338,733</b>	<b>318,911</b>	<b>102,609</b>	<b>251,821</b>	<b>142,680</b>	<b>406,507</b>	<b>422,000</b>		

(1) COVID Impacted,

(2) Eaton Fires Impacts mainly: Contracted Services.

(3) Effective 2025 moved from Capital to Operating Budget Expense.

#### DETAILS:

##### Payroll & Benefits

Salaries & Taxes	\$ 190,913	\$ 191,443	\$ 186,753	\$ 211,956	\$ 225,359	\$ 246,730	\$ 221,645	\$ 207,837	67%
Benefits	58,465	35,226	35,739	56,407	39,010	52,070	94,941	101,521	33%
<b>Subtotal Payroll &amp; Benefits</b>	<b>\$ 249,378</b>	<b>\$ 226,669</b>	<b>\$ 222,491</b>	<b>\$ 268,363</b>	<b>\$ 264,368</b>	<b>\$ 298,800</b>	<b>\$ 316,586</b>	<b>\$ 309,357</b>	
Annual PERs Valuation Adj	7,167	8,079	(4,653)	(180,044)	7,140	12,131	22,797	-	

##### General and administrative:

Utilities: Water, gas, power, refuse	\$ 167,298	\$ 173,145	\$ 163,443	\$ 215,578	\$ 199,809	\$ 230,494	\$ 601	\$ -	0%
Professional Services: City Legal, HR, IT, Contract Negotiation Support, Staff Development	74,981	42,000	27,000	37,160	44,163	94,974	-	-	
Contracted Services: Admin Support, Plumbing, Electrical, Pest Control, Janitorial, Landscaping, Security, Fleet/Fuel Maintenance, etc..	179,964	192,890	297,778	187,853	267,111	282,923	650,307	17,091	53%
Insurance	3,288	3,224	6,285	7,252	7,956	319,821	447,245	417,141	36%
Repair and Maintenance: Elevator, Landscaping, Equipment, Electricians, Plumbers, HVAC, Locksmith and City Internal Services (structural maintenance etc)	34,272	39,104	58,427	73,428	47,028	20,383	-	4,709	-
Operating Leases/Rental Expense: Vehicles, Office Equipment, Storage, etc..	388	390	1,348	1,168	-	18,776	10,425	5,212	1%
Other: Advertising, dues, permits, banking fees.	30,102	12,754	11,744	38,501	57,449	45,960	53,024	57,025	4%
Supplies: Medical, vehicle parts, electrical, plumbing equipment, general (ie office/postage, reference materials, communications/conferencing)	47,786	31,737	41,737	103,368	85,585	86,698	66,734	55,904	5%
<b>Subtotal Services &amp; Supplies:</b>	<b>\$ 538,080</b>	<b>\$ 495,244</b>	<b>\$ 607,761</b>	<b>\$ 664,309</b>	<b>\$ 709,101</b>	<b>\$ 1,100,029</b>	<b>\$ 1,228,336</b>	<b>\$ 557,082</b>	

### Golf Course Expense:

Troon Management is contracted to oversee the Golf Course and Complex operations and expenses. Year to Year expenses increased by \$1.3 million mainly due to 2 major occurrences. (1) Salaries and Benefits of \$650,000 in prior year were part of Complex expenses (managed by RBOC staff) - are now managed by Troon. (2) \$650,000 are increases in General and Administrative expenses mainly due to:

*Trend line represents high and current point.*

## Golf Course Expense (Continued)

- Eaton Fire driven contracted services expenses \$319,000
- Water rates increase \$304,000
- Gas, power, phone and refuse rate increases \$216,000
- Operating leases increases \$17,600
- Lower Leases, supplies and commissions (\$210,000)

Golf Course Expenses	Fiscal Year:	(1)							(2)		2025 Budget	2025 % of Course Expenses
		2018 N/A Lease	2019	2020	2021	2022	2023	2024	2025			
<b>Summary Category Expenses</b>												
Salaries and benefits (Overhead)	-	1,364,904	1,261,921	1,593,564	1,539,958	1,860,354	2,028,737	2,671,444	2,423,760	44%		
General and administrative	-	1,948,548	2,056,770	3,056,380	3,601,256	2,565,065	2,721,570	3,423,494	3,146,855	56%		
<b>Total Golf Course Direct Expenses</b>		<b>3,313,451</b>	<b>3,318,691</b>	<b>4,649,944</b>	<b>5,141,214</b>	<b>4,425,419</b>	<b>4,750,307</b>	<b>6,094,938</b>	<b>5,570,616</b>			
(1) COVID Impacted.												
(2) Troon transition increased benefits/taxes, Other advertising. Eaton Fires Impacts increased salaries and contracted services. Increase in utilities due to rates.												
<b>Payroll &amp; Benefits</b>												
Salaries and benefits (Overhead)	-	1,364,904	1,261,921	1,593,564	1,539,958	1,860,354	2,028,737	2,671,444	2,423,760	44%		
<b>General and administrative:</b>												
Utilities (Water)		755,365	1,003,474	1,176,021	1,064,273	783,428	906,498	1,210,489	1,071,000	19%		
Utilities: (Gas, power, phone, refuse)		109,145	95,792	110,146	91,028	101,029	113,434	329,533	359,945	6%		
Operating Leases/Rental Expense: Vehicles, Office Equipment, Storage, etc.		259,258	279,486	409,823	438,772	432,778	494,891	512,506	515,434	9%		
Other: Advertising, dues, permits, banking fees.		22,687	81,486	175,592	181,591	213,294	293,827	251,743	121,111	2%		
Supplies		30,200	33,354	46,565	55,125	38,697	47,438	33,162	-			
Contracted Services: Admin Support, Plumbing, Electrical, Pest Control, Janitorial, Landscaping, Security, Fleet/Fuel Maintenance, etc.		446,893	238,179	588,234	1,249,978	436,680	341,667	661,061	654,366	12%		
Operator contracted commissions		-	-	225,000	181,240	124,620	154,048	-	-			
Management Fee		325,000	325,000	325,000	339,250	434,538	369,767	425,000	425,000	8%		
<b>Subtotal Services &amp; Supplies:</b>		<b>-</b>	<b>1,948,548</b>	<b>2,056,770</b>	<b>3,056,380</b>	<b>3,601,256</b>	<b>2,565,065</b>	<b>2,721,570</b>	<b>3,146,855</b>	<b>56%</b>		

## Event Expenses:

Event mix is one of the key drivers to year-to-year changes to event expenses. For example, Total Event Expenses increased by \$3.6 million with only 1 increased displacement event between FY 2024 and FY 2025 – mainly due to the nature of the events. In FY 2025 the Rose Bowl hosted 6 international soccer matches for Club World Cup, which require higher costs than events in FY 2024. Key event expense drivers continue to be security, public safety, parking, janitorial and production costs.

While Club World Cup drives the increases in event expenses, most of the event's expenses were recoverable and are reflected in the increased cost recovery per displacement event.

*Trend line represents high and current point.*

ROSE BOWL OPERATING COMPANY  
**STADIUM EVENT EXPENSES**  
 YEAR ENDING JUNE 30, 2025

Event Count Statistics: Major Event	(1)				(2)			2025 Budget
	2019	2020	2021	2022	2023	2024	2025	
UCLA	7	6	4	7	8	6	6	6
Rose Bowl Game	1	1	0	1	1	1	1	1
Music Festival	0	1	0	5	10	4	4	8
Concerts	5	1	0	0	2	4	1	3
Soccer Matches	2	1	0	0	2	3	7	1
4th of July Soccer (Celebration)	1	1	0	1	1	1	1	1
Total Major/Displacement	16	11	4	14	24	19	20	20
Flea Market	12	9	3	12	12	12	11	12
Number of Enterprise Events	178	125	111	132	142	159	119	140

(1) COVID Impacted,  
 (2) Eaton Fires Impacts mainly: Flea Market and First Responders Concert.

Event Expenses: Stadium	Fiscal Year:	2019	2020	2021	2022	2023	2024	2025	2025 Budget	CY % of Total
<b>Category Expenses</b>										
SECURITY	\$	3,963,795	\$ 2,388,194	\$ 578,521	\$ 2,495,189	\$ 2,952,586	\$ 5,601,941	\$ 8,103,300	\$ 4,586,325	25%
PARKING	\$	3,466,867	2,173,142	401,140	2,736,246	4,845,744	5,123,462	5,599,472	5,358,714	17%
PUBLIC SAFETY	\$	3,801,844	2,313,345	173,832	3,043,575	4,384,098	4,741,695	4,873,945	5,100,438	15%
EVENT PRODUCTION	\$	2,863,129	1,835,962	2,118,078	2,890,258	3,770,187	3,992,317	5,227,879	3,234,543	16%
JANITORIAL	\$	2,326,516	1,353,806	346,816	1,406,661	2,287,733	2,900,225	2,818,631	2,442,016	9%
CATERING	\$	853,215	615,555	12,194	719,441	1,151,109	1,242,086	897,351	1,059,189	3%
RENTALS	\$	1,004,703	531,274	105,947	675,934	954,945	1,225,566	1,170,411	1,191,551	4%
SHUTTLE EXP	\$	498,567	316,318	-	360,666	765,364	1,056,159	985,835	1,130,113	3%
FIELD AND SOD RELATED	\$	964,240	610,247	52,086	575,900	986,988	984,776	969,600	1,375,331	3%
PROFESSIONAL CONSULTING	\$	201,398	152,684	15,599	226,033	480,642	316,495	313,338	453,701	1%
RBOC STAFFING	\$	425,588	475,189	490,461	466,200	470,115	820,249	493,007	512,886	2%
PERMITS AND FEES	\$	154,158	133,220	26,821	130,494	177,744	180,885	302,105	188,441	1%
TEMP SUPPORT	\$	222,679	126,033	68,588	124,595	139,556	184,302	254,619	162,019	1%
ADVERTISING	\$	212,899	189,217	31,304	59,432	86,177	257,777	202,375	21,172	1%
<b>Stadium Event Expenses:</b>	<b>\$</b>	<b>20,959,597</b>	<b>\$ 13,214,188</b>	<b>\$ 4,421,388</b>	<b>\$ 15,910,624</b>	<b>\$ 23,452,988</b>	<b>\$ 28,627,935</b>	<b>\$ 32,211,868</b>	<b>\$ 26,816,440</b>	

Event Expenses: Stadium	Fiscal Year:	2019	2020	2021	2022	2023	2024	2025	2025 Budget	Trend line
<b>Event Type Expense Review:</b>										
Displacement Events Expense	\$	19,755,237	\$ 12,202,483	\$ 924,804	\$ 13,519,110	\$ 19,403,065	\$ 25,833,014	\$ 29,005,378	\$ 24,484,308	
Average Per Event Expense	\$	1,234,702	1,109,317	231,201	965,651	808,461	1,359,632	1,450,269	1,224,215	
Displacement Events Counts		16	11	4	14	24	19	20	20	
Enterprise Events Expense	\$	1,204,360	\$ 1,011,705	\$ 3,416,019	\$ 1,906,500	\$ 3,474,402	\$ 2,035,171	\$ 2,612,017	\$ 1,808,121	
Average Per Event Expense	\$	6,766	8,431	30,775	14,443	24,468	12,800	21,950	12,911	
Enterprise Events Counts		178	120	111	132	142	159	119	140	
Flea Market Events Expense	\$	354,329	\$ 264,417	\$ 80,552	\$ 485,014	\$ 575,521	\$ 647,184	\$ 594,473	\$ 524,011	
Average Per Event Expense	\$	29,527	29,380	26,851	40,418	47,960	53,932	54,043	43,668	
Flea Market Events		12	9	3	12	12	12	11	12	
<b>Average per event cost recovery and percent of Avg Expenses:</b>										
Displacement	\$	271,256	\$ 411,629	\$ 125,192	\$ 434,321	\$ 337,111	\$ 427,087	815,754	\$ 461,050	
% of Avg Expenses		22%	37%	54%	45%	42%	31%	56%	38%	
Enterprise Events	\$	8,833	\$ 12,180	\$ 23,037	\$ 10,102	\$ 7,372	\$ 8,584	13,729	\$ 8,135	
% of Avg Expenses		131%	144%	75%	70%	30%	67%	63%	63%	
Flea Market	\$	19,164	\$ 19,264	\$ 18,614	\$ 35,470	\$ 34,089	\$ 40,093	40,459	\$ 38,420	
% of Avg Expenses		65%	66%	69%	88%	71%	74%	75%	88%	

Cost Recovery:		2019	2020	2021	2022	2023	2024	2025	2025 Budget
Displacement	\$	4,340,090	\$ 4,527,918	\$ 500,768	\$ 6,080,490	\$ 8,090,669	\$ 8,114,662	\$ 16,315,076	\$ 9,221,005
Enterprise Events	\$	1,572,329	1,461,598	2,557,132	1,333,477	1,046,771	1,364,827	1,633,742	1,139,312
Flea Market	\$	229,968	173,378	55,843	425,639	409,062	481,118	445,054	461,038
Total Cost Recovery:		6,142,387	6,162,895	3,113,743	7,839,607	9,546,502	9,960,607	18,393,872	10,821,356
Cost Recovery % of Expenses		29%	47%	70%	49%	41%	35%	57%	40%

(1) COVID Impacted,  
 (2) Eaton Fires Impacts mainly: Flea Market and First Responders Concert.

Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

Cost recovery as a percentage of total event expenses is driven by contract event terms on expenses included in the license fees. Contractually, events cost recoveries have historically fallen in 2 main categories – (1) Client requests not included in the license fee or (2) Shared costs.

RBOC Cost Recovery in FY2025 was \$18.4 million with most of the recovery and associated costs due to Displacement events. Displacement events expense recoveries will vary between the types of event contracts. For example, Music Festival events have a cost recovery of 80-90% and events such as concerts, soccer matches and July 4<sup>th</sup> (Celebrations) average between 20%-40%. FY 2025 average cost recovery as a percentage of total costs per event was:

- Displacement - 56% or an average of \$815,800 recovery of the \$1.45 million per event average cost.
- Enterprise events - 63% or an average of \$13,700 recovery of the \$21,900 per event average cost.
- Flea Market - 75% or an average of \$40,500 recovery of the \$54,000 per event average cost.

### **D. Other Non-Operating Revenue & (Expenses):**

Total Other Non-Operating revenue of \$6.4 million is mostly recurring sources. Recurring sources include Legacy Connections, federal government subsidies on debt service, cell site rental, Tourism Business Improvement District (TBID), Senate Bill 96 and utilities cost recovery contracted to FY 2025. Year-to-Year changes to recurring resources were a reduction of \$119,000 (from \$5.50 million to \$5.38 million). Key Drivers were in the TBID first full allocation to the RBOC increasing by \$1.8 million and subsidies decreased by \$2.1 million mainly due to refinancing the 2010B bond portion. Other noticeable changes include the 1<sup>st</sup> half year of the Senate Bill 96 increasing by \$405,000, Legacy contribution was reduced from prior year by \$200,000, however it is important to note that RBOC received \$3.0 million due to State Water line funding source and due to grant recognition rules funds are reported on the balance sheet until project spend reaches substantial completion. Non-Recurring sources increased by \$1.68 million due to prior year AGC contract termination costs \$680,000 and FY 2025 Troon contribution of \$1.0 million.

*Trend line represents high and current point.*

**FINANCIAL ANALYSIS (Continued)**

ROSE BOWL OPERATING COMPANY  
**OTHER NONOPERATING REVENUES & (EXPENSES)**  
 YEAR ENDING JUNE 30, 2025

<b>Summary:</b>	2024	2025	Details Ref.	2025 Budget
Legacy Connections	\$ 200,000 *	\$ -	#1	\$ -
Grants	-	-		3,500,000
Recurring Sources	5,506,038	5,386,777	#2-13	6,624,306
Non- Recurring Sources	(680,000)	1,000,000	#14-15	1,000,000
<b>Total non-operating Revenue Sources Fiscal 2024 / 2025</b>	<b>\$ 5,026,038</b>	<b>\$ 6,386,777</b>		<b>\$ 11,124,306</b>

Estimated recurring funds 5.0M to 5.4M annually.

<b>Details:</b>	2024	2025	Y-Y Variance	
<b>Legacy and Recurring:</b>				
1 Legacy Connections Stadium	\$ 200,000	\$ -	\$ (200,000)	
* Pending recognition of (1). State Water line funding) \$3M, (2) Save America Treasures \$500K, and to be recognized in future years per Grant recognition; and Legacy cash transfer in FY26 \$574K				
Grants (Legacy efforts) Stadium	-	-	-	3,500,000
2 Tourism Business Improvement District Stadium	1,435,131	3,252,680	1,817,549	2,646,600
3 Senate Bill 96 Stadium	-	405,000	405,000	422,000
4 ToR - Contribution Stadium	75,000	75,000	-	75,000
5 Music Festival per ticket contribution Stadium	92,004	115,953	23,949	160,000
6 Concessionaire contribution 3% of revenues Stadium	415,844	352,991	(62,853)	-
7 Water Rebates and Claims Settlements Stadium	15,118	-	(15,118)	-
8 Subsidy from 2010 Bonds Stadium	2,756,617	662,372	(2,094,245)	2,735,956
9 Misc. Non-Operating: Finance Credits Stadium	11,586	12,201	615	10,000
10 Misc. Non-Operating: Utilities Recovery Stadium	467,030	356,160	(110,870)	334,750
11 Misc. Non-Operating: ATM Mach / Marketing Stadium	3,896	3,554	(342)	-
12 Misc. Non-Operating: Sales/Marketing support Stadium	99	-	(99)	-
13 Misc. Non-Operating: Cell Site rentals Stadium	233,714	150,866	(82,848)	240,000
<b>Sub-total Recurring:</b>	<b>\$ 5,706,038</b>	<b>\$ 5,386,777</b>	<b>\$ (319,261)</b>	<b>\$ 10,124,306</b>
* 2023 Cell site rentals agreement adjusted for GASB87 (lease considerations pending)				
<b>Non- Recurring Sources</b>				
14 Contract termination costs (AGC) Golf	(680,000)	-	680,000	-
15 Capital Contribution (Troon) (1) Golf	-	1,000,000	1,000,000	1,000,000
<b>Sub-total non recurring:</b>	<b>\$ (680,000)</b>	<b>\$ 1,000,000</b>	<b>\$ 1,680,000</b>	<b>\$ 1,000,000</b>
<b>Total Other nonoperating revenue:</b>	<b>\$ 5,026,038</b>	<b>\$ 6,386,777</b>	<b>\$ 1,360,739</b>	<b>\$ 11,124,306</b>
<i>Reference Income Statement: Other nonoperating revenue</i>				
(1) FY2025 Grants \$3.0M and Troon Capital Contribution \$1M funding reserved for capital - Grants pending spend for recognition.				

Trend line represents high and current point.

## FINANCIAL ANALYSIS (Continued)

### E. Balance Sheet Highlights:

On a full accrual basis, the Net Position decreased by **\$5.684 million**, as outlined by the Statement of Revenue and Expenses (Income Statement) and below Summary Statement of Net Position (Balance Sheet).

ROSE BOWL OPERATING COMPANY  
STATEMENT OF NET POSITION - FULL ACCRUAL  
YEAR ENDING JUNE 30, 2025

	Rose Bowl	Golf Course	Totals		Variance
			2025	2024	
<b>Assets:</b>					
Current assets:					
Total Current Assets	53,017,527	15,041,956	68,059,483	45,162,247	22,897,236
Total Noncurrent Assets	127,810,371	13,163,811	140,974,182	152,846,606	(11,872,424)
<b>Total Assets</b>	<b>180,827,898</b>	<b>28,205,767</b>	<b>209,033,665</b>	<b>198,008,853</b>	<b>11,024,812</b>
Total Deferred Outflows of Resources	17,442,071	70,267	17,512,338	2,784,856	14,727,482
<b>Liabilities:</b>					
Total Current Liabilities	52,459,926	1,528,185	53,988,111	28,846,122	25,141,989
Total Noncurrent Liabilities	194,258,193	1,917,212	196,175,405	195,877,071	298,334
<b>Total Liabilities</b>	<b>246,718,119</b>	<b>3,445,397</b>	<b>250,163,516</b>	<b>224,723,193</b>	<b>25,440,323</b>
Deferred Inflows of Resources:					
Total Deferred inflows of Resources	6,289,707	1,176	6,290,883	294,591	5,996,292
<b>Total Net Position</b>	<b>\$ (54,737,857)</b>	<b>\$ 24,829,461</b>	<b>\$ (29,908,396)</b>	<b>\$ (24,224,075)</b>	<b>\$ (5,684,321)</b>

Key areas of change in Assets include cash, accounts receivable, capital and debt:

### CHANGE IN CASH

Total Unrestricted Cash balances at year end increased by \$9.673 million mainly due to:

Stadium cash increased by \$12.976 million net of:

- \$5.120 million decreased Capital cash,
- \$4.468 million increased Operating cash mainly due to event performances and interest earnings.
- \$13.630 million increased event deposits

Cash and Investments restricted decreased by \$10.153 million mainly due to the restructuring of the 2010B Bonds net of fair market valuation.

Golf Complex cash decreased by \$3.303 million net of

- \$277,000 increased Capital cash,
- \$2,282 million decreased Operating cash mainly due to the impact of Eaton Fires and Pro-Shop, Restaurant/Food-Beverage Operations and interest earnings.
- \$1.272 million decreased Golf Course Cash mainly due to the impact of Eaton Fires.

*Trend line represents high and current point.*

## FINANCIAL ANALYSIS (Continued)

### Balance Sheet highlights

#### CHANGE IN CASH

ROSE BOWL OPERATING CO.  
STATEMENT OF NET POSITION SUMMARY (CASH)  
YEAR ENDING JUNE 30, 2025

Cash Summary	2025		% of	2024		% of	Year to Year Change
			Tot		Tot		
Rose Bowl	\$	34,957,258	70%	\$	21,980,516	55%	\$ 12,976,742
Golf Course		14,643,867	30%		17,947,178	45%	(3,303,312)
Cash Summary Total	\$	49,601,125	100%	\$	39,927,694	100%	\$ 9,673,430
Cash and investments restricted		336,920			10,490,643		(10,153,723)
<b>Cash Details</b>							
<b>Rose Bowl</b>							
Capital		6,380,720	18%		11,501,253	52%	(5,120,533)
Operating		14,912,864	43%		10,445,341	48%	4,467,523
Events Deposits		13,663,674	39%		33,924	0.2%	13,629,750
<b>Total</b>		<b>34,957,258</b>	<b>100%</b>		<b>21,980,516</b>	<b>100%</b>	<b>12,976,742</b>
<b>Golf Complex</b>							
Capital		4,102,626	28%		3,825,882	21%	276,744
Operating		9,448,739	65%		11,731,218	65%	(2,282,479)
Golf Course		1,092,502	7%		2,365,362	13%	(1,272,860)
Event Deposits		-	0%		24,718	0.1%	(24,718)
<b>Total</b>		<b>14,643,867</b>	<b>100%</b>		<b>17,947,178</b>	<b>100%</b>	<b>(3,303,311)</b>
Cash and investments restricted		336,920			10,490,643		(10,153,723)

#### CHANGE IN ACCOUNTS RECEIVABLE:

Accounts Receivables increased by \$7.174 million:

- Stadium Accounts Receivables are higher than the prior year by \$7.390 million mainly due to events.
  - Events increased by \$7.371 million associated with Q4 billing higher than FY 2024 due to Club World Cup and deposit invoices for upcoming events.
  - Non-Events increased by \$456,500 mainly due to Senate Bill 96 pending collection of \$405,000.
  - Other Accounts Receivables decreased by \$437,900 due to prior year subsidies collected in FY 2024.
- Golf Accounts Receivable decreased by \$216,000 mainly due to reductions in Golf Course Events, Tournament and banquets billing.
- Allowance for Doubtful Accounts increased by \$109,900 mainly due to increased premium seating accounts with high risk of collections (Increased doubtful accts \$152,000 less accounts written off \$42,100).

## FINANCIAL ANALYSIS (Continued)

### Balance Sheet highlights

#### CHANGE IN ACCOUNTS RECEIVABLE

ROSE BOWL OPERATING CO.  
STATEMENT OF NET POSITION SUMMARY (ACCOUNTS RECEIVABLE)  
YEAR ENDING JUNE 30, 2025

	2025	% of Tot	2024	% of Tot	
<b>Accounts Receivable Summary</b>					
Rose Bowl	11,672,823	99.6%	\$ 4,282,608	94%	\$ 7,390,215
Golf Course	51,857	0.4%	267,999	6%	(216,142)
<b>Accounts Receivable Total</b>	<b>\$ 11,724,680</b>		<b>\$ 4,550,607</b>		<b>\$ 7,174,072</b>
<b>Accounts Receivable Details</b>					
<b>Rose Bowl</b>					
Events	10,473,575	90%	3,101,971	72%	7,371,605
Non-Events	461,106	4%	4,600	0.1%	456,506
Other	738,142	6%	1,176,038	27%	(437,896)
<b>Total</b>	<b>11,672,823</b>		<b>4,282,608</b>		<b>7,390,214</b>
<b>Golf Complex</b>					
Golf Course	20,395	39%	238,089	89%	(217,693)
Other	31,462	61%	29,910	11%	1,552
<b>Total</b>	<b>51,857</b>		<b>267,999</b>		<b>(216,142)</b>
Allowance for Doubtful Accounts (included above)	(681,718)		(571,823)		(109,895)

#### CHANGE IN CAPITAL ASSETS:

Capital assets decreased by \$5.6 million mainly due to \$11.5 million in accumulated depreciation offset by activated assets / spend of \$5.1 million (Stadium \$4.3 million and Golf \$813,300). Other Capital expenses in FY2025 include *Construction in Progress* on the Stadium totaling \$704,300 (South End Zone related \$431,100 and Other Carry forward projects pending asset activation of \$273,200).

Lease Assets net of accumulated amortization for GASBs 87 and 96 decreased by \$1.3 million and Interest Amortization decreased by \$233,000 mainly due to a change in GASB methodology for the Stadium and increased Golf Leases of \$2.1 million due to a cart lease agreement.

GASB 87 and 96 recognized leases such as Golf Carts, Software(s), Databases, cloud systems backups, copiers, ATM machines, and Security system.

## FINANCIAL ANALYSIS (Continued)

### Balance Sheet highlights

### CHANGE IN CAPITAL ASSETS

ROSE BOWL OPERATING COMPANY

#### CHANGE IN CAPITAL

YEAR ENDING JUNE 30, 2025

#### Summary:

	2025	2024	Variance
Stadium	\$ 126,381,547	\$ 133,940,831	\$ (7,559,284)
Golf Course	7,791,338	5,810,864	1,980,474
Total Other capital assets, net	\$ 134,172,885	\$ 139,751,695	\$ (5,578,810)
Combined Construction in progress	\$ 704,321	\$ -	\$ 704,321
<b>Change in Capital</b>			<b>\$ (4,874,489)</b>

#### Detail:

##### Stadium

	June 30, 2025	June 30, 2024	Variance
Building and improvements	\$ 261,366,885	\$ 259,307,593	\$ 2,059,291
Machinery and equipment	21,434,387	19,205,371	2,229,017
Sub-total	282,801,272	278,512,964	4,288,308
Leased Assets (GASB87/96 Adj. Net)	62,275	1,399,902	(1,337,627)
Less accumulated depreciation	(156,482,000)	(145,972,035)	(10,509,965)
Total NBV/Other Capital Asset, net	\$ 126,381,547	\$ 133,940,831	\$ (7,559,284)
Construction in Progress	\$ 704,321	\$ -	\$ 704,321
Interest Amortization (GASB 87-96)	\$ (12,601)	\$ (245,504)	232,903

##### Golf Course

	June 30, 2025	June 30, 2024	Variance
Building and improvements	\$ 15,729,965	\$ 14,781,129	\$ 948,836
Machinery and equipment	1,634,532	1,770,106	(135,574)
Sub-total	17,364,497	16,551,235	813,262
Leased Assets (GASB87 Adj. Net)	2,106,022	-	2,106,022
Less accumulated depreciation	(11,679,181)	(10,740,370)	(938,810)
Total NBV/Other Capital Asset, net	\$ 7,791,338	\$ 5,810,864	\$ 1,980,474

Reference: Balance Sheet: Other capital asset, net

Construction in Progress	\$ -	\$ -	\$ -
Interest Amortization (GASB 87)	(19,321)	-	(19,321)

## FINANCIAL ANALYSIS (Continued)

### Balance Sheet highlights

#### CHANGE IN DEBT

Outstanding debt increased by \$2.4 million during FY 2025 mainly due to:

- 2010B Build America Bond refinancing \$106.7 million to the 2024 Revenue bond
- 2016 Revenue Bonds principal payment of \$4.7 million
- 2018 Revenue Bonds principal payment of \$1.1 million
- 2024 Revenue Bonds increased bonds value of \$111.9 million, and increased accretion<sup>(i)</sup> of \$3.1 million
- Stadium Lease/Subscription Liability (GASB 87/96 adjustment) decreased by \$1.3 million due to changes in GASB methodology and Golf Lease Liability increased by \$2.1 million for new cart leases.

ROSE BOWL OPERATING COMPANY  
CHANGE IN DEBT  
YEAR ENDING JUNE 30, 2025

<u>Summary:</u>	2025	2024	
Long-Term Debt(Stadium)	\$ 190,227,667	\$ 190,216,780	\$ 10,887
Current Portion of Long-Term Debt (Stadium)	7,845,000	5,830,852	2,014,148
Lease Liability (GASB87/96 Adjustment)	62,138	1,336,321	(1,274,183)
Long-Term Debt(Golf)	-	-	-
Current Portion of Long-Term Debt (Golf)	-	465,917	(465,917)
Lease Liability (Golf GASB87 Adjustment)	2,092,410	-	2,092,410
<b>Total Debt</b>	<b>\$ 200,227,215</b>	<b>\$ 197,849,870</b>	<b>\$ 2,377,346</b>

#### Details:

Stadium	June 30, 2025	June 30, 2024	Variance
2010 Revenue Bonds	\$ 18,988,265	\$ 125,648,266	(106,660,001)
2016 Revenue Bonds	8,615,000	13,320,000	(4,705,000)
2016 Bond Premium	962,855	1,513,057	(550,203)
2018 Revenue Bonds and Premium	37,698,744	38,792,067	(1,093,323)
2024 Revenue Bonds	102,516,977	-	102,516,977
2024 Bond Premium	9,445,812	-	9,445,812
Accreted Interest	19,845,014	16,774,243	3,070,771
<b>Total Bond Related:</b>	<b>\$ 198,072,667</b>	<b>\$ 196,047,633</b>	<b>\$ 2,025,034</b>
<b>Golf Course</b>			
Golf Course Debt	-	465,917	(465,917)
Long Term Note Due American Golf (Scheduled for 15-year schedule termed with contract termination)			
<b>Stadium and Golf Course GASB 87/96</b>			
Stadium Lease Liability (GASB87/96 Adjustment)	62,138	1,336,321	(1,274,183)
Golf Lease Liability (GASB87 Adjustment)	2,092,410	-	2,092,410
<b>Total GASB87/96 Related:</b>	<b>\$ 2,154,548</b>	<b>\$ 1,336,321</b>	<b>\$ 818,227</b>
<b>Total Debt</b>	<b>\$ 200,227,215</b>	<b>\$ 197,849,870</b>	<b>\$ 2,377,346</b>

(i) Accreted Interest is a discount rate on bonds amortized over the life of the 2010 and 2024 bonds.

#### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the RBOC's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the RBOC Finance Office (msalama@rosebowlstadium.com), Rose Bowl Operating Company, 1001 Rose Bowl Dr., Pasadena, California 91103.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**ROSE BOWL OPERATING COMPANY**  
**Statement of Net Position**  
**June 30, 2025**

	<u>Rose Bowl</u>	<u>Golf Course</u>	<u>Total</u>
<b>Assets:</b>			
Current:			
Cash and investments	\$ 34,957,258	\$ 14,643,867	\$ 49,601,125
Accounts receivable, net of allowance of \$681,718 for the Rose Bowl	11,672,823	51,857	11,724,680
Lease receivable	6,267,370	-	6,267,370
Inventory	4,591	343,394	347,985
Prepaid items	115,485	2,838	118,323
<b>Total Current Assets</b>	<b>53,017,527</b>	<b>15,041,956</b>	<b>68,059,483</b>
Noncurrent:			
Due from City of Pasadena	387,583	-	387,583
Due from Stadium	-	5,372,473	5,372,473
Cash and investments, restricted	336,920	-	336,920
Capital assets:			
Construction in progress	704,321	-	704,321
Other capital assets, net	126,381,547	7,791,338	134,172,885
<b>Total Noncurrent Assets</b>	<b>127,810,371</b>	<b>13,163,811</b>	<b>140,974,182</b>
<b>Total Assets</b>	<b>180,827,898</b>	<b>28,205,767</b>	<b>209,033,665</b>
<b>Deferred Outflows of Resources:</b>			
Deferred refunding charge	16,107,003	-	16,107,003
Outflows related to net pension liability	1,335,068	70,267	1,405,335
<b>Total Deferred Outflows of Resources</b>	<b>17,442,071</b>	<b>70,267</b>	<b>17,512,338</b>
<b>Liabilities:</b>			
Current:			
Accounts payable and other liabilities	18,170,281	877,336	19,047,617
Accrued salaries and benefits	610,163	40,378	650,541
Interest payable	677,207	-	677,207
Due to Golf Course	5,372,473	-	5,372,473
Due to City of Pasadena	2,323,151	163,366	2,486,517
Deposits	744,516	-	744,516
Unearned revenue	16,307,408	52,673	16,360,081
Current portion of long-term advance	100,000	-	100,000
Current portion compensated absences	293,481	15,225	308,706
Current portion of long-term debt	7,861,246	379,207	8,240,453
<b>Total Current Liabilities</b>	<b>52,459,926</b>	<b>1,528,185</b>	<b>53,988,111</b>
Noncurrent:			
Long-term advance	200,000	-	200,000
Compensated absences	183,269	14,463	197,732
Long-term debt, net of current portion	190,273,559	1,713,203	191,986,762
Net pension liability	3,601,365	189,546	3,790,911
<b>Total Noncurrent Liabilities</b>	<b>194,258,193</b>	<b>1,917,212</b>	<b>196,175,405</b>
<b>Total Liabilities</b>	<b>246,718,119</b>	<b>3,445,397</b>	<b>250,163,516</b>
<b>Deferred Inflows of Resources:</b>			
Inflows related to lessor leases	6,267,370	-	6,267,370
Inflows related to net pension liability	22,337	1,176	23,513
<b>Total Deferred Inflows of Resources</b>	<b>6,289,707</b>	<b>1,176</b>	<b>6,290,883</b>
<b>Net Position:</b>			
Net investment in capital assets	(37,502,769)	5,698,928	(31,803,841)
Restricted for debt service	336,920	-	336,920
Unrestricted	(17,572,008)	19,130,533	1,558,525
<b>Total Net Position</b>	<b>\$ (54,737,857)</b>	<b>\$ 24,829,461</b>	<b>\$ (29,908,396)</b>

See Notes to Financial Statements.

**ROSE BOWL OPERATING COMPANY**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Changes in Net Position**  
**For the Year Ended June 30, 2025**

	<u>Rose Bowl</u>	<u>Golf Course</u>	<u>Total</u>
<b>Operating Revenues:</b>			
Green fees and other golf revenues	\$ -	\$ 7,093,543	\$ 7,093,543
Golf displacement	-	1,442,723	1,442,723
Advertising revenue	3,387,667	-	3,387,667
Facility rentals	26,137,991	-	26,137,991
Concessions	3,592,679	-	3,592,679
Pro shop	-	235,600	235,600
Restaurant	-	3,255,261	3,255,261
Admission tax	1,190,200	-	1,190,200
Cost recoveries	18,393,872	165,000	18,558,872
	<u>52,702,409</u>	<u>12,192,127</u>	<u>64,894,536</u>
<b>Total Operating Revenues</b>			
<b>Operating Expenses:</b>			
Salaries and benefits	5,650,635	316,586	5,967,221
Annual PERS valuation adjustment	161,013	22,797	183,810
General and administrative	7,041,350	1,228,336	8,269,686
Depreciation/amortization	10,521,799	958,132	11,479,931
Capital preventative maintenance	1,441,100	406,507	1,847,607
Events and parking	32,211,866	405,054	32,616,920
Green fees and other golf expenses	-	6,094,938	6,094,938
Restaurant	-	2,900,254	2,900,254
	<u>57,027,763</u>	<u>12,332,604</u>	<u>69,360,367</u>
<b>Total Operating Expenses</b>			
Operating Loss	<u>(4,325,354)</u>	<u>(140,477)</u>	<u>(4,465,831)</u>
<b>Nonoperating Revenues (Expenses):</b>			
Investment income	1,840,810	459,892	2,300,702
Interest expense	(9,704,444)	-	(9,704,444)
Other nonoperating revenues (expenses)	5,386,777	1,000,000	6,386,777
	<u>(2,476,857)</u>	<u>1,459,892</u>	<u>(1,016,965)</u>
<b>Total Nonoperating Revenues (Expenses)</b>			
Changes in Net Position	<u>(6,802,211)</u>	<u>1,319,415</u>	<u>(5,482,796)</u>
<b>Net Position:</b>			
Beginning of year, as previously reported	(47,740,231)	23,516,156	(24,224,075)
Restatement-change in accounting principle	<u>(195,415)</u>	<u>(6,110)</u>	<u>(201,525)</u>
Beginning of Fiscal Year, as restated	<u>(47,935,646)</u>	<u>23,510,046</u>	<u>(24,425,600)</u>
<b>End of Year</b>	<u>\$ (54,737,857)</u>	<u>\$ 24,829,461</u>	<u>\$ (29,908,396)</u>

See Notes to Financial Statements.

**ROSE BOWL OPERATING COMPANY**  
**Statement of Cash Flows**  
**For the year ended June 30, 2025**

	<u>Rose Bowl</u>	<u>Golf Course</u>	<u>Total</u>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 1,530,083	\$ 144,790	\$ 1,674,873
Cash paid to employees for services	(5,409,530)	(358,267)	(5,767,797)
Cash paid to suppliers for goods and services	(27,403,721)	(10,418,217)	(37,821,938)
Other cash receipts	52,702,409	10,348,804	63,051,213
<b>Net Cash Provided by Operating Activities</b>	<b>21,419,241</b>	<b>(282,890)</b>	<b>21,136,351</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Repayments from other funds	3,173,344	-	3,173,344
Repayment made to other funds	-	(3,173,344)	(3,173,344)
Other nonoperating revenues	6,710,553	11,254	6,721,807
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>9,883,897</b>	<b>(3,162,090)</b>	<b>6,721,807</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from capital debt	114,071,913	-	114,071,913
Acquisition of capital assets	(5,049,900)	(813,263)	(5,863,163)
Capital grants and contributions	-	1,000,000	1,000,000
Interest subsidy on bonds payable	(25,085,057)	-	(25,085,057)
Principal payments on long-term debt	(114,156,468)	(271,949)	(114,428,417)
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(30,219,512)</b>	<b>(85,212)</b>	<b>(30,304,724)</b>
<b>Cash Flows from Investing Activities:</b>			
Leasing activities	244,206	-	244,206
Investment gain (loss)	1,495,187	226,881	1,722,068
<b>Net Cash Provided by Investing Activities</b>	<b>1,739,393</b>	<b>226,881</b>	<b>1,966,274</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>2,823,019</b>	<b>(3,303,311)</b>	<b>(480,292)</b>
Cash and Cash Equivalents at Beginning of Year	32,471,159	17,947,178	50,418,337
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 35,294,178</b>	<b>\$ 14,643,867</b>	<b>\$ 49,938,045</b>
<b>Reconciliation of Cash and Investments to Amounts Reported on the Statement of Net Position:</b>			
Cash and investments	\$ 34,957,258	\$ 14,643,867	\$ 49,601,125
Cash and investments, restricted	336,920	-	336,920
<b>Total reported on Statement of Net Position</b>	<b>35,294,178</b>	<b>14,643,867</b>	<b>49,938,045</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 35,294,178</b>	<b>\$ 14,643,867</b>	<b>\$ 49,938,045</b>
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:</b>			
Operating Loss	\$ (4,325,354)	\$ (140,477)	\$ (4,465,831)
<b>Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:</b>			
Depreciation/amortization	10,521,799	958,132	11,479,931
(Increase) decrease in accounts receivable	(7,390,215)	216,142	(7,174,073)
(Increase) decrease in inventory	893	(74,496)	(73,603)
(Increase) decrease in prepaid assets	36,325	10,711	47,036
Increase (decrease) in accounts payable and accrued expenses	13,253,377	(1,162,666)	12,090,711
Increase (decrease) in accrued salaries and benefits	49,522	(52,073)	(2,551)
Increase (decrease) in deposits	8,920,298	(71,352)	8,848,946
Increase (decrease) in compensated absences	191,583	10,391	201,974
Increase (decrease) in net pension liability	161,013	22,798	183,811
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 21,419,241</b>	<b>\$ (282,890)</b>	<b>\$ 21,136,351</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Accretion of interest on bonds payable	\$ (1,928,806)	\$ -	\$ (1,928,806)
Amortization of deferred charge and bond discounts/premiums	(1,150,684)	-	(1,150,684)
Deferred charges on issuance of new bonds	(16,770,769)	-	(16,770,769)

See Notes to Financial Statements.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**I. Basis of Presentation**

The Rose Bowl Operating Company (the Company) was incorporated on January 18, 1994, as a legally separate entity with the primary purpose of returning economic and civic value to the City of Pasadena, California, (the City) by managing a world class stadium and a professional quality golf course complex, Brookside Municipal Golf Course (the Golf Course), in a residential open-space environment. A fourteen-member Board of Directors governs the Company. The Board of Directors consists of the City Manager, two members from the City Mayor's office, seven members appointed by the City, one member from the Pasadena Tournament of Roses Foundation (a separate not-for-profit entity unrelated either to the City or the Company), one member from the University of California, Los Angeles (UCLA), one member from the joint City Council, and one non-voting member from the Pasadena Center Operating Company. These operations constitute part of the overall financial reporting entity of the City and are accounted for as a discretely presented component unit in the City's Annual Comprehensive Financial Report consistent with accounting principles generally accepted in the United States of America. Revenues and expenses of the Company include direct revenues and expenses and certain allocations from the City.

**II. Basis of Accounting**

The Company is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Company utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

**III. Classification of Revenues**

*Operating revenues* consist of charges to customers for sales and use of the facilities. *Nonoperating revenues* consist of investment earnings and other nonoperating income. Capital contributions consist of contributed capital assets.

**IV. Capital Assets**

Capital assets are recorded at cost and are depreciated over the estimated useful life of the asset using the straight-line method of depreciation. The Company capitalizes all assets with a historical cost of at least \$10,000 consistent with City practice. The cost of normal maintenance and reports that do not add value to the assets or materially extend asset lives are not capitalized. Interest is capitalized on construction in progress in accordance with Governmental Accounting Standards. Accordingly, interest capitalized is the total interest cost from the date of the borrowing net of any interest earned on temporary investments of the proceeds of those borrowings until the specified asset is ready for its intended use.

The estimated useful lives of the assets are as follows:

Building and improvements	1-55 years
Improvements other than building	1-95 years
Machinery and equipment	1-93 years
	Lesser of useful life of the asset
Leases and subscriptions	or length of the contract

**V. Lease/Subscription Assets**

Lease/subscription assets are reported in the applicable enterprise fund column in the financial statements. Such assets are recorded at the present value of the lease/subscription liability, including expenses to place the asset into service, and are amortized over the lesser of the lease/subscription term or the asset's useful life.

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**VI. Cash and Investments**

For the purposes of the statement of cash flows, investments are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

**VII. Investments**

Investments are reported in the accompanying statements at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable, and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during the fiscal year are recognized as *investment earnings* reported for that fiscal year.

*Investment earnings* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

**VIII. Compensated Absences**

Only full-time employees accrue vacation. Vacation time is accrued two to four weeks per year, depending on how long an employee has been with the Company. The Company also grants employees personal paid time off. Regular full-time and part-time (24 hours per week minimum) employees are eligible to accrue personal time off with pay. Full-time employees may accrue up to 20 personal days per calendar year. Part-time employees who work 24 hours per week or more are eligible to accrue personal paid time off on a pro rata basis. It is the Company's policy to permit employees to accumulate earned but unused vacation benefits from year to year up to a maximum of two times a full-time employee's annual vacation amount. Personal paid time off is not accumulated from year to year. All accumulated compensated absences are recorded as an expense and a liability at the time the benefit is earned.

**IX. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Company has two items that qualify for reporting in this category:

1. The deferred outflows relating to the net pension liability reported in the statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year, the net difference between projected and actual earnings on pension plan investments, differences between expected and actual experience, adjustments due to differences in proportions, and difference in proportionate share.
2. The deferred charge on refunding results in the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Company has two items that qualify for reporting in this category. These items related to the deferred inflows for net pension liability and leases, reported in the statement of net position for business-type activities.

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**X. Use of Estimates**

The preparation of 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**XI. Net Position**

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

**I. New GASB Pronouncements Effective during Fiscal Year**

The following Government Accounting Standards Board (GASB) pronouncement was effective for and implemented for the fiscal year ended June 30, 2025:

**1. *GASB Statement No. 101, Compensated Absences***

The requirements of this Statement will improve financial reporting by implementing a unified recognition and measurement model that will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. Establishing the unified model will result in consistent application to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. This Statement will also result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

**2. *GASB Statement No. 102, Certain Risk Disclosures***

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government’s financial condition. The Company’s financial statements were not impacted by the implementation of this Statement.

**NOTE 2: CASH AND INVESTMENTS**

Cash and Investments as of June 30, 2025, are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 49,601,125
Cash and investments restricted	336,920
Total cash and investments	<u>\$ 49,938,045</u>

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

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

Cash on hand	\$ 2,963
Deposits with financial institutions	5,664,597
City of Pasadena Investment Pool	44,270,485
Total cash and investments	<u>\$ 49,938,045</u>

Investments Authorized by the California Government Code and the Company's Investment Policy

The table below identifies the investment types that are authorized for the Company by the California Government Code and the Company's investment policy. The table also identifies certain provisions of the California Government Code (or the Company's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the Company, rather than the general provisions of the California Government Code or the Company's investment policy.

Investment Types Authorized by State Law	Authorized by Investment Policy	*Maximum Maturity	*Maximum Percentage of Portfolio	*Maximum Investment in One Issuer
Local Agency Bonds	Yes	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Bankers' Acceptances	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	Yes	1 year	None	None
Reverse Repurchase Agreements	Yes	92 days	20%	None
Medium-Term Notes	Yes	5 years	30%	None
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None
Joint Power Agency Pools (other investment pools)	Yes	N/A	None	None

\*Based on state law requirements or investment policy requirements, whichever is more restrictive.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the 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 bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Company's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Minimum Rating
U.S. Treasury Obligations	None	N/A
U.S. Agency Securities	None	N/A
State and Local Agency Bonds	None	Aa
Bankers' Acceptances	360 days	Aa
Commercial Paper	270 days	Aa
Negotiable Certificates of Deposit	None	Aa
Repurchase Agreements	None	Aa
Money Market Mutual Funds	N/A	Aaa
Investments Contracts	None	Aa

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates 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 market interest rates. One of the ways that the Company 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.

Information about the sensitivity of the fair values of the Company's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Company's investments by maturity:

Investment Type	Remaining Maturity	12 Months or Less
City of Pasadena Investment Pool	\$ 44,270,485	\$ 44,270,485
Total	\$ 44,270,485	\$ 44,270,485

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Company's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type		Minimum Legal Rating	Ratings at End of Year
			Not Rated
City of Pasadena Investment Pool	\$ 44,270,485	N/A	\$ 44,270,485
Total	\$ 44,270,485		\$ 44,270,485

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 will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Company's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Company deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Fair Value Hierarchy

The Company categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are quoted prices for similar assets in active markets; Level 3 inputs are significant unobservable inputs.

The Company has the following recurring fair value measurements as of June 30, 2025:

Investment Type	Totals	Level
		2
City of Pasadena Investment Pool	\$ 44,270,485	\$ 44,270,485
Total	\$ 44,270,485	\$ 44,270,485

Investments in the C investment pool are valued by the underlying assets in the investment pool. The underlying assets include Local Agency Investment Funds, money market funds, municipal bonds, federal agency issues, treasury securities, corporate bonds and supranational, all of which are level 2 or better.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 3: CAPITAL ASSETS**

Rose Bowl

Capital Assets activity for the year ended June 30, 2025, is as follows:

	Balance June 30, 2024	Adjustments	Additions	Deletions	Balance June 30, 2025
Business-type activities:					
Capital assets, not being depreciated/amortized					
Construction-in-progress	\$ -	\$ -	\$ 704,321	\$ -	\$ 704,321
Total capital assets, not being depreciated/amortized	-	-	704,321	-	704,321
Capital assets, being depreciated/amortized					
Buildings	209,293,638	-	4,292	-	209,297,930
Improvements other than buildings	50,013,957	-	2,054,986	-	52,068,943
Machinery, equipment, and vehicles	19,205,370	-	2,229,017	-	21,434,387
Lease assets - equipment	97,084	-	57,284	(77,638)	76,730
Subscription assets	1,705,566	(1,705,566)	-	-	-
Total capital assets, being depreciated/amortized	280,315,615	(1,705,566)	4,345,579	(77,638)	282,877,990
Less accumulated depreciation/amortization					
Buildings	(84,118,033)	-	(7,329,676)	-	(91,447,709)
Improvements other than buildings	(44,145,366)	-	(2,003,855)	-	(46,149,221)
Machinery, equipment, and vehicles	(17,708,636)	-	(1,176,434)	-	(18,885,070)
Lease assets - equipment	(80,247)	-	(11,834)	77,638	(14,443)
Subscription assets	(322,502)	322,502	-	-	-
Total accumulated depreciation/amortization	(146,374,784)	322,502	(10,521,799)	77,638	(156,496,443)
Total capital assets, being depreciated/amortized, net	133,940,831	(1,383,064)	(6,176,220)	-	126,381,547
Total business-type activities capital assets	\$ 133,940,831	\$ (1,383,064)	\$ (5,471,899)	\$ -	\$ 127,085,868

\*During the current fiscal year, the Company removed previously recorded subscription assets from capital assets. This adjustment was necessary to align with GASB 96 guidance.

Depreciation and amortization expense for the year was \$10,521,799.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 3: CAPITAL ASSETS (CONTINUED)**

Golf Course

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

	Balance June 30, 2024	Adjustments	Additions	Deletions	Balance June 30, 2025
Business-type activities:					
Capital assets, being depreciated/amortized					
Buildings	\$ 1,638,524	-	\$ -	\$ -	\$ 1,638,524
Improvements other than buildings	13,278,178	-	813,263	-	14,091,441
Machinery and equipment	1,634,532	-	-	-	1,634,532
Right-to-use lease assets - equipment	-	-	2,125,343	-	2,125,343
Total capital assets, being depreciated/amortized	<u>16,551,234</u>	<u>-</u>	<u>2,938,606</u>	<u>-</u>	<u>19,489,840</u>
Less accumulated depreciation/amortization					
Buildings	(1,261,555)	-	(43,832)	-	(1,305,387)
Improvements other than buildings	(8,380,394)	-	(792,925)	-	(9,173,319)
Machinery and equipment	(1,098,421)	-	(102,054)	-	(1,200,475)
Right-to-use lease assets - equipment	-	-	(19,321)	-	(19,321)
Total accumulated depreciation/amortization	<u>(10,740,370)</u>	<u>-</u>	<u>(958,132)</u>	<u>-</u>	<u>(11,698,502)</u>
Total capital assets, being depreciated/amortized, net	<u>5,810,864</u>	<u>-</u>	<u>1,980,474</u>	<u>-</u>	<u>7,791,338</u>
Total business-type activities capital assets	<u>\$ 5,810,864</u>	<u>\$ -</u>	<u>\$ 1,980,474</u>	<u>\$ -</u>	<u>\$ 7,791,338</u>

Depreciation and amortization expense for the year was \$958,132.

**NOTE 4: LEASES**

Asset Class	As of Fiscal Year-End	
	Lease Asset Value	Accumulated Amortization
Equipment	\$ 2,202,073	\$ 33,764
Total Leases	<u>\$ 2,202,073</u>	<u>\$ 33,764</u>

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2026	\$ 395,453	\$ 16,434	\$ 411,887
2027	396,810	13,093	409,903
2028	398,121	9,797	407,918
2029	401,440	6,479	407,919
2030	398,406	3,144	401,550
2031	164,319	341	164,660
Total	<u>\$ 2,154,549</u>	<u>\$ 49,288</u>	<u>\$ 2,203,837</u>

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 4: LEASES ARRANGEMENTS (CONTINUED)**

As of June 30, 2025, the Company had 8 active leases. The leases have payments that range from \$354 to \$32,932 and interest rates that range from 0.3150% to 0.8400%. As of June 30, 2025, the total combined value of the lease liability is \$2,154,549, the total combined value of the short-term lease liability is \$395,453. The combined value of the right to use asset, as of June 30, 2025 of \$2,202,073 with accumulated amortization of \$33,764 is included within the Lease Class activities table found below. The leases had \$0 of Variable Payments and \$0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

**NOTE 5: LONG-TERM DEBT**

Rose Bowl

Long-Term liabilities for the year ended June 30, 2025, are as follows:

	Balance at June 30, 2024	Additions/ Accretions	Deletions/ Amortizations	Balance at June 30, 2025	Due in One Year
2010A Tax-Exempt Lease Revenue Bonds:					
Capital Appreciation Bonds	\$ 28,362,508	\$ 1,928,806	\$ -	\$ 30,291,314	\$ -
2010B Taxable Build America Lease Revenue Bonds	106,660,000	-	(106,660,000)	-	-
2010D Taxable Recovery Zone Economic Development Lease Revenue Bonds	7,400,000	-	-	7,400,000	-
2016A Tax-Exempt Lease Revenue Bonds	13,320,000	-	(4,705,000)	8,615,000	5,130,000
2016A Bond Premium	1,513,057	-	(550,202)	962,855	-
2018A Tax-Exempt Lease Revenue Bonds	30,585,000	-	-	30,585,000	-
2018B Taxable Lease Revenue Bonds	4,720,000	-	(915,000)	3,805,000	1,165,000
2018A Bond Premium	3,513,450	-	(184,919)	3,328,531	-
2018B Bond Discount	(26,383)	-	6,596	(19,787)	-
2024 Taxable Lease Revenue Refunding Bonds	-	104,203,942	(545,000)	103,658,942	1,550,000
2024 Bond Premium	-	9,867,971	(422,159)	9,445,812	-
Subtotal - Bonded Long-Term Liabilities	196,047,632	116,000,719	(113,975,684)	198,072,667	7,845,000
Lease Liability	17,809	57,285	(12,956)	62,138	16,246
Subscription Liability	1,318,512	-	(1,318,512)	-	-
Total Long-Term Liabilities	<u>\$ 197,383,953</u>	<u>\$ 116,058,004</u>	<u>\$ (115,307,152)</u>	<u>\$ 198,134,805</u>	<u>\$ 7,861,246</u>

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 5: LONG-TERM DEBT (CONTINUED)**

2010 Rose Bowl Lease Revenue Bonds

On November 18, 2010, the City of Pasadena issued four series of lease revenue bonds, Series 2010A through D (Rose Bowl Renovation Project) in the aggregate amount of \$155,873,265. Series A in the amount of \$36,808,265 contained \$25,220,000 of current interest bonds maturing between fiscal year 2019-2020 and fiscal year 2026-2027, with the remaining \$11,588,265 in the form of capital appreciation bonds maturing serially from fiscal year 2026-2027 to 2032-2033. Series B contained \$106,660,000 of taxable Build America Bonds. These bonds are in two coupons, the initial series maturing during fiscal year 2033-2034 and the final maturing during fiscal year 2042-2043. Series C contained \$5,005,000 of taxable bonds. These bonds matured serially from fiscal year 2014-2015 to fiscal year 2019-2020. Finally, Series D contained \$7,400,000 of taxable Recovery Zone Economic Development Bonds that have one maturity during fiscal year 2042-2043. The bonds, except for the capital appreciation bonds in Series 2010A, commenced interest payments on March 1, 2011, and are payable semiannually. The Company received \$154,878,301 of the proceeds from the bonds. The bonds were issued to finance improvements to the Rose Bowl Stadium, to fund capitalized interest on a portion of the 2010 Bonds, to fund a Bond Reserve Fund, and to pay the costs of issuance of the 2010 Bonds. Renovations of the existing Rose Bowl Stadium are proposed to continue to allow use by the UCLA Bruins football team, the Rose Bowl Game, Bowl Championship Series (BCS) games, soccer matches, concerts, and special events as well as to bring certain building systems up to current City Building Code requirements and improve public safety.

The 2010A bonds were partially refunded during the year ended June 30, 2017 with the 2016A bonds.

The 2010B bonds were issued for purposes of the American Recovery and Reinvestment Act of 2009 signed into law on February 17, 2009 (the Recovery Act). Pursuant to the Recovery Act, the City expects to receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable by the City on or about each interest payment date. The cash payment does not constitute a full faith and credit guarantee of the United States Government but is required to be paid by the Treasury under the Recovery Act. Any cash subsidy payments received by the City do not constitute revenues that can offset interest expense and are not pledged under the indenture to secure the 2010 bonds.

The 2010D bonds were issued for purposes of the Recovery Act. Pursuant to the Recovery Act, the City expects to receive a cash subsidy payment from the United States Treasury equal to 45% of the interest payable by the City on or about each interest payment date. The cash payment does not constitute a full faith and credit guarantee of the United States Government but is required to be paid by the Treasury under the Recovery Act. Any cash subsidy payments received by the City do not constitute revenues that can offset interest expense and are not pledged under the indenture to secure the 2010 bonds.

For the year ended June 30, 2025, the Treasury made subsidy payments totaling \$1,387,306 towards the interest due on the 2010B and 2010D bonds which has been included in other nonoperating revenues.

The total annual debt service requirements for the 2010 Lease Revenue Bonds including accretion as of June 30, 2025, are as follows:

June 30	Principal Payments		Interest	Total
	Series A	Series D		
2026	\$ -	\$ -	\$ 528,952	\$ 528,952
2027	748,040	-	1,875,912	2,623,952
2028	2,063,438	-	4,715,515	6,778,953
2029	1,990,426	-	5,058,526	7,048,952
2030	1,895,441	-	5,358,511	7,253,952
2031-2035	4,890,920	-	18,088,840	22,979,760
2036-2040	-	-	2,644,760	2,644,760
2041-2043	-	7,400,000	1,586,856	8,986,856
Total	\$ 11,588,265	\$ 7,400,000	\$ 39,857,872	\$ 58,846,137

\*Does not include accreted interest of \$18,703,049

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 5: LONG-TERM DEBT (CONTINUED)**

***Disclosure Related to Long-Term Debt Under GASB 88***

In case of default, the following is the course of action:

(a) Upon the happening of any of the events & default, then it shall be lawful for the Authority or its assignee, subject to the terms of the Lease, with the consent of the Majority Holder, to (i) exercise any and all remedies available or granted to it under the Sublease or pursuant to law, to the extent not inconsistent with the remedies granted under the Sublease or (ii) by mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's or its assignee's rights against the City and to compel the City to perform and carry out its duties and obligations under the law and its covenants and agreements with the City as provided in the Sublease. Upon the breach of any agreement, condition, covenant or term contained in the Sublease required to be observed or performed by the City, the Authority or its assignee may not exercise any rights of entry upon or repossession of the Leased Property. In the event of such default, the Authority or its assignee must thereafter maintain the Sublease in full force and effect and may only recover rent and other monetary charges as they become due all without terminating the City's right to possession of the Leased Property, regardless of whether or not the City has abandoned the Leased Property; this shall be the sole and exclusive remedy available against the city under the sublease or otherwise. the authority shall have no right upon an event of default under the sublease by the city to accelerate the rental payments. terminate the sublease or re-enter the leased property.

2016 Rose Bowl Lease Revenue Bonds

On September 20, 2016, the City issued a 2016 Lease Revenue Bond, Series 2016A in the aggregate amount of \$27,642,127. The bond was issued to refund a portion of the 2010 Lease Revenue Series A Bond. Series 2016A contained \$23,385,000 of refunding bonds for the 2010 Lease Revenue Series A Bond.

Principal is payable in annual installments ranging from \$1,980,000 to \$5,130,000 commencing April 1, 2022, and ending April 1, 2027.

The balance outstanding at June 30, 2025 is comprised of the principal amount of \$8,615,000, plus unamortized deferred bond premium of \$962,855, for a total of \$9,577,855.

The annual debt service requirements for the 2016 Lease Revenue Bond as of June 30, 2025, is as follows:

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 5,130,000	\$ 430,750	\$ 5,560,750
2027	3,485,000	174,250	3,659,250
Total	<u>\$ 8,615,000</u>	<u>\$ 605,000</u>	<u>\$ 9,220,000</u>

2018 Rose Bowl Lease Revenue Bonds

On November 14, 2018, the City issued two 2018 Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2018A and 2018B in the aggregate amount of \$43,100,000. The 2018 bonds were issued to defease and refund all the 2013 Lease Revenue Bonds (Rose Bowl Renovation Project) and pay costs of issuance of the 2018 bonds.

The Series 2018A balance outstanding at June 30, 2025 is comprised of the principal amount of \$30,585,000, plus unamortized deferred bond premium of \$3,328,531, for a total of \$33,913,531.

The Series 2018B balance outstanding at June 30, 2025 is comprised of the principal amount of \$3,805,000, plus unamortized deferred bond discount of (\$19,787), for a total of \$3,785,213.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 5: LONG-TERM DEBT (CONTINUED)**

The annual debt service requirements for the 2018 Lease Revenue Bonds as of June 30, 2025, are as follows:

June 30	Principal Payments		Interest	Total
	Series A	Series B		
2026	\$ -	\$ 1,165,000	\$ 1,642,038	\$ 2,807,038
2027	-	1,425,000	1,596,713	3,021,713
2028	170,000	1,215,000	1,546,263	2,931,263
2029	1,555,000	-	1,481,875	3,036,875
2030	1,610,000	-	1,402,750	3,012,750
2031-2035	8,975,000	-	5,723,125	14,698,125
2036-2040	10,785,000	-	3,259,125	14,044,125
2041-2043	7,490,000	-	570,750	8,060,750
Total	<u>\$ 30,585,000</u>	<u>\$ 3,805,000</u>	<u>\$ 17,222,639</u>	<u>\$ 51,612,639</u>

2024 Rose Bowl Lease Revenue Refunding Bonds

On November 13, 2024, the City issued 2024 Lease Revenue Refunding Bonds (Rose Bowl Renovation Project), Series 2024 in the amount of \$103,061,977. The 2024 bonds were issued to defease and refund all the 2010 Build America Bond and pay costs of issuance of the 2024 bonds.

The Series 2024 balance outstanding at June 30, 2025 is comprised of the principal amount of \$102,516,977, plus unamortized deferred bond premium of \$9,445,812, for a total of \$111,962,789.

June 30	Principal	Interest	Total
2026	\$ 1,550,000	\$ 3,056,000	\$ 4,606,000
2027	1,420,000	2,978,500	4,398,500
2028	1,085,000	2,907,500	3,992,500
2029	760,000	2,853,250	3,613,250
2030	620,000	2,815,250	3,435,250
2031-2035	17,530,000	13,298,250	30,828,250
2036-2040	42,597,751	9,217,999	51,815,750
2041-2045	22,498,516	28,506,484	51,005,000
2046-2048	14,455,710	25,969,290	40,425,000
Total	<u>\$ 102,516,977</u>	<u>\$ 91,602,523</u>	<u>\$ 194,119,500</u>

\*Does not include accreted interest of \$1,141,965

Pledge of Stadium Revenues

In accordance with the financing plan approved by the City Council of the City of Pasadena in October 2010, the Company has pledged net revenues before reserves to secure repayment of the aforementioned bonds. Proceeds from the bonds provided financing for the Rose Bowl Renovation project. The bonds are payable from net revenues and are payable through maturity. In the event of any bond default, the City is the sole obligor for all debt service repayments. Annual principal and interest payments on the bonds are expected to require less than 67% of net revenues. The total principal and interest remaining to be paid is \$313,798,276. During fiscal year 2024-2025, the City refinanced the 2010B bond to the 2025A refunding Lease Revenue Bonds (Rose Bowl project) for \$106,660,000 for the principal value.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 5: LONG-TERM DEBT (CONTINUED)**

Golf Equipment Finance

On June 15, 2018, the Company entered into an agreement with American Golf Corporation to finance \$776,530 worth of golf equipment to be paid over a 15-year period at \$51,770 per year. There is no interest charged on this purchase. During the year ended June 30, 2025, prior to the issuance of these financial statements, the Company paid the remaining balance of the finance agreement.

	Balance at June 30, 2024	Additions/ Accretions	Deletions/ Amortizations	Balance at June 30, 2025	Due in One Year
Financed Purchase	\$ 465,917	\$ -	\$ 465,917	\$ -	\$ -
Lease liability	-	2,125,343	32,932	2,092,411	379,207
Total Long-Term Liabilities	<u>\$ 465,917</u>	<u>\$ 2,125,343</u>	<u>\$ 498,849</u>	<u>\$ 2,092,411</u>	<u>\$ 379,207</u>

Compensated Absences

Compensated absences for the year ended June 30, 2025, are as follows:

	Balance at June 30, 2024	Net change	Balance at June 30, 2025	Due in One Year
Rose Bowl	\$ 285,167	\$ 191,583	\$ 476,750	\$ 293,481
Golf Course	19,297	10,391	29,688	15,225
	<u>\$ 304,464</u>	<u>\$ 201,974</u>	<u>\$ 506,438</u>	<u>\$ 308,706</u>

**NOTE 6: NET POSITION**

Net position for the Rose Bowl Stadium at June 30, 2025, consisted of the following:

Net investment in capital assets:	
Property, plant and equipment, net	\$ 127,085,868
Less:	
Net carrying value of capital-related debt	(164,009,943)
Accounts payable on capital assets	<u>(578,694)</u>
Total net investment in capital assets	(37,502,769)
Restricted for debt service	336,920
Unrestricted net deficit	<u>(17,572,008)</u>
Total net position	<u>\$ (54,737,857)</u>

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 6: NET POSITION (CONTINUED)**

Net position for the Golf Course at June 30, 2025, consisted of the following:

Net investment in capital assets:	
Property, plant and equipment, net	\$ 7,791,338
Net carrying value of capital-related debt	<u>(2,092,410)</u>
Total net investment in capital assets	<u>5,698,928</u>
Unrestricted net deficit	<u>19,130,533</u>
Total net position	<u>\$ 24,829,461</u>

**NOTE 7: DEFINED BENEFIT PENSION PLAN**

**Miscellaneous Plan:**

Description of Plan

The Rose Bowl Operating Company Miscellaneous Plan and PEPRA Plan (the Plans), are cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). All qualified permanent and probationary employees are eligible to participate in the Company's Miscellaneous Plan. Benefit provisions under the Plans are established by State statute and the Company's Board of Directors.

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.

The Public Employees' Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. These PEPRA members in pooled plans are reflected in the new Miscellaneous and Safety risk pools created by the CalPERS Board in response to the passage of PEPRA, beginning with the June 30, 2013, risk-pool valuations. The PEPRA Plan of the Company went into effect during the measurement period ending June 30, 2014.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The Plans provisions and benefits in effect at June 30, 2025, are summarized as follows:

	<u>Miscellaneous*</u>	<u>PEPRA Miscellaneous</u>
	Prior to January 1, 2013	January 1, 2013 and after
Hire date	January 1, 2013	and after
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 and up	52 and up
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.00%	6.75%
Required employer contribution rates	12.21%	7.47%
Required employer unfunded liability payment	\$322,519	\$5,500

\* Closed to new entrants

Contribution Description:

Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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 the Miscellaneous Plan 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 Company is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2025, the contributions recognized as a reduction to the net pension liability were \$621,165.

Pension Liabilities (Assets), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension

As of June 30, 2025, the Company reported a net pension liability for its proportionate share of the net pension liability of each Plan of \$3,790,911.

The Company's net pension liability (asset) for the Plans is measured as the proportionate share of the net pension liability. The net pension liability (asset) of the Plan is measured as of June 30, 2024, and the total pension liability for the Plan used to calculate the net pension liability (asset) was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. The Company's proportion of the net pension liability was based on a projection of the Company's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Company's proportionate share of the net pension liability for the Plans as of June 30, 2023 and 2024, was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2023	0.07863%
Proportion - June 30, 2024	0.07838%
Change - Increase (Decrease)	<u><u>-0.00025%</u></u>

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

**NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

For the year ended June 30, 2025, the Company recognized pension expense of \$947,216 for the Plans. At June 30, 2025, the Company reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 685,640	\$ -
Differences between expected and actual experiences	335,079	13,075
Change in assumptions	99,610	-
Net differences between projected and actual earnings on pension plan investments	223,112	-
Adjustment due to difference in proportions	43,771	3,969
Differences between actual contributions and the proportionate share of contributions	18,123	6,469
Total	<u>\$ 1,405,335</u>	<u>\$ 23,513</u>

The \$685,640 reported as deferred outflows of resources 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

For the Fiscal Year Ending June 30,	Recognized Deferred Outflows (Inflows) of Resources
2026	\$ 275,686
2027	491,949
2028	5,005
2029	(76,458)
Total	<u>\$ 696,182</u>

Actuarial Assumptions

For the measurement period ended June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023, total pension liability. The June 30, 2023 and the June 30, 2024, total pension liabilities were based on the following actuarial methods and assumptions:

	2025
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial assumptions	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.75%
Projected Salary Increase	2.3% depending on Age, Service, and Type of Employment
Investment Rate of Return	7.00% net of pension plan investment expenses, includes inflation
Mortality	Derived using CalPERS' Membership Data for all Funds

All other actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 (a,b)
Global Equity- cap-weighted	30.00%	4.54%
Global Equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Infrastructure and Forestland	0.00%	0.00%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(a) An expected inflation of 2.30% used for this period.

(b) Figures are based on the 2022 Asset Liability Management study

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Plan's Net Pension Liability/(Assets) \$	6,394,398	3,790,911	1,647,858

**NOTE 8: ADVANCE**

During the year ended June 30, 2018, the Company signed an agreement with Levy Premium Food Service to buy out the contract of SodexoMagic. This agreement provided the company an advance of \$1,000,000 to purchase capital improvements. The Company must reimburse the vendor \$100,000 per year over 10 years expiring on June 30, 2028. The total amount due at June 30, 2025 was \$300,000. Any unpaid or unrecouped portion of the advance shall be reimbursed to Levy Premium Food Service as a precondition to the effectiveness of termination of the agreement for any reason.

**NOTE 9: SELF-INSURANCE PROGRAM**

The Company is entitled to indemnity from the City, and its losses are included in the City's general liability self-insurance program and under the excess general liability policies. RBOC carries statutory workers' compensation insurance with no retention. Tenants of the Rose Bowl provide insurance, naming the City of Pasadena as additional insured on their policies. See the City of Pasadena's financial statements for further details.

**NOTE 10: GOLF COURSE MANAGEMENT AGREEMENT**

The Golf Course is operated and maintained by Troon Golf L.L.C. (Troon) under the terms of an agreement, effective July 1 2024, and expires on June 30, 2034. The agreement entitles Troon to a base management fee of \$425,000 per year and is subject to a two- and one-half percent (2.5%) increase each year for each ensuing operating year. In addition, Troon shall be entitled to an annual incentive management fee in each operating year. The Incentive Management Fee shall be equal to fifteen percent (15%) of the Net Operating Income of the Facility, excluding the Family Golf Venue Gross Revenues, in excess of budget for the applicable Fiscal Year.

**NOTE 11: RELATED PARTY TRANSACTIONS**

During the current year, the Company incurred charges for the use of the City's building maintenance (electricians, plumbers), locksmiths, printing, and mail services. These nonevent expenses total \$2,608,791 and are included in general and administrative expenses. During the current year, the Company also paid the City for police, fire, and public works services, primarily for events, amounting to \$4,824,492 and Golf utilities and services totaling \$1,844,621. At June 30, 2025, amounts payable to the City totaled \$2,486,516.

During the current year, the Company has amounts receivable from the City related to the 2006 bond refunding in the amount of \$387,583, which will be received through annual payments from the City through 2043.

**ROSE BOWL OPERATING COMPANY**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2025**

---

**NOTE 12: PRIOR PERIOD ADJUSTMENTS**

Change in Accounting Principle

For fiscal year ended June 30, 2025, the City implemented GASB Statement No. 101, *Compensated Absences*, which updated the recognition and measurement guidance for compensated absences, to align recognition and measurement under a single unified model to better meet the needs of financial statement users; refer to note 1. Change in accounting principal from GASB 101 totals \$131,629 for the Rose Bowl and 6,110 for the Golf Course. Additionally, the City removed short-term subscriptions for the Rose Bowl totaling 63,786 from Capital Assets to better align with GASB 96.

	June 30, 2024 As Previously Reported	Changes in Accounting Principle	June 30, 2024 As Restated
Rose Bowl Operating Company			
Rose Bowl	\$ (47,740,231)	\$ (195,415)	\$ (47,935,646)
Golf Course	23,516,156	(6,110)	23,510,046
Total proprietary funds	<u>\$ (24,224,075)</u>	<u>\$ (201,525)</u>	<u>\$ (24,425,600)</u>

**NOTE 13: SUBSEQUENT EVENTS**

The Company evaluated subsequent events for recognition and disclosure through December 10, 2025, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2025 other than the item noted above that required recognition or disclosure in such financial statements.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**REQUIRED SUPPLEMENTARY INFORMATION**

**ROSE BOWL OPERATING COMPANY**  
**Cost Sharing Multiple-Employer Plans**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**As of June 30, for the Last Ten Fiscal Years**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement Period	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Proportion of the Net Pension Liability (Asset)	0.07838%	0.07863%	0.07536%	0.07321%
Proportionate Share of the Net Pension Liability (Asset)	\$ 3,790,911	\$ 3,931,792	\$ 3,526,411	\$ 1,390,048
Covered Payroll	\$ 4,107,965	\$ 3,332,480	\$ 3,209,344	\$ 2,655,214
Proportionate Share of the Net Pension Liability (Asset) as Percentage of Covered Payroll	<b>92.28%</b>	<b>117.98%</b>	<b>109.88%</b>	<b>52.35%</b>
Total Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	<b>80.35%</b>	<b>77.23%</b>	<b>87.16%</b>	<b>90.35%</b>

**Notes to Schedule of Proportionate Share of the Net Pension Liability:**

*Benefit Changes:* There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs. Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors. Additionally, the figures above do not include any liability impact that occurred after the June 30, 2023 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

*Changes of Assumptions:* There were no assumption changes in 2024. Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

---

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
0.07105%	0.06964%	0.06867%	0.06821%	0.06766%	0.07266%
\$ 2,996,767	\$ 2,788,864	\$ 2,587,867	\$ 2,688,676	\$ 2,350,455	\$ 1,993,478
\$ 3,273,956	\$ 3,083,082	\$ 2,798,456	\$ 2,583,602	\$ 2,183,555	\$ 2,292,759
<b>91.53%</b>	<b>90.46%</b>	<b>92.47%</b>	<b>104.07%</b>	<b>107.64%</b>	<b>86.95%</b>
<b>76.58%</b>	<b>75.26%</b>	<b>77.69%</b>	<b>75.39%</b>	<b>75.87%</b>	<b>78.40%</b>

**ROSE BOWL OPERATING COMPANY**  
**Cost Sharing Multiple-Employer Plans**  
**Schedule of Plan Contributions**  
**As of June 30, for the Last Ten Fiscal Years**

Fiscal year ended	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Actuarially Determined Contributions	\$ 685,640	\$ 621,165	\$ 608,451	\$ 593,271
Contribution in Relation to the Actuarially Determined Contribution	(685,640)	(621,165)	(608,451)	(593,271)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,375,414	\$ 4,107,965	\$ 3,332,480	\$ 3,209,344
Contributions as a Percentage of Covered Payroll	15.67%	15.12%	18.26%	18.49%

**Note to Schedule:**

Valuation Date:	June 30, 2023
Methods and assumptions used to determine contribution rates:	
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll, closed
Assets valuation method	Market Value
Discount Rate	6.90% (net of administrative expenses)
Projected Salary Increases	
Inflation	2.30%
Payroll Growth	2.80%

---

<b>June 30, 2021</b>	<b>June 30, 2020</b>	<b>June 30, 2019</b>	<b>June 30, 2018</b>	<b>June 30, 2017</b>	<b>June 30, 2016</b>
\$ 513,532	\$ 537,091	\$ 470,264	\$ 403,984	\$ 371,534	\$ 317,561
(513,532)	(537,091)	(470,264)	(403,984)	(371,534)	(317,561)
<u>\$ -</u>					
\$ 2,655,214	\$ 3,273,956	\$ 3,083,082	\$ 2,798,456	\$ 2,583,602	\$ 2,183,555
19.34%	16.40%	15.25%	14.44%	14.38%	14.54%

**THIS PAGE INTENTIONALLY LEFT BLANK**



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 Directors  
Rose Bowl Operating Company  
Pasadena, 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 Rose Bowl Operating Company (the "Company"), a component unit of the City of Pasadena, California (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Company's basic financial statements, and have issued our report thereon dated December 10, 2025.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company'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 Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company'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 Company'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 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*.



To the Board of Directors  
Rose Bowl Operating Company  
Pasadena, California

### **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 Company'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 Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*LSL, LLP*

Irvine, California  
December 10, 2025