



Civic-Recreational-Industrial Authority

Regular Meeting Agenda
April 13, 2016
9:00 a.m.

Chairman Howard Lim
Vice Chairman Dean Marshall
Board Member David Carmany
Board Member Larry Hartmann
Board Member Becky Simon

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

Addressing the Authority:

- ▶ **Agenda Items:** *Members of the public may address the Authority on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Authority.*
- ▶ **Public Comments (Non-Agenda Items):** *Anyone wishing to address the Authority on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Authority from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the Authority.*

Americans with Disabilities Act:

- ▶ *In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

Agendas and other writings:

- ▶ *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Friday 9:00 a.m. to 5:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*
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1. Call to Order
2. Flag Salute
3. Roll Call
4. Public Comments

5. **EXPO CENTER MATTERS**

5.1 Status Report on Expo Center

RECOMMENDED ACTION: Receive and file the report.

5.2 Consideration of the Register of Demands submitted by the Industry Hills Expo Center for March 9, 2016 and April 13, 2016

RECOMMENDED ACTION: Receive and file.

5.3 Presentation and discussion regarding the Expo Center's License Agreements with Feria Del Caballo de Espanol, International Taekwondo Festival, and Kennel Club of Pasadena, for use of the Grand Arena

RECOMMENDED ACTION: Receive and file.

6. **BOARD MATTERS**

6.1 Consideration of the Register of Demands submitted by the Finance Department for March 9, 2016

RECOMMENDED ACTION: Approve the Register of Demands and ratify the issuance of the checks.

6.2 Consideration of the Register of Demands submitted by the Finance Department for April 13, 2016

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate personnel to pay the bills.

6.3 Presentation and discussion regarding the Civic-Recreational-Industrial Authority's Financial Reports for January 2016 and February 2016

RECOMMENDED ACTION: Receive and file the reports.

6.4 Presentation and discussion regarding the Annual Audited Financial Statements for the Fiscal Year Ended June 30, 2015

RECOMMENDED ACTION: Receive and file.

6.5 Presentation and discussion regarding the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters for the Fiscal Year Ended June 30, 2015; the Independent Auditor's Report on Internal Control Related Matters Identified in the Audit for the Fiscal Year Ended June 30, 2015; and the Auditor's

Communications with the Board of Directors for the Fiscal Year Ended
June 30, 2015

RECOMMENDED ACTION: Receive and file.

- 6.6 Discussion and consideration of appointment of the Civic-Recreational-Industrial Authority's representative to serve on the Industry Property and Housing Management Authority

RECOMMENDED ACTION: Discuss and appoint an applicant to serve on the Industry Property and Housing Management Authority.

7. Adjournment. Next regular meeting: Wednesday, May 11, 2016 at 9:00 a.m.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.1

April 2016 Calendar of Events

Industry Hills Expo Center

Date	Location	Name of Event	Description
2	GRAND ARENA	FERIA DEL CABALLO DE ESPANOL <i>Spanish Horse Show</i>	ADMISSION
2	Pavilion	Perez Wedding Reception	Private Party
2	Gazebo & Avalon Room	Ambriz Wedding Ceremony & Reception	Private Party
6	Avalon Room	Montes Memorial Service	Private Party
8	Avalon Room	Chavez Cocktail Party	Private Party
9	Pavilion	Robledo 15 Anos Celebration	Private Party
9	Avalon Room	Martinez Wedding Reception	Private Party
10	GRAND & PARKING LOT	BEST IN SHOW MAGAZINE <i>Custom Car Show</i>	PARKING & ADMISSION
14	Pavilion	LA County Sheriff - Pinning Ceremony	Private Event
15-17	GRAND ARENA	LYNDA TJARKS AGILITY PRODUCTIONS <i>Dog Agility Trials</i>	PARKING - VIEWING PUBLIC FREE
16	Gazebo & Avalon Room	Rothrock Wedding Ceremony & Reception	Private Party
21-24	GRAND ARENA	ANGELES CANYON DOG CLUB <i>Confirmation & Obedience Dog Show</i>	PARKING - VIEWING PUBLIC FREE
21	Pavilion	Hacienda La Puente Unified School District <i>Scholarship Dinner</i>	Private Event
22	Pavilion	Lopez Wedding Reception	Private Party
22	Avalon Room	Lorenz 15th Anos Celebration	Private Party
23	Pavilion	Marquez 15 Anos Celebration	Private Party
23	Avalon Room	Esparza Wedding Reception	Private Party
27	Pavilion	La Puente Valley Regional Occupational Program <i>Scholarship Awards Dinner</i>	Private Event
29	Avalon Room	Gonzalez 50th Birthday Party	Private Party
30	OUTDOOR RINGS	LA County Sheriff Mounted Unit - Training	CLOSED TO THE PUBLIC
30	Pavilion	Linares Wedding Reception	Private Party

May 2016 Calendar of Events

Industry Hills **Expo Center**

Date	Location	Name of Event	Description
4	Pavilion	Kiwanis Club Ribfest Fundraiser	Private Event
1	Avalon Room	Amezcuca Baby Shower	Private Party
7	Pavilion	Galvan 15 Anos Celebration	Private Party
7	Avalon Room	Valles 80th Birthday Celebration	Private Party
13-15	GRAND ARENA	FERIA DEL CABALLO DE ESPANOL <i>Spanish Horse Show</i>	ADMISSION
13	Pavilion	Industry Sheriff Department <i>Law Enforcement Academy Graduation Ceremony</i>	Private Event
14	Avalon Room	Martin Graduation Party	Private Party
20	Avalon Room	Avalos Graduation Party	Private Party
21	GRAND ARENA	INTERNATIONAL TAEKWONDO FESTIVAL 2016 <i>Competition - Awards</i>	ADMISSION & PARKING
21	Gazebo & Avalon Room	Morgan Wedding Ceremony & Reception	Private Party
22	Avalon Room	Lizarraga 30th Birthday Party	Private Party
24	GRAND ARENA	WORKMAN HIGH SCHOOL <i>2016 Graduation Ceremony</i>	TICKETED EVENT
27	Gazebo & Avalon Room	Alegria Wedding Ceremony & Reception	Private Party
28	Gazebo & Avalon Room	Ramert Wedding Ceremony & Reception	Private Party
29	Gazebo & Pavilion	Zepeda 15 Anos Celebration	Private Party
29	Avalon Room	Rodriguez 55th Birthday Party	Private Party

June 2016 Calendar of Events

Industry Hills **Expo Center**

Date	Location	Name of Event	Description
1	GRAND ARENA	INDUSTRY RACING - Speedway Motorcycle Races <i>Connor Penhall Memorial Cup - Season Opener</i>	ADMISSION & PARKING
3	Avalon Room	Hernandez Graduation Party	Private Party
4	Pavilion	Martin Wedding Reception	Private Party
4	Avalon Room	Lara Retirement Party	Private Party
5	Avalon Room	Saucedo Graduation Party	Private Party
7	Avalon Room	Los Angeles County Recorders Office	Polling site
8	GRAND ARENA	INDUSTRY RACING - Speedway Motorcycle Races <i>Bert's Mega Mall Night</i>	ADMISSION & PARKING
11	Pavilion	Ortiz 15 Anos Celebration	Private Party
11	Avalon Room	Haro 15 Anos Celebration	Private Party
12	Avalon Room	Meyers Birthday Party	Private Party
15	GRAND ARENA	INDUSTRY RACING - Speedway Motorcycle Races <i>Legends Night</i>	ADMISSION & PARKING
18	Pavilion	Serrano Wedding Reception	Private Party
18	Avalon Room	Mariscal 18th Birthday Party	Private Party
22	GRAND ARENA	INDUSTRY RACING - Speedway Motorcycle Races <i>Russ Brown Motorcycle Attorney's Night</i>	ADMISSION & PARKING
24-25	Outdoor Rings	Los Angeles County Mounted Sheriff Unit	Training - Closed Course
24	Avalon Room	Centeno 30th Birthday Party	Private Party
25	Pavilion	Espinosa Wedding Reception	Private Party
25	Gazebo & Avalon Room	Diaz Wedding Ceremony & Reception	Private Party
26	GRAND PARKING LOT	BOMBS KUSTOM CAR SHOW	ADMISSION & PARKING
26	Avalon Room	Sanchez Birthday Party	Private Party
29	GRAND ARENA	INDUSTRY RACING - Speedway Motorcycle Races <i>Salute to Military Night</i>	ADMISSION & PARKING

ALL EVENTS LISTED ABOVE ARE SCHEDULED BUT ARE SUBJECT TO CHANGE WITHOUT NOTICE

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.2

Industry Hills Expo Center – Check Register
FEBRUARY

DATE	CHECK NUMBER	PAYEE	AMOUNT	DETAILS
02/01/16	9352	MAX RUML	\$635.00	2015 SEASON POINTS PAYOUT
02/01/16	9353	DILLON RUML	\$535.00	2015 SEASON POINTS PAYOUT
02/01/16	9354	AARON FOX	\$435.00	2015 SEASON POINTS PAYOUT
02/01/16	9355	BROC NICOL	\$260.00	2015 SEASON POINTS PAYOUT
02/01/16	9356	BILLY JANNIRO	\$210.00	2015 SEASON POINTS PAYOUT
02/01/16	9357	CHARLIE VENEGAS	\$185.00	2015 SEASON POINTS PAYOUT
02/01/16	9358	BUCK BLAIR	\$160.00	2015 SEASON POINTS PAYOUT
02/01/16	9359	SHAWN McCONNELL	\$135.00	2015 SEASON POINTS PAYOUT
02/01/16	9360	RUSSELL GREEN	\$110.00	2015 SEASON POINTS PAYOUT
02/01/16	9361	GAGE GEIST	\$85.00	2015 SEASON POINTS PAYOUT
02/01/16	9362	AR-013016R CARLOS LANDINO	\$300.00	SEC. DEPOSIT REFUND
02/01/16	9363	PAV-013016 DAVID MORA	\$600.00	SEC. DEPOSIT REFUND
02/01/16	9364	ALARMCO	\$3,928.01	TROUBLE SHOOT/REPAIR WIRING-ARENA
02/01/16	9365	ANHEUSER BUSCH SALES OF AMERICA	\$953.50	ALCOHOL INVENTORY
02/01/16	9366	CARLOS A. MORALES-MIRAMONTES	\$2,000.00	MKTG & CONSULTING FEES-JAN
02/01/16	9367	CINTAS	\$436.72	MATS, MOPS AND UNIFORMS
02/01/16	9368	COASTAL CARBONIC	\$9.82	WEIGH TICKET FEE
02/01/16	9369	COCA-COLA ENTERPRISES	\$1,190.88	ALCOHOL INVENTORY
02/01/16	9370	CSG	\$1,948.00	IT MANAGEMENT FEE-FEBRUARY
02/01/16	9371	OFFICE DEPOT	\$159.72	OFFICE SUPPLIES EXPENSE
02/01/16	9372	P & R PAPER SUPPLY COMPANY	\$315.23	PAPER, CLEANING, & BAR SUPPLIES
02/01/16	9373	RIDING MAGAZINE	\$395.00	FACILITY ADVERTISING
02/01/16	9374	SHAMROCK FOODS COMPANY	\$164.15	CONCESSION INVENTORY
02/01/16	9375	SOUTHERN WINE & SPIRITS	\$1,908.71	ALCOHOL INVENTORY
02/01/16	9376	XEROX FINANCIAL SERVICES	\$328.98	LEASE AND SALES TAX PMT-FEBRUARY
02/01/16	9377	YOUNG'S MARKET CO.	\$366.92	ALCOHOL INVENTORY
02/02/16	9378	CNC EQUESTRIAN MANAGEMENT	\$299.95	REIMBURSE SUPPLIES EXPENSE
02/02/16	9379	CNC EQUESTRIAN MANAGEMENT	\$5,000.00	MONTHLY MANAGEMENT FEE
02/02/16	9380	CNC EQUESTRIAN MANAGEMENT	\$34,099.22	PAYROLL-FEBRUARY
02/04/16	9381	ALARMCO	\$700.00	FIRE ALARM INSTALL
02/04/16	9382	BROWN & BROWN OF CALIFORNIA INC.	\$1,600.00	BANQUET TULIP INSURANCE-OCT/NOV.
02/04/16	9383	CAPITOL PROTECTION INC.	\$2,740.50	EVENT SECURITY SERVICES
02/04/16	9384	HARBOR DISTRIBUTING,LLC	\$354.00	ALCOHOL INVENTORY
02/04/16	9385	KIKI'S INDUSTRIAL JANITORIAL SERVICE	\$2,675.00	MONTHLY FAC. CLEAN/RR&TRASH ATT. MA-013016
02/04/16	9386	OFFICE DEPOT	\$136.53	OFFICE SUPPLIES EXPENSE
02/04/16	9387	ORBIT PRINTING	\$100.96	PRINT SEASON PASSES-SPEEDWAY

02/04/16	9388 REYNOLDS GMC	\$1,055.05	VEHICLE MAINTENANCE EXPENSE-WATER TRUCK
02/08/16	9389 ALARMCO	\$285.00	TROUBLESHOOT AND REPAIR PHONE LINE
02/08/16	9390 CARLOS A. MORALES-MIRAMONTES	\$2,000.00	MKTG & CONSULTING FEES-FEB.
02/08/16	9391 CINTAS	\$417.17	MATS, MOPS AND UNIFORMS
02/08/16	9392 CNC EQUESTRIAN MANAGEMENT	\$11,749.85	P/R WEEKENDING 013116
02/08/16	9393 HAWKEYE EQUIPMENT RENTALS	\$301.93	REPAIR FUEL LEAK-BOOM LIFT
02/08/16	9394 SATSUMA LANDSCAPE	\$8,674.00	MONTHLY LANDSCAPING FEES-JANUARY
02/08/16	9395 SHAMROCK FOODS COMPANY	\$1,640.80	CONCESSION INVENTORY
02/08/16	9396 SPARKLETTS	\$95.04	OFFICE SUPPLIES EXPENSE
02/08/16	9397 VERIZON	\$284.99	MONTHLY FIOS CHARGES-JAN/FEB
02/08/16	9398 VOID CHECK	\$0.00	DATA ENTRY ERROR
02/08/16	9399 PAV-020616 STEPHANIE CORDERO	\$600.00	SEC. DEPOSIT REFUND
02/08/16	9400 AR-020516 NANCY ADRIAS	\$300.00	SEC. DEPOSIT REFUND
02/08/16	9402 AR-020616 SANDY FLORES	\$300.00	SEC. DEPOSIT REFUND
02/13/16	9403 MA-010916 LYNDA TJARKS WCCS	\$630.00	SEC. DEPOSIT REFUND
02/16/16	9404 PCR CASH	\$2,409.53	REPLENISH PETTY CASH-JAN. RECEIPTS
02/16/16	9405 ANHEUSER BUSCH SALES OF AMERICA	\$348.00	ALCOHOL INVENTORY
02/16/16	9406 CAPITOL PROTECTION INC.	\$1,123.50	EVENT SECURITY SERVICES
02/16/16	9407 CHEM-DRY	\$2,104.00	PROPERTY MAINTENANCE-BANQUET CARPETS
02/16/16	9408 CINTAS	\$411.25	MATS, MOPS AND UNIFORMS
02/16/16	9409 CULLIGAN WATER CONDITIONING	\$74.85	WATER FILTER SERVICE-JAN
02/16/16	9410 dex MEDIA	\$159.00	FACILITY ADVERTISING
02/16/16	9411 KIKI'S INDUSTRIAL JANITORIAL SERVICE	\$190.00	RR & TRASH SERVICE-LTAP 0206-0207
02/16/16	9412 MATTHEW MALDONADO	\$975.00	TEXT, E-MAIL SOCIAL MEDIA MKTG-FEB
02/16/16	9413 MX TROPHIES.COM	\$807.00	AWARD PLAQUES-2015 SEASON BANQUET
02/16/16	9414 Print & Mail Concepts	\$933.00	FLYERS,POSTERS & RAFFLE TICKETS
02/16/16	9415 ROGERS,CLEM & CO.	\$1,750.00	ACCOUNTING & CONSULTING FEES-JAN.
02/16/16	9416 WEST COAST EMERGENCY MEDICAL SERVICES	\$975.00	AMB. & EMT SERVICE SPEEDWAY-0219/022016
02/16/16	9417 VOID CHECK	\$0.00	DATA ENTRY ERROR
02/16/16	9418 PCR CASH	\$5,000.00	REPLENISH ATM TERMINALS-BANQUETS
02/16/16	9419 PCR CASH	\$2,500.00	REPLENISH ATM TERMINALS-ARENA
02/16/16	9420 WEST COVINA YOUTH PONY BASEBALL	\$300.00	SPONSOR-PROMO EXP. PINTO REDSOX
02/16/16	9421 WEST COVINA YOUTH PONY BASEBALL	\$300.00	SPONSOR-PROMO EXP. SHETLAND DODGERS
02/17/16	9422 AT&T	\$716.02	MONTHLY WIRELESS CHARGES-JAN/FEB
02/17/16	9423 CAPITOL PROTECTION INC.	\$2,273.10	EVENT SECURITY SERVICES
02/17/16	9424 CLEAN SWEEP SUPPLY CO.	\$499.00	CLEANING SUPPLIES
02/17/16	9425 FRANCISCOS EXOTIC DECO	\$398.94	TROPHIES-GUMBALL RALLY
02/17/16	9426 KIKI'S INDUSTRIAL JANITORIAL SERVICE	\$190.00	RR & TRASH SERVICE LTAP 0213-0214
02/17/16	9427 OFFICE DEPOT	\$604.90	OFFICE SUPPLIES EXPENSE
02/17/16	9428 VERIZON	\$489.23	MONTHLY PHONE CHARGES-OFFICE

02/19/16	9429 REWIND	\$650.00 PROMOTIONAL EXPENSE-GUMBALL BANQUET
02/20/16	9430 MIKE MILLER	\$500.00 PROMOTIONAL EXPENSE-GUMBALL RACES
02/23/16	9431 BOARD OF EQUALIZATION	\$2,195.00 PREPAY SALES TAX-JAN.
02/25/16	9432 CNC EQUESTRIAN MANAGEMENT	\$9,560.95 P/R WEEKENDING 011516
02/24/16	9433 PAV-022016 MARIA FREGOSO	\$600.00 SEC. DEPOSIT REFUND
02/27/16	9434 7UP/RC BOTTLING OF S.CALIFORNIA	\$837.12 ALCOHOL INVENTORY
02/27/16	9435 ALARMCO	\$2,000.00 TELEVISION INSTALL-ARENA
02/27/16	9436 BROWN & BROWN OF CALIFORNIA INC.	\$1,100.00 BANQUET TULIP INSURANCE-DEC.
02/27/16	9437 CAPITOL PROTECTION INC.	\$4,746.00 EVENT SECURITY SERVICES
02/27/16	9438 CINTAS	\$822.50 MATS, MOPS AND UNIFORMS
02/27/16	9439 CNC EQUESTRIAN MANAGEMENT	\$12,256.77 P/R WEEKENDING 021516
02/27/16	9440 VOID CHECK	\$0.00 DATA ENTRY ERROR
02/27/16	9441 KIKI'S INDUSTRIAL JANITORIAL SERVICE	\$675.00 RR & TRASH SERVICE 0219-022016
02/27/16	9442 MRC SMART TECHNOLOGY SOLUTIONS	\$30.00 OVERNIGHT SHIP FEE
02/27/16	9443 MX TROPHIES.COM	\$52.00 TO ADJUST INCORRECT INV.
02/27/16	9444 OFFICE DEPOT	\$209.52 OFFICE SUPPLIES EXPENSE
02/27/16	9445 PITNEY BOWES-PURCHASE POWER	\$534.13 POSTAGE METER RELOAD
02/27/16	9446 SOUTHERN CALIFORNIA EDISON	\$17,221.09 MONTHLY UTILITY CHARGES-JAN/FEB.
02/29/16	9447 JANUS PEST MANAGEMENT, INC.	\$1,490.00 MONTHLY PEST CONTROL CHARGES-JAN.

TOTAL-

\$174,807.03

Industry Hills Expo Center - Check Register

MARCH

DATE	CHECK NUMBER	PAYEE	AMOUNT	DETAILS
03/02/16	9448	PAV-022816 JUANITA HERNANDEZ	600.00	SECURITY DEPOSIT REFUND
03/02/16	9449	AR-022716 CARINA TORRES	240.00	SECURITY DEPOSIT REFUND
03/02/16	9450	PAV-022716R FULINO LIU	600.00	SECURITY DEPOSIT REFUND
03/03/16	9451	AIRGAS WEST	276.27	BAR SUPPLIES EXPENSE
03/03/16	9452	ALARMCO	4,000.00	INSTALL TELEVISIONS-ARENA
03/03/16	9453	ANHEUSER BUSCH SALES OF AMERICA	484.00	ALCOHOL INVENTORY
03/03/16	9454	BIGSIGNS.COM	4,960.00	BACKDROP PANELS-SPEEDWAY
03/03/16	9455	BRYAN EXHAUST SERVICE, INC.	525.00	QRTRLY SERVICE HOOD SYSTEM-ARENA
03/03/16	9456	CITY OF INDUSTRY	2,012.24	DUMP FEES, STORAGE BOX, 3YD SERVICE-JAN/FEB
03/03/16	9457	CLASSIC DISTRIBUTING & BEV.	245.00	ALCOHOL INVENTORY
03/03/16	9458	COCA-COLA ENTERPRISES	556.80	ALCOHOL INVENTORY
03/03/16	9459	CSG	2,147.00	PROCARE IT SERVICE-MAR.
03/03/16	9460	DRAPES 4 SHOW, INC.	935.21	DROP OVER LINENS-BANQUETS
03/03/16	9461	GRAHAM COMPANY	390.00	QUARTERLY INSP.EMERGENCY LIGHT SYSTEM
03/03/16	9462	HOME DEPOT	610.64	PROPERTY MAINTENANCE EXPENSE
03/03/16	9463	MITY-LITE	3,145.94	BANQUET TABLES & CHAIRS
03/03/16	9464	OFFICE DEPOT	84.30	OFFICE SUPPLIES EXPENSE
03/03/16	9465	VOID CHECK	0.00	DATA ENTRY ERROR
03/03/16	9466	ROBINSONS FLOWERS	177.13	SYMPATHY ARRANGEMENT-D.BELON
03/03/16	9467	SHAMROCK FOODS COMPANY	153.46	CONCESSION INVENTORY
03/03/16	9468	XEROX FINANCIAL SERVICES	328.98	LEASE AND SALES TAX PMT-MARCH
03/03/16	9469	CNC EQUESTRIAN MANAGEMENT	5,000.00	MONTHLY MANAGEMENT FEE-MARCH
03/03/16	9470	CNC EQUESTRIAN MANAGEMENT	34,099.22	PAYROLL-MARCH
03/03/16	9471	P & R PAPER SUPPLY COMPANY	116.24	PAPER AND CLEANING SUPPLIES
03/06/16	9472	AR-022816 RAUL DE LA TORRE	171.00	SECURITY DEPOSIT REFUND
03/07/16	9473	AR-030516 NAOMI MEZA	300.00	SECURITY DEPOSIT REFUND
03/07/16	9474	PAV-030516 VIOLETA HERNANDEZ	600.00	SECURITY DEPOSIT REFUND
03/07/16	9475	PCR CASH	8,000.00	REPLENISH ATM MACHINES
03/07/16	9476	ALARMCO	1,400.00	PROGRESSIVE PMT-INSTALL/INSPECTION
03/07/16	9477	VOID CHECK	0.00	DATA ENTRY ERROR
03/07/16	9478	CAPITOL PROTECTION INC.	1,564.50	EVENT SECURITY SERVICES
03/07/16	9479	CULLIGAN WATER CONDITIONING	74.85	WATER FILTER SERVICE-MARCH
03/07/16	9480	dex MEDIA	159.00	FACILITY ADVERTISING
03/07/16	9481	OFFICE DEPOT	77.71	OFFICE SUPPLIES EXPENSE

03/07/16	9482 PT EVENTS INC.	440.44 DEPOSIT-DETACHABLE WALLS FOR 15X30 CANOPY
03/07/16	9483 SAN GABRIEL VALLEY NEWSPAPER GROU	1,634.00 FACILITY ADVERTISING
03/07/16	9484 SATSUMA LANDSCAPE	10,346.16 MONTHLY LANDSCAPING FEES.
03/07/16	9485 SPARKLETTS	767.87 ALCOHOL INVENTORY
03/07/16	9486 VERIZON	284.99 MONTHLY FIOS CHGS.
03/07/16	9487 YOUNG'S MARKET CO.	366.92 ALCOHOL INVENTORY
03/07/16	9488 AR-030616 ERELIN CORTZ	300.00 SECURITY DEPOSIT REFUND
03/08/16	9489 K&K INSURANCE	1,325.00 SPEEDWAY INSURANCE PREMIUM-ADD EVENT
03/08/16	9490 SIGN DEPOT	144.33 SPEEDWAY BANNER
03/10/16	9491 CINTAS	879.36 MATS, MOPS AND UNIFORMS
03/10/16	9492 CNC EQUESTRIAN MANAGEMENT	22,377.69 PR W/E 022816
03/10/16	9493 KIKI'S INDUSTRIAL JANITORIAL SERVIC	2,095.00 FACILITY CLEAN-MARCH,RR&TRASH ATT. 022816
03/10/16	9494 MARTHA PEREZ	150.00 LINENS-GUMBALL RALLY BANQUET
03/14/16	9495 AMA	2,100.00 2016 SEASON RACE SANCTIONING FEES
03/14/16	9496 CNC EQUESTRIAN MANAGEMENT	1,179.50 PR W/E 022816 TO MAKE UP MISSED HRS
03/14/16	9497 PCR CASH	2,456.65 REPLENISH PETTY CASH-FEB & MARCH REC.
03/15/16	9498 AT&T	697.07 MONTHLY WIRELESS CHGS.
03/15/16	9499 OFFICE DEPOT	189.11 OFFICE SUPPLIES EXPENSE
03/15/16	9500 PCR CASH	1,672.10 REPLENISH PETTY CASH-FEB REC.
03/17/16	9501 PCR CASH	5,000.00 REPLENISH ATM MACHINES
03/14/16	9502 MA-022716 AMERICAN SUPERCAMP	351.88 REFUND DUE TO OVERPAYMENT
03/17/16	9503 ALARMCO	665.00 TROUBLESHOOT WIFI
03/17/16	9504 ANHEUSER BUSCH SALES OF AMERICA	97.70 ALCOHOL INVENTORY
03/17/16	9505 CAPITOL PROTECTION INC.	3,486.00 EVENT SECURITY SERVICES
03/17/16	9506 CINTAS	409.68 MATS, MOPS AND UNIFORMS
03/17/16	9507 CITY OF INDUSTRY	1,502.12 DUMP FEES, STORAGE BOX, 3YD SERVICE-FEB/MAR
03/17/16	9508 HARBOR DISTRIBUTING,LLC	436.00 ALCOHOL INVENTORY
03/17/16	9509 KIKI'S INDUSTRIAL JANITORIAL SERVIC	1,375.00 RR & TRASH ATT. INPEFESS 0311-031316
03/17/16	9511 OFFICE DEPOT	114.99 OFFICE SUPPLIES EXPENSE
03/17/16	9512 STAPLES LINK	80.73 OFFICE SUPPLIES EXPENSE
03/17/16	9513 UNION JACK PUBLISHING, INC.	840.00 FACILITY ADVERTISING
03/17/16	9514 PCR CASH	447.83 REPLENISH PETTY CASH-MARCH REC.
03/22/16	9516 BOARD OF EQUALIZATION	3,166.00 PRE-PAY SALES TAX
03/22/16	9517 CARLOS A. MORALES-MIRAMONTES	1,000.00 MARKETING/CONSULTING FEES-JAN.
03/22/16	9518 JANUS PEST MANAGEMENT, INC.	1,400.00 PEST CONTROL
03/22/16	9519 ROGERS,CLEM & CO.	1,750.00 ACCOUNTING AND CONSULTING FEES
03/23/16	9521 PAV-031216 VIKA TULUA	282.00 SECURITY DEPOSIT REFUND
03/23/16	9522 VOID CHECK	0.00 DATA ENTRY ERROR

03/23/16	9523 AR-032016 JOSEPH CHAVEZ	300.00 SECURITY DEPOSIT REFUND
03/23/16	9524 PAV-031816 JOSE MARCELINO HERRERA	600.00 SECURITY DEPOSIT REFUND
03/23/16	9525 JAY THOMAS	48.00 REFUND DUE TO OVER PAYMENT
03/23/16	9526 JOHN MILES	48.00 REFUND DUE TO OVER PAYMENT
03/23/16	9527 MARTY HAGBERRY	96.00 REFUND DUE TO OVER PAYMENT
03/23/16	9528 RUSS O DALEY	48.00 REFUND DUE TO OVER PAYMENT
03/23/16	9529 STEVEN MURRAY	48.00 REFUND DUE TO OVER PAYMENT
03/23/16	9530 JENNY BRUNK	48.00 REFUND DUE TO OVER PAYMENT
03/23/16	9531 MARK JONES	48.00 REFUND DUE TO OVER PAYMENT
03/23/16	9532 7UP/RC BOTTLING OF S.CALIFORNIA	355.77 ALCOHOL INVENTORY
03/23/16	9533 ANHEUSER BUSCH SALES OF AMERICA	245.20 ALCOHOL INVENTORY
03/23/16	9534 BROWN & BROWN OF CALIFORNIA INC.	12,094.52 ANNUAL EQUINE LIABILITY INSURANCE
03/23/16	9535 CAPITOL PROTECTION INC.	3,402.00 EVENT SECURITY SERVICES
03/23/16	9536 CINTAS	389.28 MATS, MOPS AND UNIFORMS
03/23/16	9537 CLASSIC DISTRIBUTING & BEV.	516.00 ALCOHOL INVENTORY
03/23/16	9538 CLEAN SWEEP SUPPLY CO.	517.97 CLEANING SUPPLIES
03/23/16	9539 OFFICE DEPOT	28.99 OFFICE SUPPLIES EXPENSE
03/23/16	9541 YOUNG'S MARKET CO.	1,424.92 ALCOHOL INVENTORY
03/18/16	9542 AR-031216 LINDA DE LA CRUZ	300.00 SECURITY DEPOSIT REFUND
03/23/16	9543 PAV-031916R S.I. ENTERPRISE	600.00 SECURITY DEPOSIT REFUND
03/24/16	9544 PCR CASH	5,000.00 REPLENISH ATM MACHINES
03/28/16	9545 ALARMCO	95.00 SERVICE CALL-WATER IN POWER SUPPLY
03/28/16	9546 CARLOS A. MORALES-MIRAMONTES	2,000.00 MARKETING/CONSULTING FEES-FEB.
03/28/16	9547 CSG	1,845.91 NEW COMPUTER FOR A/V DEPT.
03/28/16	9548 HOME DEPOT	960.79 PROPERTY MAINTENANCE EXPENSE
03/28/16	9549 JCL TRAFFIC	656.73 EVENT PARKING SIGNS
03/28/16	9550 KIKI'S INDUSTRIAL JANITORIAL SERVIC	675.00 RR & TRASH ATT. MA-031916 AM. SOUL RODEO
03/28/16	9551 OFFICE DEPOT	128.78 OFFICE SUPPLIES EXPENSE
03/28/16	9552 SOUTHERN CALIFORNIA EDISON	11,308.86 MONTHLY UTILITY EXPENSE
03/28/16	9553 USPS	1,346.01 POSTAGE FOR QUARTERLY MAILER
03/28/16	9554 VERIZON	488.37 MONTHLY PHONE SERVICE
03/28/16	9555 PCR CASH	10,000.00 REPLENISH ATM MACHINES
03/29/16	9557 PAV-032616RR RHONDA YOCUM	3,500.00 SECURITY DEPOSIT REFUND
03/31/16	9558 AR-052216 MARIA LIZZARRAGA	300.00 SECURITY DEPOSIT REFUND
03/31/16	9559 AR-022016R EVELYN GOMEZ	300.00 SECURITY DEPOSIT REFUND

TOTAL \$205,609.71

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 5.3



Memorandum

To: Paul Phillips, Executive Director
Civic-Recreational-Industrial-Authority

From: Carol Perez, Operations Mgr.
Industry Hills Expo Center

Re: License Agreements

Date: March 2, 2016

Below for CRIA Board is information related to agreements the Industry Hills Expo Center will enter in the coming months:

License Agreement #MA-040216 – To enter into a License Agreement with Feria Del Caballo de Espanol for a one-day horse show & competition. This event is scheduled for April 2, 2016. The base contract is \$1,100. This promoter anticipates 100 competitors and 1,200 spectators. This promoter has two other shows at the facility each year and added this 3rd show this year. Promoter is a prompt payee.

License Agreement #MA-052116 – To enter into a License Agreement with International Taekwondo Festival, which is a one-day tournament with over 1,000 participants and over 3,500 spectators. This event is scheduled for May 21, 2016. The base contract is \$1,100. The balance of fees is billed after the event as vendors, electrical usage and equipment utilized is calculated after the event. This is an annual tournament that has utilized our venue as well as the Pacific Palms resort over the last 12 years. Promoter pays within 30 days of the event.

License Agreement #MA-060416 – To enter into a License Agreement with the Kennel Club of Pasadena. This is the first time the club will be utilizing our venue. The large conformation/obedience clubs have been very lucrative for the venue. This event is scheduled for two-days, June 4-5, 2016. The will have over 900 exhibitors & 1,200 spectators. The base contract is \$2,200. The balance of fees is billed after the event as facility usage is unknown. We will collect known fees prior to the event.

The CRIA Board is asked to receive and file these agreements. Please note that these agreements are subject to the approval of CRIA Board's general counsel.

By: Carol J. Perez
Operations Manager


Signature

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.1

CIVIC-RECREATIONAL INDUSTRIAL AUTHORITY
AUTHORIZATION FOR PAYMENT OF BILLS
Board Meeting March 9, 2016

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
360	INDUSTRY HILLS EXPO OPERATING ACCOUNT	77,493.32

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
WFCK	WELLS FARGO CHECKING	77,493.32

Civic-Recreational Industrial Authority
Board Meeting
March 9, 2016

Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
10525	03/09/2016		CITY OF INDUSTRY	\$187.44
	Invoice	Date	Description	Amount
	2016-00000055	01/31/2016	JANUARY 2016 FUEL COST	\$187.44
10526	03/09/2016		CNC ENGINEERING	\$18,357.88
	Invoice	Date	Description	Amount
	44444	02/11/2016	EXPO CENTER STANDARDS OF MAINT - MISC	\$1,809.42
	44445	02/11/2016	SEWER SYSTEM MAINTENANCE	\$313.76
	44446	02/11/2016	IH EXPO - RESURFACING PARKING LOTS &	\$7,220.19
	44492	02/25/2016	EXPO CENTER STANDARDS OF MAINT - MISC	\$1,160.97
	44493	02/25/2016	IH EXPO - RESURFACING PARKING LOTS &	\$7,853.54
10527	03/09/2016		CRIA-EQUESTRIAN CENTER	\$48,500.00
	Invoice	Date	Description	Amount
	MAR-16	02/12/2016	OPERATING EXPENSE - MARCH 2016	\$48,500.00
10528	03/09/2016		CRIA-PAYROLL ACCOUNT	\$2,500.00
	Invoice	Date	Description	Amount
	FEB-16	02/12/2016	REIMBURSE PAYROLL - FEBRUARY 2016	\$2,500.00
10529	03/09/2016		FRAZER, LLP	\$4,390.00
	Invoice	Date	Description	Amount
	141389	01/31/2016	PROF SVC - JANUARY 2016	\$2,180.00
	141674	02/29/2016	PROF SVC - FEBRUARY 2016	\$2,210.00
10530	03/09/2016		SNOWDEN ELECTRIC COMPANY,	\$3,558.00
	Invoice	Date	Description	Amount
	16-0109	01/26/2016	MAINT SVC FOR EXPO CENTER STREET LIGHTS	\$2,060.00
	16-0111	01/27/2016	BURNT WIRES/DAMAGED OUTLET - AVALON ROOM	\$1,498.00

Civic-Recreational Industrial Authority
Board Meeting
March 9, 2016

Check	Date	Payee Name	Check Amount
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CRIA.WF.CHK - CRIA Wells Fargo Checking

Checks	Status	Count	Transaction Amount
	Total	6	\$77,493.32

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.2

CIVIC-RECREATIONAL INDUSTRIAL AUTHORITY
AUTHORIZATION FOR PAYMENT OF BILLS
Board Meeting April 13, 2016

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
360	INDUSTRY HILLS EXPO OPERATING ACCOUNT	77,084.20

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
WFCK	WELLS FARGO CHECKING	77,084.20

Civic-Recreational Industrial Authority
Board Meeting
April 13, 2016

Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
10531	04/13/2016		CITY OF INDUSTRY	\$426.61
	Invoice	Date	Description	Amount
	2016-00000063	02/29/2016	FEBRUARY 2016 FUEL COST	\$426.61
10532	04/13/2016		CNC ENGINEERING	\$20,406.59
	Invoice	Date	Description	Amount
	44548	03/10/2016	EXPO CENTER STANDARDS OF MAINT - MISC	\$470.64
	44549	03/10/2016	IH EXPO - RESURFACING PARKING LOTS &	\$10,133.60
	44612	03/31/2016	EXPO CENTER STANDARDS OF MAINT - MISC	\$506.68
	44613	03/31/2016	IH EXPO - RESURFACING PARKING LOTS &	\$9,295.67
10533	04/13/2016		CRIA-EQUESTRIAN CENTER	\$48,500.00
	Invoice	Date	Description	Amount
	APR-16	03/15/2016	OPERATING EXPENSE - APRIL 2016	\$48,500.00
10534	04/13/2016		CRIA-PAYROLL ACCOUNT	\$2,500.00
	Invoice	Date	Description	Amount
	MAR-16	03/15/2016	REIMBURSE PAYROLL - MARCH 2016	\$2,500.00
10535	04/13/2016		FRAZER, LLP	\$2,250.00
	Invoice	Date	Description	Amount
	142261	03/31/2016	PROF SVC - MARCH 2016	\$2,250.00
10536	04/13/2016		JANUS PEST MANAGEMENT	\$500.00
	Invoice	Date	Description	Amount
	175273	02/10/2016	BEE REMOVAL SVC - EXPO CENTER	\$500.00
10537	04/13/2016		SNOWDEN ELECTRIC COMPANY,	\$2,276.00
	Invoice	Date	Description	Amount
	16-0157	03/09/2016	MAINT/REPAIR - EXPO CENTER STREET LIGHTS	\$2,276.00
10538	04/13/2016		WALNUT VALLEY GLASS & MIRROR	\$225.00

Civic-Recreational Industrial Authority
Board Meeting
April 13, 2016

Check	Date	Payee Name	Check	Amount
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CRIA.WF.CHK - CRIA Wells Fargo Checking

Invoice	Date	Description	Amount
13406	02/25/2016	SAFETY GLASS - AVALON ROOM	\$225.00

Checks	Status	Count	Transaction Amount
	Total	8	\$77,084.20

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.3



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

City of Industry

CRIA BOARD OF DIRECTORS

HOWARD LIM, CHAIRMAN
DEAN MARSHALL, VICE CHAIRMAN
DAVID CARMANY
LARRY HARTMANN
BECKY SIMON

15625 EAST STAFFORD STREET
CITY OF INDUSTRY, CALIFORNIA 91744-3366
(626) 333-2211

STAFF REPORT

Date: April 6, 2016

To: Chairman and Members of the Board of Directors
Civic-Recreational-Industrial Authority

Prepared by: Dean Yamagata - Frazer, LLP

Via: Susan Paragas, Controller 

Subject: Civic-Recreational-Industrial Authority Monthly Financial Statements

RECOMMENDATION

Receive and file

EXECUTIVE SUMMARY

For the month of January 2016, the Expo Center generated \$66,763 of revenue and incurred total expenses of \$152,924. Transfers from the Capital projects fund amounted to \$48,500.

For the seven months ended January 2016, the Expo Center generated \$835,136 of revenue and incurred total expenses of \$1,171,966. Transfers from the Capital Projects fund amounted to \$339,500. Year to date revenue and expenses are in line with the annual budget.

DESCRIPTION OF REPORTS

The monthly financial statement is a comprehensive document reflecting the financial position of the Authority at January 31, 2016.

Fiscal Impact

There is no fiscal impact as result of this action.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

FINANCIAL STATEMENTS

JANUARY 31, 2016

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

FINANCIAL STATEMENTS

JANUARY 31, 2016

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Note: The presentation of these financial statements do not conform with Governmental Accounting Standards Board statement number 34 – Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments and do not include all the disclosures required by this pronouncement.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
JANUARY 31, 2016

Expo Center Operations

During the month ended January 31, 2016, we held six events in the Pavilion and five events in the Avalon Room with contracts totaling \$32,381.

In the Grand Arena we held four events with contracts totaling \$32,672. These events were: AKC Dog Agility Trials-Samoyed & Keeshond Club, AKC Dog Agility Trials-West Coast Cocker Spaniel, Annual Cheerleading Competition and Wrestling Competition & DJ Music.

During the month ended January 31, 2016, there were no events at the Speedway.

At January 31, 2016, our financial statements reflect the following activity:

<u>Expo Center Operations</u>	<u>Month Ended</u> <u>1/31/2016</u>	<u>Year To Date</u> <u>1/31/2016</u>	<u>Annual Budget</u> <u>2015-2016</u>	<u>% of Annual</u> <u>Budget</u>
Total revenues	\$ 66,762	\$ 835,135	\$ 1,483,800	56%
Expenses:				
Direct Expo Center expenses	72,359	574,871	985,000	58%
General and administrative expenses	80,565	597,095	1,046,100	57%
Total direct Expo Center expenses	<u>152,924</u>	<u>1,171,966</u>	<u>2,031,100</u>	58%
Net loss from operations	<u>(86,162)</u>	<u>(336,831)</u>	<u>(547,300)</u>	62%
Net loss	<u>\$ (86,162)</u>	<u>\$ (336,831)</u>	<u>\$ (547,300)</u>	62%

We have booked nineteen future Banquet events with contracts totaling \$17,240 and four Grand Arena events totaling \$8,800. The amounts do not include any estimates of alcohol and food sales. Event concession sales will vary depending on facilities utilized.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
JANUARY 31, 2016

The following is our summarized financial statements by department at January 31, 2016:

<u>Expo Center Operations</u>	Month Ended 1/31/2016	Month Ended 1/31/2016	Month Ended 1/31/2016	Month Ended 1/31/2016	Month Ended 1/31/2016
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 1,368	\$ 32,381	\$ 32,670	\$ 343	\$ 66,762
Expenses:					
Direct Expo Center expenses	6,358	26,875	39,126		72,359
General and administrative expenses				80,565	80,565
Total direct Expo Center expenses	<u>6,358</u>	<u>26,875</u>	<u>39,126</u>	<u>80,565</u>	<u>152,924</u>
Net income (loss) from operations	<u>(4,990)</u>	<u>5,506</u>	<u>(6,456)</u>	<u>(80,222)</u>	<u>(86,162)</u>
Net income (loss) for the month ended	<u>\$ (4,990)</u>	<u>\$ 5,506</u>	<u>\$ (6,456)</u>	<u>\$ (80,222)</u>	<u>\$ (86,162)</u>

<u>Expo Center Operations</u>	Year To Date 1/31/2016	Year To Date 1/31/2016	Year To Date 1/31/2016	Year To Date 1/31/2016	Year to Date 1/31/2016
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 152,717	\$ 306,259	\$ 372,066	\$ 4,093	\$ 835,135
Expenses:					
Direct Expo Center expenses	150,664	154,368	269,839		574,871
General and administrative expenses				597,095	597,095
Total direct Expo Center expenses	<u>150,664</u>	<u>154,368</u>	<u>269,839</u>	<u>597,095</u>	<u>1,171,966</u>
Net income (loss) from operations	<u>2,053</u>	<u>151,891</u>	<u>102,227</u>	<u>(593,002)</u>	<u>(336,831)</u>
Net income (loss) year to date	<u>\$ 2,053</u>	<u>\$ 151,891</u>	<u>\$ 102,227</u>	<u>\$ (593,002)</u>	<u>\$ (336,831)</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
JANUARY 31, 2016

CRIA Capital Assets

In accordance with GASB 34, the Civic-Recreational-Industrial-Authority (referred to as "CRIA") is required to capitalize and depreciate their capital assets. The capital assets net of accumulated depreciation at January 31, 2016 amounted to \$8,769,709. This amount represents the cost of capital assets purchased or constructed over the years at the Industry Hills Expo Center and surrounding areas. No depreciation expense has been recorded in the statement of operations for the period ended January 31, 2016. It is the accounting policy of the CRIA to record annual depreciation expense subsequent to the completion of the June 30, 2016 annual audit.

Capital Projects Operations

The capital projects fund reflects expenditures for capital improvements and operational costs. Operational costs include Board and staff salaries, professional services and miscellaneous items.

At January 31, 2016, our financial statements reflect the following activity:

<u>Capital Projects Fund</u>	<u>Month Ended</u> <u>1/31/2016</u>	<u>Year To Date</u> <u>1/31/2016</u>	<u>Annual Budget</u> <u>2015-2016</u>
Total revenues	\$ 135	\$ 357	\$ 420
Expenditures			
General and administrative expenses	26,452	181,921	432,200
Total expenses	26,452	181,921	432,200
Net loss	\$ (26,317)	\$ (181,564)	\$ (431,780)

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

BALANCE SHEET
AS OF JANUARY 31, 2016

		Capital Projects	Expo Center
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$	26,013	\$ 468,767
Investments		146,400	
Accounts receivable, net			16,330
Inventories			43,729
Deposits			3,000
Total current assets		172,413	531,826
CAPITAL ASSETS, net			8,769,709
Total assets	\$	172,413	\$ 9,301,535
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$		\$ 57,621
Sales tax payable			2,195
Advance rental payments			122,246
Security deposits			50,550
Total current liabilities			232,612
FUND EQUITY:			
Fund balance		172,413	9,068,923
Total liabilities and fund equity	\$	172,413	\$ 9,301,535

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

STATEMENT OF OPERATIONS
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2016

	CAPITAL PROJECTS				EXPO CENTER				
	MONTH ENDED	YEAR TO DATE	2015-2016 ANNUAL	% OF ANNUAL	MONTH ENDED	YEAR TO DATE	2015-2016 ANNUAL	% OF ANNUAL	
	1/31/2016	1/31/2016	BUDGET	BUDGET	1/31/2016	1/31/2016	BUDGET	BUDGET	
REVENUES:									
Expo center revenues	\$	\$	\$		\$ 66,762	\$ 835,135	\$ 1,483,800	56%	
Other revenues		135	357	85%					
Total revenues		135	357	85%	66,762	835,135	1,483,800	56%	
EXPENDITURES:									
General and administrative expenses		26,452	181,921	42%	80,565	597,095	1,046,100	57%	
Operating expenses					72,359	574,871	985,000	58%	
Total expenses		26,452	181,921	42%	152,924	1,171,966	2,031,100	58%	
EXCESS OF EXPENDITURES OVER									
REVENUES		(26,317)	(181,564)	42%	(86,162)	(336,831)	(547,300)	62%	
OTHER FINANCING SOURCES									
		26,500	213,768	43%	48,500	339,500	582,000	58%	
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES/(EXCESS OF EXPENDITURES OVER REVENUES AND OTHER FINANCING SOURCES)									
		183	32,204	\$ 68,720	(37,662)	2,669	\$ 34,700		
Fund balance, beginning		172,230	140,209		9,106,585	9,066,254			
Fund balance, ending	\$	\$ 172,413	\$ 172,413		\$ 9,068,923	\$ 9,068,923			

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

INDUSTRY HILLS EXPO CENTER
STATEMENT OF CASH FLOWS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 2016

		AMOUNT
CASH FLOWS FROM OPERATING ACTIVITIES		
	Net loss before transfers and other credits	\$ (336,831)
	Adjustments to reconcile net loss to net cash used	
	in operating activities:	
	Change in operating assets and liabilities	
	Accounts receivable, net	87,671
	Inventories	2,820
	Accounts payable	(42,962)
	Sales tax payable	(1,661)
	Advance rental payments	13,720
	Security deposits	(3,900)
	Net cash used in operating activities	<u>(281,143)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
	Other financing sources	339,500
NET CHANGE IN CASH		
		58,357
	Cash at July 1, 2015	410,410
	Cash at January 31, 2016	<u>\$ 468,767</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

**INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2016**

		MONTH ENDED	YEAR TO DATE	ANNUAL	% OF
		1/31/2016	1/31/2016	BUDGET	ANNUAL
	<u>Expo Center Operations</u>			2015-2016	BUDGET
Revenues					
	Facilities rentals	\$ 16,982	\$ 149,914	\$ 255,500	59%
	Facilities rentals - bar sales	11,581	123,611	249,900	49%
	Facilities - security	2,907	23,370	43,400	54%
	Facilities - food	111	950	1,600	59%
	Facilities - insurance	800	6,600	8,800	75%
	Facilities - other		1,814	9,200	20%
	Grand Arena - special events rentals	8,800	58,695	107,700	54%
	Grand Arena - outdoor arena rentals		3,600	5,700	63%
	Grand Arena - show barn stall rentals		15,676	44,900	35%
	Grand Arena - shaving sales		7,494	15,900	47%
	Grand Arena - security	1,452	13,025	14,700	89%
	Grand Arena - trailer parking	1,385	8,940	9,800	91%
	Grand Arena - bar sales	1,588	133,893	179,200	75%
	Grand Arena - food	11,109	57,670	111,700	52%
	Grand Arena - feed sales			400	0%
	Grand Arena - other	8,336	73,073	110,000	66%
	Speedway - Merchandise		6,346	15,700	40%
	Speedway - Bar		37,597	70,800	53%
	Speedway - Prize Money	100	21,495	51,000	42%
	Speedway - General Admission	708	38,177	68,200	56%
	Speedway - Food		31,691	54,500	58%
	Speedway - Parking	60	12,885	22,900	56%
	Speedway - Other	500	4,526	24,800	18%
	G&A- Other	343	4,093	7,500	55%
	Total revenues	66,762	835,135	1,483,800	56%
Expo expenses					
	Cost of sales	4,609	71,065	128,700	55%
	Bar supplies	79	7,764	1,200	647%
	Promotional banquet	3,825	10,235	8,900	115%
	Feed	315	315	600	0%
	Contract labor/wages	26,138	203,871	225,200	91%
	Furniture/fixtures & equipment	4,458	8,182	2,200	372%
	Miscellaneous	4,573	19,839	41,400	48%
	Promotional	4,822	38,333	51,500	74%
	Property maintenance	2,663	5,431	17,400	31%
	Repairs and maintenance			100	0%
	RV/Vendor spaces			12,600	0%
	Security - Grand Arena	3,444	23,744	34,200	69%
	Security - Facilities	2,908	21,648	186,400	12%
	Security - Speedway		7,790	18,500	42%
	Shavings		4,043	12,000	34%
	Supplies	1,465	25,973	48,400	54%
	Equipment rental	75	575	900	64%
	Special event concessions	5,817	28,352	53,900	53%
	Bad debt	1,293	1,293		0%
	Speedway- Merchandise	4,275	5,199	8,900	58%
	Speedway- Insurance	1,600	20,565	19,900	103%
	Speedway - Prize money		32,778	43,400	76%
	Speedway- Outside services		37,876	68,700	55%
	Total Expo expenses	72,359	574,871	985,000	58%
Operating income before direct					
	G & A and CRIA indirect expenses	(5,597)	260,264	498,800	52%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2016

		MONTH ENDED	YEAR TO DATE	ANNUAL	% OF
		1/31/2016	1/31/2016	BUDGET	ANNUAL
	<u>Expo Center Operations</u>			2015-2016	BUDGET
Direct general and administrative expenses					
	Office supplies	494	1,126	5,900	19%
	Travel and meetings	1058	2,525	5,400	47%
	Dues, subscriptions, books, etc.		420	900	47%
	Equipment rental/lease	2,439	13,567	2,500	543%
	Furniture/fixtures & equipment	989	1,680	3,800	44%
	Legal advertising/printing			300	0%
	Telephone	1,486	11,903	17,100	70%
	Postage		3,498	7,600	46%
	Miscellaneous	843	6,853	8,800	78%
	Professional services	8,752	77,915	134,900	58%
	Repairs and equipment	2,147	20,350	10,700	190%
	Vehicle expenses	4,327	28,436	35,700	80%
	Insurance and bonds		(2,700)	12,100	-22%
	Supplies	3,224	23,333	44,200	53%
	Contract labor/administrative wages	33,390	226,777	426,600	53%
	Property maintenance	9,379	77,841	167,900	46%
	Utilities	12,037	103,571	161,700	64%
	Total direct general and				
	administrative expenses	80,565	597,095	1,046,100	57%
	Expo Center operating income (loss)	\$ (86,162)	\$ (336,831)	\$ (547,300)	62%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

Schedule 2

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2016

		MONTH ENDED	YEAR TO DATE	ANNUAL	
		1/31/2016	1/31/2016	BUDGET	% OF ANNUAL
REVENUES				2015-2016	BUDGET
	Other revenues	\$ 135	\$ 357	\$ 420	85%
GENERAL AND ADMINISTRATIVE EXPENSES					
	Salaries - board	2,044	17,716	37,800	47%
	Payroll taxes	156	1,355	2,900	47%
	Miscellaneous	16	143	600	24%
	Legal		(3,922)	70,900	-6%
	Professional services	600	5,500	8,800	63%
	Accounting	2,206	12,532	31,900	39%
	Audit services			10,300	0%
	Vehicle expenses	636	2,785		0%
	General engineering	1,611	34,959	45,200	77%
	Printing/photography		133		0%
	Property maintenance	19,183	67,452	178,200	38%
	Insurance and bonds		43,268	45,600	95%
	Total general and administrative expenses	26,452	181,921	432,200	42%
EXCESS OF EXPENDITURES OVER					
	REVENUES	\$ (26,317)	\$ (181,564)	\$ (431,780)	42%



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

City of Industry

CRIA BOARD OF DIRECTORS

HOWARD LIM, CHAIRMAN
DEAN MARSHALL, VICE CHAIRMAN
DAVID CARMANY
LARRY HARTMANN
BECKY SIMON

15625 EAST STAFFORD STREET
CITY OF INDUSTRY, CALIFORNIA 91744-3366
(626) 333-2211

STAFF REPORT

Date: April 6, 2016

To: Chairman and Members of the Board of Directors
Civic-Recreational-Industrial Authority

Prepared by: Dean Yamagata - Frazer, LLP

Via: Susan Paragas, Controller 

Subject: Civic-Recreational-Industrial Authority Monthly Financial Statements

RECOMMENDATION

Receive and file

EXECUTIVE SUMMARY

For the month of February 2016, the Expo Center generated \$87,447 of revenue and incurred total expenses of \$171,305. Transfers from the Capital projects fund amounted to \$48,500.

For the eight months ended February 2016, the Expo Center generated \$922,581 of revenue and incurred total expenses of \$1,343,270. Transfers from the Capital Projects fund amounted to \$388,000. Year to date revenue and expenses are in line with the annual budget.

DESCRIPTION OF REPORTS

The monthly financial statement is a comprehensive document reflecting the financial position of the Authority at February 29, 2016.

Fiscal Impact

There is no fiscal impact as result of this action.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

FINANCIAL STATEMENTS

FEBRUARY 29, 2016

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

FINANCIAL STATEMENTS

FEBRUARY 29, 2016

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Note: The presentation of these financial statements do not conform with Governmental Accounting Standards Board statement number 34 – Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments and do not include all the disclosures required by this pronouncement.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
FEBRUARY 29, 2016

Expo Center Operations

During the month ended February 29, 2016, we held four events in the Pavilion and ten events in the Avalon Room with contracts totaling \$40,955.

In the Grand Arena we held four events with contracts totaling \$17,574. These events were: AKC Dog Agility Trials-Portuguese Water Dog Club, AKC Dog Agility Trials-Border Terrier/Rhodesian Clubs, Industry Racing-Gumball Rally 2015 Awards Presentation, Race and Practice, and American Supercamp-Closed Course Motorcycle Training School.

During the month ended February 29, 2016, there were no events at the Speedway.

At February 29, 2016, our financial statements reflect the following activity:

<u>Expo Center Operations</u>	<u>Month Ended</u> <u>2/29/2016</u>	<u>Year To Date</u> <u>2/29/2016</u>	<u>Annual Budget</u> <u>2015-2016</u>	<u>% of Annual</u> <u>Budget</u>
Total revenues	\$ 87,447	\$ 922,581	\$ 1,483,800	62%
Expenses:				
Direct Expo Center expenses	90,798	665,670	985,000	68%
General and administrative expenses	80,507	677,600	1,046,100	65%
Total direct Expo Center expenses	<u>171,305</u>	<u>1,343,270</u>	<u>2,031,100</u>	66%
Net loss from operations	<u>(83,858)</u>	<u>(420,689)</u>	<u>(547,300)</u>	77%
Net loss	<u>\$ (83,858)</u>	<u>\$ (420,689)</u>	<u>\$ (547,300)</u>	77%

We have booked twenty future Banquet events with contracts totaling \$44,305 and one Grand Arena event totaling \$2,200. The amounts do not include any estimates of alcohol and food sales. Event concession sales will vary depending on facilities utilized.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
FEBRUARY 29, 2016

The following is our summarized financial statements by department at February 29, 2016:

<u>Expo Center Operations</u>	Month Ended 2/29/2016	Month Ended 2/29/2016	Month Ended 2/29/2016	Month Ended 2/29/2016	Month Ended 2/29/2016
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 28,635	\$ 40,955	\$ 17,574	\$ 283	\$ 87,447
Expenses:					
Direct Expo Center expenses	27,191	27,557	36,050		90,798
General and administrative expenses				80,507	80,507
Total direct Expo Center expenses	<u>27,191</u>	<u>27,557</u>	<u>36,050</u>	<u>80,507</u>	<u>171,305</u>
Net income (loss) from operations	<u>1,444</u>	<u>13,398</u>	<u>(18,476)</u>	<u>(80,224)</u>	<u>(83,858)</u>
Net income (loss) for the month ended	<u>\$ 1,444</u>	<u>\$ 13,398</u>	<u>\$ (18,476)</u>	<u>\$ (80,224)</u>	<u>\$ (83,858)</u>

<u>Expo Center Operations</u>	Year To Date 2/29/2016	Year To Date 2/29/2016	Year To Date 2/29/2016	Year To Date 2/29/2016	Year to Date 2/29/2016
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 181,352	\$ 347,215	\$ 389,638	\$ 4,376	\$ 922,581
Expenses:					
Direct Expo Center expenses	177,854	181,925	305,891		665,670
General and administrative expenses				677,600	677,600
Total direct Expo Center expenses	<u>177,854</u>	<u>181,925</u>	<u>305,891</u>	<u>677,600</u>	<u>1,343,270</u>
Net income (loss) from operations	<u>3,498</u>	<u>165,290</u>	<u>83,747</u>	<u>(673,224)</u>	<u>(420,689)</u>
Net income (loss) year to date	<u>\$ 3,498</u>	<u>\$ 165,290</u>	<u>\$ 83,747</u>	<u>\$ (673,224)</u>	<u>\$ (420,689)</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
FEBRUARY 29, 2016

CRIA Capital Assets

In accordance with GASB 34, the Civic-Recreational-Industrial-Authority (referred to as "CRIA") is required to capitalize and depreciate their capital assets. The capital assets net of accumulated depreciation at February 29, 2016 amounted to \$8,769,709. This amount represents the cost of capital assets purchased or constructed over the years at the Industry Hills Expo Center and surrounding areas. No depreciation expense has been recorded in the statement of operations for the period ended February 29, 2016. It is the accounting policy of the CRIA to record annual depreciation expense subsequent to the completion of the June 30, 2016 annual audit.

Capital Projects Operations

The capital projects fund reflects expenditures for capital improvements and operational costs. Operational costs include Board and staff salaries, professional services and miscellaneous items.

At February 29, 2016, our financial statements reflect the following activity:

<u>Capital Projects Fund</u>	<u>Month Ended</u> <u>2/29/2016</u>	<u>Year To Date</u> <u>2/29/2016</u>	<u>Annual Budget</u> <u>2015-2016</u>
Total revenues	\$ (102)	\$ 255	\$ 420
Expenditures			
General and administrative expenses	19,673	201,594	432,200
Total expenses	19,673	201,594	432,200
Net loss	\$ (19,775)	\$ (201,339)	\$ (431,780)

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

BALANCE SHEET
AS OF FEBRUARY 29, 2016

			Capital Projects	Expo Center
ASSETS				
CURRENT ASSETS:				
	Cash and cash equivalents	\$	22,840	\$ 461,641
	Investments		146,298	
	Accounts receivable, net			17,585
	Inventories			39,501
	Deposits			3,000
	Total current assets		169,138	521,727
	CAPITAL ASSETS, net			8,769,709
	Total assets	\$	169,138	\$ 9,291,436
LIABILITIES AND FUND EQUITY				
CURRENT LIABILITIES:				
	Accounts payable	\$		\$ 61,093
	Sales tax payable			3,166
	Advance rental payments			137,581
	Security deposits			56,031
	Total current liabilities			257,871
FUND EQUITY:				
	Fund balance		169,138	9,033,565
	Total liabilities and fund equity	\$	169,138	\$ 9,291,436

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

STATEMENT OF OPERATIONS
FOR THE MONTH AND YEAR TO DATE ENDED FEBRUARY 29, 2016

	CAPITAL PROJECTS				EXPO CENTER				
	MONTH ENDED	YEAR TO DATE	2015-2016 ANNUAL	% OF ANNUAL	MONTH ENDED	YEAR TO DATE	2015-2016 ANNUAL	% OF ANNUAL	
	2/29/2016	2/29/2016	BUDGET	BUDGET	2/29/2016	2/29/2016	BUDGET	BUDGET	
REVENUES:									
Expo center revenues	\$	\$	\$		\$ 87,447	\$ 922,581	\$ 1,483,800	62%	
Other revenues		(102)	255	61%					
Total revenues		(102)	255	61%	87,447	922,581	1,483,800	62%	
EXPENDITURES:									
General and administrative expenses		19,673	201,594	47%	80,507	677,600	1,046,100	65%	
Operating expenses					90,798	665,670	985,000	68%	
Total expenses		19,673	201,594	47%	171,305	1,343,270	2,031,100	66%	
EXCESS OF EXPENDITURES OVER									
REVENUES		(19,775)	(201,339)	47%	(83,858)	(420,689)	(547,300)	77%	
OTHER FINANCING SOURCES									
		16,500	230,268	46%	48,500	388,000	582,000	67%	
EXCESS OF REVENUES AND OTHER FINANCING SOURCES									
OVER EXPENDITURES/(EXCESS OF EXPENDITURES OVER									
REVENUES AND OTHER FINANCING SOURCES)									
		(3,275)	28,929	\$ 68,720	(35,358)	(32,689)	\$ 34,700		
Fund balance, beginning		172,413	140,209		9,068,923	9,066,254			
Fund balance, ending	\$	169,138	\$ 169,138		\$ 9,033,565	\$ 9,033,565			

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

INDUSTRY HILLS EXPO CENTER
STATEMENT OF CASH FLOWS
FOR THE EIGHT MONTHS ENDED FEBRUARY 29,2016

		AMOUNT
CASH FLOWS FROM OPERATING ACTIVITIES		
	Net loss before transfers and other credits	\$ (420,689)
	Adjustments to reconcile net loss to net cash used	
	in operating activities:	
	Change in operating assets and liabilities	
	Accounts receivable, net	86,416
	Inventories	7,048
	Accounts payable	(39,490)
	Sales tax payable	(690)
	Advance rental payments	29,055
	Security deposits	1,581
	Net cash used in operating activities	<u>(336,769)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
	Other financing sources	388,000
NET CHANGE IN CASH		
		51,231
	Cash at July 1, 2015	410,410
	Cash at February 29, 2016	<u>\$ 461,641</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE ENDED FEBRUARY 29, 2016

		MONTH ENDED	YEAR TO DATE	ANNUAL	% OF
		2/29/2016	2/29/2016	BUDGET	ANNUAL
	<u>Expo Center Operations</u>			2015-2016	BUDGET
Revenues					
	Facilities rentals	\$ 18,463	\$ 168,377	\$ 255,500	66%
	Facilities rentals - bar sales	17,240	140,851	249,900	56%
	Facilities - security	3,929	27,300	43,400	63%
	Facilities - food	123	1,073	1,600	67%
	Facilities - insurance	1,200	7,800	8,800	89%
	Facilities - other		1,814	9,200	20%
	Grand Arena - special events rentals	8,400	67,095	107,700	62%
	Grand Arena - outdoor arena rentals		3,600	5,700	63%
	Grand Arena - show barn stall rentals		15,676	44,900	35%
	Grand Arena - shaving sales		7,494	15,900	47%
	Grand Arena - security		13,025	14,700	89%
	Grand Arena - trailer parking	800	9,740	9,800	99%
	Grand Arena - bar sales		133,893	179,200	75%
	Grand Arena - food	4,426	62,095	111,700	56%
	Grand Arena - feed sales			400	0%
	Grand Arena - other	3,948	77,020	110,000	70%
	Speedway - Merchandise	737	7,083	15,700	45%
	Speedway - Bar	4,772	42,369	70,800	60%
	Speedway - Prize Money	9,407	30,902	51,000	61%
	Speedway - General Admission	4,003	42,180	68,200	62%
	Speedway - Food	7,798	39,489	54,500	72%
	Speedway - Parking	1,050	13,935	22,900	61%
	Speedway - Other	868	5,394	24,800	22%
	G&A- Other	283	4,376	7,500	58%
	Total revenues	87,447	922,581	1,483,800	62%
Expo expenses					
	Cost of sales	7,119	78,184	128,700	61%
	Bar supplies	277	8,041	1,200	670%
	Promotional banquet	2,150	12,385	8,900	139%
	Feed		315	600	53%
	Contract labor/wages	33,993	237,864	225,200	106%
	Furniture/fixtures & equipment	7,001	15,183	2,200	690%
	Miscellaneous	7,463	27,302	41,400	66%
	Promotional	7,161	45,494	51,500	88%
	Property maintenance	525	5,956	17,400	34%
	Repairs and maintenance			100	0%
	RV/Vendor spaces			12,600	0%
	Security - Grand Arena		23,744	34,200	69%
	Security - Facilities	2,268	23,916	186,400	13%
	Security - Speedway	3,801	11,591	18,500	63%
	Shavings		4,043	12,000	34%
	Supplies	2,924	28,897	48,400	60%
	Equipment rental	75	650	900	72%
	Special event concessions	370	28,722	53,900	53%
	Bad debt	1,292	2,587		0%
	Speedway- Merchandise	1	5,199	8,900	58%
	Speedway- Insurance	2,425	22,990	19,900	116%
	Speedway - Prize money	2,750	35,528	43,400	82%
	Speedway- Outside services	9,203	47,079	68,700	69%
	Total Expo expenses	90,798	665,670	985,000	68%
Operating income before direct					
	G & A and CRIA indirect expenses	(3,351)	256,911	498,800	52%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY

Schedule 2

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE MONTH AND YEAR TO DATE ENDED FEBRUARY 29, 2016

		MONTH ENDED 2/29/2016	YEAR TO DATE 2/29/2016	ANNUAL BUDGET 2015-2016	% OF ANNUAL BUDGET
REVENUES					
	Other revenues	\$ (102)	\$ 255	\$ 420	61%
GENERAL AND ADMINISTRATIVE EXPENSES					
	Salaries - board	2,045	19,761	37,800	52%
	Payroll taxes	157	1,512	2,900	52%
	Miscellaneous	26	169	600	28%
	Legal		(3,922)	70,900	-6%
	Professional services	3,000	8,500	8,800	97%
	Accounting	2,298	14,830	31,900	47%
	Audit services			10,300	0%
	Vehicle expenses	330	3,115		0%
	General engineering	10,354	45,313	45,200	100%
	Printing/photography		133		0%
	Property maintenance	1,463	68,915	178,200	39%
	Insurance and bonds		43,268	45,600	95%
	Total general and administrative expenses	19,673	201,594	432,200	47%
EXCESS OF EXPENDITURES OVER					
	REVENUES	\$ (19,775)	\$ (201,339)	\$ (431,780)	47%

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.4

MEMORANDUM

To: Board of Directors

From: Finance Department

Date: February 29, 2016

Subject: Civic-Recreational-Industrial Authority Year Ended June 30, 2015 Annual Financial Reports

RECOMMENDATION

Receive and file the annual financial reports.

Civic-Recreational-Industrial Authority (the “Authority”)

Annual Audited Financial Statements For The Year Ended June 30, 2015

EXECUTIVE SUMMARY

The Authority’s independent auditors, The Pun Group, LLP, have completed their annual audit of the Authority’s financial statements for the year ended June 30, 2015. The financial statements received an unqualified (or clean) opinion.

DESCRIPTION OF REPORTS

The annual financial statement is a comprehensive document reflecting the financial position of the Authority at June 30, 2015.

Fiscal Impact

There is no fiscal impact as result of this action.

**CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)**

For the Year Ended June 30, 2015

Financial Statements

With

Independent Auditor's Reports

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2015

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the Civic-Recreational-Industrial Authority
City of Industry, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Civic-Recreational-Industrial Authority (the "CRIA"), a component unit of the City of Industry, California (the "City") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the CRIA's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the CRIA, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
of the Civil-Recreational-Industrial-Authority
City of Industry, California
Page 2

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the CRIA's basic financial statements. The Budgetary Schedule of Revenues and Expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Schedule of Revenues and Expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2016, on our consideration of the CRIA'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRIA's internal control over financial reporting and compliance.

The PwC Group, LLP

Santa Ana, California
February 19, 2016

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Basic Financial Statements

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash	\$ 21,336	\$ 410,411	\$ 431,747
Investments	145,685		145,685
Accounts receivable, less allowance for doubtful accounts of \$39,290		104,002	104,002
Inventories		46,550	46,550
Deposits		3,000	3,000
Accrued interest	360		360
Capital assets being depreciated:			
Buildings and improvements		23,454,416	23,454,416
Equipment, furniture and fixtures		958,866	958,866
Vehicles		100,459	100,459
Less: accumulated depreciation		(15,744,032)	(15,744,032)
Capital assets, net of accumulated depreciation		8,769,709	8,769,709
Total assets	167,381	9,333,672	9,501,053
LIABILITIES			
Accounts payable	27,171	104,439	131,610
Rental deposits and advances		162,977	162,977
Total liabilities	27,171	267,416	294,587
NET POSITION			
Investment in capital assets		8,769,709	8,769,709
Restricted for:			
Capital projects	140,210		140,210
Unrestricted		296,547	296,547
Total net position	\$ 140,210	\$ 9,066,256	\$ 9,206,466

The accompanying notes are an integral part of this statement.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Expenses	Charges for Services	Operating Grants or Contributions	Net (Expense) Revenue and Changes in Net Position		Totals
				Governmental Activities	Business-Type Activities	
GOVERNMENTAL ACTIVITIES						
General administration	\$ 469,032	\$	\$ 1,349,473	\$ 880,441	\$	\$ 880,441
Total governmental activities	<u>469,032</u>	<u></u>	<u>1,349,473</u>	<u>880,441</u>	<u></u>	<u>880,441</u>
BUSINESS - TYPE ACTIVITIES						
Operation of expo center	<u>2,773,085</u>	<u>1,290,492</u>	<u></u>	<u></u>	<u>(1,482,593)</u>	<u>(1,482,593)</u>
Total business-type activities	<u>2,773,085</u>	<u>1,290,492</u>	<u></u>	<u></u>	<u>(1,482,593)</u>	<u>(1,482,593)</u>
 Totals	 <u>\$ 3,242,117</u>	 <u>\$ 1,290,492</u>	 <u>\$ 1,349,473</u>	 <u>880,441</u>	 <u>(1,482,593)</u>	 <u>(602,152)</u>
 General revenues and transfers:						
Interest and other revenue				45,559	6,532	52,091
Transfers - internal activities				<u>(849,250)</u>	<u>849,250</u>	<u></u>
Total general revenues and transfers				<u>(803,691)</u>	<u>855,782</u>	<u>52,091</u>
 Change in net position				76,750	(626,811)	(550,061)
 Net position, beginning of year				<u>63,460</u>	<u>9,693,067</u>	<u>9,756,527</u>
Net position, end of year				<u>\$ 140,210</u>	<u>\$ 9,066,256</u>	<u>\$ 9,206,466</u>

The accompanying notes are an integral part of this statement.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
 CITY OF INDUSTRY
 (A COMPONENT UNIT OF CITY OF INDUSTRY)
 BALANCE SHEET
 GOVERNMENTAL FUND
 JUNE 30, 2015

ASSETS

Cash	\$	21,336
Investments		145,685
Accrued interest		360
Total assets	\$	<u><u>167,381</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	<u>27,171</u>
Total liabilities		<u>27,171</u>

Fund balance:

Restricted for capital projects		<u>140,210</u>
Total fund balance		<u>140,210</u>
Total liabilities and fund balance	\$	<u><u>167,381</u></u>

The accompanying notes are an integral part of this statement.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

REVENUES

Contributions from City of Industry	\$ 1,349,473
Interest and other revenue	45,559
Total revenues	<u>1,395,032</u>

EXPENDITURES

General administration:	
Administrative costs	86,844
Professional services	104,289
Operation of property	277,899
Total expenditures	<u>469,032</u>
Revenues under expenditures	<u>926,000</u>

Other financing sources (uses)

Transfers out to other funds	<u>(849,250)</u>
Total other financing sources, net	<u>(849,250)</u>

Net change in fund balance	76,750
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FUND BALANCE, July 1, 2014	<u>63,460</u>
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FUND BALANCE, June 30, 2015	\$ <u><u>140,210</u></u>
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The accompanying notes are an integral part of this statement.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2015

ASSETS

Current assets:

Cash	\$	410,411
Accounts receivable		104,002
Inventories		46,550
Deposits		3,000
Total current assets		563,963

Non-current assets:

Capital assets:

Buildings and improvements		23,454,416
Equipment, furniture and fixtures		958,866
Vehicles		100,459
Less: accumulated depreciation		(15,744,032)
Total non-current assets		8,769,709
Total assets		9,333,672

LIABILITIES

Current liabilities:

Accounts payable		104,439
Rental deposits and advances		162,977
Total current liabilities		267,416

NET POSITION

Investment in capital assets		8,769,709
Unrestricted		296,547
Total net position	\$	9,066,256

The accompanying notes are an integral part of this statement.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2015

OPERATING REVENUES

Grand Arena	\$ 467,183
Facilities	545,616
Speedway	277,693
Total operating revenues	1,290,492

OPERATING EXPENSES

General administration	1,124,188
Cost of operations	901,744
Depreciation	747,153
Total operating expenses	2,773,085

Operating loss	(1,482,593)
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NON-OPERATING REVENUES

Interest and other income	6,532
Total non-operating revenues	6,532

Loss before transfers	(1,476,061)
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TRANSFERS

Transfers in from other funds	849,250
Total transfers	849,250

Change in net position	(626,811)
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NET POSITION, beginning of the year	9,693,067
NET POSITION, end of the year	\$ 9,066,256

The accompanying notes are an integral part of this statement.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 1,255,610
Payments to suppliers and contractors	(2,073,913)
Net cash used in operating activities	<u>(818,303)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and other income received	<u>6,532</u>
Net cash provided by non-operating activities	<u>6,532</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(45,250)</u>
Net cash used in capital and related financing activities	<u>(45,250)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Cash received from other funds	<u>849,250</u>
Net cash provided by non-capital financing activities	<u>849,250</u>

Net change in cash (7,771)

CASH, BEGINNING OF YEAR	<u>418,182</u>
CASH, END OF YEAR	<u><u>\$ 410,411</u></u>

Reconciliation of operating loss to net cash used in operating activities

Operating loss	\$ (1,482,593)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	747,153
Change in assets:	
Accounts receivable	(44,534)
Inventories	(17,093)
Change in liabilities:	
Accounts payable	(16,788)
Rental deposits and advances	9,652
Accrued expenses	(14,100)
Net cash used in operating activities	<u><u>\$ (818,303)</u></u>

The accompanying notes are an integral part of this statement.

Notes to Basic Financial Statements

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

1. Organization

CRIA was created on March 1, 1972 by a joint exercise of power agreement between the City of Industry and the Industry Urban-Development Agency. The agreement was made pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California, Sections 6500, et seq. The IUDA was dissolved as a legal entity as of February 1, 2012 under ABX1 26, and therefore can no longer participate as a member of CRIA. On May 24, 2012, the City adopted resolution No. CC 2012-10. The resolution amended and restated the existing joint exercise of powers agreement and admitted the City of La Puente as a member of CRIA.

CRIA exists and acts as a separate entity. The governing board of CRIA consists of a commission of five members: four members appointed by the Council of the City of Industry and one member by the Council of the City of La Puente.

CRIA has the power to acquire sites and to acquire, construct, finance and lease the public buildings and appurtenances and to issue revenue bonds for the financing of these projects. Under the Joint Powers Agreement, the City of Industry may advance funds to CRIA in certain circumstances.

2. Summary of significant accounting policies

Description of the reporting entity

The Civic-Recreational-Industrial Authority (referred to as "CRIA") is a component unit and an integral part of the City of Industry and accordingly has also been included in the City of Industry financial statements issued as of June 30 of each year. Financial statements for the City of Industry may be obtained from the Finance Department at the City of Industry offices located at 15625 East Stafford Street, City of Industry.

Basis of accounting and measurement focus

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

Government-wide financial statements

The Government-wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for CRIA accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all economic resources including capital assets, infrastructure assets and long term liabilities, are included in the accompanying Statement of Net Position.

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

2. Summary of significant accounting policies (continued)

Government-wide financial statements (continued)

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditure.

Eliminations for inter-fund activities, payables, and receivables have been made at June 30, 2015.

Fund financial statements

The accounts of CRIA are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Governmental funds

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by Proprietary funds).

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. The revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Revenues are considered available if they are collected within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. Interest income is susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by CRIA and are recognized at that time.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

2. Summary of significant accounting policies (continued)

Proprietary funds

The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on the continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds are used to account for CRIA's ongoing organizations and activities, which are similar to those often found in the private sector. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when incurred.

In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) associated with their activity are included on their statements of Net Position. Amounts expended to acquire capital assets are recorded as assets in the proprietary fund statement of Net Position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total Net Position. The Industry Hills Expo Center (Expo Center) is a proprietary fund of CRIA.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of CRIA generally come from the leasing of its facilities to various parties.

All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash, cash equivalents and investments

Short-term investments are reported at cost, which approximates fair value. Investments that exceed more than one year in maturity and that are traded on a national exchange are valued at their quoted market price. For the purpose of the statement of cash flows, CRIA considers all highly liquid investments with maturities of three months or less to be cash equivalents.

Capital assets and depreciation

Capital assets are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

2. Summary of significant accounting policies (continued)

Capital assets and depreciation (continued)

If a cost related to capital assets does not extend its useful life, increase its productivity, improve its operating efficiency or add additional production capacity, the cost is regarded as repairs and maintenance and recognized as an expense as incurred; if it does, the cost is regarded as major renewals and betterments and capitalized.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government – wide and proprietary fund financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective Statement of Net Position.

The range of lives used for depreciation purposes for each capital asset class is as follows:

Buildings and improvements	45	years
Equipment	3 - 10	years
Infrastructure	20 - 50	years
Vehicles	7	years

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

Accounts receivable

Accounts receivable is stated at the amount CRIA expects to collect from outstanding balances. The accounts receivable balance is charged off in the period in which the receivables are deemed uncollectible. CRIA evaluates uncollectible amounts based on its assessment of the current status of individual accounts.

Inventories

Inventories of the Industry Hills Expo Center – enterprise fund consists of food, beverages and supplies. Inventories are carried at the lower of cost or market on the first-in, first-out basis of accounting.

Net position

Net position in the government-wide financial statements is classified as investment in capital assets, restricted and unrestricted. Restricted net position represents constraints on resources that are restricted by external creditors, grantors, contributors, laws or regulations of other governments. Investment in capital assets includes buildings and improvements, equipment, furniture and fixtures, and vehicles, net of accumulated depreciation. Unrestricted net position is amounts which do not meet the definition of restricted net position and investment in capital assets.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

2. Summary of significant accounting policies (continued)

Fund balances

In the governmental fund financial statements, fund balances are classified in the following categories:

Nonspendable – items that cannot be spent because they are not in spendable form or items that are legally or contractually required to be maintained intact.

Restricted – restricted fund balances are amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; (b) imposed by law by constitutional provisions or enabling legislation.

Assigned – assigned fund balances are amounts that are constrained by CRIA's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose. The Board of Directors are authorized for this purpose. CRIA has no assigned fund balances at June 30, 2015.

Committed – committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that CRIA's imposes upon itself at its highest level of decision making authority (the Board of Directors) through board resolution and that remain binding unless removed in the same manner. CRIA has no committed fund balances at June 30, 2015.

Unassigned – this category represents fund balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes. CRIA has no unassigned fund balance at June 30, 2015.

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources and committed, assigned, or unassigned amounts are considered to have been spent when expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

3. Cash and investments

Cash and investments as of June 30, 2015, are classified in the accompanying financial statements as follows:

Governmental activities:	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
Cash and investments	\$ 21,336	\$ 145,685	\$ 167,021
Business-type activities			
Cash	<u>410,411</u>	<u> </u>	<u>410,411</u>
Total cash and investments	<u>\$ 431,747</u>	<u>\$ 145,685</u>	<u>\$ 577,432</u>

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

3. Cash and investments (continued)

Cash

Cash includes deposits in accounts maintained in the United States which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Certain financial instruments, such as cash, subject CRIA to concentration of credit risk. At June 30, 2015, CRIA's deposits exceeded federally insured limits by \$148,314.

State of California Local Agency Investment Fund

CRIA is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of CRIA's investment in the investment pool is approximately the same as the value of the pool shares.

Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government sponsored enterprises, and corporations.

As of June 30, 2015, the carrying amount of the investments in LAIF amounted to \$145,685 and its carrying value approximate fair value.

Investments

Under provision of CRIA's Investment Policy, and in accordance with Section 53601 of the California Government Code, CRIA may invest in the following types of investments:

Securities of the U.S. Government, or its agencies
Bankers Acceptances
Commercial Paper
Local Agency Investment Fund (State Pool) Deposits
Passbook Savings Account Demand Deposits
Repurchase Agreements

Inactive Public Deposits; Non-Negotiable and/or Non-Transferable Certificates of Deposits Los Angeles County Investment Pool

CRIA's Investment Policy does not contain any specific provisions intended to limit CRIA's exposure to interest rate risk, credit risk, and concentration of credit risk other than those specified in the California Government Code.

At no time during the fiscal year did CRIA borrow funds through the use of reverse-repurchase agreements since such transactions are not allowed by CRIA's investment policy.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

3. Cash and investments (continued)

Interest rate risk

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in the market interest rates. One of the ways that CRIA manages its exposure to interest rate risk is by purchasing short 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. CRIA's investments have a weighted average maturity of 9.69 months.

Credit risk

Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical organization. LAIF does not have a rating provided by a nationally recognized statistical organization.

Concentration of credit risk

The investment policy of CRIA contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represent 5% or more of total CRIA investments.

Custodial credit risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty 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 CRIA's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools such as LAIF. As of June 30, 2015, none of CRIA's investments were exposed to custodial credit risk.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

4. Capital assets

The capital assets activity during the year ended June 30, 2015 is summarized below:

<u>CAPITAL ASSETS</u>	BALANCE JULY 1, 2014	ADDITIONS	RETIREMENTS	BALANCE JUNE 30, 2015
Buildings and improvements	\$ 23,421,572	\$ 32,844	\$	\$ 23,454,416
Furniture and fixtures	958,866			958,866
Vehicles	88,053	12,406		100,459
Totals	<u>24,468,491</u>	<u>45,250</u>		<u>24,513,741</u>
Accumulated Depreciation:				
Buildings and improvements	14,181,417	697,286		14,878,703
Furniture and fixtures	727,409	49,867		777,276
Vehicles	88,053			88,053
Totals	<u>14,996,879</u>	<u>747,153</u>		<u>15,744,032</u>
Net	<u>\$ 9,471,612</u>	<u>\$ (701,903)</u>	<u>\$</u>	<u>\$ 8,769,709</u>

Depreciation expense for the year ended June 30, 2015 amounted to \$747,153

5. Self-insurance plan

The City of Industry has established a Self-Insurance Plan (the "Plan") to pay for liability claims against the City and CRIA. The Plan is administered by an insurance committee which is responsible for approving all claims of \$25,000 or less and for making provision for having sufficient funds available to pay approved claims and legal and investigative expenses. The insurance committee has given this authority to the City Manager. Potential liability of claims in excess of \$250,000, up to \$10,000,000, is covered by excess liability insurance policies. As of June 30, 2015, there are no pending liability claims outstanding against CRIA.

6. Transfers to/from other funds

During the year ending June 30, 2015, a total of \$1,349,473 was transferred in from the City of Industry to fund CRIA's operations. The Capital Projects fund transferred \$849,250 to the Enterprise fund to fund operational expenses.

7. Excess of expenditures over appropriations

During the year ending June 30, 2015, expenditures exceeded the budget by \$233,232 in Capital Projects General Administration due to additional property maintenance expenses.

Other Supplementary Information

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF THE CITY OF INDUSTRY)
OTHER SUPPLEMENTARY INFORMATION
JUNE 30, 2015

I. Budgetary information

The Board of Directors adopts an annual budget, submitted by the Executive Director prior to June 30th. The appropriated budget is prepared by fund, function and department. All annual appropriations lapse at the end of the fiscal year. The Board of Directors has the legal authority to amend the budget at any time during the fiscal year. There were no amendments to the budget during the year. The Executive Director has the authority to make adjustments to the operating budget within a fund. Transfers of operating budgets between funds or from appropriated reserve accounts, use of unappropriated fund balances, cancellation of appropriation and all changes in capital improvement project budgets require the approval of the Board of Directors.

The annual budget is prepared on a basis consistent with generally accepted accounting principles and is adopted for all governmental type funds.

CRIA maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the Board of Directors. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) for the operating budget is at the fund level.

II. Summary of Revenues, Expenditures, and Transfers

Below is a summary of the revenues, expenditures, and transfers for the year ended June 30, 2015:

Capital Projects Budgetary Highlights

	Original Budget	Actual	Variance Positive (Negative)
Contributions from City of Industry	\$ 1,042,600	\$ 1,349,473	\$ 306,873
Interest and other revenue	410	45,559	45,149
Total revenues	<u>1,043,010</u>	<u>1,395,032</u>	<u>352,022</u>
General administration:			
Administrative costs	81,800	86,844	(5,044)
Professional services	80,000	104,289	(24,289)
Operation of property	74,000	277,899	(203,899)
Total expenditures	<u>235,800</u>	<u>469,032</u>	<u>(233,232)</u>
Other financing sources, net	<u>(806,800)</u>	<u>(849,250)</u>	<u>(42,450)</u>
Net change	<u>\$ 410</u>	<u>\$ 76,750</u>	<u>\$ 76,340</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF THE CITY OF INDUSTRY)
OTHER SUPPLEMENTARY INFORMATION
JUNE 30, 2015

II. Summary of Revenues, Expenditures, and Transfers (continued)

Proprietary Fund Budgetary Highlights

	Original Budget	Actual	Variance Positive (Negative)
Grand Arena	\$ 525,900	\$ 467,183	\$ (58,717)
Facilities	517,100	533,916	16,816
Speedway	268,300	277,693	9,393
Interest and other income	8,500	6,532	(1,968)
Total revenues	<u>1,319,800</u>	<u>1,285,324</u>	<u>(34,476)</u>
General administration	1,155,500	1,128,130	27,370
Cost of operations	971,000	886,102	84,898
Depreciation	747,153	747,153	(747,153)
Total expenses	<u>2,126,500</u>	<u>2,761,385</u>	<u>(634,885)</u>
Transfers in	806,800	849,250	42,450
Net change	<u>\$ 100</u>	<u>\$ (626,811)</u>	<u>\$ (626,911)</u>

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF CITY OF INDUSTRY)
CAPITAL PROJECTS FUND BUDGETARY SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>ORIGINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Contributions from City of Industry	\$ 1,042,600	\$ 1,349,473	\$ 306,873
Interest and other revenue	410	45,559	45,149
Total revenues	<u>1,043,010</u>	<u>1,395,032</u>	<u>352,022</u>
EXPENDITURES			
General administration:			
Administrative costs	81,800	86,844	(5,044)
Professional services	80,000	104,289	(24,289)
Operation of property	74,000	277,899	(203,899)
Total expenditures	<u>235,800</u>	<u>469,032</u>	<u>(233,232)</u>
Revenues under expenditures	<u>807,210</u>	<u>926,000</u>	<u>118,790</u>
OTHER FINANCING SOURCES (USES)			
Transfers out to other funds	<u>(806,800)</u>	<u>(849,250)</u>	<u>(42,450)</u>
Total other financing sources, net	<u>(806,800)</u>	<u>(849,250)</u>	<u>(42,450)</u>
Net Change	<u>\$ 410</u>	<u>\$ 76,750</u>	<u>\$ 76,340</u>

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
CITY OF INDUSTRY
(A COMPONENT UNIT OF THE CITY OF INDUSTRY)
PROPRIETARY FUND BUDGETARY SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>ORIGINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
OPERATING REVENUES			
Grand Arena	\$ 525,900	\$ 467,183	\$ (58,717)
Facilities	517,100	545,616	28,516
Speedway	<u>268,300</u>	<u>277,693</u>	<u>9,393</u>
Total operating revenues	<u>1,311,300</u>	<u>1,290,492</u>	<u>(20,808)</u>
OPERATING EXPENSES			
General administration	1,155,500	1,124,188	31,312
Cost of operations	971,000	901,744	69,256
Depreciation	<u> </u>	<u>747,153</u>	<u>(747,153)</u>
Total operating expenses	<u>2,126,500</u>	<u>2,773,085</u>	<u>(646,585)</u>
Operating loss	<u>(815,200)</u>	<u>(1,482,593)</u>	<u>(667,393)</u>
NON-OPERATING REVENUES			
Interest and other income	<u>8,500</u>	<u>6,532</u>	<u>(1,968)</u>
Total non-operating revenues	<u>8,500</u>	<u>6,532</u>	<u>(1,968)</u>
Loss before transfers and other financing sources	<u>(806,700)</u>	<u>(1,476,061)</u>	<u>(669,361)</u>
TRANSFERS			
Transfers in from other funds	<u>806,800</u>	<u>849,250</u>	<u>42,450</u>
Total transfers, net	<u>806,800</u>	<u>849,250</u>	<u>42,450</u>
Net Change	<u>\$ 100</u>	<u>\$ (626,811)</u>	<u>\$ (626,911)</u>

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.5



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

City of Industry

CRIA BOARD OF DIRECTORS

HOWARD LIM, CHAIRMAN
DEAN MARSHALL, VICE CHAIRMAN
DAVID CARMANY
LARRY HARTMANN
BECKY SIMON

15825 EAST STAFFORD STREET
CITY OF INDUSTRY, CALIFORNIA 91744-3366
(626) 333-2211

STAFF REPORT

Date: April 6, 2016

To: Chairman and Members of the Board of Directors
Civic-Recreational-Industrial Authority

Prepared by: Dean Yamagata - Frazer, LLP

Via: Susan Paragas, Controller *SP*

Subject: Civic-Recreational-Industrial Authority Year Ended June 30, 2015
Annual Communication Reports

RECOMMENDATION

Receive and file

Background:

The Authority's independent auditors, The Pun Group, LLP, have completed their annual audit of the Authority's financial statements for the year ended June 30, 2015. As part of their audit they have reviewed the Authority's internal accounting controls and have issued the following reports:

- 1) Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters For The Year Ended June 30, 2015 – Exhibit A
- 2) Independent Auditor's Report on Internal Control Related Matters Identified in the Audit For The Year Ended June 30, 2015 – Exhibit B
- 3) Auditor's Communications with the Board of Directors For The Year Ended June 30, 2015 – Exhibit C

Discussion & Analysis:

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 Government Auditing Standards

There were weaknesses noted in the Authority's internal control which is reported in Exhibit B.

Independent Auditor's Report on Internal Control Related Matters Identified in the Audit For The Year Ended June 30, 2015

The Auditors' report on internal controls and related matters have identified certain weaknesses with the City's internal controls. Item number 2015-05 in this report relates to the Authority's operation. City Staff has included these findings as part of the remediation process to change and improve the City's internal controls and will be addressing these items in the process.

The Auditor's Communications with the Board of Directors

Statement of Auditing Standards (SAS) No. 114 requires more and documented communications between the auditors and the Board of Directors. This letter provides an opportunity for the auditors to report on any difficulties or major concerns discovered during the audit and to further define their role. They provide commentary on management's responsibilities for accounting policies and estimates that no significant difficulties were encountered in performing the audit, and no disagreements occurred with management.

They point out that management has corrected all known misstatements and none of the misstatements were material either individually or in the aggregate.

Fiscal Impact

There is no fiscal impact as result of this action.

Exhibit A

**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters For The Year Ended June 30, 2015**



**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***

Independent Auditors' Report

To the Board of Directors
of the Civic-Recreational-Industrial Authority
City of Industry, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Civic-Recreational-Industrial Authority (the "CRIA") a component unit of the City of Industry, California (the "City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the CRIA's basic financial statements, and have issued our report thereon dated February 19, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRIA's internal control over financial reporting (internal control) to determine the 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 CRIA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRIA'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the separately issued *Report on Internal Control Related Matters Identified in the Audit for the City of Industry* to be significant deficiencies as item 2015-005.

To the Board of Directors
of the Civic-Recreational-Industrial-Authority
City of Industry, California
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRIA'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 determination of financial statement amounts. 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*.

CRIA's Response to Findings

The CRIA's response to the findings identified in our audit is described in the separately issued *Report on Internal Control Related Matters Identified in the Audit for the City of Industry*. The CRIA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

The PwC Group, LLP

Santa Ana, California
February 19, 2016

Exhibit B

**Independent Auditor's Report on Internal Control Related Matters Identified in the Audit
For The Year Ended June 30, 2015**

City of Industry

City of Industry, California

Report on Internal Control Related Matters Identified in the Audit

For the Year Ended June 30, 2015



City of Industry

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To the Honorable Mayor and Members of City Council
of the City of Industry
City of Industry, California

In planning and performing our audit of the financial statements of the City of Industry (the "City") as of and for the year ended June 30, 2015, 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, we considered the City's internal control over financial reporting (internal control) to determine the 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Responses to be material weaknesses as items 2015-001, 2015-002 and 2015-003.

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. We consider the deficiencies described in the accompany Schedule of Findings and Responses to be significant deficiencies as items 2015-004, 2015-005, 2015-006, and 2015-007.

The City's written responses included in this report have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, City Council Members, others within the organization, and agencies requiring compliance with generally accepted government auditing standards, and is not intended to be and should not be used by anyone other than these specified parties.

The Pun Group, LLP

Santa Ana, California
February 19, 2016

200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707
Tel: 949-777-8800 • Toll Free: 855-276-4272 • Fax: 949-777-8850
www.pungroup.com

City of Industry
Schedule of Findings and Responses
For the Year Ended June 30, 2015

Finding 2015-001 Contract Management

Criteria:

During the course of the audit, we noted material weaknesses in the City’s internal controls over financial reporting and compliance. Internal control is defined as a process – effected by the City Council, management, and other personnel – designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- reliability of financial reporting;
- effectiveness and efficiency of operations;
- compliance with applicable laws and regulations; and
- adequate safeguard of public resources.

These would include establishing or enhancing guidance in the following areas:

- *Control environment* sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
- *Risk assessment* is the entity’s identification and analysis of relevant risks to achievement of its objectives, forming a basis for determining how the risks should be managed.
- *Control activities* are the policies and procedures that help ensure that management directives are carried out.
- *Information and communication* systems support the identification, capture, and exchange of information in a form and time frame that enable people to carry out their responsibilities.
- *Monitoring* is a process that assesses the quality of internal control performance over time.

The deficiencies noted involve a lack of policies that govern fiscal oversight at the City Council level and policies and related procedures over significant subcontractors and programs and assessment of the risks that the City faces in its financial planning.

Condition:

During our internal control testing over procurement process, we noted that the contracts for 5 out of the 26 vendors we tested were not renewed after the original contract expired or have no contract expiration date.

- Four of the contracts use “continue until terminated” termination clause.
- One contract at the Industry Hill Expo Center expired on June 30, 2002.

In addition, we noted that the City’s *Accounting Department Procedures Manual* does not have specific guidelines on the request for proposal (“RFP”) process for service contract or competitive bid process for capital expenditures in place to promote best value purchasing through fair and open competition.

Cause:

Policies and procedures are not in place to require each contract with termination date. In addition, monitoring controls are not in place to ensure expired contracts are properly renewed in accordance with the City’s procurement policy.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-001 Contract Management (Continued)

Effect:

When City uses vendors without a valid contract, the City is exposed to risk of litigation due to a non-enforceable contract. With expired contracts or contracts without a termination date, the City does not have a mechanism in place to promote open competition on contracted services and to evaluate whether the service provider is the best qualified company with the most competitive pricing. It could lead to over-paying for the service with the public funds.

Recommendation:

Contracts with clear termination dates enable the City to evaluate all current contracts on ongoing basis. It provides an opportunity for the City to solicit new vendors for the same services in a fair and open environment competitively. Also, by monitoring the contract terms, City management will also evaluate the performance by the contractor and make sure that terms and condition are to satisfaction to the City. We also recommended the City strengthen its purchasing policy to detail out the RFP and competitive bid process.

Management View and Corrective Action Plan:

The City agrees with the finding. The City Council will approve a comprehensive plan by May 2016, to competitively procure or update contracts for all vendors within three years. Contracts will be vetted for scope of work, indemnification, terms and expiration date.

The City entered into an Agreement with PlanetBids on March 10, 2016 to develop an electronic competitive procurement system. This system should be operational by May 2016.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-002 Internal Control over Other Postemployment Benefits and Exceedingly High Benefits

Criteria:

The City adopted the *Employee Handbook* (the “Handbook”) by Resolution No. CC 2012-16 on August 23, 2012. In accordance to the Handbook, the City pays the following for its employees:

- 100% of the premium for medical, dental and vision insurance for employees and their dependents
- 100% of the life insurance premium for the employees and their dependents with the following coverage:

City Manager, Department Heads	\$50,000
All other employees	\$25,000
Spouse	\$ 2,000
Dependent 5 to 18 years	\$ 2,000
- 100% of the long term disability insurance premium for employee only.
- 100% of the long term care benefits insurance premium for employee and spouse.

In accordance with section IX. Benefit – Q. Retiree Benefits, some employees may be eligible for retiree health benefits depending on in-hire date and years of service with the City. The retiree benefit is determined based on the following vesting rate:

General Employees	Hired before April 26, 1990: 100% at 10 Years of Service Hired on or after April 26, 1990: 100% at 25 Years of Service
Elected and Appointed Officials Management	100% at 8 Years of Service 100% at 15 Years of Service

Condition:

There were 22 retirees as of July 1, 2015 valuation date.

During the other postemployment benefit census data testing, we noted one of the three retirees tested was in the position of Executive Director at the time of retirement. He was hired in 1989 and retired in 2000, which equates to 11 years of service when retired in 2000 and was below the required 15 years of service. There was a settlement agreement signed by the Chairman of the IUDA, attested by the IUDA Secretary and the Attorney. However, there was no resolution adopted by the City Council to ratify this settlement.

The City paid 100% of the premium for employees’ medical, dental, vision and long-term care benefits insurance. In reviewing the retiree OPEB premium paid schedule, we note that the premium paid by the City for certain retirees were exceedingly high. Total premium paid for retiree benefits was \$451,666 for the year ended June 30, 2015 among the 22 retirees. However, Resolution Number CC 2014-22 was adopted on July 10, 2014 stated the City will pay 100% of the premium of the long-term care benefits.

Cause:

The City provides other postemployment benefits without a cap.

Effect:

Because there is no cap on the retiree postemployment benefit, the City’s actuarial determined other postemployment benefit was projected to be \$11,039,940.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-002 **Internal Control over Other Postemployment Benefits and Exceedingly High Benefits (Continued)**

Recommendation:

We recommended the City evaluate its retiree benefit policy to ensure the benefit provided to its employees and retirees are not exceedingly higher than the industry standards.

Management View and Corrective Action Plan:

The City agrees with the finding. To address this issue, the City procured the services of Regional Government Services (RGS) on February 11, 2016. RGS is currently completing a comparative analysis of employee benefits and is reviewing the City's human resources policies. The City is procuring the services of Keenan & Associates in April 2016 to review medical plan benefit levels for existing employees and retirees, to provide the City with options to address these issues in future budget years.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-003 Industry Convalescent Hospital

Criteria:

As stated in the *Government Auditing Standards*, the concept of accountability for use of public resources and government authority is key to our nation's governing process. Management and officials entrusted public resources are responsible to carry out public functions and providing service to the public effectively, efficiently, economically, ethically, and equitably within the context of the statutory boundaries of the specific government program.

In addition, effective accounting systems require management to estimate an allowance for doubtful accounts. Once those amounts are deemed uncollectible and collections efforts are exhausted, those amounts should be written off as bad debt expense and removed from the accounting records.

Condition:

We noted the following transactions with the Industry Convalescent Hospital (the "Hospital").

- As of June 30, 2015, the unpaid note receivables principal was in the amount of \$20,060,000 with 6% simple interest per annum and the related accrued interest was in the amount of \$22,157,440. The note was for advances made by the City to the Hospital back in 1992 pursuant to resolution adopted by the City Council. There is no repayment schedule as these loans are due on demand. The City management determined that the collectability of this note and accrued interest is uncertain. As a result, the entire \$42,217,440 outstanding balance is being not reported in the financial statements of the City.
- The Hospital also leases the property from the Successor Agency to the Industry Urban-Development Agency at \$1 a year, which is renewed annually. During the year ended June 30, 2015, the City incurred expenses in the amount of \$337,264 relating to contract labor, security and repair and maintenance of the property leased to the Hospital.

Cause:

The Promissory notes between the City and the Hospital does not have all the elements necessary to secure the amount outstanding by the Hospital.

Effect:

It appears that the City did not put in any effort in collecting the promissory note amount of \$20,060,000 to the Hospital. At June 30, 2015, the total unpaid accrued interest totaling \$22,157,440. In addition, the City has been subsidizing the Hospital's operations by charging \$1 rent per year and maintenance to the property.

Recommendation:

We recommended the City to take necessary action to bring the unpaid amount by the Hospital to the City Council and determine a reasonable repayment plan. Also, the City should conduct a review of the expenses incurred on the Hospital property and renegotiate a reasonable rent amount to at cover, at a minimum, the operating and maintenance expenses for the property.

Management View and Corrective Action Plan:

On March 24, 2016, the City Council was updated regarding the Hospital loan and the operating and maintenance costs borne by the City. To address these issues, the City will be developing a policy to establish a plan to resolve the outstanding loan and the costs of the operating and maintenance expenses.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-004 Related Party Transactions

Criteria:

Many related party transactions are necessary in the normal course of business. In such circumstances, they may carry no higher risk of material misstatement of the financial statements than similar transactions with unrelated parties. However, the nature of related party relationships and transactions may, in some circumstances, give rise to higher risks of material misstatement of the financial statements than transactions with unrelated parties. For example, related party transactions may not be conducted under normal market terms and conditions (for example, some related party transactions may be conducted with no exchange of consideration). In addition, related party transactions may be motivated solely or in large measure to engage in fraudulent financial reporting or conceal misappropriation of assets.

Condition:

In our testing of related party transactions, we noted that out of 25 tenants at the properties owned by the Industry Property and Housing Management Authority (“IPHMA”), 18 tenants are current City employees or council members and one tenant is a retiree. All tenants are offered discounted rent from \$600 to \$800 per month, which is below the market value in the same neighborhood.

Cause:

The City does not have an adopted policy relating to the housing benefits for its employee.

Effect:

The City uses public resources in purchasing the property and appears that the use of the property is largely benefits exclusively for its employees of the City.

Recommendation:

We recommended the City charge fair market rent to all the renters of the housing units owned by the City, unless the rental units are acquired/established to fulfill low-moderate income housing requirement.

Management View and Corrective Action Plan:

On December 30, 2015, the City Manager advised all City employees that they were to vacate City owned properties. As of April 14, 2016, only one City employee resides in City owned housing, and by May 2016, no employees will reside in City housing.

On March 31, 2016, the Industry Property and Housing Management Authority asked to review all housing policies and procedures and could consider income-contingent rental rates as an option.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-005 Accounting Policies and Procedures

Criteria:

Accounting Policies and Procedures would aid the Finance Department and the City in providing training for accounting personnel, communicating and providing a source of reference to approved policies, and maintaining consistency of recording financial transactions.

Condition:

There are two separate sets of books maintained for Civic-Recreational-Industrial-Authority (“CRIA”), a component unit of the City. One is for the capital projects fund maintained by the City’s contracted Finance Department; the other one for the enterprise fund maintained by the contracted management company at the Industry Hill Expo Center (the “Expo Center”). We noted that the Expo Center is not aware of the existing policy and procedure manual maintained by the Finance Department. A separate manual for the Expo Center was created by the management of the Expo Center after the year ended June 30, 2015.

Cause:

The accounting and management function of the Expo Center is decentralized and is provided by CNC Equestrian Management Service Inc. Although the City’s Finance Department has established an *Accounting Department Procedures Manual*, the operation of the Expo Center was not being monitored by the City’s Finance Department and the need for an accounting policy was not required by the management of City or by management of Expo Center.

Effect:

Without the Accounting Policies and Procedures, personnel responsible for the daily work and transactions do not have a clear understanding of their role and responsibilities or the accounting standards applicable to their function. In addition, the absence of standardized procedures has and will create inefficient and inconsistent processing of transactions. Lack of accounting policies and procedures could lead to inconsistency in processing transactions or to process transactions without requiring review and approval.

Recommendation:

We recommended the management of the City and CRIA review the Expo Center accounting and policy manual to ensure consistent internal control policies are in place for the Expo Center.

Management View and Corrective Action Plan:

The City recently hired a Controller who will be reviewing the policies and procedures currently in place at the Expo Center. Any revisions will ensure that consistent internal control policies are implemented for the Expo Center.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-006 Internal Control over Purchasing Process

Criteria:

Effective internal control over purchasing process provides reasonable assurance that the expenses are properly reported. Management or governing body approval of purchase orders is required for purchases that exceed established limits according to City's policy.

Condition:

In our internal control testing of the procurement process, we noted that the City did not utilize purchase order for two of the recurring vendors as required by the *Accounting Department Procedures Manual*.

Cause:

The lack of reviewing and monitoring process over purchasing process resulted in missing approvals.

Effect:

The City did not follow its purchasing policies and procedures.

Recommendation:

We recommended the City improve its internal control over purchasing process and ensure that purchases orders are issued for all purchases requiring purchases orders.

Management View and Corrective Action Plan:

The City agrees with the finding. The City's policies and procedures for Purchasing will be revised to improve its internal control. City staff has been informed that the purchasing process will require that purchase requisitions be issued for all services and materials. This new procedure will be implemented as soon as staff is trained to use this function on the Financial Software System. The requisitions will require department head/supervisor approvals before a purchase order is issued.

City of Industry
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2015

Finding 2015-007 Internal Control over Payroll and Related Liabilities

Criteria:

Effective internal control over the personnel information and payroll process provides reasonable assurance of the completeness and accuracy of accounting records.

Condition:

During the Payroll Control Testing, we noted an incorrect personal use percentage was used to calculate the auto allowance in calendar year 2014 for one of the City employees. A higher percentage was used, resulting in additional auto allowance.

We also noted that the Payroll Department maintains the payroll master file and that the Human Resources Department does not have access to the payroll system. In addition, the Human Resources Department did not review the changes made by the Payroll Department after new information was updated in the payroll system or in MyCalPERS website.

Cause:

Monitoring controls are not effective to detect incorrect auto allowance allocated to the City's employee. Furthermore, policies and procedures are not in place to ensure there is second review of the information input to the system to provide mitigating control.

Effect:

Incorrect auto allowance was allocated to the City employee. In addition, payroll changes might be process incorrectly due to lack of independent review by the Human Resource Department.

Recommendation:

We recommended the City strengthen its review processes over payroll process to ensure that they are thoroughly evaluated, reviewed, and recorded in order to facilitate accurate record. We also recommended that payroll change report from payroll system and MyCalPERS be review by Human Resource department for each pay period to ensure correct payroll or personnel change information are corrected reflected in the payroll system and in the CalPERS database.

Management View and Corrective Action Plan:

The City agrees with this finding. The City's policies and procedures for Payroll will be reviewed and necessary improvements will be made to its internal control. Payroll will need written documentation from Human Resources to make any changes to personnel information. In addition, the City will be implementing a Human Resources and Payroll module to the City's current Financial Software System that will track personnel data.

Exhibit C

Auditor's Communications with the Board of Directors For The Year Ended June 30, 2015



February 19, 2016

To the Board of Directors
of the Civic-Recreational-Industrial Authority
City of Industry, California

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Civic-Recreational-Industrial Authority (the "CRIA"), a component unit of the City of Industry, California (the "City"), for the year ended June 30, 2015, and have issued our report thereon dated February 19, 2016. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated September 24, 2015, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the CRIA. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we also performed tests of the CRIA's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit.

Our responsibility is to plan and perform the audits to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

We have been engaged to report on the Budgetary Schedule of Revenues and Expenditures, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of this supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriations of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

We performed the audit according to the planned scope and timing previously communicated to you.

200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707
Tel: 949-777-8800 • Toll Free: 855-276-4272 • Fax: 949-777-8850
www.pungroup.com

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the CRIA are described in Note 1 to the financial statements.

New Accounting Standards

GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*). This Statement establishes standards for measuring and recognizing liabilities, deferred outflow of resources, deferred inflows of resources, and expense/expenditures for pension plans. This Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This statement became effective for periods beginning after June 15, 2014 and did not have a significant impact on the CRIA's financial statements for year ended June 30, 2015.

GASB has issued Statement No. 69, *Government Combinations and Disposals of Government Operation*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This statement became effective for periods beginning after December 15, 2013 and did not have a significant impact on the CRIA's financial statements for year ended June 30, 2015.

GASB has issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This statement establishes standards relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement became effective for periods beginning after June 15, 2014 and did not have a significant impact on the CRIA's financial statements for year ended June 30, 2015.

No other new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by the CRIA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the CRIA's financial statements were:

- Management's estimate of the investment fair market value is based on information provided by the State of California for its investment in the Local Agency Investment Fund. We evaluated the key factors and assumptions used to develop the investment fair market value in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the depreciation on capital assets is based on the industry standard and past experience on actual useful life of the asset groups. We evaluated the key factors and assumptions used to develop the depreciation on capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note 2 – Summary of Significant Accounting Policies
- Note 6 – Transfers to/from Other Funds
- Note 7 – Excess of Expenditures Over Appropriations

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 19, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

To the Board of Directors
of the Civic-Recreational-Industrial Authority
City of Industry, California
Page 4

Other Matters

We were engaged to report on the Budgetary Schedule of Revenues and Expenditures, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the CRIA and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

The PwC Group, LLP

Santa Ana, California

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.6



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

City of Industry

CRIA BOARD OF DIRECTORS

HOWARD LIM, CHAIRMAN
DEAN MARSHALL, VICE CHAIRMAN
DAVID CARMANY
LARRY HARTMANN
BECKY SIMON

15625 EAST STAFFORD STREET
CITY OF INDUSTRY, CALIFORNIA 91744-3366
(626) 333-2211

MEMORANDUM

TO: The Honorable Chair and Members of the Civic-Recreational-Industrial-Authority ("CRIA") Board

FROM: Paul J. Philips, Executive Director 

DATE: April 13, 2016

SUBJECT: Vacant Board Position on the Industry Property and Housing Management Authority

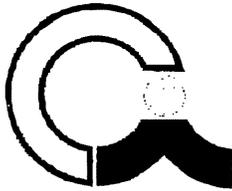
Staff has received two resignations from members of the City of Industry Property and Housing Management Authority. One vacancy has been filled by the City. The remaining vacancy must be filled by the CRIA Board.

The City has recently taken steps to advertise and solicit applications for both vacant positions. The City received two applications. Those applicants are as follows:

Cathy L. Salm (application attached)

Joseph G. Emmons (application/resume attached)

IT IS RECOMMENDED that the CRIA Board select one of the current applicants to fill the remaining vacant position on the City of Industry Property and Housing Management Authority.



CITY OF INDUSTRY

Incorporated June 18, 1957

CITY OF INDUSTRY

APPLICATION FOR CITY COMMISSION OR AUTHORITY

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the
City of Industry HOUSING AUTHORITY / CRIA BOARD.

I very much appreciate your consideration.

Sincerely,

Joseph G. Emmons
Print your name

Address

Phone Number

Email Address

Joseph G. Emmons
Signature

April 5, 2016
Date

Joseph G. Emmons

April 1, 2016

City of Industry
15625 East Stafford Street, #100
City of Industry, CA 91744

Attention: Paul Phillips
City Manager

Dear Mr. Phillips:

I am a semi-retired attorney with an active license and am in good standing with the California State Bar. The attached resume shows that I have spent considerable time representing public entities and helping to solve problems in that area. At this stage in my career, I still enjoy the challenge of resolving legal issues as they pertain to public entity functions.

Along those lines, I am interested in continuing my volunteer work and public service activities. Specifically, I am interested in being considered for selection as the Civic Recreation and Industrial Authority's appointment to the City of Industry's Housing Authority.

I have followed the city's housing issues in the print media, and believe that my knowledge, skill, and experience would be an asset to the housing commission. I have a good knowledge of Worker's Compensation statutes and understand the impact such programs can have on the success of a business in California. I admire cities like Industry that provide a safe haven for entrepreneurs, who are risking their capital trying to compete and create jobs for working families. In addition, I appreciate the City of Industry's unique focus on its business partners and its willingness to stand up to the neighborhood "NIMBYS" who will run every job creating company out of California.

For almost 30 years I have been a member of the Board of Trustees of the Hollywood United Methodist Church (that is the church with the large bell tower just below the Hollywood Bowl.) The church has an extensive program for feeding the homeless in the Hollywood area. In addition, we work with local community groups on the issue of affordable housing. I am interested in that issue and understand the importance of helping those less fortunate, or down on their luck, in having a place to call home. Obviously, the City of Industry wants to maintain its business-centric model, and insure the Housing Commission does not recruit residents that would chase businesses out of the area. It is my understanding that over 9,000 affordable housing units have been built by the City of Industry with its redevelopment set aside monies. That is a story you should be proud of and share.

In conclusion, please forward my resume and this cover letter to the CRIA Board of Directors for their consideration. Also, let me know if there are any other steps I should take. Thank you for your time in considering my request. Please feel free to contact me or to invite me to any meeting you feel is appropriate.

Sincerely yours,

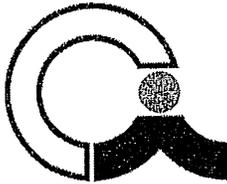

Joseph G. Emmons

encl. Joseph G. Emmons resume

Joseph G. Emmons

- **SUMMARY OF QUALIFICATIONS: 37 years experience specializing in insurance defense with emphasis on medical malpractice and public entity issues; the last four years concentrated in construction defect litigation; approximately 40 jury trials tried to conclusion.**
- **EDUCATION: 1) Juris Doctorate; Southwestern University School of Law; 1977 graduate; attended from 1974 through 1977; Los Angeles, California.**
- **WORK EXPERIENCE/EMPLOYMENT HISTORY:**
 - a) **Law Offices of Timothy J. Hogan, Esquire, 3601 Calle Tecate, Camarillo, California 93012; February 2003 to December 2013;** the practice concentrates on construction defect litigation (a large percentage of those cases were part of the Complex Litigation Project); responsibility for all aspects of case preparation including compliance with case management orders, conduct expert depositions, site visits to evaluate nature and extent of claimed damage, attend mediations, and participate in trial.
 - b) **Garcia, Emmons, & Maranga, a Professional Law Corporation, 15260 Ventura Boulevard, Sherman Oaks, California; October 1983 to January 2000;** Founding Partner; Responsibilities included all aspects of case preparation from opening of files and conducting and directing discovery to conducting jury trials.
- **ACTIVE MEMBER OF CALIFORNIA STATE BAR Number 70751.**
- **CLIENTS REPRESENTED DURING CAREER:**
Regents of the University of California; County of Los Angeles; Los Angeles County Metropolitan Transportation Authority; Los Angeles Unified School District; Kaiser Permanente; Vons Grocery Company; Tutor-Saliba Construction Company; Claims Resource Management (construction defect cases); American International Group; Southern California Physician Insurance Exchange, Cooperative of American Physicians, and Carnegie General Insurance Agency.

3.23.2016



CITY OF INDUSTRY

Incorporated June 18, 1957

CITY OF INDUSTRY

APPLICATION FOR CITY COMMISSION OR AUTHORITY

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the
City of Industry Industry Property & Housing Mgmt Authority

I very much appreciate your consideration.

Sincerely,

Cathy L Salm
Print your name

Address

Phone Number

Email Address

Cathy L Salm
Signature

1-15-2016
Date

Cathy Salm

Objective: Seeking position as a Board Member of the Industry Property and Housing Management Authority

Raised in Hacienda Heights graduated Los Altos High school class of 1978

Have resided in Covina for 32 years

Currently employed at Haddick's Towing Inc. Accounting department 1988-Current

Previously worked in banking and finance at a construction equipment company.

I have held a Real Estate license for the past 20 years.

Thank you for your consideration to this appointment. I believe that my experience in real estate and accounting could be a great asset for the Industry Property and Housing Management Authority board. I have worked in the City of Industry for the past 25 years and are familiar with its importance to the San Gabriel valley as a job center for the surrounding communities. Industry is a unique city and their residents are impacted 24/7 by our surrounding business, freeways, trains, and major thoroughfares. I look forward to working with the city staff and council to bring transparency and responsible oversight to the authority.