
Civic-Recreational-Industrial Authority



Regular Meeting Agenda

April 10, 2024

9:00 a.m.

Chairman Eric Benavidez
V. Chairman Ronald Whittemore
Board Member Sean Lee
Board Member Bob Lindsey
Board Member Ronald McPeak

Location: City Council Chambers, 15651 Mayor Dave Way, City of Industry, California

- < **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 one-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 one-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.

At the time of publication, no Board Member intends to take part in the meeting remotely under the provisions of AB 2449. Should that change between the time of publication and the start of the meeting, a live webcasting of the meeting will be accessible via the link, meeting ID, and meeting passcode listed below. Whenever possible, an announcement will be made at the start of the meeting via the live webcast to confirm whether or not a Board Member will join remotely. If they will not be joining remotely, then the live webcast will terminate after the announcement.

www.microsoft.com/microsoft-teams/join-a-meeting

Meeting ID: 228 608 727 069

Passcode: jukiJd

[Download Teams](#) | [Join on the web](#)

Or call in (audio only)

[+1 657-204-3264](tel:+16572043264),

Phone Conference ID: 776 009 122#

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 Mayor Dave Way, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday 8:00 a.m. to 5:00 p.m., Friday 8:00 a.m. to 4:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.

1. Call to Order
2. Flag Salute
3. AB 2449 Vote on Emergency Circumstances (if necessary)
4. Roll Call
5. Presentations
6. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the Civic-Recreational-Industrial Authority (CRIA) Board request specific items be removed from the Consent Calendar for separate action.

- 6.1 Consideration of the Register of Demands submitted by the Finance Department for April 10, 2024

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

- 6.2 Consideration of the Register of Demands submitted by CNC Equestrian Management Services for the Industry Hills Expo Center for February 2024

RECOMMENDED ACTION: Receive and file.

- 6.3 Presentation of the FY 2023-2024 Mid-Year Budget Report, and Consideration of Resolution No. CRIA 2024-01, adopting the FY 2023-2024 Proposed Mid-Year Budget Amendments for the Civic-Recreational-Industrial Authority, and the FY 2023-2024 Proposed Mid-Year Budget Amendments for the Capital Improvement Program Budget

RECOMMENDED ACTION: Receive and file the FY 23-24 Mid-Year Budget Report, and adopt Resolution No. CRIA 2024-01, approving the Proposed FY 24 Mid-Year Budget Amendments.

- 6.4 Consideration of the Annual Financial Reports for the Civic-Recreational-Industrial Authority, Year Ending June 30, 2023

RECOMMENDED ACTION: Approve the Annual Audited Financial Statements for FY 22-23, Approve the Independent Auditor's Report for FY 22-23, and Approve the Auditor's Communication Report for FY 22-23.

7. **ACTION ITEMS**

- 7.1 Presentation and discussion regarding the Civic-Recreational-Industrial Authority's Financial Report for January 31, 2024 and February 29, 2024

RECOMMENDED ACTION: Receive and file the report.

- 7.2 Update on the Expo Center

RECOMMENDED ACTION: Receive and file.

8. **PUBLIC HEARING-NONE**

9. **CLOSED SESSION-NONE**

10. **EXECUTIVE DIRECTOR COMMUNICATIONS**

11. **AB 1234 REPORTS**

12. **BOARD MEMBER COMMUNICATIONS**

13. **PUBLIC COMMENTS**

14. Adjournment. Next regular meeting: Wednesday, May 8, 2024, at 9:00 a.m.

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.1

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
AUTHORIZATION FOR PAYMENT OF BILLS
Board Meeting April 10, 2024

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
121	CRIA - CAPITAL IMPROVEMENT	69,822.50
360	INDUSTRY HILLS EXPO OPERATING ACCOUNT	121,612.79
TOTAL ALL FUNDS		191,435.29

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
WFCK	WELLS FARGO CHECKING	191,435.29
TOTAL ALL BANKS		191,435.29

APPROVED PER EXECUTIVE DIRECTOR



DATE

4-7-24

Civic-Recreational-Industrial Authority
Board Meeting
April 10, 2024

Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
11901	03/13/2024		INDUSTRY PUBLIC UTILITIES	\$3,410.36
	Invoice	Date	Description	Amount
	2024-00001501	03/01/2024	12/18-2/15/24 SVC-MAIN GUARD SHACK	\$124.02
	2024-00001502	03/01/2024	12/18-2/15/24 SVC-GRAND ARENA-E SIDE OF PARKING	\$182.24
	2024-00001503	03/01/2024	12/18-2/15/24 SVC-GRAND ARENA-S SIDE OF PARKING	\$72.56
	2024-00001504	03/01/2024	12/18-2/15/24 SVC-NEAR CAFE @ GRAND EXPO	\$132.34
	2024-00001505	03/01/2024	12/18-2/15/24 SVC-PATIO CAFE	\$59.35
	2024-00001506	03/01/2024	12/18-2/15/24 SVC-GRAND ARENA CAFE	\$287.08
	2024-00001507	03/01/2024	12/18-2/15/24 SVC-SNACK BAR @ GRAND ARENA	\$221.95
	2024-00001508	03/01/2024	12/18-2/15/24 SVC-BUILDING 4-E SIDE PLANTER AREA	\$276.10
	2024-00001509	03/01/2024	12/18-2/15/24 SVC-WATER TOWER @ PAVILLION PARKI	\$528.80
	2024-00001510	03/01/2024	12/18-2/15/24 SVC-ARENA NEAR BUNKHOUSE	\$178.63
	2024-00001511	03/01/2024	12/18-2/15/24 SVC-EXPO OFFICE	\$229.17
	2024-00001512	03/01/2024	12/18-2/15/24 SVC-BARD D	\$182.24
	2024-00001513	03/01/2024	12/18-2/15/24 SVC-DC @ BARN D	\$103.92
	2024-00001514	03/01/2024	12/18-2/15/24 SVC-BARN E	\$178.63
	2024-00001515	03/01/2024	12/18-2/15/24 SVC-DC @ BARN E	\$103.92
	2024-00001516	03/01/2024	12/18-2/15/24 SVC-BATHROOM @ BARN E	\$203.90
	2024-00001517	03/01/2024	12/18-2/15/24 SVC-HORSE TRAINING AREA BEHIND BUI	\$178.63
	2024-00001518	03/01/2024	12/18-2/15/24 SVC-1ST GUARD SHACK	\$62.96
	2024-00001519	03/01/2024	12/18-2/15/24 SVC-S SIDE OF BLDG BEHIND GATED ARI	\$103.92
11902	04/10/2024		AL'S MECHANICAL INC.	\$3,017.86
	Invoice	Date	Description	Amount
	3953	07/25/2023	ICE MACHINE REPAIRS @ PAVILLION	\$285.00
	3963	02/08/2024	REPLACE ICE MACHINE INLET VALVE @ PATIO CAFE	\$555.14

Civic-Recreational-Industrial Authority
Board Meeting
April 10, 2024

Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
	3954	10/11/2023	REPLACE ICE MACHINE WATER FILTER CARTRIDGE @	\$631.36
	3955	11/21/2023	REPLACE WATER FILTER @ PATIO CAFE	\$576.36
	3952	05/16/2023	REPAIRS WALK-IN FREEZER @ PATIO CAFE	\$970.00
11903	04/10/2024		ANNEALTA GROUP	\$160.00
	Invoice	Date	Description	Amount
	3141	03/11/2024	16200 TEMPLE AVE	\$160.00
11904	04/10/2024		CASC ENGINEERING AND CONSULTIN	\$53.00
	Invoice	Date	Description	Amount
	0050761	02/29/2024	MND FOR EXPO CNTR BANQUET FACILITY	\$53.00
11905	04/10/2024		CELCO CONSTRUCTION SERVICES IN	\$3,783.58
	Invoice	Date	Description	Amount
	13079	03/05/2024	MITIGATION & REPAIR SVC-16200 TEMPLE UNIT B	\$3,783.58
11906	04/10/2024		CINTAS CORPORATION LOC 693	\$132.00
	Invoice	Date	Description	Amount
	9265888582	04/01/2024	LEASE FEE FOR AED MACHINE-EXPO CENTER APRIL 2	\$132.00
11907	04/10/2024		CITY OF INDUSTRY	\$2,111.54
	Invoice	Date	Description	Amount
	2024-00000044	02/29/2024	February 2024 Fuel Costs	\$624.52
	2024-00000050	03/31/2024	MARCH 2024 FUEL COSTS	\$1,487.02
11908	04/10/2024		CNC ENGINEERING	\$24,120.00

Civic-Recreational-Industrial Authority
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Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
	Invoice	Date	Description	Amount
	509917	03/28/2024	EXPO CNTR-STANDARDS OF FACILITY MAINT	\$11,310.00
	509905	03/28/2024	AVALON ROOM IMPROVEMENTS	\$4,800.00
	509909	03/28/2024	EXPO CNTR IT INFRASTRUCTURE UPGRADES	\$910.00
	509908	03/28/2024	NEW BANQUET FACILITY @ EXPO CENTER	\$3,240.00
	509907	03/28/2024	EXPO CNTR ELECTRICAL LOADING MASTER PLAN	\$190.00
	509906	03/28/2024	EXPO CENTER AUDIO/VIDEO UPGRADES	\$3,100.00
	509910	03/28/2024	MISC ROOF REPAIRS @ PATIO CAFE	\$570.00
11909	04/10/2024		CRIA-EQUESTRIAN CENTER	\$30,000.00
	Invoice	Date	Description	Amount
	FEB-24	03/21/2024	REIMBURSEMENT FOR FEBRUARY 2024 OPERATING CC	\$30,000.00
11910	04/10/2024		CRIA-PAYROLL ACCOUNT	\$3,500.00
	Invoice	Date	Description	Amount
	MAR-24	03/11/2024	REPLENISH PAYROLL ACCT FOR MARCH 2024	\$3,500.00
11911	04/10/2024		ELEVATE PUBLIC AFFAIRS, LLC	\$6,000.00
	Invoice	Date	Description	Amount
	3711	03/12/2024	PROFESSIONAL SVC-FEB 2024	\$6,000.00
11912	04/10/2024		ESPY'S ELECTRICAL SERVICES INC.	\$800.00
	Invoice	Date	Description	Amount
	1322	03/13/2024	ELECTRIC MAINT SVC-REWired LIGHTS @ PATIO CAF	\$800.00
11913	04/10/2024		FRAZER, LLP	\$2,535.00

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Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
	Invoice	Date	Description	Amount
	187428	02/29/2024	PROFESSIONAL SVC-FEB 2024	\$2,535.00
11914	04/10/2024		IDS GROUP, INC.	\$4,031.50
	Invoice	Date	Description	Amount
	20X47.00-19	02/26/2024	FIRE ALARM SYSTEM DESIGN-EXPO CNTR	\$4,031.50
11915	04/10/2024		INDUSTRY SECURITY SERVICES	\$48,097.31
	Invoice	Date	Description	Amount
	1057	03/01/2024	2/23-2/29/24 SECURITY SVC-EXPO CNTR	\$12,010.91
	1074	03/08/2024	3/1-3/7/24 SECURITY SVC-EXPO CNTR	\$12,028.80
	1090	03/15/2024	3/8-3/14/24 SECURITY SVC-EXPO CNTR	\$12,028.80
	1110	03/22/2024	3/15-3/21/24 SECURITY SVC-EXPO CNTR	\$12,028.80
11916	04/10/2024		JANUS PEST MANAGEMENT	\$185.00
	Invoice	Date	Description	Amount
	268979	03/07/2024	PEST SVC-EXPO CNTR	\$185.00
11917	04/10/2024		KLINE'S PLUMBING, INC.	\$450.00
	Invoice	Date	Description	Amount
	13370	03/25/2024	PLUMBING MAINT SVC-EXPO CNTR	\$450.00
11918	04/10/2024		MORTISE & TENON BUILDING CORP	\$2,729.42
	Invoice	Date	Description	Amount
	156250214	02/21/2024	URGENT REPAIRS TO MAIN GUARD SHACK DUE TO RA	\$2,729.42

Civic-Recreational-Industrial Authority
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Check	Date		Payee Name	Check Amount
CRIA.WF.CHK - CRIA Wells Fargo Checking				
11919	04/10/2024		PLACEWORKS	\$749.70
	Invoice	Date	Description	Amount
	83174	02/29/2024	TECHNICAL SVC-NEW BANQUET @ EXPO	\$749.70
11920	04/10/2024		THE BIG NORWEGIAN	\$3,550.72
	Invoice	Date	Description	Amount
	57478	01/19/2024	VARIOUS MAINT ITEMS ON 2000 CASE 570 MXT @ EXP	\$3,550.72
11921	04/10/2024		VENEKLASSEN ASSOCIATES, INC.	\$52,018.30
	Invoice	Date	Description	Amount
	74005	03/09/2024	DESIGN SVC-EXPO CNTR GRAND ARENA A/V UPGRAD	\$247.50
	74004	03/09/2024	DESIGN SVC-EXPO CNTR GRAND ARENA A/V UPGRAD	\$23,126.40
	74003	03/09/2024	DESIGN SVC-EXPO CNTR GRAND ARENA A/V UPGRAD	\$17,950.00
	74055	03/12/2024	EXPO CNTR IT-FIBER DESIGN	\$7,500.00
	73975	03/06/2024	DESIGN SVC-EXPO CNTR GRAND ARENA A/V UPGRAD	\$3,194.40

Checks	Status	Count	Transaction Amount
	Total	21	\$191,435.29

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.2

Backup Material will be provided prior to Meeting

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
APRIL 10, 2024

ITEM NO. 6.2
HANDOUT ITEM

CRIA CHECK REGISTER
FEBRUARY
2024

Industry Hills Expo Center - Check Register

DATE	CHECK #	PAYEE	AMOUNT	DETAILS
02/13/2024	18192	PAV-020324 ST BRUNO SCHOOL	700.00	SECURITY DEPOSIT REDUND
02/14/2024	18193	ALARMCO	210.00	OLD FIRE SYSTEM MONITORING-TEMPORARY
02/14/2024	18194	ANHEUSER BUSCH SALES OF AMERICA	377.10	BEVERAGE ORDER/ALCOHOL INVENTORY
02/14/2024	18195	AT&T	1,143.15	WIRELESS PHONE CHARGES-JAN/FEB
02/14/2024	18196	CINTAS	790.98	MATS, MOPS AND UNIFORMS
02/14/2024	18197	CNC EQUESTRIAN MANAGEMENT	27,065.83	CONTRACT LABOR SATSUMA/REIMB. AMEX PURCH.
02/14/2024	18198	FED EX	41.62	POSTAGE EXPENSE
02/14/2024	18199	FRONTIER COMMUNICATIONS	175.98	MONTHLY INTERNET SERVICES-JANUARY
02/14/2024	18200	INDUSTRY SECURITY SERVICES, INC.	1,051.52	EVENT SECURITY SERVICES
02/14/2024	18201	JANUS PEST MANAGEMENT, INC.	1,314.00	PEST CONTROL
02/14/2024	18202	OFFICE DEPOT	137.44	OFFICE SUPPLIES EXPENSE
02/14/2024	18203	OS4 LABOR	3,556.58	CONTRACT LABOR W/E 012824
02/14/2024	18204	PYROCOMM	225.00	MONTHLY FIRE ALARM MONITORING
02/14/2024	18205	ROGERS,CLEM & CO.	2,200.00	ACCT'G AND CONSULTING SERVICES-JANUARY
02/14/2024	18206	SATSUMA LANDSCAPE	9,959.81	ONTHLY LANDSCAPE MAINTENANCE EXPENSE
02/14/2024	18207	SO CAL GAS	13.81	MONTHLY UTILITY EXPENSE
02/14/2024	18208	VALLEY VISTA SERVICES	1,820.92	3YD FRT LOAD/STORAGE SERVICES
02/14/2024	18209	XEROX FINANCIAL SERVICES	1,662.25	MONTHLY LEASE/COLOR COPIES EXPENSE
02/21/2024	18210	PAV-021724 NEYDA ANTONIO	700.00	SECURITY DEPOSIT REDUND
02/21/2024	18211	AIRGAS USA, LLC	644.60	SUPPLIES EXPENSE-BAR SUPPLIES (CO2)
02/21/2024	18212	CINTAS	2,341.08	MATS, MOPS AND UNIFORMS
02/21/2024	18213	FIRETEAM ONE INC.	3,367.53	LA COUNTY FIRE-ANNUAL PERMIT TO ASSEMBLE
02/21/2024	18214	FRONTIER COMMUNICATIONS	735.01	MONTHGLY PHONE SERVICES-OFFICE
02/21/2024	18215	GRAHAM COMPANY	485.00	QRTLY EMERGENCY LIGHTING SYSTEM-ARENA
02/21/2024	18216	HARBOR DISTRIBUTING,LLC	2,588.00	BEVERAGE ORDER/ALCOHOL INVENTORY
02/21/2024	18217	HOME DEPOT	516.53	PROPERTY MAINT SUPPLIES EXPENSE
02/21/2024	18218	INDUSTRY SECURITY SERVICES, INC.	1,071.36	EVENT SECURITY SERVICES
02/21/2024	18219	JAM GOLF CARS	912.14	DIAGNOSE AND REPAIR XM2 CLUB CARRY-ALL
02/21/2024	18220	JANUS PEST MANAGEMENT, INC.	659.00	PEST CONTROL
02/21/2024	18221	JUAN LOPEZ	3,760.00	IT SYSTEM SUPPORT & CONSULTING SERVICES
02/21/2024	18222	OFFICE DEPOT	43.89	OFFICE SUPPLIES EXPENSE
02/21/2024	18223	OS4 LABOR	1,329.98	CONTRACT LABOR W/E 021124
02/21/2024	18224	RANCHO JANITORIAL SUPPLIES	1,070.34	PAPER AND CLEANING SUPPLIES EXPENSE
02/21/2024	18225	REPUBLIC NATIONAL DISTRIBUTING COMPANY	1,064.96	BEVERAGE ORDER/ALCOHOL INVENTORY
02/21/2024	18226	SOUTHERN CALIFORNIA EDISON	12,954.31	MONTHLY UTILITY EXPENSE-JAN/FEB
02/21/2024	18227	SOUTHERN GLAZER'S OF CA SOUTH	4,746.45	BEVERAGE ORDER/ALCOHOL INVENTORY
02/21/2024	18228	SYSCO	4,310.53	BEVERAGE ORDER/ALCOHOL INVENTORY
02/21/2024	18229	VALLEY VISTA SERVICES	1,259.37	3 YD FRT LOAD/COMM ORGANICS SERVICES
02/21/2024	18230	SOUTHERN GLAZER'S OF CA SOUTH	4,668.00	BEVERAGE ORDER/ALCOHOL INVENTORY

CRIA CHECK REGISTER
FEBRUARY
2024

Industry Hills Expo Center - Check Register

DATE	CHECK #	PAYEE	AMOUNT	DETAILS
02/21/2024	18231	CINTAS	\$14.26	MATS, MOPS AND UNIFORMS
02/21/2024	18232	JUAN LOPEZ	4,128.75	IT MAINT AND CONSULTING-JANUARY
02/21/2024	18233	OFFICE DEPOT	101.18	OFFICE SUPPLIES EXPENSE
02/21/2024	18234	SOUTHERN GLAZER'S OF CA SOUTH	2,729.04	BEVERAGE ORDER/ALCOHOL INVENTORY
02/22/2024	18235	California Dept. of Tax and Fee Admin.	847.00	PREPAY SALES TAX
02/27/2024	18236	TBS CLEANING SERVICE	3,200.00	FACILITY CLEANING EXPENSE
02/29/2024	18237	California Dept. of Tax and Fee Admin.	\$117.84	SALES TAX PAYMENT-JAN.
02/29/2024	18238	CNC EQUESTRIAN MANAGEMENT	\$27,526.23	CONTRACT LABOR-MONTHLY SALARIES STAFF
02/29/2024	18239	GRAHAM COMPANY	\$485.00	EMERGENCY LIGHT SYSTEM INSPECTION
02/29/2024	18240	HARBOR DISTRIBUTING,LLC	\$300.00	BEVERAGE ORDER/ALCOHOL INVENTORY
02/29/2024	18241	INDUSTRY SECURITY SERVICES, INC.	\$1,669.21	EVENT SECURITY SERVICES
02/29/2024	18242	JANUS PEST MANAGEMENT, INC.	\$90.00	PEST CONTROL
02/29/2024	18243	VOID CHECK	\$0.00	DATA ENTRY ERROR
02/29/2024	18244	MARK IT SMART	\$322.12	PROMOTIONAL ITEMS-BRANDED PENS
02/29/2024	18245	MID-VALLEY AUTOMATIC FIRE SYSTEMS INC.	\$1,200.00	SERVICE ALL FIRE EXINGUISHERS
02/29/2024	18246	OS4 LABOR	\$4,231.80	CONTRACT LABOR W/E 021824
02/29/2024	18247	SATSUMA LANDSCAPE	\$8,244.92	MONTHLY LANDSCAPE SERVICES-JAN.
02/29/2024	18248	SOCAL INDUSTRIES	\$547.50	PORTABLE RR RENTAL-ARENA EVENTS
02/29/2024	18249	SOUTHERN GLAZER'S OF CA SOUTH	\$821.90	BEVERAGE ORDER/ALCOHOL INVENTORY
02/29/2024	18250	SPARKLETTS	\$130.84	WATER FOR OFFICE
02/29/2024	18251	THE FLY GUY	\$446.58	FLY ABATEMENT SUPPLIES EXPENSE
02/29/2024	18252	PYROCOMM	\$225.00	NEW FIRE SYSTEM MONITORING
02/29/2024	18253	TBS CLEANING SERVICE	\$3,168.00	RR ATT. TRASH & EVENT CLEAN UP MA-021724
02/29/2024	18254	LOCKS PLUS	\$6,002.55	PURCH. & INST. NEW LOCK ASSY'S AR RR'S/BRIDEROOM
TOTAL			\$169,023.79	

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.3



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY MEMORANDUM

TO: Honorable Chair and Members of the Board
FROM: Joshua Nelson, Executive Director
STAFF: Yamini Pathak
DATE: 04/10/2024
SUBJECT: Presentation of the FY 2023-2024 Mid-Year Budget Report, and Consideration of Resolution No. CRIA 2024-01, adopting the FY 2023-2024 Proposed Mid-Year Budget Amendments for the Civic-Recreational-Industrial Authority, and the FY 2023-2024 Proposed Mid-Year Budget Amendments for the Capital Improvement Program Budget

BACKGROUND

On June 7, 2023, the Civic-Recreational-Industrial Authority ("CRIA") adopted the FY 2023-2024 ("FY 24") Operating Budget. Throughout the fiscal year, unanticipated revenues and expenditures arise that potentially impact the approved budget, and therefore require budget amendments.

DISCUSSION

On June 7, 2023, CRIA adopted a budget that included total revenues for CRIA Administration in the amount of \$3,000; \$2,189,000 in expenditures; and transfers from the City's General Fund to cover any shortfalls. CRIA adopted a budget for the Expo Center that showed \$1,215,800 in revenues, and \$2,309,000 in expenditures, the shortfall to be subsidized by the City's General Fund.

The FY 24 Mid-Year Budget Update will discuss changes to revenue and expenditures through the halfway point of the year, and provide an overview of the FY 23- 24 Proposed Budget Amendments.

- **CRIA-Administration** -- there are no changes to the budget.
- **CRIA -- Expo Center** -- An increase of \$356,000 to CRIA Expo Center's revenue budget is proposed due to conservative budget set for FY2023-24 that has been exceeded due to increased event bookings, accompanied by an increase in expenses across the board of \$160,000.

FISCAL IMPACT

There is no change in CRIA's transfers from City's General Fund. CRIA Expo Center will receive \$196,000 less in transfers than previously budgeted due to increased revenue expected.

RECOMMENDATION

Staff recommends that the Civic Recreational Industrial Authority receive and file the the FY 23-24 Mid-Year Budget Report, and adopt Resolution No. CRIA 2024-01, approving the Proposed FY 24 Mid-Year Budget Amendments.

Attachments

Resolution
CRIA Mid-Year Budget

RESOLUTION NO. CRIA 2024-01

A RESOLUTION OF THE CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY ADOPTING THE FY 2023-2024 PROPOSED MID-YEAR BUDGET AMENDMENTS, AND THE FY 2023-2024 PROPOSED MID-YEAR BUDGET AMENDMENTS FOR THE CAPITAL IMPROVEMENT PROGRAM BUDGET

WHEREAS, on June 7, 2023, CRIA adopted its FY 2023-2024 (“FY 24”) Budget; and

WHEREAS, throughout a fiscal year, unanticipated revenues and expenditures may arise that could potentially impact the adopted budget and require budget amendments; and

WHEREAS, on April 10, 2024, the FY 24 Mid-Year Budget Report was presented to the CRIA Board, which provided an update on CRIA’s fiscal performance through the mid-point of the fiscal year, from July 1, 2023, through December 31, 2023, comparing all revenues and expenditures to the same period in the prior fiscal year and against adopted budget levels; and

WHEREAS, the FY 24 Mid-Year Budget Report also presented an overview of the FY 24 Mid-Year Budget Amendments for the Board’s consideration to approve and amend the FY 24 Adopted Budget.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY, DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The CRIA Board received a presentation on the FY 2023-24 Mid-Year Budget Report and hereby receives and files same.

Section 3. The CRIA Board hereby approves the FY 24 Mid-Year Budget Amendments, attached hereto as Exhibit A, and incorporated herein by reference, subject to any necessary allocations by the City of Industry City Council.

Section 4. The CRIA Board hereby authorizes the Executive Director, or his designee, to make the appropriate changes and budget amendments in CRIA’s Financial System.

Section 5. The Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

Section 6. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 7. The Board Secretary shall certify to the adoption of this Resolution, and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Civic Recreational-Industrial Authority, at a regular meeting held on April 10, 2024, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS

ABSTAIN: BOARD MEMBERS

ABSENT: BOARD MEMBERS

Eric Benavidez, Chairman

ATTEST:

Julie Gutierrez-Robles, Secretary

CIVIC RECREATIONAL INDUSTRIAL AUTHORITY
REVENUE/EXPENSES SUMMARY
MID-YEAR BUDGET UPDATE
FISCAL YEAR 2023-2024

Account	Account Description				Exhibit A	
		ADOPTED BUDGET FY 23-24	BUDGET AMENDMENTS	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 23-24
Fund 361 - CRIA EXPO Center						
Department 812 - Speedway Revenue						
8142	Bar Sales	60,700.00	-	60,700.00	(60,700.00)	-
8156	Vendor Fee	2,100.00	-	2,100.00	(2,100.00)	-
8157	Parking Fees	20,900.00	-	20,900.00	(20,900.00)	-
Department 814 - Banquet Revenue						
8141	Banquet Rentals	136,600.00	-	136,600.00	(13,100.00)	123,500.00
8142	Bar Sales	127,700.00	-	127,700.00	(24,300.00)	103,400.00
8164	Security Revenue	26,900.00	-	26,900.00	2,100.00	29,000.00
8189	Banquet Tulip Ins	3,900.00	-	3,900.00	4,000.00	7,900.00
Department 815 - Grand Arena Revenue						
4444	Miscellaneous Arena Income	-	-	-	22,900.00	22,900.00
8035	Show Barn Stall Rental	65,900.00	-	65,900.00	9,200.00	75,100.00
8042	Lighting	7,100.00	-	7,100.00	9,500.00	16,600.00
8044	Audio/Video Tech Support	1,000.00	-	1,000.00	(1,000.00)	-
8045	RV Parking	12,800.00	-	12,800.00	30,800.00	43,600.00
8142	Bar Sales	329,800.00	-	329,800.00	123,600.00	453,400.00
8151	Arena Rentals	181,000.00	-	181,000.00	13,400.00	194,400.00
8155	Clean Up & Tear Down Fees	7,000.00	-	7,000.00	22,500.00	29,500.00
8156	Vendor Fee	26,900.00	-	26,900.00	30,800.00	57,700.00
8157	Parking Fees	135,200.00	-	135,200.00	163,700.00	298,900.00
8158	Outdoor Arena	2,800.00	-	2,800.00	6,800.00	9,600.00
8164	Security Revenue	42,500.00	-	42,500.00	42,400.00	84,900.00
8165	Concession Sales	7,300.00	-	7,300.00	(7,300.00)	-
8168	Equipment Rental - Banquet	9,300.00	-	9,300.00	4,700.00	14,000.00
4440	Miscellaneous Income	1,100.00	-	1,100.00	(1,000.00)	100.00
Department 800s - Revenue Total		1,208,500.00	-	1,208,500.00	356,000.00	1,564,500.00
Department 812 - Speedway Expenditures						
5756	Audio/Video	1,900.00	-	1,900.00	(1,900.00)	-
5761	Cost of Alcohol	20,600.00	-	20,600.00	(20,600.00)	-
5790	Miscellaneous	300.00	-	300.00	(300.00)	-
6225	Outside Service	700.00	-	700.00	(700.00)	-
Department 814 - Banquet Expenditures						
5550	Repair and Maintenance Equipment	-	-	-	1,300.00	1,300.00
5630	Insurance & Bond	1,100.00	-	1,100.00	1,300.00	2,400.00
5745	Sales Tax - Expo Center	-	-	-	4,300.00	4,300.00
5750	Supplies	14,000.00	-	14,000.00	1,500.00	15,500.00
5754	Bar Supplies	1,000.00	-	1,000.00	(600.00)	400.00
5761	Cost of Alcohol	40,300.00	-	40,300.00	(6,400.00)	33,900.00
6140	Special Security Exp	32,300.00	-	32,300.00	3,800.00	36,100.00
8510	Property Maintenance	1,000.00	-	1,000.00	(1,000.00)	-
9010	Furniture, Equipment & Fixtures	-	-	-	17,800.00	17,800.00

Department 815 - Grand Arena Expenditures						
5560	Equipment Rental	-	-	-	16,700.00	16,700.00
5750	Supplies	21,600.00	-	21,600.00	3,600.00	25,200.00
5754	Bar Supplies	5,000.00	-	5,000.00	5,300.00	10,300.00
5756	Audio/Video	1,700.00	-	1,700.00	(1,700.00)	-
5757	Promotional Expenses	400.00	-	400.00	20,000.00	20,400.00
5761	Cost of Alcohol	101,800.00	-	101,800.00	14,700.00	116,500.00
5763	Cost of Feed	-	-	-	900.00	900.00
5790	Miscellaneous	1,300.00	-	1,300.00	1,500.00	2,800.00
6140	Special Security Exp	62,700.00	-	62,700.00	9,500.00	72,200.00
6145	Rider Prize Money Payout	-	-	-	2,800.00	2,800.00
6220	Contract Labor	189,600.00	-	189,600.00	9,200.00	198,800.00
6225	Outside Service	71,500.00	-	71,500.00	42,400.00	113,900.00
8510	Property Maintenance	-	-	-	6,700.00	6,700.00
9010	Furniture, Equipment & Fixtures	800.00	-	800.00	13,500.00	14,300.00
Department 816 - Administrative Expenditures						
4441.01	Cash Short/Over	-	-	-	(1,200.00)	(1,200.00)
5530	Computer Software & Supplies	-	-	-	9,300.00	9,300.00
5550	Repair and Maintenance Equipment	300.00	-	300.00	(300.00)	-
5560	Equipment Rental	12,600.00	-	12,600.00	900.00	13,500.00
5720	Telephone	8,800.00	-	8,800.00	1,400.00	10,200.00
5731	Postage	1,800.00	-	1,800.00	(700.00)	1,100.00
5770	Bank Fees	22,300.00	-	22,300.00	9,200.00	31,500.00
6220	Contract Labor	302,100.00	-	302,100.00	(115,100.00)	187,000.00
9010	Furniture, Equipment & Fixtures	-	-	-	2,300.00	2,300.00
Department 817 - General Expenditures						
5120	Outside Services	305,100.00	-	305,100.00	(44,100.00)	261,000.00
5620	Vehicle Expenses	15,700.00	-	15,700.00	27,700.00	43,400.00
5750	Supplies	11,700.00	-	11,700.00	2,500.00	14,200.00
6220	Contract Labor	205,400.00	-	205,400.00	36,700.00	242,100.00
8040	Utilities	222,900.00	-	222,900.00	98,400.00	321,300.00
8510	Property Maintenance	177,100.00	-	177,100.00	(20,800.00)	156,300.00
9010	Furniture, Equipment & Fixtures	900.00	-	900.00	10,200.00	11,100.00
Department 800s - Expenditures Total		1,856,300.00	-	1,856,300.00	160,000.00	2,016,300.00
Fund 361 - CRIA EXPO Center Total						
REVENUE Total		1,208,500.00	-	1,208,500.00	356,000.00	1,564,500.00
EXPENSE Total		1,856,300.00	-	1,856,300.00	160,000.00	2,016,300.00

CITY OF INDUSTRY
SCHEDULE OF TRANSFERS
MID-YEAR BUDGET UPDATE
FISCAL YEAR 2023-2024

Exhibit B

	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>	<u>MID-YEAR BUDGET AMENDMENTS</u>
1) CRIA - EXPO CENTER	640,200.00		(196,000.00)
CRIA- CAPITAL PROJECTS (ADMINISTRATIVE)		(640,200.00)	196,000.00
2) CRIA- CAPITAL PROJECTS (ADMINISTRATIVE)	3,576,200.00		-
CITY GENERAL FUND		(3,576,200.00)	-
3) CITY- IPHMA	781,000.00		-
CITY GENERAL FUND		(781,000.00)	-
4) CITY DEBT SERVICE	39,087,000.00		
CITY GENERAL FUND		(39,087,000.00)	
CITY GENERAL FUND	13,046,600.00		-
CITY DEBT SERVICE		(13,046,600.00)	-
5) PROP A FUND - 103	233,000.00		(233,000.00)
CITY GENERAL FUND		(233,000.00)	233,000.00
	<u>57,364,000.00</u>	<u>(57,364,000.00)</u>	<u>-</u>

CITY OF INDUSTRY
CAPITAL IMPROVEMENT BUDGET
MID-YEAR BUDGET UPDATE
FISCAL YEAR 2023-2024

CITY FUNDED BY CIP	Exhibit C				
Project Description	ADOPTED BUDGET FY 23-24	BUDGET APROPRIATION	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 23-24
GRADE SEPARATION PROJECTS	2,375,000.00		2,375,000.00	(20,000.00)	2,355,000.00
STREET WIDENING, RECONSTRUCTION, RESURFACING AND SLURRY SEAL	32,995,000.00	485,000.00	33,480,000.00	(1,220,000.00)	32,260,000.00
STORM DRAIN IMPROVEMENTS	1,525,000.00		1,525,000.00	(50,000.00)	1,475,000.00
TRAFFIC SIGNAL IMPROVEMENTS	8,715,000.00		8,715,000.00	940,000.00	9,655,000.00
BRIDGE WIDENING, SEISMIC RETROFIT AND MAINTENANCE IMPROVEMENTS	355,000		355,000.00	-	355,000.00
HOMESTEAD MUSEUM	250,000		250,000.00	(20,000.00)	230,000.00
INDUSTRY HILLS GOLF & CONVENTION FACILITIES	95,000		95,000.00	-	95,000.00
EL ENCANTO C.I.P.	725,000.00		725,000.00	(135,000.00)	590,000.00
OPEN SPACES/ TONNER CANYON/TRES HERMANOS	1,220,000	(615,000.00)	605,000.00	-	605,000.00
TRES HERMANOS RANCH PROPERTY	800,000		800,000.00	(600,000.00)	200,000.00
PROPERTY REDEVELOPMENT & DEMO	30,000		30,000.00	-	30,000.00
MISCELLANEOUS	640,000.00	30,000.00	670,000.00	-	670,000.00
CIVIC CENTER FACILITIES	3,445,000.00	100,000.00	3,545,000.00	755,000.00	4,300,000.00
FACILITIES IMPROVEMENTS	4,485,000.00		4,485,000.00	(760,000.00)	3,725,000.00
Total CITY funded by CIP	57,655,000.00	-	57,655,000.00	(1,110,000.00)	56,545,000.00
CITY FUNDED BY MEASURE W					
Project Description	ADOPTED BUDGET FY 23-24	BUDGET APROPRIATION	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 22-23
STORM DRAIN IMPROVEMENTS	590,000.00		590,000.00	-	590,000.00
Total CITY funded by CIP	590,000.00	-	590,000.00	-	590,000.00
Total CITY	58,245,000.00	-	58,245,000.00	(1,110,000.00)	57,135,000.00
CRIA FUNDED BY CIP					
Project Description	ADOPTED BUDGET FY 22-23	BUDGET AMENDMENTS	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 22-23
EXPO CENTER AT INDUSTRY HILLS	2,860,000.00		2,860,000.00	(675,000.00)	2,185,000.00
Total CRIA funded by CIP	2,860,000.00	-	2,860,000.00	(675,000.00)	2,185,000.00
IPUC FUNDED BY CIP					
Project Description	ADOPTED BUDGET FY 22-23	BUDGET AMENDMENTS	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 22-23
IPUC - WATER UTILITY (IPU)	2,820,000		2,820,000.00	(310,000.00)	2,510,000.00
IPUC - ELECTRIC UTILITY (IPU)	6,465,000		6,465,000.00	(570,000.00)	5,895,000.00
Total IPUC funded by CIP	9,285,000.00	-	9,285,000.00	(880,000.00)	8,405,000.00
IPHMA FUNDED BY CIP					
Project Description	ADOPTED BUDGET FY 22-23	BUDGET AMENDMENTS	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 22-23
IPHMA Capital Improvements	1,000,000.00		1,000,000.00		1,000,000.00
Total IPHMA funded by CIP	1,000,000.00	-	1,000,000.00	-	1,000,000.00
Total CIP	71,390,000.00	-	71,390,000.00	(2,665,000.00)	68,725,000.00

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 6.4



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Chair and Board Members

FROM: Joshua Nelson, Executive Director

STAFF: Yamini Pathak, Director of Finance

DATE: April 10, 2024

SUBJECT: Annual Financial Reports for the Civic-Recreational-Industrial Authority, Year Ending June 30, 2023

RECOMMENDATION

Receive and file the following annual financial reports for the year ending June 30, 2023, and instruct Staff to present a summary of the year ending June 30, 2023, Annual Financial Reports to the Chair and Board Members.

City of Industry

1. Annual Audited Basic Financial Statements for the Year Ending June 30, 2023, with Independent Auditors' Report
2. Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters for the Year Ending June 30, 2023
3. Auditors' Communications with the Chair and Board Members for the Year Ending June 30, 2023

EXECUTIVE SUMMARY

The City's independent auditors, Rogers, Anderson, Malody & Scott, LLP, have completed their annual audit of the City's financial statements which include the financial activities of its component units (Successor Agency to the Industry Urban-Development Agency, the Civic-Recreational-Industrial Authority, and the Industry Public Facilities Authority) for the year ending June 30, 2023. The financial statements received an unqualified (or clean)

opinion. No material weakness in internal control was noted by the Auditors.

DESCRIPTION OF REPORTS

The financial reports and management compliance letter for the year ending June 30, 2023, are briefly described below:

Annual Financial Report

The annual financial statement is a comprehensive document reflecting the financial position of the City and its component units. The Auditors issued an unqualified (or clean) opinion on these financial statements.

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

No material weakness in internal control was noted by the Auditors.

The Auditors' Communications with the Audit Committee and the Chair and Board Members

Statement of Auditing Standards (SAS) No. 114 requires more and documented communications between the auditors and the Audit Committee and the Chair and Board Members. 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 material misstatements.

Fiscal Impact

There is no fiscal impact as result of this action.

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

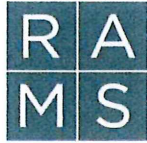
FOR THE YEAR ENDED JUNE 30, 2023

Civic-Recreational-Industry Authority
(A Component Unit of the City of Industry)

Financial Statements
For the Year Ended June 30, 2023

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

Independent Auditor's Report

Honorable City Council
Civic-Recreational-Industrial Authority
Industry, California

PARTNERS

Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)
Terry P. Shea, CPA (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA
Monica Wysocki, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities and each major fund of the Civic-Recreational-Industrial Authority (the CRIA), a component unit of the City of Industry, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise CRIA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the CRIA, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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



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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRIA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRIA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRIA's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2024 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRIA's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
March 12, 2024

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash	\$ 253,063	\$ 245,367	\$ 498,430
Investments	85,283	-	85,283
Accounts receivable, net	275,418	35,757	311,175
Accrued interest	670	-	670
Inventory of materials and supplies	-	35,124	35,124
Prepaid items	-	8,994	8,994
Deposits	-	3,000	3,000
Total current assets	<u>614,434</u>	<u>328,242</u>	<u>942,676</u>
Noncurrent assets:			
Capital assets:			
Capital assets not being depreciated	-	3,193,298	3,193,298
Capital assets being depreciated, net	-	<u>12,394,576</u>	<u>12,394,576</u>
Total capital assets, net accumulated depreciation	<u>-</u>	<u>15,587,874</u>	<u>15,587,874</u>
Total assets	<u>614,434</u>	<u>15,916,116</u>	<u>16,530,550</u>
LIABILITIES			
Current liabilities:			
Accounts payable	408,152	228,296	636,448
Deposits	-	46,250	46,250
Unearned revenue	-	116,768	116,768
Total current liabilities	<u>408,152</u>	<u>391,314</u>	<u>799,466</u>
NET POSITION (DEFICIT)			
Net investment in capital assets	-	15,587,874	15,587,874
Unrestricted	<u>206,282</u>	<u>(63,072)</u>	<u>143,210</u>
Total net position	<u>\$ 206,282</u>	<u>\$ 15,524,802</u>	<u>\$ 15,731,084</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Activities
For the Year Ended June 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program revenues		
		Charges for services	Operating grants and contributions	Capital grants and contributions
Primary government:				
Governmental activities:				
General administration	\$ 2,404,627	\$ -	\$ 5,948,806	\$ -
Total Governmental Activities	<u>2,404,627</u>	<u>-</u>	<u>5,948,806</u>	<u>-</u>
Business-type activities:				
General administration	1,290,767	-	-	-
Expo Center operations	3,232,744	1,436,507	-	1,070,728
Depreciation	465,339	-	-	-
Total Business-Type Activities	<u>4,988,850</u>	<u>1,436,507</u>	<u>-</u>	<u>1,070,728</u>
Total Primary Government	<u>\$ 7,393,477</u>	<u>\$ 1,436,507</u>	<u>\$ 5,948,806</u>	<u>\$ 1,070,728</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Activities (Continued)
For the Year Ended June 30, 2023

	Net revenue (expense) and change in net position		
	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS			
Primary government:			
Governmental activities:			
General administration	\$ 3,544,179	\$ -	\$ 3,544,179
Total Governmental Activities	<u>3,544,179</u>	<u>-</u>	<u>3,544,179</u>
Business-type activities:			
General administration	-	(1,290,767)	(1,290,767)
Expo Center operations	-	(725,509)	(725,509)
Depreciation	-	(465,339)	(465,339)
Total Business-Type Activities	<u>-</u>	<u>(2,481,615)</u>	<u>(2,481,615)</u>
Total primary government	<u>3,544,179</u>	<u>(2,481,615)</u>	<u>1,062,564</u>
GENERAL REVENUES AND TRANSFERS			
Investment income	1,967	-	1,967
Miscellaneous revenue	418	-	418
Transfers	(3,441,736)	3,441,736	-
Total general revenues and transfers	<u>(3,439,351)</u>	<u>3,441,736</u>	<u>2,385</u>
Change in net position	104,828	960,121	1,064,949
NET POSITION			
Beginning of year	<u>101,454</u>	<u>14,564,681</u>	<u>14,666,135</u>
End of year	<u>\$ 206,282</u>	<u>\$ 15,524,802</u>	<u>\$ 15,731,084</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Balance Sheet
Governmental Fund
June 30, 2023

	<u>General Fund</u>
ASSETS	
Cash and investments	\$ 253,063
Investments	85,283
Accounts receivable, net	275,418
Accrued interest	<u>670</u>
Total assets	<u><u>\$ 614,434</u></u>
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable	<u>\$ 408,152</u>
Total liabilities	<u>408,152</u>
FUND BALANCE	
Assigned for capital projects	<u>206,282</u>
Total liabilities and fund balance	<u><u>\$ 614,434</u></u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

**Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2023**

Total fund balances of governmental funds		\$	206,282
Amounts reported for governmental activities in the Statement of Net Position are different because:			
	None		<u>-</u>
Net position of Governmental Activities		\$	<u><u>206,282</u></u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Fund</u>
REVENUES	
Intergovernmental revenue	\$ 5,948,806
Investment income	1,967
Other revenues	<u>418</u>
Total revenues	<u>5,951,191</u>
EXPENDITURES	
Current:	
General administration:	
Administrative costs	137,131
Professional services	1,444,570
Operation of property	<u>822,926</u>
Total expenditures	<u>2,404,627</u>
Excess of revenues over expenditures	3,546,564
OTHER FINANCING USES	
Transfers out	<u>(3,441,736)</u>
Net change in fund balances	104,828
FUND BALANCE	
Beginning of year	<u>101,454</u>
End of year	<u><u>\$ 206,282</u></u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

**Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and
Changes in Fund Balance to the Government-wide Statements of Activities
For the Year Ended June 30, 2023**

Net change in fund balance of the total governmental funds		\$	104,828
Amounts reported for governmental activities in the Statement of Activities are different because:	None		<u>-</u>
Net change in net position of Governmental Activities		\$	<u>104,828</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Net Position
Proprietary Fund
June 30, 2023

	<u>Industry Hills Expo Center Enterprise Fund</u>
ASSETS	
Current assets:	
Cash	\$ 245,367
Accounts receivable, net	35,757
Inventory of materials and supplies	35,124
Prepaid items	8,994
Due from other funds	660
Deposits	3,000
Total current assets	<u>328,902</u>
Noncurrent assets:	
Capital assets:	
Capital assets not being depreciated	3,193,298
Capital assets being depreciated, net	12,394,576
Total capital assets, net accumulated depreciation	<u>15,587,874</u>
Total assets	<u>15,916,776</u>
LIABILITIES	
Current liabilities:	
Accounts payable	228,296
Due to other funds	660
Deposits	46,250
Unearned revenue	116,768
Total current liabilities	<u>391,974</u>
NET POSITION (DEFICIT)	
Net investment in capital assets	15,587,874
Unrestricted	<u>(63,072)</u>
Total net position	<u>\$ 15,524,802</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2023

	Industry Hills Expo Center Enterprise Fund
OPERATING REVENUES	
Grand arena	\$ 1,047,544
Event and rental revenues	387,639
Other revenue	1,324
Total operating revenues	<u>1,436,507</u>
OPERATING EXPENSES	
General administration	1,290,767
Expo Center operations	3,232,744
Depreciation	465,339
Total operating expenses	<u>4,988,850</u>
Operating loss	(3,552,343)
TRANSFERS AND CAPITAL CONTRIBUTIONS	
Transfers in	3,441,736
Capital contributions	1,070,728
Total transfers and capital contributions	<u>4,512,464</u>
Change in net position	960,121
NET POSITION	
Beginning of year	<u>14,564,681</u>
End of year	<u>\$ 15,524,802</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Statement of Cash Flows
For the Year Ended June 30, 2023

	Industry Hills Expo Center Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers and users	\$ 1,525,450
Cash payments for services and supplies	<u>(4,940,898)</u>
Net cash used for operating activities	<u>(3,415,448)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash received from other funds	3,441,736
Cash paid to other funds	-
Net cash provided by noncapital financing activities	<u>3,441,736</u>
Net change in cash and cash equivalents	26,288
Cash and cash equivalents, beginning of year	<u>219,079</u>
Cash and cash equivalents, end of year	<u>\$ 245,367</u>
CASH AND CASH EQUIVALENTS	
Cash	245,367
Total cash and cash equivalents	<u>\$ 245,367</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES	
Operating loss	<u>\$ (3,552,343)</u>
Adjustments to reconcile operating loss to net cash used for activities:	
Depreciation	465,339
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable, net	75,651
Prepaid items	2,610
Inventory of materials and supplies	(300)
Increase (decrease) in:	
Accounts payable	(429,647)
Deposits	9,950
Unearned revenue	13,292
Total Adjustments	<u>136,895</u>
Net cash used for operating activities	<u>\$ (3,415,448)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Contributed capital	<u>\$ 1,070,728</u>

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Agency

The Civic-Recreational-Industrial Authority (the CRIA) was created on March 1, 1972, by a joint exercise of powers agreement between the City of Industry, California (the City) and the Industry Urban-Development Agency (the IUDA). The agreement was made pursuant to the provisions of Article I, 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.

The 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.

The 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.

The 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 general purpose financial statements issued as of June 30 of each year. Only the funds of CRIA are included herein; therefore, these financial statements do not purport to represent the financial position or results of operations of the City. Financial statements for the City of Industry may be obtained from the Finance Department at the City of Industry offices located at 15625 Mayor Dave Way, City of Industry, California.

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The financial statements of the CRIA have been prepared in accordance 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.

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the 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, 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.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. 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. As a general rule, the effect of interfund activity (payables, receivables, etc.) has been eliminated from the government-wide financial statements as of June 30, 2023.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The types of transactions reported as program revenues for CRIA are reported in three categories:

1. Charges for services,
2. Operating grants and contributions, and
3. Capital grants and contributions.

Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The accounts of the 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.

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

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 Fund Financial Statements

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.

CRIA reports the following major governmental fund:

General Fund – The General Fund is CRIA's operating fund is also used to account for financial resources to be used for the acquisition and construction of major capital facilities, other than those financed by Enterprise Funds.

Proprietary Fund Financial Statements

The proprietary fund is 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, the proprietary fund is presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when incurred.

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

In the fund financial statements, proprietary fund is presented using the *economic resources* measurement focus. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating revenues and expenses.

The enterprise fund is a type of proprietary fund that 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.

The CRIA reports the following major proprietary fund:

Industry-Hill Expo Center Enterprise Fund – This fund accounts for space rentals for events and equestrian activities to the general public at the Industry-Hill Expo Center.

Cash, Cash Equivalent, and Investments

The CRIA's cash includes cash on hand and demand deposits with financial institutions. For the purpose of the statement of cash flows, the CRIA considers all highly liquid investments with maturities of three months or less to be cash equivalents.

Short-term investments are reported at amortized cost, which approximates fair value. Investments that exceed more than one year in maturity are valued at fair value.

Accounts Receivable

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories of the Industry-Hills Expo Center Enterprise Fund consist of food and beverages. The inventories are reported at the lower of cost or net realizable value on the first-in, first-out basis of accounting.

Prepaid Items

Prepaid items are payments made to vendors for services that will benefit periods beyond the fiscal year-end.

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. Donated capital assets are valued at acquisition value on the date donated. Capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more.

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
Furniture and fixtures	3 to 10 years
Infrastructure	20 to 50 years
Vehicles	7 years

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

Net position in the government-wide and proprietary fund financial statements is classified as follows:

Investment in capital assets – includes buildings and improvements, furniture and fixtures, infrastructure and vehicles, net of accumulated depreciation.

Restricted – restricted net position represents constraints on resources that are restricted by external creditors, granters, contributors, laws or regulations of other governments.

Unrestricted – unrestricted net position is amounts which do not meet the definition of investment in capital assets or restricted net position.

When both restricted and unrestricted resources are available for use, it is the CRIA's policy to use restricted resources first and then unrestricted resources, as they are needed.

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, granters, contributors, or laws or regulations of other governments, or (b) imposed by law by constitutional provisions or enabling legislation.

Committed – committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the CRIA's imposes upon itself at its highest level of decision-making authority (the board of directors) through board resolutions and that remain binding unless removed in the same manner.

Assigned – assigned fund balances are amounts that are constrained by the 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 is authorized for this purpose.

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.

*Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)*

**Notes to Financial Statements
June 30, 2023**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When both restricted and unrestricted resources are available in a fund, expenditures are to be paid first from restricted resources, and then from unrestricted resources in the order of committed, assigned, then unassigned.

Estimates

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

Note 2 CASH AND INVESTMENTS

Cash and investments as of June 30, 2023, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Total
Cash	\$ 253,063	\$ 245,367	\$ 498,430
Investments	85,283	-	85,283
Total cash and investments	<u>\$ 338,346</u>	<u>\$ 245,367</u>	<u>\$ 583,713</u>

Cash and investments at June 30, 2023,
in more detail:

Cash:

Cash on hand	\$ 17,000
Demand deposits	481,430
Total Cash	<u>498,430</u>

Investments:

Local Agency Investment Fund (LAIF)	85,283
Total cash and investments	<u>\$ 583,713</u>

Demand Deposits

The carrying amount of the CRIA's cash deposits was \$481,430 as of June 30, 2023. Bank balances are insured or collateralized with securities held by the pledging financial institutions in the CRIA's name as discussed below.

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 2 CASH AND INVESTMENTS (Continued)

The market value of pledged securities must equal at least 110% of the CRIA's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the CRIA's total cash deposits. The CRIA may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The CRIA, however, has not waived the collateralization requirements. As of June 30, 2023, the CRIA's deposits were fully insured by the FDIC.

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:

Authorized investment type	Maximum maturity	Maximum percentage allowed	Maximum investment in one issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Government Sponsored Enterprise Securities	5 years	None	None
Money Market Funds	N/A	20%	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	None	None
Non-Negotiable Certificates of Deposit	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Repurchase Agreements	1 year	None	None
Los Angeles County Investment Pool	N/A	None	None
U.S. Corporate Bonds/Notes	5 years	30%	None

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.

State of California Local Agency Investment Fund

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

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 2 CASH AND INVESTMENTS (Continued)

Risk Disclosures

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. As of June 30, 2023, the CRIA's investment in LAIF have maturity less than one year.

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. 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.

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 3 INTERFUND TRANSACTIONS

Transfers In/Out

For the year ended June 30, 2023, the CRIA had the following transfers in and out:

	Transfers In	
	Industry Hills Expo Center Enterprise Fund	Total
Transfers out		
General Fund	\$ 3,441,736	\$ 3,441,736

Note 4 INTERGOVERNMENTAL REVENUE

During the year ended June 30, 2023, the CRIA received \$5,948,806 from the City of Industry to provide funding for operations and capital costs.

Note 5 CAPITAL ASSETS

Business-Type Activities

The summary of changes in the business-type activities capital assets for the year ended June 30, 2023, is as follows:

	Business-Type Activities				Balance at June 30, 2023
	Balance at July 1, 2022	Additions	Deletions	Transfer and Reclassification	
Capital assets, not being depreciated:					
Construction in progress	\$ 3,072,480	\$ 174,632	\$ -	\$ (53,814)	\$ 3,193,298
Capital assets, being depreciated:					
Buildings and improvements	23,507,969	-	-	-	23,507,969
Furniture and fixtures	992,857	-	-	-	992,857
Vehicles	100,459	-	-	-	100,459
Infrastructure	7,680,403	896,096	-	53,814	8,630,313
Total capital assets, being depreciated	32,281,688	896,096	-	53,814	33,231,598
Less accumulated depreciation:					
Buildings and improvements	(19,042,307)	(206,952)	-	-	(19,249,259)
Furniture and fixtures	(978,290)	(4,856)	-	-	(983,146)
Vehicles	(100,459)	-	-	-	(100,459)
Infrastructure	(250,627)	(253,531)	-	-	(504,158)
Total accumulated depreciation	(20,371,683)	(465,339)	-	-	(20,837,022)
Total capital assets, being depreciated, net	11,910,005	430,757	-	53,814	12,394,576
Total Business-type Activities Capital, Net	\$ 14,982,485	\$ 605,389	\$ -	\$ -	\$ 15,587,874

Depreciation expense for the year ended June 30, 2023 amounted to \$465,339.

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Notes to Financial Statements
June 30, 2023

Note 6 SELF-INSURANCE PLANS

The City established a Self-Insurance Plan (the Plan) to pay for liability claims against the City and the 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, 2023, there are no pending liability claims outstanding against the CRIA.

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

Budgetary Comparison Schedule (Unaudited)
General Fund
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental revenue	\$ 4,109,000	\$ 4,397,000	\$ 5,948,806	\$ 1,551,806
Investment income	1,000	1,000	1,967	967
Other revenues	-	-	418	418
Total revenues	<u>4,110,000</u>	<u>4,398,000</u>	<u>5,951,191</u>	<u>1,553,191</u>
EXPENDITURES				
General administration:				
Administrative costs	107,000	107,000	137,131	(30,131)
Professional services	1,149,000	1,384,000	1,444,570	(60,570)
Operation of property	641,000	924,000	822,926	101,074
Total expenditures	<u>1,897,000</u>	<u>2,415,000</u>	<u>2,404,627</u>	<u>10,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,213,000</u>	<u>1,983,000</u>	<u>3,546,564</u>	<u>1,563,564</u>
OTHER FINANCING USES				
Transfers out	<u>(1,463,000)</u>	<u>(1,145,700)</u>	<u>(3,441,736)</u>	<u>(2,296,036)</u>
Total other financing sources	<u>(1,463,000)</u>	<u>(1,145,700)</u>	<u>(3,441,736)</u>	<u>(2,296,036)</u>
Net change in fund balance	750,000	837,300	104,828	(732,472)
FUND BALANCE				
Beginning of year	<u>101,454</u>	<u>101,454</u>	<u>101,454</u>	<u>-</u>
End of year	<u>\$ 851,454</u>	<u>\$ 938,754</u>	<u>\$ 206,282</u>	<u>\$ (732,472)</u>

Civic-Recreational-Industrial Authority
(A Component Unit of the City of Industry)

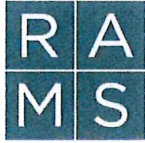
Notes to Required Supplementary Information
For the Year Ended June 30, 2023

The board of directors adopts an annual budget, submitted by the Executive Director prior to June 30. 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.

The 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.

Independent Auditor's Report on Internal Control Over
Financial Reporting and Compliance and On Compliance
and Other Matters for the Year Ending June 30, 2023



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

**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**

PARTNERS

Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)
Terry P. Shea, CPA (Partner Emeritus)

Independent Auditor's Report

To the Honorable City Council
City of Industry

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA
Monica Wysocki, CPA

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Industry (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 12, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

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To the Honorable City Council
City of Industry

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

We noted certain matters that we have reported to management of the City of Industry in a separated letter dated March 12, 2024.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

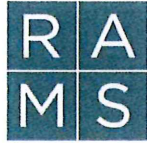
Purpose of this Report

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.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
March 12, 2024

Auditor's Communications with the Chair and Board Members
for the Year Ending June 30, 2023



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

March 12, 2024

PARTNERS

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To the Honorable City Council
City of Industry

We have audited the financial statements of City of Industry (the City) as of and for the year ended June 30, 2023, and have issued our report thereon dated March 12, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 22, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.



Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and our firm have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the possibility of the following significant risks:

Management's override of internal controls over financial reporting: Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the City's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the depreciation expense is based on historical estimates of each capitalized item's useful life. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

The estimate of the net pension liability is based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.

The estimate of the total OPEB liability is based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.

Management's estimate of leases receivable, deferred inflows of resources related to leases, and lease amortization is based on present value calculations using certain terms and assumptions in the lease agreements in accordance with generally accepted accounting principles. We evaluated the key factors and assumptions used to develop the lease related estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

The disclosure of the fair value of investments in the notes to the financial statements represents amounts susceptible to market fluctuations.

The disclosure of accumulated depreciation in the notes to the financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

The disclosure of net pension liability and related deferred inflows and outflows in the notes to the financial statements is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.

The disclosure of net OPEB liability and related deferred inflows and outflows in the notes to the financial statements is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.

The disclosure of leases receivable, deferred inflows of resources related to leases, and lease amortization in the basic financial statements is based on certain terms and assumptions in the lease agreements which could differ from actual amounts.

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

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We did not identify any uncorrected misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 12, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the City's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards:

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, 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.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

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

Very truly yours,

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
March 12, 2024

March 12, 2024

Rogers, Anderson, Malody & Scott, LLP
735 E Carnegie Drive, Suite 100
San Bernardino, Ca 92408

This representation letter is provided in connection with your audit of the basic financial statements of the City of Industry (the City) as of June 30, 2023, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 12, 2024:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 22, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of the applicable financial reporting framework.

- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- We have evaluated all of our lease agreements and have given you our assessment as to whether each lease agreement is subject to GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to financial statement preparation, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.

- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.

- Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
- Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- There have been no changes or updates to legal information disclosed to you by our attorney's since the date of such legal response and now.

Supplementary Information in Relation to the Financial Statements as a Whole

With respect to supplementary information accompanying the financial statements:

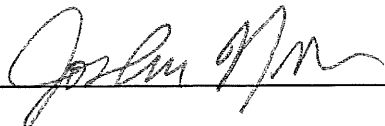
- We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
- We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
- When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

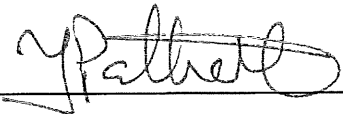
Required Supplementary Information

With respect to the required supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.

- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Signature: 

Signature: 

Title: City Manager

Title: Finance Director

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 7.1



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Honorable Chairman and Board Members

STAFF: Yamini Pathak, Director of Finance
Dean Yamagata, Financial Consultant – Frazer, LLP

DATE: April 10, 2024

SUBJECT: Civic-Recreational-Industrial Authority January 31, 2024 Financial Report

Executive Summary:

Management is continuing to book and hold events depending upon availability of the venue. Prime dates are always in demand. Management has been booking events for calendar year 2024.

Expo Center:

For the month ended January 31, 2024, the Expo Center generated revenues of \$40,431 and expenses of \$78,455 resulting in an operating loss of \$38,024.

Year to date revenues amounted to \$1,019,225, which represents approximately 84% of the budgeted revenues of \$1,215,800 for the year ended June 30, 2024.

Year to date operating expenses through January 31, 2024 amounted to \$1,404,590, which represents approximately 61% of the budgeted expenses of \$2,307,400 for the year ended June 30, 2024.

The expenses are in line with the budgeted amounts for the year ended June 30, 2024.

Year to date transfers from the Capital Project fund amounted to \$295,000 through January 31, 2024.

Capital Projects Fund:

This fund is accounting for the general operating activities of CRIA. Total budgeted expenditures for the year ended June 30, 2024 amount to \$2,189,000. The Fund has incurred \$1,195,845 of year to date expenditures through January 31, 2024 which represents approximately 55% of budgeted expenditures. Year to date transfers from the City of Industry amounted to \$1,390,706 of which \$295,000 was transferred to the Expo Center resulting in net transfers of \$1,095,706 retained in the fund.

Capital Improvement Fund:

This fund is accounting for the capital improvement projects that were budgeted at the beginning of the year. For the month ended January 31, 2024, expenditures for capital improvements amounted to \$151,288 with year to date expenditures of \$548,978. This amount represents approximately 19% of total budgeted expenditures for the year ended June 30, 2024.

Description of Reports:

The monthly financial statements, as shown in Exhibit A, are a comprehensive document reflecting the financial position and the result of operations of the Authority at January 31, 2024.

Fiscal Impact:

There is no fiscal impact as result of this action.

Recommendation:

Receive and file.

EXHIBIT A

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

FINANCIAL REPORT

January 31, 2024

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
January 31, 2024

Expo Center Operations

During the month ended January 31, 2024 total revenues for the Facilities and Grand Arena revenues amounted to \$40,431. There were four events held in the Pavilion, generating \$21,104 in Facilities revenues. Two events were held in the Avalon Room, generating \$5,395 in Avalon Room revenue. Three events were held in the Grand Arena, generating \$13,932 in Grand Arena revenues.

At January 31, 2024 and 2023, our financial statements reflect the following activity:

<u>Expo Center Operations</u>	Month Ended 1/31/2024	Year To Date 1/31/2024	Amended Budget 2023-2024	% of Amended Budget	Month Ended 01/31/2023	Year To Date 01/31/2023
Total revenues	\$ 40,431	\$ 1,019,225	\$ 1,215,800	84%	\$ 39,167	\$ 805,534
Expenses:						
Direct Expo Center expenses	18,904	635,373	861,700	74%	89,157	568,654
General and administrative expenses	59,551	769,217	1,445,700	53%	29,945	796,448
Total direct Expo Center expenses	78,455	1,404,590	2,307,400	61%	119,102	1,365,102
Net loss from operations	(38,024)	(385,365)	(1,091,600)	35%	(79,935)	(559,568)
Net loss	\$ (38,024)	\$ (385,365)	\$ (1,091,600)	35%	\$ (79,935)	\$ (559,568)

Summarized financial information by department for the month ending January 31, 2024 and 2023:

<u>Expo Center Operations</u>	Month Ended 1/31/2024	Month Ended 1/31/2024	Month Ended 1/31/2024	Month Ended 1/31/2024	Month Ended 1/31/2024
	Speedway	Facilities	Grand Arena	General and Admin.	Totals
Total revenues	\$ -	\$ 26,499	\$ 13,932	\$ -	\$ 40,431
Expenses:					
Direct Expo Center expenses	-	6,760	12,144	-	18,904
General and administrative expenses	-	-	-	59,551	59,551
Total direct Expo Center expenses	-	6,760	12,144	59,551	78,455
Net (loss) income from operations	-	19,739	1,788	(59,551)	(38,024)
Net (loss) income for the month ended	\$ -	\$ 19,739	\$ 1,788	\$ (59,551)	\$ (38,024)

<u>Expo Center Operations</u>	Month Ended 1/31/2023	Month Ended 1/31/2023	Month Ended 1/31/2023	Month Ended 1/31/2023	Month Ended 1/31/2023
	Speedway	Facilities	Grand Arena	General and Admin.	Totals
Total revenues	\$ -	\$ 36,765	\$ 2,373	\$ 29	\$ 39,167
Expenses:					
Direct Expo Center expenses	-	47,274	41,883	-	89,157
General and administrative expenses	-	-	-	29,945	29,945
Total direct Expo Center expenses	-	47,274	41,883	29,945	119,102
Net (loss) income from operations	-	(10,509)	(39,510)	(29,916)	(79,935)
Net (loss) income for the month ended	\$ -	\$ (10,509)	\$ (39,510)	\$ (29,916)	\$ (79,935)

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
January 31, 2024

Summarized financial information by department for the year ending January 31, 2024 and 2023:

	Year To Date 1/31/2024	Year To Date 1/31/2024	Year To Date 1/31/2024	Year To Date 1/31/2024	Year To Date 1/31/2024
<u>Expo Center Operations</u>					
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ -	\$ 315,663	\$ 703,503	\$ 59	\$ 1,019,225
Expenses:					
Direct Expo Center expenses	-	273,909	361,464	-	635,373
General and administrative expenses	-	-	-	769,217	769,217
Total direct Expo Center expenses	-	273,909	361,464	769,217	1,404,590
Net (loss) income from operations	-	41,754	342,039	(769,158)	(385,365)
Net (loss) income year to date	\$ -	\$ 41,754	\$ 342,039	\$ (769,158)	\$ (385,365)
	Year To Date 1/31/2023	Year To Date 1/31/2023	Year To Date 1/31/2023	Year To Date 1/31/2023	Year To Date 1/31/2023
<u>Expo Center Operations</u>					
	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 65,380	\$ 259,816	\$ 479,559	\$ 779	\$ 805,534
Expenses:					
Direct Expo Center expenses	18,448	258,497	291,709	-	568,654
General and administrative expenses	-	-	-	796,448	796,448
Total direct Expo Center expenses	18,448	258,497	291,709	796,448	1,365,102
Net (loss) income from operations	46,932	1,319	187,850	(795,669)	(559,568)
Net (loss) income year to date	\$ 46,932	\$ 1,319	\$ 187,850	\$ (795,669)	\$ (559,568)

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, 2024 amounted to \$14,982,486 with \$3,072,481 representing construction in progress. 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, 2024. It is the accounting policy of CRIA to record annual depreciation expense subsequent to the completion of the June 30, 2024 annual audit.

Capital Projects

The capital projects fund reflects expenditures for general and administrative costs and operational costs. General and administrative costs include board and staff salaries, professional services, and miscellaneous items. Operational costs include planning costs, survey costs, design costs, construction costs, small equipment, and supplies.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
 FINANCIAL STATEMENTS
January 31, 2024

At January 31, 2024, our financial statements reflect the following activity:

<u>Capital Projects Fund</u>	Month Ended 1/31/2024	Year To Date 1/31/2024	Budget 2023-2024	% of Budget
Total revenues	\$ 871	\$ 2,316	\$ 3,000	77%
Expenditures:				
General and administrative expenses	136,788	1,195,845	2,189,000	55%
Total expenses	136,788	1,195,845	2,189,000	55%
Excess of expenditures over revenues	\$ (135,917)	\$ (1,193,529)	\$ (2,186,000)	55%

Capital Improvements Fund

The capital improvements fund is to account for expenditures incurred for capital improvement projects that have been budgeted for the year. Costs include planning costs, survey costs, design costs, construction costs, small equipment, and supplies. Below is a summary of the proposed Capital Improvement Program that was approved in June 2023.

Capital Improvement Program (CRIA)

#	Project Name	FY 23-24 Adopted Budget
1	Sewer Upgrades at Expo Center	60,000
2	Pavilion Building Upgrades	40,000
3	Expo Center Avalon Room Improvements	300,000
4	Expo Center Patio Café Improvements	10,000
5	Expo Center Fire Alarm System	600,000
6	Expo Center Electrical Loading Master Plan	120,000
7	Expo Center A/V upgrades to the Grand Arena	420,000
8	Expo Center Signage Improvements	15,000
9	Expo Center IT Infrastructure Upgrades	75,000
10	New Banquet Facility	750,000
11	Drainage Improvements around Avalon Building	300,000
12	Expo Center ADA Upgrades	50,000
13	Replace Pull Boxes and Adjust to Grade at Expo Center	60,000
14	Expo Center Barn Improvements	60,000
	Total	\$2,860,000

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS

January 31, 2024

At January 31, 2024, our financial statements reflect the following activity:

<u>Capital Improvements Fund</u>	<u>Month Ended</u> <u>1/31/2024</u>	<u>Year To Date</u> <u>1/31/2024</u>	<u>Budget</u> <u>2023-2024</u>	<u>% of</u> <u>Budget</u>
Equestrian Center Capital Improvements:				
Planning, Survey and Design	\$ 149,911	\$ 454,707	\$ 1,295,000	35%
Construction Costs	-	86,089	1,450,000	6%
Small Equipment & Supplies	1,377	8,182	115,000	7%
Total expenditures	<u>151,288</u>	<u>548,978</u>	<u>2,860,000</u>	19%
Excess of expenditures over revenues	<u>\$ 151,288</u>	<u>\$ 548,978</u>	<u>\$ 2,860,000</u>	19%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

BALANCE SHEET
AS OF JANUARY 31, 2024

	<u>Capital Projects</u>	<u>Expo Center</u>	<u>Capital Improvements</u>	<u>Totals</u>
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 19,774	\$ 87,055	\$ -	\$ 106,829
Investments	87,597	-	-	87,597
Due from other funds	-	-	32,237	32,237
Accounts receivable, net	-	8,966	-	8,966
Prepaid insurance	-	1,122	-	1,122
Prepaid expenses	-	43,426	-	43,426
Inventories	-	48,068	-	48,068
Deposits	-	3,000	-	3,000
Total current assets	<u>107,371</u>	<u>191,637</u>	<u>32,237</u>	<u>331,245</u>
CAPITAL ASSETS, net	<u>-</u>	<u>14,982,486</u>	<u>-</u>	<u>14,982,486</u>
Total assets	<u>\$ 107,371</u>	<u>\$ 15,174,123</u>	<u>\$ 32,237</u>	<u>\$ 15,313,731</u>
LIABILITIES AND FUND BALANCE				
CURRENT LIABILITIES:				
Accounts payable	\$ -	\$ 21,984	\$ 95,224	\$ 117,208
Sales tax payable	-	847	-	847
Due to other funds	-	-	660	660
Advance rental payments	-	91,480	-	91,480
Security deposits	-	44,100	-	44,100
Total current liabilities	<u>-</u>	<u>158,411</u>	<u>95,884</u>	<u>254,295</u>
FUND BALANCE:				
Fund balance	<u>107,371</u>	<u>15,015,712</u>	<u>(63,647)</u>	<u>15,059,436</u>
Total liabilities and fund balance	<u>\$ 107,371</u>	<u>\$ 15,174,123</u>	<u>\$ 32,237</u>	<u>\$ 15,313,731</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

STATEMENT OF OPERATIONS
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2024

	Capital Projects				Expo Center				Capital Improvements			
	MONTH ENDED 1/31/2024	YEAR TO DATE 1/31/2024	2023-2024 ANNUAL BUDGET	% OF ANNUAL BUDGET	MONTH ENDED 1/31/2024	YEAR TO DATE 1/31/2024	2023-2024 ANNUAL BUDGET	% OF ANNUAL BUDGET	MONTH ENDED 1/31/2024	YEAR TO DATE 1/31/2024	2023-2024 ANNUAL BUDGET	% OF ANNUAL BUDGET
REVENUES:												
Expo center revenues	\$ -	\$ -	\$ -	0%	\$ 40,431	\$ 1,019,225	\$ 1,215,800	84%	\$ -	\$ -	\$ -	0%
Other revenues	871	2,316	3,000	77%	-	-	-	0%	-	-	-	0%
Total revenues	<u>871</u>	<u>2,316</u>	<u>3,000</u>	77%	<u>40,431</u>	<u>1,019,225</u>	<u>1,215,800</u>	84%	<u>-</u>	<u>-</u>	<u>-</u>	0%
EXPENDITURES:												
Operating expenses	-	-	-	0%	18,904	635,373	861,700	74%	151,288	548,978	2,860,000	19%
General and administrative expenses	138,788	1,195,845	2,189,000	55%	59,551	769,217	1,445,700	53%	-	-	-	0%
Total expenses	<u>138,788</u>	<u>1,195,845</u>	<u>2,189,000</u>	55%	<u>78,455</u>	<u>1,404,590</u>	<u>2,307,400</u>	61%	<u>151,288</u>	<u>548,978</u>	<u>2,860,000</u>	19%
EXCESS OF EXPENDITURES OVER REVENUES	(135,917)	(1,193,529)	(2,186,000)	55%	(38,024)	(385,365)	(1,091,600)	35%	(151,288)	(548,978)	(2,860,000)	19%
OTHER FINANCING SOURCES, NET	<u>(75,000)</u>	<u>1,095,706</u>	<u>2,938,000</u>	37%	<u>75,000</u>	<u>295,000</u>	<u>640,200</u>	46%	<u>151,288</u>	<u>671,993</u>	<u>2,860,000</u>	23%
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	(210,917)	(97,823)	\$ <u>750,000</u>	-13%	36,976	(90,365)	\$ <u>(451,400)</u>	20%	-	123,015	\$ <u>-</u>	0%
Fund balance, beginning	<u>318,288</u>	<u>205,194</u>			<u>14,978,736</u>	<u>15,106,077</u>			<u>(63,647)</u>	<u>(186,662)</u>		
Fund balance, ending	\$ <u><u>107,371</u></u>	\$ <u><u>107,371</u></u>			\$ <u><u>15,015,712</u></u>	\$ <u><u>15,015,712</u></u>			\$ <u><u>(63,647)</u></u>	\$ <u><u>(63,647)</u></u>		

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
INDUSTRY HILL EXPO CENTER
STATEMENT OF CASH FLOWS
FOR THE YEAR TO DATE ENDED JANUARY 31, 2024

	AMOUNT
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss before transfers and other credits	\$ (385,365)
Adjustments to reconcile net loss to net cash used in operating activities:	
Change in operating assets and liabilities:	
Accounts receivable, net	15,655
Prepaid insurance	7,872
Prepaid expenses	(43,426)
Inventories	(12,944)
Accounts payable	(16,021)
Sales tax payable	(2,782)
Advance rental payments	(25,288)
Security deposits	(2,150)
Net cash used in operating activities	(464,449)
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Other financing sources	295,000
 NET CHANGE IN CASH	(169,449)
 Cash at July 1, 2023	256,504
Cash at January 31, 2024	\$ 87,055

**INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2024 AND 2023**

<u>Expo Center Operations</u>	MONTH ENDED 1/31/2024	YEAR TO DATE 1/31/2024	ANNUAL BUDGET 2023-2024	% OF ANNUAL BUDGET	MONTH ENDED 01/31/2023	YEAR TO DATE 01/31/2023
Expo revenues						
Facilities rentals	\$ 14,392	\$ 150,503	\$ 137,000	110%	\$ 13,019	\$ 122,808
Facilities rentals - bar sales	8,763	130,479	127,700	102%	20,390	110,094
Facilities - security	2,598	28,677	26,900	107%	3,346	22,437
Facilities - food	-	-	900	0%	110	877
Facilities - insurance	600	5,200	3,900	133%	600	3,600
Facilities - other	-	-	-	0%	(700)	-
Facilities - concessions	146	804	-	0%	-	-
Grand Arena - special events rentals	8,000	107,923	181,000	60%	12,000	100,600
Grand Arena - outdoor arena rentals	-	4,000	2,800	143%	-	-
Grand Arena - show barn stall rentals	875	36,745	65,900	56%	1,225	38,450
Grand Arena - shaving sales	-	2,970	6,000	50%	198	5,307
Grand Arena - security	-	40,328	42,500	95%	-	26,331
Grand Arena - trailer parking	900	36,775	12,800	287%	1,150	7,000
Grand Arena - bar sales	-	251,366	329,800	76%	950	180,165
Grand Arena - food	-	-	7,300	0%	-	-
Grand Arena - parking	4,805	146,015	135,200	108%	-	79,310
Grand Arena - other	(648)	77,381	51,300	151%	(13,150)	42,396
Speedway - bar	-	-	60,700	0%	-	48,272
Speedway - parking	-	-	20,900	0%	-	15,345
Speedway - other	-	-	2,100	0%	-	1,763
Total revenues	40,431	1,019,166	1,214,700	84%	39,138	804,755
Direct general and administrative revenues						
G&A- Other	-	59	1,100	5%	29	779
Expo expenses						
Cost of sales	2,096	103,645	162,700	64%	(5,115)	109,574
Bar supplies	-	4,683	6,000	78%	116	4,266
Feed	-	367	-	0%	71	71
Contract labor/wages	8,048	361,224	537,100	67%	91,796	345,654
Furniture/fixtures & equipment	3,081	7,465	(800)	-933%	510	1,160
Facilities - insurance	-	1,000	1,100	91%	-	1,000
Miscellaneous	423	1,590	5,200	31%	(689)	2,547
Promotional	-	17,626	400	4407%	-	300
Property maintenance	485	4,877	1,000	488%	-	-
Repairs and maintenance	-	546	-	0%	533	2,588
Racer purse payout	2,566	56,975	-	0%	-	-
Sales tax	(3,823)	504	-	0%	-	201
Security - Grand Arena	-	2,800	62,700	4%	-	39,229
Security - Facilities	2,599	35,284	32,300	109%	3,348	25,736
Shavings	-	2,188	5,600	39%	-	4,744
Supplies	3,062	22,686	35,600	64%	55	23,444
Equipment rental	367	11,913	2,200	542%	(1,468)	(1,468)
Bad debt	-	-	9,900	0%	-	9,008
Speedway- outside services/contract labor	-	-	700	0%	-	600
Total Expo expenses	18,904	635,373	861,700	74%	89,157	568,654
Operating net income before direct G & A and CRIA indirect expenses	21,527	383,852	354,100	108%	(49,990)	236,880
Direct general and administrative expenses						
Office supplies	-	3,893	-	0%	-	-
Travel and meetings	-	78	1,100	7%	800	2,777
Dues, subscriptions, books, etc.	2,067	15,910	32,900	48%	1,964	20,497
Equipment rental/lease	17	5,622	12,600	45%	-	6,011
Furniture/fixtures & equipment	-	1,198	900	133%	764	1,495
Telephone	915	9,639	15,500	62%	1,611	9,015
Postage	-	511	1,800	28%	-	1,037
Miscellaneous	(4,632)	14,132	26,300	54%	1,695	16,408
Professional services	21,647	176,175	364,800	48%	(43,591)	174,568
Repairs and equipment	-	1,668	9,700	17%	2,315	2,571
Vehicle expenses	5,331	29,640	15,700	189%	4,471	11,967
Insurance and bonds	1,125	7,870	14,400	55%	1,087	7,607
Supplies	3,427	22,395	42,500	53%	2,905	23,326
Contract labor/administrative wages	5,894	233,088	507,500	46%	31,190	274,399
Property maintenance	11,101	88,316	177,100	50%	13,555	90,002
Utilities	12,659	159,082	222,900	71%	11,179	154,768
Total direct general and administrative expenses	59,551	769,217	1,445,700	53%	29,945	796,448
EXCESS OF EXPENDITURES OVER REVENUES	\$ (38,024)	\$ (385,365)	\$ (1,091,600)	35%	\$ (79,935)	\$ (559,568)

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2024

REVENUES:	MONTH ENDED 1/31/2024	YEAR TO DATE 1/31/2024	ANNUAL BUDGET 2023-2024	% OF ANNUAL BUDGET
Other revenues	\$ 871	\$ 2,316	\$ 3,000	77%
GENERAL AND ADMINISTRATIVE EXPENDITURES:				
Salaries - board	3,687	25,808	45,000	57%
Payroll taxes	-	-	4,000	0%
Miscellaneous	367	336	-	0%
Life insurance, state comp, and LTC	-	-	1,000	0%
Medicare/disability	53	374	1,000	37%
PARS - ARS	139	968	2,000	48%
Landscaping	20,968	483,869	950,000	51%
Legal	-	-	16,000	0%
Professional services	32,493	88,195	235,000	38%
Accounting	95	844	2,000	42%
Planning, survey and design	-	-	1,000	0%
Small equipment and supplies	-	528	1,000	53%
Vehicle expenses	875	4,599	8,000	57%
General engineering	5,025	86,816	200,000	43%
Security	47,180	302,084	491,000	62%
Property maintenance	21,566	185,333	212,000	87%
Furniture, equipment & fixtures	-	1,648	-	0%
Utilities	4,340	14,443	20,000	72%
Total general and administrative expenditures	<u>136,788</u>	<u>1,195,845</u>	<u>2,189,000</u>	55%
EXCESS OF EXPENDITURES OVER REVENUES	<u>\$ (135,917)</u>	<u>\$ (1,193,529)</u>	<u>\$ (2,186,000)</u>	55%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

Schedule 3

CAPTIAL IMPROVEMENT FUND
 SCHEDULE OF EXPENDITURES
FOR THE MONTH AND YEAR TO DATE ENDED JANUARY 31, 2024

EXPENDITURES	MONTH ENDED 1/31/2024	YEAR TO DATE 1/31/2024	ANNUAL BUDGET 2023-2024	% OF ANNUAL BUDGET
Equestrian Center Capital Improvements:				
Planning, Survey and Design	\$ 149,911	\$ 454,707	\$ 1,295,000	35%
Construction Costs	-	86,089	1,450,000	6%
Small Equipment & Supplies	1,377	8,182	115,000	7%
Total expenditures	<u>151,288</u>	<u>548,978</u>	<u>2,860,000</u>	19%
EXCESS OF EXPENDITURES OVER REVENUES	\$ <u>151,288</u>	\$ <u>548,978</u>	\$ <u>2,860,000</u>	19%



CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

MEMORANDUM

TO: Honorable Chairman and Board Members

STAFF: Yamini Pathak, Director of Finance
Dean Yamagata, Financial Consultant – Frazer, LLP

DATE: April 10, 2024

SUBJECT: Civic-Recreational-Industrial Authority February 29, 2024 Financial Report

Executive Summary:

Management is continuing to book and hold events depending upon availability of the venue. Prime dates are always in demand. Management has been booking events for calendar year 2024.

Expo Center:

For the month ended February 29, 2024, the Expo Center generated revenues of \$119,466 and expenses of \$212,784 resulting in an operating loss of \$93,318.

Year to date revenues amounted to \$1,138,691, which represents approximately 94% of the budgeted revenues of \$1,215,800 for the year ended June 30, 2024.

Year to date operating expenses through February 29, 2024 amounted to \$1,617,372, which represents approximately 70% of the budgeted expenses of \$2,307,400 for the year ended June 30, 2024.

The expenses are in line with the budgeted amounts for the year ended June 30, 2024.

Year to date transfers from the Capital Project fund amounted to \$420,000 through February 29, 2024.

Capital Projects Fund:

This fund is accounting for the general operating activities of CRIA. Total budgeted expenditures for the year ended June 30, 2024 amount to \$2,189,000. The Fund has incurred \$1,273,198 of year to date expenditures through February 29, 2024 which represents approximately 58% of budgeted expenditures. Year to date transfers from the City of Industry amounted to \$1,780,706 of which \$420,000 was transferred to the Expo Center resulting in net transfers of \$1,360,706 retained in the fund.

Capital Improvement Fund:

This fund is accounting for the capital improvement projects of \$2,860,000 that were budgeted for the year ending June 30, 2024. For the month ended February 29, 2024, expenditures for capital improvements amounted to \$47,483 with year to date expenditures of \$596,461. This amount represents approximately 21% of total budgeted expenditures for the year ended June 30, 2024.

Description of Reports:

The monthly financial statements, as shown in Exhibit A, are a comprehensive document reflecting the financial position and the result of operations of the Authority at February 29, 2024.

Fiscal Impact:

There is no fiscal impact as result of this action.

Recommendation:

Receive and file.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

FINANCIAL REPORT

February 29, 2024

EXHIBIT A

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

FINANCIAL STATEMENTS

February 29, 2024

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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

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
February 29, 2024

Expo Center Operations

During the month ended February 29, 2024 total revenues for the Facilities and Grand Arena revenues amounted to \$118,897. There were four events held in the Pavilion, generating \$17,973 in Facilities revenues. No events were held in the Avalon Room. Four events were held in the Grand Arena, generating \$100,924 in Grand Arena revenues.

At February 29, 2024 and February 28, 2023, our financial statements reflect the following activity:

<u>Expo Center Operations</u>	Month Ended 2/29/2024	Year To Date 2/29/2024	Amended Budget 2023-2024	% of Amended Budget	Month Ended 02/28/2023	Year To Date 02/28/2023
Total revenues	\$ 119,466	\$ 1,138,691	\$ 1,215,800	94%	\$ 117,151	\$ 922,685
Expenses:						
Direct Expo Center expenses	95,283	730,656	861,700	85%	79,182	647,836
General and administrative expenses	117,501	886,716	1,445,700	61%	83,506	879,954
Total direct Expo Center expenses	212,784	1,617,372	2,307,400	70%	162,688	1,527,790
Net loss from operations	(93,318)	(478,681)	(1,091,600)	44%	(45,537)	(605,105)
Net loss	\$ (93,318)	\$ (478,681)	\$ (1,091,600)	44%	\$ (45,537)	\$ (605,105)

Summarized financial information by department for the month ending February 29, 2024 and February 28, 2023:

<u>Expo Center Operations</u>	Month Ended 2/29/2024	Month Ended 2/29/2024	Month Ended 2/29/2024	Month Ended 2/29/2024	Month Ended 2/29/2024
	Speedway	Facilities	Grand Arena	General and Admin.	Totals
Total revenues	\$ -	\$ 17,973	\$ 100,924	\$ 569	\$ 119,466
Expenses:					
Direct Expo Center expenses	-	35,152	60,131	-	95,283
General and administrative expenses	-	-	-	117,501	117,501
Total direct Expo Center expenses	-	35,152	60,131	117,501	212,784
Net (loss) income from operations	-	(17,179)	40,793	(116,932)	(93,318)
Net (loss) income for the month ended	\$ -	\$ (17,179)	\$ 40,793	\$ (116,932)	\$ (93,318)

<u>Expo Center Operations</u>	Month Ended 2/28/2023	Month Ended 2/28/2023	Month Ended 2/28/2023	Month Ended 2/28/2023	Month Ended 2/28/2023
	Speedway	Facilities	Grand Arena	General and Admin.	Totals
Total revenues	\$ -	\$ 34,153	\$ 82,976	\$ 22	\$ 117,151
Expenses:					
Direct Expo Center expenses	-	35,613	43,569	-	79,182
General and administrative expenses	-	-	-	83,506	83,506
Total direct Expo Center expenses	-	35,613	43,569	83,506	162,688
Net (loss) income from operations	-	(1,460)	39,407	(83,484)	(45,537)
Net (loss) income for the month ended	\$ -	\$ (1,460)	\$ 39,407	\$ (83,484)	\$ (45,537)

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
February 29, 2024

Summarized financial information by department for the year ending February 29, 2024 and February 28, 2023:

	Year To Date 2/29/2024	Year To Date 2/29/2024	Year To Date 2/29/2024	Year To Date 2/29/2024	Year To Date 2/29/2024
<u>Expo Center Operations</u>	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ -	\$ 333,636	\$ 804,427	\$ 628	\$ 1,138,691
Expenses:					
Direct Expo Center expenses	-	309,061	421,595	-	730,656
General and administrative expenses	-	-	-	886,716	886,716
Total direct Expo Center expenses	-	309,061	421,595	886,716	1,617,372
Net (loss) income from operations	-	24,575	382,832	(886,088)	(478,681)
Net (loss) income year to date	\$ -	\$ 24,575	\$ 382,832	\$ (886,088)	\$ (478,681)
	Year To Date 2/28/2023	Year To Date 2/28/2023	Year To Date 2/28/2023	Year To Date 2/28/2023	Year To Date 2/28/2023
<u>Expo Center Operations</u>	<u>Speedway</u>	<u>Facilities</u>	<u>Grand Arena</u>	<u>General and Admin.</u>	<u>Totals</u>
Total revenues	\$ 65,380	\$ 293,969	\$ 562,535	\$ 801	\$ 922,685
Expenses:					
Direct Expo Center expenses	18,448	294,110	335,278	-	647,836
General and administrative expenses	-	-	-	879,954	879,954
Total direct Expo Center expenses	18,448	294,110	335,278	879,954	1,527,790
Net (loss) income from operations	46,932	(141)	227,257	(879,153)	(605,105)
Net (loss) income year to date	\$ 46,932	\$ (141)	\$ 227,257	\$ (879,153)	\$ (605,105)

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, 2024 amounted to \$15,587,874 with \$3,193,298 representing construction in progress. 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, 2024. It is the accounting policy of CRIA to record annual depreciation expense subsequent to the completion of the June 30, 2024 annual audit.

With the completion of the June 30, 2023 audit adjustments including depreciation expense for the year ending June 30, 2023 has been recorded to the beginning fund balance amount.

Capital Projects

The capital projects fund reflects expenditures for general and administrative costs and operational costs. General and administrative costs include board and staff salaries, professional services, and miscellaneous items. Operational costs include planning costs, survey costs, design costs, construction costs, small equipment, and supplies.

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
FINANCIAL STATEMENTS
February 29, 2024

At February 29, 2024, our financial statements reflect the following activity:

<u>Capital Projects Fund</u>	<u>Month Ended</u> <u>2/29/2024</u>	<u>Year To Date</u> <u>2/29/2024</u>	<u>Budget</u> <u>2023-2024</u>	<u>% of</u> <u>Budget</u>
Total revenues	\$ -	\$ 2,316	\$ 3,000	77%
Expenditures:				
General and administrative expenses	77,772	1,273,616	2,189,000	58%
Total expenses	77,772	1,273,616	2,189,000	58%
Excess of expenditures over revenues	\$ (77,772)	\$ (1,271,300)	\$ (2,186,000)	58%

Capital Improvements Fund

The capital improvements fund is to account for expenditures incurred for capital improvement projects that have been budgeted for the year. Costs include planning costs, survey costs, design costs, construction costs, small equipment, and supplies. Below is a summary of the proposed Capital Improvement Program that was approved in June 2023.

Capital Improvement Program (CRIA)

#	Project Name	FY 23-24 Adopted Budget
1	Sewer Upgrades at Expo Center	60,000
2	Pavilion Building Upgrades □	40,000
3	Expo Center Avalon Room Improvements □	300,000
4	Expo Center Patio Café Improvements	10,000
5	Expo Center Fire Alarm System	600,000
6	Expo Center Electrical Loading Master Plan	120,000
7	Expo Center A/V upgrades to the Grand Arena □	420,000
8	Expo Center Signage Improvements	15,000
9	Expo Center IT Infrastructure Upgrades	75,000
10	New Banquet Facility	750,000
11	Drainage Improvements around Avalon Building	300,000
12	Expo Center ADA Upgrades	50,000
13	Replace Pull Boxes and Adjust to Grade at Expo Center	60,000
14	Expo Center Barn Improvements	60,000
	Total	\$2,860,000

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

EXECUTIVE SUMMARY
 FINANCIAL STATEMENTS
February 29, 2024

At February 29, 2024, our financial statements reflect the following activity:

<u>Capital Improvements Fund</u>	<u>Month Ended</u> <u>2/29/2024</u>	<u>Year To Date</u> <u>2/29/2024</u>	<u>Budget</u> <u>2023-2024</u>	<u>% of</u> <u>Budget</u>
Equestrian Center Capital Improvements:				
Planning, Survey and Design	\$ 39,651	\$ 494,359	\$ 1,295,000	38%
Construction Costs	-	86,089	1,450,000	6%
Small Equipment & Supplies	<u>7,832</u>	<u>16,013</u>	<u>115,000</u>	14%
Total expenditures	<u>47,483</u>	<u>596,461</u>	<u>2,860,000</u>	21%
Excess of expenditures over revenues	<u>\$ 47,483</u>	<u>\$ 596,461</u>	<u>\$ 2,860,000</u>	21%

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

BALANCE SHEET
AS OF FEBRUARY 29, 2024

	<u>Capital Projects</u>	<u>Expo Center</u>	<u>Capital Improvements</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 207,420	\$ 187,566	\$ -
Investments	88,268	-	-
Due from other funds	-	-	32,237
Accounts receivable, net	-	23,055	-
Inventories	-	50,521	-
Deposits	-	3,000	-
Total current assets	<u>295,688</u>	<u>264,142</u>	<u>32,237</u>
CAPITAL ASSETS, net	<u>-</u>	<u>15,587,874</u>	<u>-</u>
Total assets	<u>\$ 295,688</u>	<u>\$ 15,852,016</u>	<u>\$ 32,237</u>
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES:			
Accounts payable	\$ -	\$ 25,554	\$ 47,612
Sales tax payable	-	6,236	-
Due to other funds	-	-	660
Advance rental payments	-	113,608	-
Security deposits	-	53,834	-
Total current liabilities	<u>-</u>	<u>199,232</u>	<u>48,272</u>
FUND BALANCE:			
Fund balance	<u>295,688</u>	<u>15,652,784</u>	<u>(16,035)</u>
Total liabilities and fund balance	<u>\$ 295,688</u>	<u>\$ 15,852,016</u>	<u>\$ 32,237</u>

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY

STATEMENT OF OPERATIONS
FOR THE MONTH AND YEAR TO DATE ENDED FEBRUARY 29, 2024

	Capital Projects				Expo Center				Capital Improvements			
	MONTH ENDED 2/29/2024	YEAR TO DATE 2/29/2024	2023-2024 ANNUAL BUDGET	% OF ANNUAL BUDGET	MONTH ENDED 2/29/2024	YEAR TO DATE 2/29/2024	2023-2024 ANNUAL BUDGET	% OF ANNUAL BUDGET	MONTH ENDED 2/29/2024	YEAR TO DATE 2/29/2024	2023-2024 ANNUAL BUDGET	% OF ANNUAL BUDGET
REVENUES:												
Expo center revenues	\$ -	\$ -	\$ -	0%	\$ 119,466	\$ 1,138,691	\$ 1,215,800	94%	\$ -	\$ -	\$ -	0%
Other revenues	-	2,316	3,000	77%	-	-	-	0%	-	-	-	0%
Total revenues	-	2,316	3,000	77%	119,466	1,138,691	1,215,800	94%	-	-	-	0%
EXPENDITURES:												
Operating expenses	-	-	-	0%	95,283	730,656	861,700	85%	47,483	596,461	2,860,000	21%
General and administrative expenses	77,772	1,273,616	2,189,000	58%	117,501	886,716	1,445,700	61%	-	-	-	0%
Total expenses	77,772	1,273,616	2,189,000	58%	212,784	1,617,372	2,307,400	70%	47,483	596,461	2,860,000	21%
EXCESS OF EXPENDITURES OVER REVENUES	(77,772)	(1,271,300)	(2,186,000)	58%	(93,318)	(478,681)	(1,091,600)	44%	(47,483)	(596,461)	(2,860,000)	21%
OTHER FINANCING SOURCES, NET	265,000	1,360,706	2,936,000	46%	125,000	420,000	640,200	66%	95,095	767,088	2,860,000	27%
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	187,228	89,406	750,000	12%	31,682	(58,681)	(451,400)	13%	47,612	170,627	-	0%
Fund balance, beginning	108,460	206,282			15,621,102	15,711,465			(63,647)	(186,662)		
Fund balance, ending	\$ 295,688	\$ 295,688			\$ 15,652,784	\$ 15,652,784			(16,035)	(16,035)		

CIVIC-RECREATIONAL-INDUSTRIAL-AUTHORITY
INDUSTRY HILL EXPO CENTER
STATEMENT OF CASH FLOWS
FOR THE YEAR TO DATE ENDED FEBRUARY 29, 2024

	AMOUNT
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss before transfers and other credits	\$ (478,681)
Adjustments to reconcile net loss to net cash used in operating activities:	
Change in operating assets and liabilities:	
Accounts receivable, net	1,566
Prepaid insurance	8,994
Inventories	(15,397)
Accounts payable	(12,451)
Sales tax payable	2,607
Advance rental payments	(3,160)
Security deposits	7,584
Net cash used in operating activities	(488,938)
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Other financing sources	420,000
 NET CHANGE IN CASH	(68,938)
 Cash at July 1, 2023	256,504
Cash at February 29, 2024	\$ 187,566

**INDUSTRY HILLS EXPO CENTER
SCHEDULE OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE ENDED FEBEUARY 29, 2024 AND FEBRUARY 28, 2023**

<u>Expo Center Operations</u>	MONTH ENDED 2/29/2024	YEAR TO DATE 2/29/2024	ANNUAL BUDGET 2023-2024	% OF ANNUAL BUDGET	MONTH ENDED 02/28/2023	YEAR TO DATE 02/28/2023
Expo revenues						
Facilities rentals	\$ 6,992	\$ 157,495	\$ 137,000	115%	\$ 10,211	\$ 133,019
Facilities rentals - bar sales	8,558	139,037	127,700	109%	20,303	130,397
Facilities - security	2,123	30,800	26,900	114%	3,239	25,676
Facilities - food	-	-	900	0%	-	877
Facilities - insurance	300	5,500	3,900	141%	400	4,000
Facilities - other	-	-	-	0%	-	-
Facilities - concessions	-	804	-	0%	-	-
Grand Arena - special events rentals	14,000	121,923	181,000	67%	15,000	115,600
Grand Arena - outdoor arena rentals	-	4,000	2,800	143%	-	-
Grand Arena - show barn stall rentals	2,825	39,570	65,900	60%	2,665	41,115
Grand Arena - shaving sales	822	3,792	6,000	63%	1,074	6,381
Grand Arena - security	5,504	45,832	42,500	108%	5,010	31,341
Grand Arena - trailer parking	1,715	38,490	12,800	301%	900	7,900
Grand Arena - bar sales	56,106	307,472	329,800	93%	46,764	226,929
Grand Arena - food	-	-	7,300	0%	-	-
Grand Arena - parking	10,126	156,141	135,200	115%	4,345	83,655
Grand Arena - other	9,826	87,207	51,300	170%	7,218	49,614
Speedway - bar	-	-	60,700	0%	-	48,272
Speedway - parking	-	-	20,900	0%	-	15,345
Speedway - other	-	-	2,100	0%	-	1,763
Total revenues	<u>118,897</u>	<u>1,138,063</u>	<u>1,214,700</u>	94%	<u>117,129</u>	<u>921,884</u>
Direct general and administrative revenues						
G&A- Other	569	628	1,100	57%	22	801
Expo expenses						
Cost of sales	19,612	123,257	162,700	76%	19,233	128,807
Bar supplies	400	5,083	6,000	85%	700	4,966
Promotional banquet	161	161	-	0%	-	-
Feed	-	367	-	0%	-	71
Contract labor/wages	63,473	424,697	537,100	79%	47,954	393,608
Furniture/fixtures & equipment	1,452	8,917	(800)	-1115%	-	1,160
Facilities - insurance	-	1,000	1,100	91%	-	1,000
Miscellaneous	-	1,590	5,200	31%	-	2,547
Promotional	161	17,787	400	4447%	-	300
Property maintenance	517	5,394	1,000	539%	460	460
Repairs and maintenance	-	546	-	0%	-	2,588
Racer purse payout	1,669	58,644	-	0%	-	-
Sales tax	118	622	-	0%	-	201
Security - Grand Arena	-	2,800	62,700	4%	4,714	43,943
Security - Facilities	2,123	37,407	32,300	116%	3,239	28,975
Shavings	712	2,900	5,600	52%	376	5,120
Supplies	4,337	27,023	35,600	76%	1,783	25,227
Equipment rental	548	12,461	2,200	566%	723	(745)
Bad debt	-	-	9,900	0%	-	9,008
Speedway- outside services/contract labor	-	-	700	0%	-	600
Total Expo expenses	<u>95,283</u>	<u>730,656</u>	<u>861,700</u>	85%	<u>79,182</u>	<u>647,836</u>
Operating net income before direct G & A and CRIA indirect expenses	<u>24,183</u>	<u>408,035</u>	<u>354,100</u>	115%	<u>37,969</u>	<u>274,849</u>
Direct general and administrative expenses						
Office supplies	-	3,893	-	0%	-	-
Travel and meetings	154	232	1,100	21%	-	2,777
Dues, subscriptions, books, etc.	2,084	17,994	32,900	55%	2,783	23,280
Equipment rental/lease	2,743	8,365	12,600	66%	1,806	7,817
Furniture/fixtures & equipment	5,779	6,977	900	775%	-	1,495
Advertising/printing	-	-	-	0%	1,000	1,000
Telephone	2,055	11,692	15,500	75%	1,247	10,262
Postage	41	552	1,800	31%	-	1,037
Miscellaneous	1,540	15,672	26,300	60%	4,110	20,518
Professional services	28,984	205,159	364,800	56%	17,926	192,494
Repairs and equipment	1,814	3,482	9,700	36%	1,181	3,752
Vehicle expenses	912	30,552	15,700	195%	-	11,967
Insurance and bonds	1,124	8,994	14,400	62%	1,087	8,694
Supplies	4,740	27,135	42,500	64%	2,149	25,475
Contract labor/administrative wages	43,818	276,906	507,500	55%	27,163	301,562
Property maintenance	8,745	97,061	177,100	55%	11,293	101,295
Utilities	12,968	172,050	222,900	77%	11,761	166,529
Total direct general and administrative expenses	<u>117,501</u>	<u>886,716</u>	<u>1,445,700</u>	61%	<u>83,506</u>	<u>879,954</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>\$ (93,318)</u>	<u>\$ (478,681)</u>	<u>\$ (1,091,600)</u>	44%	<u>\$ (45,537)</u>	<u>\$ (605,105)</u>

CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 FOR THE MONTH AND YEAR TO DATE ENDED FEBRUARY 29, 2024

REVENUES:	MONTH ENDED 2/29/2024	YEAR TO DATE 2/29/2024	ANNUAL BUDGET 2023-2024	% OF ANNUAL BUDGET
Other revenues	\$ -	\$ 2,316	\$ 3,000	77%
GENERAL AND ADMINISTRATIVE EXPENDITURES:				
Salaries - board	3,686	29,494	45,000	66%
Payroll taxes	-	-	4,000	0%
Miscellaneous	-	338	-	0%
Life insurance, state comp, and LTC	-	-	1,000	0%
Medicare/disability	54	428	1,000	43%
PARS - ARS	138	1,106	2,000	55%
Landscaping	-	483,869	950,000	51%
Legal	-	-	16,000	0%
Professional services	6,000	94,195	235,000	40%
Accounting	95	939	2,000	47%
Planning, survey and design	-	-	1,000	0%
Small equipment and supplies	396	924	1,000	92%
Vehicle expenses	818	5,417	8,000	68%
General engineering	9,562	96,378	200,000	48%
Security	37,675	339,757	491,000	69%
Property maintenance	19,348	204,679	212,000	97%
Furniture, equipment & fixtures	-	1,648	-	0%
Utilities	-	14,444	20,000	72%
Total general and administrative expenditures	<u>77,772</u>	<u>1,273,616</u>	<u>2,189,000</u>	58%
EXCESS OF EXPENDITURES OVER REVENUES	<u>\$ (77,772)</u>	<u>\$ (1,271,300)</u>	<u>\$ (2,186,000)</u>	58%

CAPITAL IMPROVEMENT FUND
 SCHEDULE OF EXPENDITURES
FOR THE MONTH AND YEAR TO DATE ENDED FEBRUARY 29, 2024

EXPENDITURES	MONTH ENDED <u>2/29/2024</u>	YEAR TO DATE <u>2/29/2024</u>	ANNUAL BUDGET <u>2023-2024</u>	% OF ANNUAL BUDGET
Equestrian Center Capital Improvements:				
Planning, Survey and Design	\$ 39,651	\$ 494,359	\$ 1,295,000	38%
Construction Costs	-	86,089	1,450,000	6%
Small Equipment & Supplies	<u>7,832</u>	<u>16,013</u>	<u>115,000</u>	14%
Total expenditures	<u>47,483</u>	<u>596,461</u>	<u>2,860,000</u>	21%
 EXCESS OF EXPENDITURES OVER REVENUES	 <u>\$ 47,483</u>	 <u>\$ 596,461</u>	 <u>\$ 2,860,000</u>	 21%

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY

ITEM NO. 7.2

Backup Material will be provided prior to Meeting

CIVIC-RECREATIONAL-INDUSTRIAL AUTHORITY
APRIL 10, 2024

ITEM NO. 7.2
HANDOUT ITEM

For the month of February, we were still very slow but that is not out of the ordinary. The Expo Center held 3 banquet events in the Pavilion 2 of which were charity fundraisers for local private schools. Those revenues totaled \$17,972.83.

Revenues from Arena events held in February totaled \$99,748.83.

We hosted the following 4 Grand Arena events.

MA-020224 TJARKS AGILITY VENTURA

MA-021024 TJARKS AGILITY SAMOYED

MA-021724 FERIA DEL CABALLOS ESPANOL

MA-022424 SPEEDWAY GUMBALL RALLY

Expo hosted 2 dog agility trial events in February. Lynda Tjarks booked shows with both the Ventura kennel club and the Samoyed kennel club.

The one-day Feria del Caballos event was well attended and went very smoothly. We had our first LA County Department of Public Health inspection at this event since applying for and receiving an annual permit for all our temporary bars. We were required to make several upgrades to our bar set-ups to maintain compliance with DPH regulations for temporary food booths. While these requirements are not new, we were not aware that these requirements applied to our bars. LA County DPH reached out to Expo Center management at the end of last year. Since then, we have worked closely with LA County DPH to implement the changes required and I am happy to report that we passed with flying colors.

I would like to thank Bing Hyun for all his help communicating with county staff to secure the annual permits.

Speedway Gumball Rally was a great racing event on Saturday and Sunday races with all the kids was so much fun and just amazing to witness the future star athletes of Speedway perform their hearts out.

Events for the month of March in the Grand Arena include:

MA-031024 VVS/ZEREP COMPANY PICNIC
MA-031624 & MA-031724 INPEFESS CRISTO VIVE
MA-032324 & MA-032424 INPEFESS CRISTO VIVE

Banquet events for March included 8 events in the Pavilion and in the Avalon.

As I indicated last month March was very busy with banquet events. April has 3 events scheduled in Pavilion and 2 in Avalon.

I have begun replacing the lock assemblies on the Avalon room RR's to better quality Schlage knobs and locks that are keyed to the same key system we have throughout the venue.

The Expo center purchased 100 new bicycle panels to provide much needed improved crowd control/foot traffic for entering and exiting arena events. These panels are the same heavy-duty stainless-steel panels with the same locking assemblies as our existing panels so everything works together. We will no longer need to rent this equipment during our large events with heavy spectator attendance.

Our event calendar is very busy and we have started booking well into 2025.

I apologize for my absence from today's meeting. I am currently in Washington DC representing the City of Industry. I look forward to reporting our March events to the board next month.

Thank you,
Cory Moss