

**TRES HERMANOS CONSERVATION AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING**

**JANUARY 15, 2020 AGENDA
6:00 p.m.**

**CITY OF INDUSTRY
COUNCIL CHAMBER
15651 E. STAFFORD STREET
CITY OF INDUSTRY, CALIFORNIA**

**Cory Moss, Chair
Steve Tye, Vice-Chair
Nancy Lyons, Board Member
Cathy Marcucci, Board Member
Ray Marquez, Board Member
Peter Rogers, Board Member
Newell Ruggles, Board Member**

1. CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

- 2. PUBLIC COMMENTS:** At this time, members of the public may address the Authority regarding any items within the subject matter jurisdiction of the Authority provided NO action or discussion may be taken on any item not appearing on the agenda, except the Authority may BRIEFLY respond to statements made or questions posed. Comments are limited to five minutes per speaker.

3. REORGANIZATION OF THE BOARD OF DIRECTORS

RECOMMENDED ACTION: Select a Chair and Vice-Chair.

4. CONSENT CALENDAR:

- 4.1 Consideration of the Minutes of the November 20, 2019 regular meeting

RECOMMENDED ACTION: Approve as submitted.

Copies of staff reports or other written documentation relating to agenda items are on file in the Office of the City Clerk at Industry City Hall, and are available for public inspection. If requested, the agenda will be made available in an alternative format to a person with disability as required by Section 202 of the Americans with Disabilities Act of 1990. If you have questions regarding an agenda item, please contact the Authority Secretary at (626) 333-2211 during regular business hours.

In an effort to comply with the requirements of Title II of the Americans with Disabilities Act of 1990, the Tres Hermanos Conservation Authority requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at a public meeting, must inform the Authority Secretary a minimum of 72 hours prior to the scheduled meeting.

- 4.2 Consideration to approve the Treasurer's Report for the months of October 2019 and November 2019

RECOMMENDED ACTION: Receive and file Report.

- 4.3 Consideration to approve the check register for the months of October 2019 and November 2019

RECOMMENDED ACTION: Receive and file Report.

5. OLD BUSINESS:

There is none.

6. NEW BUSINESS:

- 6.1 Consideration of Residential Rental Agreement for Dwelling Unit located at Assessor's Parcel Number (APN) 1000-031-15-0000

RECOMMENDED ACTION: Authorize the execution of Residential Rental Agreement with Ms. Cherie Wood.

- 6.2 Annual Financial Statements for the fiscal year ending June 30, 2019

RECOMMENDED ACTION: Receive and file the Annual Financial Statements for the fiscal year ending June 30, 2019.

7. AUTHORITY DIRECTOR COMMENTS:

- 8. ADJOURNMENT:** The next regular Tres Hermanos Conservation Authority Meeting will be Wednesday, February 19, 2019 at 6:00 p.m.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 4.1

TRES HERMANOS CONSERVATION AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING MINUTES
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CALL TO ORDER

The Regular Meeting of the Tres Hermanos Conservation Authority, Board of Directors, was called to order by Chair Cory C. Moss at 6:00 p.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Chair Moss.

PRESENT: Cory C. Moss, Chair
Carol Herrera, Vice Chair
Cathy Marcucci, Board Member
Ray Marquez, Board Member
Peter Rogers, Board Member
Newell Ruggles, Board Member
Steve Tye, Board Member

STAFF PRESENT: Troy Helling, Executive Director; Tracy Egoscue, General Counsel; Dan Fox, Deputy Executive Director; and Julie Robles, Authority Secretary.

PUBLIC COMMENTS

There were none.

CONSENT CALENDAR

- 3.1 CONSIDERATION OF THE MINUTES OF THE SEPTEMBER 18, 2019 REGULAR MEETING**
- 3.2 CONSIDERATION TO APPROVE THE TREASURER'S REPORT FOR THE MONTH OF AUGUST 2019 AND SEPTEMBER 2019**
- 3.3 CONSIDERATION TO APPROVE THE CHECK REGISTER FOR THE MONTH OF AUGUST 2019 AND SEPTEMBER 2019**

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Board Member Tye asked to pull item 3.3 for discussion.

MOTION BY BOARD MEMBER MARQUEZ, AND SECOND BY BOARD MEMBER ROGERS TO APPROVE ITEMS 3.1 AND 3.2 OF THE CONSENT CALENDAR. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	MARCUCCI, MARQUEZ, ROGERS, RUGGLES, TYE, V/C HERRERA, C/MOSS
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

Discussion ensued regarding multiple issues within Item 3.3 of the check register. City Manager said he would come back with answers to these questions.

MOTION BY BOARD MEMBER TYE, AND SECOND BY BOARD MEMBER MARQUEZ TO APPROVE ITEM 3.3, OF THE CONSENT CALENDAR. MOTION CARRIED 7-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	MARCUCCI, MARQUEZ, ROGERS, RUGGLES, TYE, V/C HERRERA, C/MOSS
NOES:	BOARD MEMBERS:	NONE
ABSENT	BOARD MEMBERS:	NONE
ABSTAIN	BOARD MEMBERS:	NONE

OLD BUSINESS

There is none.

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NEW BUSINESS

- 5.1 Discussion and direction regarding property tax bills for Los Angeles and San Bernardino Counties

RECOMMENDED ACTION: Authorize staff on reducing the property tax bills by working with Los Angeles County and San Bernardino County staff and if needed authorize staff to pay the property tax bills.

Executive Director, Troy Helling, provided a staff report and explained that in working with the Los Angeles and San Bernardino Counties, we have confirmed that the Authority is tax exempt, therefore no payment was due and this issue has been resolved. No action was needed and no vote was necessary.

6. AUTHORITY DIRECTOR COMMENTS:

Mr. Helling suggested cancelling the December 18th meeting due to the holidays. It was agreed upon to cancel the December meeting. The next regular Tres Hermanos Conservation Authority Meeting will be Wednesday, January 15, 2019 at 6:00 p.m.

7. ADJOURNMENT

There being no further business, the Tres Hermanos Conservation Authority (THCA) Regular Board of Directors meeting adjourned at 6:09 p.m.

CORY C. MOSS
CHAIR

JULIE ROBLES
AUTHORITY SECRETARY

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 4.2

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 4.2

Date: January 15, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director *TH*
Subject: Treasurer's Report for the Months of October and November 2019

Recommendation:

That the Authority receive and file the Treasurer's Reports for the months of October and November 2019.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.3 Accounts, the Treasurer must verify and report in writing, at least quarterly, the amount of money held for the Authority, the amount of interest earnings, revenues, and expenditures since the last report.

Attached for your information are the Treasurer's Reports for the months of October and November 2019.

Respectfully submitted,



Christina Buhagiar
Treasurer

Reviewed by,



Troy Helling
Executive Director

Attachments

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended October 31, 2019**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market	\$ 130,857	\$ 130,857	0.05%	n/a	100.00%
Total Investment Portfolio	<u>\$ 130,857</u>	<u>\$ 130,857</u>			<u>100.00%</u>

Blended Yield of Cash and Investments	0.05%
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Benchmarks:	
LAIF	2.19%
6mo U.S. Treasury	1.57%
2yr U.S. Treasury	1.52%
5yr U.S. Treasury	1.51%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.

Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended October 31, 2019

	October 2019	Fiscal Year To Date 2019/20
Revenues:		
Investment interest	\$ 6	\$ 23
Rental income	625	2,500
Contributions from member agencies	-	57,978
Reimbursements	-	22
Total Revenues	631	60,523
Expenditures:		
Professional Services		4,892
Legal services	3,306	31,136
Office Supplies & Software		829
Security services	2,725	16,275
Weed Abatement		29,192
Insurance		1,500
Pest control	1,900	9,750
Utilities	1,786	6,674
Bank Charges & Fees		32
Total Expenditures	9,717	100,280
Excess of revenues over (under) expenditures	\$ (9,086)	\$ (39,757)
Fund Balances:		
Beginning of fiscal year		\$ 165,025
Excess of revenues over (under) expenditures		(39,757)
End of fiscal year		\$ 125,268
Fund Balances by City:		
Chino Hills		\$ 40,726
Diamond Bar		39,159
Industry		45,382
Total Fund Balances by City		\$ 125,268 *1

*1 The ending fund balance in the amount of \$125,268 includes \$5,589.55 in outstanding checks that are not included in the bank balance of \$130,857.

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended November 30, 2019**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market	\$ 121,302	\$ 121,302	0.05%	n/a	100.00%
Total Investment Portfolio	\$ 121,302	\$ 121,302			100.00%

Blended Yield of Cash and Investments	0.05%
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Benchmarks:	
LAIF	2.10%
6mo U.S. Treasury	1.63%
2yr U.S. Treasury	1.61%
5yr U.S. Treasury	1.62%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended November 30, 2019

	<u>November 2019</u>	<u>Fiscal Year To Date 2019/20</u>
Revenues:		
Investment interest	\$ 5	\$ 28
Rental income	625	3,125
Contributions from member agencies	-	57,978
Reimbursements	-	22
Total Revenues	<u>630</u>	<u>61,153</u>
Expenditures:		
Professional Services	1,829	6,721
Legal services	1,138	32,274
Office Supplies & Software		829
Security services	2,856	19,131
Weed Abatement		29,192
Insurance		1,500
Pest control		9,750
Utilities	657	7,330
Taxes & Licenses	310	310
Bank Charges & Fees		32
Total Expenditures	<u>6,790</u>	<u>107,069</u>
Excess of revenues over (under) expenditures	<u>\$ (6,160)</u>	<u>\$ (45,916)</u>
Fund Balances:		
Beginning of fiscal year		\$ 165,025
Excess of revenues over (under) expenditures		(45,916)
End of fiscal year		<u>\$ 119,109</u>
Fund Balances by City:		
Chino Hills		\$ 38,673
Diamond Bar		37,106
Industry		43,330
Total Fund Balances by City		<u>\$ 119,109</u> ¹

1. The ending fund balance in the amount of \$119,109 includes \$2,193.65 in outstanding checks that are not included in the bank balance of \$121,302.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 4.3

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 4.3

Date: January 15, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director *TH*
Subject: Check Register

Recommendation:

That the Authority receive and file the check registers for the months of October and November 2019.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.2 Disbursements, the check register of the Authority should be periodically reviewed by the Board. Attached for your review are the check registers for the months of October and November 2019.

Respectfully submitted,



Christina Buhagiar
Treasurer

Reviewed by,



Troy Helling
Executive Director

Attachments

**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
October 2019**

Date	Check #	Vendor	Memo/Description	Amount
10/3/19	ACH	Southern California Edison	Electricity usage - September 2019 - Commercial	\$ (104.77)
10/3/19	ACH	Southern California Edison	Electricity usage - September 2019 - Domestic	(58.99)
10/17/19	1087	Frontier	Phone - October 2019	(54.88)
10/17/19	1088	City of Industry - Trash	Trash Services - September 2019	
			Weed Abatement - Roll offs	(1,134.52)
10/17/19	1089	Industry Security Services, Inc.	Security - September 2019	
			Vehicle Fuel usage - 08/21/19 - 09/19/19	(2,724.43)
10/17/19	ACH	SoCalGas	Gas usage - September 2019	(49.53)
10/31/19	1090	Janus Pest Management, Inc	Squirrel Treatment - 09/04/19 & 09/18/19	(1,900.00)
10/31/19	1091	Woodruff, Spradlin & Smart	Voided - due to error	-
10/31/19	1092	Woodruff, Spradlin & Smart	Legal Services - September 2019	(3,306.20)
10/31/19	1093	City of Chino Hills - Water	Water usage - 09/11/19 - 10/15/19	(383.35)
Total				\$ (9,716.67)


**Tres Hermanos Conservation Authority JPA
Transaction List by Vendor
November 2019**

Date	Check #	Vendor	Memo/Description	Amount
11/8/19	ACH	SoCalGas	Gas usage - October 2019	\$ (61.98)
11/8/19	ACH	Southern California Edison	Electricity usage - October 2019 - Domestic	(12.10)
11/8/19	ACH	Southern California Edison	Electricity usage - October 2019 - Commercial	(59.01)
11/19/19	1094	Egoscue Law Group, Inc.	Legal Services - October 2019	(1,137.50)
11/19/19	1095	Lance, Soll & Lunghard, LLP	FY 2018-19 Audit	(1,829.00)
11/22/19	1096	Frontier	Phone - November 2019	(54.88)
11/22/19	1097	Industry Security Services, Inc.	Security - October 2019	(2,855.72)
			Vehicle Fuel usage - 09/20/19 - 10/18/19	
11/22/19	1098	City of Industry - Trash	Trash Services - October 2019	(468.76)
			Weed Abatement - Roll offs	
11/22/19	1099	CA Dep of Tax & Fee Admin	Water Rights FY 2019-20	(309.77)
Total				\$ (6,788.72)

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 6.1

TRES HERMANOS CONSERVATION AUTHORITY AGENDA NO. 6.1
STAFF REPORT

Date: January 15, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director 
Subject: Consideration of Residential Rental Agreement for Dwelling Unit Located at Assessor's Parcel Number (APN) 1000-031-15-0000

Recommendation:

It is recommended that the Authority authorize the execution of Residential Rental Agreement with Ms. Cherie Wood.

Background/Discussion:

Within Tres Hermanos Ranch, there is one single-family residence, which has been occupied by Ms. Cherie Wood for approximately 19 years. Her observation, watchfulness, and regular drives through the property are beneficial for maintaining the 2,500 acre ranch. Further, her substantial knowledge of the history, natural setting, and operations is an asset for the Tres Hermanos Conservation Authority (hereinafter "THCA") and ensures that the tenant has an understanding and acceptance of the unique rural environment that they will occupy.

Ms. Cherie Wood is interested in remaining on the premises under THCA's new ownership and a new rental agreement (Attachment 1) has been prepared for Board consideration. The following summarizes some of the major rental agreement provisions:

- Term: month-to-month
- Rent amount: \$675 per month or \$8,100 annually (this amount was determined by increasing her current rent payment of \$625 by the maximum allowed under State law).
- Future rent increases: pursuant to Assembly Bill 1482, the rent amount may increase on an annual basis by 5 percent (5%) plus the percentage change in the cost of living or 10 percent (10%), whichever is lower.
- Utilities: Tenant is responsible for payment of all utility services (e.g. electricity, gas, water, garbage/waste collection services and telephone services).
- Stock: Tenant may keep a maximum of ten (10) stock animals (e.g. cows and horses) at any one time.
- Insurance: Tenant is responsible for maintaining a policy of insurance providing protection against all risk to personal harm and property damage and include

liability insurance.

Fiscal Impact:

Revenue will be generated from rental income in the amount of \$675 per month or \$8,100 annually and the cost of utilities being transferred from THCA to the tenant would result in an estimated annual cost savings of \$2,000.

Exhibit:

A. Tres Hermanos Conservation Authority Residential Rental Agreement

TH:bh

EXHIBIT A

Residential Rental Agreement

[Attached]

TRES HERMANOS CONSERVATION AUTHORITY RESIDENTIAL RENTAL AGREEMENT

This Residential Rental Agreement ("Agreement") is entered into as of _____, by and between the Tres Hermanos Conservation Authority, a joint powers agency ("Landlord"), and Cherie Wood, an individual ("Tenant"). Landlord hereby rents to Tenant the dwelling unit located at Assessor's Parcel Number (APN) 1000-031-15-0000 (the "Premises"). Landlord and Tenant are hereinafter referred to collectively as the "Parties".

Section 1. Term. The term of this Agreement is month-to-month.

Section 1.1. Termination by Tenant. Tenant may terminate this Agreement by giving written notice to Landlord at least 30-days prior to the intended termination date.

Section 1.2. Termination by Landlord. Landlord may terminate this Agreement for "just cause" by giving written notice as provided by law. Before Landlord issues a notice to terminate a tenancy for just cause that is a curable lease violation Landlord will first give notice of the violation to Tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.

Section 2. Premises Possession. Tenant has been in possession of the Premises since 2001 in conjunction with the acquisition, by Mr. Russ Wood, of a permit agreement covering use of certain real property known as "Tres Hermanos Ranch."

Section 2.1. Non-Exclusive Access. This Agreement rents to Tenant the dwelling unit located at APN 1000-031-15-0000. In addition, Tenant shall have non-exclusive access to the entire 2,500-acre Tres Hermanos Ranch. Such non-exclusive access to the Tres Hermanos Ranch by Tenant is at the sole discretion of the Landlord. Landlord hereby reserves the right to access, limit access, and/or lease any or all of the real property of the Tres Hermanos Ranch during the term of this Agreement excluding the Premises (i.e., dwelling unit located at APN 1000-031-15-0000) of this Agreement.

Section 3. Rent. The gross per-month rental rate for the Premises is **\$675.00**. Tenant agrees to pay to Landlord as rent for the use and occupancy of the Premises the sum of **\$675.00 per month**. This rental amount includes applicable possessory interest tax. The rent is payable to Landlord in advance on or before the first day of each month, at the address specified in this Agreement for the service of notices on Landlord or at any other place designated by Landlord in a written notice served on Tenant. Any check rejected for payment by the bank shall be subject to a \$25 fee for the first check and \$35

for subsequent rejected checks. Any payment of rent after the third day of each month shall be subject to a late fee of 5% of the rent amount.

Section 3.1. Tenant Protection Act of 2019 Notice. California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code for more information.

Section 3.2. Rent Increase. At the sole and absolute discretion of the Tres Hermanos Conservancy Authority Board of Directors, the rent amount may increase on an annual basis by 5 percent (5%) plus the percentage change in the cost of living or 10 percent (10%), whichever is lower. The Board may impose rental increases by an amount not to exceed 5 percent (5%) plus the percentage change in the cost of living, or 10 percent (10%), whichever is lower, of the lowest gross rental rate charged for the Premises at any time during the 12 months prior to the effective date of the increase. The gross rental rate for the Premises shall not be increased in more than two increments over that 12-month period. In determining the lowest gross rental amount pursuant to this section, any rent discounts, incentives, concessions, or credits offered by the owner of such unit of residential real property and accepted by the tenant shall be excluded. Tenant shall receive notice of any rent increase as required under State law.

Section 4. Utilities. Tenant is responsible for arranging all utility services and agrees to pay all charges for all utilities, including but not limited to electricity, gas, water, garbage/waste collection services and telephone services, used in or on the Premises during the term of this Agreement.

Section 5. Occupancy of the Premises. Only the persons referred to in this Agreement as "Tenant" may occupy the Premises. Tenant must report within ten (10) working days any change to the composition of the household. Tenant may allow a guest or visitor for a period not exceeding fourteen (14) consecutive days or a total of thirty (30) cumulative calendar days during any twelve (12) month period.

Section 6. Use of the Premises. Tenant agrees that the Premises are to be used exclusively for residential purposes. Tenant may not do or permit anything to be done in or about the Premises that will in any way obstruct or interfere with the rights of occupants of neighboring buildings or injure or annoy them or use or allow the Premises to be used for any improper, unlawful or objectionable purpose. Further, Tenant may not do or permit anything to be done in or about the Premises or bring or keep anything in the Premises that will in any way increase the existing rate of or affect any fire or other insurance on the premises or any part of it or any of its contents. Tenant may not put the Premises to any use that violates local zoning ordinances or any other law. Tenant shall not commit or permit waste or nuisance in or about the Premises.

Section 7. Condition of Premises. Tenant acknowledges that Tenant has inspected the Premises and agrees that they are in satisfactory condition and good working order. Tenant must remedy, at Tenant's cost and expense, any deterioration of or injuries to the Premises occasioned by Tenant's lack of ordinary care. Tenant shall be responsible for maintaining the premises in a clean and sanitary condition.

Section 8. Maintenance. Tenant shall properly use, operate and safeguard Premises, including if applicable, any landscaping, furniture, furnishings and appliances, and all mechanical, electrical, gas and plumbing fixtures, and keep them and the Premises clean, sanitary and well ventilated. Tenant shall be responsible for checking and maintaining all smoke detectors and any additional phone lines beyond the one line and jack that Landlord shall provide and maintain. Tenant shall immediately notify Landlord, in writing, of any problem, malfunction or damage. Tenant shall be charged for all repairs or replacements caused by Tenant, pets, guests or licensees of Tenant, excluding ordinary wear and tear. Tenant shall be charged for all damage to Premises as a result of failure to report a problem in a timely manner.

Section 9. Pets. Tenant must obtain approval from Landlord for the keeping and maintenance of pets, subject to the following: (a) Tenant shall not permit any noise from pets audible from the property line for more than fifteen (15) continuous minutes; (b) Tenant shall not permit noises from pets when such noise is not followed by a minimum of thirty (30) minutes of silence; and (c) Tenant shall keep yards free from animal waste. Unless otherwise provided in California Civil Code §54.2, or other applicable law, no animal or pet shall be kept on or about the Premises without Landlord's prior written consent, except the following:

NAME	TYPE	BREED
Tootsie	Dog	Long-haired dachshund

Section 9.1. Stock. At any one time, Tenant may keep a maximum of ten (10) stock animals within the Premises.

Section 10. Alterations and Repairs. The Parties agree that the following provisions govern all alterations and repairs of the premises by Tenant:

(a) Tenant may make no alterations to the Premises without the prior written consent of Landlord. Any alteration made to the premises by Tenant after that consent has been given, and any fixtures installed as a part of that work, will at Landlord's option become the Landlord's property on the expiration or earlier termination of this Agreement, provided, however, that Landlord has the right to require Tenant to remove any fixtures at Tenant's cost on termination of this Agreement.

(b) Tenant shall notify Landlord in writing of any defective conditions on the Premises that require repairs. If Landlord fails to repair or arrange for the repair of the condition within a reasonable time (not exceeding 30 days), Tenant may make the

repairs or arrange for them to be made and deduct the cost of the repairs, provided Tenant does not deduct more than the equivalent of one month's rent.

Section 11. Insurance. Tenant, at Tenant's own expense, shall procure and continue in force at all times during the term of this lease a policy of insurance providing protection against all risk to personal harm and property damage, and include liability insurance. Tenant must provide Landlord with written proof of insurance coverage annually.

Section 12. Entry by Landlord. Landlord may enter the premises only under the following circumstances:

- (a) In case of emergency.
- (b) To make necessary or agreed repairs, decorations, alterations, or improvements; supply necessary or agreed services;
- (c) To exhibit the Premises to prospective or actual purchasers, mortgagees, tenants, workers; or to provide entry to contractors or workers who are to perform work on the Premises; or to conduct an initial inspection before the end of the tenancy;
- (d) If Tenant abandons or surrenders the Premises;
- (e) Pursuant to court order;
- (f) To inspect the physical condition of the Premises;
- (g) To determine compliance with this Agreement;
- (h) To exhibit the Premises to prospective or actual purchasers, mortgagees, tenants, workers, or contractors or to make an inspection pursuant to subdivision (f) of Section 1950.5 of the Civil Code; and
- (i) To inspect the Premises no more than two times per year.

Landlord will give Tenant at least 24 hours' notice of Landlord's intent to enter the Premises unless (1) an emergency exists, (2) Tenant has abandoned or surrendered the Premises, (3) it is impracticable to do so; or (4) if the purpose of entry is a move-out inspection regarding possible security deposit deductions, then Landlord will give Tenant at least 48 hours' notice. Further Landlord will enter only during normal business hours unless (1) an emergency exists, (2) Tenant has abandoned or surrendered the premises, or (3) Tenant consents, at the time of an entry that is not during normal business hours, to the entry.

Section 13. Locks and Keys. Tenant may not change or add any lock to the Premises without obtaining Landlord's prior written consent and without providing Landlord with a key to the changed or added lock.

Section 14. Assignment and Subletting. Tenant may not assign this Agreement or sublet all or any portion of the Premises. Any assignment or subletting will be void and may, at Landlord's option, terminate this Agreement.

Section 15. Surrender of Premises. Upon the termination of this Agreement, Tenant must quit and surrender the Premises in as good a condition as they were at the commencement of this Agreement, reasonable use and wear thereof and damages by the elements excepted.

Section 16. Default by Tenant. Any breach by Tenant of a condition, covenant, or provision of this Agreement will constitute a material breach. For any curable violation of this Agreement by Tenant, Landlord may give notice of the violation to Tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.

Section 17. Notices. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to either party to this Agreement by the other party must be in writing and will be deemed to be served when personally delivered to the party to whom the notice is directed or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Tenant at the Premises or to Landlord at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Parties may change their address for purposes of this section by giving written notice of the change to the other party in the manner provided in this section.

Section 18. Megan's Law Disclosure. Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

Section 19. Proposition 65 and Lead Based Paint Hazards Notice. The Premises may contain at least one of the following chemical(s) known to the State of California to cause cancer or reproductive toxicity and for which warnings are now required. These chemicals include but are not limited to: carbon monoxide and gasoline components. More information on specified exposures is available at <http://www.oehha.ca.gov/prop65.html>. Further, the Premises have been tested for Lead-Based Paint and a Lead-Based Paint Disclosure Form is included as an addendum to this Agreement.

Section 20. Waiver. The waiver by Landlord of any breach by Tenant of any of the provisions of this Agreement will not constitute a continuing waiver or a waiver of any subsequent breach by Tenant either of the same or of another provision of this Agreement. Landlord's acceptance of rent following a breach by Tenant of any provision of this Agreement, with or without Landlord's knowledge of the breach, will not be deemed to be a waiver of Landlord's right to enforce any provision of this Agreement.

Section 21. Attorney Fees. If any legal action or proceeding arising out of or relating to this Agreement is brought by either party, the prevailing party will be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorney fees, costs, and expenses incurred in the action or proceeding by the prevailing party, in an amount not to exceed One Thousand Dollars (\$1,000.00).

Section 22. Binding on Heirs and Successors. This Agreement is binding on and will inure to the benefit of the heirs, executors, administrators, successors, and assigns of Landlord and Tenant; provided, however, that nothing in this section may be construed as a consent by Landlord to any assignment of this Agreement or any interest in it by Tenant.

Section 23. Time of Essence. Time is expressly declared to be of the essence in this Agreement.

Section 24. Integrated Agreement. This instrument is the full, complete, sole, final, and exclusive agreement of the Parties concerning the matters covered by this Agreement and the rights granted and duties undertaken as between the Parties. There is no other agreement between the Parties respecting the subject matter of this Agreement or the rights, duties, promises, and undertakings of the Parties. Any statement, representation, promise, or undertaking made prior to or contemporaneously with the execution of this Agreement is void and of no effect, or will be held to have merged or been superseded by the terms and conditions of this Agreement. Any statement, promise, or representation made to or by any party, or made to or by an employee, attorney, agent or representative of any party, respecting the matters set forth in this Agreement will not be valid or binding as to these Parties unless it is specifically contained in this Agreement. Any oral representation, modification, or change concerning this Agreement, or the terms or conditions of this Agreement, will be of no force and effect. Modifications to this Agreement must be in writing and signed by the parties to this Agreement.

Section 25. Enforceability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this

Agreement shall be valid and be enforced to the fullest extent permitted by law.

Section 26. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Venue for any cause of action shall be Los Angeles County, California.

Section 27. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Section 28. Authority. Each person executing this Agreement hereby represents and warrants (i) their authority to do so, and (ii) that such authority has been duly and validly conferred.

LANDLORD

TENANT

By _____
Cory Moss,
Chairperson
Tres Hermanos Conservation Authority

By _____
Cherie Wood

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

Lessor's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Interior: Entry wooden beams on ceiling; some of the tiled surfaces in the bathroom baseboards (most likely in the glazing or the matrix of the tile itself)

Exterior: window wells on aluminum windows; window well and sash on casement window at bedroom 2 closet; wooden walls; rafters; vents on south side

(ii) Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the lessor (check (i) or (ii) below):

(i) Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(1) Lead-Based Paint Inspection Report of Single Family Residence APN 1000-021-14 & 1000-031-15, November 2, 2019

(ii) Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Lessee's Acknowledgment (initial)

(c) Lessee has received copies of all information listed above.

(d) Lessee has received the pamphlet *Protect Your Family from Lead in Your Home*.

Agent's Acknowledgment (initial)

(e) Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____	_____	_____	_____
Lessor	Date	Lessor	Date
_____	_____	_____	_____
Lessee	Date	Lessee	Date
_____	_____	_____	_____
Agent	Date	Agent	Date

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 6.2

**TRES HERMANOS CONSERVATION AUTHORITY
STAFF REPORT**

AGENDA NO. 6.2

Date: January 15, 2020
To: Chair and Board of Directors
From: Troy Helling, Executive Director *TH*
Subject: Annual Financial Statements

Recommendation:

That the Authority receive and file the Annual Financial Statements for the fiscal year ending June 30, 2019.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 3.8 Treasurer, the Treasurer shall cause an independent audit to be made by a certified public accountant in compliance with Section 6505 of the Government Code.

Attached for your information is the Annual Financial Statements for the fiscal year ending June 30, 2019.

Respectfully submitted,



Christina Buhagiar
Treasurer

Reviewed by,



Troy Helling
Executive Director

Attachments



TRES HERMANOS CONSERVATION AUTHORITY

JUNE 30, 2019

FINANCIAL STATEMENTS

Focused
on YOU



TRES HERMANOS
CONSERVATION AUTHORITY

FINANCIAL STATEMENTS

JUNE 30, 2019

TRES HERMANOS CONSERVATION AUTHORITY

JUNE 30, 2019

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TRES HERMANOS CONSERVATION AUTHORITY

JUNE 30, 2019

AUTHORITY OFFICIALS

Cory Moss	Chairman
Carol Herrera	Vice Chairman
Catherine Marcucci	Board Member
Ray Marquez	Board Member
Peter Rogers	Board Member
Newell Ruggles	Board Member
Steve Tye	Board Member



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Tres Hermanos Conservation Authority
Diamond Bar, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund information of the Tres Hermanos Conservation Authority (the Authority) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



CPAs AND ADVISORS

To the Board of Directors
Tres Hermanos Conservation Authority
Diamond Bar, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund information of the Tres Hermanos Conservation Authority as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule of the Tres Hermanos Conservation Authority be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2019 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Brea, California
October 29, 2019

TRES HERMANOS CONSERVATION AUTHORITY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
 JUNE 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets:			
Cash and cash equivalents	\$ 165,024	\$ -	\$ 165,024
Capital assets	-	41,650,000	41,650,000
Total Assets	<u>\$ 165,024</u>	<u>41,650,000</u>	<u>41,815,024</u>
Liabilities, Fund Balance/Net Position:			
Liabilities:			
Accounts payable	\$ 21,305	-	21,305
Total Liabilities	<u>21,305</u>	<u>-</u>	<u>21,305</u>
Fund Balance:			
Unassigned	143,719	(143,719)	-
Total Fund Balance	<u>143,719</u>	<u>(143,719)</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 165,024</u>		
Net Position:			
Unrestricted		41,793,719	41,793,719
Total Net Position		<u>\$ 41,793,719</u>	<u>\$ 41,793,719</u>

TRES HERMANOS CONSERVATION AUTHORITY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND
 REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Member contributions	\$ 209,591	\$ -	\$ 209,591
Rental income	2,849	-	2,849
Investment income	132	-	132
Reimbursements	756	-	756
Total Revenues	<u>213,328</u>	<u>-</u>	<u>213,328</u>
Expenditures/Expenses:			
General government:			
Professional services	18,067	-	18,067
Legal services	5,729	-	5,729
Legal services - extraordinary	71,105	-	71,105
Contractual services	15,954	-	15,954
Security services	47,432	-	47,432
Office supplies and software	152	-	152
Utilities	3,557	-	3,557
Total Expenditures/Expenses	<u>161,996</u>	<u>-</u>	<u>161,996</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>51,332</u>	<u>-</u>	<u>51,332</u>
Other Financing Sources (Uses):			
Capital contribution	<u>-</u>	<u>41,650,000</u>	<u>41,650,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>41,650,000</u>	<u>41,650,000</u>
Changes in net position	51,332	41,650,000	41,701,332
Fund Balances/Net Position:			
Beginning of Year	<u>92,387</u>	<u>-</u>	<u>92,387</u>
End of Year	<u>\$ 143,719</u>	<u>\$ 41,650,000</u>	<u>\$ 41,793,719</u>

TRES HERMANOS CONSERVATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The Tres Hermanos Conservation Authority (Authority) is a joint powers agency created by a joint powers agreement between the cities of Chino Hills and Diamond Bar, California, dated January 19, 1999. It was created pursuant to Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, in accordance with the provisions of the Marks-Roos Local Bond Pooling Act of 1985. The purpose of the Authority is to create a public entity to coordinate the overall development and conservation of a large undeveloped area of real property known as the Tres Hermanos Ranch, by preparing studies, plans, environmental reviews and similar information and by making recommendations to its members to take such actions including, but not limited to, acquisition and eminent domain as are necessary to implement its recommendations.

On February 6, 2019, the Authority amended and restated its agreement with the City of Industry pursuant to a Settlement Agreement. The City of Industry purchased the Tres Hermanos Ranch from the Successor Agency to Industry's Urban Development Agency. The City of Chino Hills and Diamond Bar contributed 10% of the purchase of the land. With the new agreement, each City will pay an equal one-third share of the cost for reasonable annual and recurring maintenance of the Ranch to be specified in the annual budget approved by the Authority. The Board consists of seven voting Directors: three from Industry, two from Chino Hills and two from Diamond Bar. Directors must be at all times holding office on a Member's City Council. Attendance by a majority of the Directors at a meeting, which majority must include at least one Director from each Member, shall constitute a quorum for the purpose of transacting business relating to the Authority.

The Authority is a public entity separate and apart from each of the Cities. The funds of the Authority have not been included within the scope of the basic financial statements of the Cities because the Authority has its own governing board that has responsibility over the operations of the Authority. Only the funds of the Authority are included herein, therefore, these financial statements do not purport to represent the financial position or results of operation of the cities of Chino Hills, Diamond Bar, or City of Industry.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (Statements of Net Position and Statement of Activities) report information on all activities of the Authority.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Revenues include contributions of the participating agencies.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

TRES HERMANOS CONSERVATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

d. Assets, Liabilities and Net Position or Equity

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits that are maintained in a bank account to pay obligations of the Authority. Cash and cash equivalents are reported at fair value on the accompanying statement of net position and governmental fund balance sheet.

Functional Classification

Expenditures of the Authority are classified as general government.

e. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and governmental fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position and governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has no items that qualify for reporting in this category.

TRES HERMANOS CONSERVATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 2: Cash and Cash Equivalents

Demand Deposits

At June 30, 2019, the carrying amount of the Authority's deposits was \$165,024 and the bank balance was \$165,024.

Note 3: Capital Assets

The City of Industry purchased the Ranch from the Successor Agency to Industry's Urban-Development Agency in the amount of \$41,650,000. As part of the Settlement Agreement, Chino Hills and Diamond Bar contributed to the purchase 10% of the purchase price.

Note 4: Maintenance Cost Member Share

Contributions include an equal one-third payment from each member for the reasonable annual and recurring maintenance of the Ranch, for insurance, legal costs, and administration costs of the Authority and a reasonable reserve as established by the Board. Each member shall contribute a Maintenance Cost Member Share in the amount of \$100,000 each year.

In fiscal year 2018-2019, the City of Industry contributed \$100,000 and the cities of Chino Hills and Diamond Bar each contributed \$54,796 as stated in the joint powers agreement. The agreement states that any funds held by the joint powers authority pursuant to the 1999 Agreement shall be transmitted to the Treasurer for the Authority. Those funds shall be used to satisfy the obligations of Diamond Bar and Chino Hills in the fiscal year 2018-2019. Each City was credited with 50% of the remaining balance of \$90,409.

Note 5: Related Party Transactions

At June 30, 2019, the Authority paid the City of Industry \$621 for trash services and \$934 to the City of Chino Hills for water services.

TRES HERMANOS CONSERVATION AUTHORITY

BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 92,387	\$ 92,387	\$ 92,387	\$ -
Resources (Inflows):				
Member contributions	-	209,591	209,591	-
Rental income	-	2,850	2,849	(1)
Interest income	150	36	132	96
Reimbursements	-	601	756	155
Amounts Available for Appropriations	92,537	305,465	305,715	250
Charges to Appropriations (Outflow):				
General government:				
Professional services	2,100	19,527	18,067	1,460
Legal services	-	6,900	5,729	1,171
Legal services - extraordinary	-	80,400	71,105	9,295
Contractual services	-	26,136	15,954	10,182
Security services	-	46,700	47,432	(732)
Office supplies and software	-	282	152	130
Utilities	-	3,727	3,557	170
Total Charges to Appropriations	2,100	183,672	161,996	21,676
Budgetary Fund Balance, June 30	\$ 90,437	\$ 121,793	\$ 143,719	\$ 21,926

TRES HERMANOS CONSERVATION AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

Stewardship, Compliance and Accountability

The Executive Director directs the preparation of the Authority operating budget that is approved by the Board at the annual meeting.