

JOINT SPECIAL MEETING AGENDA OF THE INDUSTRY PUBLIC UTILITIES COMMISSION AND INDUSTRY PUBLIC FACILITIES AUTHORITY



President/Chair Cory C. Moss
Commissioner/Vice Chair Cathy Marcucci
Commissioner/Board Member Michael Greubel
Commissioner/Board Member Mark D. Radecki
Commissioner/Board Member Newell Ruggles

SPECIAL MEETING AGENDA JUNE 24, 2021 AT 8:30 A.M.

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California 91744

Addressing the Authority:

NOTICE OF TELEPHONIC MEETING:

- Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the special meeting of the Public Facilities Authority shall be held telephonically. Members of the public shall be able to attend the meeting telephonically and offer public comment by calling the following conference call number: 657-204-3264 and entering the following Conference ID: 439 676 59#. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public, Council Chambers will not be open for the meeting, and all public participation must occur by telephone at the number set forth above. Pursuant to the Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the IPFA meeting (including assisted listening devices), please contact the City Clerk's Office at (626) 333-2211 by 5:00 p.m. on Tuesday, June 22, 2021, to ensure that reasonable arrangements can be made to provide accessibility to the meeting.
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- **Agenda Items:** Members of the public may address the City Council on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda.
- **Public Comments (Non-Agenda Items Only):** Anyone wishing to address the City Council on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the City Council from taking action on a specific item unless it appears on the posted Agenda.

Agendas and other writings:

In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk of the City Council during regular business hours, Monday through Thursday, 8:00 a.m. to 5:00 p.m., Fridays 8:00 a.m. to 4:00 pm. City Hall doors are closed between 12:00 p.m. to 1:00 p.m. each day. 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. Roll Call

4. Public Comment

5. **CONSENT CALENDAR**

5.1 Consideration of the minutes of the February 11, 2021 joint special meeting

RECOMMENDED ACTION: Approve as submitted.

5.2 Consideration of Amendment No. 2 to the Professional Services Agreement with CliftonLarsonAllen LLP, for Auditing Services in an amount not to exceed \$11,950.00 through June 30, 2022

RECOMMENDED ACTION: Approve Amendment No. 1.

5.3 CONSIDERATION OF RESOLUTION NO. IPUC 2021-04 - A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION ADOPTING THE FY 2021-22 INDUSTRY PUBLIC UTILITIES BUDGET

RECOMMENDED ACTION: Adopt Resolution No. IPUC 2021-04.

5.4 CONSIDERATION OF RESOLUTION NO. IPFA 2021-01 – A RESOLUTION OF THE CITY OF INDUSTRY PUBLIC FACILITIES AUTHORITY (“IPFA”), ADOPTING THE FY 2021-22 IPFA BUDGET

RECOMMENDED ACTION: Adopt Resolution No. IPFA 2021-01.

6. Adjournment

*JOINT SPECIAL MEETING
INDUSTRY PUBLIC UTILITIES COMMISSION
INDUSTRY PUBLIC FACILITIES AUTHORITY*

ITEM NO. 5.1

JOINT SPECIAL MEETING MINUTES OF THE CITY OF INDUSTRY
SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
AND INDUSTRY PUBLIC FACILITIES AUTHORITY

FEBRUARY 11, 2021
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CALL TO ORDER

The Joint Special Meeting of the Successor Agency to the Industry Urban-Development Agency and Industry Public Facilities Authority of the City of Industry, California, was called to order by Chair Moss at 8:30 a.m., telephonically using Conference Call Number 657-204-3264, Conference ID: 665 239 60#.

FLAG SALUTE

The flag salute was led by Chair Moss.

ROLL CALL

PRESENT: Cory Moss, Chair
Catherine Marcucci, Vice Chair
Michael Greubel, Board Member
Mark Radecki, Board Member
Newell W. Ruggles, Board Member

STAFF PRESENT: Troy Helling, City Manager; Bing Hyun, Assistant City Manager; Josh Nelson, Director of Public Works/City Engineer/Assistant City Manager; James M. Casso, General Counsel; and Julie Robles, Secretary.

PUBLIC COMMENTS

There were none.

CONSENT CALENDAR

5.1 CONSIDERATION OF THE MINUTES OF THE DECEMBER 10, 2020, PUBLIC FACILITIES AUTHORITY SPECIAL MEETING

RECOMMENDED ACTION:

Approve as submitted.

JOINT SPECIAL MEETING MINUTES OF THE CITY OF INDUSTRY
SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
AND INDUSTRY PUBLIC FACILITIES AUTHORITY

FEBRUARY 11, 2021
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5.2 CONSIDERATION OF ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020, FOR THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

RECOMMENDED ACTION: *Approve Annual Audited Financial Statements for FY 19-20.*

5.3 CONSIDERATION OF ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020, FOR THE PUBLIC FACILITIES AUTHORITY

RECOMMENDED ACTION: *Approve Annual Audited Financial Statements for FY 19-20.*

5.4 CONSIDERATION OF INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS FOR THE FISCAL YEAR ENDED JUNE 30, 2020, FOR THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

RECOMMENDED ACTION: *Approve Independent Auditor's Report for FY 19-20.*

5.5 CONSIDERATION OF INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS FOR THE FISCAL YEAR ENDED JUNE 30, 2020, FOR THE PUBLIC FACILITIES AUTHORITY

RECOMMENDED ACTION: *Approve Independent Auditor's Report for FY 19-20.*

5.6 CONSIDERATION OF AUDITOR'S COMMUNICATIONS WITH THE BOARD OF DIRECTORS FOR THE FISCAL YEAR ENDED JUNE 30, 2020, FOR THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

RECOMMENDED ACTION: *Approve Auditor's Communication Report for FY 19-20.*

JOINT SPECIAL MEETING MINUTES OF THE CITY OF INDUSTRY
SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
AND INDUSTRY PUBLIC FACILITIES AUTHORITY

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5.7 CONSIDERATION OF AUDITOR'S COMMUNICATIONS WITH THE BOARD OF DIRECTORS FOR THE FISCAL YEAR ENDED JUNE 30, 2020, FOR THE PUBLIC FACILITIES AUTHORITY

RECOMMENDED ACTION: *Approve Auditor's Communication Report for FY 19-20.*

MOTION BY VICE CHAIR MARCUCCI AND SECOND BY BOARD MEMBER GREUBEL TO APPROVE THE CONSENT CALENDAR. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	GREUBEL, RADECKI, RUGGLES, VC/MARCUCCI, C/MOSS
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

ADJOURNMENT

There being no further business, the Joint Special Meeting adjourned at 8:38 a.m.

CORY MOSS
CHAIR

JULIE ROBLES
SECRETARY

*JOINT SPECIAL MEETING
INDUSTRY PUBLIC UTILITIES COMMISSION
INDUSTRY PUBLIC FACILITIES AUTHORITY*

ITEM NO. 5.2



INDUSTRY PUBLIC FACILITIES AUTHORITY

MEMORANDUM

TO: Honorable Chair and Members of the Board of Directors Industry Public Facilities Authority

FROM: Troy Helling, Executive Director *TH*

STAFF: Bing Hyun, Assistant Executive Director *BH*

DATE: June 24, 2021

SUBJECT: Consideration of Amendment No. 2 to the Professional Services Agreement with CliftonLarsonAllen, LLP, for Auditing Services through June 30, 2022 in an amount not-to-exceed \$11,950.00

Background:

On April 23, 2020, the Industry Public Facilities Authority ("IPFA") approved a Professional Services Agreement ("Agreement") with White Nelson Diehl Evans, LLP ("WNDE") to provide auditing services in the amount of \$5,830.00 through June 30, 2021.

Effective November 1, 2020, WNDE was acquired by CliftonLarsonAllen, LLP ("CLA"), and has been operating under the CLA name since that time. On December 10, 2020, Amendment No. 1 was approved to transfer the Agreement with WNDE to its successor in interest CLA, and revise indemnity provisions to clarify the auditor's role and responsibilities as independent contractors.

Discussion:

The Agreement is set to expire on June 30, 2021. Amendment No. 2 will extend the term through June 30, 2022, provide two (2) one-year extension options, and increase the compensation amount by \$6,120.00. Additionally, the amendment will further update indemnity provisions related to the auditor's status as independent contractors to match IPFA's current standard language, and update the notices of the Agreement to reflect the current addresses for the General Counsel and CLA.

The table below shows the Agreement's total not-to-exceed amount.

Professional Services Agreement	\$5,830.00
Amendment No. 1	\$0
Amendment No. 2 (proposed)	\$6,120.00
Total	\$11,950.00

Fiscal Impact:

No fiscal impact at this time. Costs for work to be performed through June 30, 2022 will be appropriated in Account Code No. 440-300-5120.01 as part of the FY 2021/22 adopted budget.

Recommendation:

- 1.) Staff recommends that the IPFA approve Amendment No. 2 to the Professional Services Agreement with CliftonLarsonAllen, LLP.

Exhibit:

- A. Amendment No. 2 to the Professional Services Agreement with CliftonLarsonAllen, LLP, dated June 24, 2021
-

TH/BH:yp

EXHIBIT A

Amendment No. 2 to the Professional Services Agreement with CliftonLarsonAllen, LLP,
dated June 24, 2021

[Attached]

**AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT WITH
CLIFTONLARSONALLEN, LLP**

This Amendment No. 2 to the Professional Services Agreement (“Agreement”), is made and entered into this 24th day of June, 2021 (“Effective Date”), by and between the Industry Public Facilities Authority, a California Joint Powers Authority (“IPFA”) and CliftonLarsonAllen, LLP, a California limited liability partnership (“Consultant”). The IPFA and Consultant are hereinafter collectively referred to as the “Parties”.

RECITALS

WHEREAS, on or about April 23, 2020, the Agreement was entered into and executed between the IPFA and White Nelson Diehl Evans, LLC (“WNDE”) to provide professional auditing services; and

WHEREAS, effective November 1, 2020, WNDE was acquired by CliftonLarsonAllen, LLP (“CLA”), and has been operating under the CLA name since that time. On or about December 10, 2020, the IPFA approved Amendment No. 1 to assign the Agreement to CLA and revise indemnity provisions to clarify the auditor’s role and responsibilities as independent contractors; and

WHEREAS, the Parties desire to amend the Agreement to extend the term to June 30, 2022, provide extension options, increase the compensation by \$6,120.00, update the rate schedule, amend the notices section to include the current addresses for General Counsel and Consultant, and update indemnity provisions; and

WHEREAS, for the reasons set forth herein, the IPFA and Consultant desire to enter into this Amendment No. 2, as set forth below.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided:

Section 1. TERM

Section 1 is hereby amended to read in its entirety as follows:

This Agreement shall be effective as of November 1, 2020, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2022, unless sooner terminated pursuant to the provisions of this Agreement. Notwithstanding the foregoing, the IPFA may extend the Term of the Agreement for two

(2) one (1) year extensions.

Section 4. PAYMENT

Section 4(a) is hereby amended to read in its entirety as follows:

(a) The IPFA agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B (“Rate Schedule”), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed Eleven Thousand Nine Hundred Fifty Dollars (\$11,950.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

Section 9. INDEPENDENT CONSULTANT

Section 9(c) is hereby added in its entirety to read as follows:

(c) Consultant shall indemnify, defend and hold harmless, the IPFA, its elected officials, officers, employees and agents, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including contributions to any retirement and/or pension plan, legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, Consultant’s or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant, service as an independent contractor. The provisions of this Section 9 (c) are effective as of January 1, 2020. The indemnity provisions set forth in this Section 9(c) shall survive the termination of this Agreement, and are in addition to any other rights or remedies the IPFA may have under the law.

Section 10. LEGAL RESPONSIBILITIES

Section 10(c) is hereby deleted in its entirety.

Section 11. NOTICES

The addresses for James M. Casso and Consultant are hereby revised to read in its entirety as follows:

With a Copy To: Casso & Sparks, LLP
13300 Crossroads Parkway North, Suite 410
City of Industry, CA 91746
Attention: James M. Casso, General Counsel

To Consultant: CliftonLarsonAllen, LLP

2875 Michelle Drive, Suite 300
Irvine, CA 92606
Attention: Daphnie Munoz

EXHIBIT B RATE SCHEDULE

The Rate Schedule is hereby rescinded in its entirety and replaced with the information set forth in Attachment 1, attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties here executed this Amendment No. 2 to the Agreement as of the Effective Date.

“IPFA”
Industry Public Facilities Authority

“CONSULTANT”
CliftonLarsonAllen, LLP

By: _____
Troy Helling, Executive Director

By: _____
Daphnie Munoz, Principal

Attest:

By: _____
Julie Gutierrez-Robles, Secretary

APPROVED AS TO FORM:

By: _____
James M. Casso, General Counsel

Attachment 1

EXHIBIT B

RATE SCHEDULE

Description of Services	Estimated Hours	Cost
Audited Financial Statements of the Industry Public Facilities Authority, Report on Internal Controls Over Financial Reporting, and Auditors' Communication with the Board of Directors	48	\$6,120.00
Total	48	\$6,120.00

AUDIT STAFF STANDARD HOURLY BILLING RATES

	Hourly Rate
Partner	\$263.00
Manager	\$184.00
Supervisory Staff	\$126.00
Professional Staff	\$100.00
Clerical	\$74.00

*JOINT SPECIAL MEETING
INDUSTRY PUBLIC UTILITIES COMMISSION
INDUSTRY PUBLIC FACILITIES AUTHORITY*

ITEM NO. 5.3



INDUSTRY PUBLIC UTILITIES COMMISSION

MEMORANDUM

TO: Board of Directors

FROM: Troy Helling, Executive Director *TH*

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

DATE: June 24, 2021

SUBJECT: Consideration of Resolution No. 2021-04 - A Resolution of the Industry Public Utilities Commission Approving and Adopting the FY 2021-22 Industry Public Utilities Budget.

Budget Recap

Below is a summary of the revenues and expenses for the Industry Public Utilities (“IPU”).

INDUSTRY PUBLIC UTILITIES
BUDGET COMPARISON TO PRIOR YEAR
PROPOSED BUDGET 2021-2022

	PROPOSED REVENUES			PROPOSED BUDGETED EXPENDITURES		
	2021-2022	2020-2021	% - CHANGE	2021-2022	2020-2021	% - CHANGE
161 IPU ELECTRICITY	4,713,000	4,621,900	2%	4,465,600	4,734,200	-6%
560 IPU - RECLAIMED WATER	1,347,000	1,294,700	4%	427,000	660,300	-35%
561 IPU - PORTABLE WATER	1,918,500	2,041,800	-6%	2,351,400	2,142,600	10%
Total IPUC	<u>7,978,500</u>	<u>7,958,400</u>	0%	<u>7,244,000</u>	<u>7,537,100</u>	-4%

Staff has budgeted total revenues for IPU – Electric in the amount of \$4,713,000.00, and are anticipating \$4,465,600.00 of expenditures, which represents a \$247,400.00 increase in fund balance for FY 2021-2022. IPU Electricity generates revenues from electricity sales and incurs expenditures mainly on purchase of electricity, professional services, general engineering and utilities and energy rebates.

In addition, Staff has budgeted total revenues for IPU – Reclaimed water in the amount of \$1,347,000.00, and are anticipating \$427,000.00 of expenditures, which represents a \$920,000.00 increase in fund balance for FY 2021-2022. IPU – Reclaimed water

generates revenues from reclaimed water sales and incurs expenditures mainly on contract labor for professional and technical services, reclaimed water system and utilities.

Staff has budgeted total revenues for IPU – Potable Water in the amount of \$1,918,500.00, and are anticipating \$2,351,400.00 of expenditures, which represents a \$432,900.00 decrease in fund balance for FY 2021-2022. IPU – Potable water generates revenues from water sales and services charges, and incurs expenditures mainly on salaries, benefits, professional services, assessments, operating and maintenance fees, repairs and utilities.

Additionally, the City of Industry has included in its proposed Capital Improvement budget, \$3.3 million, of which \$1.0 million and \$2.3 million will be spent on IPU – Electric, and IPU – Reclaimed water, respectively.

FISCAL IMPACT

The FY 2021-22 Proposed IPU Budget totals **\$7,244,000.00** in expenditures, and is supported by **\$7,978,500.00** in revenues, which will increase the fund balance by **\$734,500.00**.

The FY 2021-22 Proposed Capital Budget for the IPU totals **\$3,275,000** and is supported by City funds, as included in the FY 2021-22 Adopted CIP Budget.

RECOMMENDATION

Staff recommends the Industry Public Utilities Commission adopt Resolution No. IPUC 2021-04, adopting the Budget for the Industry Public Utilities for Fiscal Year 2021-2022.

Attachments:

1. Resolution No. IPUC 2021-04 – Resolution Approving the FY 2022 Proposed IPUC Budget
2. Exhibit A – FY 2021-22 Proposed IPUC Budget
3. Exhibit B – FY 2021-22 Proposed IPUC Capital Project List

RESOLUTION NO. IPUC 2021-04

**A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION
ADOPTING THE FY 2021-22 INDUSTRY PUBLIC UTILITIES BUDGET**

WHEREAS, on June 16, 2021, the Industry Public Utilities Commission (“IPUC”) held a special budget workshop and received a presentation on the FY 2021-22 (“FY 2022”) proposed budget for the Industry Public Utilities (“IPU”); and

WHEREAS, the purpose of the budget workshop was to give the IPUC Board an opportunity to thoroughly review the proposed budget, ask questions, and provide comments and direction to Staff in preparation for the budget adoption meeting; and

WHEREAS, it is necessary for the IPUC Board to adopt the IPU’s FY 2022 Budget; and

WHEREAS, the IPUC received a final presentation on the FY 2022 Budget on June 24, 2021.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE INDUSTRY PUBLIC UTILITIES COMMISSION 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 Board of Directors of the IPUC hereby adopts the FY 2022 Budget, attached hereto as Exhibit A, and incorporated herein by reference.

Section 3. 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 4. The Secretary shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED by the Industry Public Utilities Commission at a special meeting held on June 24, 2021, by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:

Cory C. Moss, President

ATTEST:

Julie Gutierrez-Robles, Secretary



Industry Public Utilities Commission

City of Industry | FY 2021/22 Proposed Budget

**INDUSTRY PUBLIC UTILITY COMMISSION
PROPOSED ANNUAL BUDGET
REVENUE DETAIL**

REVENUE SUMMARY BY FUND	ADOPTED BUDGET 2019-20	AMENDED BUDGET 2019-20	ACTUAL 2019-20	ADOPTED BUDGET 2020-21	AMENDED BUDGET 2020-21	ACTUAL 3/31/2021	PROPOSED BUDGET 2021-2022
IPUC - ELECTRICITY							
4103.01 ELECTRICITY SALE - LARGE COMMERCIAL	\$ 3,901,000	\$ 3,901,000	\$ 3,547,110	\$ 3,510,900	\$ 3,510,900	\$ 2,440,497	\$ 3,753,000
4103.02 ELECTRICITY SALES - LARGE GENERAL SERVICES	784,000	784,000	725,642	784,000	784,000	442,740	681,000
4103.03 ELECTRICITY SALES - SMALL COMMERCIAL	71,000	71,000	64,069	71,000	71,000	50,860	79,000
4103.04 ELECTRICITY SALES - RESIDENTIAL	15,000	15,000	14,709	15,000	15,000	11,066	18,000
4104 METER SERVICE CHARGE	170,000	170,000	247,739	170,000	170,000	71,658	111,000
4355 OTHER INCOME	71,000	71,000	669,098	71,000	71,000	250,000	71,000
IPUC - ELECTRIC TOTAL	<u>\$ 5,012,000</u>	<u>\$ 5,012,000</u>	<u>\$ 5,268,368</u>	<u>\$ 4,621,900</u>	<u>\$ 4,621,900</u>	<u>\$ 3,266,820</u>	<u>\$ 4,713,000</u>
IPUC - RECLAIMED WATER							
4115 RECLAIMED WATER SALES	\$ 1,404,000	\$ 1,404,000	\$ 1,291,284	\$ 1,200,000	\$ 1,200,000	\$ 674,466	\$ 1,277,000
4300.02 INVESTMENT INTEREST INCOME	131,000	131,000	134,717	91,700	91,700	48,162	66,000
4355 OTHER INCOME	3,000	3,000	2,637	3,000	3,000	2,637	4,000
IPUC - RECLAIMED WATER TOTAL	<u>\$ 1,538,000</u>	<u>\$ 1,538,000</u>	<u>\$ 1,428,638</u>	<u>\$ 1,294,700</u>	<u>\$ 1,294,700</u>	<u>\$ 725,265</u>	<u>\$ 1,347,000</u>
IPUC - PORTABLE WATER							
4000 WATER SALE	\$ 1,239,000	\$ 1,239,000	\$ 1,135,989	\$ 1,228,500	\$ 1,228,500	\$ 775,302	\$ 1,150,000
4001 SERVICE CHARGES	618,600	618,600	617,389	645,800	645,800	355,857	610,000
4002 CUSTOMER CHARGES	21,000	21,000	17,125	18,000	18,000	6,666	3,000
4003 FIRE SERVICES DC CHARGES	105,000	105,000	102,845	107,000	107,000	64,314	103,000
4440 MISCELLANEOUS INCOME	42,500	42,500	76,538	42,500	42,500	28,657	52,500
IPUC - PORTABLE WATER TOTAL	<u>\$ 2,026,100</u>	<u>\$ 2,026,100</u>	<u>\$ 1,949,885</u>	<u>\$ 2,041,800</u>	<u>\$ 2,041,800</u>	<u>\$ 1,230,796</u>	<u>\$ 1,918,500</u>
IPUC TOTAL	<u>\$ 8,576,100</u>	<u>\$ 8,576,100</u>	<u>\$ 8,646,891</u>	<u>\$ 7,958,400</u>	<u>\$ 7,958,400</u>	<u>\$ 5,222,882</u>	<u>\$ 7,978,500</u>

**INDUSTRY PUBLIC UTILITY COMMISSION
PROPOSED ANNUAL BUDGET
ELECTRIC FUND EXPENDITURES**

<u>OBJECT #</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ADOPTED BUDGET 2019-20</u>	<u>AMENDED BUDGET 2019-20</u>	<u>ACTUAL 2019-20</u>	<u>ADOPTED BUDGET 2020-21</u>	<u>AMENDED BUDGET 2020-21</u>	<u>ACTUAL 3/31/2021</u>	<u>PROPOSED BUDGET 2021-2022</u>
ELECTRIC FUND								
5012	INSURANCE AND BONDS	5,000	5,000	6,009	5,000	5,000	-	-
5013	TELEPHONE	39,000	39,000	32,551	32,000	32,000	25,627	35,000
5021	DUES,SUBSCRIPTIONS,BOOKS,	5,000	9,000	17,678	13,000	9,000	16,500	20,000
5025	MISCELLANEOUS	5,000	5,000	-	1,000	1,000	-	5,000
5060.01	SPECIAL TAXES AND FEES- ELECTRIC	25,000	25,000	11,329	13,000	13,000	5,858	12,000
5120.01	PROFESSIONAL SERVICES	301,000	436,560	448,787	460,000	409,400	200,588	480,000
5120.02	LEGAL SERVICES	200,000	12,000	31,235	50,000	37,600	4,673	10,000
5130	PLANNING, SURVEY AND DESIGN	50,000	50,000	-	50,000	20,000	3,973	60,000
5550	REPAIR AND MAINTENANCE EQUIPMENT	1,000	1,000	1,564	2,500	2,500	540	1,500
5560	EQUIPMENT RENTAL	5,000	5,000	-	5,000	2,000	-	5,000
5570	PRINTING AND PHOTOGRAPHS	-	-	186	500	500	233	500
5640	ADVERTISING AND PRINTING	5,000	5,000	-	1,000	1,000	635	1,000
5695.01	COMPUTER SERVICES	10,000	10,000	10,159	30,000	20,000	7,119	30,000
5730.01	UTILITIES - GAS	2,000	2,000	602	1,200	1,200	400	600
5730.03	UTILITIES - ELECTRICITY	385,000	418,000	364,557	370,000	370,000	197,376	325,000
5900	GENERAL ENGINEERING	650,000	472,000	374,604	560,000	342,400	216,931	425,000
6050	HAZARDOUS WASTE - DISPOSAL	-	-	-	-	11,900	6,899	10,000
6200	CONTRACT LABOR - PROFESSIONAL TECHNICAL SERVI	410,000	325,000	224,888	100,000	108,300	84,282	110,000
6325	DEPRECIATION	80,000	80,000	113,356	115,000	115,000	-	115,000
6414	ELECTRIC PURCHASED POWER	2,900,000	2,721,000	2,226,116	2,550,000	2,420,300	1,536,058	2,400,000
6415	ENERGY REBATE	160,000	160,000	25,000	160,000	50,000	-	160,000
8510	PROPERTY MAINTENANCE	5,000	5,000	9,812	15,000	800	503	10,000
9010	FURNITURE, EQUIPMENT AND FIXTURES	-	-	27,961	200,000	1,300	1,856	250,000
TOTAL		<u>\$ 5,243,000</u>	<u>\$ 4,785,560</u>	<u>\$ 3,926,393</u>	<u>\$ 4,734,200</u>	<u>\$ 3,974,200</u>	<u>\$ 2,310,051</u>	<u>\$ 4,465,600</u>

INDUSTRY PUBLIC UTILITY COMMISSION
 PROPOSED ANNUAL BUDGET
 ELECTRIC UTILITY METROLINK DIVISION EXPENDITURES

OBJECT #	ACCOUNT DESCRIPTION	ADOPTED BUDGET 2019-20	AMENDED BUDGET 2019-20	ACTUAL 2019-20	ADOPTED BUDGET 2020-21	AMENDED BUDGET 2020-21	ACTUAL 3/31/2021	PROPOSED BUDGET 2021-2022
ELECTRIC UTILITY - METROLINK DIVISION								
5013	TELEPHONE	\$ 30,000	\$ 30,000	\$ 8,303	\$ -	\$ -	\$ -	\$ -
5021	DUES AND SUBSCRIPTIONS	1,000	1,000	147	-	-	-	-
5025	MISCELLANEOUS	1,000	1,000	-	-	-	-	-
5065	OTHER CONTRACTED SERVICES	-	-	28,881	-	-	-	-
5120.01	PROFESSIONAL SERVICES	30,000	60,000	-	-	-	-	-
5550	REPAIR AND MAINTENANCE EQUIPMENT	70,000	70,000	544	-	-	-	-
5565	SMALL EQUIPMENTS & SUPPLIES	130,000	228,000	40,462	-	-	-	-
5695	COMPUTER SUPPLIES	1,000	1,000	22,751	-	-	-	-
5695.01	COMPUTER SERVICES	5,000	5,000	-	-	-	-	-
5730.01	UTILITIES - GAS	50,000	50,000	-	-	-	-	-
5730.03	UTILITIES - ELECTRIC	-	-	73,515	-	-	-	-
5900	GENERAL ENGINEERING	50,000	50,000	27,588	-	-	-	-
	TOTAL	\$ 368,000	\$ 496,000	\$ 202,191	\$ -	\$ -	\$ -	\$ -

INDUSTRY PUBLIC UTILITY COMMISSION
 PROPOSED ANNUAL BUDGET
 IPUC EXPENDITURES (RECLAIMED WATER)

OBJECT #	ACCOUNT DESCRIPTION	ADOPTED BUDGET 2019-20	AMENDED BUDGET 2019-20	ACTUAL 2019-20	ADOPTED BUDGET 2020-21	AMENDED BUDGET 2020-21	ACTUAL 3/31/2021	PROPOSED BUDGET 2021-2022
IPUC EXPENDITURES (RECLAIMED WATER)								
5011	BOARD SALARIES	\$ 16,000	\$ 16,000	\$ 15,330	\$ 15,000	\$ 15,000	\$ 11,753	\$ -
5012	GENERAL INSURANCE AND BONDING	5,000	5,000	6,278	5,000	5,000	-	-
5018	OFFICE SUPPLIES & POSTAGE	-	-	186	-	-	-	-
5027	MEDICARE	300	300	222	300	300	170	-
5031	DISABILITY	1,000	1,000	950	1,000	1,000	729	-
5110	ACCOUNTING FEES	1,000	1,000	675	1,000	1,000	568	1,000
5120.02	LEGAL SERVICES	-	-	6,675	-	-	-	-
5730.03	UTILITIES - ELECTRIC	210,000	210,000	184,676	210,000	210,000	165,386	227,000
5740	PROPERTY TAXES AND ASSESSMENTS	10,000	10,000	7,293	10,000	10,000	7,444	11,000
5900	GENERAL ENGINEERING	-	-	-	-	-	88	1,000
6200	CONTRACT LABOR - PROFESSIONAL AND TECHNICAL SERVICES	118,000	118,000	137,798	118,000	118,000	67,392	93,000
6325	DEPRECIATION	-	-	529,627	-	-	-	-
9060	RECLAIMED WATER SYSTEM	318,000	318,000	825,174	300,000	300,000	68,264	94,000
	TOTAL	<u>\$ 679,300</u>	<u>\$ 679,300</u>	<u>\$ 1,714,885</u>	<u>\$ 660,300</u>	<u>\$ 660,300</u>	<u>\$ 321,792</u>	<u>\$ 427,000</u>

INDUSTRY PUBLIC UTILITY COMMISSION
 PROPOSED ANNUAL BUDGET
 IPUC EXPENDITURES (POTABLE WATER)

OBJECT #	ACCOUNT DESCRIPTION	ADOPTED BUDGET 2019-20	AMENDED BUDGET 2019-20	ACTUAL 2019-20	ADOPTED BUDGET 2020-21	AMENDED BUDGET 2020-21	ACTUAL 3/31/2021	PROPOSED BUDGET 2021-2022
IPUC EXPENDITURES (POTABLE WATER)								
5001	SALARIES	\$ 437,200	\$ 437,200	\$ 414,005	\$ 454,000	\$ 454,000	\$ 246,858	\$ 464,000
5012	GENERAL INSURANCE AND BONDING	15,000	15,000	23,475	15,000	15,000	11,242	17,500
5015	PAYROLL TAXES	31,700	31,700	27,988	30,400	30,400	16,108	31,000
5017	GROUP MEDICAL/DENTAL	150,100	150,100	131,644	152,000	152,000	74,984	145,000
5018	OFFICE SUPPLIES & POSTAGE	22,700	22,700	21,009	30,000	30,000	10,712	30,000
5019	RETIREMENT PROGRAM	61,900	61,900	63,217	63,000	63,000	41,701	72,000
5120.01	PROFESSIONAL SERVICES	250,000	250,000	94,085	78,500	78,500	31,725	115,000
5301	PURCHASE WATER	258,400	258,400	373,001	285,600	285,600	9,097	419,100
5302	PURCHASE POWER	125,000	125,000	(15,037)	131,300	131,300	101,436	170,000
5303	ASSESSMENTS	232,700	232,700	235,093	281,800	281,800	13,236	283,200
5430	TRANSMISSION & DISTRIBUTION	75,000	75,000	55,567	85,000	85,000	44,292	85,000
5460	OTHER EXPENSES - FIELD SUPPORT	35,000	35,000	32,298	40,000	40,000	22,764	40,000
5470	REGULATORY COMPLIANCE	40,000	40,000	33,956	38,000	38,000	22,503	38,000
5509	BILLING EXPENSE	30,000	30,000	26,977	30,000	30,000	15,686	30,000
5550	REPAIR AND MAINTENANCE EQUIPMENT	86,100	86,100	204,531	92,000	92,000	4,371	92,000
5620	VEHICLE EXPENSES	36,000	36,000	31,328	36,000	36,000	15,799	36,000
5631	LIFE INSURANCE AND WORKERS COMPENSATION	6,600	6,600	-	7,000	7,000	3,079	7,000
5640	ADVERTISING & PRINTING	15,000	15,000	2,761	30,000	30,000	109	-
5730	UTILITIES	-	-	7,276	-	-	3,184	-
5900	GENERAL ENGINEERING	12,000	12,000	-	-	-	-	-
5999	O AND M FEES	191,400	191,400	191,320	195,200	195,200	96,607	199,100
8104	SERVICE LINE REPLACEMENTS	30,000	30,000	38,073	30,000	30,000	36,386	30,000
8105	FH LATERALS	6,300	6,300	-	6,300	6,300	-	6,500
8106	VALVE REPLACEMENTS	19,500	19,500	-	19,500	19,500	-	19,000
8510	PROPERTY MAINTENANCE	-	-	18,546	-	-	15,157	10,000
9010		-	-	-	12,000	12,000	-	12,000
TOTAL		<u>\$ 2,167,600</u>	<u>\$ 2,167,600</u>	<u>\$ 2,011,112</u>	<u>\$ 2,142,600</u>	<u>\$ 2,142,600</u>	<u>\$ 837,035</u>	<u>\$ 2,351,400</u>



CIP Detail – IPUC

Electric, Water

City of Industry | FY 2021/22 Proposed Budget

**Capital Improvement Program - IPUC Electric, Water
FY 2021 - 2022**

#	Project Name	FY 21-22 Proposed Budget
13. IPU - Water Utility		
A	3rd Avenue, Starhill Lane, Don Julian Road and Basetdale Avenue Waterline Improvements	810,000.00
B	4th Avenue & Trailside Waterline Improvements	135,000.00
C	Don Julian & Basetdale Waterline Improvements	-
D	Groundwater Treatment Plan	20,000.00
E	Lomitas Generator	10,000.00
	Total	\$975,000
14. IPU - Electric Improvements		
A	Automatic Meter Reading	385,000.00
B	Upgrade cable of Waddingham Circuit at Shopping Center	160,000.00
C	Upgrade Distribution System to provide electric service at 886 S. Azusa Avenue	380,000.00
D	Electrical Service Improvement at IBC	600,000.00
E	Streetlights Improvement at IBC	625,000.00
F	Electrical Service improvement to development at Pacific Palms	150,000.00
	Total	\$2,300,000
	TOTALS - IPUC	\$3,275,000

*JOINT SPECIAL MEETING
INDUSTRY PUBLIC UTILITIES COMMISSION
INDUSTRY PUBLIC FACILITIES AUTHORITY*

ITEM NO. 5.4



INDUSTRY PUBLIC FACILITIES AUTHORITY

MEMORANDUM

TO: Board of Directors

FROM: Troy Helling, Executive Director *TH*

STAFF: Yamini Pathak, Director of Finance *Y*
Dean Yamagata, Frazer, LLP - Financial Consultant

DATE: June 24, 2021

SUBJECT: Consideration of Resolution No. 2021-01 - A Resolution of the City of Industry Public Facilities Authority ("IPFA") Adopting the FY 2021-22 IPFA Budget

Budget Recap

Although the Debt Service fund is showing a deficit of \$32.4 million for FY 2021-22, which is presented in accordance with the generally accepted accounting standards, based upon the actual cash receipts and cash expenditures table noted below there will be sufficient revenue received from the Successor Agency and City to fund the IPFA's annual debt service.

For FY 2021-2022, the IPFA has budgeted the following bond payments:

City Loan payment (2015B Subordinate Sales Tax)	\$4.2 million
2015 A&B Tax Allocation Revenue Bonds	<u>\$83.2 million</u>
Total	\$87.4 million

The budgeted bond payments are supported by the following:

Successor Agency RPTTF Funds	\$36.0 million
City Tax Override Funds	\$49.3 million
City Lease Payments	\$0.9 million
City Sales Tax Bond Principal and Interest Payments	<u>\$4.2 million</u>
Total	\$90.4 million

FISCAL IMPACT

The FY 2022 IPFA Budget totals **\$88,195,600** in expenditures and is supported by \$88.2 million of existing funds.

RECOMMENDATION

Staff recommends the Industry Public Facilities Authority adopt Resolution No. IPFA 2021-01, adopting the Budget for the City of Industry Public Facilities Authority for Fiscal Year 2021-2022.

Attachments:

1. Resolution No. IPFA 2021-01 – Resolution Approving the FY 2022 IPFA Budget
2. Exhibit A – FY 2021-2022 IPFA Budget

RESOLUTION NO. IPFA 2021-01

**A RESOLUTION OF THE CITY OF INDUSTRY PUBLIC FACILITIES
AUTHORITY (“IPFA”), ADOPTING THE FY 2021-22 IPFA BUDGET**

WHEREAS, on June 16, 2021, the IPFA held a special budget workshop and received a presentation on the FY 2021-22 (“FY 2022”) proposed budget for the IPFA; and

WHEREAS, the purpose of the budget workshop was to give the IPFA Board an opportunity to thoroughly review the proposed budget, ask questions, and provide comments and direction to Staff in preparation for the budget adoption meeting; and

WHEREAS, it is necessary for the IPFA Board to adopt the IPFA’s FY 2022 Budget; and

WHEREAS, the IPFA Board received a final presentation on the FY 2022 Budget on June 24, 2021.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE CITY OF INDUSTRY PUBLIC FACILITIES 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 Board hereby adopts the FY 2022 Budget, attached hereto as Exhibit A, and incorporated herein by reference.

Section 3. 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 4. The Secretary shall certify to the passage and adoption of this resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED by the City of Industry Public Facilities Authority at a special meeting held on June 24, 2021, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:

Cory C. Moss, Chair

ATTEST:

Julie Gutierrez-Robles, Secretary



Industry Public Facilities Authority (“IPFA”)

City of Industry | FY 2021/22 Proposed Budget

INDUSTRY PUBLIC FACILITY AUTHORITY
PROPOSED ANNUAL BUDGET
REVENUE DETAIL

REVENUE SUMMARY BY FUND	ADOPTED BUDGET 2019-20	AMENDED BUDGET 2019-20	ACTUAL 2019-20	ADOPTED BUDGET 2020-21	AMENDED BUDGET 2020-21	ACTUAL 3/31/2021	PROPOSED BUDGET 2021-2022
IPFA							
4300.03 US BANK INTEREST INCOME	\$ 3,340,000	\$ 3,340,000	\$ 650,072	\$ 2,500,000	\$ 2,500,000	\$ 2,351,179	\$ 3,134,900
4300.04 GAIN/LOSS	(200,000)	(200,000)	(3,825,027)	-	-	1,115,795	-
4300.05 INTEREST INCOME - CITY LOAN	3,681,594	3,681,594	3,687,948	3,688,000	3,688,000	-	3,645,500
4307 INTEREST INCOME SA IUDA BOND	12,529,586	12,529,586	11,097,408	8,706,123	8,706,123	8,706,123	4,358,800
4420 LEASE INCOME	937,700	937,700	934,659	930,000	930,000	933,465	-
IPFA TOTAL	\$ 20,288,880	\$ 20,288,880	\$ 12,545,059	\$ 15,824,123	\$ 15,824,123	\$ 13,106,561	\$ 11,139,200

INDUSTRY PUBLIC FACILITY AUTHORITY
PROPOSED ANNUAL BUDGET
IPFA EXPENDITURES

OBJECT #	ACCOUNT DESCRIPTION	ADOPTED BUDGET 2019-20	AMENDED BUDGET 2019-20	ACTUAL 2019-20	ADOPTED BUDGET 2020-21	AMENDED BUDGET 2020-21	ACTUAL 3/31/2021	PROPOSED BUDGET 2021-2022
IPFA EXPENDITURES								
5120.01	PROFESSIONAL SERVICES	\$ 7,000	\$ 7,000	\$ 6,103	\$ 7,000	\$ 7,000	\$ -	\$ -
5120.03	ACCOUNTING SERVICES	-	-	808,620	-	-	-	-
	5710 LEASE OBLIGATION- PFA	373,150	373,150	373,144	373,000	373,000	-	373,000
9450.18	PFA - 2010 REFUNDING LEASE REVENUE BOND (PRINCIPAL)	880,000	880,000	880,000	915,000	915,000	915,000	-
9450.24	2015B SUBORDINATE SALES TAX REVENUE BOND (PRINCIPAL)	520,000	520,000	-	540,000	540,000	-	560,000
9451.18	PFA - 2010 REFUNDING LEASE REVENUE BOND (INTEREST)	57,038	57,038	57,038	19,444	19,444	19,444	-
9451.24	2015B SUBORDINATE SALES TAX RERVENUE BOND (INTEREST)	3,687,948	3,687,948	3,681,593	3,668,448	3,668,448	1,834,224	3,645,500
9470.01	2015 A PROJ # 1 TAX ALLOC REV REFUNDING BOND TAXABLE-PRINCIPAL	37,925,000	37,925,000	37,925,000	39,090,000	39,090,000	39,090,000	35,120,000
9470.02	2015 A PROJ # 2 TAX ALLOC REV REFUNDING BOND TAX EXEMP-PRINCIPAL	770,000	770,000	770,000	805,000	805,000	805,000	3,635,000
9470.03	2015 B PROJ # 2 TAX ALLOC REV REFUNDING BOND TAXABLE -PRINCIPAL	50,905,000	50,905,000	74,520,000	64,490,000	64,490,000	64,620,000	15,015,000
9470.05	2015 A PROJ # 3 TAX ALLOC REV REFUNDING BOND TAX EXEMP-PRINCIPAL	780,000	780,000	780,000	815,000	815,000	815,000	3,680,000
9470.06	2015 B PROJ # 3 TAX ALLOC REV REFUNDING BOND TAXABLE -PRINCIPAL	3,425,000	3,425,000	3,425,000	3,530,000	3,530,000	3,530,000	21,440,000
9471.01	2015 A PROJ # 1 TAX ALLOC REV REFUNDING BOND TAXABLE-INTEREST	4,840,094	4,840,094	4,840,094	3,649,628	3,649,628	3,649,628	2,292,900
9471.02	2015 A PROJ # 2 TAX ALLOC REV REFUNDING BOND TAX EXEMP-INTEREST	260,500	260,500	260,500	222,000	222,000	222,000	181,800
9471.03	2015 B PROJ # 2 TAX ALLOC REV REFUNDING BOND TAXABLE -INTEREST	6,774,819	6,774,819	6,774,819	3,350,258	3,350,258	3,350,258	618,800
9471.05	2015 A PROJ # 3 TAX ALLOC REV REFUNDING BOND TAX EXEMP-INTEREST	263,750	263,750	263,750	224,750	224,750	224,750	184,000
9471.06	2015 B PROJ # 3 TAX ALLOC REV REFUNDING BOND TAXABLE -INTEREST	1,362,237	1,362,237	1,362,237	1,259,587	1,259,587	1,259,487	1,081,500
	9454 REDEMPTION PREMIUM	745,000	745,000	1,152,300	940,000	940,000	942,600	360,100
	9750 FISCAL AGENT FEES	8,000	8,000	8,600	8,000	8,000	6,000	8,000
	TOTAL	<u>\$ 113,584,536</u>	<u>\$ 113,584,536</u>	<u>\$ 137,888,797</u>	<u>\$ 123,907,115</u>	<u>\$ 123,907,115</u>	<u>\$ 121,283,390</u>	<u>\$ 88,195,600</u>