



CALIFORNIA CITIES FOR SELF RELIANCE JOINT POWERS AUTHORITY
REGULAR SCHEDULED MEETING

THIS MEETING WILL BE CONDUCTED IN PERSON, TELEPHONICALLY AND ELECTRONICALLY AT THE FOLLOWING:

**CITY OF COMMERCE
ADMINISTRATION CONFERENCE ROOM
2535 COMMERCE WAY
COMMERCE, CA 90040**

TELECONFERENCE PHONE NUMBER: (669) 900-6833, 6476620089#

ELECTRONICALLY AT ZOOM MEETING ID: 647 662 0089

THURSDAY, MAY 23, 2024

12:30 P.M.

A G E N D A

1. CALL TO ORDER & ROLL CALL

Board Members: Francis De Leon Sanchez, Treasurer - *Bell Gardens*
Hugo Argumedo, Member – *Commerce*
Emma Sharif, Vice Chair – *Compton*
Martin Fuentes, Secretary – *Cudahy*
Victor Farfan, Chair – *Hawaiian Gardens*

2. APPROVAL OF AGENDA

3. PUBLIC PARTICIPATION

Public participation is now open. The members of the audience now have the right to speak on agenda items and any item under the jurisdiction of the Authority. This period will be limited to thirty minutes, with no more than three minutes for each speaker. Anyone desiring to speak during the public comment period must submit an email request juan@sixheron.com, or to the Authority Secretary via Zoom prior to the close of public participation. Due to policy and Brown Act requirements, action will not be taken on any issues not on the Agenda.

Please state your name and address clearly.

4. NEW BUSINESS – OPEN SESSION

4-1. Welcome – City of Commerce.

4-2. Consideration and possible action to approve the Minutes of the April 17, 2024 Regular Meeting of the Board.

4-3. Consideration and possible action to receive and file Financial Summary and Warrant Register dated May 23, 2024.

4-4. Status update & report from California Advocacy, LLC with respect to legislative matters.

4-5. Consideration and possible action to receive and file California Cities for Self-Reliance Joint Powers Authority Audited Financial Statements (As of and for the Year Ended June 30, 2023) Report.

4-6. Consideration and possible action regarding FY 2024-2025 Annual Budget.

4-7. Informational Update Regarding Board Meeting Dates for Calendar Year 2024.

5. OTHER MATTERS AND REPORTS

5-1. General Counsel's Report

Pursuant to Government Code § 54954.2 (a)(3) – A report to the Board of Directors and the public on General Counsel's activities, including compliance efforts, approval of contracts as to form, receipt of notices, and requests to place matters on subsequent agendas (excluding any matters qualifying for closed session consideration).

5-2. Executive Director Report/Summary

6. OTHER MATTERS AND REPORTS

6-1. None

7. FUTURE AGENDA ITEMS

8. CHAIRMAN AND BOARD MEMBER REPORTS

This is the time and place for the Chairman and Board Members to report on any other items of interest. Upon request by an individual Board Member, the Authority may choose to take action on any of the subject matters listed below.

Treasurer De Leon Sanchez (Bell Gardens)

Member Argumedo (Commerce)

Vice Chair Sharif (Compton)

Secretary Fuentes (Cudahy)

Chair Farfan (Hawaiian Gardens)

9. ADJOURNMENT

The next regular meeting of the California Cities for Self-Reliance Joint Powers Authority will be held at 12:30 p.m. on Wednesday, June 12, 2024, in the City of Compton.



**CALIFORNIA CITIES FOR SELF-RELIANCE JOINT POWERS AUTHORITY
REGULAR SCHEDULED MEETING**

**CITY OF BELL GARDENS
EMERGENCY OPERATIONS CENTER – 2ND FLOOR, CITY HALL
7100 GARFIELD AVENUE
BELL GARDENS, CA 90201**

TELECONFERENCE PHONE NUMBER: (669) 900-6833, 6476620089#

ELECTRONICALLY AT ZOOM MEETING ID: 647 662 0089

WEDNESDAY, APRIL 17, 2024

8:48 AM

MINUTES

1. CALL TO ORDER & ROLL CALL

Chair Farfan called the meeting to order at 8:48 am and Secretary Fuentes performed a roll call. Quorum was established under the following participation:

- Victor Farfan, *Chair – Hawaiian Gardens*
- Emma Sharif, *Vice Chair – Compton (AB 2449-Just Cause)*
- Martin Fuentes, *Secretary – Cudahy*
- Francis De Leon Sanchez, *Treasurer – Bell Gardens*
- Ivan Altamirano, *Alternate Member – Commerce*

2. APPROVAL OF AGENDA

Treasurer De Leon Sanchez moved and Secretary Fuentes seconded to approve the agenda as posted and presented.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes

Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

3. PUBLIC PARTICIPATION

No requests were received by any members of the public to provide comments as allowed by law and under agenda item #3.

The following individuals were present during the meeting: Marvin Pineda, Stephanie Arechiga, Michael O’Kelly, Joy Harn, Keith Sharp, Lee Squire, Juan Garza

4. NEW BUSINESS – OPEN SESSION

4-1. Consideration and possible action to approve the Minutes of the March 20, 2024 Regular Meeting of the Board.

Treasurer De Leon Sanchez moved and Secretary Fuentes seconded to approve the Minutes.

The motion was approved by the following vote:

Bell Gardens	Abstain
Commerce	Abstain
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

4-2. Consideration and possible action to receive and file Financial Summary and Warrant Register dated April 17, 2024.

Treasurer De Leon Sanchez moved and Secretary Fuentes seconded to receive and file the Financial Summary and Warrant Register.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

4-3. Status update & report from California Advocacy, LLC with respect to legislative matters.

Mr. Pineda reported SB 549 (Newman) continued to be located in the Assembly Governmental Organization Committee, with a hearing not yet scheduled for its consideration in that committee. As a 2-year bill, SB 549 has eligibility for movement at any point in time up until mid-August 2024.

Mr. Pineda also reported that Assemblymember Aguiar-Curry gutted & amended her AB 863 legislation, as expected. The bill is in the Senate and now focuses on cardroom issues, on behalf of tribal interests. In addition, it is anticipated Assemblymember Aguiar-Curry will introduce an additional cardroom-related bill via AB 2886. Like both SB 549 & AB 863, AB 2886 is a two-year bill and eligible for consideration up until mid-August 2024 but must move from their current locations by July 3, 2024.

The JPA will continue to monitor all three bills, as well as continue its ongoing communications with members of their respective Committees. The board was advised that due to the numerous cardroom-related bills, we anticipate engaging in person in Sacramento in the first or second week of June.

Treasurer De Leon Sanchez moved and Alternate Member Altamirano seconded to receive and file the report.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

4-4. Consideration & possible action on legislative & regulatory matters.

No action.

4-5. Report on a Letter of Commentary to the Office of Federal Acknowledgement Regarding a Petition for Federal Recognition (Petitioner #403).

Mr. Garza reported on the letter he submitted on April 9, 2024 to the Office of Federal Acknowledgement, located within the US Department of the Interior Office of the Assistant Secretary-Indian Affairs. The letter was submitted in the interest of our member cities and respective cardroom interests, in line with past JPA practice and precedent.

The letter includes extensive historical research and citations in support of the JPA's and cardrooms submitted position, copies of which were provided to the Board and members of the public attending the meeting.

Alternate Member Altamirano moved and Treasurer De Leon Sanchez seconded to receive and file the report.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

4-6. Consideration & Adoption of a Resolution of the California Cities for Self-Reliance Joint Powers Authority Updating the Start Time for all Future Board Meetings Held by the Authority.

Following up on direction from the Board during the March 2024 JPA board meeting during which various unanticipated conflicts arose amongst a few members of the Board with regard to the recently approved 8:30 am board meeting start times, the Board reconsidered this item,

After discussion and exploration of solutions, the board selected all future meeting start times of the JPA board to be 12:30 pm commencing with the JPA Board's meeting in May 2024. A resolution reflecting the new monthly board meeting start times was presented, reviewed & approved by the Board.

Alternate Member Altamirano moved and Secretary Fuentes seconded to approve & adopt the resolution, as presented.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

4-7. Consideration & possible action regarding Selection of an Alternative Meeting Date for the May 2024 Regular Meeting of the Board.

Following up on direction from the Board during the March 2024 JPA board meeting, Executive Director Garza requested board consideration of selecting an alternative JPA board meeting date originally scheduled to take place on May 15, 2024. The request was made due to a recent & unanticipated personal matter.

After proposing various solutions, the JPA board selected May 23, 2024 as its next regular meeting of the board during the month of May 2024.

Treasurer De Leon Sanchez moved and Alternate Member Altamirano seconded to approve the selection of May 23, 2024 as its next regular meeting of the Board.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

5. OTHER MATTERS AND REPORTS

5-1. Report of General Counsel

No action.

5-2. Executive Director Report/Summary

Executive Director Garza reported on:

- 1) SB 549 (Newman) – Ongoing legislative engagement efforts in opposition of the bill.
- 2) SB 549 (Newman) – Media engagement efforts with news outlet including the recent CalMatters story.
- 3) 2022-2023 Audit: Next Month
- 4) 2024-2025 Budget Presentation: Next Month

Treasurer De Leon Sanchez moved and Alternate Member Altamirano seconded to receive and file the report.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

6. NEW BUSINESS - CLOSED SESSION

6-1. None

7. FUTURE AGENDA ITEMS

None.

8. CHAIRMAN AND BOARD MEMBER REPORTS

This is the time and place for the Chairman and Board Members to report on any other items of interest. Upon request by an individual Board Member, the Authority may choose to take action on any of the subject matters listed below.

Treasurer De Leon Sanchez (Bell Gardens)

Secretary Fuentes (Cudahy)

Alternate Member Altamirano (Commerce)

Vice Chair Sharif (Compton)

Chair Farfan (Hawaiian Gardens)

9. ADJOURNMENT (9:57 AM)

At 9:57 am, Chair Farfan adjourned the meeting to the next regular meeting of the board of the California Cities for Self-Reliance Joint Powers Authority to be held in the City of Commerce at 12:30 pm on Wednesday, May 23, 2024.

Victor Farfan, Chair

ATTEST:

Martin Fuentes, Secretary



**CALIFORNIA CITIES FOR SELF-RELIANCE
JOINT POWERS AUTHORITY**

**WARRANT REPORT AND FINANCIAL
SUMMARY – APRIL 2024**

THURSDAY, MAY 23, 2024.

BALANCE SHEET

05/23/2024 JPA MEETING

Page: 1

5/22/2024

4:17 pm

City of Hawaiian Gardens

As of: 4/30/2024

Balances

Fund: 50 - CA CITIES FOR SELF RELIANCE

Assets

1000.0000 CASH

172,144.37

Total Assets

172,144.37

Liabilities

2100.0000 ACCOUNTS PAYABLE

22,965.92

Total Liabilities

22,965.92

Reserves/Balances

2900.0000 FUND BALANCE-UNASSIGNED

101,191.32

2920.0000 CHANGE IN FUND BALANCE

47,987.13

Total Reserves/Balances

149,178.45

Total Liabilities & Balances

172,144.37

Edit List of Invoices - Summary

05/23/2024 JPA MEETING

Date: 05/22/2024

Time: 4:07 pm

Page: 1

City of Hawaiian Gardens

Ref. No.	Vendor Name	Invoice No.	Posting Date	PONumber	Invoice Date	Invoice Description	Invoice Amount
177083	IVAN ALTAMIRANO	2024-04-17	04/17/2024		04/17/2024	04.17.24 MTG STIPEND	250.00
						Vendor Total:	250.00
177084	VICTOR FARFAN	2024-04-17	04/17/2024		04/17/2024	04.17.24 MTG STIPEND	250.00
						Vendor Total:	250.00
177085	MARTIN U FUENTES	2024-04-17	04/17/2024		04/17/2024	04.17.24 MTG STIPEND	125.00
						Vendor Total:	125.00
177086	JUAN GARZA	2024-04-30	04/30/2024		04/30/2024	APR 2024 SALARY	6,744.00
						Vendor Total:	6,744.00
177087	GRUBER AND LOPEZ INC	4664	04/15/2024		04/15/2024	06.30.23 AUDITED FINANCIAL	6,500.00
						Vendor Total:	6,500.00
177088	OLIVAREZ MADRUGA LAW	24957	04/30/2024		04/30/2024	APR 2024 SVCS - GENERAL	1,060.00
177089	OLIVAREZ MADRUGA LAW	24958	04/30/2024		04/30/2024	APR 2024 SVCS - BOARD MEETIN	870.92
						Vendor Total:	1,930.92
177090	EVELYN PINEDA	2024-05-13	04/30/2024		05/13/2024	APR 2024 SVCS	6,666.00
						Vendor Total:	6,666.00
177091	FRANCIS DE LEON SANCHEZ	2024-04-17	04/17/2024		04/17/2024	04.17.24 MTG STIPEND	250.00
						Vendor Total:	250.00
177092	EMMA SHARIF	2024-04-17	04/17/2024		04/17/2024	04.17.24 MTG STIPEND	250.00
						Vendor Total:	250.00

Grand Total:	22,965.92
Less Credit Memos:	0.00
Net Total:	22,965.92
Less Hand Check Total:	0.00
Outstanding Invoice Total:	22,965.92

Total Invoices: 10

REVENUE/EXPENDITURE REPORT
05/23/2024 JPA MEETING

City of Hawaiian Gardens

For the Period: 7/1/2023 to 4/30/2024	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: SR SPECIAL REVENUE FUNDS							
Fund: 50 - CA CITIES FOR SELF RELIANCE							
Revenues							
Function:							
Dept: 0000 ASSETS							
Acct Class: REV REVENUE							
3742.0050 JPA MEMBERSHIP FUNDING	157,500.00	157,500.00	157,500.00	0.00	0.00	0.00	100.0
3742.0052 CASINO DONATIONS	70,000.00	70,000.00	70,000.00	17,500.00	0.00	0.00	100.0
REVENUE	227,500.00	227,500.00	227,500.00	17,500.00	0.00	0.00	100.0
ASSETS	227,500.00	227,500.00	227,500.00	17,500.00	0.00	0.00	100.0
Function:	227,500.00	227,500.00	227,500.00	17,500.00	0.00	0.00	100.0
Revenues	227,500.00	227,500.00	227,500.00	17,500.00	0.00	0.00	100.0
Expenditures							
Function:							
Dept: 4908 JOINT POWERS AUTHORITY							
Acct Class: OPER OPERATING COSTS							
4200.0050 CONTRACT SVC-EX DIR JPA	80,925.00	80,925.00	67,440.00	6,744.00	0.00	13,485.00	83.3
4200.0052 COMMUNICATIONS	14,400.00	14,400.00	0.00	0.00	0.00	14,400.00	0.0
4202.0000 AUDIT SERVICES	6,500.00	6,500.00	20,200.00	6,500.00	0.00	-13,700.00	310.8
4211.0000 MEETING STIPENDS	17,250.00	17,250.00	10,000.00	1,125.00	0.00	7,250.00	58.0
4213.0000 OTHER OPERATING COSTS	9,000.00	9,000.00	119.40	0.00	0.00	8,880.60	1.3
4250.0001 LEGISLATIVE ADVOCATE/JPA	80,000.00	80,000.00	66,660.00	6,666.00	0.00	13,340.00	83.3
4252.0000 SPECIAL COUNSEL - CONTRACT	19,425.00	19,425.00	15,093.47	1,930.92	0.00	4,331.53	77.7
OPERATING COSTS	227,500.00	227,500.00	179,512.87	22,965.92	0.00	47,987.13	78.9
JOINT POWERS AUTHORITY	227,500.00	227,500.00	179,512.87	22,965.92	0.00	47,987.13	78.9
Function:	227,500.00	227,500.00	179,512.87	22,965.92	0.00	47,987.13	78.9
Expenditures	227,500.00	227,500.00	179,512.87	22,965.92	0.00	47,987.13	78.9
Net Effect for CA CITIES FOR SELF RELIANCE	0.00	0.00	47,987.13	-5,465.92	0.00	-47,987.13	0.0
Change in Fund Balance:			47,987.13				
Net Effect for SPECIAL REVENUE FUNDS	0.00	0.00	47,987.13	-5,465.92	0.00	-47,987.13	
Grand Total Net Effect:	0.00	0.00	47,987.13	-5,465.92	0.00	-47,987.13	



ITEM 4-4

1107 9th Street, Suite 420,

Sacramento, CA 95814

Phone:(916) 869-3685

www.CaliforniaAdvocacy.com

May 23, 02024

California Update: Agenda

1. SB 549 (Newman) – Tribal Declaratory Relief Act
2. AB 2886 (Aguiar-Curry) – Gambling Control Act; Injunctive Relief
3. California Attorney General – Cardroom Regulations



California Cities for Self-Reliance Joint Powers Authority

21815 Pioneer Blvd
Hawaiian Gardens, CA 90716
562.420.2641

May 16, 2024

Gruber and Lopez, Inc.
438 Old Newport Blvd
Newport Beach, CA 92663

This representation letter is provided in connection with your audit(s) of the financial statements of California Cities for Self-Reliance Joint Powers Authority (the Authority), which comprise the respective financial position of the business-type activities and the aggregate remaining fund information as of June 30, 2023, and the respective changes in financial position, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of May 16, 2024, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 4, 2023, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.

Gruber and Lopez, Inc.

May 16, 2024

Page 2

- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) There are no known uncorrected misstatements, both individually and in the aggregate, to the financial statements as a whole for each opinion unit.
- 9) The effects of all known actual or possible litigation, claims, and assessments that would be considered material to the financial statements have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Authority or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,

- b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual, probable or reasonably possible litigation, claims, and assessments, of which we are aware, whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) We have made available to you all financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have taken timely and appropriate steps to remedy fraud, violations of laws, regulations, contracts, or grant agreements, or abuse that you have reported to us, if any.
- 22) We have a process to track the status of audit findings and recommendations, if any.
- 23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report, if any.
- 25) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 27) To the best our knowledge, there are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 28) As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have

reviewed, approved, and accepted responsibility for those financial statements and related notes.

- 29) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) To the best of our knowledge, the Authority has complied with all aspects of contractual agreements, if any, that would have a material effect on the financial statements in the event of noncompliance.
- 31) To the best of our knowledge, we have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 32) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements properly classify all funds and activities.
- 34) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
- 36) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Special and extraordinary items are appropriately classified and reported, if any.
- 41) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 42) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 43) We have chosen not to present Management's Discussion and Analysis in the financial statements. We acknowledge our responsibility for the reporting of other required supplementary information (RSI), if any. The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI. If the supplementary information described above is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Gruber and Lopez, Inc.

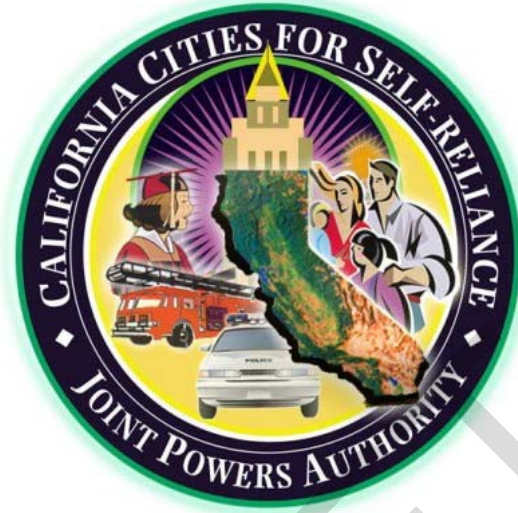
May 16, 2024

Page 5

California Cities for Self-Reliance Joint Powers Authority

A handwritten signature in blue ink, appearing to be 'J. Garza', written in a cursive style.

Juan Garza
Executive Director



California Cities for Self-Reliance Joint Powers Authority Audited Financial Statements
As of and for the Year Ended June 30, 2023 with Independent Auditor's Report

DRAFT

**California Cities for Self-Reliance Joint Powers Authority
Audited Financial Statements**

*As of and for the Year Ended June 30, 2023
with Independent Auditor's Report*

DRAFT

California Cities for Self-Reliance Joint Powers Authority

Table of Contents

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Revenues, Expenses and Changes in Net Position	4
Statements of Cash Flows	5
Notes to Financial Statements	6

DRAFT

To the Board of Directors of
California Cities for Self-Reliance Joint Powers Authority

Independent Auditor's Report

Opinion

We have audited the accompanying financial statements of California Cities for Self-Reliance Joint Powers Authority (the Authority), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of California Cities for Self-Reliance Joint Powers Authority as of June 30, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

To the Board of Directors of
California Cities for Self-Reliance Joint Powers Authority

In performing an audit in accordance with GAAS, we:

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

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

Gruber and Lopez, Inc.

Newport Beach, California
_____, 2024

California Cities for Self-Reliance Joint Powers Authority
Statements of Net Position
June 30, 2023

	Total
ASSETS	
Current assets:	
Cash	\$ 116,012
Total current assets	116,012
Total assets	116,012
LIABILITIES	
Current liabilities:	
Accounts payable	14,820
Total current liabilities	14,820
Total liabilities	14,820
NET POSITION	
Unrestricted	101,192
Total net position	\$ 101,192

DRAFT

California Cities for Self-Reliance Joint Powers Authority
Statements of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023

	Total
OPERATING REVENUES:	
Membership dues and contributions	\$ 205,000
Total operating revenues	205,000
OPERATING EXPENSES:	
Consulting	60,000
Board stipends	12,000
Legal fees	12,604
Finance and audit services	700
Legislative lobbying	79,992
Operation expenses	12,055
Total operating expenses	177,351
Change in net position	27,649
Net position, beginning of year	73,543
Net position, end of year	\$ 101,192

DRAFT

California Cities for Self-Reliance Joint Powers Authority
Statement of Cash Flows
For the Year Ended June 30, 2023

	Total
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from membership dues and contributions	\$ 205,000
Cash paid to suppliers for goods and services	<u>(179,448)</u>
Net cash provided (used by) operating activities	<u>25,552</u>
Net increase (decrease) in cash	25,552
Cash, beginning of year	<u>90,460</u>
Cash, end of year	<u><u>\$ 116,012</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED BY) OPERATING ACTIVITIES:	
Operating income (loss)	\$ 27,649
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in operating assets and liabilities:	
Increase (decrease) in accounts payable	(2,097)
Increase (decrease) in unearned special assessment revenues	<u>-</u>
Total adjustments	<u>(2,097)</u>
Net cash provided (used) by operating activities	<u><u>\$ 25,552</u></u>

California Cities for Self-Reliance Joint Powers Authority
Notes to Financial Statements
Year ended June 30, 2023

NOTE 1 ORGANIZATION AND ACTIVITIES

The California Cities for Self-Reliance Joint Powers Authority (the Authority) was created in July 2001 pursuant to the California Government Code. The Authority was created to promote and protect the card club gaming economy of the State of California and its member cities in order to enhance the economic climate and improve the quality of life for the residents in the Southern California region. On August 19, 2015, the agreement was amended to extend the Authority's initial term to July 10, 2017. Thereafter, the initial term shall be extended for successive terms of two (2) years each ("extended term") unless any member gives written notice of non-renewal to each of the other members six (6) months prior to the expiration of the initial term or any extended term. In the event a member gives notice of non-renewal, the term will renew for a successive term of two (2) years, but the member giving such notice shall cease to be a member of the Authority. Any member shall have the ability to withdraw from the Authority by giving each member thirty (30) days written notice of its intention to withdraw.

The Authority is governed by a Board of Directors composed of five appointed directors: one by the City of Bell Gardens, one by the City of Commerce, one by the City of Compton, one by the City of Hawaiian Gardens, and one by the City of Cudahy. The Authority is legally separate and fiscally independent from each of the member entities. This means it can incur debt, set and modify its own budget and fees, enter into contracts, and sue and be sued in its own name. However, the Authority does not have the power to issue bonds or other forms of indebtedness authorized by law.

The Authority's organizational documents consist of a joint powers agreement and a set of by-laws. Among other things, these organizational documents establish a governing board to conduct the affairs of the Authority. The legislative body of each member agency selects one of its members to be the agency's representative to the Authority's governing board, and another of its members to be the agency's alternative representative.

In August and September of 2019, there were some changes to the organization and membership in the Authority. The City of Inglewood and the City of Gardena withdrew from the Authority. These withdrawals were the result of their respective City Council decisions that they no longer wished to participate in the Authority. The remaining five (5) member Cities of Bell Gardens, Commerce, Compton, Cudahy, and Hawaiian Gardens made appropriate changes to the Authority's by-laws and agreements.

The accompanying financial statements reflect the financial activities of the Authority. The Authority has no component units.

California Cities for Self-Reliance Joint Powers Authority
Notes to Financial Statements
Year ended June 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Authority is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles as applied to governmental agencies and have been consistently applied in the preparation of the financial statements.

Basis of Accounting and Measurement Focus

The Authority is considered an enterprise fund for financial reporting purposes. The accompanying financial statements have been prepared using the economic measurement focus and the accrual basis of accounting. Under this basis of accounting and measurement focus, revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Authority's financial statements are presented in accordance with the provisions of GASB Statement No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* as amended by GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and *Audits of State and Local Governmental Units* issued by the American Institute of Certified Public Accountants. Statement Nos. 34 and 63 established standards for external financial reporting for all state and local governmental entities. It requires the classification of net position into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- *Net investment in capital assets* - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- *Restricted* - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted* - This component of net position consists of resources that do not meet the definition of "restricted" or "net investment in capital assets".

California Cities for Self-Reliance Joint Powers Authority
Notes to Financial Statements
Year ended June 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Membership dues

The Authority receives membership dues from the member cities on an annual basis and recognizes membership dues revenue when earned.

Contributions

The Authority receives contributions from its member cities. Contributions primarily include unconditional promises to give cash or other assets. Contributions, whether restricted or unrestricted, are recognized as revenue when they are received. Unconditional promises to give are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or when the conditions expire, whichever occurs first.

Contributions are reported as restricted support if they are received with donor stipulations that limit the use of cash or other assets. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions. The Authority did not receive restricted contributions during the year ended June 30, 2023.

Stewardship and Accountability

The Authority operates on a reimbursement basis. Each month, the Authority reports all expenses incurred to the member cities to obtain reimbursement. The member cities reimburse the Authority on a monthly basis.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months from the date of acquisition. At June 30, 2023, cash and cash equivalents comprise bank deposits.

Dues Receivable

Dues receivable relate to membership dues and expense reimbursement from member cities and are expected to be fully collectible.

Accounts Payable

Accounts payable are recognized in the period in which the goods or services are received or when a legally enforceable claim against the Authority is established or when the corresponding assets or expenses are recognized. These are measured at fair value, normally equal to their nominal amount.

California Cities for Self-Reliance Joint Powers Authority
Notes to Financial Statements
Year ended June 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned special assessment revenues

Unearned special assessment revenues comprised of amounts collected from each member city for public relations services and lobbying services. Any unused amount would be refunded to the member city.

NOTE 3 CASH AND CASH EQUIVALENTS

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2023, the Authority's funds consist of deposits with financial institutions not exposed to interest rate risk.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2023, the Authority's funds consist of deposits with financial institutions that are not rated.

Concentration of Credit Risk

Financial instruments, which potentially expose the Authority to concentration of credit risk, consist primarily of cash and cash equivalents. The Authority places its cash and cash equivalents with major financial institutions. The total cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. At times during the year ended June 30, 2023, balances on deposit in financial institutions exceeded Federal Deposit Insurance Corporation (FDIC) insured limits of \$250,000. The Authority has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in regard to cash.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of June 30, 2023, none of the Authority's deposits or investments were exposed to custodial credit risk.

California Cities for Self-Reliance Joint Powers Authority
Notes to Financial Statements
Year ended June 30, 2023

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Fair Value Measurement

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the Authority categorizes its fair value measurement within the fair value hierarchy that is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of June 30, 2023, the Authority's funds which consist of deposits with financial institutions are not subject to fair value measurement.

NOTE 4 SUBSEQUENT EVENTS

The Authority has evaluated subsequent events for recognition or disclosure through _____, 2024, the date on which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in the financial statements.

DRAFT

DRAFT

California Cities for Self-Reliance Budget Presentation DRAFT

ADOPTED Budget FY 2023-24		PROPOSED Budget FY 2024-25
--	--	---

Revenues:

Annual Funding – Bell Gardens	\$35,000	\$35,000
Annual Funding – Commerce	\$35,000	\$35,000
Annual Funding – Compton	\$35,000	\$35,000
Annual Funding – Cudahy	\$17,500	\$17,500
Annual Funding – Hawaiian Gardens	\$35,000	\$35,000
Annual Funding – Cardrooms	\$70,000	\$70,000
Annual Funding – Special Projects	\$0.00	\$0.00
Total Revenues	\$227,500	\$227,500

Expenses:

FY 2023-24 Budget		FY 2024-25 Budget
------------------------------	--	------------------------------

Board of Director's Stipend (15 meetings)	\$17,250	\$17,250
Executive Director	\$80,925	\$80,925
Operational Expenses	\$9,000	\$9,000
Legal Services	\$19,425	\$19,425
Financial Services	\$6,500	\$6,500
Legislative Lobbying	\$80,000	\$80,000
Communications	\$14,400	\$14,400
Contingency	\$0.00	\$0.00
Total Expenses	\$227,500	\$227,500



TO: Honorable Chairperson and Members of the Governing Board

FROM: Juan Garza, Executive Director

SUBJECT: Informational Update Regarding Board Meeting Dates for Calendar Year 2024.

DATE: May 23, 2024

EXECUTIVE SUMMARY

Meetings of the Board of Directors of the California Cities for Self-Reliance Joint Powers Authority (Board) have traditionally been generally held on the third Wednesday of each month at 10 am, unless special circumstances necessitate a 'Special Meeting' to be called into effect.

In addition, per Board direction during the regular meeting of the Board in January 2023, the JPA will continue the tradition of each member city hosting in-person regular meetings of the Board on a monthly rotating basis in alphabetical order of the names of our member cities during which all member city representatives, stakeholders, and members of the public may attend, observe and participate.

Lastly, in addition to in-person participation of the Board meetings, remote/telephonic will also be offered to the above groups as permitted by law, the Board and technical availability.

Since the board's review and adoption of the meetings list below, the Board this year has reconsidered its regularly scheduled times due to various comments by the Board's membership, with both an 8:30 am start time recently and the board's recently adopted Resolution codifying 12:30 pm to be the Board's regular meeting start time commencing with today's board meeting.

Due to the various related recent changes, and in compliance with the above, the following meeting dates are presented to the Board as review, modification and/or approval for calendar year 2024.

BOARD OF DIRECTORS MEETING DATES – 2024:

- Wednesday, January 17, 2024 (10 AM) - Regular Meeting (*Hosted by City of Cudahy*)
- Wednesday, February 21, 2024 (10 AM) - Regular Meeting (*Hosted by City of Compton*)
- Wednesday, March 20, 2024 (10 AM) - Regular Meeting (*Hosted by City of Hawaiian Gardens*)
- Wednesday, April 17, 2024 (8:30 AM) - Regular Meeting (*Hosted by City of Bell Gardens*)
- Wednesday, May 15, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Commerce*)
- Wednesday, June 12, 2024 (10 AM) - Regular Meeting (*Hosted by City of Compton*)
- Wednesday, July 17, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Cudahy*)
- Wednesday August 21, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Hawaiian Gardens*)
- Wednesday, September 18, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Bell Gardens*)
- Wednesday, October 16, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Commerce*)
- Wednesday, November 20, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Compton*)
- Wednesday, December 18, 2024 (12:30 PM) - Regular Meeting (*Hosted by City of Cudahy*)

RECOMMENDATION TO THE GOVERNING BOARD

- 1) Receive and File Updated Board Meeting Dates for Calendar Year 2024; or
- 2) Alternatively, discuss and take other action related to this item.



TO: Honorable Chair and Members of the Governing Board
FROM: Juan Garza, Executive Director
SUBJECT: **Executive Director Report/Summary**
DATE: May 23, 2024

- 1) SB 549 (Newman) – Tribal Rotation Bill Efforts: Ongoing Legislative Engagements
- 2) Meeting Start Time – June 12, 2024 JPA Board Meeting
- 3) Next Steps – Fernandino Tatavium Band of Mission Indians of California (JPA Letter)



PRESS CONFERENCE & LEGISLATIVE DAY

MAY 29, 2024

Join us at the State Capitol in Sacramento to rally against SB 549 which threatens our industry and our communities!

SB 549 is designed to eliminate the cardroom industry by mirroring language from the voter rejected Proposition 26. SB 549 will result in lawsuits so that tribal casinos can have a monopoly on gaming while eliminating tens of thousands of well-paying jobs and hundreds of millions of tax revenues that many under-resourced communities across the state rely on for essential residential services.

PRESS CONFERENCE

11 AM

**WHERE: LA BOU BAKERY & CAFE
1100 O ST. SACRAMENTO, CA**

LEGISLATIVE MEETINGS

1:30PM -5PM

**WHERE: CA CAPITOL ANNEX
SWING SPACE
1021 O ST. SACRAMENTO, CA**

HAVE YOUR VOICE HEARD!

RSVP@CALGAMING.COM