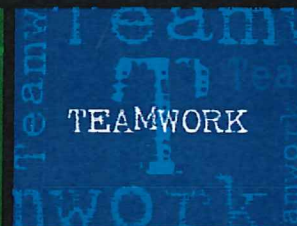
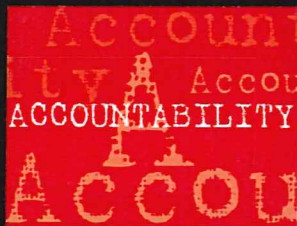


ROWLAND WATER DISTRICT

3021 South Fullerton Road
Rowland Heights, CA 91748
(562) 697-1726

RWD BOARD VISION



Our Mission:

*"Bound by our core values -- Accountability, Communication and Teamwork -- we are committed to providing the highest level of service to our customers --
DEDICATED-RELIABLE-OUTSTANDING-PROFESSIONAL SERVICE"*

Board of Directors Regular Meeting
January 12, 2016
6:00 p.m.



AGENDA
Regular Meeting of the Board of Directors
January 12, 2016
6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

Szu Pei Lu-Yang, President
Robert W. Lewis, Vice President
Anthony J. Lima
John Bellah
Teresa P. Rios

ADDITION(S) TO THE AGENDA

PUBLIC COMMENT ON NON-AGENDA ITEMS

Any member of the public wishing to address the Board of Directors regarding items not on the Agenda within the subject matter jurisdiction of the Board should do so at this time. With respect to items on the agenda, the Board will receive public comments at the time the item is opened for discussion, prior to any vote or other Board action. A three-minute time limit on remarks is requested.

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Rose Perea, Secretary to the Board at (562) 697-1726, or writing to Rowland Water District, at P.O. Box 8460, Rowland Heights, CA 91748. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included, so that District staff may discuss appropriate arrangements. Anyone requesting a disability-related accommodation should make the request with adequate time prior to the meeting in order for the District to provide the requested accommodation.

Any member of the public wishing to participate in the meeting, who requires a translator to understand or communicate in English, should arrange to bring a translator with them to the meeting.

Materials related to an item on this Agenda submitted after distribution of the Agenda packet are available for public review at the District office, located at 3021 S. Fullerton Road, Rowland Heights, CA 91748.

Tab 1 CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine matters, status reports, or documents covering previous Board instruction. The items listed on the Consent Calendar will be enacted by one motion, unless separate discussion is requested.

1.1 Approval of the Minutes of Regular Board Meeting held on December 8, 2015

Recommendation: The Board of Directors approve the Minutes as presented.

1.2 Demands on General Fund Account for November 2015

Recommendation: The Board of Directors approve the demands on the general fund account as presented.

1.3 Investment Report for November 2015

Recommendation: The Board of Directors approve the Investment Report as presented.

1.4 Water Purchases for November 2015

For information purposes only.

Next Special Board Meeting: January 26, 2016, 5:00 p.m.

Next Regular Board Meeting: February 9, 2016, 6:00 p.m.

Tab 2 ACTION ITEMS

This portion of the Agenda is for items where staff presentations and Board discussions are needed prior to formal Board action.

2.1 Review and Approve Directors' Meeting Reimbursements for December 2015

Recommendation: The Board of Directors approve the Meeting Reimbursements as presented.

2.2 Review and Approve Financial Audit Report for Fiscal Year 2014-2015 Prepared by White Nelson Diehl Evans LLP

Recommendation: The Board of Directors approve the Financial Audit Report as presented.

2.3 Approve Change in IRS Mileage Rate from \$.575 to \$.54 effective January 1, 2016

Recommendation: The Board of Directors approve the IRS rate as presented.

2.4 Authorize Presiding Officer to Vote for Special District LAFCO Representative for Term Expiring May 2016

No recommendation.

2.5 Public Relations (Rose Perea)

- **Communications Outreach (CV Strategies)**
- **Education Update**

For information purposes only.

2.6 Discussion of Upcoming Conferences, Workshops, or Events (Including Items that May Have Arisen after the Posting of the Agenda)

- Urban Water Institute Spring Water Conference, February 10-12, 2016, Hilton Palm Springs Hotel
- ACWA Spring Conference, May 3-6, 2016, Portola and Marriott Hotels, Monterey, CA

Tab 3 LEGISLATIVE INFORMATION

3.1 Updates on Legislative Issues

Intentionally left blank.

Tab 4 REVIEW OF CORRESPONDENCE

- Letter from BB&K re Form 700 reporting

Tab 5 COMMITTEE REPORTS

- 5.1 Three Valleys Municipal Water District** (Directors Lu-Yang/Lima)
 - Agenda Regular Board Meeting held January 6, 2016
- 5.2 Joint Powers Insurance Authority** (Director Lewis/Mr. Coleman)
 - President's Special Recognition Award, Low Loss Ratio, in the Property Program, Liability Program and Workers' Compensation Program

There are no tabs for the remainder of the meeting.

- 5.3 Association of California Water Agencies** (Directors Lewis/Bellah)
- 5.4 Puente Basin Water Agency** (Directors Lima/Lewis)
- 5.5 Project Ad-Hoc Committee** (Directors Lima/Lu-Yang)
- 5.6 Regional Chamber of Commerce-Government Affairs Committee** (Directors Lewis/Bellah)
- 5.7 PWR Joint Water Line Commission** (Directors Lima/Rios)
- 5.8 Sheriff's Community Advisory Council** (Directors Lu-Yang/Rios)

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

- 6.1 Finance Report** (Mr. Henry)
- 6.2 Operations Report** (Mr. Warren)
- 6.3 Personnel Report** (Mr. Coleman)

Tab 7 ATTORNEY'S REPORT (Mr. Joseph Byrne)

Directors' and General Manager's Comments

Future Agenda Items

Late Business

No action shall be taken on any items not appearing on the posted agenda, except upon a determination by a majority of the Board that an emergency situation exists, or that the need to take action arose after the posting of the agenda.

ADJOURNMENT

President SZU PEI LU-YANG, Presiding

Tab

1.1



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
December 8, 2015 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

President Szu Pei Lu-Yang
Vice President Robert W. Lewis
Director Anthony J. Lima
Director John Bellah

ABSENT:

Director Teresa P. Rios, Left the meeting at 6:30 p.m.

OTHERS PRESENT:

Joseph Byrne, Legal Counsel, Best Best & Krieger
Erin La Combe Gilhuly, CV Strategies
Joe Ruzicka, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
Teri Malkin, Resident
Daphne Muñoz, White Nelson Diehl Evans LLP

ROWLAND WATER DISTRICT STAFF

Tom Coleman, General Manager
Rose Perea, Director of Administrative Services
Dave Warren, Director of Operations
Sean Henry, Finance Officer

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

President Lu-Yang re-ordered the Agenda moving Tab 2.2 before the Consent Calendar and Tab 2.10 after Tab 2.3

2.2

Administer Oaths of Office to Teresa Pauline Rios, Division 1, and Anthony John Lima, Division 2

Legal Counsel, Joseph Byrne, administered the Oaths of Office to Directors Rios and Lima.

Tab 1 - CONSENT CALENDAR

Upon motion by Director Lewis, seconded by Director Lima, the Consent Calendar was unanimously approved.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

The approval of the Consent Calendar included:

1.1

Approval of the Minutes of Adjourned Regular Board Meeting Held on November 17, 2015

1.2

Demands on General Fund Account for October 2015

1.3

Investment Report for October 2015

1.4

Water Purchases for October 2015

Next Regular Board Meeting January 12, 2015, 6:00 p.m.
Next Special Board Meeting January 26, 2015, 5:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Approve Directors' Meeting Reimbursements for November 2015

Upon motion by Director Lima, seconded by Director Lewis, the Directors' Meeting Reimbursement Report was unanimously approved as presented.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.3

Approve Executive Officer Positions of the Board of Directors for 2016

The Board Rotation Policy was discussed by the Board. Upon motion made by Director Lewis, seconded by Director Lima, the Board unanimously approved Director Szu Pei Lu-Yang's re-election to serve as President for calendar years 2016 and 2017, and Director Robert W. Lewis' re-election to serve as Vice President for the calendar years 2016 and 2017.

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios
Noes: None
Abstain: None
Absent: None

2.10

Approve “Draft” Financial Audit Report for Fiscal Year 2014-2015 Prepared by White Nelson Diehl Evans LLP

Daphne Muñoz, representing the firm of White Nelson Diehl Evans LLP reviewed the documents contained in the “Draft” Financial Audit Report and answered questions posed by the Directors. She noted that no difficulties were encountered in completing the audit. Management provided a representative letter to the auditors. No significant transactions unusual in nature were observed. Finance Officer, Sean Henry, highlighted areas of the Audit Report for review and discussion with the Board.

General Manager, Tom Coleman, indicated that the draft report was presented for information and discussion only. The final document will be presented at the January 12, 2016, Board meeting for approval.

2.4

Review and Approve Board of Directors Committee Assignments for 2016

All Committee assignments for the 2016 calendar year were discussed. A motion was made by Director Lima, seconded by Director Lewis, to confirm the following committee assignments:

Puente Basin Water Agency	Director Lewis Director Lima Tom Coleman, Alternate
PWR Joint Water Line Commission	Director Lima Director Rios, Alternate
Three Valleys Municipal Water District	Director Lima Director Lu-Yang
Association of California Water Agencies	Director Bellah Director Lewis
Joint Powers Insurance Authority	Director Lewis Tom Coleman, Alternate
San Gabriel Valley Regional Chamber of Commerce-Government Affairs Committee	Director Lewis, Voting Member Director Bellah, Alternate
Los Angeles County Sheriff’s Department Advisory Council	Director Lu-Yang Director Rios
Project Ad-Hoc Committee	Director Lima Director Lu-Yang
Rowland Heights Community Coordinating Council	Removed

The motion was approved with a 4-0 vote, Director Rios having left the meeting.

Ayes: Directors Lu-Yang, Bellah, Lima and Lewis
Noes: None
Abstain: None
Absent: Rios

2.5

Approve/Confirm Appointment of Directors to Serve on the Puente Basin Water Agency

A motion was made by Director Lima, seconded by Director Lewis, to confirm the appointment of Director Lima and Director Lewis as Commissioners of the Puente Basin Water Agency and General Manager, Tom Coleman, as Alternate Commissioner.

The motion was approved with a 4-0 vote, Director Rios having left the meeting.

Ayes: Directors Lu-Yang, Bellah, Lima and Lewis
Noes: None
Abstain: None
Absent: Rios

2.6

Review and Approve Resolution 12-2015 of the Board of Directors Appointing Representatives to the Puente Basin Water Agency

A motion was made by Director Lewis, seconded by Director Lima, to approve Resolution No. 12-2015 appointing Director Lima and Director Lewis as Commissioners of the Puente Basin Water Agency and General Manager, Tom Coleman, as Alternate Commissioner to represent the District. The motion was approved by the following roll-call vote:

Ayes: Directors Lima, Lu-Yang, Lewis and Bellah
Noes: None
Abstain: None
Absent: Rios

Motion was passed by a vote of 4-0.

2.7

Approve/Confirm Appointment of Director to Serve on the Pomona-Walnut-Rowland Joint Water Line Commission

A motion made by Director Lewis, seconded by Director Lima, for the appointment of Director Lima as Commissioner, and Director Rios as alternate, to serve on the Pomona-Walnut-Rowland Joint Water Line Commission. The motion was unanimously carried.

The motion was approved with a 4-0 vote, Director Rios having left the meeting.

Ayes: Directors Lu-Yang, Bellah, Lima and Lewis
Noes: None
Abstain: None
Absent: Rios

2.8

Review and Approve District Investment Policy

General Manager, Tom Coleman, reported that legal counsel had reviewed the provisions of the Government Code governing investment of District funds and advised that no changes were needed to the District's Investment Policy. Upon motion made by Director Lewis, seconded by Director Lima, the Board approved the motion to ratify and confirm the Investment Policy as adopted by Resolution No. 2.1-2006 with a 4-0 vote, Director Rios having left the meeting.

Ayes: Directors Lu-Yang, Bellah, Lima, and Lewis
Noes: None
Abstain: None
Absent: Rios

2.9

Review and Approve Resolution No. 12.1-2015 Re-Appointing the District Treasurer and Delegating Authority for the Investment of Surplus Funds of the District to the General Manager/Treasurer

A motion was made by Director Lima, seconded by Director Lewis, to approve Resolution No. 12.1-2015 as presented. The motion was approved by the following roll-call vote:

Ayes: Directors Lima, Lu-Yang, Lewis and Bellah
Noes: None
Abstain: None
Absent: Rios

Motion was passed by a vote of 4-0.

2.11

Public Relations (Rose Perea)

Mrs. Perea reported that the Rowland Unified School District Winter Break will be from December 21, 2015 through January 8, 2015 and the Hacienda-La Puente Unified School District Winter Break will be from December 21, 2015 through January 4, 2015.

Nogales High School teacher in charge of Solar Cup, Ron Hill, attended the workshop held at MWD headquarters on Saturday, November 21, 2015, and found it very helpful since it has been 6 years since he participated by assisting Mr. Chavez. Three Valleys has advised us that they spoke with MWD regarding the status of the Nogales boat, i.e., "rookie" vs. "veteran", and MWD has agreed that in connection with the sponsorship, they will receive the rookie amount of \$4,000 versus \$2,500 for veteran teams, since they more than likely do not have much, if any, of the fittings left from prior boats; however, they will compete in the veteran category since there is enough knowledge base to compete. The District will be paying \$2,000 which is 50% of the sponsorship amount for Nogales. Santana High School will receive \$2,500 as a veteran team and the District will pay \$1,250 towards the sponsorship. We enlarged and laminated the "Solar Cup 2016 Timeline" and provided a copy to Nogales and one to Santana so that they can be displayed in their classrooms and referred in order that deadlines are not missed.

The "WEWAC Broadcast Media and Digital Art Contest" information has been distributed to intermediate and high schools within the District boundaries. The entries must be postmarked or delivered no later than 5:00 p.m., March 10, 2016. "Digital Art" submissions are developed to

be displayed as static or graphical content, i.e., digital boards, movie theaters, or sports stadium board, internet, etc.). “Broadcast Media” submissions are developed to facilitate wireless distribution of audio and video content. The awards presented will be: First Place, \$300; Second Place, \$200; and Third Place, \$100. One Hundred Dollars for a pizza party will be awarded to the first place winner’s class.

Public Relations Representative, Brittnie Van De Car, attended the MWD Student Art luncheon and celebration held at MWD Headquarters on November 18, 2015. District winner, Ethan Chen, his parents and teacher also attended. Mr. Chen sent Brittnie a very kind e-mail thanking her for attending and for posting the pictures on our website Facebook. He said her attendance was very encouraging to Ethan and that he can’t wait to come into the office to view the Traveling Art Show when we have the artwork on display.

Communications Outreach (CV Strategies)

Erin La Combe Gilhuly, CV Strategies, reported that the Opinion Piece (Op-Ed) was published in the San Gabriel Valley Tribune in November. The Op-Ed highlights District efforts and industry innovation in water savings, banking, etc. CV Strategies is in the process of drafting a press release on the District internship program and one on the OPARC Program which will be submitted for publication in December. The press release on the Board member retention has been prepared and will also be distributed for publication in December. General Manager, Tom Coleman, thanked Ms. Gilhuly and her staff for their collaboration on the Op-Ed and reported that he had been contacted directly by the Staff Writer at the Tribune and has received very positive feedback on the piece.

Education Update

No comments.

2.11

Discussion of Upcoming Conferences, Workshops, or Events (Including Items that May Have Arisen after the Posting of the Agenda)

Nothing to report.

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

Mr. Coleman reported on his attendance at the State Water Resources Control Board workshop which was held in Sacramento on December 7, 2015.

Tab 4 REVIEW OF CORRESPONDENCE

Mr. Coleman discussed the State Water Resources Control Board’s “Notice of Violation for Failure to Meet Water Conservation Standard and Order for Additional Information” which was received by the District on December 7, 2015. The response to their request for additional information is due by December 18, 2015. Staff is working diligently to provide detailed information in response to their “Information Order”.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Director Lima reported on his attendance at the November 18, 2015 Board meeting. A “Water Fix” presentation was made on the Delta.

5.2

Joint Powers Insurance Authority

Director Lewis distributed a summary report on his attendance at the JPIA and ACWA Conference held November 30, 2015 through December 4, 2015. General Manager, Tom Coleman, commented that the District had received the *President’s Special Recognition Award* Certificates for the Liability Program, Property Program and Workers’ Compensation Program which equates to a significant savings on the annual premium for these programs.

5.3

Association of California Water Agencies

Mr. Lewis reported on his attendance at the ACWA Fall Conference in Indian Wells held on December 1 through 4, 2015, and that he had voted in accordance with Board direction, voting for Kathy Tiegs for President for the 2015-2016 term.

5.4

Puente Basin Water Agency

Director Lewis reported that the next meeting will be held on December 10, 2015.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

Nothing to report. The next meeting is scheduled for January 12, 2016.

5.7

PWR Joint Water Line Commission

Nothing to report.

5.8

Sheriff’s Community Advisory Council

Nothing to report.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Finance Report

Nothing to report.

6.2

Operations Report

Nothing to report.

6.3

Personnel Report

Nothing to report.

Tab 7 ATTORNEY'S REPORT

Nothing to report.

Directors' and General Manager's Comments

Director Bellah provided information on the historical review of rainfall patterns and shared his view on the causes of the drought.

Future Agenda Items

- ACWA Spring Conference in May 3-6, 2016

Late Business

None.

A motion was made by Director Lima, seconded by President Lu-Yang, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:30 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary

Tab

1.2

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20440						
11/15	11/02/2015	20440	1050	ACWA JOINT POWERS INSURANCE A	WORKERS' COMP QUARTERLY PREMIUM	10,708.00
Total 20440:						10,708.00
20441						
11/15	11/02/2015	20441	62432	BDC SPECIAL WASTE SERVICES	DISPOSAL OF SP WASTE	531.00
Total 20441:						531.00
20442						
11/15	11/02/2015	20442	371	CIVILTEC ENGINEERING INC	ENGINEERING-ADDITIONAL EMPLOYEE PARKING	840.00
Total 20442:						840.00
20443						
11/15	11/02/2015	20443	1900	CLINICAL LAB OF S B	WATER SAMPLES	2,275.00
Total 20443:						2,275.00
20444						
11/15	11/02/2015	20444	62439	CVSTRATEGIES	COMMUNICATION SERVICES	4,043.44
Total 20444:						4,043.44
20445						
11/15	11/02/2015	20445	2125	DANIELS TIRE SERVICE	TIRE TRUCK 28	702.11
Total 20445:						702.11
20446						
11/15	11/02/2015	20446	1754	ED BUTTS FORD	MAINTENANCE TRUCK 9	632.70
11/15	11/02/2015	20446	1754	ED BUTTS FORD	MAINTENANCE TRUCK 3	41.10
Total 20446:						673.80
20447						
11/15	11/02/2015	20447	62351	ELITE EQUIPMENT INC.	BOMAG RAMMER	3,164.40
Total 20447:						3,164.40
20448						
11/15	11/02/2015	20448	62445	EXCEL DOOR & GATE COMPANY	REMOVE & REPLACE DAMAGED CLOSER ON DOO	565.00
Total 20448:						565.00
20449						
11/15	11/02/2015	20449	2690	HARPER & ASSOCIATES ENG.	Engineering and inspection services for Res. 13 rehab	315.00
11/15	11/02/2015	20449	2690	HARPER & ASSOCIATES ENG.	Engineering and prep of tech specs and inspection for	9,682.50
Total 20449:						9,997.50
20450						
11/15	11/02/2015	20450	62526	HARRINGTON INDUSTRIAL PLASTICS	MATERIAL FOR RCS	2,846.38

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 20450:						2,846.38
20451						
11/15	11/02/2015	20451	27211	HILL BROS CHEMICAL CO	SUPPLIES FOR RES	1,464.52
Total 20451:						1,464.52
20452						
11/15	11/02/2015	20452	62259	HYDRO-SCAPE PRODUCTS, INC	TOOL & SUPPLIES	31.48
11/15	11/02/2015	20452	62259	HYDRO-SCAPE PRODUCTS, INC	TOOL & SUPPLIES	66.43
Total 20452:						97.91
20453						
11/15	11/02/2015	20453	244	INFOSEND INC	BILLING SERVICE	26.32
11/15	11/02/2015	20453	244	INFOSEND INC	PROGRAMMING-CALCULATING UNITS TO GALLON	150.00
11/15	11/02/2015	20453	244	INFOSEND INC	BILLING SERVICE	1,643.15
11/15	11/02/2015	20453	244	INFOSEND INC	INSERTS-LANDSCAPE CLASS	82.43
Total 20453:						1,901.90
20454						
11/15	11/02/2015	20454	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	285.17
11/15	11/02/2015	20454	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	103.32
11/15	11/02/2015	20454	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	218.09
Total 20454:						606.58
20455						
11/15	11/02/2015	20455	27	JOHN T JACOBSEN	TOTAL EXPENSES-BOOTS	204.13
Total 20455:						204.13
20456						
11/15	11/02/2015	20456	62421	KARINA GUTIERREZ	MILEAGE REIMBURSEMENT	28.98
11/15	11/02/2015	20456	62421	KARINA GUTIERREZ	TOTAL EXPENSES-CASELLE CONFERENCE	63.69
Total 20456:						92.67
20457						
11/15	11/02/2015	20457	3300	LAGERLOF SENEAL ET AL	EORM PHASE 2 SERVICES	800.00
Total 20457:						800.00
20458						
11/15	11/02/2015	20458	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	32.30
11/15	11/02/2015	20458	257	MCMASTER-CARR SUPPLY CO	MATERIAL FOR RCS	66.07
Total 20458:						98.37
20459						
11/15	11/02/2015	20459	62448	PARS	GASBY 45 MANAGEMENT FEE	396.28
Total 20459:						396.28

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20460						
11/15	11/02/2015	20460	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LIABILITY PROGRAM	1,069.50
11/15	11/02/2015	20460	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PRESSURE REDUCING STATI	1,425.00
11/15	11/02/2015	20460	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	1,116.10
Total 20460:						3,610.60
20461						
11/15	11/02/2015	20461	5100	PUENTE READY MIX INC	CRUSH BASE	697.95
Total 20461:						697.95
20462						
11/15	11/02/2015	20462	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 20462:						1,500.00
20463						
11/15	11/02/2015	20463	62562	RMC WATER AND ENVIRONMENT	RECYCLED WATER ON CALL SERVICES	1,121.75
11/15	11/02/2015	20463	62562	RMC WATER AND ENVIRONMENT	POTABLE WATER ON CALL SERVICES	2,370.50
11/15	11/02/2015	20463	62562	RMC WATER AND ENVIRONMENT	Engineering services for Tomich BS upgrades.	2,470.00
Total 20463:						5,962.25
20464						
11/15	11/02/2015	20464	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	362.98
11/15	11/02/2015	20464	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	304.88
11/15	11/02/2015	20464	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	2,479.83
Total 20464:						3,147.69
20465						
11/15	11/02/2015	20465	5625	SAN GABRIEL VALLEY WATER ASSN	ANNUAL LUNCHEON MEETING-DAVE WARREN	25.00
Total 20465:						25.00
20466						
11/15	11/02/2015	20466	415	SE NELSON CONSTRUCTION INC	KERN CREEK BOOSTER	2,302.86
11/15	11/02/2015	20466	415	SE NELSON CONSTRUCTION INC	REFERENCE: 2-A METER INSTALL	5,101.68
Total 20466:						7,404.54
20467						
11/15	11/02/2015	20467	62534	SHRED IT USA	SHREDDING SERVICE	81.60
Total 20467:						81.60
20468						
11/15	11/02/2015	20468	62166	SO CAL GAS CO	GAS UTILITY BILL-2505 ARTIGAS (JUNE1-OCT 1)	271.32
Total 20468:						271.32
20469						
11/15	11/02/2015	20469	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	694.32
Total 20469:						694.32

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20470						
11/15	11/02/2015	20470	6300	STATE OF CALIFORNIA-EDD	UNEMPLOYMENT INSURANCE	434.75
Total 20470:						434.75
20471						
11/15	11/02/2015	20471	6725	TRENCH SHORING COMPANY	EQUIPMENT REPAIR	25.00
Total 20471:						25.00
20472						
11/15	11/02/2015	20472	62626	TRI COUNTY PUMP COMPANY	REPAIR FULLERTON BOOSTER PUMP 4	21,032.21
Total 20472:						21,032.21
20473						
11/15	11/02/2015	20473	62521	TRIEPEI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE FEE	300.00
Total 20473:						300.00
20474						
11/15	11/02/2015	20474	323	UPS	POSTAGE	13.94
Total 20474:						13.94
20477						
11/15	11/16/2015	20477	337	STATER BROS. MARKETS	HOLIDAY GIFT CARDS	2,425.00
Total 20477:						2,425.00
20478						
11/15	11/17/2015	20478	3375	ANTHONY LIMA	MILEAGE REIMBURSEMENT	58.65
Total 20478:						58.65
20479						
11/15	11/17/2015	20479	62045	SZU-PEI LU-YANG	MILEAGE REIMBURSEMENT	46.00
Total 20479:						46.00
20480						
11/15	11/18/2015	20480	1000	ACWAJPIA	EMPLOYEE HEALTH BENEFITS	36,014.08
11/15	11/18/2015	20480	1000	ACWAJPIA	EMPLOYEE VISION BENEFITS	487.14
11/15	11/18/2015	20480	1000	ACWAJPIA	EMPLOYEE ASSISTANCE PROGRAM	58.19
11/15	11/18/2015	20480	1000	ACWAJPIA	DIRECTORS HEALTH BENEFITS	6,945.26
11/15	11/18/2015	20480	1000	ACWAJPIA	RETIREEES HEALTH BENEFITS	10,474.44
Total 20480:						53,979.11
20481						
11/15	11/18/2015	20481	62616	ADVANCED INDUSTRIAL SERVICES, I	Invoice for AIS to rehab Res. 13 for August	115,425.00
11/15	11/18/2015	20481	62616	ADVANCED INDUSTRIAL SERVICES, I	Invoice for rehab of Res. 16 by AIS for the month of Au	249,626.75
11/15	11/18/2015	20481	62616	ADVANCED INDUSTRIAL SERVICES, I	Invoice from AIS for Res. 16 rehab in October	51,585.00
Total 20481:						416,636.75

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20482						
11/15	11/18/2015	20482	62475	ALLEN DAVIDSON	TOTAL EXPENSES-AWWA CONFERENCE	149.70
Total 20482:						149.70
20483						
11/15	11/18/2015	20483	1165	ANTIMITE TERMITE & PEST	STINGING INSECT TREATMENT	150.00
Total 20483:						150.00
20484						
11/15	11/18/2015	20484	3850	ATHENS SERVICES (MODERN SVC)	TRASH SERVICE	234.44
Total 20484:						234.44
20485						
11/15	11/18/2015	20485	62432	BDC SPECIAL WASTE SERVICES	HAUL DIRT	324.00
Total 20485:						324.00
20486						
11/15	11/18/2015	20486	62597	BEST BEST & KRIEGER	LEGAL FEES-GENERAL COUNSEL	3,040.58
11/15	11/18/2015	20486	62597	BEST BEST & KRIEGER	LEGAL FEES-CELL LEASES	1,560.99
Total 20486:						4,601.57
20487						
11/15	11/18/2015	20487	62524	BRITTNIE VAN DE CAR	MILEAGE REIMBURSEMENT	31.05
Total 20487:						31.05
20488						
11/15	11/18/2015	20488	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,214.00
Total 20488:						1,214.00
20489						
11/15	11/18/2015	20489	6966	CINTAS CORPORATION LOC 693	UNIFORM RENTAL	2,570.84
Total 20489:						2,570.84
20490						
11/15	11/18/2015	20490	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	15,392.87
Total 20490:						15,392.87
20491						
11/15	11/18/2015	20491	371	CIVILTEC ENGINEERING INC	ENGINEERING-NOGALES ST	360.00
11/15	11/18/2015	20491	371	CIVILTEC ENGINEERING INC	Professional Services through September 30, 2015	630.00
Total 20491:						990.00
20492						
11/15	11/18/2015	20492	1270	CORELOGIC SOLUTIONS LLC	PROPERTY DATA INFO	100.00
Total 20492:						100.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20493						
11/15	11/18/2015	20493	62594	COSTCO MEMBERSHIP	ANNUAL MEMBERSHIP	110.00
Total 20493:						110.00
20494						
11/15	11/18/2015	20494	15	DAVE SHUBIN	TOTAL EXPENSES-D5 TEST FEES	120.00
Total 20494:						120.00
20495						
11/15	11/18/2015	20495	16	DAVE WARREN	TOTAL EXPENSES-GAS	187.52
Total 20495:						187.52
20496						
11/15	11/18/2015	20496	32	DAVID A MILLER	MILEAGE REIMBURSEMENT	21.85
11/15	11/18/2015	20496	32	DAVID A MILLER	TOTAL EXPENSES-BOOT INSERTS	19.43
Total 20496:						41.28
20497						
11/15	11/18/2015	20497	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	2,100.00
Total 20497:						2,100.00
20498						
11/15	11/18/2015	20498	33	DUSTIN T MOISIO	TOTAL EXPENSES-AWWA CONFERENCE	48.29
11/15	11/18/2015	20498	33	DUSTIN T MOISIO	TOTAL EXPENSES-MWD MEETING	15.26
11/15	11/18/2015	20498	33	DUSTIN T MOISIO	TOTAL EXPENSES-BUCKBOARD DAY EVENT	13.50
11/15	11/18/2015	20498	33	DUSTIN T MOISIO	TOTAL EXPENSES-C.S. APPRECIATION EVENT	12.00
11/15	11/18/2015	20498	33	DUSTIN T MOISIO	TOTAL EXPENSES-RAIN BARREL EVENT	46.00
Total 20498:						135.05
20499						
11/15	11/18/2015	20499	1754	ED BUTTS FORD	MAINTENANCE TRUCK 17	236.29
Total 20499:						236.29
20500						
11/15	11/18/2015	20500	62639	ELITE SIGNS AND GRAPHICS	TAILGATE DECALS	2,394.46
Total 20500:						2,394.46
20501						
11/15	11/18/2015	20501	24	ERIC S HALL	TOTAL EXPENSES-MAWQM AT MWD	49.80
11/15	11/18/2015	20501	24	ERIC S HALL	TOTAL EXPENSES-AWWA CONFERENCE	86.02
11/15	11/18/2015	20501	24	ERIC S HALL	TOTAL EXPENSES-GAS FOR EXPLORER	34.57
11/15	11/18/2015	20501	24	ERIC S HALL	TOTAL EXPENSES-D5 TEST FEE	120.00
Total 20501:						290.39
20502						
11/15	11/18/2015	20502	330	FUEL PRO INC	ANNUAL MONITOR CERTIFICATION	575.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 20502:						575.00
20503						
11/15	11/18/2015	20503	5600	G M SAGER CONSTRUCTION	ASPHALT & CONCRETE	9,796.60
11/15	11/18/2015	20503	5600	G M SAGER CONSTRUCTION	ASPHALT & CONCRETE	4,157.30
11/15	11/18/2015	20503	5600	G M SAGER CONSTRUCTION	ASPHALT & CONCRETE	1,424.20
Total 20503:						15,378.10
20504						
11/15	11/18/2015	20504	62526	HARRINGTON INDUSTRIAL PLASTICS	SUPPLIES FOR RCS	28.51
Total 20504:						28.51
20505						
11/15	11/18/2015	20505	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	1,009.54
Total 20505:						1,009.54
20506						
11/15	11/18/2015	20506	62259	HYDRO-SCAPE PRODUCTS, INC	TOOL & SUPPLIES	255.07
Total 20506:						255.07
20507						
11/15	11/18/2015	20507	244	INFOSEND INC	BILLING SERVICE	1,595.10
Total 20507:						1,595.10
20508						
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	73.59
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	179.29
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	242.24
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	91.99
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	182.33
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	150.42
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FO RES	153.32
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	106.36
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	141.06
11/15	11/18/2015	20508	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	76.66
Total 20508:						1,397.26
20509						
11/15	11/18/2015	20509	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	600.00
11/15	11/18/2015	20509	62066	JANITORIAL SYSTEMS	WINDOW CLEANING INSIDE & OUT	300.00
Total 20509:						900.00
20510						
11/15	11/18/2015	20510	62602	JONATHAN VASQUEZ	TOTAL EXPENSES-BADGER CONFERENCE	101.88
Total 20510:						101.88
20511						
11/15	11/18/2015	20511	62583	LINCOLN FINANCIAL GROUP	LIFE INSURANCE	255.96

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
11/15	11/18/2015	20511	62583	LINCOLN FINANCIAL GROUP	SHORT/LONG TERM DISABILITY	782.69
11/15	11/18/2015	20511	62583	LINCOLN FINANCIAL GROUP	DIRECTORS LIFE INSURANCE BENEFITS	34.40
Total 20511:						1,073.05
20512						
11/15	11/18/2015	20512	3625	MAINTENANCE SHACK INC	TOOLS & SUPPLIES	11.98
Total 20512:						11.98
20513						
11/15	11/18/2015	20513	62573	MANAGED MOBILE INC	MAINTENANCE #20	492.66
Total 20513:						492.66
20514						
11/15	11/18/2015	20514	28	MARCOS ASPEITIA IV	MILEAGE REIMBURSEMENT	70.73
Total 20514:						70.73
20515						
11/15	11/18/2015	20515	233	MCCALL'S METER SALES & SVC	FIELD METER TEST	45.28
Total 20515:						45.28
20516						
11/15	11/18/2015	20516	62525	MORROW-MEADOWS CORPORATION	MODIFIED LHHCW CONNECTION	1,200.00
11/15	11/18/2015	20516	62525	MORROW-MEADOWS CORPORATION	CHECKED LHHCW TO RWD CONNECTION LOGIC	600.00
Total 20516:						1,800.00
20517						
11/15	11/18/2015	20517	62476	NETWORKFLEET INC	SWAP UNIT	1,040.00
Total 20517:						1,040.00
20518						
11/15	11/18/2015	20518	62630	PEP BOYS	AUTO SUPPLIES	76.18
Total 20518:						76.18
20519						
11/15	11/18/2015	20519	62125	PREMIER ACCESS	EMPLOYEES' DENTAL BENEFITS	2,814.60
11/15	11/18/2015	20519	62125	PREMIER ACCESS	RETIREEES' DENTAL BENEFITS	690.25
11/15	11/18/2015	20519	62125	PREMIER ACCESS	DIRECTORS DENTAL BENEFITS	552.73
Total 20519:						4,057.58
20520						
11/15	11/18/2015	20520	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES SIX BASIN	57,353.24
11/15	11/18/2015	20520	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ATTORNEY FEES	915.00
11/15	11/18/2015	20520	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR POMONA BASIN REGIONAL G	1,250.00
11/15	11/18/2015	20520	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	3,360.00
11/15	11/18/2015	20520	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LA HABRA OPERATING EXPEN	474.40
Total 20520:						63,352.64

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20521						
11/15	11/18/2015	20521	62062	ROBERT LEAMY	TOTAL EXPENSES-ABPA CONFERENCE	26.95
Total 20521:						26.95
20522						
11/15	11/18/2015	20522	62460	RYAN WHITE	MILEAGE REIMBURSEMENT	54.05
Total 20522:						54.05
20523						
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	DIP250TJ16 16" CL250 TJ DIP CL	42,661.62
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR VALVES	1,243.96
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS	384.23
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS	82.54
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS	32.70
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	62.14
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	IMJ916 16" DI MJ 90 ELL CL L/A IMP	428.50
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	E1116DEC 16" EBAA MEGA LUG KIT F/DI	450.59
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	410.71
11/15	11/18/2015	20523	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS	340.63
Total 20523:						46,097.62
20524						
11/15	11/18/2015	20524	339	S C W U A	RESERVATION (2)	50.00
Total 20524:						50.00
20525						
11/15	11/18/2015	20525	62166	SO CAL GAS CO	GAS UTILITY BILL-2505 ARTIGAS	54.15
Total 20525:						54.15
20526						
11/15	11/18/2015	20526	3550	SOUTHERN COUNTIES FUELS	DIESEL CLEAR	794.50
Total 20526:						794.50
20527						
11/15	11/18/2015	20527	143	ST JOSEPH HERITAGE HEALTHCARE	OFFICE VISIT-FIRST AID-RAYMOND ALGORRI	212.28
Total 20527:						212.28
20528						
11/15	11/18/2015	20528	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	769.41
11/15	11/18/2015	20528	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	43.58
Total 20528:						812.99
20529						
11/15	11/18/2015	20529	6500	THERMALAIR INC	MAINTENANCE SERVICE	389.80
Total 20529:						389.80
20530						
11/15	11/18/2015	20530	62625	ULINE, INC	DROP OVER CABLE PROTECTOR	881.49

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 20530:						881.49
20531						
11/15	11/18/2015	20531	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	228.00
Total 20531:						228.00
20532						
11/15	11/18/2015	20532	62434	UNION BANK NA	CUSTODY FEES	2,053.00
11/15	11/18/2015	20532	62434	UNION BANK NA	CUSTODY FEES	1,966.00
Total 20532:						4,019.00
20533						
11/15	11/18/2015	20533	323	UPS	POSTAGE	23.98
Total 20533:						23.98
20534						
11/15	11/18/2015	20534	62353	VERIZON BUSINESS	PHONE SYSTEM-VOIP/VOICE LINE	905.29
Total 20534:						905.29
20535						
11/15	11/18/2015	20535	2550	VERIZON CALIFORNIA	PHONE SERVICE (2 MONTHS)	849.46
Total 20535:						849.46
20536						
11/15	11/18/2015	20536	382	W A RASIC CONSTRUCTION CO INC	FIRE HYDRANT RELOCATION	12,708.14
Total 20536:						12,708.14
20537						
11/15	11/19/2015	20537	4750	PWR JT WATER LINE COMMISSION	579.5 AC FT-SEP 2015 WATER	520,970.50
11/15	11/19/2015	20537	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	11,348.45
11/15	11/19/2015	20537	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,137.31
11/15	11/19/2015	20537	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	2,208.05
11/15	11/19/2015	20537	4750	PWR JT WATER LINE COMMISSION	BUDGET ASSESSMENT-3RD QUARTER	12,080.96
Total 20537:						547,745.27
20538						
11/15	11/25/2015	20538	750	A & B ELECTRIC	CHECKED WELL 1	428.00
11/15	11/25/2015	20538	750	A & B ELECTRIC	CHECKED WELL 1	428.00
11/15	11/25/2015	20538	750	A & B ELECTRIC	WATER EXPENSES FOR FISCAL YR 2014-15	258.21
11/15	11/25/2015	20538	750	A & B ELECTRIC	WATER EXPENSES FOR FISCAL YR 2014-15	258.21
Total 20538:						.00
20539						
11/15	11/25/2015	20539	910	ACWA	2016 AGENCY DUES	18,085.33
Total 20539:						18,085.33

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20540						
11/15	11/25/2015	20540	322	AMERICAN WATER WORKS ASSN	2016 MEMBERSHIP FEE	3,534.00
Total 20540:						3,534.00
20541						
11/15	11/25/2015	20541	1165	ANTIMITE TERMITE & PEST	PEST CONTROL-MONTHLY SERVICE	105.00
Total 20541:						105.00
20542						
11/15	11/25/2015	20542	62554	APPLIED TECHNOLOGY GROUP	TROUBLESHOOT 4 SITES FOR CITY OF INDUSTRY	1,875.00
11/15	11/25/2015	20542	62554	APPLIED TECHNOLOGY GROUP	TRAVEL EXPENSES, PER DIEM AND LODGING	582.00
Total 20542:						2,457.00
20543						
11/15	11/25/2015	20543	1195	ARMORCAST PRODUCTS COMPANY	48 X 60 X 12 EXTENTION	602.47
11/15	11/25/2015	20543	1195	ARMORCAST PRODUCTS COMPANY	48 X 60 TORSION FRAME AND COVER	1,696.30
11/15	11/25/2015	20543	1195	ARMORCAST PRODUCTS COMPANY	TAX	503.99
Total 20543:						2,802.76
20544						
11/15	11/25/2015	20544	400	AT&T MOBILITY	MOBILE PHONES, IPADS	2,040.45
Total 20544:						2,040.45
20545						
11/15	11/25/2015	20545	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	2,288.57
11/15	11/25/2015	20545	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	497.58
11/15	11/25/2015	20545	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	395.00
11/15	11/25/2015	20545	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	196.10
11/15	11/25/2015	20545	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	174.98
11/15	11/25/2015	20545	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	1,424.14
Total 20545:						4,976.37
20546						
11/15	11/25/2015	20546	62071	CALIFORNIA LIVING INC	INTERIOR PLANT MAINTENANCE	430.00
Total 20546:						430.00
20547						
11/15	11/25/2015	20547	285	CSDA	MEMBERSHIP DUES	6,089.00
Total 20547:						6,089.00
20548						
11/15	11/25/2015	20548	2300	FEDERAL EXPRESS	POSTAGE	36.91
Total 20548:						36.91
20549						
11/15	11/25/2015	20549	330	FUEL PRO INC	D/O INSPECTION	171.27

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 20549:						171.27
20550						
11/15	11/25/2015	20550	24701	GRAINGER	TOOLS & SUPPLIES	133.16
Total 20550:						133.16
20551						
11/15	11/25/2015	20551	2690	HARPER & ASSOCIATES ENG.	Engineering services for prep of tech and inspection fo	8,111.25
Total 20551:						8,111.25
20552						
11/15	11/25/2015	20552	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
11/15	11/25/2015	20552	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,557.00
Total 20552:						6,973.67
20553						
11/15	11/25/2015	20553	62435	INDUSTRY PUBLIC UTILITY COMMISS	PUMPING POWER-PUMPSTATION 2A	3,850.16
Total 20553:						3,850.16
20554						
11/15	11/25/2015	20554	244	INFOSEND INC	BILLING SERVICE	2,163.33
Total 20554:						2,163.33
20555						
11/15	11/25/2015	20555	62226	INLAND DESERT SECURITY &	ANSWERING SERVICE	530.60
Total 20555:						530.60
20556						
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	183.98
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	144.34
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	134.92
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	229.98
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	136.75
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	76.66
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	237.64
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	189.92
11/15	11/25/2015	20556	62624	INTER VALLEY POOL SUPPLY INC	SUPPLIES FOR RES	171.72
Total 20556:						1,505.91
20557						
11/15	11/25/2015	20557	62020	LA COUNTY DEPT OF PUBLIC WORKS	ANNUAL INDUSTRIAL WASTE INSPECTION FEE	308.00
Total 20557:						308.00
20558						
11/15	11/25/2015	20558	62610	LA HABRA HEIGHTS COUNTY WATER	WATER EXPENSES FOR FISCAL YR 2014-15	258.21
Total 20558:						258.21

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20559						
11/15	11/25/2015	20559	62583	LINCOLN FINANCIAL GROUP	LIFE INSURANCE	255.96
11/15	11/25/2015	20559	62583	LINCOLN FINANCIAL GROUP	SHORT/LONG TERM DISABILITY	782.69
11/15	11/25/2015	20559	62583	LINCOLN FINANCIAL GROUP	DIRECTORS LIFE INSURANCE BENEFITS	34.40
Total 20559:						1,073.05
20560						
11/15	11/25/2015	20560	2056	LOS ANGELES COUNTY	HAZADOUS WASTE GENERATOR PROGRAM	2,951.00
Total 20560:						2,951.00
20561						
11/15	11/25/2015	20561	3625	MAINTENANCE SHACK INC	TOOLS & SUPPLIES	13.07
Total 20561:						13.07
20562						
11/15	11/25/2015	20562	62573	MANAGED MOBILE INC	FLEET MAINTENANCE	2,288.18
11/15	11/25/2015	20562	62573	MANAGED MOBILE INC	FLEET MAINTENANCE	148.18
Total 20562:						2,436.36
20563						
11/15	11/25/2015	20563	5775	NATIONAL THEATRE FOR CHILDREN	FINAL PAYMENT/2015-16 SCHOOL TOUR	3,984.00
Total 20563:						3,984.00
20564						
11/15	11/25/2015	20564	62476	NETWORKFLEET INC	MONTHLY SERVICE	399.20
Total 20564:						399.20
20565						
11/15	11/25/2015	20565	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT-RIOCH/MPC6003	1,367.59
11/15	11/25/2015	20565	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT-RICOH/MPC3500	490.21
Total 20565:						1,857.80
20566						
11/15	11/25/2015	20566	62601	ORCHARD DALE WATER DISTRICT	WHEELING AGREEMENT-ODWD	217.81
Total 20566:						217.81
20567						
11/15	11/25/2015	20567	62448	PARS	GASBY 45 MANAGEMENT FEE	396.15
Total 20567:						396.15
20568						
11/15	11/25/2015	20568	62630	PEP BOYS	AUTO SUPPLIES	28.32
Total 20568:						28.32
20569						
11/15	11/25/2015	20569	4500	PETTY CASH	MISC EXPENSES	133.30

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 20569:						133.30
20570						
11/15	11/25/2015	20570	62125	PREMIER ACCESS	EMPLOYEES' DENTAL BENEFITS	2,251.71
11/15	11/25/2015	20570	62125	PREMIER ACCESS	RETIREEES' DENTAL BENEFITS	552.20
11/15	11/25/2015	20570	62125	PREMIER ACCESS	DIRECTORS DENTAL BENEFITS	442.19
Total 20570:						3,246.10
20571						
11/15	11/25/2015	20571	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES	350.00
11/15	11/25/2015	20571	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ATTORNEY FEES	682.50
Total 20571:						1,032.50
20572						
11/15	11/25/2015	20572	5100	PUENTE READY MIX INC	WASH CONCRETE SAND	717.59
11/15	11/25/2015	20572	5100	PUENTE READY MIX INC	CRUSHER BASE	1,429.45
Total 20572:						2,147.04
20573						
11/15	11/25/2015	20573	5740	QUINN COMPANY	GREASE CART	39.30
11/15	11/25/2015	20573	5740	QUINN COMPANY	COTTER PIN	1.64
Total 20573:						40.94
20574						
11/15	11/25/2015	20574	62562	RMC WATER AND ENVIRONMENT	RWD 2015 URBAN WATER MANAGEMENT PLAN	7,771.30
11/15	11/25/2015	20574	62562	RMC WATER AND ENVIRONMENT	RECYCLED WATER ON CALL SERVICES	4,500.00
11/15	11/25/2015	20574	62562	RMC WATER AND ENVIRONMENT	RECYCLED WATER ON CALL SERVICES	583.24
11/15	11/25/2015	20574	62562	RMC WATER AND ENVIRONMENT	RECYCLED WATER ON CALL SERVICES	3,754.25
11/15	11/25/2015	20574	62562	RMC WATER AND ENVIRONMENT	POTABLE WATER ON CALL SERVICES	2,764.75
Total 20574:						19,373.54
20575						
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS & SERVICES	3,365.41
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS & SERVICES	1,595.85
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS & SERVICES	204.00
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR MAINS & SERVICES	1,863.86
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR MAINS & SERVICES	804.92
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	68.13
11/15	11/25/2015	20575	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	245.26
Total 20575:						8,147.43
20576						
11/15	11/25/2015	20576	62534	SHRED IT USA	SHREDDING SERVICE	81.60
Total 20576:						81.60
20577						
11/15	11/25/2015	20577	143	ST JOSEPH HERITAGE HEALTHCARE	PHYSICAL EXAM-R CALDERON	55.00
11/15	11/25/2015	20577	143	ST JOSEPH HERITAGE HEALTHCARE	PHYSICAL EXAM-R RODRIGUEZ & O REAL	110.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 20577:						165.00
20578						
11/15	11/25/2015	20578	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	192.66
Total 20578:						192.66
20579						
11/15	11/25/2015	20579	62030	STUMP FENCE CO	CUT, HEM AND REPLACE WINDSCREEN AT 1921	1,230.00
11/15	11/25/2015	20579	62030	STUMP FENCE CO	REPAIR CHAIN LINK FENCE AT 21889 BUCKSKIN D	450.00
11/15	11/25/2015	20579	62030	STUMP FENCE CO	REPAIR AND INSTALL AT 2505 ARTIGAS DRIVE	1,275.00
Total 20579:						2,955.00
20580						
11/15	11/25/2015	20580	2180	SWRCB-DWOCP	D5 CERTIFICATION-ALLEN DAVIDSON	105.00
Total 20580:						105.00
20581						
11/15	11/25/2015	20581	62521	TRIPEPI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE FEE	300.00
Total 20581:						300.00
20582						
11/15	11/25/2015	20582	62501	TW TELECOM	INTERNET & DATA	1,460.61
Total 20582:						1,460.61
20583						
11/15	11/25/2015	20583	323	UPS	POSTAGE	77.11
Total 20583:						77.11
20584						
11/15	11/25/2015	20584	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	940.92
Total 20584:						940.92
20585						
11/15	11/25/2015	20585	7800	WATER EDUCATION FOUNDATION	MEMBERSHIP 2016	4,038.00
Total 20585:						4,038.00
20586						
11/15	11/25/2015	20586	62084	WESTIN ENGINEERING INC	ENGINEERING-CMMS IMPLEMENTATION	340.00
Total 20586:						340.00
20587						
11/15	11/25/2015	20587	321	WIENHOFF DRUG TESTING INC	RANDOM DRUG TESTING	65.00
11/15	11/25/2015	20587	321	WIENHOFF DRUG TESTING INC	CONSORTIUM FEE	280.00
Total 20587:						345.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
20588						
11/15	11/25/2015	20588	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
11/15	11/25/2015	20588	62568	XCEPTIONAL NETWORKS, INC	SERVICE TICKETS	950.00
Total 20588:						1,250.00
20623						
11/15	11/25/2015	20623	750	A & B ELECTRIC	CHECKED WELL 1	428.00
Total 20623:						428.00
111615						
11/15	11/16/2015	111615	62558	PUENTE BASIN WATER AGENCY	PM 22/PM 9 CONNECTION	289,208.30
11/15	11/16/2015	111615	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,409.90
11/15	11/16/2015	111615	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	1,665.02
11/15	11/16/2015	111615	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	1,360.71
11/15	11/16/2015	111615	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	9,993.79
Total 111615:						303,637.72
111915						
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	329.41
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	84.50
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	5,745.49
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	1,104.48
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	368.02
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	60.04
11/15	11/19/2015	111915	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	392.37
Total 111915:						8,084.31
112015						
11/15	11/20/2015	112015	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	22,190.54
11/15	11/20/2015	112015	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	2,465.62
Total 112015:						24,656.16
Grand Totals:						1,761,939.74

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11141-0	4,320.03	.00	4,320.03
11505-0	482,956.21	.00	482,956.21
222100	686.21	1,762,625.95-	1,761,939.74-
51210-0	516.42	258.21-	258.21
51310-0	810,178.80	.00	810,178.80
51410-1	3,568.76	.00	3,568.76
51410-2	2,547.21	.00	2,547.21
51410-3	1,665.02	.00	1,665.02
51410-5	21,342.24	.00	21,342.24
51510-0	16,333.79	.00	16,333.79
51610-0	217.81	.00	217.81
51810-0	12,080.96	.00	12,080.96

GL Account	Debit	Credit	Proof
51910-0	5,545.60	.00	5,545.60
52210-0	21,032.21	.00	21,032.21
52310-0	26,040.70	.00	26,040.70
54209-0	3,742.10	428.00-	3,314.10
54210-0	4,278.95	.00	4,278.95
54211-0	19,297.76	.00	19,297.76
54212-0	6,536.71	.00	6,536.71
54213-0	6,699.27	.00	6,699.27
54214-0	2,668.16	.00	2,668.16
54215-0	21,070.95	.00	21,070.95
54216-0	2,195.00	.00	2,195.00
54218-0	2,457.00	.00	2,457.00
54219-0	60,852.64	.00	60,852.64
56210-0	3,161.50	.00	3,161.50
56211-0	4,811.43	.00	4,811.43
56214-0	1,980.57	.00	1,980.57
56215-0	31,856.33	.00	31,856.33
56216-0	519.96	.00	519.96
56217-0	311.31	.00	311.31
56218-0	6,101.57	.00	6,101.57
56218-1	1,597.50	.00	1,597.50
56218-2	800.00	.00	800.00
56219-0	6,983.93	.00	6,983.93
56220-0	9,034.28	.00	9,034.28
56221-0	10,504.33	.00	10,504.33
56223-0	8,535.59	.00	8,535.59
56311-0	10,708.00	.00	10,708.00
56312-0	18,453.34	.00	18,453.34
56320-0	175.10	.00	175.10
56411-0	36,014.08	.00	36,014.08
56413-0	5,066.31	.00	5,066.31
56414-0	434.75	.00	434.75
56415-0	487.14	.00	487.14
56416-0	511.92	.00	511.92
56417-0	11,716.89	.00	11,716.89
56418-0	1,565.38	.00	1,565.38
56419-0	58.19	.00	58.19
56421-0	8,008.98	.00	8,008.98
56710-0	2,994.96	.00	2,994.96
56812-0	5,594.26	.00	5,594.26
57310-0	5,700.00	.00	5,700.00
57312-0	4,921.43	.00	4,921.43
57314-0	954.80	.00	954.80
57315-0	2,275.00	.00	2,275.00
57316-0	17,782.55	.00	17,782.55
57320-0	105.00	.00	105.00
57321-0	4,447.27	.00	4,447.27
57322-0	308.00	.00	308.00
Grand Totals:	<u>1,763,312.16</u>	<u>1,763,312.16-</u>	<u>.00</u>

GL Account

Debit

Credit

Proof

Report Criteria:

Report type: GL detail

Report Criteria:
Detail Report

Check Number	Date	Payee						
20589	11/25/2015	VICTOR YUN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	15-16A	PROJECT REFUND-2511 BATSON AVE	24110-0	685.15	685.15
20590	11/25/2015	ZHIJIAN PAN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	306346-32	DEPOSIT REFUND-18219 WELLINGTON	22810-0	33.90	33.90
20591	11/25/2015	YAN WANG						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	176657-32	DEPOSIT REFUND-18263 BARROSO ST	22810-0	142.51	142.51
20592	11/25/2015	HONDA-YA CITY OF INDUSTRY						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	407154-48	DEPOSIT REFUND-17200 RAILROAD	22810-0	21.72	21.72
20593	11/25/2015	LISA MARIE MARTINEZ						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	4254-61	DEPOSIT REFUND-18157 LANACA ST	22810-0	90.05	90.05
20594	11/25/2015	JOHN HO						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	239297-53	DEPOSIT REFUND-2132 DESIRE AVE	22810-0	520.36	520.36
20595	11/25/2015	LIMAY CHEN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	472104-62	DEPOSIT REFUND-1900 JODON CT	22810-0	46.05	46.05
20596	11/25/2015	LAWRENCE MICHAEL EDWARDS						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	318133-36	DEPOSIT REFUND-1835 EWING COURT	22810-0	173.86	173.86

Check Number	Date	Payee						
20597	11/25/2015	CHIUNG YING TSENG						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	534121-13	DEPOSIT REFUND-2319 BATSON AVE	22810-0	410.18	410.18
20598	11/25/2015	YANG WANG C/O KEVIN WANG						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	721913-95	DEPOSIT REFUND-17418 PAMELA COURT	22810-0	319.26	319.26
20599	11/25/2015	HSINPO LIN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	869911-52	DEPOSIT REFUND-1948 CALLE BOGOTA	22810-0	115.28	115.28
20600	11/25/2015	JENNIFER LEE						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	236116-45	DEPOSIT REFUND-17909 SUNRISE	22810-0	72.61	72.61
20601	11/25/2015	JUN GAO						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	258672-63	DEPOSIT REFUND-18132 LOS PALACIOS DR	22810-0	92.25	92.25
20602	11/25/2015	XINMIN NAN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	731924-21	DEPOSIT REFUND-18408 COMPANARIO	22810-0	108.60	108.60
20603	11/25/2015	GISELE GUADALUPE DIAZ						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	980020-74	DEPOSIT REFUND-16959 SHADY MEADOW	22810-0	276.81	276.81
20604	11/25/2015	GREGORY ELIAS C/O VIOLA ELIAS						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	872431-81	DEPOSIT REFUND-18852 ELIZONDO ST	22810-0	85.21	85.21
20605	11/25/2015	FAN YANG						

Sequence	Source	Description	GL Account	Amount	Check Amount
1	644957-24	DEPOSIT REFUND-18643 MESCALERO	22810-0	155.00	155.00
20606 11/25/2015 DA WAY LLC C/O YU PING					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	886006-21	DEPOSIT REFUND-491 YORBITA	22810-0	28.80	28.80
20607 11/25/2015 DA WAY LLC C/O YU PING TING					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	647393-25	DEPOSIT REFUND-491 YORBITA	22810-0	207.99	207.99
20608 11/25/2015 ROCKPOINTE REALTY C/O BELENE MARTINEZ					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	990501-60	DEPOSIT REFUND-2302 CHERRY GATE	22810-0	141.63	141.63
20609 11/25/2015 RUSSELL SINGER					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	111037-75	DEPOSIT REFUND-17920 GALLIENTA	22810-0	238.03	238.03
20610 11/25/2015 QING PING DU C/O STACY DU					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	767564-31	CREDIT REFUND	15210-0	102.24	102.24
20611 11/25/2015 FUYING ZHAO					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	401434-93	CREDIT REFUND-18408 MESCAL ST	15210-0	45.19	45.19
20612 11/25/2015 MEI HAN MOK					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	546685-14	CREDIT REFUND-1866 PRITCHARD WAY	15210-0	92.26	92.26
20613 11/25/2015 PAUL ABE					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	791211-91	CREDIT REFUND-16700 ROCKY KNOLL	15210-0	75.00	75.00

Check Number	Date	Payee				
20614	11/25/2015	AIPING SUN				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	635975-85	CREDIT REFUND-1834 LOCHGLEN COURT	15210-0	35.80	35.80
20615	11/25/2015	SHWU FEN (SUE) SZE				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	109609-17	CREDIT REFUND-17716 LA PASAITA	15210-0	47.70	47.70
20616	11/25/2015	NOUTHARAVUTH KHIM				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	162738-95	CREDIT REFUND-18240 VILLA PARK	15210-0	27.67	27.67
20617	11/25/2015	ELIZABETH DURAN TAN				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	654105-21	CREDIT REFUND-17709 KINGSRUN	15210-0	56.03	56.03
20619	11/25/2015	ENGER CHIU				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	506286-95	CREDIT REFUND-17521 VERNA DR	15210-0	442.18	442.18
20620	11/25/2015	LEI PING CHIM				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	342055-13	CREDIT REFUND-2055 CARTAGO CT	15210-0	67.90	67.90
20621	11/25/2015	JIN LIANG LI				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	654296-92	CREDIT REFUND-17004 SHADY MEADOW	15210-0	162.19	162.19
20622	11/25/2015	MEC CONCOURSE I				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	2472977-22	CREDIT REFUND-18605 GALE	15210-0	189.20	189.20
Grand Totals:						5,308.61

<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
-----------------	---------------	--------------------	-------------------	---------------	---------------------

Report Criteria:
Detail Report

Tab

1.3



Rowland Water District Memorandum

To: Thomas Coleman, General Manager

From: Sean S. Henry, Finance Officer

CC:

Date: December 2, 2015

Subject: Investment Update – November 2015

Economic Review: The next meeting of the Federal Reserve is scheduled for December 15th. The last meeting was held on October 27th. The Fed Funds rate remains at a target range of 0 to ¼ percent. At the meeting, the Federal Reserve stated “economic activity has been expanding moderate pace. Household spending and business fixed investment have been increasing at solid rates in recent months, and the housing sector has improved further; however, net exports have been soft. The pace of job gains slowed and the unemployment rate held steady. Nonetheless, labor market indicators, on balance, show that underutilization of labor resources has diminished since early this year. Inflation has continued to run below the Committee’s longer-run objective, partly reflecting declines in energy prices and in prices of non-energy imports.” The latest reading of the Consumer Price Index (CPI) for Los Angeles, Riverside and Orange Counties was 1.0 for the month of October. The previous reading was 0.7 in September.

LAIF Update: LAIF ended the month of October with a yield of 0.36%. This represents a .02 basis point increase from the month of September. A comparison with last year shows a .10 basis point increase from October 2014 when the yield stood at 0.26%.

RWD Investments: Rowland Water District’s bond portfolio carries an average yield of 1.19%. This represents no change from the month of October and a 0.83 basis point premium to LAIF. The District had no bond purchases or maturities in the month of October. The District CD Placement program carries an effective yield of 0.79% and an average maturity of 648 days.

Rowland Water District
3021 South Fullerton Road
Rowland Heights, CA 91748
Tel (562) 697-1726

ROWLAND WATER DISTRICT
SUMMARY OF CASH AND INVESTMENTS
FOR MONTH ENDED NOVEMBER 30, 2015



CASH	
Citizens Business Bank	1,306,538.92
Comerica Bank MMIA	19,262.33
TOTAL CASH	1,325,801.25

COMERICA SECURITIES CD PLACEMENT	NA	1mth - 2 Years	NA	NA	NA	0.79%	648	2,183,000.00	12.00%
LOCAL AGENCY INVESTMENT FUND (LAIF)	NA	NA	NA	NA	NA	0.36%	NA	2,218,631.71	12.20%

**BNY MELLON INVESTMENTS
(UNION BANK CUSTODIAN)**

	Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio
US Treasury Note	5 Year	250,000.00	100.266	100.637	03/31/16	2.25%	NA	251,592.50	1.38%
US Treasury Note	5 Year	250,000.00	101.219	101.617	07/31/16	1.50%	NA	251,542.50	1.38%
US Treasury Note	5 Year	250,000.00	101.231	100.273	10/31/16	1.00%	NA	250,682.50	1.38%
Fedl Natl Mtg Assn	5 Year	250,000.00	100.639	100.597	11/15/16	1.38%	NA	251,492.50	1.38%
US Treasury Note	5 Year	250,000.00	99.942	100.148	11/30/16	0.88%	NA	250,370.00	1.38%
Fed Natl Mtg Assn	5 Year	200,000.00	101.194	100.577	01/30/17	1.25%	NA	201,154.00	1.11%
Fed Natl Mtg Assn	5 Year	250,000.00	100.083	99.890	08/28/17	0.88%	NA	249,725.00	1.37%
US Treasury Note	5 Year	250,000.00	99.559	99.500	09/30/17	0.63%	NA	248,750.00	1.37%
Fed Natl Mtg Assn	5 Year	250,000.00	100.019	99.668	12/20/17	0.88%	NA	249,170.00	1.37%
Fed Home Loan Mtg Corp	5 Year	200,000.00	99.289	99.300	01/12/18	0.75%	NA	198,600.00	1.09%
US Treasury Note	5 Year	200,000.00	99.742	99.352	02/28/18	0.75%	NA	198,704.00	1.09%
US Treasury Note	4 Year	250,000.00	99.539	100.652	06/30/18	1.38%	NA	251,630.00	1.38%
Fed Natl Mtg Assn	5 Year	500,000.00	100.300	99.214	05/21/18	0.88%	NA	496,070.00	2.73%
US Treasury Note	5 Year	250,000.00	99.727	100.512	09/30/18	1.38%	NA	251,280.00	1.38%
US Treasury Note	5 Year	250,000.00	99.868	100.414	11/30/18	1.38%	NA	251,035.00	1.38%
US Treasury Note	5 Year	250,000.00	99.137	100.691	12/31/18	1.50%	NA	251,727.50	1.38%
US Treasury Note	5 Year	250,000.00	100.172	100.637	01/31/19	1.50%	NA	251,592.50	1.38%
US Treasury Note	5 Year	250,000.00	99.140	100.570	02/28/19	1.50%	NA	251,425.00	1.38%
US Treasury Note	5 Year	250,000.00	99.617	100.906	03/31/19	1.63%	NA	252,265.00	1.38%
US Treasury Note	5 Year	250,000.00	98.719	99.644	04/30/19	1.26%	NA	249,110.00	1.38%
US Treasury Note	5 Year	100,000.00	98.532	99.195	10/31/19	1.27%	NA	99,195.00	1.39%
US Treasury Note	5 Year	250,000.00	99.359	99.309	01/31/20	1.38%	NA	248,272.50	1.37%
US Treasury Note	5 Year	250,000.00	99.047	98.129	03/31/20	1.14%	NA	245,322.50	0.55%
US Treasury Note	5 Year	250,000.00	99.016	99.055	04/30/20	1.38%	NA	247,637.50	1.36%
Fed Natl Mtg Assn	5 Year	500,000.00	98.867	98.885	06/22/20	1.50%	NA	247,212.50	1.35%
Cash Reserve Account						0.01%		70,386.09	0.39%
Total BNY Mellon Investments								6,265,944.09	34.44%

**MERRILL LYNCH INVESTMENTS
(UNION BANK CUSTODIAN)**

	Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio
Fedl Natl Mtg Assn	5 Year	480,000.00	100.625	100.455	09/28/16	1.25%	NA	482,184.00	2.65%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.898	100.597	11/15/16	1.38%	NA	502,985.00	2.76%
Fedl Home Loan Mtg Corp	5 Year	465,000.00	100.427	100.234	03/08/17	1.00%	NA	466,088.10	2.56%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	102.124	100.552	05/12/17	1.25%	NA	251,380.00	1.38%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	100.793	100.149	06/29/17	1.00%	NA	250,372.50	1.38%
Fedl Natl Mtg Assn	5 Year	485,000.00	101.342	99.890	08/28/17	0.88%	NA	484,466.50	2.66%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.650	99.668	12/20/17	0.88%	NA	493,356.60	2.71%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.066	99.300	01/12/18	0.75%	NA	491,535.00	2.70%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.448	99.549	02/08/18	0.88%	NA	492,767.55	2.71%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.392	99.467	03/07/18	0.88%	NA	492,361.65	2.71%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.530	99.214	05/21/18	0.88%	NA	496,070.00	2.73%
Fedl Natl Mtg Assn	4 Year	250,000.00	98.671	99.868	09/27/18	1.27%	NA	249,670.00	1.37%
Fedl Natl Mtg Assn	5 Year	245,000.00	100.061	100.943	11/27/18	1.63%	NA	247,310.35	1.36%
Fedl Home Loan Mtg Corp	5 Year	275,000.00	99.581	98.948	08/01/19	1.25%	NA	272,107.00	1.50%
Fedl Home Loan Mtg Corp	5 Year	275,000.00	99.344	98.629	10/02/19	1.25%	NA	271,229.75	1.49%
Fedl Farm Credit Bank	5 Year	240,000.00	98.229	98.605	10/22/19	1.29%	NA	236,652.00	1.30%
ML Bank Deposit (Cash Account)						0.01%		18,556.29	0.10%
Total Merrill Lynch Investments								6,199,092.29	34.08%

**TOTAL INVESTMENTS
TOTAL CASH AND INVESTMENTS**

	16,866,668.09	100%
	18,192,469.34	
Weighted Average Yield of Total Investment Portfolio:	0.92%	

Market values determined by last business day of month values.

All listed investments comply with the District's Statement of Investment Policy as established in Resolution 2-2007.

The District's available cash and investment portfolio provides sufficient cash flow and liquidity to meet all normal obligations for at least a six-month period of time.

NOTE: All interest values shown above are based on annual rates of return.


 Sean S. Henry, Finance Officer



COMPARATIVE PURCHASED WATER REPORT FOR THE MONTH OF OCTOBER 2015

SOURCE / DESCRIPTION	2015			2014		
	ACRE-FEET	COST	COST/A.F.	ACRE-FEET	COST	COST/A.F.
WATER CHARGES:						
POTABLE WATER						
PUENTE BASIN WATER AGENCY / TVMWD	318.8	286,569.74	898.99	471.8	393,693.13	834.45
POMONA-WALNUT-ROWLAND JWLC	535.5	481,414.50	899.00	535.8	468,825.00	875.00
LA HABRA HEIGHTS	24.2	7,489.83	308.99	5.0	1,900.68	382.43
WATER REPLENISHMENT DISTRICT (WRD)	0.0	-		0.0	-	
	878.5	775,474.07		1,012.6	864,418.8	
RECLAIMED WATER	69.6	16,333.79	234.68	59.9	14,092.95	235.27
TOTAL WATER CHARGES	948.1	791,807.86		1,072.5	878,511.76	
FIXED CHARGES:						
PUENTE BASIN WATER AGENCY / TVMWD						
CAPACITY RESERVATION		9,993.79			6,490.47	
CONNECTED CAPACITY		1,409.90			1,322.62	
WATER USE CHARGE		1,360.71			992.23	
EQUIV. SMALL METER		1,665.02			1,642.66	
SUBTOTAL		14,429.42			10,447.98	
PWR JWLC						
CAPACITY RESERVATION		11,348.45			7,370.26	
CONNECTED CAPACITY		1,137.31			1,066.91	
WATER USE CHARGE		2,208.05			2,301.90	
DEPRECIATION						
REPLACEMENT						
BUDGET ASSESSMENT						
SUBTOTAL		14,693.81			10,739.07	
LHH / OCWD						
WHEELING CHARGE	20.1	1,006.50	50.00	5.0	248.50	50.00
SUBTOTAL						
TOTAL FIXED CHARGES		30,129.73			21,187.05	
TOTAL PURCHASED WATER CHARGES		821,937.59			899,698.81	
AVERAGE WATER CHARGE:		\$ 866.92			\$ 838.90	

Tab

1.4

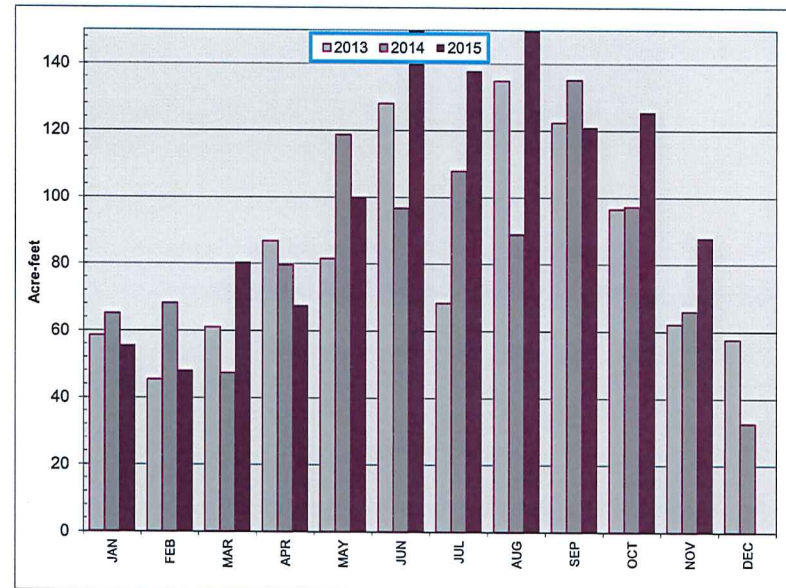
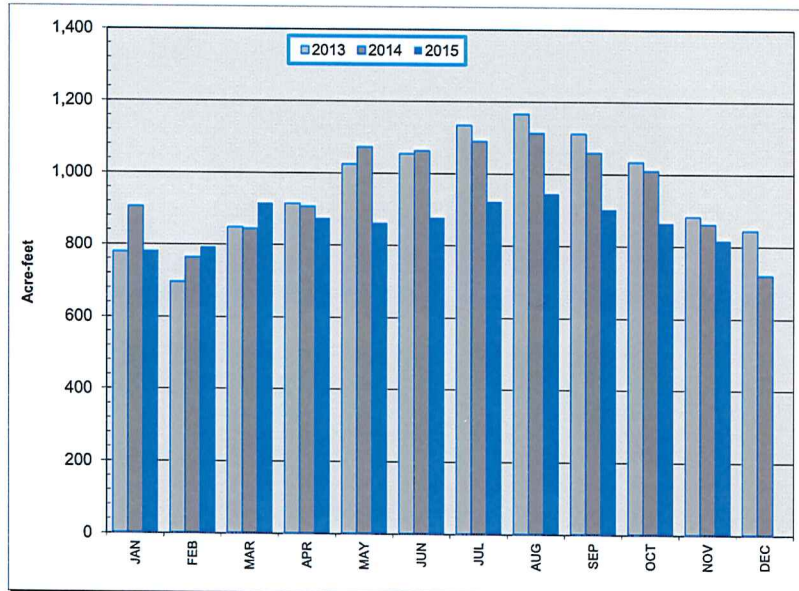


Water Purchases for CY 2015 (Acre-feet)

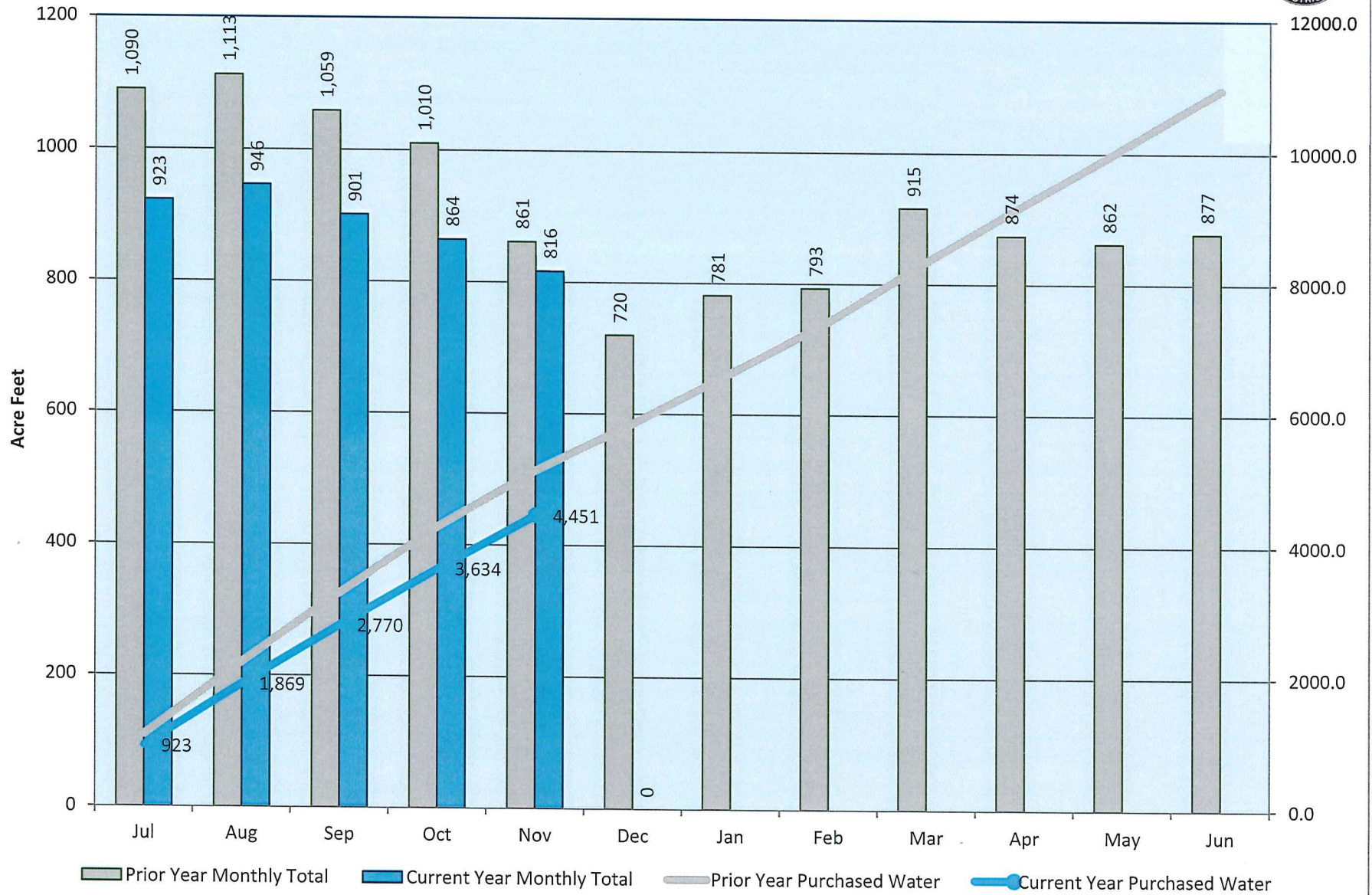


	POTABLE SYSTEM				TOTAL
	LHH	PM-22	JWL		
			PM-15	Miramar	
JAN	81.7	275.5	355.9	68.2	781.3
FEB	106.2	344.5	308.8	33.2	792.7
MAR	82.0	565.1	213.1	55.3	915.5
APR	27.9	538.0	293.5	14.5	873.9
MAY	93.1	290.8	358.7	119.2	861.8
JUN	3.1	331.4	405.7	136.9	877.1
JUL	0.0	353.1	458.7	110.9	922.7
AUG	4.1	390.4	551.7	0.0	946.2
SEP	0.0	321.7	579.5	0.0	901.2
OCT	20.1	308.7	474.9	60.6	864.3
NOV	65.4	276.6	364.5	109.9	816.4
DEC					0.0
TOTAL	483.6	3,995.8	4,365.0	708.7	9,553.1

RECYCLED SYSTEM					
Well 1	Wet Well	WVWD	Industry	Potable Make-up	TOTAL
0.0	8.2	0.0	47.4	0.0	55.6
2.1	11.3	1.0	33.7	0.0	48.1
14.7	4.0	1.0	60.8	0.0	80.5
20.5	2.3	2.0	42.9	0.0	67.7
17.4	5.3	3.0	74.4	0.0	100.1
8.1	15.5	3.0	168.1	0.0	194.7
2.4	7.3	3.0	125.2	0.0	137.9
28.4	29.0	3.0	119.2	0.0	179.6
21.3	21.6	2.0	76.2	0.0	121.1
28.3	28.7	2.0	66.6	0.0	125.6
24.1	5.4	1.0	57.5	0.0	88.0
					0.0
167.3	138.6	21.0	872.0	0.0	1,198.9



Potable Water Purchases For FY 2015-2016 (Acre-feet)



Tab

2.1



DECEMBER 2015-DIRECTOR REIMBURSEMENTS

Director	Date of Meeting/Event	Meeting/Event Attended	Reimbursement	No Charge	Additional Comments <i>(Submit expense report if claiming mileage and/or meal reimbursement)</i>
Anthony J. Lima					
	12/1/15-12/3/15	ACWA Conference	\$330.00		Mileage
	12/8/2015	RWD Board Meeting	\$110.00		
	12/10/2015	PBWA Meeting at Walnut	\$110.00		Mileage
	12/17/2015	Project Ad Hoc Meeting	\$110.00		
		TOTAL PAYMENT	\$660.00		
John Bellah					
	11/30/15-12/4/15	ACWA Conference	\$440.00		Mileage
	12/8/2015	RWD Board Meeting	\$88.00		
		TOTAL PAYMENT	\$528.00		
Robert W. Lewis					
	12/1/15-12/4/15	ACWA Conference	\$440.00		Mileage & Tip
	12/8/2015	RWD Board Meeting	\$110.00		
	12/10/2015	PBWA Meeting at Walnut	\$110.00		
		TOTAL PAYMENT	\$660.00		

Szu-Pei Lu					
	11/30/15-12/3/15	ACWA Conference	\$440.00		Mileage
	12/8/2015	RWD Board Meeting	\$110.00		
	12/17/2015	Project Ad Hoc Meeting	\$110.00		Mileage
		TOTAL PAYMENT	\$660.00		
Teresa Rios					
	12/1/15-12/4/15	ACWA Conference	\$440.00		Car Rental & Gas
	12/8/2015	RWD Board Meeting	\$110.00		
		TOTAL PAYMENT	\$550.00		

APPROVED FOR PAYMENT:



Tom Coleman

Tab

2.2

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Rowland Water District
Rowland Heights, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the proprietary fund and fiduciary fund of the Rowland Water District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 8, 2015.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described below, that we consider to be a significant deficiency.

Internal Control over Financial Reporting (Continued)

Significant Deficiency

Utility Billing Service Rates

Auditors' Comment:

We noted that the water service charges for bi-monthly customers with a 5/8", 3/4", and 1" meter sizes and the fire service charge for bi-monthly customers with a 2" meter size effective January 1, 2015 were entered into the billing system incorrectly. We projected the effects of these errors in rates for the six-month period ended June 30, 2015 and determined that the affected customers were billed approximately \$11,000 less than what they should have been billed. It is important that board-approved rate changes are implemented accurately. We recommend that controls over the implementation of rate changes be modified to include multiple layers of review by employees other than the one entering the rate changes into the system to ensure the accuracy of the rates being charged.

District's Response:

Rowland Water District immediately moved to correct the error of the unbilled service charges as noted by White Nelson Diehl Evans LLP. In the future when rate and charge changes are made, they will be signed off on by a member of Rowland Water District management.

Compliance and Other Matters

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

District's Response To Finding

The District's response to the finding identified in our audit is described above. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

White Nelson Diehl Evans LLP

Irvine, California
December 8, 2015

To the Board of Directors
Rowland Water District
Rowland Heights, California

We have audited the financial statements of the proprietary fund and fiduciary fund of the Rowland Water District (the District) for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated July 17, 2015 and in our letter on planning matters dated July 28, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. As discussed in Notes 1d and 16 to the financial statements, the District has recorded the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the cost-sharing defined benefit pension plans due to the adoption of Governmental Accounting Standards Board's (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68". The adoption of these standards required retrospective application resulting in a \$2,852,354 reduction of previously reported proprietary fund net position. Also, in connection with the District's Other Post-Employment Benefit (OPEB) Plan, the District established a trust account to hold OPEB Plan assets. Due to the District's level of responsibility in administering the OPEB Plan and related trust account, it has been determined that the trust account should be reported in the District's financial statements as a fiduciary fund. No other accounting policies were adopted and the application of other existing policies was not changed during the year ended June 30, 2015. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

The most sensitive estimates affecting the financial statements were:

- a. The estimate of the fair market value of investments which is based on market values provided by the investment custodian.
- b. The estimated useful lives of capital assets used for depreciation purposes which are based on industry standards.
- c. The estimated useful lives of capital assets used for depreciation purposes which are based on industry standards.
- d. The annual required contributions, pension expense, net pension liability and corresponding deferred outflows of resources and deferred inflows of resources for the City's public defined benefit plans with CalPERS are based on actuarial valuations provided by CalPERS.
- e. The annual required contributions, OPEB expense, net OPEB obligation and actuarial accrued liability for the District's Other Post-Employment Healthcare Plan are based on certain actuarial assumptions and methods prepared by an outside consultant.

We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are reported in Note 11 regarding the District's defined benefit pension plans, Note 12 regarding the District's other post-employment benefit plan and Note 16 regarding the restatements of prior year financial statements.

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

Difficulties Encountered in Performing the Audit

Other than the delay in receiving information regarding the activities of the District's investment in the Puente Basin Water Agency joint venture, we encountered no significant difficulties in dealing with management in performing and completing the audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following material misstatement detected as a result of audit procedures was corrected by management: adjustments to the deferred amount on refunding related to the issuance of the District's 2014A water refunding bonds.

Significant Audit Findings (Continued)

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 8, 2015.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of contributions – defined benefit pension plan, and the other post employment benefit plan schedule of funding progress, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

Significant Audit Findings (Continued)

Restriction on Use

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

White Nelson Dick Evans LLP
Irvine, California
December 8, 2015

Client: 79555 - Rowland Water District
 Engagement: 2015 - Rowland Water District
 Period Ending: 6/30/2015
 Trial Balance: 2999.01 - Rowland Water District
 Workpaper: 3210.01 - Waived AJE's Report

Account	Description	Debit	Credit
Passed Journal Entries JE # 401			
Known Misstatement: To quantify underbillings for FY 14-15 due to service rates not properly updated within the District's			
13710-0	ACCOUNTS RECEIVABLE	10,889.00	
41110-0	SALES-RESIDENTIAL		10,889.00
Total		10,889.00	10,889.00
Passed Journal Entries JE # 402			
Known Misstatement: To propose to reclassify unallocated cash payments to customer accounts receivable for proper			
15210-0	UTILITY CASH CLEARING ACCOUNT	35,293.00	
13710-0	ACCOUNTS RECEIVABLE		35,293.00
Total		35,293.00	35,293.00
Passed Journal Entries JE # 403			
Known Misstatement: To adjust property tax to record receivable.			
14515-0	OTHER RECEIVABLE	24,450.00	
30130-0	UNAPPROPRIATED FUND BALANCE		20,782.00
49310-0	COUNTY TAX CONTRIBUTIONS		3,668.00
Total		24,450.00	24,450.00
Passed Journal Entries JE # 404			
Known Misstatement: To propose to record a liability for payroll amounts that were disbursed subsequent to year end.			
56110-0	WAGES-ADMINISTRATIVE	20,140.00	
23010-0	WAGES PAYABLE		20,140.00
Total		20,140.00	20,140.00
Passed Journal Entries JE # 405			
Known Misstatement: To propose to adjust the unbilled accounts receivable to actual per calculation, and consider the			
13710-0	ACCOUNTS RECEIVABLE	15,430.00	
13710-0	ACCOUNTS RECEIVABLE		3,974.00
41110-0	SALES-RESIDENTIAL		11,456.00
Total		15,430.00	15,430.00
Passed Journal Entries JE # 406			
Known Misstatement: To quantify the amortization over 50yrs for capitalized interest, including the effect on Prior Periods.			
30130-0	UNAPPROPRIATED FUND BALANCE	60,954.00	
57111-0	DEPRECIATION-OFFICE	20,451.00	
11400-0	RES FOR DEPREC-UTILITY PLANT		81,405.00
Total		81,405.00	81,405.00

ROWLAND WATER DISTRICT
FINANCIAL STATEMENTS
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
JUNE 30, 2015

ROWLAND WATER DISTRICT

TABLE OF CONTENTS

June 30, 2015

	<u>Page Number</u>
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis (Required Supplementary Information)	5 - 15
BASIC FINANCIAL STATEMENTS:	17
Proprietary Fund:	
Statement of Net Position	18 - 19
Statement of Revenues, Expenses and Changes in Net Position	20 - 21
Statement of Cash Flows	22 - 23
Fiduciary Fund:	
Statement of Fiduciary Net Position	25
Statement of Changes in Fiduciary Net Position	26
Notes to Basic Financial Statements	27 - 61
REQUIRED SUPPLEMENTARY INFORMATION:	62
Schedule of Proportionate Share of the Net Pension Liability	63
Schedule of Contributions - Defined Benefit Pension Plan	64
Other Post-Employment Benefit Plan - Schedule of Funding Progress	65
OTHER SUPPLEMENTARY INFORMATION:	66
Schedules of Other Operating Expenses	67
Schedules of General and Administrative Expenses	68
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	69 - 70

INDEPENDENT AUDITORS' REPORT

Board of Directors
Rowland Water District
Rowland Heights, California

Report on the Financial Statements

We have audited the accompanying financial statements of the proprietary fund and fiduciary fund of the Rowland Water District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District'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.

Auditors' 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, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. 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 auditors' 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 auditors consider internal control relevant to the District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the proprietary fund and fiduciary fund of the Rowland Water District as of June 30, 2015 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

Emphasis of Matters

As discussed in Notes 1d and 16 to the financial statements, the District adopted Governmental Accounting Standards Board's Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68.*" The adoption of these standards required retrospective application resulting in a \$2,852,354 reduction of previously reported proprietary fund net position. In addition, as discussed in Note 16, previously reported proprietary fund net position was increased by \$805,538 to correct the beginning balances of other receivables, accounts payable, and other payables related to a joint venture project managed by the District. Also, the District is now reporting an other post-employment benefit (OPEB) fiduciary trust fund as part of its basic financial statements. Beginning net position of the fiduciary OPEB trust fund was \$1,415,139. Our opinions are not modified with respect to these matters.

Other Matters

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of contributions – defined benefit pension plan, and other post employment benefit plan schedule of funding progress, identified as required supplementary information in the accompanying table of contents, 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 the 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedule of other operating expenses and schedule of general and administrative expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2015, on our consideration of the District'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 District's internal control over financial reporting and compliance.

White Nelson Dick Evans LLP

Irvine, California
December 8, 2015

THIS PAGE INTENTIONALLY LEFT BLANK

MANAGEMENT'S DISCUSSION AND ANALYSIS

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2015

This section of the District's annual financial report presents our analysis of the District's financial performance during the fiscal year that ended on June 30, 2015. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Fiscal Year 2015

- The District's total net position decreased by \$1,136,398 or 1.88 percent
- During the year, the District's total revenues decreased to \$21,637,440 or 1.40 percent, and total expenses decreased to \$20,727,582 or 8.03%.

Fiscal Year 2014

- The District's total net position decreased by \$535,573 or .88 percent
- During the year, the District's total revenues increased to \$21,945,277 or 11.54 percent, and total expenses increased to \$22,536,752 or 4.77 percent

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts: Management's Discussion and Analysis and the Financial Statements. The Financial Statements also include notes that explain in more detail some of the information in the Financial Statements.

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the District report information about the District using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The Statements of Net Position include all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the District's operations over the past two years and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of the statement is to provide information about the District's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

FINANCIAL ANALYSIS OF THE DISTRICT

Our analysis of the District begins on page 18 of the Financial Statements. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These statements report the net position of the District and changes in them. You can think of the District's net position - the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other nonfinancial factors such as changes in economic conditions, population growth, and new or changed government legislation.

NET POSITION

To begin our analysis, a summary of the District's Net Position is presented in Table 1.

TABLE 1
Condensed Statements of Net Position

	Fiscal Year 2015	Fiscal Year 2014	Dollar Change
Assets:			
Current, restricted and other assets	49,338,573	\$ 45,403,134	\$ 3,935,439
Capital assets	58,321,956	59,617,090	(1,295,134)
Total Assets	<u>107,660,529</u>	<u>105,020,224</u>	<u>2,640,305</u>
Liabilities:			
Current liabilities	3,756,611	4,469,452	(712,841)
Noncurrent liabilities	<u>44,445,544</u>	<u>39,956,000</u>	<u>4,489,544</u>
Total Liabilities	<u>48,202,155</u>	<u>44,425,452</u>	<u>3,776,703</u>
Net Position:			
Net investment in capital assets	36,828,271	41,272,337	(4,444,066)
Restricted	-	1,503,963	(1,503,963)
Unrestricted	<u>22,630,103</u>	<u>17,818,472</u>	<u>4,811,631</u>
Total Net Position	<u>\$ 59,458,374</u>	<u>\$ 60,594,772</u>	<u>\$ (1,136,398)</u>

As can be seen from Table 1, total assets decreased \$2,640,305 from fiscal year 2014 to 2015. The majority of the decrease comes from capital assets that saw a \$1,295,134 or 2.17% decrease from fiscal year 2014. Total Net Position saw a decrease of \$1,136,398 or 1.88% from the previous fiscal year.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2015

NET POSITION (CONTINUED)

Large projects completed during fiscal year 2015 included:

Whittier Booster Station and Pipeline

In an effort to secure water reliability for the customers of the Rowland Water District, the District entered into an agreement with California Domestic Water Company (CDWC) to utilize the District's allowed pumping allocation in the Central Basin and newly acquired export rights in the Main San Gabriel Basin to bring local groundwater supplies into the Rowland Water District distribution system. New infrastructure was required to connect the California Domestic Water Company water systems to the District's water system. The new infrastructure included the addition of approximately 15,000 feet of 24" pipeline and the construction of a 1,275 sq. ft. pump and chemical injection building referred to as the Whittier Booster Station.

CMMS Implementation

The District contracted with Westin Engineering Inc. to acquire, install and train District staff on the implementation of a Computer Maintenance Management System (CMMS). The CMMS is utilized to schedule and record all of the preventative maintenance of the District's capital assets.

Rowland Heights Community Center

Los Angeles County Department of Parks and Recreation chose Pathfinder Park for the home of the new Rowland Heights Community Center. The new community center at Pathfinder Community Regional Park in Rowland Heights includes a 19,500 square foot multi-purpose area, tennis and basketball courts, splash pad, as well a computer room. The total cost of the Rowland Heights Community Center was approximately \$18 million and was made possible with funding from the office of Fourth District Supervisor Don Knabe. Rowland Water District supported the effort by installing two (2) public fire hydrants, one six-inch (6") fire protection service, and a two and one half-inch (2 1/2") domestic water meter.

A further review shows total liabilities increased by \$3,776,703 or 8.50% from fiscal year 2014 to 2015. The majority of that increase was noncurrent liabilities which had an increase of \$4,489,544. There were two main reasons for this increase. The first being the District's refunding on its 2008 Certificate of Participation (COP) bond. This was refunded in September 2014 and lowered the District's annual interest payments by reducing the interest rates on the remaining certificates. The District will see annual savings of approximately \$140,000 per year, but by doing the refunding, the balance on the bond issuance increased as the majority of interest is paid in the beginning years of the term. The second reason is In reference to Government Accounting Standard Board (GASB) 68. This was a new mandate that went into effect this fiscal year in which the District's share of its California Public Employees Retirement System (CalPERS) net pension liability is recorded on its financial statements.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

NET POSITION (CONTINUED)

Rowland Heights Community Center (Continued)

Rowland Water District is an employer with fewer than 100 employees and is in a risk pool plan with CalPERS along with other smaller agencies. Each year each agency is assigned their portion of the plans net pension liability. For fiscal year 2014-2015, the District's portion was \$2,341,881.

TABLE 2

Condensed Statements of Revenues, Expenses and Changes in Net Position

	Fiscal Year 2015	Fiscal Year 2014	Dollar Change
Revenues:			
Operating revenues	\$ 20,664,408	\$ 21,000,529	\$ (336,121)
Nonoperating revenues	973,032	944,748	28,284
Total Revenues	<u>21,637,440</u>	<u>21,945,277</u>	<u>(307,837)</u>
Expenses:			
Operating expenses	18,759,821	20,504,612	(1,744,791)
Nonoperating expenses	1,967,761	2,032,140	(64,379)
Total Expenses	<u>20,727,582</u>	<u>22,536,752</u>	<u>(1,809,170)</u>
Income (loss) before Capital Contributions	909,858	(591,475)	1,501,333
Capital contributions	560	55,902	(55,342)
Change in Net Position	910,418	(535,573)	1,445,991
Beginning Net Position	<u>60,594,772</u>	<u>61,130,345</u>	<u>(535,573)</u>
Restatement	(2,046,816)		
Beginning Net Position, as Restated	<u>58,547,956</u>		
Ending Net Position	<u>\$ 59,458,374</u>	<u>\$ 60,594,772</u>	<u>\$ 910,418</u>

While the Statements of Net Position show the change in financial position, the Statements of Revenues, Expenses, and Changes in Net Position provide answers as to the nature and source of these changes. As can be seen in Table 2, Income before Capital Contributions of \$909,858 and Capital Contributions of \$506 resulted in an increase in ending net position of \$910,418 in fiscal year 2015.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2015

NET POSITION (CONTINUED)

A closer examination of the source of changes in Net Position reveals that the District's total revenues decreased by \$307,837 or 1.40% in fiscal year 2015. Of this amount, operating revenues decreased by \$336,121 or 1.60% and its nonoperating revenues increased by \$28,284 or 2.99% in the past fiscal year. The main factor attributing to the decrease in operating revenues was a decrease in water sales. The District had already been encouraging and enforcing water conservation for the entire fiscal year due to severe drought conditions in California. In September 2014 the Rowland Board of Directors adopted Resolution No. 9-2014 establishing a Level 2 Water Supply Shortage under the District's Water Conservation and Water Shortage Contingency Plan.

On April 1, 2015, Governor Jerry Brown directed the first mandatory water restriction in the state's history. Governor Jerry Brown called for an immediate mandatory 25% reduction in potable urban water use across the state. Rowland Water District's specific mandated conservation target was a 20% reduction in potable water use. The results of this were the District's total water sales decrease from approximately 12,619 acre feet in fiscal year 2013-2014 to 12,028 acre feet in fiscal year 2014-2015. The reduction in revenue would have been more significant if not for a rate increase that became effective on January 1, 2015. The base rate increased \$0.09 from \$2.62 to \$2.71 or 3.44% for potable customers. Water usage over 16 hcf is charged at a higher rate. The recycled water rate increased \$0.05 from \$1.61 to \$1.66 or 3.11%. The District promotes the use of recycled water so there is no cost increase for excess usage. The monthly service charge for standard 5/8" to 3/4" meters increased \$0.72 from \$24.24 to \$24.96 or 2.97%. The District continues to use a tiered rate structure that were implemented in January 2009. The tiered rates as of January 2015 were a base rate of \$2.71 for 1-16 hcf, \$3.11 for 17-23 hcf, and \$3.92 for 24+ hcf. The District has six different pumping zones. Pumping charges cover the energy costs to pump water to each zone of elevation over Zone 1. The additional pumping costs is added to the base rate if the property resides in Zone 2 through Zone 6.

Nonoperating revenues remained fairly constant in 2015. The District saw interest and dividend income of \$372,914, property tax revenues of \$309,832 and miscellaneous income of \$262,727. Miscellaneous income is mainly attributed to contract income for work the District provides on behalf of others, and shared services. This is income the District receives for sharing a service with another agency. The District had unrestricted cash and investments totaling \$18,439,476, ending the fiscal year, an increase of \$1,706,729 from 2014. This increase was caused by District projects being completed in the previous fiscal year that did not need additional revenues attributed to them in the current fiscal year. The District's cash and investments are held cash, short-term certificate of deposits (CD's), money market mutual funds, government bonds and treasury bills. A comparison for these types of investments can be the State of California Local Agency Investment Fund (LAIF). LAIF saw its yield increase from 0.23% in fiscal year 2014 to 0.30% ending fiscal year 2015.

While total operating revenues decreased by \$336,121 or 1.60%, operating expenses decreased by \$1,744,791 or 8.51%. This resulted in a change in net position of \$909,858 in fiscal year 2015. While the District saw total revenues decrease by \$336,121 from fiscal year 2015, Source of Supply costs decreased \$372,008 or 3.61% from fiscal year 2014. Source of Supply include the cost of potable and reclaimed water along with MWD and TVMWD fixed charges.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

NET POSITION (CONTINUED)

The average cost of an acre foot of water increased from \$875 in 2014 to \$899 in 2015. Fixed charges increased 30.27% from fiscal year 2014 to 2015. General and administrative expense saw a increase of \$108,143 or 2.77%. Depreciation for fiscal year 2015 was \$2,183,237. The District does continue to fund 80% of depreciation of Rowland Water District assets through its rates and charges.

BUDGETARY HIGHLIGHTS

**TABLE 3
Budget vs. Actual**

	Fiscal Year 2015		
	Actual	Budget	Variance
Revenues:			
Operating revenues	\$ 20,664,408	\$ 20,575,000	\$ 89,408
Nonoperating revenues	973,032	625,000	348,032
Total Revenues	<u>21,637,440</u>	<u>21,200,000</u>	<u>437,440</u>
Expenses:			
Operating Expenses:			
Source of supply	10,300,706	10,675,000	374,294
Pumping and power	928,486	885,000	(43,486)
Transmission and distribution	934,248	1,085,000	150,752
Customer services	118,456	140,000	21,544
Depreciation expenses	2,183,237	-	(2,183,237)
Other operating expenses	285,663	265,000	(20,663)
General and administrative expenses	4,009,025	3,921,000	(88,025)
Total Operating Expenses	<u>18,759,821</u>	<u>16,971,000</u>	<u>(1,788,821)</u>
Nonoperating expenses	1,967,761	2,800,000	832,239
Total Expenses	<u>20,727,582</u>	<u>19,771,000</u>	<u>(956,582)</u>
Capital Contributions	560	-	560
Change in Net Position	<u>\$ 910,418</u>	<u>\$ 1,429,000</u>	<u>\$ (518,582)</u>

In looking at Table 3, Budget vs. Actual, the discrepancy in net income over budgeted change in net position and change in net position is \$(518,582) or 36.29%. Total Revenues shows a positive variance of \$437,440 or 2.1% from actual. Total operating expenses saw a negative variance of \$1,788,821 or 4.84% when depreciation expense is included since it is not a direct expense. Nonoperating expenses saw a positive variance of \$832,239 This was caused by the 2014 Bond Refunding that saw an interest payment to be pushed back.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of fiscal year 2015, the District had invested \$58,321,956 in a broad range of Infrastructure as shown in Table 4.

**TABLE 4
Capital Assets**

	Fiscal Year 2015	Fiscal Year 2014	Dollar Change
Capital assets, not being depreciated:			
Land	\$ 261,340	\$ 261,340	\$ -
Water rights	5,000	5,000	-
Construction in progress	1,162,307	864,310	297,997
Total capital assets, not being depreciated	<u>1,428,647</u>	<u>1,130,650</u>	<u>297,997</u>
Capital assets, being depreciated:			
Intangible plant	1,022,551	1,022,551	-
Sources of supply plant	2,076,956	2,058,703	18,253
Pumping plant	10,037,819	10,037,819	-
Transmission and distribution plant	63,116,434	62,774,393	342,041
Telemetry equipment	1,354,235	1,354,235	-
General plant	570,451	570,451	-
Office building and equipment	6,108,622	6,056,639	51,983
Transportation equipment	888,066	790,997	97,069
Communication equipment	133,902	133,902	-
Total capital assets, being depreciated	85,309,036	84,799,690	509,346
Less accumulated depreciation	<u>(28,415,727)</u>	<u>(26,313,250)</u>	<u>(2,102,477)</u>
Total capital assets, being depreciated, net	<u>56,893,309</u>	<u>58,486,440</u>	<u>(1,593,131)</u>
Total capital assets, net	<u>\$ 58,321,956</u>	<u>\$ 59,617,090</u>	<u>\$(1,295,134)</u>

Additional information on the District's capital assets can be found in Note 4 of the notes to basic financial statements.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

DEBT ADMINISTRATION

At the end of fiscal year 2015, the District had noncurrent liabilities totaling \$43,659,174 as shown in Table 5.

**TABLE 5
Noncurrent Liabilities**

	Fiscal Year 2015	Fiscal Year 2014	Dollar Change
Refunding Bond Series 2014A	\$ 20,673,940	\$ -	\$ 20,673,940
Certificates of Participation, net	-	18,949,753	(18,949,753)
Installment Purchase Contract payable, net	20,118,554	20,949,205	(830,651)
Compensated absences	255,689	312,516	(56,827)
Net Pension Liability	2,341,881	-	2,341,881
Accrued net OPEB obligation	269,110	459,526	(190,416)

The District currently has five sources of Noncurrent Liabilities in 2015. The Refunding Bond series 2014A is a refunding of the Certificate of Participation (COP) issued January 2009 that were used for the expansion of the District's Recycled Water System. The goal is to lower the dependence on import water by producing recycled water at a lower cost. Recycled water can be used for irrigation at schools, parks, industrial buildings, etc. In November 2012, the District entered into an installment purchase contract with Puente Basin Water Agency in order to finance the acquisition of certain water system improvements. The liability is payable over the next thirty years. The decrease in compensated absences is attributed to less sick and vacation time being due to current employees. The District also had three long term employees retire during the fiscal year. The liabilities would have to be paid at the employee's retirement or separation from service. Net OPEB obligations refer to Other Post Employment Benefits that would be owed to employees upon retirement. The Net OPEB obligation is the difference between the actuarially-determined annual required contribution and the actual contributions made. The District currently funds these expenses on a pay-as-you-go basis, but is funding a GASB 45 trust to help offset the future cost of Other Post Employment Benefits.

Additional information on the District's noncurrent liabilities can be found in Notes 6 - 9 and 11 of the notes to basic financial statements.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's Board of Directors and management considered many factors when setting the fiscal year 2015 Budget, user fees, and charges. A projection is made on the amount of acre feet of water that will be purchased and sold. The District also looks at the increase in the Source of Supply. Since the District heavily relies on import water, the costs are directly passed through by Metropolitan Water District and Three Valleys Municipal Water District. Most are fixed costs that do not vary depending upon the amount of water sold. Other expenses are budgeted individually to account for increases in such things as Automobile and Truck Expenses or Workers' Compensation Insurance. The District's customer base has not changed significantly; therefore, revenue and costs are more easily projected.

TABLE 6
Fiscal Year 2016 Budget vs. Fiscal Year 2015 Actual

	Fiscal Year 2015 Actual	Fiscal Year 2016 Budget	Variance
Revenues:			
Operating revenues	\$ 20,664,408	\$ 21,875,000	\$ 1,210,592
Nonoperating revenues	973,032	575,000	(398,032)
Total Revenues	<u>21,637,440</u>	<u>22,450,000</u>	<u>812,560</u>
Expenses:			
Operating Expenses:			
Source of supply	10,300,706	10,695,000	(394,294)
Pumping and power	928,486	1,085,000	(156,514)
Transmission and distribution	934,248	1,080,000	(145,752)
Customer services	118,456	155,000	(36,544)
Depreciation expenses	2,183,237	-	2,183,237
Other operating expenses	285,663	320,000	(34,337)
General and administrative expenses	4,009,025	4,185,000	(175,975)
Total Operating Expenses	<u>18,759,821</u>	<u>17,520,000</u>	<u>1,239,821</u>
Nonoperating expenses	1,967,761	2,450,000	(482,239)
Total Expenses	<u>20,727,582</u>	<u>19,970,000</u>	<u>757,582</u>
Capital Contributions	560	-	(560)
Change in Net Position	<u>\$ 910,418</u>	<u>\$ 2,480,000</u>	<u>\$ 1,569,582</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2015

CONTACTING THE DISTRICT'S FINANCIAL OFFICER

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Sean S. Henry, Finance Officer, Rowland Water District.

See independent auditors' report.

THIS PAGE INTENTIONALLY LEFT BLANK

BASIC FINANCIAL STATEMENTS

ROWLAND WATER DISTRICT
STATEMENT OF NET POSITION

June 30, 2015

ASSETS:

CURRENT ASSETS:

Cash and cash equivalents	\$ 3,837,646
Investments	14,601,830
Accounts receivable, net of allowance for doubtful accounts of \$30,000	2,603,313
Interest receivable	30,325
Supply inventories	118,234
Water in storage	2,475,538
Prepaid items	47,915

TOTAL CURRENT ASSETS 23,714,801

RESTRICTED ASSETS:

Cash and cash equivalents	483,345
Investments	9,922,909
Escrow deposits	104,528

TOTAL RESTRICTED ASSETS 10,510,782

CAPITAL ASSETS:

Capital assets, not being depreciated	1,428,647
Capital assets, being depreciated, net	56,893,309

TOTAL CAPITAL ASSETS, NET 58,321,956

OTHER NONCURRENT ASSETS:

Investment in joint ventures	11,134,886
------------------------------	------------

TOTAL ASSETS 103,682,425

DEFERRED OUTFLOWS OF RESOURCES:

Deferred amounts from pension plans	334,790
Deferred amounts on refunding	3,643,314

TOTAL DEFERRED OUTFLOWS OF RESOURCES 3,978,104

(Continued)

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENT OF NET POSITION
(CONTINUED)

June 30, 2015

LIABILITIES:

CURRENT LIABILITIES (PAYABLE FROM
UNRESTRICTED ASSETS):

Accounts payable	\$ 2,201,844
Interest payable	131,287
Current portion of installment purchase contract payable	395,000
Current portion of 2014A refunding bonds payable	485,000
	<u>3,213,131</u>

CURRENT LIABILITIES (PAYABLE FROM
RESTRICTED ASSETS):

Retentions payable	104,528
Refundable customer deposits	182,035
Unearned construction advances	256,917
	<u>543,480</u>

TOTAL CURRENT LIABILITIES	<u>3,756,611</u>
---------------------------	------------------

NONCURRENT LIABILITIES:

Compensated absences	255,689
Net OPEB obligation	269,110
Installment purchase contract payable	20,118,554
2014A refunding bonds payable	20,673,940
Net pension liability	2,341,881
	<u>23,659,174</u>

TOTAL NONCURRENT LIABILITIES	<u>43,659,174</u>
------------------------------	-------------------

TOTAL LIABILITIES	<u>47,415,785</u>
-------------------	-------------------

DEFERRED INFLOWS OF RESOURCES:

Deferred amounts from pension plans	<u>786,370</u>
-------------------------------------	----------------

NET POSITION:

Net investment in capital assets	36,828,271
Unrestricted	<u>22,630,103</u>

TOTAL NET POSITION	<u><u>\$ 59,458,374</u></u>
--------------------	-----------------------------

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the year ended June 30, 2015

OPERATING REVENUES:

Water sales:	
Residential	\$ 7,600,766
Business	5,702,646
Public entities	239,990
Industrial	12,723
Reclaimed water	709,445
Other	46,719

Total water sales	14,312,289
-------------------	------------

Water services:

Water service charges	6,086,123
Nonrefundable new service fees	42,375
Reconnection fees	23,430
Customer penalties	189,495
Other	10,696

Total water services	6,352,119
----------------------	-----------

TOTAL OPERATING REVENUES	20,664,408
--------------------------	------------

OPERATING EXPENSES:

Source of supply	10,300,706
Pumping and power	928,486
Transmission and distribution	934,248
Customer services	118,456
Depreciation expense	2,183,237
Other operating expenses	285,663
General and administrative expenses	4,009,025

TOTAL OPERATING EXPENSES	18,759,821
--------------------------	------------

OPERATING INCOME	1,904,587
------------------	-----------

(Continued)

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
(CONTINUED)

For the year ended June 30, 2015

	2015
NONOPERATING REVENUES (EXPENSES):	
Investment income:	
Interest and dividend income	\$ 372,914
Realized and unrealized loss on investments	(104,194)
Property tax revenues	309,832
Gain on disposition of assets	14,195
Miscellaneous income	262,727
Interest expense	(1,648,312)
Debt issuance costs	(215,255)
Amortization of debt premium/(discount)	4,879
Gain from investment in joint ventures	8,485
	(994,729)
 TOTAL NONOPERATING REVENUES (EXPENSES)	 (994,729)
 NET INCOME BEFORE CAPITAL CONTRIBUTIONS	 909,858
 CAPITAL CONTRIBUTIONS:	
Contributions from developers	560
	560
 CHANGE IN NET POSITION	 910,418
 NET POSITION - BEGINNING OF YEAR, AS RESTATED	 58,547,956
 NET POSITION - END OF YEAR	 \$ 59,458,374

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENT OF CASH FLOWS

For the year ended June 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 20,958,036
Cash payments to suppliers for goods and services	(14,121,247)
Cash payments to employees for services	<u>(2,721,754)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>4,115,035</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Proceeds from property taxes	309,832
Other receipts	<u>262,727</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>572,559</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(888,103)
Proceeds from sale of capital assets	14,195
Change in deferred construction advances	93,032
Principal payments on debt	(935,000)
Interest paid	(1,339,718)
Proceeds from debt premium	1,686,785
Proceeds from issuance of debt	20,060,000
Payment to refunding debt escrow agent	(23,014,683)
Payment of debt issuance costs	(215,255)
Capital contributions received	<u>560</u>
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(4,538,187)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Contributions to joint ventures	(6,443,451)
Purchases of investments	(27,614,035)
Proceeds from sale of investments	30,587,456
Investment income	<u>383,001</u>
NET CASH USED FOR INVESTING ACTIVITIES	<u>(3,087,029)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,937,622)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>7,258,613</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 4,320,991</u>

See accompanying notes to basic financial statements.

(Continued)

ROWLAND WATER DISTRICT
STATEMENTS OF CASH FLOWS
(CONTINUED)

For the year ended June 30, 2015

	2015
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ 1,904,587
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,183,237
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	300,315
(Increase) decrease in other receivables	397,985
(Increase) decrease in supply inventories	17,963
(Increase) decrease in water in storage	(1)
(Increase) decrease in prepaid items	2,510
(Increase) decrease in escrow deposits	(104,528)
(Increase) decrease in deferred outflows of resources from pension plans	365,048
Increase (decrease) in accounts payables	(357,738)
Increase (decrease) in retentions payable	83,528
Increase (decrease) in refundable customer deposits	(6,687)
Increase (decrease) in compensated absences	(56,827)
Increase (decrease) in accrued net OPEB obligation	(190,416)
Increase (decrease) in net pension liability	(1,210,311)
Increase (decrease) in deferred inflows of resources from pension plans	786,370
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 \$ 4,115,035
 NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:	
Amortization of debt premiums/discounts and deferred amount on refunding	\$ 88,496
 NONCASH INVESTING ACTIVITIES:	
Gain (loss) from investment in joint ventures	\$ 8,485

See accompanying notes to basic financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

ROWLAND WATER DISTRICT
STATEMENT OF FIDUCIARY NET POSITION

June 30, 2015

	<u>Other Post-Employment Benefit (OPEB) Trust Fund</u>
ASSETS:	
Investments	<u>\$ 1,877,541</u>
 TOTAL ASSETS	 <u>1,877,541</u>
 NET POSITION:	
Held in trust for OPEB benefits	<u>1,877,541</u>
 TOTAL NET POSITION	 <u><u>\$ 1,877,541</u></u>

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the year ended June 30, 2015

	Other Post-Employment Benefit (OPEB) Trust Fund
ADDITIONS:	
Employer contributions	\$ 541,667
Investment income	46,771
	<hr/>
TOTAL ADDITIONS	588,438
	<hr/>
DEDUCTIONS:	
Distributions	121,667
Administrative expense	4,369
	<hr/>
TOTAL DEDUCTIONS	126,036
	<hr/>
CHANGE IN NET POSITION	462,402
	<hr/>
NET POSITION - BEGINNING OF YEAR, AS RESTATED	1,415,139
	<hr/>
NET POSITION - END OF YEAR	\$ 1,877,541
	<hr/> <hr/>

See accompanying notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Nature of Organization:

The Rowland Water District (the District) was formed by the voters on March 3, 1953 under the County Water District Law, Division 12 Water Code, State of California, to provide a safe and reliable water source to allow the community to transform from a cattle raising and farming area into the large urban and industrial area it serves today. The District encompasses a 17.2 square mile area in Southeastern Los Angeles County which services portions of Rowland Heights, La Puente, Hacienda Heights, City of Industry and City of West Covina. The service area's population is approximately 60,000.

b. Basis of Presentation:

The District's activities, other than those that are fiduciary in nature, are accounted for in an enterprise fund. An enterprise fund is a proprietary-type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's fiduciary activities related to its other post-employment benefit (OPEB) plan are accounted for in a fiduciary fund.

c. Measurement Focus and Basis of Accounting:

"Measurement focus" is a term used to describe *which* transactions are recorded within the various financial statements. "Basis of accounting" refers to *when* transactions are recorded regardless of the measurement focus applied. The accompanying proprietary fund financial statements are reported using the "economic resources measurement focus," and the "accrual basis of accounting." Under the economic measurement focus all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under 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.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

c. Measurement Focus and Basis of Accounting (Continued):

Fiduciary Funds:

The fiduciary fund financial statements are accounted for using the economic resources measurement focus and accrual basis of accounting. All assets and liabilities (whether current or noncurrent) associated with these activities are included on the Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents increases (additions) and decreases (deductions) in total fiduciary net position. Under the accrual basis of accounting, additions are reported when earned and deductions are recorded when a liability is incurred, regardless of the timing of related cash flows.

d. New Accounting Pronouncements:

GASB Current Year Standards:

In fiscal year 2014-2015, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, "*Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*" and GASB Statement No. 71 - "*Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68*". These Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses. For defined benefit pension plans, these Statements identify the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Accounting changes adopted to conform to the provisions of this statement should be applied retroactively. The result of the implementation of this standard decreased the proprietary fund net position at July 1, 2014 by \$2,852,354.

GASB Statement No. 69 - "*Government Combinations and Disposals of Government Operations*" was required to be implemented in the current fiscal year and did not impact the District.

GASB Pending Accounting Standards:

GASB has issued the following statements which may impact the Commission's financial reporting requirements in the future:

- GASB 72 - "*Fair Value Measurement and Application*", effective for periods beginning after June 15, 2015.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d. New Accounting Pronouncements (Continued):

- GASB 73 - "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*", effective for periods beginning after June 15, 2015 - except for those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for periods beginning after June 15, 2016.
- GASB 74 - "*Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*", effective for periods beginning after June 15, 2016.
- GASB 75 - "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*", effective for periods beginning after June 15, 2017.
- GASB 76 - "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*", effective for periods beginning after June 15, 2015.

e. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of net position 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 future periods and so will not be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting in this category. The first item is the deferred outflow related to the pension plans. This amount is equal to employer contributions made after the measurement date of the net pension liability. The second item is a deferred outflow related to the pension plans for the changes in proportion and differences between employer contributions and the proportionate share of contributions. This amount is amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the Plans determined as of June 30, 2013 (the beginning of the measurement period ended June 30, 2014), which is 3.8 years. The third item is a deferred amount on refunding. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the life of the refunding debt, which is 26 years.

In addition to liabilities, the statement of net position 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 future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, which is a deferred inflow related to the pension plans resulting from the difference in projected and actual earnings on investments of the pension plan. This amount is amortized over five years.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

f. Net Position:

Net position of the District can be classified 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 are 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 net position - 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 net position - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

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

g. Uniform System of Accounts for Water Utility Districts:

The District follows the procedures and policies described by the Controller of the State of California for uniform system of accounts for nonprofit water utility districts.

h. Operating Revenues and Expenses:

Operating revenues, such as water sales and services, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as property taxes and investment income, result from nonexchange transactions or ancillary activities in which the District gives (receives) value without directly receiving (giving) equal value in exchange. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

i. Cash and Cash Equivalents:

For purposes of the statements of cash flows, cash and cash equivalents have been defined as unrestricted demand deposits and highly liquid investments with maturity of three months or less at date of purchase.

j. Investments:

Investments are stated at fair value (quoted market price or the best available estimates thereof). Net increase (decrease) in the fair value of investments, which consists of realized gains (losses) and the unrealized gains (losses), is shown in the statement of revenues, expenses and changes in net position.

k. Restricted Assets:

Amounts shown as restricted assets have been restricted by either bond indentures, external constraints, or laws and regulations of other governments.

l. Accounts Receivable:

The District grants unsecured credit to its customers. Bad debts are accounted for by the reserve method, which establishes an allowance for doubtful accounts based upon historical losses and a review of past due accounts.

m. Inventories and Water in Storage:

Supply inventories maintained by the District consist primarily of water meters and accessories, water pipes, valves and various fittings. Inventories are valued at cost using the first-in, first-out (FIFO) method. Water in storage is valued at average cost.

n. Capital Assets and Depreciation:

Capital assets are stated at cost, net of accumulated depreciation. District policy has set the capitalization threshold for reporting capital assets at \$2,500. Depreciation is recorded on the straight-line basis over the estimated useful lives as follows: 5 years for computers, vehicles, office equipment and furniture; 10 years for forklifts; 15 years for hydrants; 20 years for meters; and, 75 years for mains. Maintenance and repairs are charged to expense as incurred. Significant renewals and betterments are capitalized.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

o. Capitalized Interest:

The District incurred interest charges on long-term debt totaling \$1,677,883 for the year ended June 30, 2015. No interest has been capitalized as additions to the cost of construction for the year ended June 30, 2015.

p. Restricted Liabilities:

Certain liabilities which are currently payable have been classified as current liabilities payable from restricted assets and assets have been restricted for their payment.

q. Unearned Construction Advances and Capital Contributions:

Construction advances from developers are unearned during the period of construction. When a project is completed, the applicable revenues earned are allocated to the contributed capital. Also, capital contributions represent cash and utility plant additions contributed to the District by property owners or developers desiring services that require capital expenditures or capacity commitment.

r. Property Taxes:

Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent of county-wide assessed valuations. This one percent is allocated pursuant to state law to the appropriate units of local government. The property tax calendar is as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	First Installment - November 10 Second Installment - February 10
Delinquent Date:	First Installment - December 10 Second Installment - April 10

s. Compensated Absences:

Vested or accumulated vacation and sick leave is recorded as an expense and liability as benefits accrue to employees.

t. Claims and Judgments:

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the District records the estimated loss, net of any insurance coverage under its participation in the Joint Power Insurance Authority program. At June 30, 2015, in the opinion of the District's legal counsel, the District had no material claims which would require loss provision in the financial statements. Small dollar claims and judgments are recorded as expenses when paid.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

u. Pensions:

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

v. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND INVESTMENTS:

Cash and Investments:

Cash and investments as of June 30, 2015 are reported in the accompanying statements of net position as follows:

	Government Wide Statement of <u>Net Position</u>	Fiduciary Fund Statement of <u>Net Position</u>	<u>Total</u>
Financial Statement Classification:			
Unrestricted:			
Cash and cash equivalents	\$ 3,837,646	\$ -	\$ 3,837,646
Investments	14,601,830	1,877,541	16,479,371
Restricted:			
Cash and cash equivalents	483,345	-	483,345
Investments	<u>9,922,909</u>	<u>-</u>	<u>9,922,909</u>
Total Cash and Investments	<u>\$ 28,845,730</u>	<u>\$ 1,877,541</u>	<u>\$ 30,723,271</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

Cash and investments as of June 30, 2015 consisted of the following:

	District Funds	OBEP Trust	Total
Cash on hand	\$ 400	\$ -	\$ 400
Demand deposits	961,625	-	961,625
Time deposits	498,000	-	498,000
Investments	<u>27,385,705</u>	<u>1,877,541</u>	<u>29,263,246</u>
Total cash and cash equivalents	<u>\$ 28,845,730</u>	<u>\$ 1,877,541</u>	<u>\$ 30,723,271</u>

Investments Authorized by the California Government Code and the District's Investment Policy:

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Government Sponsored Agency Securities	5 years	None	None
State of California Obligations	5 years	None	None
CA Local Agency Obligations	5 years	None	None
Negotiable Certificates of Deposit (Negotiable CD)	5 years	30%	5%
CD Placement Service	5 years	30%	None
Bankers Acceptances	180 days	40%	30%
Reverse Purchase Agreement	92 days	20%	None
Repurchase Agreements	1 year	None	None
Commercial Paper	270 days	25%	10%
Medium-term Notes	5 years	30%	None
California Local Agency Investment Fund (LAIF)	N/A	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	None
Mutual Funds and Money Market Mutual Funds	N/A	20%	10%
Collateralized Bank Deposits	5 years	None	None
Bank/Time Deposits	5 years	None	None

* - Excluding amounts held by bond trustee that are not subject to California Government Code restrictions.

N/A - Not Applicable

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

Investments Authorized by Debt Agreements:

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk and concentration of risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Government Sponsored Agency Securities:			
Federal Home Loan Bank (FHLB)	None	None	None
Federal Home Loan Mortgage Corporation (FHLMC)	None	None	None
Federal National Mortgage Association (FNMA)	None	None	None
Federal Farm Credit Bank (FFCB)	None	None	None
State and Local Agency Obligations	None	None	None
Banker's Acceptances	1 year	None	None
Medium-term Notes	3 years	None	None
Commercial Paper	None	None	None
Money Market Mutual Funds	N/A	None	None
Investment Agreements	None	None	None
Certificates of Deposit	None	None	None
Repurchase Agreements	30 days	None	None
California Local Agency Investment Fund (LAIF)	N/A	None	None

N/A - Not Applicable

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

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. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2015.

Investment Type	Remaining Maturity (in Years)				Fair Value Total
	Less Than 1 year	1 to 2 Years	2 to 3 Years	3 to 5 Years	
District Investments:					
U.S. Treasury Notes	\$ 253,730	\$ 756,408	\$ 448,461	\$ 2,854,977	\$ 4,313,576
U.S. Government Sponsored Agency Securities:					
FFCB	-	-	-	236,825	236,825
FHLMC	-	972,098	1,184,816	543,408	2,700,322
FNMA	250,408	1,445,521	3,218,300	247,965	5,162,194
Negotiable CD	739,373	951,539	-	-	1,690,912
LAIF	3,218,546	-	-	-	3,218,546
Money Market Mutual Funds	96,028	-	-	-	96,028
Held by Trustee:					
U.S. Treasury Notes	-	1,458,903	997,030	-	2,455,933
U.S. Government Sponsored Agency Securities:					
FHLMC	2,851,515	990,957	1,002,360	-	4,844,832
FNMA	-	1,487,287	-	-	1,487,287
LAIF	44,422	-	-	-	44,422
Money Market Mutual Funds	1,134,828	-	-	-	1,134,828
OPEB Trust Investments:					
PARS	1,877,541	-	-	-	1,877,541
	<u>\$ 10,466,391</u>	<u>\$ 8,062,713</u>	<u>\$ 6,850,967</u>	<u>\$ 3,883,175</u>	<u>\$ 29,263,246</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

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. Presented in the following table are the Standard and Poor's credit ratings for the Districts investments as of June 30, 2015. U.S. treasury notes and bills are not required to be rated and, therefore, have been excluded from the tables below.

Investment	Minimum Legal Rating	Total as of June 30, 2015	AAA	AA+	Unrated
District Investments:					
U.S. Government					
Sponsored Agency Securities:					
FFCB	N/A	\$ 236,825	\$ -	\$ 236,825	\$ -
FHLMC	N/A	2,700,322	-	2,700,322	-
FNMA	N/A	5,162,194	-	5,162,194	-
Negotiable CD	N/A	1,690,912	1,690,912	-	-
LAIF	N/A	3,218,546	-	-	3,218,546
Money Market Mutual Funds	A	96,028	96,028	-	-
Held by Trustee:					
U.S. Government					
Sponsored Agency Securities:					
FHLMC	N/A	4,844,831	-	4,844,831	-
FNMA	N/A	1,487,287	-	1,487,287	-
LAIF	N/A	44,422	-	-	44,422
Money Market Mutual Funds	A	1,134,709	1,134,709	-	-
OPEB Trust Investments:					
PARS	N/A	1,877,541	-	-	1,877,541
		<u>\$ 22,493,617</u>	<u>\$ 2,921,649</u>	<u>\$ 14,431,459</u>	<u>\$ 5,140,509</u>

Concentration of Credit Risk:

Investments in any one issuer that represents 5% or more of total District's investments are as follows:

Issuer	Investment Type	
Federal Home Loan Mortgage Corporation	U.S. Government Sponsored Agency Securities	\$7,545,153
Federal National Mortgage Association	U.S. Government Sponsored Agency Securities	\$6,649,481

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

Custodial Credit Risk:

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the District 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 (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2015, the District's deposits were covered by the Federal Deposit Insurance Corporation insurance limits or collateralized as required by California law.

Investment in State Investment Pool

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

Investments - Other Post-Employment Benefit (OPEB) Trust:

The District established a trust account with Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the District's other post-employment benefit (OPEB) health plan. The OPEB Trust's specific cash and investments are managed by a third-party portfolio manager and invested under a pool arrangement using certain investment guidelines offered by PARS and approved by the District.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

Investments - Other Post-Employment Benefit (OPEB) Trust (Continued):

Those investment guidelines approved by the District are as follows:

Risk Tolerance:	Moderate
Time Horizon:	Long-Term
Income or Liquidity Needs:	As Requested
Account of Trust Restrictions:	None
Unique Needs and Circumstances:	None
Investment Objective:	Moderate Index Plus
Strategic Ranges:	0% - 20% Cash 40% - 60% Fixed Income 40% - 60% Equity

Acceptable Investments:

The following is a list of acceptable investments:

Equity Securities:	Fixed Income Mutual Funds:
Domestic	Corporate
American Depository Receipts (ADRs)	Government
Equity Mutual Funds:	High Yield
Large Cap Growth and Value	International and Emerging Market
Mid Cap Core	Convertible
Small Cap Growth and Value	Preferred
International and Emerging Markets	Closed End Funds
REITs	Cash and Cash Equivalents:
Exchange Traded Funds (ETFs)	Money Market Mutual Fund
Fixed Income Securities:	Commercial Paper
Government/Agencies	CDs and Bankers Acceptance
Mortgage Backed Bonds	
Corporate Bonds and Notes	
Unit Trusts	

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

2. CASH AND INVESTMENTS (CONTINUED):

Investments - Other Post-Employment Benefit (OPEB) Trust (Continued):

Fixed Income Guidelines:

The fixed income guidelines consist of (a) the long-term fixed income investments (greater than seven years in maturity) shall constitute no more than 20%, and as little as 0% of the total Plan assets, (b) the intermediate-term fixed income investments (between three and seven years in maturity) shall constitute no more than 60%, nor less than 20% of the total Plan assets, (c) the high-yield portion of the Plan shall constitute no more than 10%, and as little as 0% of the total Plan assets, (d) the convertible bond exposure shall constitute no more than 10%, and as little as 0% of the total Plan assets, and (e) the short-term fixed income investments (between one and three years in maturity) shall constitute no more than 20%, and as little as 0% of the total Plan assets.

Equity Guidelines:

The equity guidelines consist of (a) the domestic large cap equity investments of the Plan shall constitute no more than 50% nor less than 20% of the total Plan assets, (b) the domestic mid-capitalization equity investments of the Plan shall constitute no more than 20%, and as little as 0% of the total Plan assets, (c) the domestic small capitalization equity investments of the Plan shall constitute no more than 20%, nor less than 0% of the total Plan assets, (d) the international equity investments of the Plan shall constitute no more than 20% and as little as 0% of the total Plan assets, and (e) the real estate investments of the Plan shall constitute no more than 10%, and as little as 0% of the total Plan assets.

3. RESTRICTED ASSETS:

Restricted assets were provided by, and are to be used for, the following:

<u>Funding Source</u>	<u>Use</u>	<u>June 30, 2015</u>
Escrow deposits	Payment of construction retentions	\$ 104,528
Deposits from customers	Security deposits for payment of utility bills	182,035
Customer advances	Construction	256,917
Bond proceeds	Construction projects	<u>9,967,302</u>
		<u>\$ 10,510,782</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

4. CAPITAL ASSETS:

Changes in capital assets for the year ended June 30, 2015 is as follows:

	Balance July 1, 2014	Additions	Retirements Transfers	Balance June 30, 2015
Capital assets, not being depreciated:				
Land	\$ 261,340	\$ -	\$ -	\$ 261,340
Water rights	5,000	-	-	5,000
Construction in progress	<u>864,310</u>	<u>554,794</u>	<u>(256,797)</u>	<u>1,162,307</u>
Total capital assets, not being depreciated	<u>1,130,650</u>	<u>554,794</u>	<u>(256,797)</u>	<u>1,428,647</u>
Capital assets, being depreciated:				
Intangible plant	1,022,551	-	-	1,022,551
Sources of supply plant	2,058,703	18,253	-	2,076,956
Pumping plant	10,037,819	-	-	10,037,819
Transmission and distribution plant	62,774,393	342,041	-	63,116,434
Telemetry equipment	1,354,235	-	-	1,354,235
General plant	570,451	-	-	570,451
Office building and equipment	6,056,639	56,224	(4,241)	6,108,622
Transportation equipment	790,997	173,588	(76,519)	888,066
Communication equipment	<u>133,902</u>	<u>-</u>	<u>-</u>	<u>133,902</u>
Total capital assets, being depreciated	84,799,690	590,106	(80,760)	85,309,036
Less accumulated depreciation	<u>(26,313,250)</u>	<u>(2,183,237)</u>	<u>80,760</u>	<u>(28,415,727)</u>
Total capital assets, being depreciated, net	<u>58,486,440</u>	<u>(1,593,131)</u>	<u>-</u>	<u>56,893,309</u>
Total capital assets, net	<u>\$ 59,617,090</u>	<u>\$ (1,038,337)</u>	<u>\$ (256,797)</u>	<u>\$ 58,321,956</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

5. INVESTMENT IN JOINT VENTURES:

Puente Basin Water Agency:

The Puente Basin Water Agency (the Agency) was created in 1971 by the execution of a Joint Powers Agreement (the Agreement) between the Rowland Water District and the Walnut Valley Water District. The Agreement was made pursuant to Article 1, Chapter 5, Division 7, Title 1 of the government code of the State of California. The Agency was organized for the purpose of protection and utilization of the local, imported and reclaimed water supply within the Puente Basin. The Agency is governed by a four-member appointed Board of Commissioners. Each District appoints two members to this Board.

Upon dissolution of the Agency, the assets in the possession of the Agency shall be distributed to the members as their interest may appear on the books of the Agency and pursuant to the provisions of Section 6512 of the Government Code. Complete financial statements for the Agency can be obtained by written request at 271 South Brea Canyon Road, Walnut, California.

The District records its investment in the Puente Basin Water Agency as an other noncurrent asset, Investment in Joint Ventures. The changes in its investment in Puente Basin Water Agency consisted of the following as of June 30, 2015:

Beginning of year	\$ 4,031,668
Contributions	6,443,451
Share of loss	<u>(24,862)</u>
End of year	<u>\$ 10,450,257</u>

The following is condensed financial information of the investment in Puente Basin Water Agency as of and for the year ended June 30, 2015 including the participants' approximate percentage shares:

	<u>Amount</u>	<u>Walnut Valley Water District</u>	<u>Rowland Water District</u>
Total assets	\$ 59,665,024	50.0%	50.0%
Total liabilities	38,764,510	50.0%	50.0%
Total equity	8,063,337	50.0%	50.0%
Billings to participants	16,817,852		

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

5. INVESTMENT IN JOINT VENTURES (CONTINUED):

Pomona-Walnut-Rowland Joint Water Line Commission:

The District is a member of the Pomona-Walnut-Rowland Joint Water Line Commission (the Commission). The Commission was formed, under the Joint Powers Agreement (the JPA) of 1956, between the City of Pomona, the Walnut Valley Water District and the Rowland Water District. The JPA's purpose is to acquire, construct, maintain, repair, manage and operate a water transmission pipeline for the benefit of the members' water supplies. The Commission is governed by a three-member board composed of one appointee from each member agency

Each year, every member agency is charged an assessment for their share of the general and administrative costs of the Commission which is allocated based on each agency's capacity rights in the pipeline. In addition, a capital surcharge is assessed for the future replacement of the pipeline. For the year ended June 30, 2015, the District remitted assessments of \$44,073, for their 20.0% capacity rights and their share of future replacement costs. Also, the District purchased water totaling \$4,946,825, from the Commission during the year ended June 30, 2015.

Upon dissolution of the Commission, the net position will be divided in proportion to the contribution each agency made to the maintenance and operation account during the last prior twelve month period. The District, consequently, has an ongoing financial responsibility in the activities of the Commission. However, the JPA does not explicitly require the measurement of the District's equity interest in the Commission. Complete financial statements for the Commission can be obtained by written request at P.O. Box 508, Walnut, California.

The District records its investment in the Pomona-Walnut-Rowland Joint Waterline Commission Agency as an other noncurrent asset, Investment in Joint Ventures, primarily capital assets. The changes in its investment in Pomona-Walnut-Rowland Joint Waterline Commission consisted of the following:

Beginning of year	\$ 651,282
Share in income	<u>33,347</u>
End of year	<u>\$ 684,629</u>

The following is condensed financial information of the investment in Pomona-Walnut-Rowland Joint Waterline Commission as of and for the year ended June 30, 2015 including the participants' approximate percentage shares:

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

5. INVESTMENT IN JOINT VENTURES (CONTINUED):

Pomona-Walnut-Rowland Joint Water Line Commission (Continued):

	<u>Amount</u>	<u>City of Pomona</u>	<u>Walnut Valley Water District</u>	<u>Rowland Water District</u>
Total assets	\$5,239,818	27.5%	43.9%	27.5%
Total liabilities	2,837,610	27.5%	43.9%	27.5%
Total equity	2,402,208	27.5%	43.9%	27.5%
Water billings to participants	17,029,370			

6. CERTIFICATES OF PARTICIPATION:

On December 23, 2008, the District issued \$20,545,000 of Certificates of Participation. The proceeds are being used to finance the acquisition and construction of certain recycled water improvements.

The Certificates were issued at a discount of \$188,627, which was amortized and recognized as interest expense over the life of the debt on a straight-line basis. This issuance is comprised of \$6,815,000 serial certificates maturing annually on December 1 from 2009 to 2025 and three term certificates (totaling \$13,730,000) maturing on December 1, 2029, 2035 and 2039 that are payable in annual sinking fund installments commencing December 1, 2026. Interest on the certificates is payable semi-annually on December 1 and June 1 at rates ranging from 4.00% to 5.75% for the serial certificates and 6.00% to 6.50% for the term certificates.

In September 2014, the Certificates were refinanced with the 2014 Water Revenue Refunding Bonds, Series 2014A described in Note 7.

7. WATER REVENUE REFUNDING BONDS, SERIES 2014A:

Water Revenue Refunding Bonds, Series 2014A were issued on September 18, 2014, in the amount of \$20,060,000 to refund \$19,105,000 of outstanding balance on the 2008 Certificates of Participation. The prior obligations were issued to finance certain improvements to the Enterprise. The District completed the advance refunding, to reduce its total debt service over the next 26 years by \$3,455,528 and to obtain an economic gain (difference between to the present values of the old and new debt service payments) of \$2,659,410.

These bonds mature in various amounts through December 1, 2039. The balance outstanding as of June 30, 2015 is \$19,105,000. The Bonds were issued at a premium of \$1,686,785, which is being amortized over the life of the debt on a straight-line basis.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

7. WATER REVENUE REFUNDING BONDS, SERIES 2014A (CONTINUED):

Interest is payable semi-annually on December 1 and June 1 at rates ranging from 2.00% to 5.00%. The installment payments on these bonds are secured by a first priority lien on the Net Revenues of the District. The following is a summary of the changes in Water Revenue Refunding Bonds, Series 2014A bonds for the year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015	Due Within One Year
Water Revenue Refunding Bonds, Series 2014A	\$ -	\$ 20,060,000	\$ (550,000)	\$ 19,510,000	\$ 485,000
Add: Unamortized Premium	-	1,686,785	(37,845)	1,648,940	-
TOTAL	<u>\$ -</u>	<u>\$ 21,746,785</u>	<u>\$ (587,845)</u>	<u>\$ 21,158,940</u>	<u>\$ -</u>

Maturities of the Water Revenue Refunding Bonds, Series 2014A and interest payments subsequent to June 30, 2015 as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 485,000	\$ 808,094	\$ 1,293,094
2017	495,000	795,819	1,290,819
2018	510,000	780,744	1,290,744
2019	525,000	765,219	1,290,219
2020	540,000	749,244	1,289,244
2021 - 2025	3,045,000	3,411,019	6,456,019
2026 - 2030	3,685,000	2,794,603	6,479,603
2031 - 2035	4,480,000	2,011,888	6,491,888
2036 - 2039	5,745,000	747,375	6,492,375
Total	<u>\$ 19,510,000</u>	<u>\$ 12,864,005</u>	<u>\$ 32,374,005</u>

8. INSTALLMENT PURCHASE CONTRACT PAYABLE:

On November 1, 2012, the Puente Basin Water Agency issued \$19,835,000 in water revenue bonds, 2012 Series A in order to finance the acquisition of certain water system improvements of the Rowland Water District. Proceeds of the bonds including \$1,570,182 of bond premium were loaned to the District pursuant to an installment purchase contract entered into concurrently with the bonds issuance.

The bond premium is being amortized and recognized as interest expense over the life of the debt on a straight-line basis. The installment purchase contract payments mirror the debt service payments on the water revenue bonds. Interest is payable semi-annually on December 1 and June 1 at rates ranging from 2.00% to 5.00%.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

8. INSTALLMENT PURCHASE CONTRACT PAYABLE (CONTINUED):

The District's obligation to make installment payments is a special obligation of the District payable solely from the net revenues of the District. The following is a summary of the installment purchase contract for the year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015	Due Within One Year
Installment purchase Contract	\$ 19,455,000	\$ -	\$ (385,000)	\$ 19,070,000	\$ 395,000
Add: Unamortized premium	<u>1,494,205</u>	<u>-</u>	<u>(50,651)</u>	<u>1,443,554</u>	<u>-</u>
TOTAL	<u>\$ 20,949,205</u>	<u>\$ -</u>	<u>\$ (435,651)</u>	<u>\$ 20,513,554</u>	<u>\$ 395,000</u>

Maturities of the installment purchase contract and interest payments subsequent to June 30, 2015 as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 395,000	\$ 756,575	\$ 1,151,575
2017	410,000	742,450	1,152,450
2018	425,000	725,750	1,150,750
2019	445,000	710,575	1,155,575
2020	460,000	694,700	1,154,700
2021 - 2025	2,585,000	3,177,600	5,762,600
2026 - 2030	3,105,000	2,657,375	5,762,375
2031 - 2035	3,630,000	2,139,325	5,796,325
2036 - 2040	4,400,000	1,368,500	5,768,500
2041 - 2042	<u>3,215,000</u>	<u>246,375</u>	<u>3,461,375</u>
Total	<u>\$ 19,070,000</u>	<u>\$ 13,219,225</u>	<u>\$ 32,289,225</u>

9. COMPENSATED ABSENCES:

In accordance with the District's policy, employees may accrue up to 240 hours of vacation. For the year ended June 30, 2015, the total accrued vacation liability for all employees totaled \$142,026.

Also, in accordance with the District's policy, employees may accrue up to 352 hours of sick leave. Upon attaining 352 hours, the employee may exercise a one-time option to exchange sick leave hours for cash or vacation time. Upon separation, retirement or death, an employee shall receive as additional retirement benefit, an amount equal to 50% of accrued hours for unused sick leave pay for up to 352 hours, or 176 hours.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

9. COMPENSATED ABSENCES (CONTINUED):

The District has modified the Employment Agreement in regards to the General Manager's sick leave benefits. The General Manager shall receive the same sick leave benefits, upon the same terms and conditions, as provided to all other District employees. For the year ended June 30, 2015, the total accrued sick leave liability for all employees totaled \$113,663.

10. DEFERRED COMPENSATION PLAN:

The District has adopted a deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all District employees, permits them to defer a portion of their salary until future years. The funds are not available to employees until termination, retirement, death or an unforeseeable emergency. Employees may contribute to the Plan up to 25% of their annual compensation, not to exceed limits established in the Internal Revenue Code. The District does not make any contributions to this Plan. Deferred compensation plan assets are not included in the financial statements as the plan assets are held in trust to protect them from general creditors of the District.

11. DEFINED BENEFIT PENSION PLANS:

a. General Information about the Pension Plans:

Plan Descriptions:

All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided:

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age fifty (50) with statutorily reduced benefits. All members are eligible for non-industrial disability benefits after five (5) years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

a. General Information about the Pension Plans:

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous	
	Prior to July 13, 2012	PEPRA On or After January 1, 2013
Hire date		
Benefit formula	2.5%@55	2%@62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	18.804%	6.25%

Contributions:

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

ROWLAND WATER DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 (CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

- b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions:

As of June 30, 2015, the District reported net pension liabilities for its proportionate shares of the net pension liability of all Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 2,341,881

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for all Plans as of June 30, 2013 and 2014 was as follows:

	Miscellaneous
Proportion - June 30, 2013	0.10841%
Proportion - June 30, 2014	0.09476%
Change - Increase (Decrease)	-0.01365%

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

For the year ended June 30, 2015, the District recognized pension expense of \$275,897. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 334,790	\$ -
Differences between actual and expected experience	-	-
Change in assumptions	-	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(7,621)
Net differences between projected and actual earnings on plan investments	-	(778,749)
Total	<u>\$ 334,790</u>	<u>\$ (786,370)</u>

\$334,790 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Year Ending June 30,	Amount
2016	\$ (197,409)
2017	(197,409)
2018	(196,865)
2019	(194,687)
2020	-
Thereafter	-
Total	<u>\$ (786,370)</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

- b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

Actuarial Assumptions:

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

(3) The probabilities of mortality are derived using CalPERS' membership data for all funds. The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

Discount Rate:

The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

- b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

Discount Rate (Continued):

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such a change in our methodology occurs.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

- b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

Discount Rate (Continued):

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	100.00%		

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

- b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued):

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the District’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.50%
Net Pension Liability	\$ 4,207,587
Current Discount Rate	7.50%
Net Pension Liability	\$ 2,341,881
1% Increase	8.50%
Net Pension Liability	\$ 793,521

Pension Plans Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

- c. Payable to the Pension Plans:

At June 30, 2015, the District had no outstanding amount of contributions to the pension plans due for the year ended June 30, 2015.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB):

a. Plan Description:

The District has a single-employer other post-employment benefit plan that provides medical, dental and vision coverage to 24 active employees and 8 retired employees through the ACWA health program. At retirement, the District provides a contribution for the continuation of these coverage's for eligible retirees. Eligibility for a District contribution requires retirement from the District and under CalPERS on or after age 50 with at least 15 years of continuous service. The District provides 100% of the cost of coverage for the retiree and any covered spouse.

Employees hired on or after July 1, 2012 are eligible for a District contribution if retiring from the District and under CalPERS on or after age 62 with at least 15 years of continuous District service. The District provides 100% of the cost of coverage for the retiree only.

b. Funding Policy:

The contribution requirements of plan members and the District are established and may be amended by the District, District's Board of Directors, and/or the employee associations. Currently, contributions are not required from plan members. The District has been typically funding this OPEB plan on a pay-as-you-go basis. For the year ended June 30, 2015, the District paid \$121,667 in health care costs for its retirees and their covered dependents. In addition the District made a \$420,000 contribution to a trust account established to fund the District's net OPEB obligation for the year ended June 30, 2015.

c. Annual OPEB Cost and Net OPEB Obligation:

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement 45 applied prospectively. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded liabilities of the plan over a period not to exceed thirty years.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED):

c. Annual OPEB Cost and Net OPEB Obligation (Continued):

The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$ 353,401
Interest on net OPEB obligation	29,869
Adjustment to annual required contribution	<u>(32,019)</u>
Annual OPEB cost (expense)	351,251
Actual contributions made	<u>(541,667)</u>
Increase (decrease) in net OPEB obligation	(190,416)
Net OPEB Obligation - beginning of year	<u>459,526</u>
Net OPEB Obligation - end of year	<u><u>\$ 269,110</u></u>

d. Three-Year Trend Information:

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2015, 2014 and 2013 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
6/30/13	\$ 351,337	\$ 110.50%	\$ 773,320
6/30/14	360,066	187.15%	459,526
6/30/15	351,251	154.21%	269,110

e. Funded Status and Funding Progress:

As of July 1, 2012, the plan was 8.99% percent funded. The actuarial accrued liability for benefits was \$4,499,844, and the actuarial value of assets was \$404,434, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,095,410. The estimated covered payroll (annual payroll of active employees covered by the plan) was \$2,161,937 and the ratio of the UAAL to the covered payroll was 189.43%.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED):

e. Funded Status and Funding Progress (Continued):

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about rates of employee turnover, retirement, mortality, as well as economic assumptions regarding claim costs per retiree, healthcare inflation and interest rates. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

f. Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The entry age normal cost method was used for the actuarial valuation as of July 1, 2012. Significant assumptions included a discount rate of 5% per annum, projected salary increases of 3.25% per annum and medical trend rates that start at 9.0% for HMO and 9.5% for PPO coverage in the initial year and are decreased 0.5% per year to an ultimate rate of 5.0%. The unfunded actuarial accrued liability is being amortized over an initial 30 years using the level-percentage-of-pay method on a closed-basis. The remaining amortization period is 30 years.

13. RISK MANAGEMENT:

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Insurance Authority). The Insurance Authority is a risk-pooling self-insurance authority, created under provisions of California Government Code Sections 6500 et. seq. The purpose of the Insurance Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

13. RISK MANAGEMENT (CONTINUED):

At June 30, 2015, the District participated in the self-insurance programs of the Insurance Authority as follows:

Property Loss - The Insurance Authority has pooled self-insurance up to \$50,000 per occurrence and has purchased excess insurance coverage up to \$100,000,000 (total insurable value of \$44,989,422). The District has a \$2,500 deductible for buildings, personal property and fixed equipment, a \$1,000 deductible for mobile equipment and a \$500 deductible for licensed vehicles.

General Liability - The Insurance Authority has pooled self-insurance up to \$2,000,000 per occurrence and has purchased excess insurance coverage of \$58,000,000. This program does not have a deductible.

Auto Liability - The Insurance Authority has pooled self-insurance up to \$2,000,000 per occurrence and has purchased excess insurance coverage of \$58,000,000. This program does not have a deductible.

Public Officials' Liability - The Insurance Authority has pooled self-insurance up to \$2,000,000 per occurrence and has purchased excess insurance coverage of \$58,000,000.

Fidelity Bond - The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence. The District has a \$1,000 deductible.

Public Official Bond - The District has purchased a \$200,000 bond to cover the general manager's faithful performance of duty.

Workers' Compensation - Insured up to the statutory limit; the Insurance Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased up to the statutory limit. Employer's liability is insured up to the statutory limit. The Insurance Authority has pooled self-insurance up to \$2,000,000 and has purchased excess insurance coverage of \$2,000,000.

Underground Storage Tank Pollution Liability - The Insurance Authority is self-insured up to \$500,000 per occurrence and has purchased excess coverage of \$3,000,000. The District has a \$10,000 deductible.

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims expended. The nature and amount of these adjustments cannot be estimated and are charged to expenses as invoiced. There were no instances in the past three years where a settlement exceeded the District's coverage.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

14. UNRESTRICTED NET POSITION:

The District has adopted a policy to designate reserves of unrestricted net position. Total reserves were designated as follows as of June 30, 2015:

Designated reserves for:	
Operations	\$ 3,621,379
Rate stabilization	1,252,068
Capital funding including expansion of facilities and future repairs and maintenance	<u>12,538,044</u>
Total Designated Reserves	17,411,491
Undesignated net position	<u>5,218,612</u>
 Total Unrestricted Net Position	 <u>\$ 22,630,103</u>

15. COMMITMENTS AND CONTINGENCIES:

The District is party to a water production and delivery agreement dated May 12, 2012 with the La Habra Heights County Water District (“La Habra Heights”) for the purpose of assisting the District to access water rights in the Central Groundwater Basin of Los Angeles County (“Central Basin”). The District has acquired pumping rights in the Central Basin but has no facilities to produce water from Central Basin. La Habra Heights has facilities to produce water from the Central Basin and is able to assist the District to produce water, pursuant to the District’s water rights, and deliver the water to the District’s water distribution system. Subject to certain limitations as specified in the agreement, La Habra Heights will convey to the District, groundwater from the Central Basin. La Habra Heights will bill the District on a monthly basis for water delivery costs. The District will pay La Habra Heights for transporting water, and La Habra Height’s direct cost of production, energy costs associated with the delivery of the water to the delivery point, any other variable cost of production. The District will pay a wheeling charge that is \$50 per acre-foot until the District has amortized its capital costs. After the District has fully amortized its capital cost, the wheeling charge is \$75 per acre-foot. In addition, La Habra Heights will share the cost savings that the District realizes as a result of La Habra Heights pumping and delivering water to the District from the Central Basin instead of the District purchasing water from other sources. In fiscal year 2015, the District incurred \$6,895 in costs to construct the transmission facilities on La Habra Height’s property which the La Habra Heights is responsible for maintaining. These amounts are recorded as contributed capital to La Habra Heights.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2015

16. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS:

The implementation of GASB Statement Numbers 68 and 71 requires reporting the net pension liability of the District's defined benefit pension plan in the financial statements and is applied retroactively by restating the net position as of the beginning of the fiscal year. The implementation of GASB Numbers 68 and 71 resulted in reducing net position of the proprietary fund by \$2,852,354 as of July 1, 2014.

In addition, previously reported proprietary fund net position was increased by \$805,538 to correct the beginning balances of other receivables, accounts payable, and other payables related to a joint venture project managed by the District.

In connection with the District's Other Post-Employment Benefit (OPEB) Plan (see Note 12), the District established a trust account to hold OPEB Plan assets. Due to the District's level of responsibility in administering the OPEB Plan and related trust account, it has been determined that the trust account should be reported in the District's financial statements as a fiduciary fund. Beginning net position of the OPEB Trust Fund as of July 1, 2014 was \$1,415,139.

17. SUBSEQUENT EVENTS:

Events occurring after June 30, 2015 have been evaluated for possible adjustments to the financial statements or disclosure as of December 8, 2015, which is the date these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ROWLAND WATER DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last Ten Fiscal Years*

	<u>2015</u>
Proportion of the net pension liability	0.03764%
Proportionate share of the net pension liability	\$ 2,341,881
Covered - employee payroll	\$ 2,161,937
Proportionate share of the net pension liability as percentage of covered - employee payroll	108.32%
Plan's fiduciary net position	\$ 11,721,653
Plan fiduciary net position as a percentage of the total pension liability	83.35%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

There were no changes in assumptions.

* - Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

ROWLAND WATER DISTRICT

SCHEDULE OF CONTRIBUTIONS - DEFINED BENEFIT PENSION PLAN

Last Ten Fiscal Years*

	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 334,790
Contributions in relation to the actuarially determined contributions	<u>(334,790)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered - employee payroll	\$ 2,161,937
Contributions as a percentage of covered - employee payroll	15.49%

Notes to Schedule:

Valuation Date 6/30/2012

Methods:

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll
Average remaining period	19 years as of valuation date
Asset valuation method	15-year smoothed market

Actuarial Assumptions:

Discount rate	7.5% (net of administrative expenses)
Projected salary increases	3.30% to 14.20% depending on age, service, and type of employment
Inflation	2.75%
Payroll growth	3.00%
Individual salary growth	A merit scale varying by duration of employment coupled with an assumed annual inflationm growth of 2.75% and an annual production growth of 0.25%

Retirement age	50
Mortality	

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected on-going mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010. There is no margin for future mortality improvement beyond the valuation date.

* - Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

ROWLAND WATER DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

For the year ended June 30, 2015

**OTHER POST-EMPLOYMENT BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS**

Retiree Health Plan

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Assets (AVA) (b)	Unfunded Actuarial Accrued Liability (UAAL) (a) - (b)	Funded Ratio (b)/(a)	Estimated Annual Covered Payroll (c)	UAAL as a % of Covered Payroll [(a)-(b)]/(c)
07/01/09	\$ 4,645,724	\$ -	\$ 4,645,724	0.00%	\$ 1,964,000	236.54%
07/01/12	\$ 4,499,844	\$ 404,434	\$ 4,095,410	8.99%	\$ 2,161,937	189.43%

OTHER SUPPLEMENTARY INFORMATION

ROWLAND WATER DISTRICT

SCHEDULE OF OTHER OPERATING EXPENSES

For the year ended June 30, 2015

Engineering	\$ 16,023
Maintenance and operations	30,322
Small tools and supplies	29,327
Water tests	20,193
Certification, fees and permits	71,502
Water supply planning and development	<u>118,296</u>
 TOTAL OTHER OPERATING EXPENSES	 <u>\$ 285,663</u>

ROWLAND WATER DISTRICT

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES

For the year ended June 30, 2015

Salaries and wages	\$ 1,064,836
Payroll taxes	171,124
Insurance	688,607
Automobile expenses	52,243
Service charges	98,257
Office supplies and expenses	210,380
Utilities	76,783
Professional services	380,144
Membership fees and dues	43,520
Conferences and travel	52,953
Directors' fees and expenses	115,117
Public relations	109,296
Repairs and maintenance	15,265
Pension plan contributions	445,802
Other post employment benefits	351,251
Seminars and training	58,949
Conservation rebate program expenses	9,326
Taxes, permits and fees	3,547
Uncollectable accounts	6,227
Miscellaneous	<u>55,398</u>
 TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	 <u>\$ 4,009,025</u>

Tab

2.3

IRS Mileage Rates for 2016 Announced – A Decrease!



The IRS has just announced the official standard mileage rates for 2016. The IRS mileage rates for 2016 for the use of a vehicle are:

- **54 cents** per mile for **business** use
- **19 cents** per mile driven for **medical** reasons or **moving** purposes
- **14 cents** per mile driven for **charitable** purposes.

The IRS mileage rates for 2016 apply to miles driven starting January 1, 2016

Tab

2.4

BALLOT

SPECIAL DISTRICT LAFCO REPRESENTATIVE

Please vote for no more than one candidate.

HAROLD BISSNER III

Occupation: Water District Director

Sponsor: San Gabriel Valley Mosquito & Vector Control District

DONALD L. DEAR

Occupation: Water District Director

Sponsor: West Basin Municipal Water District

MELVIN L. MATTHEWS

Occupation: Vice President/Director

Sponsor: Foothill Municipal Water District

NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT REPRESENTATIVE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT

Date: DEC 17 2015

Name of Candidate: HAROLD BISSNER III

THE SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT is pleased to nominate

HAROLD BISSNER III as a candidate for appointment as special district **REPRESENTATIVE** to the Los Angeles Local Agency Formation Commission. The nominee is an elected official or a member of the board of an independent special district appointed for a fixed term. For your consideration, we submit the following additional information together with a resume of the candidate's qualifications.

Elective office: MEMBER, BOARD OF TRUSTEES

Agency: SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT

Type of Agency: INDEPENDENT SPECIAL DISTRICT

Term Expires: _____

Residence Address: 2271 MAIDEN LANE
ALTADENA CA 91001

Telephone: 626 794 4435

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT
(Name of Agency)

By: Kenn K. Fujioka
Its: KENN K FUJIOKA
DISTRICT MANAGER

Harold James Bissner III

2271 Maiden Lane
Altadena, CA 91001
P&F (626) 794-4435
contractinginfo@sbcglobal.net
www.systemsbuildingincorporated.com

Curriculum Vitae for Harold James Bissner III

- Vice President, of the San Gabriel Valley Mosquito and Vector Control District. Appointed by Mike Antonovich in 2012 to represent the interests of LA County residents. Assuming Presidents role in 2016
- Vice President of Sheriff's Support Group of Altadena; a 501 C 3 nonprofit fund raising organization. 2001 to current and Co-producer of their Community Summer Concert Series in Altadena
- Former Councilman in Altadena. 1997-2007. 2009-2015
Corresponding Secretary 2010-2011. Vice Chair 2012-2013
- Former Chair of Altadena Land Use Committee. 2 years Chair & 12 year member
- Member of LA County Sheriffs Volunteer program 1997- Present
- Former member of the LA County Sheriff's Community Advisory Committee
- 2006 Altadena Outstanding Citizen of the Year cited for crime reduction efforts, volunteerism, and contributions of construction projects to community nonprofit events.
- President of Altadena Community Center Advisory Committee 2013-2015

1996-Current

Forensic expert. Consultant for manufacturing processes, property owner's common interest developments, private education & institutional and Home Owners Associations.

1984 – Current

Systems Building Incorporated, Altadena, CA. President.
Involved in all aspects of running the Corporation.

Design/build construction of new facilities & refit existing for manufacturing/commercial/industrial/Institutional clientele. Facilities and landscape installations & maintenance for facilities.

Renovation of historic residences. Addition, remodel and new construction of single family homes.

Representative commercial projects:

- Baskin-Robbins. Retail, Production facilities, Corporate office expansion.
- Harman International/JBL. Wood mill production facility. Refit for revised production facility. 186,000 sq. ft.
- Harman lacquer facility 76,000 sq. ft.
- Relocation of Long Beach South Light House electric supply.
- Baskin Robbins. Pilot production facility.
- Vanderhoof Veterinary. Surgical training theatre.
- Flavor Forces, Inc. Production facility.
- Prison Industry Authority. Wood mill, Tehachapi

NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT REPRESENTATIVE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: West Basin Municipal Water District

Date: 11/19/2015

Name of Candidate: Donald L. Dear

West Basin Municipal Water District is pleased to nominate

Donald L. Dear as a candidate for appointment as special district **REPRESENTATIVE** to the Los Angeles Local Agency Formation Commission. The nominee is an elected official or a member of the board of an independent special district appointed for a fixed term. For your consideration, we submit the following additional information together with a resume of the candidate's qualifications.

Elective office: Director, West Basin Municipal Water District, Board of Directors

Agency: West Basin Municipal Water District

Type of Agency: Special District (Water Agency)

Term Expires: January 2017

Residence Address: 15433 Catalina Avenue

Gardena, CA 90247

Telephone: (310) 922-0117

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

West Basin Municipal Water District

(Name of Agency)

By: 

Its: _____

DONALD L. DEAR

BIOGRAPHY



Don Dear began his distinguished career in public service over 46 years ago. Don was first elected to the Gardena City Council in 1970. After 12 years of service on the Gardena City Council, he was elected Mayor of Gardena in 1982. He served as Mayor of Gardena for record breaking nine consecutive terms. He retired from his service to the City of Gardena in 2001 with 27 years service. Donald L. Dear was elected to the West Basin Municipal Water District Board of Directors in November 2000 to represent the Cities of Gardena, Hawthorne, Lawndale, and portions of El Camino Village. In September 2013, the West Basin Board appointed him as one of the Board's two representatives on the Metropolitan Water District of Southern California's Board of Directors. In 2004, 2008 and again in 2012, he was elected as one of the representatives for the Los Angeles County Independent Special Districts on the Local Agency Formation Commission of which he currently serves as 1st Vice President. In October 2011, the West Basin Board paid tribute to Director Dear's distinguished public service by naming their Carson Headquarters the Donald L. Dear Building.

Don's years of experience have given him a deep first-hand understanding of the roles, responsibilities and challenges facing local governmental institutions. In addition to his service as Council Member and Mayor of the City of Gardena, Don has served for 24 years as a Trustee of the Greater Los Angeles Vector Control District, and for 19 years on the Board of Directors for the Los Angeles County Sanitation District No. 5. He also served as President of the South Bay Cities Association (now known as South Bay Cities Council of Governments), on the Board of Directors of the Southern California Cities Joint Powers Consortium and is a member of the Sierra Club.

A former teacher at Stephen White Middle School in Carson for 38 years, he is well known and widely respected by his former students, colleagues and members of the community. In 1983 he was "Teacher of the Year" for Region A of the Los Angeles Unified School District. Dear's professional affiliations include his service as a member of the National Council for Social Studies, board member of the Political Action Council of Educators, and six terms of service as a member of the House of Representatives of the United Teachers of Los Angeles (UTLA). His civic affiliations include the Gardena High School Booster Club, Gardena Jaycees, Gardena Valley Friends of the Library, Gardena Valley Music Association, Gardena Valley Cultural Arts Corporation, Gardena Valley Red Cross, Gardena-Carson Family YMCA, Hollypark and Gardena Lions Club, Gardena Elks, El Nido Services, Association for Retarded Citizens - South Bay, Kiwanis Club of Gardena Valley, Hawaiian Community Center Association, Serra High School Advisory Board, the University of Southern California San Pedro Peninsula Trojan Club, and Harbor General Hospital Advisory Board.

Director Dear has also distinguished himself through his outstanding work with youth, not only as a noteworthy educator, but also for his 30 years of unselfish dedication as a coach for more than 70 teams in three sports through the Gardena Recreation Department Youth Sports Leagues.

NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT REPRESENTATIVE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: Foothill Municipal Water District

Date: November 16, 2015

Name of Candidate: Melvin L. Matthews

Foothill Municipal Water District

is pleased to nominate

Melvin L. Matthews

as a candidate for appointment as special

district **REPRESENTATIVE** to the Los Angeles Local Agency Formation Commission. The nominee is an elected official or a member of the board of an independent special district appointed for a fixed term. For your consideration, we submit the following additional information together with a resume of the candidate's qualifications.

Elective office: Vice President/Director

Agency: Foothill Municipal Water District

Type of Agency: Municipal Water District/Special District

Term Expires: 12-06-2018

Residence Address: 2121 Glen Springs Road

Pasadena, CA 91107

Telephone: (626) 622-9137

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

Foothill Municipal Water District

(Name of Agency)

By: Karen Oblak

Its: Treasurer



Melvin L. Matthews
2121 Glen Springs Road
Pasadena, CA 91107-1015
Phone: 626-794-4167
Mobile: 626-622-9137
E-mail: melmatthews@outlook.com



Mel is the general manager of the Kinneloa Irrigation District, a water company serving the Kinneloa Ranch area east of Altadena and portions of the City of Pasadena. He has served in this position for eleven years. Before becoming general manager, he was elected to the Board of Directors of the Kinneloa Irrigation District in 1997 and served as chairman of the board or treasurer for seven years.

Mel is also concurrently serving as a director and vice-president on the board of the Foothill Municipal Water District. FWMD is a member of the Metropolitan Water District of Southern California and provides supplemental imported water to eight local water agencies. He also serves on the finance committee which oversees the financial matters of the district including the preparation of the budget.

Previously, Mel was in the cable television business for 32 years as founder and president of KTS Corporation and later with Charter Communications serving as the director of government and community relations after selling his cable systems to Charter in 1993.

Mel has extensive experience working on various projects and issues with the County of Los Angeles and cities as well as participating in community groups, homeowners' associations and service clubs. Mel has extensive education and experience in finance and has served as treasurer for many of these organizations.

Mel is active with the California Special Districts Association and the Association of California Water Agencies and has gained first-hand knowledge and experience of the issues and challenges facing special districts and public water agencies in providing services to the citizens of the County of Los Angeles and State of California.

Mel is a graduate of the University of California at Berkeley with a BS in Chemical Engineering. He has also earned a MBA in Operations Management from the Anderson Graduate School of Business at UCLA. He was born in Pasadena and still lives there with his wife, Donna. They have five children and ten grandchildren.

Tab

2.5

**Rowland Water District
Communication Strategies Update
January 12, 2016**

- **Educational Brochure**
 - Draft brochure under review by RWD; to be presented to Board of Directors
 - For distribution by Brittnie to education stakeholders
- **Media Outreach and Response Protocol**
 - Options in review process by RWD
- **Conservation/Outreach Efforts**
 - Assisting with proof of performance elements to be gathered and presented to SWRCB
- **Internship Program**
 - Release drafted and under review by RWD
 - To be distributed late January
- **OPARC Program**
 - Drafting Release
 - To be distributed early February
- **Shut-Off Communications**
 - Document complete and under review by RWD
 - CV Strategies to provide additional translations
- **Board Member Retention**
 - Release distributed 11/23/15
- **Miscellaneous**
 - Website (sliders and text updated as needed)
 - District presentations
 - On-Hold Messages
 - Consumption Letter Folo-Up (continuing to monitor)

• Press Releases

Date	News Story	In Process	Completed	Distributed
1/10/15	Edu-Grants - Brittnie	*****		
1/14/15	Audit Review & Completion		*****	*****
1/27/15	Strategic Planning Process	*****		
2/3/15	Capital Improvement Projects	*****		
3/9/15	Ethics Training		*****	*****
3/24/15	New Water Restrictions		*****	*****
3/26/15	Women Leaders Conference		*****	*****
4/2/15	Statement on Governor's Announcement		*****	*****
4/15/15	Announcement of 4/28 Meeting		*****	*****
5/9/15	Further Drought Updates	*****	*****	*****
7/1/15	CCR Available	*****	*****	*****
7/10/15	Business User Outreach	*****		
8/3/15	Updated Strategic Plan	*****	*****	*****
9/3/15	Buckboard Days Parade	*****	*****	*****
10/8/15	Board Member Retention	*****	*****	*****
1/4/16	Learning Center MOU/Interns	*****	*****	
1/4/16	OPARC Program	*****	*****	



Memorandum

To: Board of Directors

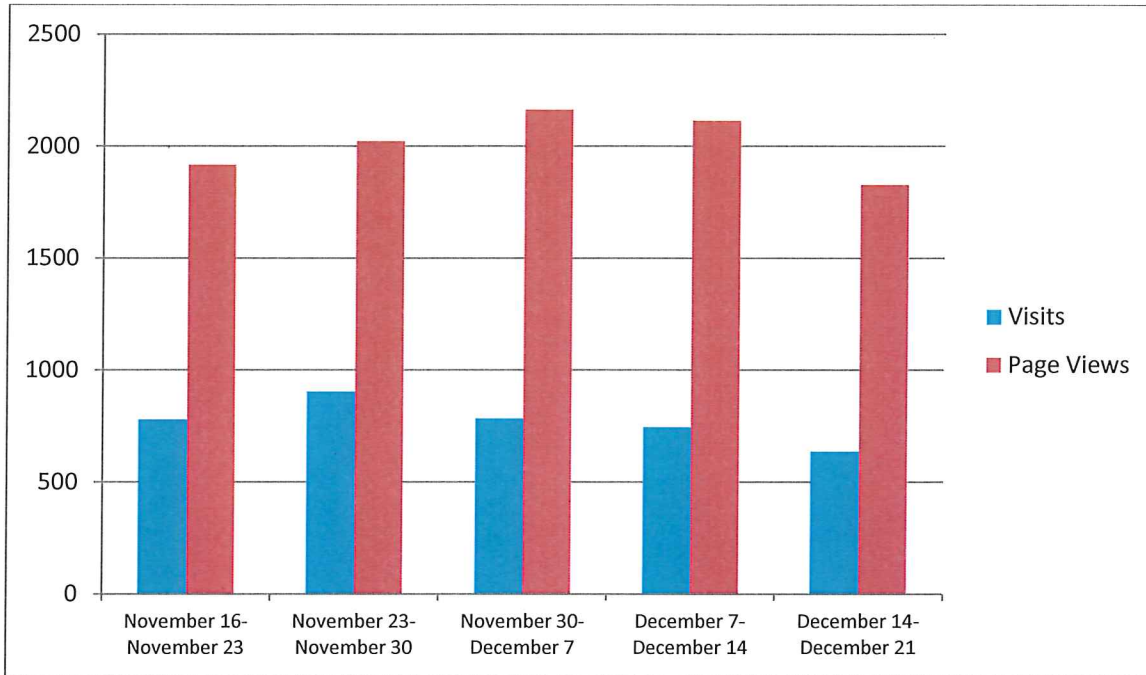
From: Brittnie Van De Car
Public Affairs Representative

Date: January 12, 2016

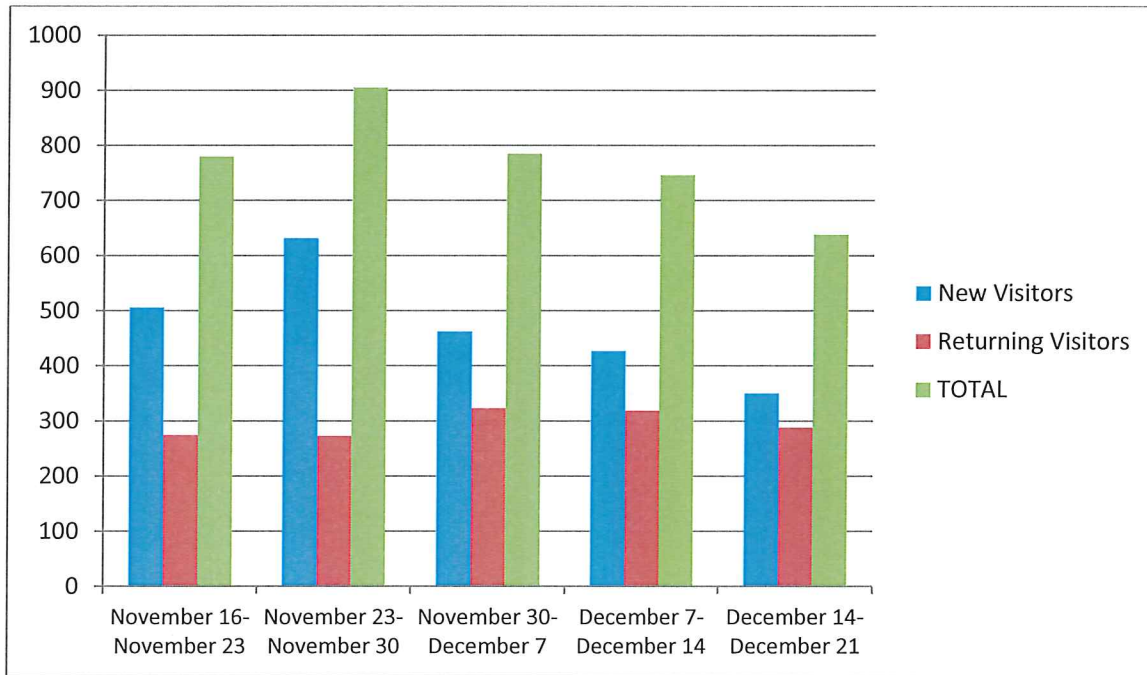
Re: Public Affairs & Education Update

- Updating the Educational Brochure
 - Working with CV Strategies
- 3 RWD Teachers were awarded an EduGrant
 - Rowland Elementary School-\$600.00
 - Blandford Elementary School-\$512.61
 - Jellick Elementary School-\$440.00
- Created a Survey Monkey to send out to the teachers that have participated in the classroom presentations.
 - The Teacher Evaluations are anonymous and provide valuable feedback
 - The feedback is used to develop and enhance future presentations
- Keeping up-to-date with the WaterSense partnership program:
 - Printing appropriate promotional material and placing it at the Customer Service Counter for distribution to customers
- Attending bi-monthly webinars on upcoming promotional items and programs put on by the Environmental Protection Agency (EPA) WaterSense program
- Updating the Lobby Player on a daily/weekly basis
- Checking the Google Analytics weekly (see attached data charts)
 - The "Website Visits and Pageviews" allows us to determine the number of **new** vs. **returning** visitors and the **source** of viewing
 - The "Pageviews" allows us to evaluate which pages on the website are viewed most frequently
- Adding all new customer emails to Constant Contact to be utilized as a customer newsletter database
 - Creating content, ideas and layout for quarterly e-newsletter
- Checking the District's FaceBook and Twitter page weekly
 - Posting necessary information on the pages
- Maintain and view District website on a daily basis
 - Update pages
 - Make relevant changes
 - Updating the Drought Monitor page weekly
 - Upload the Board packet, minutes and agendas when necessary
- Attended the monthly WEWAC meeting on Thursday, December 10, 2015

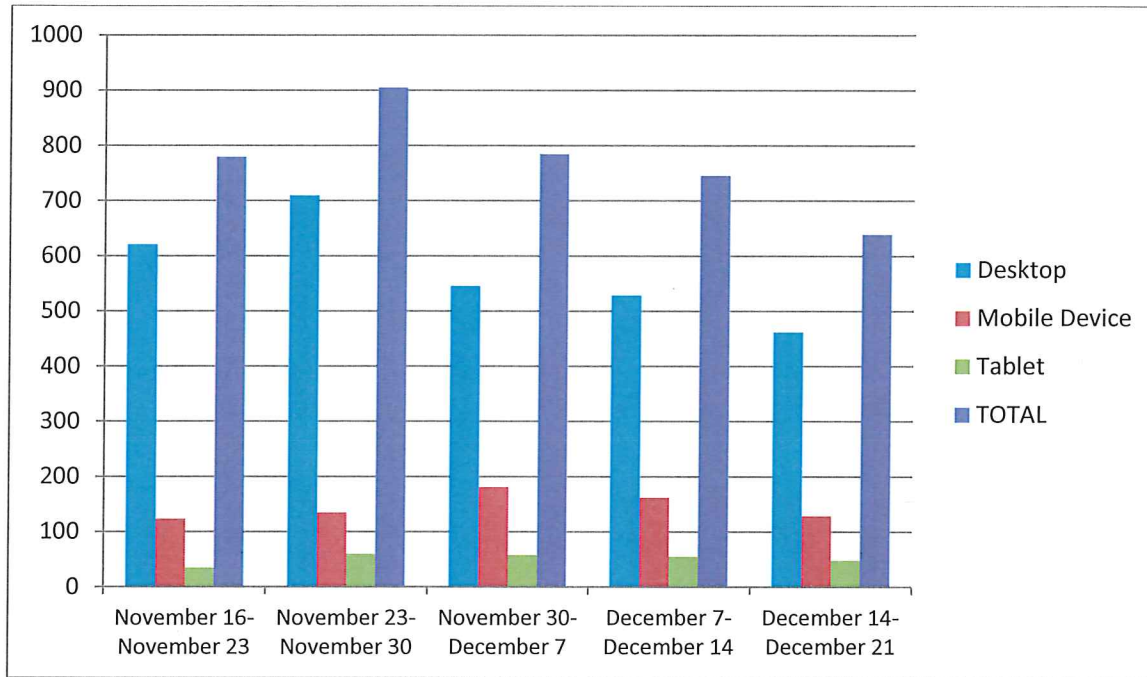
Website Visits and Pageviews



New vs. Returning Visitors



Source of Viewing



Tab

2.6



Urban Water Institute Spring Water Conference February 10-12, 2016

Conference Agenda

Wednesday, February 10, 2015

12:00 p.m. - Registration, Networking & Exhibits

1:00 p.m. - Opening Remarks & Introduction
Matt Stone, Chair, Urban Water Institute

1:15 p.m. - Welcome to Palm Springs

1:30 p.m. - Colorado River Supply Demand Study
Carly Jerla, Colorado River Basin Study Manager, U.S. Bureau of Reclamation
(Confirmed)

2:00 p.m. - Colorado River Upper Basin Issues
Eric Kuhn, General Manager, Colorado River Water Conservation District
(Confirmed)

2:30 p.m. - Networking Break

2:45 p.m. - Speaker Secured (*Wishes not to be listed at this time*)

3:15 p.m. - Brad Udall, Colorado Water Institute, Colorado State University (Invited)

4:00 p.m. - Adjourn

4:30 p.m. - Welcome Reception

5:30 p.m. - Dinner on Your Own

Thursday, February 11, 2015

8:00 a.m. - Registration, Exhibits, Networking & Continental Breakfast

9:00 a.m. - Opening Remarks

James Noyes, Executive Director, Urban Water Institute

9:15 a.m. – Road to Sustainability

Marty Adams, Assistant General Manager, Los Angeles Department of Water and Power (Confirmed)

9:45 a.m. – MWD & LA County Sanitation Recycle Project

Debra Man, Assistant General Manager, Metropolitan Water District of Southern California (Confirmed)

Grace Hyde, General Manager & Chief Engineer, LA County Sanitation Districts (Confirmed)

Mike Markus, General Manager, Orange County Water District (Confirmed)

10:45 a.m. – Networking Break

11:00 a.m. – Salton Sea... Have We Finally Turned The Corner?

Valerie Simon, Salton Sea Program Manager, Bureau of Reclamation Imperial Representative (Confirmed)

Tina Shields, Manager, Colorado River Resources Imperial Irrigation District (Confirmed)

12:00 p.m. – Luncheon

1:00 p.m. – Secretary John Laird, California Secretary for Natural Resources (Invited)

1:45 p.m. – Desal: What Happens After Carlsbad?

Rich Nagel, General Manager, West Basin Municipal Water District (Confirmed)

Poseidon Water Representative (Confirmed)

2:30 p.m. – Networking Break

2:45 p.m. – Panel: Coachella Valley Water District/Mission Springs Water District

3:30 p.m. – Industries Reaction to the Drought
Craig Kessler, Director of Government Affairs, Southern California Golf Association (Confirmed)
Stone Brewery Representative (Invited)

4:15 p.m. – John Enstminger, General Manager, Southern Nevada Water Authority (Confirmed)

4:45 p.m. - Adjourn – Chairman’s Reception

6:00 p.m. - Dinner on your own

Friday, February 12, 2015

8:00 a.m. – Registration, Exhibits, Networking & Buffet Breakfast with Chairman's Drawing: Don't miss out on your opportunity to participate in the Chairman's Drawing! Please pick up your raffle ticket at the registration desk.

8:30 a.m. - Opening Remarks
James Noyes, Executive Director, Urban Water Institute

8:45 a.m. – Applying the Lessons of History to California’s Water Future
Moderator: Ed Means, President, Means Consulting, LLC (Confirmed)
Ron Gastelum, Principal, Water Conservation Partners (Confirmed)
Woody Wodraska, President, Wodraska Partners, Inc. (Confirmed)

9:45 a.m. – Networking Break

10:00 a.m. – The Future of Water Conservation Regulations – With or Without Drought
California is on the precipice of either a fifth year of drought, or potentially catastrophic floods. What does either scenario portend for the future of water conservation regulations?
Moderator: Greg Newmark, Principal, Meyers Nave (Confirmed)
Rusty Bailey, Mayor of Riverside (Confirmed)
State Water Board Representative (Invited)

10:45 a.m. – Speaker Pending

11:15 a.m. - Conference Adjourn



[Login](#) | [Text Only Version](#)

Enter keywords here

- [Home](#)
- [About ACWA](#)
- [Member Services](#)
- [News](#)
- [Advocacy](#)
- [Water Information](#)
- [ACWA Spotlight](#)
- [Contact Us](#)
- [My ACWA](#)

Share / Save

CONNECT
with 430 local agencies that manage and deliver California water

[ADVERTISE HERE](#)

Are you taking advantage of ACWA membership?

[BENEFITS OF MEMBERSHIP](#)

Get the latest on ACWA EVENTS

[CLICK HERE](#)

ACWA eNews

Stay informed with our ACWA Enews!

Email: *

- Subscribe
- Unsubscribe



[Home](#)

ACWA 2016 Spring Conference & Exhibition

in [ACWA Conference](#)

Tue, 05/03/2016 - Fri, 05/06/2016

Location: Monterey Portola and Marriott Hotels

ACWA's 2016 Spring Conference & Exhibition is set for May 3-6, 2016, at the Portola and Marriott hotels in Monterey. Further details to come.

[Calendar](#)

Tab

3.1

**Intentionally
Left Blank**

Tab

4



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Indian Wells
(760) 568-2611
Los Angeles
(213) 617-8100
Ontario
(909) 989-8584
Riverside
(951) 686-1450

18101 Von Karman Avenue, Suite 1000, Irvine, CA 92612
Phone: (949) 263-2600 | Fax: (949) 260-0972 | www.bbklaw.com

Sacramento
(916) 325-4000
San Diego
(619) 525-1300
Walnut Creek
(925) 977-3300
Washington, DC
(202) 785-0600

December 9, 2015

Re: Valuation of December 2nd BB&K/Dudek Hosted Dinner

I hope you enjoyed sharing an evening with us in Indian Wells. I am glad that you were able to join us.

Under the FPPC regulations for reporting gifts on Form 700, you may need to report the value of the dinner, which is your “pro-rata share” of the cost of the event. According to FPPC Regulations section 18946.2 for “invitation-only” events, such as our dinner, a public official’s “pro rata share” of the cost of the event means: “the cost of the food, catering services, entertainment, and any item provided all attendees divided by the number of acceptances or the number of attendees.”

Based on this FPPC regulation, we have calculated the value of the dinner to be \$139.33 per person. Since the dinner was paid for by two firms, you would need to report **\$69.67** from Best Best & Krieger LLP and **\$69.67** from Dudek. If a guest, including your spouse, accompanied you to the dinner, the value of his/her dinner is also attributable to you as a gift and is required to be reported on your Form 700, unless your guest is also a client of one of these firms.

If you have questions about reporting this information on your Form 700, please don’t hesitate to contact me.

Sincerely,

Katey Lamke
Marketing Events Specialist
for BEST BEST & KRIEGER LLP

Tab

5.1

As a matter of proper business decorum, the board of directors respectfully request that all cell phones be turned off or placed on vibrate. Also to prevent any potential distraction of the proceeding, we request that side conversations be taken outside of the meeting room

**AGENDA
REGULAR BOARD MEETING
THREE VALLEYS MUNICIPAL WATER DISTRICT**

Wednesday, January 6, 2016 at 8:00 AM

The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.

Item 1 – Call to Order

Kuhn

Item 2 – Pledge of Allegiance

Kuhn

Item 3 – Roll Call

**Executive
Assistant**

- Bob Kuhn, President, Division IV
- David De Jesus, Vice President, Division II
- Brian Bowcock, Secretary, Division III
- Joe Ruzicka, Treasurer, Division V
- Dan Horan, Director, Division VII
- Carlos Goytia, Director, Division I
- Fred Lantz, Director, Division VI

Item 4 – Additions to Agenda *(Government Code Section 54954.2(b)(2))*

Kuhn

Upon a determination by a two-thirds vote of the members of the board present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of the members present, that there is a need to take immediate action, and that the need for action came to the attention of the district subsequent to the agenda being posted. *The board shall call for public comment prior to voting to add any item to the agenda after posting.*

Item 5 – Reorder Agenda

Kuhn

Item 6 Public Comment *(Government Code Section 54954.3)*

Kuhn

Opportunity for members of the public to directly address the board on items of public interest that is within the subject matter jurisdiction of the district. The general public may also address the board on items being considered on this agenda. The district requests that all public speakers complete a speaker's card and provide it to the executive assistant.

We request that remarks be limited to five minutes or less.

Item 7 – Presentation – West Basin MWD

The board will receive a briefing on the status of the West Basin MWD Ocean Desalination Program.

Item 8 – General Manager’s Report

Hansen

Item 8.A – *Administration staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.*

8.A.1 – Review Resolution No. 16-01-XXX Declaring Certain District Property As Surplus [enc]

The board will consider and review the draft Resolution No. 16-01-XXX declaring certain district property as surplus and direct staff to return to the next meeting for action.

8.A.2 – ACWA/JPIA Low Loss Ratio Awards [enc]

The District has once again been awarded Low Loss Ratio Awards in the following ACWA/JPIA programs: Liability, Property and Worker’s Compensation.

Item 8.B – *Engineering-Operations staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.*

8.B.1 – Construction Bids for Mills-Pomona Connection Project No. 58449 [enc]

The board will consider bid results for the Mills-Pomona Connection Project No. 58449 and direct staff to return to the next meeting for action.

8.B.2 – Project Summary Update [enc]

The board will review a summary update of ongoing projects.

Item 8.C – *Finance-Personnel staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.*

8.C.1 – FY 15-16 Financial Projections [enc]

The board will be briefed on the reduced water sales caused by the drought/mandatory statewide reductions and their impact on TVMWD’s FY 15-16 financial projections.

Item 9 – Future Agenda Items

Kuhn

Item 10 – Adjournment

Board adjourned to January 20, 2016 regular board meeting at 8:00 a.m.

American Disabilities Act Compliance Statement
Government Code Section 54954.2(a)



Any request for disability-related modifications or accommodations (including auxiliary aids or services) that is sought in order to participate in the above agenda public meeting should be directed to the district's executive assistant at (909) 621-5568 at least 24 hours prior to meeting.

Agenda items received after posting
Government Code Section 54957.5

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the district office located at, 1021 East Miramar Avenue, Claremont, CA, 91711. The materials will also be posted on the district's website at www.threevalleys.com.

The Three Valleys MWD board meeting packets and agendas are available for review on the district's website at www.threevalleys.com. The website is updated on Sunday preceding any regularly scheduled board meeting.

Tab

5.2



December 4, 2015

JOINT POWERS
INSURANCE AUTHORITY

P. O. Box 619082
Roseville, CA 95661-9082

phone
916.786.5742
800.231.5742

direct line
916.774.7050
800.535.7899

general fax
916.774.7040

claims fax
916.786.0209

www.acwajpia.com

President
E.G. "Jerry" Gladbach

Vice President
Tom Cuquet

Chief Executive Officer
Walter "Andy" Sells

Executive Committee
Tom Cuquet
David Drake
E.G. "Jerry" Gladbach
David T. Hodgkin
W.D. "Bill" Knutson
Melody A. McDonald
Charles W. Muse
J. Bruce Rupp
Kathleen J. Tieg

Tom Coleman
Rowland Water District
3021 S. Fullerton Road
Rowland Heights, CA 91748

Dear Tom:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "**President's Special Recognition Award**" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Rowland Water District with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2016.

Sincerely,

Walter "Andy" Sells
Chief Executive Officer

Enclosure: President's Special Recognition Award(s)

President's Special Recognition Award

*The President of the
ACWA Joint Powers Insurance Authority
hereby gives Special Recognition to*

Rowland Water District

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Property Program for the period 04/01/2011 – 03/31/2014
announced at the Board of Directors' Meeting in Indian Wells.*

E. G. "Jerry" Gladbach
E. G. "Jerry" Gladbach, President



November 30, 2015

President's Special Recognition Award

*The President of the
ACWA Joint Powers Insurance Authority
hereby gives Special Recognition to*

Rowland Water District

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Liability Program for the period 10/01/2011 – 09/30/2014
announced at the Board of Directors' Meeting in Indian Wells.*

E. G. "Jerry" Gladbach
E. G. "Jerry" Gladbach, President



November 30, 2015

President's Special Recognition Award

*The President of the
ACWA Joint Powers Insurance Authority
hereby gives Special Recognition to*

Rowland Water District

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Workers' Compensation Program for the period 07/01/2011 – 06/30/2014
announced at the Board of Directors' Meeting in Indian Wells.*

E. G. "Jerry" Gladbach
E. G. "Jerry" Gladbach, President



November 30, 2015