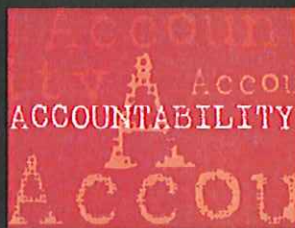
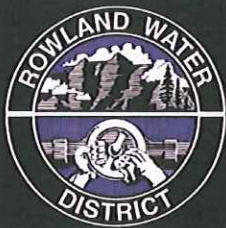


ROWLAND WATER DISTRICT

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 13, 2015

6:00 p.m.



AGENDA

Regular Meeting of the Board of Directors
January 13, 2015
6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

Szu Pei Lu-Yang, President
John Bellah, Vice President
Anthony J. Lima
Robert W. Lewis
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 9, 2014**
Recommendation: The Board of Directors approve the Minutes as presented.
- 1.2 Demands on General Fund Account for November 2014**
Recommendation: The Board of Directors approve the demands on the general fund account as presented.
- 1.3 Investment Report for November 2014**
Recommendation: The Board of Directors approve the Investment Report as presented.
- 1.4 Water Purchases for November 2014**
For information purposes only.

Next Special Board Meeting: January 27, 2015, 5:00 p.m.
Next Regular Board Meeting: February 10, 2015, 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 2014**
Recommendation: The Board of Directors approve the Meeting Reimbursements as presented.
- 2.2 Review and Approve Financial Audit Report for Fiscal Year 2013-2014 Prepared by White Nelson Diehl Evans LLP**
Recommendation: The Board of Directors approve the Financial Audit Report as presented.
- 2.3 Review and Approve the following Rowland Water District Policies:**
 - **Credit Card Policy**
 - **Purchasing Policy**
 - **Administrative Leave Policy***Recommendation: The Board of Directors approve the Policies as presented.*
- 2.4 Review and Approve Resolution No. 1-2015 Amending Personnel Policy Regarding District Provided Vehicles**
Recommendation: The Board of Directors approve the Resolution as presented.

- 2.5 Approve Change in IRS Mileage Rate from \$.560 to \$.575 effective January 1, 2015**
Recommendation: The Board of Directors approve the IRS rate as presented.
- 2.6 Review and Approve Agreement for Provision of Services by Rowland Water District on Behalf of Bellflower-Somerset Mutual Water Company**
Recommendation: The Board of Directors approve the IRS rate as presented.
- 2.7 Public Relations (Rose Perea)**
- **Communications Outreach (CV Strategies)**
 - **Education Update**
- For information purposes only.*
- 2.8 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, March 4-6, Palm Springs, CA
 - CUEMA Elected Officials Summit, March 29-30, 2015, Renaissance Esmeralda Hotel, Indian Wells, CA

Tab 3 LEGISLATIVE INFORMATION

- 3.1 Updates on Legislative Issues**
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Tab 4 REVIEW OF CORRESPONDENCE

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Tab 5 COMMITTEE REPORTS

- 5.1 Three Valleys Municipal Water District (Directors Lu-Yang/Lima)**
- Agenda Regular Board Meeting held December 17, 2014
 - Action Line Regular Board Meeting held December 17, 2014
- 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 Personnel Report (Mr. Coleman)

6.2 Engineer's Report (Mr. Warren)

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 9, 2014 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None.

OTHERS PRESENT:

Jeff Ferre, Legal Counsel, Best Best & Krieger
Dan Horan, Three Valleys Municipal Water District
Joe Ruzicka, Three Valleys Municipal Water District
David and Teri Malkin, Residents
Erin La Combe Gilhuly, CV Strategies
Robert Callanan, White Nelson Diehl Evans LLP

ROWLAND WATER DISTRICT STAFF

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

ADDITION(S) TO THE AGENDA

Upon motion by Director Lewis, seconded by Director Lima, the Board made a finding that the Puente Basin Water Agency FY 2014-15 Operating Budget had been received after the posting of the Agenda and there is need to take immediate action before the next Board meeting. Pursuant to Government Code Section 54954.2(b)(2) the Board unanimously approved the addition to the Agenda at Tab 2.15.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

Tab 1 - CONSENT CALENDAR

Upon motion by Director Lima, seconded by Director Rios, 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 Regular Board Meeting Held on November 4, 2014

1.2

Approval of the Minutes of Special Board Meeting Held on November 18, 2014, 5:00 p.m.

1.3

Approval of the Minutes of Special Board Meeting Held on November 18, 2014, 6:00 p.m.

1.4

Demands on General Fund Account for October 2014

1.5

Investment Report for October 2014

1.6

Water Purchases for October 2014

Next Regular Board Meeting

January 13, 2014, 6:00 p.m.

Next Special Board Meeting

January 27 2014, 5:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Approve Directors' Meeting Reimbursements for November 2014

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

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

2.2

Review “DRAFT” Financial Audit Report for Fiscal Year 2013-201245 Prepared by White Nelson Diehl Evans LLP

Robert Callanan 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. He noted that no new accounting policies were adopted and 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.

He indicated that the draft report was presented for information and discussion only. The final document will be presented at the January 13, 2015, Board meeting for approval.

2.3

Review and Approve Resolution No. 12-2014 of the Board of Directors Amending Board Policy for Election and Rotation of Board Officers

After discussion and upon motion was made by Director Lewis, seconded by Director Lima, Resolution No. 12-2014 was approved as presented. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 5-0.

2.4

Approve Executive Officer Positions of the Board of Directors for 2015

The Board Rotation Policy was discussed by the Board. Upon motion made by Director Lima, seconded by Director Rios, the Board unanimously approved Director Szu Pei Lu-Yang’s re-election to serve as President for calendar years 2015 and 2016, and Director Lewis’ election to serve as Vice President for the calendar years 2015 and 2016.

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

2.5

Review and Approve Board of Directors Committee Assignments for 2015

All Committee assignments for the 2015 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 unanimously carried.

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

2.6

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

A motion was made by Director Bellah, seconded by Director Rios, 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 unanimously carried.

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

2.7

Review and Approve Resolution 12.1-2014 of the Board of Directors Appointing Representatives to the Puente Basin Water Agency

A motion was made by Director Bellah, seconded by Director Rios, to approve Resolution No. 12.1-2014 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, Bellah and Rios
Noes: None
Absent: None
Abstain: None

Motion was passed by a vote of 5-0.

2.8

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.

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

2.9

Review and Approve District Investment Policy

General Manager, Ken Deck, 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 Lima, seconded by Director Rios, and unanimously carried, the Board approved the motion to ratify and confirm the Investment Policy as adopted by Resolution No. 2.1-2006.

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

2.10

Review and Approve Resolution 12.2-2014 Appointing 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. 12.2-2014 as presented. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 5-0.

2.11

Review and Approve Puente Basin Water Agency Agreement No. 3 - Pomona Basin Regional Groundwater Project: Phases 1 and 2

After discussion, a motion was made by Director Lewis, seconded by Director Lima, to approve the Agreement as presented. The motion was unanimously carried.

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

2.12

Review and Approve Dewatering Agreement (Nogales Grade Separation)

Upon staff's recommendation, this matter was tabled for a future meeting.

2.13

Public Relations (Rose Perea)

Mrs. Perea reported that 12 Edu-Grants for \$750.00 each were granted to schools in our District, out of 25 presented.

Communications Outreach (CV Strategies)

Erin La Combe Gilhuly, CV Strategies, reported that the Press Releases on the Northrop Grumman Superfund new area water supply and the Press Release on the management transition had been distributed for publication on December 1. Updates on the website and "on-hold" messaging are on-going.

Education Update

No comments.

2.14

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, March 4-6, Palm Springs, CA
Attendance to be confirmed at the January 13, 2014 Board meeting.

- CUEMA Elected Officials Summit, March 29-30, 2015, Renaissance Esmeralda Hotel, Indian Wells, CA
Attendance to be confirmed at the January 13, 2014 Board meeting.

2.15

Review and Approve Puente Basin Water Agency Operating Budget FY 2014-2015

A motion was made by Director Lima, seconded by Director Lewis, to approve the Operating Budget as presented. The motion was unanimously carried.

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

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

Legal Counsel, Jeff Ferre, reported on bill AB 2747 which becomes effective on January 1, 2015. This law makes some changes to the procedures for providing notice to tenants when the landlord does not pay the utility bill and the opportunity for the tenant to pay it and deduct the amount from rent. The notice must be in English and in the languages set forth in Civil Code Section 1632: Spanish, Chinese, Tagalog, Vietnamese and Korean.

Tab 4 REVIEW OF CORRESPONDENCE

Staff discussed a letter received by the District commending project manager, Mark Serna, for his professionalism in handling the 24" water main pipeline project along Harbor Boulevard.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Director Lima reported on his attendance at the November 5, 2014 Regular Board meeting and the November 19, 2014 Special Board meeting.

5.2

Association of California Water Agencies

Director Lewis reported provided the Board with a Summary Report on his attendance at the ACWA/JPIA Conference held December 1-5, 2014.

5.3

Puente Basin Water Agency

Director Lima reported on the meeting held on November 6, 2014 and advised that the Commissioners had approved the annual budget and re-assigned signatories on the Agency's bank accounts. The next meeting is scheduled for December 11, 2014.

5.4

Joint Powers Insurance Authority

Director Lewis reported provided the Board with a Summary Report on his attendance at the ACWA/JPIA Conference held December 1-5, 2014.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

Nothing to report.

5.7

PWR Joint Water Line Commission

The next meeting will be held in February, 2015.

5.8

Sheriff's Community Advisory Council

Nothing to report.

5.9

Rowland Heights Community Coordinating Council

President Lu-Yang reported on the meeting held on November 10, 2014.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Personnel Report

Nothing to report.

6.2

Engineer's Report

Dave Warren, Director of Operations, reported that there is approximately 2,000 feet left of pipeline to install along Harbor Boulevard and that Doty Bros. was awarded the contract on the Pressure Reducing Station project.

Tab 7 ATTORNEY'S REPORT

Legal Counsel, Jeff Ferre, reported on the recent decision by the State Commission on reimbursement of state mandated costs. The Commission was addressing a specific type of reimbursement request, but made a ruling that could have consequences on future requests from other agencies. The Commission concluded that only special districts that receive property tax revenue will be eligible for reimbursement. The ruling was based on the theory that other types of agencies could raise rates through Prop 218 to cover the costs that are not reimbursed by the State.

Directors' and General Manager's Comments

Director Lima thanked Ken Deck for his years of service to the District. Director Rios thanked Ken Deck for his continued support. Directors Lewis and Bellah thanked Ken Deck for his many contributions to the success of the District. President, Lu-Yang, thanked Ken Deck for his dedication and service. Others in attendance, Sean Henry, Dan Horan, Tom Coleman, and residents David and Teri Malkin, provided heartfelt tributes to Mr. Deck.

Future Agenda Items

- **Review and Approve Dewatering Agreement (Nogales Grade Separation)**

Late Business

None.

A motion was made by Director Lima, seconded by Director Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:28 p.m.

 SZU PEI LU-YANG
 Board President

Attest: _____
 KEN DECK
 Board Secretary

Tab

1.2

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18875						
11/14	11/04/2014	18875	322	AMERICAN WATER WORKS ASSN	2015 MEMBERSHIP FEE	3,448.00
Total 18875:						3,448.00
18876						
11/14	11/04/2014	18876	3375	ANTHONY LIMA	MILEAGE REIMBURSEMENT	28.78
Total 18876:						28.78
18877						
11/14	11/04/2014	18877	1165	ANTIMITE TERMITE & PEST	MONTHLY PEST CONTROL SERVICE	105.00
Total 18877:						105.00
18878						
11/14	11/04/2014	18878	62534	CINTAS DOCUMENT MANAGEMENT	SHREDDING SERVICE	40.80
Total 18878:						40.80
18879						
11/14	11/04/2014	18879	62439	CVSTRATEGIES	COMMUNICATION SERVICES	10,563.11
Total 18879:						10,563.11
18880						
11/14	11/04/2014	18880	15	DAVE SHUBIN	TOTAL EXPENSES-AWWA CONFERENCE	54.76
Total 18880:						54.76
18881						
11/14	11/04/2014	18881	24	ERIC S HALL	TOTAL EXPENSES-METROLINK & LUNCH-MWD	41.23
11/14	11/04/2014	18881	24	ERIC S HALL	TOTAL EXPENSES-WORK BOOTS	147.99
Total 18881:						189.22
18882						
11/14	11/04/2014	18882	244	INFOSEND INC	BILLING SERVICE	11.37
11/14	11/04/2014	18882	244	INFOSEND INC	BILLING SERVICE	2,111.96
Total 18882:						2,123.33
18883						
11/14	11/04/2014	18883	62066	JANITORIAL SYSTEMS	WINDOW CLEANING INSIDE & OUT	300.00
Total 18883:						300.00
18884						
11/14	11/04/2014	18884	62233	JOHN BELLAH	MILEAGE REIMBURSEMENT	112.90
11/14	11/04/2014	18884	62233	JOHN BELLAH	TOTAL EXPENSES-CSDA CONFERENCE & LAFCO	75.79
Total 18884:						188.69

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18885						
11/14	11/04/2014	18885	62531	KEN GRODY FORD	MAINTENANCE TRUCK 1, 9, 17	833.57
Total 18885:						833.57
18886						
11/14	11/04/2014	18886	62227	KIWANIS CLUB OF HACIENDA HEIGH	BUCKBOARD DAYS PANCAKE BREAKFAST-22 TIC	110.00
Total 18886:						110.00
18887						
11/14	11/04/2014	18887	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROJECT #PB13-0003 SUPPLI	1,430.00
Total 18887:						1,430.00
18888						
11/14	11/04/2014	18888	5025	PUENTE BASIN WATERMASTER	2014-15 OPERATING BUDGET	9,723.92
Total 18888:						9,723.92
18889						
11/14	11/04/2014	18889	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 18889:						1,500.00
18890						
11/14	11/04/2014	18890	3360	ROBERT LEWIS	MILEAGE REIMBURSEMENT	25.76
11/14	11/04/2014	18890	3360	ROBERT LEWIS	TOTAL EXPENSES-LAFCO SEMINAR	30.00
Total 18890:						55.76
18891						
11/14	11/04/2014	18891	9358	SAN GABRIEL VALLEY WATER ASSO	RESERVATIONS (1)	25.00
Total 18891:						25.00
18892						
11/14	11/04/2014	18892	337	STATER BROS. MARKETS	HOLIDAY GIFT CARDS	2,522.00
Total 18892:						2,522.00
18893						
11/14	11/04/2014	18893	62595	SWRCB ACCOUNTING OFFICE	RECYCLED WATER FEES	3,737.60
Total 18893:						3,737.60
18894						
11/14	11/04/2014	18894	35	TERESA M RYAN	MILEAGE REIMBURSEMENT-BUCKBOARD PARAD	98.00
Total 18894:						98.00
18895						
11/14	11/04/2014	18895	62577	TOM COLEMAN	TOTAL EXPENSES-FUEL	49.36
Total 18895:						49.36

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18896						
11/14	11/04/2014	18896	62401	TONY LIPKA, CONSULTANT AND TRAI	CAL/OSHA & NFPA 703 ELECTRICAL SAFETY TRAI	95.00
Total 18896:						95.00
18897						
11/14	11/04/2014	18897	6615	TOP NOTCH TREE SERVICE	TREE TRIMMING & BRUSH REMOVAL AT THE FOL	9,200.00
Total 18897:						9,200.00
18898						
11/14	11/04/2014	18898	62521	TRIPEPI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE	300.00
Total 18898:						300.00
18899						
11/14	11/04/2014	18899	62434	UNION BANK NA	CUSTODY FEES	2,028.00
11/14	11/04/2014	18899	62434	UNION BANK NA	CUSTODY FEES	1,978.00
Total 18899:						4,006.00
18900						
11/14	11/04/2014	18900	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
Total 18900:						300.00
18901						
11/14	11/07/2014	18901	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
11/14	11/07/2014	18901	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,557.00
Total 18901:						6,973.67
18902						
11/14	11/07/2014	18902	62485	YOUTH SCIENCE CENTER	ANNIVERSARY CELEBRATION & AWARD GALA-SZ	100.00
Total 18902:						100.00
18903						
11/14	11/10/2014	18903	1000	ACWA/JPIA	EMPLOYEE HEALTH BENEFITS	37,340.38
11/14	11/10/2014	18903	1000	ACWA/JPIA	EMPLOYEE VISION BENEFITS	614.22
11/14	11/10/2014	18903	1000	ACWA/JPIA	EMPLOYEE ASSISTANCE PROGRAM	63.25
11/14	11/10/2014	18903	1000	ACWA/JPIA	DIRECTORS HEALTH BENEFITS	6,616.66
11/14	11/10/2014	18903	1000	ACWA/JPIA	RETIREEES HEALTH BENEFITS	7,867.82
Total 18903:						52,502.33
18904						
11/14	11/10/2014	18904	62576	ARCADIA RECLAMATION INC	HAULING DIRT	145.00
Total 18904:						145.00
18905						
11/14	11/10/2014	18905	402	BOOMERANG BLUEPRINT	COPIES-PUENTE BASIN	204.15
Total 18905:						204.15

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18906						
11/14	11/10/2014	18906	62524	BRITTNIE VAN DE CAR	MILEAGE REIMBURSMENT	73.36
11/14	11/10/2014	18906	62524	BRITTNIE VAN DE CAR	TOTAL EXPENSES-DWR CONFERENCE	367.24
Total 18906:						440.60
18907						
11/14	11/10/2014	18907	29	DANIEL WARREN	TOTAL EXPENSES-SMOG CHECK TRUCK 16	36.75
11/14	11/10/2014	18907	29	DANIEL WARREN	TOTAL EXPENSES-MATH FOR DISTRIBUTION SYS	68.50
Total 18907:						105.25
18908						
11/14	11/10/2014	18908	2600	HACH COMPANY	DPD TOTAL REAGENT #2105660	182.36
11/14	11/10/2014	18908	2600	HACH COMPANY	NITROGEN-AMMONIA REAGENT #2668000	510.00
11/14	11/10/2014	18908	2600	HACH COMPANY	PH BUFFER 4 #2770020	63.90
11/14	11/10/2014	18908	2600	HACH COMPANY	PH BUFFER 7 #2770120	63.90
11/14	11/10/2014	18908	2600	HACH COMPANY	PH BUFFER 10 #2770220	63.90
11/14	11/10/2014	18908	2600	HACH COMPANY	NITRIVER REAGENT #2107169	139.80
11/14	11/10/2014	18908	2600	HACH COMPANY	DI WATER 4L	24.95
11/14	11/10/2014	18908	2600	HACH COMPANY	HARDNESS TREATMENT PILLOWS	43.50
11/14	11/10/2014	18908	2600	HACH COMPANY	FREE AMONNIA #2877336	41.59
11/14	11/10/2014	18908	2600	HACH COMPANY	FREE CL2 TEST STIPS 0-600 MG/L #2890200	21.45
11/14	11/10/2014	18908	2600	HACH COMPANY	FREE & TOTAL TEST STRIPS 0-10 MG/L #27455050	15.95
11/14	11/10/2014	18908	2600	HACH COMPANY	SPADNS 2 #2527025	32.49
11/14	11/10/2014	18908	2600	HACH COMPANY	TAX & SHIPPING	174.73
Total 18908:						1,378.52
18909						
11/14	11/10/2014	18909	348	HDR ENGINEERING INC	MISC ENGINEERING-ON GOING POTABLE WATER	5,981.83
Total 18909:						5,981.83
18910						
11/14	11/10/2014	18910	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	688.98
11/14	11/10/2014	18910	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	45.77
11/14	11/10/2014	18910	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	599.37
Total 18910:						1,334.12
18911						
11/14	11/10/2014	18911	62327	MATHIS GROUP	CONSULTING SERVICES	2,600.00
Total 18911:						2,600.00
18912						
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Glasforms Custom Decal, Model #B10583RWD	48.20
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Carsonite Standard Decal, Model #112CW	66.00
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Glasforms Tri-Flex Marker, Model #TF-66-05	304.80
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Tax	64.06
Total 18912:						483.06
18913						
11/14	11/10/2014	18913	4500	PETTY CASH	MISC EXPENSE	83.67
11/14	11/10/2014	18913	4500	PETTY CASH	MISC EXPENSE	36.75

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 18913:						120.42
18914						
11/14	11/10/2014	18914	62196	PRAXAIR DISTRIBUTION INC	CO2 FILL AT WELL #1, \$.275 PER LBS ORDER 20,0	5,132.94
Total 18914:						5,132.94
18915						
11/14	11/10/2014	18915	62562	RMC WATER AND ENVIRONMENT	PHASE 2 GRADE SEPARATION	8,638.75
Total 18915:						8,638.75
18916						
11/14	11/10/2014	18916	339	S C W U A	RESERVATION (2)-ECONOMICAL WATER TREATM	60.00
Total 18916:						60.00
18917						
11/14	11/10/2014	18917	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	19.82
11/14	11/10/2014	18917	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	202.38
Total 18917:						222.20
18918						
11/14	11/10/2014	18918	62462	VERIZON	CONFERENCE CALLING	47.76
Total 18918:						47.76
18919						
11/14	11/10/2014	18919	62429	WECK LABORATORIES INC	WATER SAMPLES	645.00
Total 18919:						645.00
18920						
11/14	11/10/2014	18920	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
Total 18920:						300.00
18921						
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	607.8 AC FT-SEPT 2014 WATER	531,825.00
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	7,370.26
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,066.91
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	2,301.90
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	BUDGET ASSESSMENT-3RD QUARTER	11,096.00
Total 18921:						553,660.07
18922						
11/14	11/20/2014	18922	62584	1ST ENTERPRISE BANK	Retention for Progress Payment 6	13,249.00
Total 18922:						13,249.00
18923						
11/14	11/20/2014	18923	750	A & B ELECTRIC	CHECKED TWO BOOSTERS	208.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 18923:						208.00
18924						
11/14	11/20/2014	18924	4600	AIRGAS USA LLC	TANK RENTAL	63.61
Total 18924:						63.61
18925						
11/14	11/20/2014	18925	1165	ANTIMITE TERMITE & PEST	STINGING INSECT TREATMENT-1070 SAMUELSON	150.00
Total 18925:						150.00
18926						
11/14	11/20/2014	18926	3850	ATHENS SERVICES (MODERN SVC)	TRASH SERVICE	218.19
Total 18926:						218.19
18927						
11/14	11/20/2014	18927	62432	BDC SPECIAL WASTE SERVICES	DISPOSAL SP WASTE	614.00
Total 18927:						614.00
18928						
11/14	11/20/2014	18928	62597	BEST BEST & KRIEGER	LEGAL FEES	435.00
Total 18928:						435.00
18929						
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	915.78
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	1,583.75
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	66.70
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	331.92
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	2,815.47
Total 18929:						5,713.62
18930						
11/14	11/20/2014	18930	62071	CALIFORNIA LIVING INC	INTERIOR PLANT MAINTENANCE	430.00
Total 18930:						430.00
18931						
11/14	11/20/2014	18931	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,214.00
Total 18931:						1,214.00
18932						
11/14	11/20/2014	18932	6966	CINTAS CORPORATION LOC 693	UNIFORM RENTAL	3,404.21
Total 18932:						3,404.21
18933						
11/14	11/20/2014	18933	62534	CINTAS DOCUMENT MANAGEMENT	SHREDDING SERVICE	40.80
Total 18933:						40.80

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18934						
11/14	11/20/2014	18934	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	12,925.18
Total 18934:						12,925.18
18935						
11/14	11/20/2014	18935	1270	DATA QUICK INFORMATION SYSINC	PROPERTY DATA INFO	100.00
Total 18935:						100.00
18936						
11/14	11/20/2014	18936	2253	DUKE'S LANDSCAPING INC	CLEAN UP: CLEAR BLOCKED DRAINAGE GUTTER	900.00
11/14	11/20/2014	18936	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	1,695.00
Total 18936:						2,595.00
18937						
11/14	11/20/2014	18937	62351	ELITE EQUIPMENT INC.	SERVICE COMPRESSOR	620.77
Total 18937:						620.77
18938						
11/14	11/20/2014	18938	2300	FEDERAL EXPRESS	POSTAGE	22.55
Total 18938:						22.55
18939						
11/14	11/20/2014	18939	62427	GOVERNMENT FINANCE OFFICERS A	MEMBERSHIP DUES-SEAN HENRY	160.00
Total 18939:						160.00
18940						
11/14	11/20/2014	18940	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,557.00
11/14	11/20/2014	18940	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
Total 18940:						6,973.67
18941						
11/14	11/20/2014	18941	2935	INDUSTRIAL PIPE & STEEL CO	SUPPLIES FOR COI	559.52
Total 18941:						559.52
18942						
11/14	11/20/2014	18942	62435	INDUSTRY PUBLIC UTILITY COMMISS	PUMPING POWER-PUMPSTATION 2A	3,826.40
Total 18942:						3,826.40
18943						
11/14	11/20/2014	18943	244	INFOSEND INC	BILLING SERVICE	37.28
Total 18943:						37.28
18944						
11/14	11/20/2014	18944	62226	INLAND DESERT SECURITY &	ANSWERING SERVICE	604.00
Total 18944:						604.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18945						
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	OXYGEN SENSOR FOR MX-4 SN/11104DN-004	165.00
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	FILTER FOR PUMP	5.50
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	CALIBARTION	50.00
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	LABOR	70.00
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	TAX	31.67
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	RE-CERT & INSPECTION ON HOIST	209.65
Total 18945:						531.82
18946						
11/14	11/20/2014	18946	2120	J W D'ANGELO CO	SUPPLIES FOR PUMPS	103.08
Total 18946:						103.08
18947						
11/14	11/20/2014	18947	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	600.00
Total 18947:						600.00
18948						
11/14	11/20/2014	18948	62583	LINCOLN FINANCIAL GROUP	LIFE INSURANCE	241.95
11/14	11/20/2014	18948	62583	LINCOLN FINANCIAL GROUP	SHORT/LONG TERM DISABILITY	901.84
Total 18948:						1,143.79
18949						
11/14	11/20/2014	18949	62573	MANAGED MOBILE INC	MAINTENANCE FREIGHTLINER	458.67
Total 18949:						458.67
18950						
11/14	11/20/2014	18950	233	MCCALL'S METER SALES & SVC	REPLACE REGISTER AT ZONE 6 FLOW METER	925.16
Total 18950:						925.16
18951						
11/14	11/20/2014	18951	257	MCMaster-CARR SUPPLY CO	SUPPLIES FOR PBWA	159.35
11/14	11/20/2014	18951	257	MCMaster-CARR SUPPLY CO	TOOLS & SUPPLIES	124.50
Total 18951:						283.85
18952						
11/14	11/20/2014	18952	62476	NETWORKFLEET INC	MONTHLY SERVICE	399.20
Total 18952:						399.20
18953						
11/14	11/20/2014	18953	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT BASE RATE & OVERAGES-RICOH/MPC	1,934.53
Total 18953:						1,934.53
18954						
11/14	11/20/2014	18954	62377	OREILLY AUTOMOTIVE STORES INC	AUTO SUPPLIES	57.72
Total 18954:						57.72

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18955						
11/14	11/20/2014	18955	62582	PACIFIC HYDROTECH CORPORATION	Progress Payment 7	251,731.00
Total 18955:						251,731.00
18956						
11/14	11/20/2014	18956	62125	PREMIER ACCESS	EMPLOYEES' DENTAL BENEFITS	3,047.34
11/14	11/20/2014	18956	62125	PREMIER ACCESS	DIRECTORS DENTAL BENEFITS	541.90
11/14	11/20/2014	18956	62125	PREMIER ACCESS	RETIREES' DENTAL BENEFITS	496.53
Total 18956:						4,085.77
18957						
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEE	110.00
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEE	5,465.13
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	211.20
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR BANK ANALYSIS FEES	78.15
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	3,360.00
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LA HABRA OPERATING EXPEN	275.51
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR MEMBERSHIP DUES	1,297.50
Total 18957:						10,797.49
18958						
11/14	11/20/2014	18958	5740	QUINN COMPANY	MAINTENANCE CAT TRACTOR	732.17
Total 18958:						732.17
18959						
11/14	11/20/2014	18959	62592	REM INC	12" X 12" TRITON Catch Basin Filter Insert (H.D.P.E.)	275.00
11/14	11/20/2014	18959	62592	REM INC	6.5" Dia. OD., 3.5" ID (5.0" High) Media Cartridge for T	170.00
11/14	11/20/2014	18959	62592	REM INC	14" Dia Round Cartridge Media Pak (For large 14" Dia	34.00
11/14	11/20/2014	18959	62592	REM INC	Sales Tax	43.11
Total 18959:						522.11
18960						
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JW35MB J&R W3-1/2 CONC MTR BOX	127.50
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	HE68 6" X 6" CI HYD EXT CL BO 8H	301.08
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	HE128 6" X 12" CI HYD EXT CL BO 8H	373.12
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	HE88 6" X 8" CI HYD EXT CL BO 8H	324.04
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JE1935SG2 2" E1935SG NO LEAD MIPXCTS BALL C	1,062.05
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JPL351PC J&R P-L3-1/2 PLMR LITE 1PC COVER	438.00
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JW35MB J&R W3-1/2 CONC MTR BOX	233.99
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	C850CCDC8 CLOW 850 FIRE HYD DC 8H PENT 1-1/	7,514.46
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	3/4" X 100' TYPE K SOFT COPPER	766.00
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	6" X 1" IP 3826 DS BRS SDL	256.02
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	TAX	91.98
Total 18960:						11,488.24
18961						
11/14	11/20/2014	18961	339	S C W U A	RESERVATION (6)	150.00
Total 18961:						150.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18962						
11/14	11/20/2014	18962	62166	SO CAL GAS CO	GAS UTILITY BILL-2505 ARTIGAS	57.86
Total 18962:						57.86
18963						
11/14	11/20/2014	18963	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	24,107.94
11/14	11/20/2014	18963	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	2,678.66
Total 18963:						26,786.60
18964						
11/14	11/20/2014	18964	3550	SOUTHERN COUNTIES FUELS	GASOLINE, REGULAR GRADE	6,551.56
Total 18964:						6,551.56
18965						
11/14	11/20/2014	18965	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	84.66
Total 18965:						84.66
18966						
11/14	11/20/2014	18966	62501	TW TELECOM	INTERNET & DATA	1,460.61
Total 18966:						1,460.61
18967						
11/14	11/20/2014	18967	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	211.50
Total 18967:						211.50
18968						
11/14	11/20/2014	18968	62406	UNITED RENTALS	COMPRESSOR	601.55
Total 18968:						601.55
18969						
11/14	11/20/2014	18969	323	UPS	POSTAGE	117.72
11/14	11/20/2014	18969	323	UPS	POSTAGE	14.62
Total 18969:						132.34
18970						
11/14	11/20/2014	18970	62353	VERIZON BUSINESS	PHONE SYSTEM-VOIP/VOICE LINE	454.95
Total 18970:						454.95
18971						
11/14	11/20/2014	18971	7700	WALNUT VALLEY WATER DISTRICT	RECLAIMED WATER	1,161.77
Total 18971:						1,161.77
18972						
11/14	11/20/2014	18972	205	WARREN GRAPHICS	500 REG ENVELOPES, 1000 WINDOW ENVELOPES	248.40
Total 18972:						248.40

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18973						
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9817903K	1,145.10
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9817905E	688.60
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9169913C	1,064.00
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #99116G	1,129.00
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9817902B	293.05
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	TAX	388.78
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	PT #1002302G CSM11	995.50
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	TAX	89.59
Total 18973:						5,793.62
111014						
11/14	11/10/2014	111014	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	2,473.58
11/14	11/10/2014	111014	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	97.25
11/14	11/10/2014	111014	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	3,080.33
Total 111014:						5,651.16
111514						
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	PM-22 CONNECTION	394,800.00
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,322.62
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	1,642.66
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	992.23
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	6,490.47
Total 111514:						405,247.98
Grand Totals:						1,486,657.53

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11171-0	7,514.46	.00	7,514.46
11505-0	273,618.75	.00	273,618.75
222100	.00	1,486,657.53-	1,486,657.53-
51310-0	926,625.00	.00	926,625.00
51410-1	3,294.13	.00	3,294.13
51410-2	2,389.53	.00	2,389.53
51410-3	1,642.66	.00	1,642.66
51410-5	13,860.73	.00	13,860.73
51510-0	14,086.95	.00	14,086.95
51810-0	20,819.92	.00	20,819.92
51910-0	5,222.36	.00	5,222.36
52210-0	6,161.18	.00	6,161.18
52310-0	27,934.34	.00	27,934.34
54210-0	483.06	.00	483.06
54211-0	4,732.78	.00	4,732.78
54213-0	14,993.62	.00	14,993.62
54216-0	915.78	.00	915.78
54218-0	559.52	.00	559.52
54219-0	7,164.48	.00	7,164.48
56210-0	10,371.21	.00	10,371.21
56211-0	4,006.00	.00	4,006.00

GL Account	Debit	Credit	Proof
56212-0	68.50	.00	68.50
56214-0	306.86	.00	306.86
56215-0	3,608.00	.00	3,608.00
56216-0	674.14	.00	674.14
56217-0	338.80	.00	338.80
56218-0	1,935.00	.00	1,935.00
56219-0	3,539.02	.00	3,539.02
56220-0	15,707.95	.00	15,707.95
56221-0	10,563.11	.00	10,563.11
56223-0	5,191.87	.00	5,191.87
56312-0	13,908.05	.00	13,908.05
56320-0	2,971.23	.00	2,971.23
56411-0	37,340.38	.00	37,340.38
56413-0	3,047.34	.00	3,047.34
56415-0	614.22	.00	614.22
56416-0	241.95	.00	241.95
56417-0	8,364.35	.00	8,364.35
56418-0	901.84	.00	901.84
56419-0	63.25	.00	63.25
56421-0	7,158.56	.00	7,158.56
56710-0	2,476.77	.00	2,476.77
56812-0	5,922.15	.00	5,922.15
57312-0	813.48	.00	813.48
57314-0	2,229.48	.00	2,229.48
57315-0	645.00	.00	645.00
57316-0	5,981.83	.00	5,981.83
57321-0	5,116.12	.00	5,116.12
57323-0	531.82	.00	531.82
Grand Totals:	1,486,657.53	1,486,657.53-	.00

Report Criteria:
 Report type: GL detail

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18875						
11/14	11/04/2014	18875	322	AMERICAN WATER WORKS ASSN	2015 MEMBERSHIP FEE	3,448.00
Total 18875:						3,448.00
18876						
11/14	11/04/2014	18876	3375	ANTHONY LIMA	MILEAGE REIMBURSEMENT	28.78
Total 18876:						28.78
18877						
11/14	11/04/2014	18877	1165	ANTIMITE TERMITE & PEST	MONTHLY PEST CONTROL SERVICE	105.00
Total 18877:						105.00
18878						
11/14	11/04/2014	18878	62534	CINTAS DOCUMENT MANAGEMENT	SHREDDING SERVICE	40.80
Total 18878:						40.80
18879						
11/14	11/04/2014	18879	62439	CVSTRATEGIES	COMMUNICATION SERVICES	10,563.11
Total 18879:						10,563.11
18880						
11/14	11/04/2014	18880	15	DAVE SHUBIN	TOTAL EXPENSES-AWWA CONFERENCE	54.76
Total 18880:						54.76
18881						
11/14	11/04/2014	18881	24	ERIC S HALL	TOTAL EXPENSES-METROLINK & LUNCH-MWD	41.23
11/14	11/04/2014	18881	24	ERIC S HALL	TOTAL EXPENSES-WORK BOOTS	147.99
Total 18881:						189.22
18882						
11/14	11/04/2014	18882	244	INFOSEND INC	BILLING SERVICE	11.37
11/14	11/04/2014	18882	244	INFOSEND INC	BILLING SERVICE	2,111.96
Total 18882:						2,123.33
18883						
11/14	11/04/2014	18883	62066	JANITORIAL SYSTEMS	WINDOW CLEANING INSIDE & OUT	300.00
Total 18883:						300.00
18884						
11/14	11/04/2014	18884	62233	JOHN BELLAH	MILEAGE REIMBURSEMENT	112.90
11/14	11/04/2014	18884	62233	JOHN BELLAH	TOTAL EXPENSES-CSDA CONFERENCE & LAFCO	75.79
Total 18884:						188.69

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18885						
11/14	11/04/2014	18885	62531	KEN GRODY FORD	MAINTENANCE TRUCK 1, 9, 17	833.57
Total 18885:						833.57
18886						
11/14	11/04/2014	18886	62227	KIWANIS CLUB OF HACIENDA HEIGH	BUCKBOARD DAYS PANCAKE BREAKFAST-22 TIC	110.00
Total 18886:						110.00
18887						
11/14	11/04/2014	18887	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROJECT #PB13-0003 SUPPLI	1,430.00
Total 18887:						1,430.00
18888						
11/14	11/04/2014	18888	5025	PUENTE BASIN WATERMASTER	2014-15 OPERATING BUDGET	9,723.92
Total 18888:						9,723.92
18889						
11/14	11/04/2014	18889	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 18889:						1,500.00
18890						
11/14	11/04/2014	18890	3360	ROBERT LEWIS	MILEAGE REIMBURSEMENT	25.76
11/14	11/04/2014	18890	3360	ROBERT LEWIS	TOTAL EXPENSES-LAFCO SEMINAR	30.00
Total 18890:						55.76
18891						
11/14	11/04/2014	18891	9358	SAN GABRIEL VALLEY WATER ASSO	RESERVATIONS (1)	25.00
Total 18891:						25.00
18892						
11/14	11/04/2014	18892	337	STATER BROS. MARKETS	HOLIDAY GIFT CARDS	2,522.00
Total 18892:						2,522.00
18893						
11/14	11/04/2014	18893	62595	SWRCB ACCOUNTING OFFICE	RECYCLED WATER FEES	3,737.60
Total 18893:						3,737.60
18894						
11/14	11/04/2014	18894	35	TERESA M RYAN	MILEAGE REIMBURSEMENT-BUCKBOARD PARAD	98.00
Total 18894:						98.00
18895						
11/14	11/04/2014	18895	62577	TOM COLEMAN	TOTAL EXPENSES-FUEL	49.36
Total 18895:						49.36

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18896						
11/14	11/04/2014	18896	62401	TONY LIPKA, CONSULTANT AND TRAI	CAL/OSHA & NFPA 703 ELECTRICAL SAFETY TRAI	95.00
Total 18896:						95.00
18897						
11/14	11/04/2014	18897	6615	TOP NOTCH TREE SERVICE	TREE TRIMMING & BRUSH REMOVAL AT THE FOL	9,200.00
Total 18897:						9,200.00
18898						
11/14	11/04/2014	18898	62521	TRIPEPI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE	300.00
Total 18898:						300.00
18899						
11/14	11/04/2014	18899	62434	UNION BANK NA	CUSTODY FEES	2,028.00
11/14	11/04/2014	18899	62434	UNION BANK NA	CUSTODY FEES	1,978.00
Total 18899:						4,006.00
18900						
11/14	11/04/2014	18900	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
Total 18900:						300.00
18901						
11/14	11/07/2014	18901	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
11/14	11/07/2014	18901	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,557.00
Total 18901:						6,973.67
18902						
11/14	11/07/2014	18902	62485	YOUTH SCIENCE CENTER	ANNIVERSARY CELEBRATION & AWARD GALA-SZ	100.00
Total 18902:						100.00
18903						
11/14	11/10/2014	18903	1000	ACWA/JPIA	EMPLOYEE HEALTH BENEFITS	37,340.38
11/14	11/10/2014	18903	1000	ACWA/JPIA	EMPLOYEE VISION BENEFITS	614.22
11/14	11/10/2014	18903	1000	ACWA/JPIA	EMPLOYEE ASSISTANCE PROGRAM	63.25
11/14	11/10/2014	18903	1000	ACWA/JPIA	DIRECTORS HEALTH BENEFITS	6,616.66
11/14	11/10/2014	18903	1000	ACWA/JPIA	RETIREEES HEALTH BENEFITS	7,867.82
Total 18903:						52,502.33
18904						
11/14	11/10/2014	18904	62576	ARCADIA RECLAMATION INC	HAULING DIRT	145.00
Total 18904:						145.00
18905						
11/14	11/10/2014	18905	402	BOOMERANG BLUEPRINT	COPIES-PUENTE BASIN	204.15
Total 18905:						204.15

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18906						
11/14	11/10/2014	18906	62524	BRITTNIE VAN DE CAR	MILEAGE REIMBURSMENT	73.36
11/14	11/10/2014	18906	62524	BRITTNIE VAN DE CAR	TOTAL EXPENSES-DWR CONFERENCE	367.24
Total 18906:						440.60
18907						
11/14	11/10/2014	18907	29	DANIEL WARREN	TOTAL EXPENSES-SMOG CHECK TRUCK 16	36.75
11/14	11/10/2014	18907	29	DANIEL WARREN	TOTAL EXPENSES-MATH FOR DISTRIBUTION SYS	68.50
Total 18907:						105.25
18908						
11/14	11/10/2014	18908	2600	HACH COMPANY	DPD TOTAL REAGENT #2105660	182.36
11/14	11/10/2014	18908	2600	HACH COMPANY	NITROGEN-AMMONIA REAGENT #2668000	510.00
11/14	11/10/2014	18908	2600	HACH COMPANY	PH BUFFER 4 #2770020	63.90
11/14	11/10/2014	18908	2600	HACH COMPANY	PH BUFFER 7 #2770120	63.90
11/14	11/10/2014	18908	2600	HACH COMPANY	PH BUFFER 10 #2770220	63.90
11/14	11/10/2014	18908	2600	HACH COMPANY	NITRIVER REAGENT #2107169	139.80
11/14	11/10/2014	18908	2600	HACH COMPANY	DI WATER 4L	24.95
11/14	11/10/2014	18908	2600	HACH COMPANY	HARDNESS TREATMENT PILLOWS	43.50
11/14	11/10/2014	18908	2600	HACH COMPANY	FREE AMONNIA #2877336	41.59
11/14	11/10/2014	18908	2600	HACH COMPANY	FREE CL2 TEST STIPS 0-600 MG/L #2890200	21.45
11/14	11/10/2014	18908	2600	HACH COMPANY	FREE & TOTAL TEST STRIPS 0-10 MG/L #27455050	15.95
11/14	11/10/2014	18908	2600	HACH COMPANY	SPADNS 2 #2527025	32.49
11/14	11/10/2014	18908	2600	HACH COMPANY	TAX & SHIPPING	174.73
Total 18908:						1,378.52
18909						
11/14	11/10/2014	18909	348	HDR ENGINEERING INC	MISC ENGINEERING-ON GOING POTABLE WATER	5,981.83
Total 18909:						5,981.83
18910						
11/14	11/10/2014	18910	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	688.98
11/14	11/10/2014	18910	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	45.77
11/14	11/10/2014	18910	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	599.37
Total 18910:						1,334.12
18911						
11/14	11/10/2014	18911	62327	MATHIS GROUP	CONSULTING SERVICES	2,600.00
Total 18911:						2,600.00
18912						
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Glasforms Custom Decal, Model #B10583RWD	48.20
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Carsonite Standard Decal, Model #112CW	66.00
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Glasforms Tri-Flex Marker, Model #TF-66-05	304.80
11/14	11/10/2014	18912	62504	NORTHTOWN COMPANY	Tax	64.06
Total 18912:						483.06
18913						
11/14	11/10/2014	18913	4500	PETTY CASH	MISC EXPENSE	83.67
11/14	11/10/2014	18913	4500	PETTY CASH	MISC EXPENSE	36.75

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 18913:						120.42
18914						
11/14	11/10/2014	18914	62196	PRAXAIR DISTRIBUTION INC	CO2 FILL AT WELL #1, \$.275 PER LBS ORDER 20,0	5,132.94
Total 18914:						5,132.94
18915						
11/14	11/10/2014	18915	62562	RMC WATER AND ENVIRONMENT	PHASE 2 GRADE SEPARATION	8,638.75
Total 18915:						8,638.75
18916						
11/14	11/10/2014	18916	339	S C W U A	RESERVATION (2)-ECONOMICAL WATER TREATM	60.00
Total 18916:						60.00
18917						
11/14	11/10/2014	18917	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	19.82
11/14	11/10/2014	18917	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	202.38
Total 18917:						222.20
18918						
11/14	11/10/2014	18918	62462	VERIZON	CONFERENCE CALLING	47.76
Total 18918:						47.76
18919						
11/14	11/10/2014	18919	62429	WECK LABORATORIES INC	WATER SAMPLES	645.00
Total 18919:						645.00
18920						
11/14	11/10/2014	18920	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
Total 18920:						300.00
18921						
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	607.8 AC FT-SEPT 2014 WATER	531,825.00
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	7,370.26
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,066.91
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	2,301.90
11/14	11/17/2014	18921	4750	PWR JT WATER LINE COMMISSION	BUDGET ASSESSMENT-3RD QUARTER	11,096.00
Total 18921:						553,660.07
18922						
11/14	11/20/2014	18922	62584	1ST ENTERPRISE BANK	Retention for Progress Payment 6	13,249.00
Total 18922:						13,249.00
18923						
11/14	11/20/2014	18923	750	A & B ELECTRIC	CHECKED TWO BOOSTERS	208.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 18923:						208.00
18924						
11/14	11/20/2014	18924	4600	AIRGAS USA LLC	TANK RENTAL	63.61
Total 18924:						63.61
18925						
11/14	11/20/2014	18925	1165	ANTIMITE TERMITE & PEST	STINGING INSECT TREATMENT-1070 SAMUELSON	150.00
Total 18925:						150.00
18926						
11/14	11/20/2014	18926	3850	ATHENS SERVICES (MODERN SVC)	TRASH SERVICE	218.19
Total 18926:						218.19
18927						
11/14	11/20/2014	18927	62432	BDC SPECIAL WASTE SERVICES	DISPOSAL SP WASTE	614.00
Total 18927:						614.00
18928						
11/14	11/20/2014	18928	62597	BEST BEST & KRIEGER	LEGAL FEES	435.00
Total 18928:						435.00
18929						
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	915.78
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	1,583.75
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	66.70
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	331.92
11/14	11/20/2014	18929	1476	BUSINESS CARD (VISA)	CONFERENCE & MISC EXPENSES	2,815.47
Total 18929:						5,713.62
18930						
11/14	11/20/2014	18930	62071	CALIFORNIA LIVING INC	INTERIOR PLANT MAINTENANCE	430.00
Total 18930:						430.00
18931						
11/14	11/20/2014	18931	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,214.00
Total 18931:						1,214.00
18932						
11/14	11/20/2014	18932	6966	CINTAS CORPORATION LOC 693	UNIFORM RENTAL	3,404.21
Total 18932:						3,404.21
18933						
11/14	11/20/2014	18933	62534	CINTAS DOCUMENT MANAGEMENT	SHREDDING SERVICE	40.80
Total 18933:						40.80

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18934						
11/14	11/20/2014	18934	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	12,925.18
Total 18934:						12,925.18
18935						
11/14	11/20/2014	18935	1270	DATA QUICK INFORMATION SYSINC	PROPERTY DATA INFO	100.00
Total 18935:						100.00
18936						
11/14	11/20/2014	18936	2253	DUKE'S LANDSCAPING INC	CLEAN UP: CLEAR BLOCKED DRAINAGE GUTTER	900.00
11/14	11/20/2014	18936	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	1,695.00
Total 18936:						2,595.00
18937						
11/14	11/20/2014	18937	62351	ELITE EQUIPMENT INC.	SERVICE COMPRESSOR	620.77
Total 18937:						620.77
18938						
11/14	11/20/2014	18938	2300	FEDERAL EXPRESS	POSTAGE	22.55
Total 18938:						22.55
18939						
11/14	11/20/2014	18939	62427	GOVERNMENT FINANCE OFFICERS A	MEMBERSHIP DUES-SEAN HENRY	160.00
Total 18939:						160.00
18940						
11/14	11/20/2014	18940	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,557.00
11/14	11/20/2014	18940	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
Total 18940:						6,973.67
18941						
11/14	11/20/2014	18941	2935	INDUSTRIAL PIPE & STEEL CO	SUPPLIES FOR COI	559.52
Total 18941:						559.52
18942						
11/14	11/20/2014	18942	62435	INDUSTRY PUBLIC UTILITY COMMISS	PUMPING POWER-PUMPSTATION 2A	3,826.40
Total 18942:						3,826.40
18943						
11/14	11/20/2014	18943	244	INFOSEND INC	BILLING SERVICE	37.28
Total 18943:						37.28
18944						
11/14	11/20/2014	18944	62226	INLAND DESERT SECURITY &	ANSWERING SERVICE	604.00
Total 18944:						604.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18945						
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	OXYGEN SENSOR FOR MX-4 SN/11104DN-004	165.00
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	FILTER FOR PUMP	5.50
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	CALIBARTION	50.00
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	LABOR	70.00
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	TAX	31.67
11/14	11/20/2014	18945	6800	J G TUCKER & SONS	RE-CERT & INSPECTION ON HOIST	209.65
Total 18945:						531.82
18946						
11/14	11/20/2014	18946	2120	J W D'ANGELO CO	SUPPLIES FOR PUMPS	103.08
Total 18946:						103.08
18947						
11/14	11/20/2014	18947	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	600.00
Total 18947:						600.00
18948						
11/14	11/20/2014	18948	62583	LINCOLN FINANCIAL GROUP	LIFE INSURANCE	241.95
11/14	11/20/2014	18948	62583	LINCOLN FINANCIAL GROUP	SHORT/LONG TERM DISABILITY	901.84
Total 18948:						1,143.79
18949						
11/14	11/20/2014	18949	62573	MANAGED MOBILE INC	MAINTENANCE FREIGHTLINER	458.67
Total 18949:						458.67
18950						
11/14	11/20/2014	18950	233	MCCALL'S METER SALES & SVC	REPLACE REGISTER AT ZONE 6 FLOW METER	925.16
Total 18950:						925.16
18951						
11/14	11/20/2014	18951	257	MCMaster-CARR SUPPLY CO	SUPPLIES FOR PBWA	159.35
11/14	11/20/2014	18951	257	MCMaster-CARR SUPPLY CO	TOOLS & SUPPLIES	124.50
Total 18951:						283.85
18952						
11/14	11/20/2014	18952	62476	NETWORKFLEET INC	MONTHLY SERVICE	399.20
Total 18952:						399.20
18953						
11/14	11/20/2014	18953	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT BASE RATE & OVERAGES-RICOH/MPC	1,934.53
Total 18953:						1,934.53
18954						
11/14	11/20/2014	18954	62377	OREILLY AUTOMOTIVE STORES INC	AUTO SUPPLIES	57.72
Total 18954:						57.72

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18955						
11/14	11/20/2014	18955	62582	PACIFIC HYDROTECH CORPORATION	Progress Payment 7	251,731.00
Total 18955:						251,731.00
18956						
11/14	11/20/2014	18956	62125	PREMIER ACCESS	EMPLOYEES' DENTAL BENEFITS	3,047.34
11/14	11/20/2014	18956	62125	PREMIER ACCESS	DIRECTORS DENTAL BENEFITS	541.90
11/14	11/20/2014	18956	62125	PREMIER ACCESS	RETIREEES' DENTAL BENEFITS	496.53
Total 18956:						4,085.77
18957						
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEE	110.00
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEE	5,465.13
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	211.20
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR BANK ANALYSIS FEES	78.15
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	3,360.00
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LA HABRA OPERATING EXPEN	275.51
11/14	11/20/2014	18957	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR MEMBERSHIP DUES	1,297.50
Total 18957:						10,797.49
18958						
11/14	11/20/2014	18958	5740	QUINN COMPANY	MAINTENANCE CAT TRACTOR	732.17
Total 18958:						732.17
18959						
11/14	11/20/2014	18959	62592	REM INC	12" X 12" TRITON Catch Basin Filter Insert (H.D.P.E.)	275.00
11/14	11/20/2014	18959	62592	REM INC	6.5" Dia. OD., 3.5" ID (5.0" High) Media Cartridge for T	170.00
11/14	11/20/2014	18959	62592	REM INC	14" Dia Round Cartridge Media Pak (For large 14" Dia	34.00
11/14	11/20/2014	18959	62592	REM INC	Sales Tax	43.11
Total 18959:						522.11
18960						
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JW35MB J&R W3-1/2 CONC MTR BOX	127.50
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	HE68 6" X 6" CI HYD EXT CL BO 8H	301.08
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	HE128 6" X 12" CI HYD EXT CL BO 8H	373.12
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	HE88 6" X 8" CI HYD EXT CL BO 8H	324.04
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JE1935SG2 2" E1935SG NO LEAD MIPXCTS BALL C	1,062.05
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JPL351PC J&R P-L3-1/2 PLMR LITE 1PC COVER	438.00
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	JW35MB J&R W3-1/2 CONC MTR BOX	233.99
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	C850CCDC8 CLOW 850 FIRE HYD DC 8H PENT 1-1/	7,514.46
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	3/4" X 100' TYPE K SOFT COPPER	766.00
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	6" X 1" IP 3826 DS BRS SDL	256.02
11/14	11/20/2014	18960	62502	S & J SUPPLY COMPANY, INC	TAX	91.98
Total 18960:						11,488.24
18961						
11/14	11/20/2014	18961	339	S C W U A	RESERVATION (6)	150.00
Total 18961:						150.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18962						
11/14	11/20/2014	18962	62166	SO CAL GAS CO	GAS UTILITY BILL-2505 ARTIGAS	57.86
Total 18962:						57.86
18963						
11/14	11/20/2014	18963	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	24,107.94
11/14	11/20/2014	18963	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	2,678.66
Total 18963:						26,786.60
18964						
11/14	11/20/2014	18964	3550	SOUTHERN COUNTIES FUELS	GASOLINE, REGULAR GRADE	6,551.56
Total 18964:						6,551.56
18965						
11/14	11/20/2014	18965	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	84.66
Total 18965:						84.66
18966						
11/14	11/20/2014	18966	62501	TW TELECOM	INTERNET & DATA	1,460.61
Total 18966:						1,460.61
18967						
11/14	11/20/2014	18967	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	211.50
Total 18967:						211.50
18968						
11/14	11/20/2014	18968	62406	UNITED RENTALS	COMPRESSOR	601.55
Total 18968:						601.55
18969						
11/14	11/20/2014	18969	323	UPS	POSTAGE	117.72
11/14	11/20/2014	18969	323	UPS	POSTAGE	14.62
Total 18969:						132.34
18970						
11/14	11/20/2014	18970	62353	VERIZON BUSINESS	PHONE SYSTEM-VOIP/VOICE LINE	454.95
Total 18970:						454.95
18971						
11/14	11/20/2014	18971	7700	WALNUT VALLEY WATER DISTRICT	RECLAIMED WATER	1,161.77
Total 18971:						1,161.77
18972						
11/14	11/20/2014	18972	205	WARREN GRAPHICS	500 REG ENVELOPES, 1000 WINDOW ENVELOPES	248.40
Total 18972:						248.40

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
18973						
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9817903K	1,145.10
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9817905E	688.60
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9169913C	1,064.00
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #99116G	1,129.00
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	CLA-VAL REPAIR KIT #9817902B	293.05
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	TAX	388.78
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	PT #1002302G CSM11	995.50
11/14	11/20/2014	18973	7950	WESTERN WATER WORKS SUPPLY	TAX	89.59
Total 18973:						5,793.62
111014						
11/14	11/10/2014	111014	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	2,473.58
11/14	11/10/2014	111014	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	97.25
11/14	11/10/2014	111014	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	3,080.33
Total 111014:						5,651.16
111514						
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	PM-22 CONNECTION	394,800.00
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,322.62
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	1,642.66
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	992.23
11/14	11/15/2014	111514	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	6,490.47
Total 111514:						405,247.98
Grand Totals:						1,486,657.53

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11171-0	7,514.46	.00	7,514.46
11505-0	273,618.75	.00	273,618.75
222100	.00	1,486,657.53-	1,486,657.53-
51310-0	926,625.00	.00	926,625.00
51410-1	3,294.13	.00	3,294.13
51410-2	2,389.53	.00	2,389.53
51410-3	1,642.66	.00	1,642.66
51410-5	13,860.73	.00	13,860.73
51510-0	14,086.95	.00	14,086.95
51810-0	20,819.92	.00	20,819.92
51910-0	5,222.36	.00	5,222.36
52210-0	6,161.18	.00	6,161.18
52310-0	27,934.34	.00	27,934.34
54210-0	483.06	.00	483.06
54211-0	4,732.78	.00	4,732.78
54213-0	14,993.62	.00	14,993.62
54216-0	915.78	.00	915.78
54218-0	559.52	.00	559.52
54219-0	7,164.48	.00	7,164.48
56210-0	10,371.21	.00	10,371.21
56211-0	4,006.00	.00	4,006.00

GL Account	Debit	Credit	Proof
56212-0	68.50	.00	68.50
56214-0	306.86	.00	306.86
56215-0	3,608.00	.00	3,608.00
56216-0	674.14	.00	674.14
56217-0	338.80	.00	338.80
56218-0	1,935.00	.00	1,935.00
56219-0	3,539.02	.00	3,539.02
56220-0	15,707.95	.00	15,707.95
56221-0	10,563.11	.00	10,563.11
56223-0	5,191.87	.00	5,191.87
56312-0	13,908.05	.00	13,908.05
56320-0	2,971.23	.00	2,971.23
56411-0	37,340.38	.00	37,340.38
56413-0	3,047.34	.00	3,047.34
56415-0	614.22	.00	614.22
56416-0	241.95	.00	241.95
56417-0	8,364.35	.00	8,364.35
56418-0	901.84	.00	901.84
56419-0	63.25	.00	63.25
56421-0	7,158.56	.00	7,158.56
56710-0	2,476.77	.00	2,476.77
56812-0	5,922.15	.00	5,922.15
57312-0	813.48	.00	813.48
57314-0	2,229.48	.00	2,229.48
57315-0	645.00	.00	645.00
57316-0	5,981.83	.00	5,981.83
57321-0	5,116.12	.00	5,116.12
57323-0	531.82	.00	531.82
Grand Totals:	<u>1,486,657.53</u>	<u>1,486,657.53-</u>	<u>.00</u>

Report Criteria:
 Report type: GL detail

Tab

1.3



Rowland Water District Memorandum

To: Kenneth Deck, General Manager

From: Sean S. Henry, Finance Officer

CC:

Date: December 2, 2014

Subject: Investment Update – November 2014

Economic Review: The next meeting of the Federal Reserve is scheduled for December 16th. The last meeting was held on October 28th. The Fed Funds rate remains at a target range of 0 to ¼ percent. At the meeting, the Federal Reserve stated “Labor market conditions improved somewhat further, with solid job gains and a lower unemployment rate. On balance, a range of labor market indicators suggest that underutilization of labor resources is gradually diminishing. Household spending is rising moderately and business fixed investment is advancing, while recovery in the housing sector remains slow. Inflation has continued to run below the Committee’s longer-run objective.” The latest reading of the Consumer Price Index (CPI) for Los Angeles, Riverside and Orange Counties was 1.4 for the month of October. The previous reading was 1.7 in September.

LAIF Update: LAIF ended the month of November with a yield of 0.26%. This represents a .01 basis point decrease from the month of October. A comparison with last year shows LAIF .01 basis points lower than October 2013 when the yield stood at 0.27%.

RWD Investments: Rowland Water District’s bond portfolio carries an average yield of 1.35%. This represents a .03 basis point decrease from the month of October. This represents a 1.09 basis point premium to LAIF. The District had on bond maturity in the month of November. This was a \$100,000.00 FNMA Note with a yield of 2.625% and had a five years term. Staff is looking into reinvesting these funds. The District CD Placement program carries an effective yield of 0.26% and an average maturity of 594 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, 2014



CASH

Citizens Business Bank	948,983.10
Comerica Bank MMIA	<u>12,978.05</u>
TOTAL CASH	961,961.15

COMERICA SECURITIES CD PLACEMENT	NA	1mth - 2 Years	NA	NA	NA	0.56%	594	2,176,000.00	12.25%
LOCAL AGENCY INVESTMENT FUND (LAIF)	NA	NA	NA	NA	NA	0.26%	NA	2,115,304.11	11.91%

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

Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio	
Fed Home Loan Mtg Corp	5 Year	250,000.00	100.896	100.520	02/09/15	2.88%	NA	251,300.00	1.42%
US Treasury Note	5 Year	250,000.00	99.489	100.797	03/31/15	2.50%	NA	251,992.50	1.42%
US Treasury Note	5 Year	250,000.00	102.016	101.023	04/30/15	2.50%	NA	252,557.50	1.42%
Fedl Natl Mtg Assn	5 Year	250,000.00	102.061	101.459	07/28/15	2.38%	NA	253,647.50	1.43%
US Treasury Note	5 Year	250,000.00	100.266	102.664	03/31/16	2.25%	NA	256,660.00	1.45%
US Treasury Note	5 Year	250,000.00	101.219	101.914	07/31/16	1.50%	NA	254,785.00	1.43%
US Treasury Note	5 Year	250,000.00	101.231	101.063	10/31/16	1.00%	NA	252,657.50	1.42%
Fedl Natl Mtg Assn	5 Year	250,000.00	100.639	101.555	11/15/16	1.38%	NA	253,887.50	1.43%
US Treasury Note	5 Year	250,000.00	99.942	100.781	11/30/16	0.88%	NA	251,952.50	1.42%
Fed Natl Mtg Assn	5 Year	200,000.00	101.194	101.436	01/30/17	1.25%	NA	202,872.00	1.14%
Fed Natl Mtg Assn	5 Year	250,000.00	100.083	100.023	08/28/17	0.88%	NA	250,057.50	1.41%
US Treasury Note	5 Year	250,000.00	99.559	99.320	09/30/17	0.63%	NA	248,300.00	1.40%
Fed Natl Mtg Assn	5 Year	250,000.00	100.019	99.614	12/20/17	0.88%	NA	249,035.00	1.40%
Fed Home Loan Mtg Corp	5 Year	200,000.00	99.289	99.046	01/12/18	0.75%	NA	198,092.00	1.12%
US Treasury Note	5 Year	200,000.00	99.742	99.141	02/28/18	0.75%	NA	198,282.00	1.12%
US Treasury Note	4 Year	250,000.00	99.539	100.859	06/30/18	1.38%	NA	252,147.50	1.42%
Fed Natl Mtg Assn	5 Year	500,000.00	100.300	99.025	05/21/18	0.88%	NA	495,125.00	2.79%
US Treasury Note	5 Year	250,000.00	99.727	100.609	09/30/18	1.38%	NA	251,522.50	1.42%
US Treasury Note	5 Year	250,000.00	99.868	100.422	11/30/18	1.38%	NA	251,055.00	1.41%
US Treasury Note	5 Year	250,000.00	99.137	100.789	12/31/18	1.50%	NA	251,972.50	1.42%
US Treasury Note	5 Year	250,000.00	100.172	100.711	01/31/19	1.50%	NA	251,777.50	1.41%
US Treasury Note	5 Year	250,000.00	99.140	100.656	02/28/19	1.50%	NA	251,640.00	1.42%
US Treasury Note	5 Year	250,000.00	99.617	101.078	03/31/19	1.63%	NA	252,695.00	1.42%
US Treasury Note	5 Year	250,000.00	98.719	99.430	04/30/19	1.26%	NA	248,575.00	1.42%
Cash Reserve Account						0.01%		159,686.90	0.90%
Total BNY Mellon Investments								6,292,275.40	35.44%

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

Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio	
Fedl Home Loan Bank	5 Year	300,000.00	100.687	100.080	12/12/14	2.75%	NA	300,240.00	1.69%
Fedl Home Loan Bank	4 Year	245,000.00	99.270	100.036	12/12/14	1.25%	NA	245,088.20	1.38%
Fedl Natl Mtg Assn	5 Year	480,000.00	100.625	101.415	09/28/16	1.25%	NA	486,792.00	2.74%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.898	101.555	11/15/16	1.38%	NA	507,775.00	2.86%
Fedl Home Loan Mtg Corp	5 Year	465,000.00	100.427	100.961	03/08/17	1.00%	NA	469,468.65	2.64%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	102.124	101.042	05/12/17	1.25%	NA	252,605.00	1.42%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	100.793	100.502	06/29/17	1.00%	NA	251,255.00	1.42%
Fedl Natl Mtg Assn	5 Year	485,000.00	101.342	100.023	08/28/17	0.88%	NA	485,111.55	2.73%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.650	99.614	12/20/17	0.88%	NA	493,089.30	2.78%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.066	99.046	01/12/18	0.75%	NA	490,277.70	2.76%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.448	99.325	02/08/18	0.88%	NA	491,658.75	2.77%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.392	99.239	03/07/18	0.88%	NA	491,233.05	2.77%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.530	99.025	05/21/18	0.88%	NA	495,125.00	2.79%
Fedl Natl Mtg Assn	4 Year	250,000.00	98.671	99.502	09/27/18	1.27%	NA	248,755.00	1.40%
Fedl Natl Mtg Assn	5 Year	245,000.00	100.061	100.931	11/27/18	1.63%	NA	247,280.95	1.39%
Fedl Farm Credit Bank	5 Year	240,000.00	98.229	97.261	10/22/19	1.29%	NA	233,426.40	1.31%
ML Bank Deposit (Cash Account)						0.01%		21,297.41	0.12%
Total Merrill Lynch Investments								6,210,478.96	34.98%

TOTAL INVESTMENTS
TOTAL CASH AND INVESTMENTS

	16,794,058.47	100%
	17,756,019.62	

Weighted Average Yield of Total Investment Portfolio: 0.99%

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.

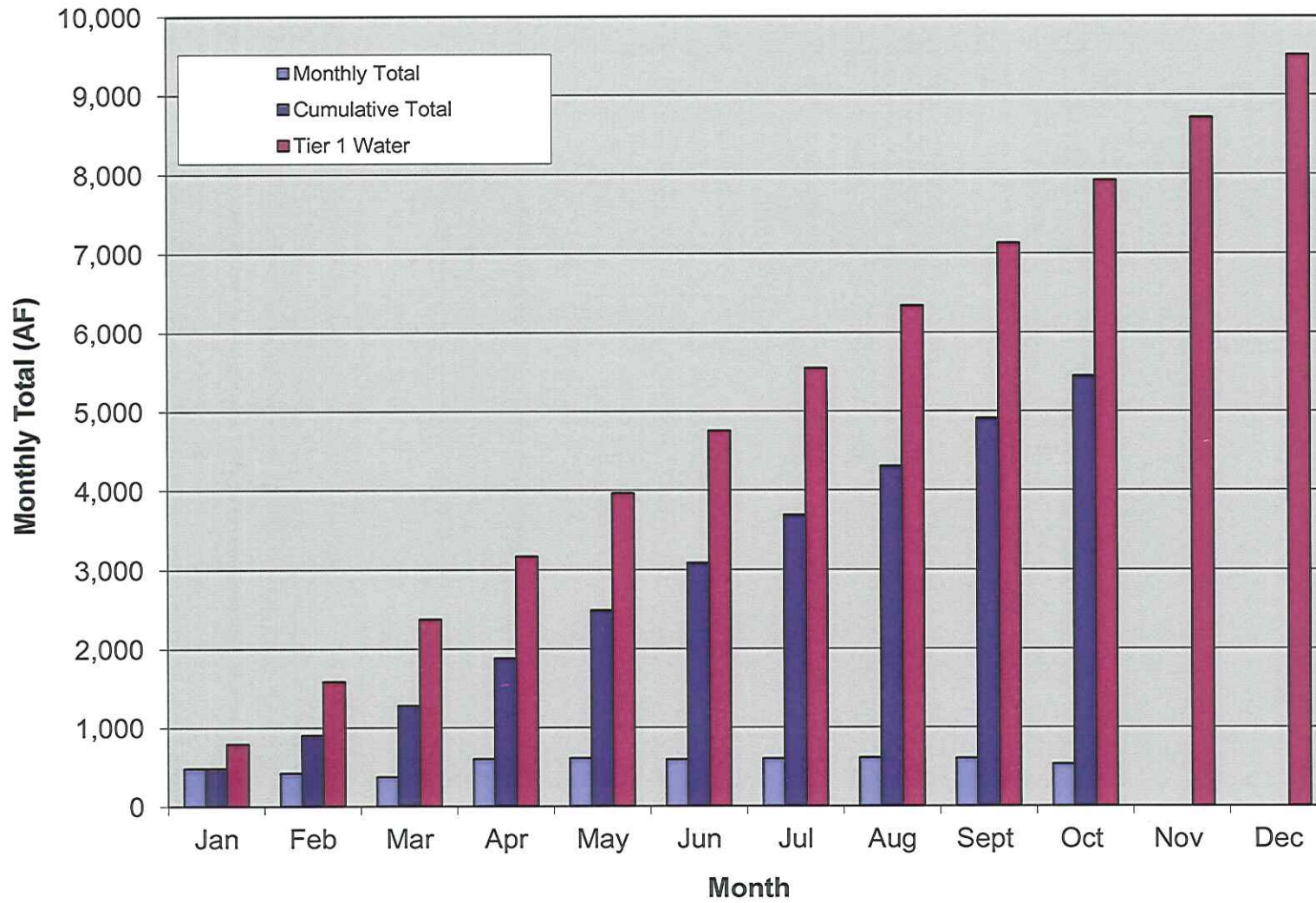

 Sean S. Henry, Finance Officer



COMPARATIVE PURCHASED WATER REPORT FOR THE MONTH OF SEPTEMBER 2014

SOURCE / DESCRIPTION	2014			2013		
	ACRE-FEET	COST	COST/A.F.	ACRE-FEET	COST	COST/A.F.
WATER CHARGES:						
POTABLE WATER						
PUENTE BASIN WATER AGENCY / TVMWD	469.3	408,489.85	870.42	502.3	426,452.70	849.00
POMONA-WALNUT-ROWLAND JWLC	535.8	468,825.00	875.00	531.4	451,158.60	849.00
LA HABRA HEIGHTS	5.0	1,900.68	380.14			
WATER REPLENISHMENT DISTRICT (WRD)						
	1,010.1	879,215.53		1,033.7	877,611.30	
RECLAIMED WATER	58.9	14,086.95	239.17	53.8	13,332.94	247.82
TOTAL WATER CHARGES	1,069.0	893,302.48		1,087.5	890,944.24	
FIXED CHARGES:						
PUENTE BASIN WATER AGENCY / TVMWD						
CAPACITY RESERVATION		6,490.47			4,943.57	
CONNECTED CAPACITY		1,322.62			3,044.54	
WATER USE CHARGE		992.23			1,769.32	
EQUIV. SMALL METER		1,642.66			3,811.55	
SUBTOTAL		10,447.98			13,568.98	
PWR JWLC						
CAPACITY RESERVATION		7,370.26			5,801.72	
CONNECTED CAPACITY		1,066.91			2,455.93	
WATER USE CHARGE		2,301.90			5,860.90	
DEPRECIATION						
REPLACEMENT						
PWR BUDGET ASSESSMENT						
SUBTOTAL		10,739.07			14,118.55	
LHH						
WHEELING CHARGE		248.50				
SUBTOTAL						
TOTAL FIXED CHARGES		21,435.55			27,687.53	
TOTAL PURCHASED WATER CHARGES		914,738.03			918,631.77	
AVERAGE WATER CHARGE:		\$ 855.70			\$ 844.72	

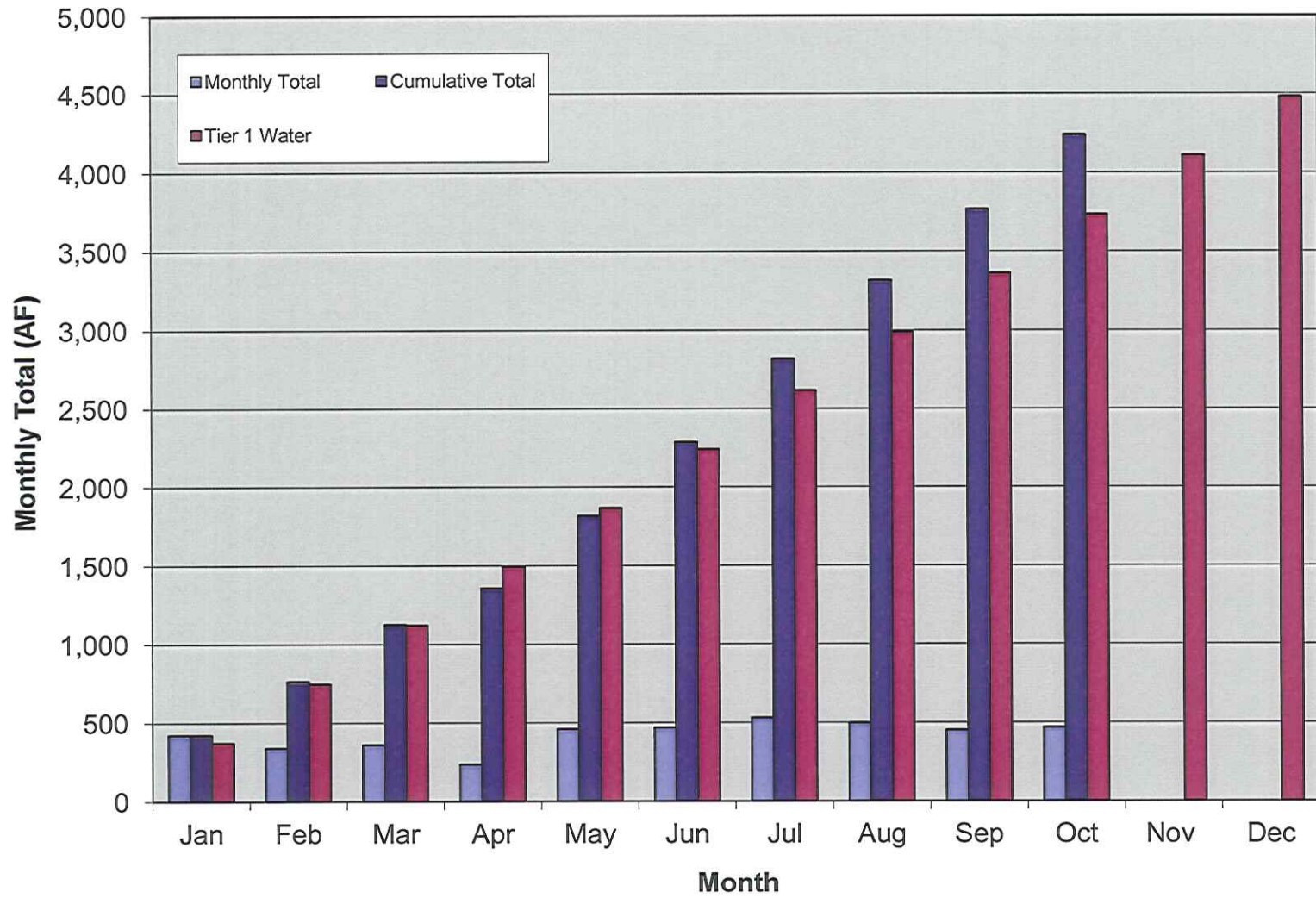
CY 2014 Rowland JWL Purchases



Rowland Imported Water Purchases PM-22 Tier 1 (in Acre-Feet)
Calendar Year 2014
Year to Date Invoiced as of 1/1/14

	ACTUAL			ESTIMATED		Percentage Difference
	Monthly Total	Cumulative Total	Balance in Tier 1 (4,482 AF)	Cumulative Total	Acre Foot Difference	
Jan	423.0	423.0	4,059.0	373.5	49.5	13.25%
Feb	339.3	762.3	3,719.7	747	15.3	2.05%
Mar	361.3	1,123.6	3,358.4	1120.5	3.1	0.28%
Apr	233.2	1,356.8	3,125.2	1494	-137.2	-9.18%
May	459.5	1,816.3	2,665.7	1867.5	-51.2	-2.74%
Jun	469.1	2,285.4	2,196.6	2241	44.4	1.98%
Jul	532.5	2,817.9	1,664.1	2614.5	203.4	7.78%
Aug	498.6	3,316.5	1,165.5	2988	328.5	10.99%
Sep	451.2	3,767.7	714.3	3361.5	406.2	12.08%
Oct	469.3	4,237.0	245.0	3735	502	13.44%
Nov				4108.5	-4108.5	-100.00%
Dec				4482	-4482	-100.00%

CY 2014 PM-22 Water Purchases



Tab

1.4

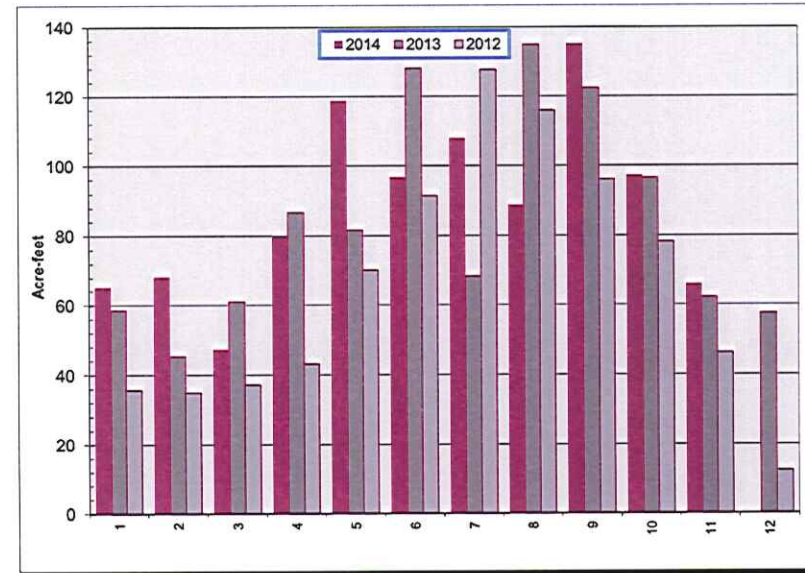
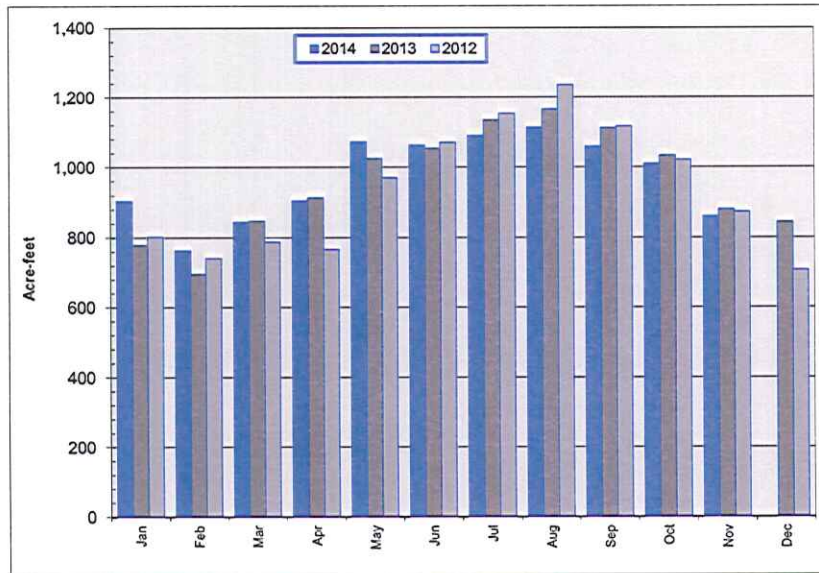


Water Purchases for CY 2014 (Acre-feet)

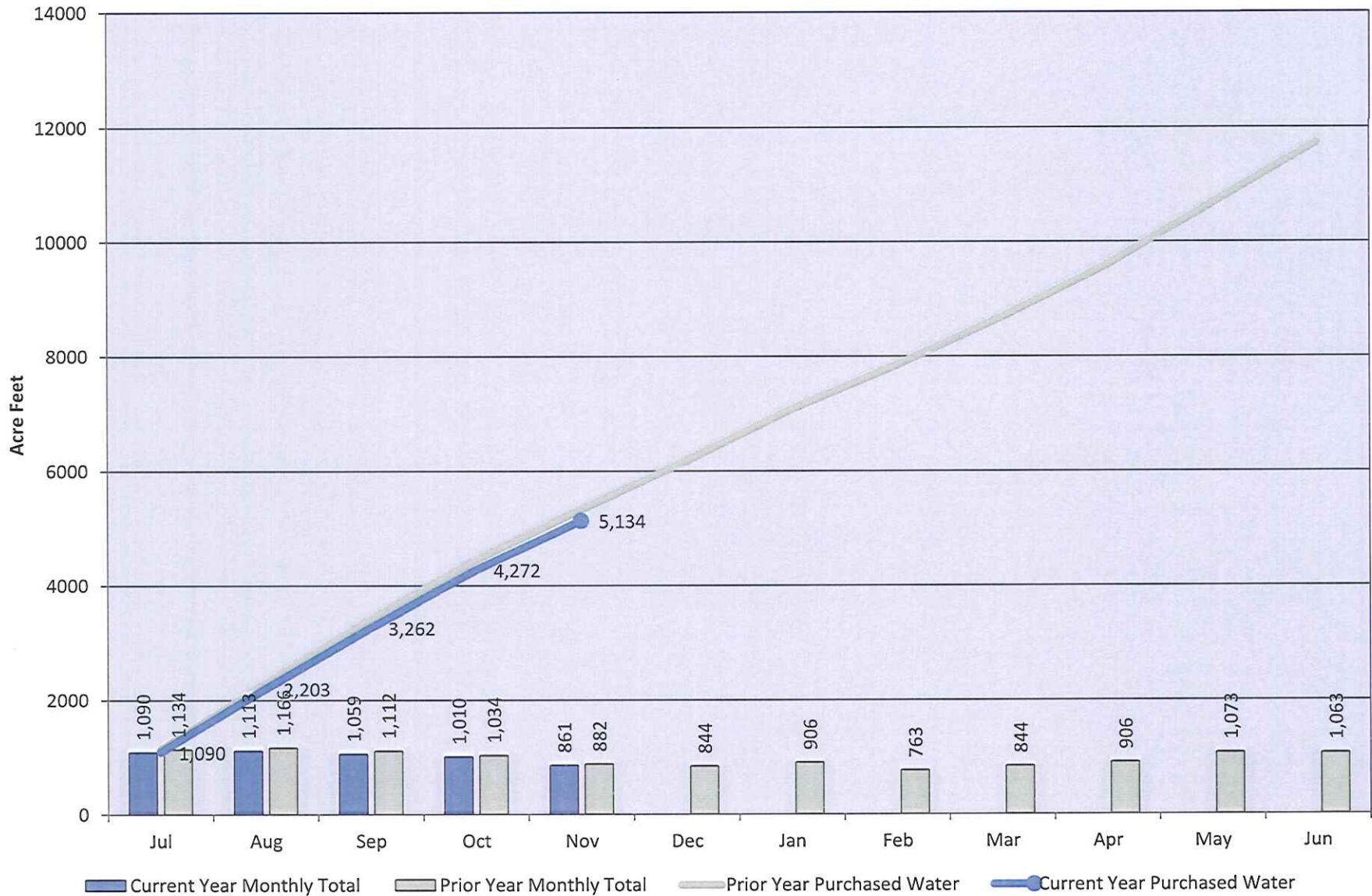


	POTABLE SYSTEM				TOTAL
	LHH	PM-22	JWL		
			PM-15	Miramar	
JAN	0.0	423.0	332.4	150.2	905.6
FEB	2.0	339.3	315.0	107.0	763.3
MAR	107.7	361.3	250.1	125.0	844.1
APR	72.3	233.2	449.2	151.4	906.1
MAY	2.4	459.5	486.4	124.6	1,072.9
JUN	0.0	469.1	483.0	110.9	1,063.0
JUL	0.0	496.1	483.0	110.9	1,090.0
AUG	0.0	498.6	558.8	55.8	1,113.2
SEP	0.0	451.2	576.0	31.8	1,059.0
OCT	5.0	469.3	499.9	35.9	1,010.1
NOV	47.6	329.4	366.9	117.3	861.2
DEC					0.0
TOTAL	237.0	4,530.0	4,800.7	1,120.8	10,688.5

RECYCLED SYSTEM					TOTAL
Well 1	Wet Well	WVWD	Industry	Potable Make-up	
0.0	20.5	1.0	43.7	0.0	65.2
0.0	13.2	1.0	54.1	0.0	68.3
0.0	10.6	1.0	35.7	0.0	47.3
0.0	30.8	1.0	47.9	0.0	79.7
0.0	27.2	3.0	88.5	0.0	118.7
3.2	27.4	5.0	61.1	0.0	96.7
24.2	15.9	6.0	61.8	0.0	107.9
21.8	9.1	3.0	55.0	0.0	88.9
32.2	15.4	4.0	83.6	0.0	135.2
17.3	21.0	3.0	55.9	0.0	97.2
0.1	20.9	1.0	44.0	0.0	66.0
					0.0
98.8	212.0	29.0	631.3	0.0	971.1



Potable Water Purchases For FY 2013-2014 (Acre-feet)



Tab

2.1



DECEMBER 2014-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					
	12/2/14-12/3/14	ACWA/JPIA Fall Conference	\$220.00		Mileage & Meals
	12/9/2014	RWD Board Meeting	\$110.00		
	12/11/2014	PBWA Meeting at RWD	\$110.00		
	12/17/2014	Three Valleys Board Meeting	\$110.00		Mileage
		TOTAL PAYMENT	\$550.00		
John Bellah					
	November				
	11/4/2014	RWD Board Meeting	\$88.00		
	11/18/2014	RWD Special Board Meeting	\$88.00		
	December				
	12/2/14-12/5/14	ACWA/JPIA Fall Conference	\$352.00		Mileage
	12/9/2014	RWD Board Meeting	\$88.00		
		TOTAL PAYMENT	\$616.00		
Robert W. Lewis					
	12/1/14-12/5/14	ACWA/JPIA Fall Conference	\$550.00		Mileage, Train Fare & Meal
	12/9/2014	RWD Board Meeting	\$110.00		
	12/11/2014	PBWA Meeting at RWD	\$110.00		
		TOTAL PAYMENT	\$770.00		

Tab

2.2

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

We have audited the financial statements of Rowland Water District for the year ended June 30, 2014. 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 December 17, 2013. 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 Rowland Water District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2014. We noted no transactions entered into by Rowland Water 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.

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 annual required contribution of the District's defined benefit pension plan administered by CalPERS which is based on an actuarial valuation.
- d. The annual required contribution, the funded status and the funding progress for the District's other post-employment benefit plan, which is based on an actuarial valuation.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

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 and Note 12 regarding the District's other post-employment benefit plan.

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

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our 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. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management:

- a. The recording of the adjustment to the annual pension cost related to the District's other post-employment benefit plan.
- b. The reversal of the prior year accrual of the lump-sum payoff of the District's California Public Employees' Retirement System (CalPERS) side-fund liability.
- c. The correction of the recording of activity related to the District's joint venture projects.
- d. The correction of activity related to the District's CIP projects.

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 9, 2014.

Significant Audit Findings (Continued)

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 and schedule of funding progress for the other post-employment benefit plan, 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.

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 9, 2014

ROWLAND WATER DISTRICT
FINANCIAL STATEMENTS
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
JUNE 30, 2014 AND 2013

ROWLAND WATER DISTRICT

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June 30, 2014 and 2013

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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 Rowland Water District (the District), which comprise the statements of net position as of June 30, 2014 and 2013, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, 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 an opinion on these financial statements based on our audits. We conducted our audits 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 audits 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rowland Water District as of June 30, 2014 and 2013 and the respective changes in financial position and cash flows for the years 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedules of other operating expenses and schedules of general and administrative expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of other operating expenses and schedules 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 schedules of other operating expenses and schedules 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 9, 2014, 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 9, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

ROWLAND WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

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, 2014. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

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

Fiscal Year 2013

- The District's total net position decreased by \$1,507,637 or 2.41 percent.
- During the year, the District's total revenues increased to \$19,675,001 or 13.68 percent, and total expenses increased to \$21,511,277 or 15.70 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, 2014

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 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012 (As Restated)	Dollar Change
Assets:					
Current, restricted and other assets	\$ 45,403,134	\$ 46,222,653	\$ (819,519)	\$ 24,229,635	\$ 21,993,018
Capital assets	<u>59,617,090</u>	<u>60,182,455</u>	<u>(565,365)</u>	<u>61,698,032</u>	<u>(1,515,577)</u>
Total Assets	<u>105,020,224</u>	<u>106,405,108</u>	<u>(1,384,884)</u>	<u>85,927,667</u>	<u>20,477,441</u>
Liabilities:					
Current liabilities	4,469,452	4,234,140	235,312	2,905,496	1,328,644
Noncurrent liabilities	<u>39,956,000</u>	<u>41,040,623</u>	<u>(1,084,623)</u>	<u>20,384,189</u>	<u>20,656,434</u>
Total Liabilities	<u>44,425,452</u>	<u>45,274,763</u>	<u>(849,311)</u>	<u>23,289,685</u>	<u>21,985,078</u>
Net Position:					
Net investment in capital assets	41,272,337	41,843,787	(571,450)	42,145,449	(301,662)
Restricted	1,503,963	1,477,654	26,309	1,524,688	(47,034)
Unrestricted	<u>17,818,472</u>	<u>17,808,904</u>	<u>9,568</u>	<u>18,967,845</u>	<u>(1,158,941)</u>
Total Net Position	<u>\$ 60,594,772</u>	<u>\$ 61,130,345</u>	<u>\$ (535,573)</u>	<u>\$ 62,637,982</u>	<u>\$ (1,507,637)</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2014

NET POSITION (CONTINUED)

As can be seen from Table 1, total assets decreased \$1,384,884 from fiscal year 2013 to 2014. The decrease comes from current, restricted and other assets that saw an \$819,519 or 1.77% decrease from fiscal year 2013. This decrease was caused by the 2012 Puente Basin Water Agency Revenue Bond. These funds will be used to upgrade facilities and for other projects that will help reduce the District's reliability on imported water sources. The District, through its Joint Powers Agreement with Puente Basin Water Agency, entered into a Water Rights Lease Agreement with the Cal Domestic Water Company. The total amount of the lease is \$1,575,000 with the Rowland Water District's portion being \$787,500.

Large projects completed during fiscal year 2014 included:

RWD/LHHCWD Interconnection

In an effort to secure water reliability for the customers of the Rowland Water District, the District entered into an agreement with Orchard Dale Water District (ODWD) and La Habra Heights County Water District (LHHCWD) to utilize the District's ground water rights in the Central Basin. Through the agreement, the District is able to bring water from the Central Basin through ODWD and LHHCWD into RWD's distribution system. New infrastructure was required to connect those water systems to the District's water system.

The new infrastructure included the addition of 3,800 feet of 12" pipeline and the construction of a 682 sq. ft. building for flow control and chemical injection. The District will convert the free chlorine residual of the Central Basin water to a chloramines residual to match the existing water within the water system. The water from the Central Basin enters the Interconnection building where it first goes through a flow control/pressure reducing valve before being treated with sodium hypochlorite then aqueous ammonia to create a chloramines residual. Chemical injection is done by two Pulsafeeder diaphragm pumps fed from 1,100 gallon sodium hypochlorite tanks and a 275 gallon aqueous ammonia tank. Treated water is run through a static mixer before being introduced into the water system. This addition of chemicals required the District to amend its operating permit with the California Department of Public Health.

The construction of the building also included the installation of a complete telemetry system to remotely operate and monitor all functions of the facility. Additionally, the District installed a security system connected to the District's alarm monitoring company.

A further review shows total liabilities increased by \$21,870,328 or 93.91% from fiscal year 2013 to 2014. The majority of that increase was due to the Puente Basin Water Agency issuing \$19,835,000 in water revenue bonds, 2012 series A in order to finance the acquisition of certain water system improvements of Rowland Water District and entities that will help Rowland Water District reduce its future dependence on imported water.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2014

NET POSITION (CONTINUED)

TABLE 2

Condensed Statements of Revenues, Expenses and Changes in Net Position

	Fiscal Year 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012 (As Restated)	Dollar Change
Revenues:					
Operating revenues	\$ 21,000,529	\$ 18,862,463	\$ 2,138,066	\$ 16,354,144	\$ 2,508,319
Nonoperating revenues	944,748	812,538	132,210	953,040	(140,502)
Total Revenues	<u>21,945,277</u>	<u>19,675,001</u>	<u>2,270,276</u>	<u>17,307,184</u>	<u>2,367,817</u>
Expenses:					
Operating expenses	20,504,612	19,278,221	1,226,391	17,270,674	2,007,547
Nonoperating expenses	<u>2,032,140</u>	<u>2,233,056</u>	<u>(200,916)</u>	<u>1,321,804</u>	<u>911,252</u>
Total Expenses	<u>22,536,752</u>	<u>21,511,277</u>	<u>1,025,475</u>	<u>18,592,478</u>	<u>2,918,799</u>
Income (loss) before Capital Contributions	(591,475)	(1,836,276)	1,244,801	(1,285,294)	(550,982)
Capital contributions	<u>55,902</u>	<u>328,639</u>	<u>(272,737)</u>	<u>164,056</u>	<u>164,583</u>
Change in Net Position	(535,573)	(1,507,637)	972,064	(1,121,238)	(386,399)
Beginning Net Position, as Restated	<u>61,130,345</u>	<u>62,637,982</u>	<u>(1,507,637)</u>	<u>63,759,220</u>	<u>(1,121,238)</u>
Ending Net Position, as Restated	<u>\$ 60,594,772</u>	<u>\$ 61,130,345</u>	<u>\$ (535,573)</u>	<u>\$ 62,637,982</u>	<u>\$ (1,507,637)</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, Loss before Capital Contributions of \$(591,475) and Capital Contributions of \$55,902 resulted in a decrease in ending net position of \$(535,573) or an decrease of 64.48% in fiscal year 2014.

A closer examination of the source of changes in Net Position reveals that the District's total revenues increased by \$2,270,276 or 11.54% in fiscal year 2014. Of this amount, operating revenues increased by \$2,138,066 or 11.34% and its nonoperating revenues increased by \$132,210 or 16.27% in the past fiscal year.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2014

NET POSITION (CONTINUED)

The main factor attributing to the increase in operating revenues was an increase in the water rate and service charge that became effective on January 1, 2014. The base rate increase \$0.10 from \$2.52 to \$2.62 or 3.96%. Water use over 16 hcf is paid at a higher rate. The monthly service charge for standard 5/8" to 3/4" meters increased \$.71 from \$23.53 to \$24.24 or 3.02%. The District continues to use conservation rates that were initially implemented in January, 2009. The conservation rates as of January, 2014 were a base rate of \$2.62 for 1-16 hcf, \$3.01 for 17-23 hcf, and \$3.80 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 cost is added to the base rate if the property resides in Zone 2 through Zone 6.

Nonoperating revenues increased significantly in 2014. The main reason for this was an increase in interest expense due to the 2012 Puente Basin Water Agency issuing water revenue bonds for use by Rowland Water District. Interest Expense increased by \$457,743 or 40.55% over the past fiscal year. The District also incurred \$233,778 in debt issuance costs. The District had unrestricted cash and investments totaling \$17,568,206, ending the fiscal year, a decrease of \$1,399,639 from 2013. This decrease caused a reduction in interest and dividend income along with a continual declining interest rate environment. The District's cash and investments are held in cash, short-term 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 reduced from 0.24% ended fiscal year 2013 to 0.24% ended fiscal year 2014. Realized and unrealized loss on investments decreased \$(319,539) or 80.84%. This is a decrease in the value of the District's bond portfolio as new issues are purchased at lower interest rates. This causes the value of the portfolio to decrease as lowering yielding securities replace higher yielding ones in times of declining interest rates. It is important to note that this is a reduction in the unrealized gain or book value of the portfolio only.

Total operating revenues increased by \$2,138,066 or 11.34% while operating expenses increased by 6.36%. This resulted in an operating gain of \$911,675 in fiscal year 2014. While the District saw total water sales revenue increase by \$1,633,011 or 12.38% from fiscal year 2013, Source of Supply costs increased \$639,569 or 6.38% from fiscal year 2013. Source of Supply includes the cost of potable and reclaimed water along with MWD and TVMWD fixed charges. The average cost of an acre foot of water increased 3.06% from \$849 in 2013 to \$875 in 2014. Fixed charges remained consistent from fiscal year 2013 to 2014. General and administrative expense saw a decrease of \$236,035 or 5.56%. The majority of this decrease comes from pension plan contributions and service charges. In 2013, the District paid off its CalPERS side fund of approximately \$384,000. CalPERS charged 7.50% interest on this fund and the District reserves are yielding approximately 1.00%. By eliminating this, the District employer contribution rate to CalPERS was reduced from 17.677% to 14.660% in fiscal year 2013-2014. Service charges and office supplies and expenses saw increases due to licensing fees for District software programs such as CIP Planner, CMMS, and additional computer hardware and software support for these additional systems. Also, bank charges increased due to additional trustee and management fees to support the 2012 revenue bond during 2013. Depreciation expense for fiscal year 2014 was \$2,236,199. It is important to note that depreciation expense is the yearly accumulated depreciation on the District capital assets, not an amount paid directly by the District for the cost of the depreciated assets. The District does continue to fund 80% of depreciation of Rowland Water District assets through its rates and charges.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2014

BUDGETARY HIGHLIGHTS

**TABLE 3
Budget vs. Actual**

	Fiscal Year 2014		
	Actual	Budget	Variance
Revenues:			
Operating revenues	\$ 21,000,529	\$ 19,960,000	\$ 1,040,529
Nonoperating revenues	944,748	550,000	394,748
Total Revenues	<u>21,945,277</u>	<u>20,510,000</u>	<u>1,435,277</u>
Expenses:			
Operating Expenses:			
Source of supply	10,672,714	10,225,000	(447,714)
Pumping and power	950,494	875,000	(75,494)
Transmission and distribution	2,150,763	1,045,000	(1,105,763)
Customer services	126,886	135,000	8,114
Depreciation expenses	2,236,199	1,855,000	(381,199)
Other operating expenses	466,674	265,000	(201,674)
General and administrative expenses	3,900,882	4,467,000	566,118
Total Operating Expenses	<u>20,504,612</u>	<u>18,867,000</u>	<u>(1,637,612)</u>
Nonoperating expenses	<u>2,032,140</u>	<u>2,800,000</u>	<u>767,860</u>
Total Expenses	<u>22,536,752</u>	<u>21,667,000</u>	<u>(869,752)</u>
Capital Contributions	<u>55,902</u>	<u>-</u>	<u>55,902</u>
Change in Net Position	<u>\$ (535,573)</u>	<u>\$ (1,157,000)</u>	<u>\$ 621,427</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 \$(535,573) or 53.71%. Total Revenues shows a positive variance of \$1,435,277 or 6.54% from actual.

Total operating expenses saw a negative variance of \$1,637,612 or 7.98%. Nonoperating expenses saw a positive variance of \$767,860 or 37.79% from actual. These expenses account for the interest expense and the amortization expense bond issuance cost associated with the 2012 Puente Basin Water Agency Revenue Bond and interest expense on the 2008 Recycled Water Certificate of Participation. Total expenses showed a 4.01% variance above the budgeted amount.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of fiscal year 2014, the District had invested \$59,617,090 in a broad range of infrastructure as shown in Table 4.

TABLE 4
Capital Assets

	Fiscal Year 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012 (As Restated)	Dollar Change
Capital assets, not being depreciated:					
Land	\$ 261,340	\$ 261,340	\$ -	\$ 261,340	\$ -
Water rights	5,000	5,000	-	5,000	-
Construction in progress	864,310	1,016,046	(151,736)	3,103,632	(2,087,586)
Total capital assets, not being depreciated	<u>1,130,650</u>	<u>1,282,386</u>	<u>(151,736)</u>	<u>3,369,972</u>	<u>(2,087,586)</u>
Capital assets, being depreciated:					
Intangible plant	1,022,551	1,022,551	-	877,484	145,067
Sources of supply plant	2,058,703	2,058,703	-	1,998,543	60,160
Pumping plant	10,037,819	10,037,819	-	10,037,819	-
Transmission and distribution plant	62,774,393	62,575,537	198,856	60,363,747	2,211,790
Telemetry equipment	1,354,235	1,354,235	-	1,332,302	21,933
General plant	570,451	550,403	20,048	550,403	-
Office building and equipment	6,056,639	4,544,906	1,511,733	4,321,686	223,220
Transportation equipment	790,997	769,259	21,738	647,923	121,336
Communication equipment	133,902	133,902	-	133,902	-
Total capital assets, being depreciated	<u>84,799,690</u>	<u>83,047,315</u>	<u>1,752,375</u>	<u>80,263,809</u>	<u>2,783,506</u>
Less accumulated depreciation	<u>(26,313,250)</u>	<u>(24,147,246)</u>	<u>(2,166,004)</u>	<u>(21,935,749)</u>	<u>(2,211,497)</u>
Total capital assets, being depreciated, net	<u>58,486,440</u>	<u>58,900,069</u>	<u>(413,629)</u>	<u>58,328,060</u>	<u>572,009</u>
Total capital assets, net	<u>\$ 59,617,090</u>	<u>\$ 60,182,455</u>	<u>\$ (565,365)</u>	<u>\$ 61,698,032</u>	<u>\$ (1,515,577)</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, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

DEBT ADMINISTRATION

At the end of fiscal year 2014, the District had noncurrent liabilities totaling \$40,671,000 as shown in Table 5.

**TABLE 5
Noncurrent Liabilities**

	Fiscal Year 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012 (As Restated)	Dollar Change
Certificates of Participation, net	\$ 18,949,753	\$ 19,258,668	\$ (308,915)	\$ 19,552,583	\$ (293,915)
Installment Purchase Contract payable, net	20,949,205	21,379,857	(430,652)	-	21,379,857
Compensated absences	312,516	323,778	(11,262)	321,351	2,427
Accrued net OPEB obligation	459,526	773,320	(313,794)	810,255	(36,935)
	<u>\$ 40,671,000</u>	<u>\$ 41,735,623</u>	<u>\$ (1,064,623)</u>	<u>\$ 20,684,189</u>	<u>\$ 21,051,434</u>

The District currently has four sources of Noncurrent Liabilities in 2014. The Certificates of Participation (COP) issued in January 2009 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 school, 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 increase in compensated absences is attributed to more sick and vacation time being due to current employees. Compensated absences are District liabilities for accrued unpaid sick and vacation time. These 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 7 - 9 and 12 of the notes to basic financial statements.

See independent auditors' report.

ROWLAND WATER DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2014

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 2014 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 2015 Budget vs. Fiscal Year 2014 Actual

	Fiscal Year 2014 Actual	Fiscal Year 2015 Budget	Variance
Revenues:			
Operating revenues	\$ 21,000,529	\$ 20,765,000	\$ (235,529)
Nonoperating revenues	944,748	600,000	(344,748)
Total Revenues	<u>21,945,277</u>	<u>21,365,000</u>	<u>(580,277)</u>
Expenses:			
Operating Expenses:			
Source of supply	10,672,714	10,675,000	(2,286)
Pumping and power	950,494	885,000	65,494
Transmission and distribution	2,150,763	1,085,000	1,065,763
Customer services	126,886	140,000	(13,114)
Depreciation expenses	2,236,199	1,855,000	381,199
Other operating expenses	466,674	265,000	201,674
General and administrative expenses	3,900,882	4,459,000	(558,118)
Total Operating Expenses	<u>20,504,612</u>	<u>19,364,000</u>	<u>1,140,612</u>
Nonoperating expenses	<u>2,032,140</u>	<u>2,800,000</u>	<u>(767,860)</u>
Total Expenses	<u>22,536,752</u>	<u>22,164,000</u>	<u>372,752</u>
Capital Contributions	<u>55,902</u>	<u>-</u>	<u>(55,902)</u>
Change in Net Position	<u>\$ (535,573)</u>	<u>\$ (799,000)</u>	<u>\$ (263,427)</u>

See independent auditors' report.

ROWLAND WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2014

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.

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BASIC FINANCIAL STATEMENTS

ROWLAND WATER DISTRICT
STATEMENTS OF NET POSITION

June 30, 2014 and 2013

	2014	2013
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2,161,539	\$ 2,150,166
Investments	14,571,208	14,313,673
Accounts receivable, net of allowance for doubtful accounts of \$30,000 for 2014 and 2013	2,903,628	2,809,546
Interest receivable	40,412	48,339
Other receivables	253,018	920,986
Supply inventories	136,197	139,378
Water in storage	2,475,537	2,475,537
Prepaid expenses	50,425	49,364
TOTAL CURRENT ASSETS	22,591,964	22,906,989
RESTRICTED ASSETS:		
Cash and cash equivalents	5,097,074	18,000,029
Investments	13,031,146	2,622,420
TOTAL RESTRICTED ASSETS	18,128,220	20,622,449
CAPITAL ASSETS:		
Capital assets, not being depreciated	1,130,650	1,282,386
Capital assets, being depreciated, net	58,486,440	58,900,069
TOTAL CAPITAL ASSETS, NET	59,617,090	60,182,455
OTHER NONCURRENT ASSETS:		
Investment in joint ventures	4,682,950	2,693,215
TOTAL ASSETS	105,020,224	106,405,108

(Continued)

See independent auditors' report and notes to basic financial statements.

ROWLAND WATER DISTRICT
STATEMENTS OF NET POSITION
(CONTINUED)

June 30, 2014 and 2013

	2014	2013
LIABILITIES:		
CURRENT LIABILITIES (PAYABLE FROM UNRESTRICTED ASSETS):		
Accounts payable	\$ 2,497,054	\$ 2,945,521
Interest payable	160,692	163,178
Other payables	744,099	114,750
Current portion of certificates of participation	330,000	315,000
Current portion of installment purchase contract payable	385,000	380,000
	4,116,845	3,918,449
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):		
Refundable customer deposits	188,722	176,465
Unearned construction advances	163,885	139,226
	352,607	315,691
TOTAL CURRENT LIABILITIES	4,469,452	4,234,140
NONCURRENT LIABILITIES:		
Compensated absences	312,516	323,778
Accrued net OPEB obligation	459,526	773,320
Certificates of participation	18,619,753	18,943,668
Installment purchase contract payable	20,564,205	20,999,857
	39,956,000	41,040,623
TOTAL LIABILITIES	44,425,452	45,274,763
NET POSITION:		
Net investment in capital assets	41,272,337	41,843,787
Restricted for debt service	1,503,963	1,477,654
Unrestricted	17,818,472	17,808,904
TOTAL NET POSITION	\$ 60,594,772	\$ 61,130,345

See independent auditors' report and notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES:		
Water sales:		
Residential	\$ 8,041,797	\$ 7,484,513
Business	5,768,188	4,917,210
Public entities	246,614	207,454
Industrial	12,511	9,329
Reclaimed water	732,959	548,031
Other	26,758	29,275
	<u>14,828,827</u>	<u>13,195,812</u>
Total water sales		
Water services:		
Water service charges	5,894,968	5,348,504
Nonrefundable new service fees	42,240	44,992
Reconnection fees	25,920	24,124
Customer penalties	193,645	189,591
Other	14,929	59,440
	<u>6,171,702</u>	<u>5,666,651</u>
Total water services		
	<u>21,000,529</u>	<u>18,862,463</u>
TOTAL OPERATING REVENUES		
OPERATING EXPENSES:		
Source of supply	10,672,714	10,033,145
Pumping and power	950,494	845,228
Transmission and distribution	2,150,763	1,518,173
Customer services	126,886	122,420
Depreciation expense	2,236,199	2,211,497
Other operating expenses	466,674	301,870
General and administrative expenses	3,900,882	4,245,888
	<u>20,504,612</u>	<u>19,278,221</u>
TOTAL OPERATING EXPENSES		
	<u>495,917</u>	<u>(415,758)</u>
OPERATING INCOME (LOSS)		

(Continued)

See independent auditors' report and notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
(CONTINUED)

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income:		
Interest and dividend income	\$ 326,399	\$ 303,285
Realized and unrealized loss on investments	(75,737)	(395,276)
Property tax revenues	339,888	325,159
Gain on disposition of assets	532	-
Miscellaneous income	233,362	164,854
Interest expense	(1,939,957)	(1,586,698)
Debt issuance costs	-	(223,778)
Amortization of debt premium/(discount)	44,567	19,240
Loss from investment in joint ventures	(16,446)	(27,304)
	<u>(1,087,392)</u>	<u>(1,420,518)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>(1,087,392)</u>	<u>(1,420,518)</u>
NET LOSS BEFORE CAPITAL CONTRIBUTIONS	(591,475)	(1,836,276)
CAPITAL CONTRIBUTIONS:		
Contributions from developers	55,902	328,639
	<u>55,902</u>	<u>328,639</u>
CHANGE IN NET POSITION	(535,573)	(1,507,637)
NET POSITION - BEGINNING OF YEAR	61,130,345	62,637,982
	<u>61,130,345</u>	<u>62,637,982</u>
NET POSITION - END OF YEAR	<u>\$ 60,594,772</u>	<u>\$ 61,130,345</u>

See independent auditors' report and notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 20,918,704	\$ 18,535,643
Cash payments to suppliers for goods and services	(15,054,259)	(15,726,807)
Cash payments to employees for services	(2,688,240)	(2,268,950)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,176,205</u>	<u>539,886</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Proceeds from property taxes	339,888	325,159
Other receipts	233,362	164,854
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>573,250</u>	<u>490,013</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(1,670,834)	(695,920)
Proceeds from sale of capital assets	532	-
Change in deferred construction advances	24,659	(292,471)
Principal payments on certificates of participation	(695,000)	(300,000)
Interest paid	(1,942,443)	(1,522,341)
Proceeds from installment purchase contract	-	21,405,182
Debt issuance costs	-	(223,778)
Capital contributions received	55,902	328,639
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(4,227,184)</u>	<u>18,699,311</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Contributions to joint ventures	(2,006,181)	(439,104)
Purchases of investments	(41,548,166)	(15,025,503)
Proceeds from sale of investments	30,806,168	12,643,506
Investment income	334,326	311,402
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(12,413,853)</u>	<u>(2,509,699)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,891,582)	17,219,511
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>20,150,195</u>	<u>2,930,684</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 7,258,613</u>	<u>\$ 20,150,195</u>

See independent auditors' report and notes to basic financial statements.

(Continued)

ROWLAND WATER DISTRICT

STATEMENTS OF CASH FLOWS
(CONTINUED)

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 495,917	\$ (415,758)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	2,236,199	2,211,497
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(94,082)	(343,876)
(Increase) decrease in supply inventories	3,181	4,217
(Increase) decrease in water in storage	-	(1,120,000)
(Increase) decrease in prepaid expenses	(1,061)	(2,458)
(Increase) decrease in other receivable	667,968	(920,986)
Increase (decrease) in accounts payables	(448,467)	1,029,952
Increase (decrease) in other payable	629,349	114,750
Increase (decrease) in refundable customer deposits	12,257	17,056
Increase (decrease) in compensated absences	(11,262)	2,427
Increase (decrease) in accrued net OPEB obligation	(313,794)	(36,935)
	<u>\$ 3,176,205</u>	<u>\$ 539,886</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
Amortization of debt discount and premium costs	<u>\$ 44,567</u>	<u>\$ 19,240</u>
NONCASH INVESTING ACTIVITIES:		
Loss from investment in joint ventures	<u>\$ (16,446)</u>	<u>\$ (27,304)</u>

See independent auditors' report and notes to basic financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

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 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.

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 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 present 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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d. New Accounting Pronouncements:

Current Year Standards:

GASB 66 - *“Technical Corrections, an amendment of GASB Statement No. 10 and Statement No. 62”*, required in to be implemented in the current fiscal year, did not impact the District.

GASB 70 - *“Accounting and Financial Reporting for Nonexchange Financial Guarantees”*, required in to be implemented in the current fiscal year, did not impact the District.

Pending Accounting Standards:

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

- GASB 68 - *“Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27”*, effective for the fiscal years beginning after June 15, 2014.
- GASB 69 - *“Government Combinations and Disposals of Government Operations”*, effective for periods beginning after December 15, 2013.
- GASB 71 - *“Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68”*, effective for periods beginning after June 15, 2014.

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/expenditure) until then. The District does not have any deferred outflows of resources to report.

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 does not have any deferred inflows of resources to report.

See independent auditors’ report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

o. Capitalized Interest:

The District incurred interest charges on long-term debt totaling \$1,939,957 and \$1,639,589 for the years ended June 30, 2014 and 2013, respectively. \$0 and \$55,052 of these amounts have been capitalized as additions to the cost of construction for the years ended June 30, 2014 and 2013, respectively.

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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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, 2014 and 2013, 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

u. Reclassifications:

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements. The line items affected by the reclassifications are other receivables, other payables and the net position classifications.

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, 2014 and June 30, 2013 are reported in the accompanying statements of net position as follows:

	<u>2014</u>	<u>2013</u>
Financial Statement Classification:		
Unrestricted:		
Cash and cash equivalents	\$ 2,161,539	\$ 2,150,166
Investments	14,571,208	14,313,673
Restricted:		
Cash and cash equivalents	5,097,074	18,000,029
Investments	<u>13,031,146</u>	<u>2,622,420</u>
Total cash and investments	<u>\$ 34,860,967</u>	<u>\$ 37,086,288</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

2. CASH AND INVESTMENTS (CONTINUED):

Cash and Investments (Continued):

Cash and investments as of June 30, 2014 and June 30, 2013 consisted of the following:

	<u>2014</u>	<u>2013</u>
Cash on hand	\$ 400	\$ 400
Demand deposits	444,500	501,905
Time deposits	828,000	1,751,000
Investments	<u>33,588,067</u>	<u>34,832,983</u>
Total cash and cash equivalents	<u>\$ 34,860,967</u>	<u>\$ 37,086,288</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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
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

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
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

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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

2. CASH AND INVESTMENTS (CONTINUED):

Disclosures Relating to Interest Rate Risk (Continued):

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, 2014 and 2013.

June 30, 2014	Remaining Maturity (in Years)				Fair Value Total
	Less Than 1 year	1 to 2 Years	2 to 3 Years	3 to 5 Years	
Investment Type					
U.S. Treasury Notes	\$ 509,493	\$ 258,253	\$ 759,083	\$ 2,439,851	\$ 3,966,680
U.S. Government Sponsored Agency Securities:					
FHLB	790,337	-	-	-	790,337
FHLMC	254,187	-	969,679	1,172,534	2,396,400
FNMA	100,971	255,857	1,450,344	3,436,435	5,243,607
Negotiable CD	743,250	602,934	-	-	1,346,184
LAIF	1,968,078	-	-	-	1,968,078
Money Market Mutual Funds	101,168	-	-	-	101,168
Held by Trustee:					
U.S. Treasury Notes	-	-	-	2,460,426	2,460,426
U.S. Government Sponsored Agency Securities:					
FHLB	1,500,165	-	-	-	1,500,165
FHLMC	1,458,789	1,478,025	989,937	997,940	4,924,691
FNMA	1,499,126	-	1,491,168	-	2,990,294
Investment Agreement	-	-	-	1,155,570	1,155,570
LAIF	3,842,030	-	-	-	3,842,030
Money Market Mutual Funds	902,437	-	-	-	902,437
	<u>\$ 13,670,031</u>	<u>\$ 2,595,069</u>	<u>\$ 5,660,211</u>	<u>\$ 11,662,756</u>	<u>\$ 33,588,067</u>
June 30, 2013					
Investment Type					
U.S. Treasury Notes	\$ 250,673	\$ 519,375	\$ 261,270	\$ 1,197,142	\$ 2,228,460
U.S. Government Sponsored Agency Securities:					
FHLB	501,633	801,903	-	-	1,303,536
FHLMC	507,746	260,113	-	2,112,738	2,880,597
FNMA	1,016,352	103,246	259,880	4,098,642	5,478,120
FFCB	254,777	-	-	-	254,777
Negotiable CD	-	417,184	-	-	417,184
LAIF	1,613,948	-	-	-	1,613,948
Money Market Mutual Funds	349,603	-	-	-	349,603
Held by Trustee:					
U.S. Treasury Notes	-	-	-	1,466,846	1,466,846
Investment Agreement	-	-	-	1,155,575*	1,155,575
Money Market Mutual Funds	17,684,337	-	-	-	17,684,337
	<u>\$ 22,179,069</u>	<u>\$ 2,101,821</u>	<u>\$ 521,150</u>	<u>\$ 10,030,943</u>	<u>\$ 34,832,983</u>

* Investment agreement expires December 3, 2018

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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, 2014 and 2013. U.S. treasury notes and bills are not required to be rated and, therefore, have been excluded from the tables below.

<u>June 30, 2014</u>	Minimum Legal Rating	Total as of June 30, 2014	AAA	AA+	Unrated
U.S. Government					
Sponsored Agency Securities:					
FHLB	N/A	\$ 790,337	\$ -	\$ 790,337	\$ -
FHLMC	N/A	2,396,400	-	2,396,400	-
FNMA	N/A	5,243,607	-	5,243,607	-
Negotiable CD	N/A	1,346,184	1,346,184	-	-
LAIF	N/A	1,968,078	-	-	1,968,078
Money Market Mutual Funds	A	101,168	101,168	-	-
Held by Trustee:					
U.S. Government					
Sponsored Agency Securities:					
FHLB	N/A	1,500,165	-	1,500,165	-
FHLMC	N/A	4,924,691	-	4,924,691	-
FNMA	N/A	2,990,294	-	2,990,294	-
Investment Agreement	N/A	1,155,570	-	-	1,155,570
LAIF	N/A	3,842,030	-	-	3,842,030
Money Market Mutual Funds	A	902,437	902,437	-	-
		<u>\$ 27,160,961</u>	<u>\$ 2,349,789</u>	<u>\$ 17,845,494</u>	<u>\$ 6,965,678</u>

<u>June 30, 2013</u>	Minimum Legal Rating	Total as of June 30, 2013	AAA	AA+	Unrated
U.S. Government					
Sponsored Agency Securities:					
FHLB	N/A	\$ 1,303,536	\$ -	\$ 1,303,536	\$ -
FHLMC	N/A	2,880,597	-	2,880,597	-
FNMA	N/A	5,478,120	-	5,478,120	-
FFCB	N/A	254,777	-	254,777	-
Negotiable CD	N/A	417,184	417,184	-	-
LAIF	N/A	1,613,948	-	-	1,613,948
Money Market Mutual Funds	A	349,603	349,603	-	-
Held by Trustee:					
Investment Agreement					
Money Market Mutual Funds	A	1,155,575	-	-	1,155,575
		<u>17,684,337</u>	<u>17,684,337</u>	<u>-</u>	<u>-</u>
		<u>\$ 31,137,677</u>	<u>\$ 18,451,124</u>	<u>\$ 9,917,030</u>	<u>\$ 2,769,523</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

2. CASH AND INVESTMENTS (CONTINUED):

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	2014	2013
Federal Home Loan Bank	U.S. Government Sponsored Agency Securities	\$2,290,502	\$ -
Federal Home Loan Mortgage Corporation	U.S. Government Sponsored Agency Securities	\$7,321,091	\$2,880,597
Federal National Mortgage Association	U.S. Government Sponsored Agency Securities	\$8,233,901	\$5,478,120

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, 2014 and 2013, the District's deposits were covered by the Federal Deposit Insurance Corporation insurance limits or collateralized as required by California law.

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ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

2. CASH AND INVESTMENTS (CONTINUED):

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.

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, 2014</u>	<u>June 30, 2013</u>
Deposits from customers	Security deposits for payment of utility bills	\$ 188,722	\$ 176,465
Customer advances	Construction	163,885	139,226
Bond proceeds	Debt service	2,679,093	2,638,352
Bond proceeds	Construction projects	<u>15,096,520</u>	<u>17,668,406</u>
		<u>\$ 18,128,220</u>	<u>\$ 20,622,449</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

4. CAPITAL ASSETS:

Changes in capital assets for the year ended June 30, 2014 is as follows:

	Balance July 1, 2013	Additions	Retirements Transfers	Balance June 30, 2014
Capital assets, not being depreciated:				
Land	\$ 261,340	\$ -	\$ -	\$ 261,340
Water rights	5,000	-	-	5,000
Construction in progress	<u>1,016,046</u>	<u>1,520,839</u>	<u>(1,672,575)</u>	<u>864,310</u>
 Total capital assets, not being depreciated	 <u>1,282,386</u>	 <u>1,520,839</u>	 <u>(1,672,575)</u>	 <u>1,130,650</u>
Capital assets, being depreciated:				
Intangible plant	1,022,551	-	-	1,022,551
Sources of supply plant	2,058,703	-	-	2,058,703
Pumping plant	10,037,819	-	-	10,037,819
Transmission and distribution plant	62,575,537	198,856	-	62,774,393
Telemetry equipment	1,354,235	-	-	1,354,235
General plant	550,403	20,048	-	570,451
Office building and equipment	4,544,906	1,511,733	-	6,056,639
Transportation equipment	769,259	91,933	(70,195)	790,997
Communication equipment	<u>133,902</u>	<u>-</u>	<u>-</u>	<u>133,902</u>
 Total capital assets, being depreciated	 83,047,315	 1,822,570	 (70,915)	 84,799,690
Less accumulated depreciation	<u>(24,147,246)</u>	<u>(2,236,199)</u>	<u>70,195</u>	<u>(26,313,250)</u>
 Total capital assets, being depreciated, net	 <u>58,900,069</u>	 <u>(413,629)</u>	 <u>-</u>	 <u>58,486,440</u>
 Total capital assets, net	 <u>\$ 60,182,455</u>	 <u>\$ 1,107,210</u>	 <u>\$ (1,672,575)</u>	 <u>\$ 59,617,090</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

4. CAPITAL ASSETS (CONTINUED):

Changes in capital assets for the year ended June 30, 2013 is as follows:

	Balance July 1, 2012 <u>(As Restated)</u>	<u>Additions</u>	<u>Retirements Transfers</u>	Balance June 30, 2013
Capital assets, not being depreciated:				
Land	\$ 261,340	\$ -	\$ -	\$ 261,340
Water rights	5,000	-	-	5,000
Construction in progress	<u>3,103,632</u>	<u>1,178,254</u>	<u>(3,265,840)</u>	<u>1,016,046</u>
Total capital assets, not being depreciated	<u>3,369,972</u>	<u>1,178,254</u>	<u>(3,265,840)</u>	<u>1,282,386</u>
Capital assets, being depreciated:				
Intangible plant	877,484	145,067	-	1,022,551
Sources of supply plant	1,998,543	60,160	-	2,058,703
Pumping plant	10,037,819	-	-	10,037,819
Transmission and distribution plant	60,363,747	2,211,790	-	62,575,537
Telemetry equipment	1,332,302	21,933	-	1,354,235
General plant	550,403	-	-	550,403
Office building and equipment	4,321,686	223,220	-	4,544,906
Transportation equipment	647,923	121,336	-	769,259
Communication equipment	<u>133,902</u>	<u>-</u>	<u>-</u>	<u>133,902</u>
Total capital assets, being depreciated	80,263,809	2,783,506	-	83,047,315
Less accumulated depreciation	<u>(21,935,749)</u>	<u>(2,211,497)</u>	<u>-</u>	<u>(24,147,246)</u>
Total capital assets, being depreciated, net	<u>58,328,060</u>	<u>572,009</u>	<u>-</u>	<u>58,900,069</u>
Total capital assets, net	<u>\$ 61,698,032</u>	<u>\$ 1,750,263</u>	<u>\$ (3,265,840)</u>	<u>\$ 60,182,455</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

5. OTHER RECEIVABLES/PAYABLES:

The District is involved in various projects and a joint venture with Walnut Valley Water District. The purpose of these projects are to enhance water production and delivery for the districts. The District along with Walnut Valley Water District are each obligated to make capital contributions to fund fifty percent, respectively of the project costs. They become obligated for their fifty percent share of such capital contributions as project costs are incurred. The District has paid for certain project costs on behalf of the Walnut Valley Water District. These amounts will be reimbursed and have been included in the accompanying statements of net position as other receivables. Conversely, Walnut Valley Water District has paid for certain project costs on behalf of the District. These amounts will be reimbursed and have been included in the accompanying statements of net position as other payables. The receivables and payables due to and from Walnut Valley Water District at June 30 are as follows:

	<u>2014</u>	<u>2013</u>
Receivables from Walnut Valley Water District	\$ 253,018	\$ 920,986
Payables to Walnut Valley Water District	744,099	114,750

6. 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, primarily capital assets.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

6. INVESTMENT IN JOINT VENTURES (CONTINUED):

Puente Basin Water Agency (Continued):

The changes in its investment in Puente Basin Water Agency consisted of the following:

	<u>2014</u>	<u>2013</u>
Beginning of year	\$ 2,053,573	\$ 1,651,987
Contributions	2,006,180	439,104
Share of loss	<u>(28,085)</u>	<u>(37,518)</u>
End of year	<u>\$ 4,031,668</u>	<u>\$ 2,053,573</u>

The following is condensed financial information of the investment in Puente Basin Water Agency as of and for the year ended June 30, 2014 including the participants' approximate percentage shares:

		<u>2014</u>	
	<u>Amount</u>	<u>Walnut Valley Water District</u>	<u>Rowland Water District</u>
Total assets	\$ 11,917,206	50.0%	50.0%
Total liabilities	3,853,870	50.0%	50.0%
Total equity	8,063,336	50.0%	50.0%
Billings to participants	3,634,620		

The following is condensed financial information of the investment in Puente Basin Water Agency as of and for the year ended June 30, 2013 including the participants' approximate percentage shares:

		<u>2013</u>	
	<u>Amount</u>	<u>Walnut Valley Water District</u>	<u>Rowland Water District</u>
Total assets	\$ 4,216,006	50.0%	50.0%
Total liabilities	108,859	50.0%	50.0%
Total equity	4,107,147	50.0%	50.0%
Billings to participants	286,034		

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

6. 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 years ended June 30, 2014 and 2013, the District remitted assessments of \$44,073 and \$44,106, respectively, for their 20.0% capacity rights and their share of future replacement costs. Also, the District purchased water totaling \$5,402,342 and \$5,303,632 from the Commission during the years end June 30, 2014 and 2013, respectively.

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:

	<u>2014</u>	<u>2013</u>
Beginning of year	\$ 639,642	\$ 629,428
Share in income	<u>11,640</u>	<u>10,214</u>
End of year	<u>\$ 651,282</u>	<u>\$ 639,642</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

6. INVESTMENT IN JOINT VENTURES (CONTINUED):

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

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, 2014 including the participants' approximate percentage shares:

	2014				
	Amount	City of Pomona	Walnut Valley Water District	Rowland Water District	Unallocated
Total assets	\$ 6,737,742	28.4%	42.6%	27.5%	1.5%
Total liabilities	4,369,445	28.4%	42.6%	27.5%	1.5%
Total equity	2,368,297	28.4%	42.6%	27.5%	1.5%
Water billings to participants	20,124,285				

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, 2013 including the participants' approximate percentage shares:

	2013				
	Amount	City of Pomona	Walnut Valley Water District	Rowland Water District	Unallocated
Total assets	\$ 6,339,062	28.4%	42.6%	27.5%	1.5%
Total liabilities	4,013,092	28.4%	42.6%	27.5%	1.5%
Total equity	2,325,970	28.4%	42.6%	27.5%	1.5%
Water billings to participants	19,504,925				

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

7. 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 is being 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. The required reserve for the Certificates of Participation is \$1,524,688 and as of June 30, 2014 the reserve was funded at \$1,503,963.

The following is a summary of the changes in Certificates of Participation for the year ended June 30, 2014:

	Balance at June 30, 2013	Additions	Reductions	Balance at June 30, 2014	Due Within One Year
Certificates of Participation (COP):					
2008 COP	\$ 19,420,000	\$ -	\$ (315,000)	\$ 19,105,000	\$ 330,000
Less:					
Unamortized discount	(161,332)	-	6,085	(155,247)	-
TOTAL	<u>\$ 19,258,668</u>	<u>\$ -</u>	<u>\$ (308,915)</u>	<u>\$ 18,949,753</u>	<u>\$ 330,000</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

7. CERTIFICATES OF PARTICIPATION (CONTINUED):

Maturities of the 2008 Certificates of Participation and interest payments subsequent to June 30, 2014 as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 330,000	\$ 1,149,850	\$ 1,479,850
2016	345,000	1,132,975	1,477,975
2017	365,000	1,114,313	1,479,313
2018	385,000	1,094,650	1,479,650
2019	405,000	1,074,900	1,479,900
2020 - 2024	2,385,000	5,010,431	7,395,431
2025 - 2029	3,175,000	4,218,875	7,393,875
2030 - 2034	4,320,000	3,074,775	7,394,775
2035 - 2039	5,960,000	1,432,050	7,392,050
2040	<u>1,435,000</u>	<u>44,844</u>	<u>1,479,844</u>
Total	<u>\$ 19,105,000</u>	<u>\$ 19,347,663</u>	<u>\$ 38,452,663</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%. 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 required reserve for contract is \$1,181,250 and as of June 30, 2014 the reserve was funded at \$1,175,138.

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ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

8. INSTALLMENT PURCHASE CONTRACT PAYABLE (CONTINUED):

The following is a summary of the installment purchase contract for the year ended June 30, 2014:

	Balance at June 30, 2013	Additions	Reductions	Balance at June 30, 2014	Due Within One Year
Installment purchase					
Contract	\$ 19,835,000	\$ -	\$ (380,000)	\$ 19,455,000	\$ 385,000
Add:					
Unamortized premium	<u>1,544,857</u>	<u>-</u>	<u>(50,652)</u>	<u>1,494,205</u>	<u>-</u>
TOTAL	<u>\$ 21,379,857</u>	<u>\$ -</u>	<u>\$ (430,652)</u>	<u>\$ 20,949,205</u>	<u>\$ 385,000</u>

Maturities of the installment purchase contract and interest payments subsequent to June 30, 2014 as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 385,000	\$ 766,350	\$ 1,151,350
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 - 2024	2,485,000	3,279,000	5,764,000
2025 - 2029	3,005,000	2,757,625	5,762,625
2030 - 2034	3,515,000	2,252,031	5,767,031
2035 - 2039	4,205,000	1,563,844	5,768,844
2040 - 2042	<u>4,185,000</u>	<u>431,375</u>	<u>4,616,375</u>
Total	<u>\$ 19,455,000</u>	<u>\$ 13,985,575</u>	<u>\$ 33,440,575</u>

9. COMPENSATED ABSENCES:

In accordance with the District's policy, employees may accrue up to 240 hours of vacation. For the years ended June 30, 2014 and 2013, the total accrued vacation liability for all employees totaled \$153,247 and \$148,044, respectively.

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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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, except that upon retirement or other termination of employment, the General Manager is entitled to receive 100% of accrued sick leave up to 1,000 hours in the event of separation from employment. For the years ended June 30, 2014 and 2013, the total accrued sick leave liability for all employees totaled \$159,269 and \$175,734, respectively.

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. EMPLOYEE RETIREMENT PLANS:

a. Plan Descriptions:

Rowland Water District contributes to the Miscellaneous 2.5% at 55 Risk Pool and Miscellaneous 2% at 62 Risk Pool of the California Employees Retirement System (CalPERS), cost sharing, multiple-employer public employee defined benefit pension plans. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. The Miscellaneous 2% at 62 Risk Pool was created by California Employees' Pension Reform Act (PEPRA) as of January 1, 2013, and is open to all new employees who do not qualify for the Miscellaneous 2.5% at 55 Risk Pool. Benefit provisions and all other requirements are established by State statute and District resolutions. Copies of CalPERS' annual financial report may be obtained from their Executive Office located at, 400 P Street, Sacramento, CA 95814.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

11. EMPLOYEE RETIREMENT PLANS (CONTINUED):

b. Funding Policies:

The contributions to the Miscellaneous 2.5% at 55 Risk Pool include an employee portion of 8% of current covered payroll. The District has elected to contribute the employee portion. The District is also required to contribute any actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the year's ended June 30, 2014, and 2013 were was 17.677% and 16.871%, respectively. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

The contributions to the Miscellaneous 2% at 62 Risk Pool include an employee portion of 6.25% of current covered payroll which the District is prohibited from paying on behalf of the employees. The required employer contribution rate was 6.25%. The contribution requirements of the plan members and the District are established by State statute.

The District's contributions to the Miscellaneous 2.5% at 55 Risk Pool for the years ended June 30, 2014, 2013 and 2012, which were all prepaid by the District at the beginning of the year, were \$365,788, \$345,787, and \$334,641, respectively. These contributions were equal to the required contributions for each year. There were no contributions to the Miscellaneous 2% at 62 Risk Pool during the fiscal years ended June 30, 2014 and 2013.

On July 15, 2013, the District paid \$384,274 to pay off the remaining balance of the Side Fund that had been created as a result of the mandate by the State to participate in the Miscellaneous 2.5% at 55 Risk Pool back on July 1, 2005. This amount was included in accounts payable as of June 30, 2013 as the Side Fund relates to past service costs.

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 55 with at least 15 years of continuous service. The District provides 100% of the cost of coverage for the retiree and any covered spouse.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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

a. Plan Description (Continued):

Employees hired on or after July 1, 2009 are eligible for a District contribution if retiring from the District and under CalPERS on or after age 55 with at least 15 years of continuous District service. The District provides 100% of the cost of coverage for the retiree only.

A stand-alone financial report is not issued for this plan and it is not included in the report of CalPERS or another entity.

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 years ended June 30, 2014 and 2013, the District paid \$118,860 and \$103,272, respectively, in health care costs for its retirees and their covered dependents. In addition the District made a \$555,000 and a \$285,000 contribution to a trust account established to fund the District's net OPEB obligation for the years ended June 30, 2014 and 2013, respectively.

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.

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:

	2014	2013
Annual required contribution	\$ 349,995	\$ 346,266
Interest on net OPEB obligation	50,266	52,667
Adjustment to annual required contribution	<u>(40,195)</u>	<u>(47,596)</u>
Annual OPEB cost (expense)	360,066	351,337
Actual contributions made	<u>(673,860)</u>	<u>(388,272)</u>
Increase (decrease) in net OPEB obligation	(313,794)	(36,935)
Net OPEB Obligation - beginning of year	<u>773,320</u>	<u>810,255</u>
Net OPEB Obligation - end of year	<u>\$ 459,526</u>	<u>\$ 773,320</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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

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, 2014, 2013 and 2012 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
6/30/12	\$ 423,292	27.79%	\$ 810,255
6/30/13	351,337	110.50%	773,320
6/30/14	360,066	187.15%	459,526

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 \$2,145,129 and the ratio of the UAAL to the covered payroll was 190.92%.

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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

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

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.

At June 30, 2014, 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 \$44,178,022). 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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

13. RISK MANAGEMENT (CONTINUED):

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.

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, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Designated reserves for:		
Operations	\$ 3,697,500	\$ 3,610,000
Rate stabilization	1,053,180	976,591
Capital funding including expansion of facilities and future repairs and maintenance	<u>12,251,586</u>	<u>11,868,713</u>
Total Designated Reserves	17,002,266	16,455,304
Undesignated net position	<u>816,206</u>	<u>1,353,600</u>
 Total Unrestricted Net Position	 <u>\$ 17,818,472</u>	 <u>\$ 17,808,904</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

15. COMMITMENTS AND CONTINGENCIES:

- a. The District has entered into a water production and delivery agreement with another party to receive groundwater produced on behalf of the District. Under the terms of the agreement, the District is required to contribute \$2,000,000 to the other party for necessary expansion, rehabilitation and improvements of their facilities as a result of this agreement. The District made one payment in the amount of \$660,000 in fiscal year 2011-2012. Of that amount, \$330,000 is due from another district and is included in other receivable in the accompanying statements of net position and \$330,000 was expensed in the accompanying statements of revenues, expenses and changes in net position. The remaining \$1,340,000 (\$670,000 of which is due from another District) was paid upon meeting certain conditions set forth in the agreement in fiscal year 2013-2014.
- b. 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 2014, the District incurred \$533,127 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.

See independent auditors' report.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2014 and 2013

16. SUBSEQUENT EVENTS:

On September 18, 2014 the District issued \$20,060,000 in refunding water bonds, series 2014 at a premium of \$1,686,785, in order to advance refund the District's outstanding 2008 Certificates of Participation. 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.

Events occurring after June 30, 2014 have been evaluated for possible adjustments to the financial statements or disclosure as of December 9, 2014, which is the date these financial statements were available to be issued.

See independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION

ROWLAND WATER DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

For the years ended June 30, 2014 and 2013

**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%	\$ 2,145,129	190.92%

See independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

ROWLAND WATER DISTRICT

SCHEDULES OF OTHER OPERATING EXPENSES

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Engineering	\$ 5,230	\$ 22,012
Maintenance and operations	71,601	23,247
Small tools and supplies	25,414	19,356
Water tests	20,751	22,482
Certification, fees and permits	59,718	40,332
Water supply planning and development	<u>283,960</u>	<u>174,441</u>
TOTAL OTHER OPERATING EXPENSES	<u>\$ 466,674</u>	<u>\$ 301,870</u>

See independent auditors' report.

ROWLAND WATER DISTRICT

SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Salaries and wages	\$ 1,050,674	\$ 898,864
Payroll taxes	166,794	159,495
Insurance	764,921	670,875
Automobile expenses	71,578	58,248
Service charges	98,410	135,295
Office supplies and expenses	227,221	259,881
Utilities	78,351	74,152
Professional services	302,111	331,930
Membership fees and dues	40,143	42,744
Conferences and travel	47,948	67,928
Directors' fees and expenses	31,812	31,790
Public relations	69,602	160,794
Repairs and maintenance	16,088	14,734
Pension plan contributions	457,577	889,957
Other post employment benefits	360,066	351,337
Seminars and training	50,327	41,638
Conservation rebate program expenses	5,399	1,442
Taxes, permits and fees	13,843	7,020
Uncollectable accounts	6,006	14,420
Miscellaneous	42,011	33,344
	<u> </u>	<u> </u>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	<u>\$ 3,900,882</u>	<u>\$ 4,245,888</u>

See independent auditors' report.

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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 Rowland Water District (the District) as of and for the year ended June 30, 2014, 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 9, 2014.

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.

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. However, as described below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described below to be a material weakness.

Internal Control over Financial Reporting (Continued)

Material Weakness:

Accounting for Joint Capital Projects

The District is involved with several other organizations in the development and construction of certain projects that will enhance water production and delivery for the District. We noted that the accounting for these joint capital projects was not correct resulting in significant differences to the balances for the District's construction-in-progress, other receivables and other payables general ledger accounts. We recommend that management review and modify its internal controls to ensure that activity related to these joint capital projects is accounted for correctly at the time that the transactions are occurring.

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*.

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 Dick Evans LLP

Irvine, California
December 9, 2014

Tab

2.3



CREDIT CARD POLICY

1.00 Purpose

The purpose of this policy is to establish the policies and procedures for the issuance and usage of District Credit Cards. The District issues an individual credit card to the General Manager, Assistant General Manager, Director of Administrative Services and Finance Officer positions only. A general office credit card is held by the Accounting/Customer Service Manager and given to all other employees for approved purchases only.

2.00 Policy/Procedure

1. Purpose of District Credit Cards

District credit cards will be issued for the sole purpose of conducting the official business of the District. Credit cards will be provided to select employees for the purpose of making minor purchases, securing reservations, paying travel expenses, placing orders and doing District business in the most efficient manner. The District credit card is intended to replace the use of petty cash and small open purchase order amounts.

2. Restricted Use of the Credit Card

The following restrictions are placed on all District credit cards:

- a. Credit cards are issued to District employees for the sole purpose of conducting official business of the District. Improper use of a District credit card is misuse of public funds and will subject the Cardholder to disciplinary action.
- b. The District credit card is for the cardholder's use only.
- c. Cardholders must ensure that budgeted funds are available prior to making purchases. The Finance Officer can assist the cardholder with any needed budget information.
- d. The District credit card shall never be used for any of the following:
 - i. Cash advances, wire transfers, money orders, etc.
 - ii. Betting, casino gambling, or related activities.
 - iii. Political or religious organizations.
 - iv. Personal court costs, fines, bail or bonds.
 - v. Any personal items and personal services.

3. **Safekeeping of the Credit Card**

The Cardholder is responsible for the security of the District credit card. The general office credit card is stored by the Accounting/Customer Service Manager while it is not in use, and maintains a sign-in/sign-out sheet for stored credit cards.

4. **Credit Card Purchase Procedures**

Cardholders will complete the following steps immediately with each purchase, and submit documentation to the Finance Department within 24 hours:

- a. Require the vendor to provide a sales draft with pertinent information such as the vendor name, date, items purchased and total sales.
- b. Retain the sales draft with accompanying receipt/invoice.
- c. For internet, mail orders and telephone orders, submit e-mail receipt or other receipt of payment to the Finance Department.

5. **Payment of Credit Card Account**

The District's Finance Department shall complete the following steps upon receipt of the credit card statement:

- a. Balance all sales drafts to the statement, which will show all transactions made during the billing cycle. All items must be accounted for on the statement with a supporting sales draft, receipt/invoice or order form.
- b. Indicate the account number to be charged for each item by writing it on the statement, or statement recap. If unsure, contact the Accounting/Customer Service Manager.
- c. Within 15 days of receipt of the monthly statement, the statement will be verified, reconciled and prepared for payment. Within 30 days of receipt of the monthly statement, the payment will be mailed.

6. **Lost or Stolen Credit Card**

Should a cardholder lose or have his/her District credit card stolen, it is his/her responsibility to contact the bank immediately at (800) 673-1044 for Bank of America, or contact the District's Finance Department for all other cards. The cardholder shall also notify the Finance Department as soon as possible, but in no event later than 24 hours after the cardholder learns that the card is missing or stolen. The Finance Officer will record the following: cardholder's complete name; District credit card number; date reported to police, if stolen; date the bank was notified and any purchase(s) made on the day the card was lost or stolen. A new District credit card will be provided to the cardholder as soon as possible from the time the loss or theft is reported to the bank.

7. **Return of the Credit Card**

The Finance Department is responsible for retrieving the credit card when an employee separates from the District. Use of the credit card for any purpose after its surrender is prohibited.

3.00 Responsibility Assignments

Cardholders

Purchase supplies and services on behalf of the District in accordance with these guidelines, and timely submit documentation of each purchase to the Finance Department.

Immediately notify both the bank and the Finance Department if the card is lost or stolen.

Finance Department

Review of the monthly credit card charge summary provided by the bank.

Ensure each transaction is fully documented, and ensure that the correct budget account is charged for each purchase.

Review credit card program administration for compliance with policy.

Ensure that the credit card is surrendered upon separation from the District.

Adopted by the Board of Directors on January 13, 2015



PURCHASING POLICY

1.00 Purpose

The purpose of this procedure is to establish the policy for the purchase of supplies, services and equipment and the execution of contracts for the District. This policy will be reviewed periodically.

2.00 Policy/Procedure

It is the policy of the District that all purchasing of supplies, services and equipment and execution of contracts shall be in accordance with the following procedures.

2.01 Purchase Orders

Purchase Orders will be utilized for all purchases of supplies, services and equipment. A purchase order will be submitted to the General Manager, Assistant General Manager, Director of Administrative Services, Director of Operations or Finance Officer prior to ordering of the equipment, services and supplies. In cases where the purchase is below \$500.00, an order can be placed without the use of a purchase order with the prior approval of the General Manager, Assistant General Manager, Director of Administrative Services, Director of Operations or Finance Officer

3.00 Authority of the General Manager

The General Manager shall have the authority to approve all individual purchases of supplies, materials, equipment, services and construction projects provided sufficient funds exist for the particular item in the Approved Annual Budget.

When an emergency occurs which adversely affects directly or potentially, the ability of the District to perform its services which puts the District property or personnel in jeopardy, or which may jeopardize the health and safety of the community, the General Manager may have authority to contract for the purchase of materials, supplies or services, with a cost that exceeds the approved annual budget, however, such expenditure shall be presented to the Board of Directors at the earliest possible date for ratification.

3.01 Authority of the Assistant General Manager, Director of Administrative Services and Director of Operations

The Assistant General Manager, Director of Administrative Services and Director of Operations shall have the authority to approve individual purchases for supplies, materials, equipment and services and construction projects, within the approved budgeted amount, not exceeding \$5,000.00.

3.02 Authority of the Finance Officer

The Finance Officer shall have the authority to approve individual purchases for supplies, materials, equipment and services within approved budgeted amounts, in an amount not exceeding \$5,000.00.

3.03 Approval

No other employee except those named in Sections 3.00 through 3.02 above shall sign purchase orders. In the event the General Manager is not available for any period exceeding 15 days, the Assistant General Manager and/or the Director of Operations shall assume the same purchase order approval limits as the General Manager.

Adopted by the Board of Directors on January 13, 2015



POLICY AND PROCEDURE

APPROVED BY	POLICY TITLE	EFFECTIVE DATE
Board of Directors	ADMINISTRATIVE LEAVE	January 13, 2015
		Page 1 of 1

PURPOSE:

To provide exempt employees (as designated by the District, Personnel Rules and Regulations) the ability to receive administrative time off without loss of compensation in lieu of overtime or any other compensation

POLICY:

Exempt employees shall receive the following annual administrative leave:

Executive Managers - Forty (40) Hours
Assistant General Manager
Director of Administrative Services
Finance Officer
Director of Operations

Mid-Managers/Superintendent(s) - Twenty-Seven (27) Hours
Project Manager
Distribution Superintendent
Operations Superintendent

Administrative leave is granted each July 1st and hours will accrue only to a maximum that is equivalent of one year's administrative leave for his/her applicable category (i.e. 40 hours or 27 hours). Any unused time as of June 30th of each year will be forfeited.

During employment, an exchange for the cash equivalent of any accrued administrative leave will not be allowed. Administrative time off will be treated the same as personal leave for scheduling and approval purposes.

Tab

2.4



RESOLUTION NO. 1-2015
ROWLAND WATER DISTRICT
RESOLUTION OF THE BOARD OF DIRECTORS
AMENDING PERSONNEL POLICY REGARDING DISTRICT PROVIDED VEHICLES

WHEREAS, under the current policy, the District provides District owned vehicles for the use of the General Manager, Assistant General Manager, Director of Operations and such other supervisory personnel whose duties require substantial travel on District business, as determined by the General Manager, to be used for business-related travel; and,

WHEREAS, the Board of Directors has determined that, for the benefit of the District and the employees, the District will discontinue providing District-owned vehicles and instead provide an Automobile Allowance, for the General Manager, Assistant General Manager and Director of Operations, to compensate them for all expenses and depreciation associated with the use of their personal vehicles on District business;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Rowland Water District as follows:

1. That the District will no longer provide District-owned vehicles for the use of the General Manager and Assistant General Manager for use for travel to and from meetings, conferences and other locations for District business. Field personnel will continue to be assigned District trucks and equipment for use in maintenance and operation, meter reading and customer service duties.
2. The amount of the Automobile Allowance provided to the General Manager shall be set by contract in the General Manager's Employment Agreement. The Automobile Allowance for the Assistant General Manager and Director of Operations shall be \$400.00 per month, subject to adjustment by the Board of Directors from time to time.
3. The obligations of the District and the employee receiving an Automobile Allowance from the District shall be governed by the Rowland Water District Personnel Rules and Regulations, which are hereby amended or added to read as follows:

"Mileage.

Employees shall be reimbursed for mileage driven when they use their personal vehicles to travel outside the District on District-related business. Reimbursement shall be paid at the rate established by the

Internal Revenue Service, for actual miles driven while engaged in District-related business. Mileage driven for side trips for personal reasons shall not be reimbursed. The mileage reimbursement rate is intended to cover the cost of gasoline, vehicle maintenance, wear and tear, repairs, and vehicle insurance and no separate reimbursement shall be allowed for such items. Mileage reimbursement shall be allowed only when determined by the supervisor that use of the employee's own vehicle for travel is the most efficient means of travel to the specific location. If the supervisor determines that another means of travel would be more cost-effective, the employee shall not be entitled to reimbursement for the difference between the mileage rate and the cost of less expensive travel if he or she elects to use his or her own vehicle. District employees who receive an Automobile Allowance shall not be entitled to reimbursement for mileage or other expenses incurred in the use of their personal vehicle for District business."

"Use of District Provided Vehicles.

Field employees who are required to be on-call or on standby to respond to emergencies during periods other than normal work hours may be required to drive District service vehicles to and from home. Said vehicles, which shall be identified with the District seal/logo, shall be used by employees, only for transportation to and from the employee's home and the District and to respond to emergencies, call outs and other authorized uses for District business as directed by the General Manager or Superintendent(s). At no time shall employees use District service vehicles for personal use. Employees shall comply with all California and local traffic laws while operating District service vehicles, both while commuting to and from the employee's home and while on District business, including, but not limited to prohibitions against the use of cell phones and being under the influence of alcohol or drugs. Use of District vehicles is solely to meet the needs of the District and is not an employment benefit. Employees shall not have the right to use District vehicles except as directed by the General Manager or supervisor.

Supervisory personnel whose duties require substantial travel on District business may be provided a District vehicle for use in performing their duties. Such vehicles will be identified with the District seal/logo; nevertheless, unless otherwise provided by contract, said vehicles are for use for transportation for District business and commuting from the employee's residence and not for personal use.

District vehicles are provided to meet the needs of the District and are not a benefit to the employee. At any time that the General Manager determines that provision of a District vehicle is no longer necessary for any employee, the employee shall return the vehicle to the District, without any offsetting adjustment to pay or benefits."

"Automobile Allowances

The General Manager, Assistant General Manager and Director of Operations shall be provided an Automobile Allowance to compensate them for use of their personal vehicles in performing their duties. District employees who receive an Automobile Allowance shall provide and maintain a suitable vehicle for their use on District business. District employees who received an Automobile Allowance shall maintain such vehicle at all times in proper operating condition, and pay for all expenses for registration and license fees, maintenance, repairs, insurance and replacement as necessary. The Automobile Allowance is intended to cover all of the operating expenses associated with use of the employee's vehicle for District business, as well as depreciation and wear and tear. The

employee shall not be entitled to reimbursement for mileage or other expenses incurred for use of the vehicle. The Automobile Allowance shall be treated as a non-accountable plan for purposes of tax reporting and the entire amount of the Automobile Allowance will be reported as taxable compensation on Managers W-2 form, and taxes will be withheld from that amount.”

4. This policy shall become effective January 13, 2015.

5. Adopted at a regular meeting of the Board of Directors of the Rowland Water District held January 13, 2015 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SZU PEI LU-YANG
Board President

Tab

2.5

**News Essentials**

- [What's Hot](#)
- [News Releases](#)
- [IRS - The Basics](#)
- [IRS Guidance](#)
- [Media Contacts](#)
- [Facts & Figures](#)
- [Problem Alerts](#)
- [Around the Nation](#)
- [e-News Subscriptions](#)

The Newsroom Topics

- [Multimedia Center](#)
- [Noticias en Español](#)
- [Radio PSAs](#)
- [Tax Scams](#)
- [The Tax Gap](#)
- [Fact Sheets](#)
- [IRS Tax Tips](#)
- [Armed Forces](#)
- [Latest News Home](#)

New Standard Mileage Rates Now Available; Business Rate to Rise in 2015

IR-2014-114, Dec. 10, 2014

WASHINGTON — The Internal Revenue Service today issued the 2015 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on Jan. 1, 2015, the standard mileage rates for the use of a car, van, pickup or panel truck will be:

- 57.5 cents per mile for business miles driven, up from 56 cents in 2014
- 23 cents per mile driven for medical or moving purposes, down half a cent from 2014
- 14 cents per mile driven in service of charitable organizations

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile, including depreciation, insurance, repairs, tires, maintenance, gas and oil. The rate for medical and moving purposes is based on the variable costs, such as gas and oil. The charitable rate is set by law.

Taxpayers always have the option of claiming deductions based on the actual costs of using a vehicle rather than the standard mileage rates.

A taxpayer may not use the business standard mileage rate for a vehicle after claiming accelerated depreciation, including the Section 179 expense deduction, on that vehicle. Likewise, the standard rate is not available to fleet owners (more than four vehicles used simultaneously). Details on these and other special rules are in [Revenue Procedure 2010-51](#), the instructions to [Form 1040](#) and various online IRS publications including [Publication 17](#), Your Federal Income Tax.

Besides the standard mileage rates, [Notice 2014-79](#), posted today on IRS.gov, also includes the basis reduction amounts for those choosing the business standard mileage rate, as well as the maximum standard automobile cost that may be used in computing an allowance under a fixed and variable rate plan.

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Page Last Reviewed or Updated: 10-Dec-2014

Tab

2.6

**AGREEMENT FOR PROVISION OF SERVICES BY ROWLAND WATER DISTRICT
ON BEHALF OF BELLFLOWER-SOMERSET MUTUAL WATER COMPANY**

This Agreement for Provision of Services by ROWLAND WATER DISTRICT (“Agreement”), a county water district formed and operating under Division 12 of the California Water Code (Sections 30000 et seq.) (“Rowland”) on behalf of BELLFLOWER-SOMERSET MUTUAL WATER COMPANY, a mutual water company, formed pursuant to Part 7 of Division 3, Title 1 of the California Corporations Code (Sections 14300 et seq.) (hereinafter “Company”) is entered into as of December __, 2014. Rowland and Company shall be referred to collectively as the “Parties.”

RECITALS

WHEREAS, the Company and Rowland have previously entered into an Agreement for Personnel Sharing under which Rowland provided managerial services to the Company in exchange for the Company paying the costs associated with Rowland’s provision of those services.

WHEREAS, Rowland and the Company have found such arrangement to be of significant benefit to both Parties.

WHEREAS, the Company and Rowland desire, by the terms and conditions set forth herein, for Rowland to provide to Company labor services and the related human resource functions in connection with certain employees performing duties as necessary for the provision of the Shared Resources Agreement (incorporated herein by this reference) as described in more detail below.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. **Contractual Relationship:** The substance of Rowland’s services hereunder will be that of having its personnel provide services as necessary pursuant to the Shared Resources Agreement and Rowland will provide the necessary human resources, administration, and supervisory functions related to those Rowland employees, as designated in Exhibit A, (the “Employees”). The Employees will perform work for Company on an as-needed basis for a fee based upon the actual cost of the Employee, plus an administrative fee of fifteen percent (15%) of such actual costs.
2. **Employment Status:** The Employees provided by Rowland under this Agreement shall remain employees of Rowland and shall have no claim to wages, benefits, pensions, civil service or any other rights provided by the Company to its own employees. During the term of this Agreement, Employees will remain the employees of Rowland, eligible for compensation and benefits provided to him as specified in their employment agreements with Rowland. Employees will not be entitled to accrue or receive any compensation or employment benefits from the Company in connection with the services provided under this Agreement. Rowland will indemnify and hold Company harmless from and against any claims by Employees in accordance with the terms of this Agreement. Rowland

retains all right to direct employees; however, Company may request work within the general guidelines of this Agreement directly from Employees.

3. **Assignment:** During the term of this Agreement, Rowland agrees to temporarily incorporate into Employees' duties the responsibility to perform the duties and services that are described in the existing Shared Resources Agreement (incorporated herein by this reference) executed between the parties on behalf of Company in furtherance of this Agreement. Such services may include meetings, telephone calls, site visits, direction of contractors and employees of Company, and preparing and making reports and presentations to the Board of Directors of Company. To the extent practicable, Employees will arrange the performance of the services to avoid disruption of their duties for Rowland. Services performed by Employees for Company shall be performed at the offices of Rowland Water District when possible, and Rowland will permit the use of Rowland equipment and supplies, such as telephones, computers, and printers, for that purpose. The services provided hereunder to Company shall not involve the time or services of any Rowland personnel other than Employees.
4. **Conditions of Employment:** Company understands and acknowledges that it is entering into this Agreement on the basis of its familiarity and confidence in the skills and experience of Employees, and has not relied, in any way, on representations or promises of Rowland. As a condition of Rowland's agreement to provide Employees' services under this Agreement, Company agrees to indemnify and hold Rowland harmless from any claims, damages or liability arising out of the provision of services by Employees hereunder, including but not limited to claims, damages or liability to Company or any third party, arising out of alleged negligence, or malfeasance, or failure to provide the services as specified.
 - a. During the term of this Agreement, Rowland shall be responsible for the full payment of wages to Employees regardless of payment from Company to Rowland.
 - b. Rowland shall be responsible for the administration, collection, and disbursement of all Employees' W-2 payroll including the calculation of Employees' gross wage entitlements, withholdings from Employees' wages, and payment of those withholdings.
 - c. Rowland shall be responsible for all employer tax-reporting functions as required by law, and shall have the sole right and responsibility to evaluate, reassign, discipline, or terminate the employment of Employees. Rowland shall provide prompt written notice to Company of any action taken which results in Employees being unavailable for duty under the terms of this Agreement.
 - d. Rowland shall be solely responsible for collective bargaining, to the extent relevant, with the Employees or their bargaining representative(s) regarding any terms and conditions of employment or as required by law. Rowland shall indemnify and hold Company harmless from and against any and all claims of unfair labor practices or similar claims by Employees or their bargaining representative in accordance with the terms of this Agreement.

- e. Rowland and Company shall cooperate with one another to ensure compliance with all safety and employment-related federal and state laws and regulations, including, but not limited to, the Family Medical Leave Act, California Family Rights Act, California Fair Employment and Housing Act, American with Disabilities Act, Fair Labor Standards Act, and Cal/OSHA or OSHA safety rules.
 - f. Company agrees to comply with all legally imposed safety practices and procedures with respect to Employees and their activities. Company shall report all work-related accidents, injuries or illnesses to Rowland within twenty-four (24) hours of any such occurrence. Company further agrees to: (i) provide Rowland's DWC-1 form or equivalent (for purposes of workers' compensation) promptly to the Employees if involved in a work-related accident, injury or illness; and, (ii) facilitate Employee's receipt of emergency medical care if needed with a follow-up notification to Rowland.
 - g. Company shall pay all invoices submitted by Rowland in accordance with this Agreement within 30 days of receipt.
5. **Term:** The term of this Agreement shall commence upon the date this Agreement is executed by both Parties and continue for one year ("Term"), and thereafter, the Agreement shall automatically be renewed for additional one year terms unless terminated by either Party pursuant to this Section. Either Party to this Agreement can terminate the Agreement by providing thirty (30) day written notice of intent to terminate to the other party.
6. **Compensation and Billing:** Company agrees to compensate Rowland for all services performed under this Agreement on a "time and materials" basis for time expended by Employee, including time spent travelling to and from Company and Rowland's offices and to worksites in connection with Company projects, plus mileage and expenses including the cost of materials and supplies used in the provision of the services under this Agreement. Mileage will be charged and reimbursed at the Internal Revenue Service's business mileage rate. The hourly rate for each of Employees shall be as described in Exhibit A. Company also agrees to pay an administration fee equal to fifteen percent (15%) of the hourly rate for each hour of time charged by any Rowland Employee.
7. **Insurance:** Company and Rowland shall each maintain their own insurance, including but not limited to workers' compensation, commercial general liability, automobile liability, and professional liability insurance. Company shall provide to Rowland a copy of its insurance policy within thirty (30) days of the execution of this Agreement.
8. **Indemnification by Company:**
- a. Company agrees to indemnify, defend and hold Rowland, its officers, directors, employees, agents, and representatives harmless from any and all claims, damages, losses, actions, suits, or obligations for personal injury to, or death of any person, or loss or damage to property arising out of or relating to the negligence or willful misconduct of Company or any of its officers, employees, agents, representatives, engineers, contractors

or subcontractors in connection with the provision of services under this Agreement, except that Company shall not be required to indemnify Rowland for any claims, or losses to the extent caused by the negligence or willful misconduct of Rowland, its officers, directors, employees, agents and representatives other than Employee.

b. The provisions of this paragraph shall survive termination of this Agreement.

The Parties agree to notify each other immediately upon assertion or possible assertion of any such claim and to cooperate with one another in the investigation and defense of said claim.

9. **Notices:** All notices, invoices, reports and other communications hereunder shall be sent to the designated representative for the party to which it is directed, by U.S. Mail, overnight courier delivery, or facsimile transmission directed as follows:

If to Bellflower-Somerset:

Bellflower-Somerset Mutual Water Company
10016 E. Flower Street
Bellflower, CA 90706
Attention: General Manager
Telephone: (562) 866-9980
Facsimile: (562) 866-2245

If to Rowland:

Rowland Water District
3021 South Fullerton Road
P.O. Box 8460
Rowland Heights, CA 91748
Attention: General Manager
Telephone: (562) 697-1726
Facsimile: (562) 697-6149

10. **Severability:** If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases, the remainder of the Agreement shall continue in full force and effect.
11. **Amendments:** No amendment of this Agreement shall be valid or enforceable unless in writing and signed by both parties.
12. **Entire Agreement:** This Agreement including the Exhibits and Schedules attached hereto constitutes the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations, or commitments of any kind, express or implied which are not expressly set forth herein.

13. **No Assignment:** This Agreement may not be assigned to any third party and shall automatically terminate upon the occurrence of such.

14. **Employment Practices:** Each Party, by execution of this Agreement, certifies that it does not discriminate against or tolerate harassment of any person upon the basis of race, color, creed, national origin, age, sex, orientation, gender identity or expression, disability, veteran status, or marital status in its employment practices

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

Dated: _____

BELLFLOWER-SOMERSET
MUTUAL WATER COMPANY

By: _____

Roberto Olvera, General Manger

Dated: _____

ROWLAND WATER DISTRICT

By: _____

Tom Coleman, General Manager

EXHIBIT A

Tab

2.7

**Rowland Water District
Communication Strategies Update
January 13, 2015**

- **New General Manager**
 - Released 12/15/14
 - Coverage received in ACWA Newsletter
- **Officer Rotation/Committee Appointments**
 - Released 12/29/14
- **Additional Releases in Process**
 - Edu-Grants
 - Audit Review and Completion
 - Northrup Grumman Superfund
 - Strategic Planning Process
- **Northrop Grumman Superfund**
 - Press release and other messaging
 - Highlight multi-agency partnership
 - Highlight new area water supply
- **Updated Strategic Plan**
 - Incorporate management changes in language
 - Planning session TBD
 - Revised plan to be developed beginning January 2015
 - Plan adoption anticipated Spring 2015
- **On-going updates**
 - Website (sliders and text updated as needed)
 - On-Hold Messages (payment options, winter water use)

• Press Releases

Date	News Story	In Process	Completed	Distributed
6/30	CCR Available		*****	*****
7/24	Conservation Mandates		*****	*****
7/31	Bellflower Somerset	*****	*****	
9/9	Stage 2 – Mandatory Restrictions		*****	*****
9/15	Kiosk/Lobby Improvements		*****	*****
9/23	District Refinancing		*****	*****
10/1	Buckboard Days		*****	*****
10/1	Grant Application	*****		
10/21	New Legal Counsel		*****	*****
12/15	Management Transition		*****	*****
12/15	Northrop Grumman Superfund	*****		
12/29	Board Officers/Committee Assignments	*****	*****	*****
1/10/15	Edu-Grants - Brittnie	*****		
1/10/15	Audit Review & Completion	*****		
1/27/15	Strategic Planning Process	*****		



Memorandum

To: Board of Directors

From: Brittnie Van De Car
Public Affairs Representative

Date: January 13, 2015

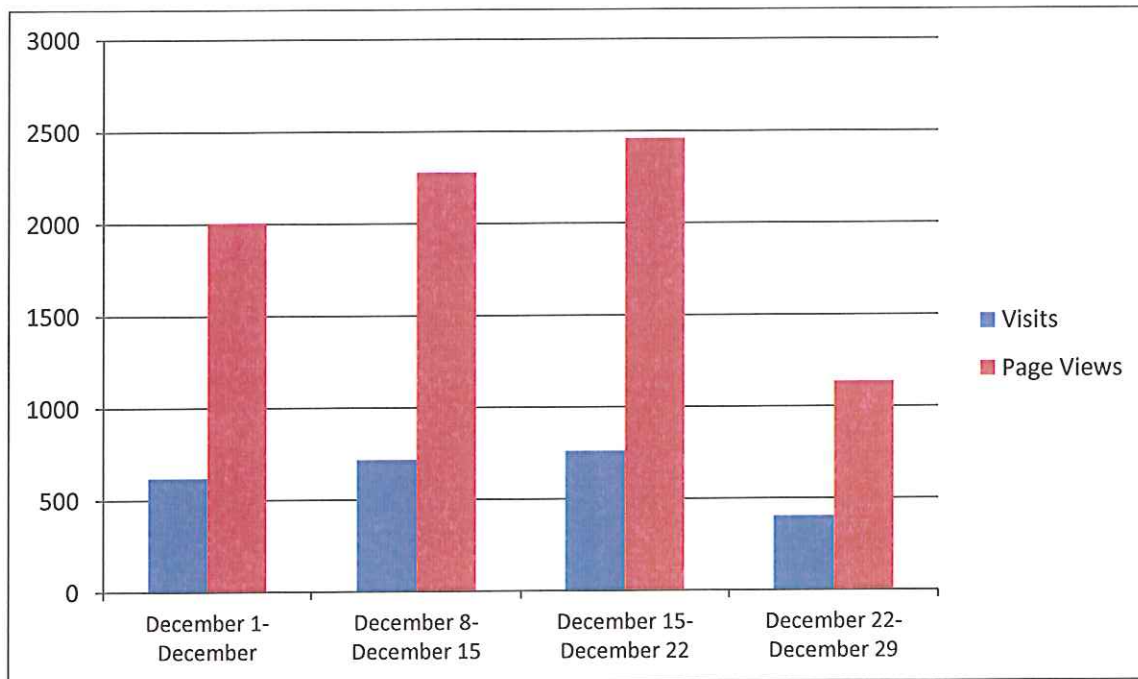
Re: Public Affairs & Education Update

- Twelve teachers received EduGrants totaling \$8,981.88
- Researching new curriculum and activities for classroom presentations
- 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 EduGrant meeting on December 9, 2014
- Attended the MWD poster contest ceremony on December 11, 2014

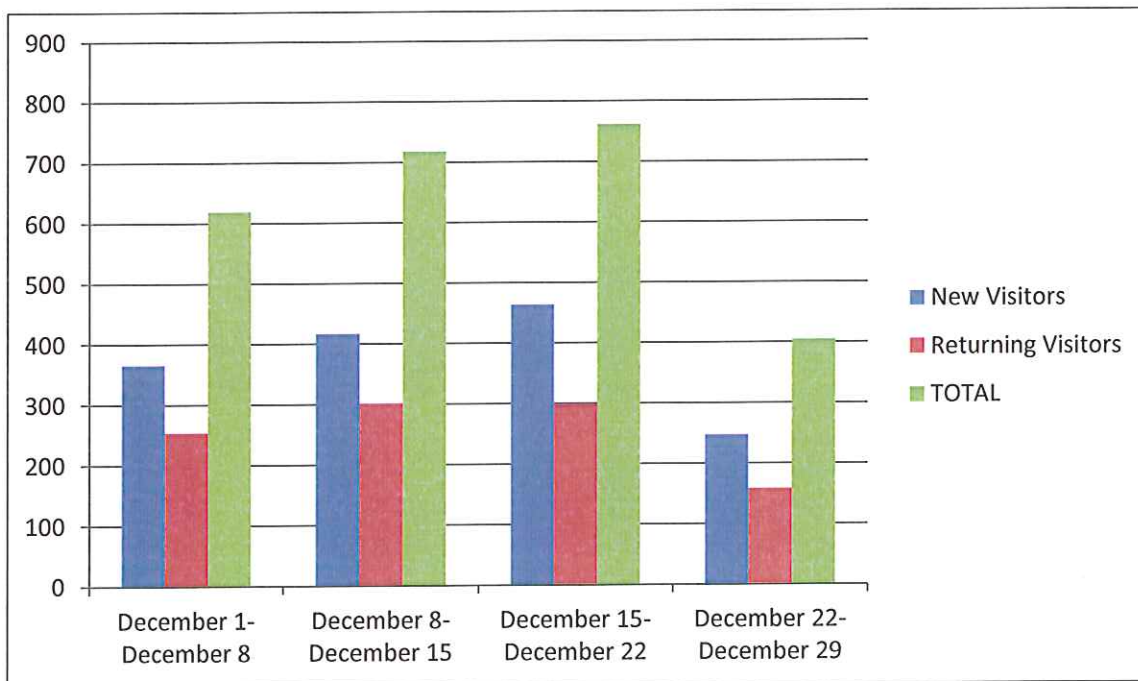
A handwritten signature in blue ink, appearing to read "Brittnie L. Van De Car".

Brittnie L. Van De Car
Public Affairs Representative

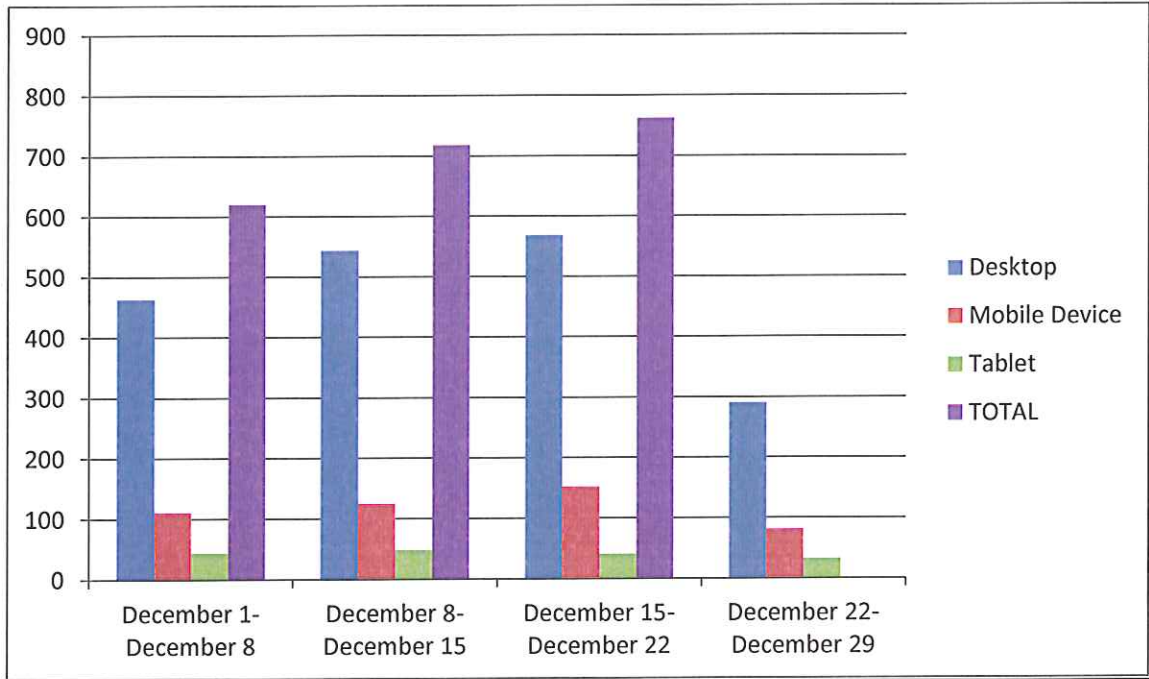
Website Visits and Pageviews



New vs. Returning Visitors



Source of Viewing

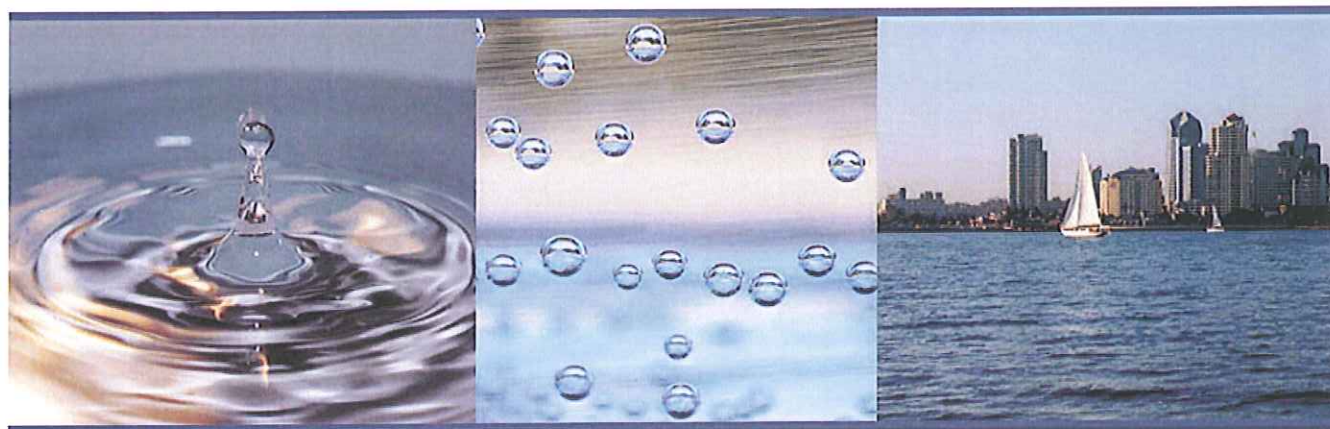


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2.8

Urban Water Institute, Inc.

- o Home
- o About
- o Program
- o Registration
- o Sponsorship
- o Exhibitor
 - Advertise
- o Membership
- o Archives
- o Photos
- o Contact



welcome to the

URBAN WATER INSTITUTE, INC.

The Urban Water Institute, Inc., was incorporated as a nonprofit public education organization in the State of California in 1993, with the Mission to provide non-partisan information of timely and pertinent interest to the water resource industry, including public agencies and private firms, with particular emphasis on water economics, management and resource policies as they affect consumers and the general economy.

Please Mark Your Calendar For The Upcoming Events:

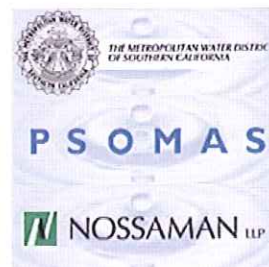
Save The Date For Urban Water Institute's Spring Water Conference taking place March 4-6, 2015 at the

Hilton Palm Springs Hotel.

Save The Date For Urban Water Institute's 22nd Annual Water Conference taking place August 26-28, 2015 at the

Hilton San Diego Resort.

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Email Newsletter



ELECTED OFFICIALS SUMMIT 2015

Help bring your agency to the forefront by joining us for a powerful summit for water industry elected officials. Specially designed sessions focus on leadership development tactics and key industry information needed to guide a thriving public agency.



KEYNOTE SPEAKER
Sen. Byron Dorgan
*Former U.S. Senator,
North Dakota*

The Road Ahead:
How to fix our
politics and policies
to make America
stronger!



**FEATURED
SPEAKER**
Dan Walters
*SacBee
Political Columnist*

The Politics of Water
- California's
Economic
and Political Future



**FEATURED
SPEAKER**
Buddy Hobart
*President,
Solutions 21*

Gen Y Now!
Millennials in the
Workplace

MARCH 29-30 | RENAISSANCE ESERALDA HOTEL, INDIAN WELLS

For more information, please contact
Ken Deck at Ken@cuema.org

CUEMA.ORG

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5.1

**AGENDA
REGULAR BOARD MEETING
THREE VALLEYS MUNICIPAL WATER DISTRICT
1021 EAST MIRAMAR AVENUE, CLAREMONT, CALIFORNIA**

Wednesday, December 17, 2014 at 8:00 AM

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.

<i>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.</i>		
1.	Call to Order	Kuhn
2.	Pledge of Allegiance	Kuhn
3.	Roll Call <input type="checkbox"/> Bob Kuhn, President, Division IV <input type="checkbox"/> David De Jesus, Vice President, Division II <input type="checkbox"/> Brian Bowcock, Secretary, Division III <input type="checkbox"/> Joe Ruzicka, Treasurer, Division V <input type="checkbox"/> Dan Horan, Director, Division VII <input type="checkbox"/> Carlos Goytia, Director, Division I <input type="checkbox"/> Fred Lantz, Director, Division VI	Executive Assistant
4.	Additions to Agenda [1] [2] <i>(Government Code Section 54954.2(b)(2))</i> 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 those 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. <i>The board shall call for public comment prior to voting to add any item to the agenda after posting.</i>	Kuhn
5.	Reorder Agenda [2]	Kuhn

6.	<p>Public Comment [2] (Government Code Section 54954.3)</p> <p>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.</p> <p><i>We request that remarks be limited to five minutes or less.</i></p>	Kuhn	
<p>Discussion and action items: The board of directors and staff will discuss the following items, and the board may consider taking action.</p> <p><i>(Items listed under the Consent Calendar are considered routine and will be enacted by one motion unless separate discussion is requested.)</i></p>			
7.	<p>Consent Calendar [1] [2]</p> <p>The board is being asked to consider the consent calendar items A-D as listed below. Consent calendar items are typically routine in nature and may be considered and approved by a single motion. Any member of the board may request that a specific item be pulled from the consent calendar for further discussion.</p>	<p>Motion # 14-12-5020</p> <p>Moved _____</p> <p>Second _____</p>	Kuhn
	<p>A. Receive, Approve and File Minutes – November 2014 [enc] [1] [2]</p> <ul style="list-style-type: none"> • November 5 2014 – Regular Board Meeting • November 19, 2014 – Regular Board Meeting <p><i>Staff recommendation: Receive, approve and file as submitted</i></p>	Tab 1	
	<p>B. Receive, Approve And File Financial Reports – November 2014 [enc] [1] [2]</p> <ul style="list-style-type: none"> • Change In Cash and Cash Equivalents Position Report • Consolidated Listing of Investment Portfolio • YTD District Budget Monthly Status Report • Warrant Summary (Disbursements) <p><i>Staff recommendation: Receive, approve and file as submitted</i></p>	Tab 2	
	<p>C. FY 14-15 1st Quarter Update Reserve Schedule [enc] [2]</p> <p>Staff will prepare and review an update of the District's first quarter reserves for FY 2014-15.</p> <p><i>Information only</i></p>	Tab 3	
	<p>D. Approve Activities Calendars (December 2014 – February, 2015) [enc] [1] [2]</p> <p>The board will approve the event-activities calendars for December 2014 – February 2015 and provide direction to staff regarding listed events if any.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	Tab 4	

8.	General Manager’s Report [1] [2]	Hansen
A.	Administration [1] [2] Staff will provide brief updates on existing matters under the guidance of Administration, and will be available to respond to any questions thereof.	
	1. Directors’ Expense Reports for November 2014 [enc] [1] The board will consider approval of the November 2014 directors’ expenses that include disclosure of per diem requests for meeting attendance, and an itemization of expenses incurred by the district. <i>Staff recommendation: None</i>	Motion # 14-12-5021 Moved _____ Second _____ Tab 5
	2. Selection of Board President and Slate of Officers for CY 2015 [enc] [1] [2] a) Nominations will be opened to select a Board President for CY 2015. b) The Board President will open nominations for the following officer positions for CY 2015: Vice President, Secretary and Treasurer. A list of incumbents is attached. c) Upon conclusion of the nomination / appointment process for the CY 2015 officers, the Board of Directors will vote to ratify the action. <u><i>If no changes to the existing slate are recommended, this action will be ratified by a single vote with the term beginning January 1, 2015.</i></u> d) If changes are recommended, each position may be considered by a separate motion. <i>Staff recommendation: None</i>	Motion # 14-12-5022 Moved _____ Second _____ Tab 6
	3. Review and/or Consider Appointment of District Agency Representatives / Alternates for CY 2015 [enc] [1] [2] The Board President will review and/or consider appointment of directors to serve as district representatives and/or alternates for various agency boards/committees for CY 2015. A list of incumbents is attached.	Motion # 14-12-5023 Moved _____ Second _____ Tab 7

	<p><u>If no changes are proposed to the existing assignments, the Board will take action to approve as presented.</u> Changes to any assignment will be voted upon by the full Board as a single motion following discussion.</p> <p>Please note:</p> <ul style="list-style-type: none"> • There is no alternate for the MWD Board Representative. • The representative / alternate for the San Gabriel Basin Water Quality Authority will officially be appointed by resolution. Appointees will serve a four-year term commencing January 1, 2015. • For CY 2015 TVMWD will serve as the alternate on the San Gabriel Valley Council of Governments (SGV-COG). <p><i>Staff recommendation: None</i></p>		
	<p>4. Resolution No. 14-12-746 – Appointment of Representative and Alternate to Serve on the San Gabriel Basin Water Quality Authority Board [enc] [1]</p> <p>The Board is being asked to appoint a representative and alternate to the San Gabriel Basin Water Quality Authority Board to serve a four-year term commencing January 1, 2015. The WQA was established in 1992 via Senate Bill 1679; its Board is comprised of seven members of which Three Valleys MWD is one of the municipal water districts served by the agency. The current representative and alternate appointments expire December 31, 2014.</p> <p><i>Staff recommendation: None</i></p>	<p>Motion # 14-12-5024</p> <p>Moved _____</p> <p>Second _____</p>	<p>Tab 8</p>
<p>B.</p>	<p>Engineering and Operations [1] [2]</p> <p>Staff will provide brief updates on existing matters under the guidance of Engineering-Operations, and will be available to respond to any questions thereof.</p>		
	<p>1. Calendar Year Imported Water Purchases Tier 1 – November 2014 [enc] [2]</p> <p>Includes imported Tier 1 water sales for the month ending November 30, 2014.</p> <p><i>Information only</i></p>		<p>Tab 9</p>

	<p>2. Miramar Operations Report – November 2014 [enc] [2]</p> <p>Includes a summary of the following reports for the Miramar Operations Plant: water quality, monthly production, monthly and year-to-date sales, hydro-generation production and operations/maintenance review.</p> <p><i>Information only</i></p>	Tab 10	
	<p>C. Finance and Personnel [1] [2]</p> <p>Staff will provide brief updates on existing matters under the guidance of Finance-Personnel, and will be available to respond to any questions thereof.</p>		
	<p>1. Consider Approval of Purchase Order Agreement with MWD [enc] [1]</p> <p>Staff will review the MWD Purchase Order commitments approved by the MWD Board on November 18, 2014. The TVMWD Board is being asked to consider the staff recommendation and approve as submitted.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	<p>Motion # 14-12-5025</p> <p>Moved _____</p> <p>Second _____</p>	Tab 11
9.	<p>Directors' / General Manager Oral Reports [2]</p>	All	
	<p>A. Local Agency Formation Commission (LAFCO)</p>	Ruzicka	
	<p>B. Pomona Walnut Rowland (PWR) Joint Water Line Commission</p>	Horan	
	<p>C. Six Basins Watermaster</p>	Bowcock	
	<p>D. Main San Gabriel Basin Watermaster</p>	Bowcock	
	<p>E. Chino Basin Watermaster</p>	Kuhn	
	<p>F. San Gabriel Basin Water Quality Authority</p>	Kuhn	
	<p>G. MWD Board</p>	De Jesus	
	<p>H. Additional Board Member Reports/Comments</p>	All	
	<p>I. Oral Staff Reports/Comments</p>	Hansen	
10.	<p>Future Agenda Items [2]</p>	Kuhn	
11.	<p>Adjournment</p> <p><i>Board adjourned to the January 7, 2015 Regular Board Meeting at 8:00 a.m.</i></p>	Kuhn	

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 agendized 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. 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.



THREE VALLEYS MWD BOARD OF DIRECTORS

Action Line

BOARD MEMBERS

CARLOS GOYTIA
DIVISION I

DAVID D. DE JESUS
DIVISION II

BRIAN BOWCOCK
DIVISION III

BOB G. KUHN
DIVISION IV

JOSEPH T. RUZICKA
DIVISION V

JOHN W. "FRED" LANTZ
DIVISION VI

DAN HORAN
DIVISION VII

THREE VALLEYS MWD

1021 E. Miramar Avenue

Claremont, CA 91711

Phone: 909-621-5568

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www.threevalleys.com

**Board Meetings
are scheduled
the first and
third Wednesday
of each month at
8:00 a.m.**

For additional information: (909) 621-5568

*The following is a summary of the Three Valleys Municipal Water District's Regular Board Meeting of Wednesday, **DECEMBER 17, 2014***

Approved: Motion No. 14-12-5020 approving the consent calendar items A-D as follows: (A) Receive, approve, and file November 2014 minutes for November 5, 2014 and November 19, 2014; (B) Receive, approve, and file November 2014 financial reports: Change in Cash and Cash Equivalents Report, Consolidated Listing of Investment Portfolio, YTD District Budget Monthly Status Report, and Warrant Summary (Disbursements); (C) Receive FY 14-15 1st Quarter Reserve Schedule; (D) Approve Activity-Event Calendars for December 2014-February 2015. **Motion No. 14-12-5020 was approved unanimously by a 7-0 vote.**

Approved: Motion No. 14-12-5021 to authorize payment of director expense reports for November 2014. **Motion No. 14-12-5021 was approved unanimously by a 7-0 vote.**

Approved: Motion No. 14-12-5022 to continue existing slate of officers for CY 2015 as follows: Bob Kuhn, President; David De Jesus, Vice President; Brian Bowcock, Secretary; Joe Ruzicka, Treasurer; Dan Horan, Director; Carlos Goytia, Director; and Fred Lantz, Director. **Motion No. 14-12-5022 was approved via a roll call vote with all directors affirming to continue the existing slate for CY 2015.**

This summary may not include all agenda items and should not be construed as minutes of the meeting.

TVMWD is a water resources management agency that covers approximately 133 square miles and is governed by an elected Board of seven officials. The present population is about 525,000. Since its formation, the Three Valleys Municipal Water District has installed some 37,000 feet of pipeline and delivered more than 175 billion gallons of water.



Action Line

December 17, 2014

~ Page 2 ~

Approved: Motion No. 14-12-5023 to approve continuing the existing assigned representative-alternate positions for CY 2015. **Motion No. 14-12-5023 was approved unanimously by a 7-0 vote.**

<u>AGENCY</u>	<u>REPRESENTATIVE</u>	<u>ALTERNATE</u>
ACWA Region 8	Dan Horan	Brian Bowcock
ACWA/JPIA	Brian Bowcock	Bob Kuhn
Chino Basin Watermaster	Bob Kuhn	David De Jesus
LAFCO	Joe Ruzicka	Bob Kuhn
Main San Gabriel Basin WM	Brian Bowcock	Dan Horan
MWD	David De Jesus	NA
PWR-JWL	Dan Horan	Carlos Goytia
Rowland Water District	Dan Horan	Joe Ruzicka
San Gabriel Basin WQA	Bob Kuhn	Dan Horan
SGV-COG	Carlos Goytia	Bob Kuhn
Six Basins Watermaster	Brian Bowcock	Fred Lantz
Walnut Valley Water District	David De Jesus	Joe Ruzicka

Approved: Motion No. 14-12-5024 appointing the representative and alternate to serve a four-year term on the San Gabriel Basin Water Quality Authority commencing January 1, 2015. Director Bob Kuhn was appointed as the representative and Director Dan Horan as the alternate. **Motion No. 14-12-5024 was approved unanimously by a 7-0 vote.**



Action Line

December 17, 2014

~ Page 3 ~

Approved: Motion No. 14-12-5025 authorizing the General Manager to execute the purchase order agreement with MWD for the period from January 1, 2015 through December 31, 2024. The Board approved the staff recommendation for Option 2.

NEXT MEETING:

Wednesday, January 7, 2015 @ 8:00 a.m.

Save the date: TVMWD Leadership Breakfast—Thursday, February 19, 2015



Merry Christmas to all

Tab

5.2



December 4, 2014

JOINT POWERS
INSURANCE AUTHORITY

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President
E.G. "Jerry" Gladbach

Vice President
Tom Cuquet

Chief Executive Officer
Walter "Andy" Sells

Executive Committee
Tom Cuquet
Joseph Dion
E.G. "Jerry" Gladbach
David T. Hodgkin
W.D. "Bill" Knutson
Melody A. McDonald
Charles W. Muse
Lou Reinkens
Kathleen J. Tiegs

Ken Deck
Rowland Water District
3021 S. Fullerton Road
Rowland Heights, CA 91748

Dear Ken:

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 2015.

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 Liability Program for the period 10/01/10 – 09/30/13
announced at the Board of Directors' Meeting in San Diego.*

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



December 01, 2014

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 04/01/10 – 03/31/13
announced at the Board of Directors' Meeting in San Diego.*

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



December 01, 2014

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 07/01/10 – 06/30/13
announced at the Board of Directors' Meeting in San Diego.*

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



December 01, 2014