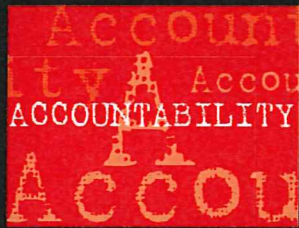


ROWLAND WATER DISTRICT

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
November 8, 2016
6:00 p.m.**



AGENDA
Regular Meeting of the Board of Directors
November 8, 2016
6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ADDITION(S) TO THE AGENDA

PUBLIC COMMENT ON NON-AGENDA ITEMS

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

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Rose Perea, Secretary to the Board at (562) 697-1726, or writing to Rowland Water District, at 3021 Fullerton Road, 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 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 October 11, 2016**
Recommendation: The Board of Directors approve the Minutes as presented.
- 1.2 Approval of the Minutes of Special Board Meeting held on October 25, 2016**
Recommendation: The Board of Directors approve the Minutes as presented.
- 1.3 Demands on General Fund Account for September 2016**
Recommendation: The Board of Directors approve the demands on the general fund account as presented.
- 1.4 Investment Report for September 2016**
Recommendation: The Board of Directors approve the Investment Report as presented.
- 1.5 Water Purchases for September 2016**
For information purposes only.

Next Regular Board Meeting:

December 13, 2016, 6:00 p.m.

Tab 2 ACTION ITEMS

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

- 2.1 Review and Approve Directors' Meeting Reimbursements for October 2016**
Recommendation: The Board of Directors approve the Meeting Reimbursements as presented.
- 2.2 Review and Approve "Draft" Financial Audit Report for Fiscal Year 2015-2016 Prepared by White Nelson Diehl Evans LLP**
Recommendation: The Board of Directors approve the Draft Financial Audit Report
- 2.3 Approve/Decline Claim for Damages Submitted by Schneider & Associates Claim Service on Behalf of Long's Directional Boring, Inc.**
Recommendation: The Board of Directors Decline the claim submitted by Schneider & Associates on Behalf of Long's Directional Boring, Inc.

- 2.4 **Public Relations (Rose Perea)**
 - **Communications Outreach (CV Strategies)**
 - **Education Update**

For information purposes only.
- 2.5 **Discussion of Upcoming Conferences, Workshops, or Events (Including Items that May Have Arisen after the Posting of the Agenda)**
 - 2016 ACWA Fall Conference, November 29, 2016 – December 2, 2016, Anaheim Marriott Hotel, Anaheim, CA

Tab 3 LEGISLATIVE INFORMATION

- 3.1 **Updates on Legislative Issues**

Intentionally left blank.

Tab 4 REVIEW OF CORRESPONDENCE

Intentionally left blank.

Tab 5 COMMITTEE REPORTS

- 5.1 **Three Valleys Municipal Water District (Directors Lu-Yang/Lima)**
 - Agenda Regular Board Meeting held October 19, 2016
 - Action Line Regular Board Meeting held October 19, 2016

There are no tabs for the remainder of the meeting.

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

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

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

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

Directors' and General Manager's Comments

Future Agenda Items

Late Business

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

ADJOURNMENT

President SZU PEI LU-YANG, Presiding

Tab

1.1



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
October 11, 2016 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

President Szu Pei Lu-Yang
Director Anthony J. Lima
Director John Bellah

ABSENT:

Vice President Robert W. Lewis
Director Teresa P. Rios

OTHERS PRESENT:

Joseph Byrne, Legal Counsel, Best Best & Krieger
Erin LaCombe Gilhuly, CV Strategies
Joe Ruzicka, Three Valleys Municipal Water District
Dan Horan, Three Valleys Municipal Water District
James Linthicum, Three Valleys Municipal Water District

ROWLAND WATER DISTRICT STAFF

Tom Coleman, General Manager
Rose Perea, Director of Administrative Services
Dave Warren, Director of Operations

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Resident, Boris Kasrel, presented information to the Board on a disputed bill for services rendered in the amount of \$1,536.76, requesting that the Board release him from further responsibility in paying the balance due in the amount of \$936.76.

Tab 1 - CONSENT CALENDAR

Upon motion by Director Lima, seconded by Director Bellah, the Consent Calendar was approved with a 3-0 vote, Directors Lewis and Rios being absent.

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

The approval of the Consent Calendar as modified included:

1.1

Approval of the Minutes of Regular Board Meeting Held on September 13, 2016

1.2

Approval of the Minutes of Special Board Meeting Held on September 27, 2016

1.3

Approval of the Minutes of Special Board Meeting Held on September 28, 2016

1.4

Demands on General Fund Account for August 2016

1.5

Investment Report for August 2016

1.6

Water Purchases for August 2016

Next Special Board Meeting
Next Regular Board Meeting

October 25, 2016, 5:00 p.m.
November 8, 2016, 6:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Approve Directors' Meeting Reimbursements for September 2016

Upon motion by Director Lima, seconded by Director Bellah, the Directors' Meeting Reimbursement Report was approved with a 3-0 vote, Directors Lewis and Rios being absent.

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

2.2

Consider Sponsorship of the Youth Science Center at Wedgeworth Elementary in the amount of \$2,600.00

Upon motion by Director Lima, seconded by Director Bellah, the Youth Science Center sponsorship in the amount of \$2,600.00 was approved with a 3-0 vote, Directors Lewis and Rios being absent.

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

2.3

Review and Approve Interest in Real Property Conveyed by the Easement Deed from KRAUZ PUENTE THREE, LLC, a Delaware Limited Liability Company (Grantor) to Rowland Water District (Grantee).

Address: 1542 S. Azusa Avenue, Industry, CA 91748, APN: 8265-004-114.

General Manager, Tom Coleman, described the location of the property and discussed the need for the easement in order to authorize the District to install underground water facilities to serve the property. Mr. Coleman, requested authorization to execute the Certificate of Acceptance of the Easement Deed on behalf of the District and to process it for recording with the Office of the Los Angeles County Recorder. Upon motion by Director Bellah, seconded by Director Lima, the Board authorized General Manager, Tom Coleman, to execute the Certificate of Acceptance of the Easement Deed on behalf of the District for the real property located at 1542 S. Azusa Avenue, City of Industry, California (APN: 8265-004-114) from Krauz Puente Three, LLC to Rowland Water District. The motion was approved with a 3-0 vote, Directors Lewis and Rios being absent.

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

2.4

Review and Approve Quitclaim Deed from Rowland Water District (Grantor) to KRAUZ PUENTE THREE, LLC, a Delaware Limited Liability Company (Grantee).

Address: 1542 S. Azusa Avenue, Industry, CA 91748, APN: 8265-004-045.

General Manager, Tom Coleman, described the ten-foot strip of land being quitclaimed back to the owner due to the relocation of the waterline described in item 2.3 above.

Upon motion by Director Lima, seconded by Director Bellah, the Board authorized General Manager, Tom Coleman, to execute the Quitclaim Deed on behalf of the District for the real property located at 1542 S. Azusa Avenue, City of Industry, California (APN: 8265-004-045) from Rowland Water District to Krauz Puente Three LLC. The motion was approved with a 3-0 vote, Directors Lewis and Rios being absent.

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

2.5

Discuss “Communication with Those Charged with Governance” letter From White Nelson Diehl Evans, LLP

This item was presented for information purposes only.

2.6

Public Relations

Mrs. Perea reported that the District celebrated Customer and Employee Appreciate Week during the week of October 3 through October 7, 2016. The first 350 customers received a tumbler with a California Poppy Seed packet and a pen inside and coffee and snacks in the lobby each morning during the week. Staff was provided with a different treat Monday through Thursday, culminating with the Taco Man on Friday for lunch. The event was well-received by all.

Communications Outreach (CV Strategies)

Erin La Combe Gilhuly advised that they have prepared several press releases for the District which include: Customer Service Appreciation Week, Solar Cup, Buckboard Days Parade and the OPARC Award presented to the District. CV Strategies is in the process of preparing the 218 Notice in connection with the rate increase and is working on a video depicting the sixty-year history of the District which should be completed by the end of the year. They also designed and have delivered to the District the Buckboard Days Parade banners and t-shirts for staff to wear on the float during the parade.

Education Update

For information only. No comments.

2.7

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

None.

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

None.

Tab 4

REVIEW OF CORRESPONDENCE

None.

Tab 5

COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Director Lima reported on his attendance at the October 5, 2016 meeting and advised that several reports were presented and discussed, including the Operations Report, Finance Report and the Audit Report.

5.2

Joint Powers Insurance Authority

Nothing to report.

5.3

Association of California Water Agencies

Nothing to report.

5.4

Puente Basin Water Agency

Director Lima reported that the Puente Basin Water Agency meetings will now be held every other month instead of monthly and that the next meeting is scheduled for November 10, 2016.

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

Nothing to report. The next meeting is scheduled for October 20, 2016.

5.8

Sheriff's Community Advisory Council

Nothing to report.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Finance Report

Dave Warren, Director of Operations, made a power point presentation on the Water Supply Allocation (Drought Allocation) which indicated that the District is well below the Level 1, mandatory ten percent (10%) reduction in water use. Sales and District reserves are up compared to the same time period last year. General Manager, Tom Coleman, discussed a Press Release from Metropolitan Water District (MWD) dated October 10, 2016, which advises that increases in water reserves as well as the region's strong commitment to water efficiency and conservation have positioned MWD to meet Southern California's imported water needs.

6.2

Operations Report

Dave Warren, Director of Operations, provided pictures of the Whittier Booster Pump Station and advised that the "start-up" had taken place today, October 11, 2016. The District is hoping to move water by January 2017.

6.3

Personnel Report

Nothing to report.

Tab 7 ATTORNEY'S REPORT.

Legal counsel, Joe Byrne, advised that the State Water Resources Control Board will set forth new conservation targets and that a workshop will be held on November 14, 2016. He discussed Governor Brown's Executive Order B37-16 which seeks to establish longer-term water conservation measures, new permanent water standards in California and bans clearly wasteful practices.

Directors' and General Manager's Comments

Director Lima advised that he had attended the OPARC Awards Ceremony and that he felt that it was very well presented. General Manager, Tom Coleman, shared with the Board the award presented to the District by OPARC and the recognition certificates received by the District from several legislators.

Future Agenda Items

None.

Late Business

None.

A motion was made by Director Lima, seconded by Director Bellah, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:11 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary

Tab

1.2



Minutes of the Special Meeting of
the Board of Directors of the Rowland Water District

October 25, 2016 – 5:00 p.m.

Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None.

OTHERS PRESENT:

Nick Janes, CV Strategies

ROWLAND WATER DISTRICT STAFF:

Tom Coleman, General Manager
Rose Perea, Director of Administrative Services

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

COMMENTS:

None.

Tab 1 ACTION ITEMS

1.1

Project Update Workshop through September 30, 2016

General Manager, Tom Coleman, presented a Power Point presentation which summarized the status of projects through September 30, 2016. The presentation also included updates on personnel, finance, capital improvements, water quality, IT and community outreach/public relations. He discussed these topics in depth and answered questions posed by the Board.

Directors' and General Manager's Comments

None.

Future Agenda Items

- Discuss the addition of a new position "Cross-Connection Control Specialist"

Late Business

None

Next Regular Board Meeting

November 8, 2016, 6:00 p.m.

A motion was made by Director Lima, seconded by Director Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:26 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary

Tab

1.3

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21756						
09/16	09/01/2016	21756	4600	AIRGAS USA LLC	TOOLS & SUPPLIES	7.77
09/16	09/01/2016	21756	4600	AIRGAS USA LLC	TANK RENTAL	74.74
Total 21756:						82.51
21757						
09/16	09/01/2016	21757	62622	AKM CONSULTING ENGINEERS	RWD STRUCTURAL EVALUATION RES 11	5,652.00
Total 21757:						5,652.00
21758						
09/16	09/01/2016	21758	62250	AMERICAN BACKFLOW PREVENTION	MEMBERSHIP-ROBERT LEAMY	65.00
09/16	09/01/2016	21758	62250	AMERICAN BACKFLOW PREVENTION	SO CA LOCAL CHAPTER DUES-ROBERT LEAMY	15.00
Total 21758:						80.00
21759						
09/16	09/01/2016	21759	400	AT&T MOBILITY	MOBILE PHONES, IPADS	2,003.09
Total 21759:						2,003.09
21760						
09/16	09/01/2016	21760	62597	BEST BEST & KRIEGER	LEGAL FEES-PP&E ANNUAL BILLING	2,100.00
09/16	09/01/2016	21760	62597	BEST BEST & KRIEGER	LEGAL FEES-GENERAL COUNSEL	1,925.17
09/16	09/01/2016	21760	62597	BEST BEST & KRIEGER	LEGAL FEES-WATER LAW	772.20
09/16	09/01/2016	21760	62597	BEST BEST & KRIEGER	LEGAL FEES-LABOR & EMPLOYMENT	1,158.30
Total 21760:						5,955.67
21761						
09/16	09/01/2016	21761	1476	BUSINESS CARD (VISA)	MEMBERSHIP FEES	50.00
09/16	09/01/2016	21761	1476	BUSINESS CARD (VISA)	CONFERENCE EXPENSE	1,116.84
09/16	09/01/2016	21761	1476	BUSINESS CARD (VISA)	MISC EXPENSES	572.48
09/16	09/01/2016	21761	1476	BUSINESS CARD (VISA)	SEMINAR/TRAINING EXPENSES	110.18
09/16	09/01/2016	21761	1476	BUSINESS CARD (VISA)	SEMINAR/TRAINING EXPENSES	30.58
Total 21761:						1,880.08
21762						
09/16	09/01/2016	21762	62071	CALIFORNIA LIVING INC	INTERIOR PLANT MAINTENANCE	430.00
Total 21762:						430.00
21763						
09/16	09/01/2016	21763	366	CALPERS-FINANCIAL REPORTING/AC	FEES FOR GASB 68 REPORTS & SCHEDULES	1,300.00
Total 21763:						1,300.00
21764						
09/16	09/01/2016	21764	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,884.00
Total 21764:						1,884.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21765						
09/16	09/01/2016	21765	62143	CHRISTOPHER M REYNOSO	TOTAL EXPENSES-BOOTS & INSOLES	365.09
09/16	09/01/2016	21765	62143	CHRISTOPHER M REYNOSO	TOTAL EXPENSES-CASE FOR WORK PHONE	21.67
09/16	09/01/2016	21765	62143	CHRISTOPHER M REYNOSO	TOTAL EXPENSES-SGV UTILITY MEETING	12.00
Total 21765:						<u>398.76</u>
21766						
09/16	09/01/2016	21766	1900	CLINICAL LAB OF S B	WATER SAMPLES	1,225.00
Total 21766:						<u>1,225.00</u>
21767						
09/16	09/01/2016	21767	229	COASTAL CHLOR & BACKFLOW	CHLORINATION SPRAY DOWN RES 13	400.00
Total 21767:						<u>400.00</u>
21768						
09/16	09/01/2016	21768	1270	CORELOGIC SOLUTIONS LLC	PROPERTY DATA INFO	120.50
Total 21768:						<u>120.50</u>
21769						
09/16	09/01/2016	21769	62263	COUNTY OF LOS ANGELES	SERVICE CUTS	501.00
Total 21769:						<u>501.00</u>
21770						
09/16	09/01/2016	21770	62658	CPS HR CONSULTING	ONLINE TESTING	510.00
Total 21770:						<u>510.00</u>
21771						
09/16	09/01/2016	21771	21051	CULVER COMPANY INC	WATER STICKERS	68.34
Total 21771:						<u>68.34</u>
21772						
09/16	09/01/2016	21772	62439	CVSTRATEGIES	COMMUNICATION SERVICES	6,236.68
Total 21772:						<u>6,236.68</u>
21773						
09/16	09/01/2016	21773	16	DAVE WARREN	TOTAL EXPENSES-GAS	178.35
09/16	09/01/2016	21773	16	DAVE WARREN	TOTAL EXPENSES-LUNCH LADPW MEETING	65.59
Total 21773:						<u>243.94</u>
21774						
09/16	09/01/2016	21774	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	2,100.00
Total 21774:						<u>2,100.00</u>
21775						
09/16	09/01/2016	21775	1754	ED BUTTS FORD	MAINTENANCE TRUCK 1, 2, 15	569.37

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21775:						569.37
21776						
09/16	09/01/2016	21776	2300	FEDERAL EXPRESS	POSTAGE	149.65
Total 21776:						149.65
21777						
09/16	09/01/2016	21777	62519	FOR US FOUNDATION	SPONSORSHIP-2016 STATE OF SCHOOLS BREAK	750.00
Total 21777:						750.00
21778						
09/16	09/01/2016	21778	2550	FRONTIER	PHONE SERVICE	441.23
Total 21778:						441.23
21779						
09/16	09/01/2016	21779	5600	G M SAGER CONSTRUCTION	CONCRETE	2,577.30
09/16	09/01/2016	21779	5600	G M SAGER CONSTRUCTION	CONCRETE	1,331.30
Total 21779:						3,908.60
21780						
09/16	09/01/2016	21780	24701	GRAINGER	TOOLS & SUPPLIES	51.34
09/16	09/01/2016	21780	24701	GRAINGER	SUPPLIES FOR RC	45.69
09/16	09/01/2016	21780	24701	GRAINGER	TOOLS & SUPPLIES	82.05
Total 21780:						179.08
21781						
09/16	09/01/2016	21781	385	GRIFFITH AIR TOOLS INC	EQUIPMENT REPAIR-APT LONG T DIGGER	218.83
Total 21781:						218.83
21782						
09/16	09/01/2016	21782	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	839.31
09/16	09/01/2016	21782	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	1,883.96
Total 21782:						2,723.27
21783						
09/16	09/01/2016	21783	62645	HD SUPPLY WATERWORKS LTD	SUPPLIES FOR METERS	651.58
Total 21783:						651.58
21784						
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	3,157.00
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	STANDARD DOMAIN RENEWAL 1 YR FOR WWW.R	200.00
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	RACK MOUNTED UPS UNIT FOR MAIN OFFICE	4,946.00
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	CITIWORKS SERVER & TURN IT INTO VIRTUAL H	4,964.95
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	CIP-APP SERVER & TURN IT INTO VIRTUAL HOS	4,964.95
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	STEREO COMPUTER SPEAKERS & USB ADAPTER	97.20
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	HP CARE PACK RENEWALS FOR DATA, EXCHANG	6,900.00
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	MAILBAGGING EMAIL SERVICE	200.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
09/16	09/01/2016	21784	379	HIGHROAD INFORMATION TECHNOL	BLUEBEAM REVU 2016 UPGRADE & ANNUAL MAIN	3,510.00
Total 21784:						33,356.77
21785						
09/16	09/01/2016	21785	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR RES	1,008.80
Total 21785:						1,008.80
21786						
09/16	09/01/2016	21786	62285	HI-WAY SAFETY INC	TOOLS & SUPPLIES	1,596.75
Total 21786:						1,596.75
21787						
09/16	09/01/2016	21787	62405	HOSE-MAN INC	FIRE HOSE	4,048.24
Total 21787:						4,048.24
21788						
09/16	09/01/2016	21788	244	INFOSEND INC	BILLING SERVICE	2,092.92
09/16	09/01/2016	21788	244	INFOSEND INC	BILLING SERVICE	1,703.02
Total 21788:						3,795.94
21789						
09/16	09/01/2016	21789	62226	INLAND DESERT SECURITY &	ANSWERING SERVICE	342.30
Total 21789:						342.30
21790						
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	171.72
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	208.51
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	183.98
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	283.64
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	231.51
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	252.97
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	282.10
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	352.64
09/16	09/01/2016	21790	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	225.38
Total 21790:						2,192.45
21791						
09/16	09/01/2016	21791	62066	JANITORIAL SYSTEMS	WINDOW CLEANING INSIDE & OUT	300.00
Total 21791:						300.00
21792						
09/16	09/01/2016	21792	62586	JD PRINTING & MAILING	MAILING SERVICE	1,030.66
Total 21792:						1,030.66
21793						
09/16	09/01/2016	21793	62501	LEVEL 3 COMMUNICATIONS LLC	INTERNET & DATA	1,508.73

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21793:						1,508.73
21794						
09/16	09/01/2016	21794	257	MCMASTER-CARR SUPPLY CO	SUPPLIES FOR COI	174.53
09/16	09/01/2016	21794	257	MCMASTER-CARR SUPPLY CO	SUPPLIES FOR COI	12.88
09/16	09/01/2016	21794	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	120.84
09/16	09/01/2016	21794	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	113.52
Total 21794:						421.77
21795						
09/16	09/01/2016	21795	62525	MORROW-MEADOWS CORPORATION	CONNECT FLOW METER SIGNAL TO PLC FOR P2	293.68
Total 21795:						293.68
21796						
09/16	09/01/2016	21796	62646	NBS	RATE STUDY	7,670.00
Total 21796:						7,670.00
21797						
09/16	09/01/2016	21797	62476	NETWORKFLEET INC	MONTHLY SERVICE	449.10
Total 21797:						449.10
21798						
09/16	09/01/2016	21798	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT RICO/MPC6003	1,211.15
09/16	09/01/2016	21798	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT RICO/MPC3500	462.40
Total 21798:						1,673.55
21799						
09/16	09/01/2016	21799	62649	OPARC	PAINTING FIRE HYDRANTS	3,019.23
Total 21799:						3,019.23
21800						
09/16	09/01/2016	21800	62448	PARS	GASBY 45 MANAGEMENT FEE	481.58
Total 21800:						481.58
21801						
09/16	09/01/2016	21801	62630	PEP BOYS	AUTO SUPPLIES	179.85
09/16	09/01/2016	21801	62630	PEP BOYS	AUTO SUPPLIES	32.67
Total 21801:						212.52
21802						
09/16	09/01/2016	21802	4500	PETTY CASH	MISC EXPENSES	131.50
Total 21802:						131.50
21803						
09/16	09/01/2016	21803	62196	PRAXAIR DISTRIBUTION INC	CARBON DIOXIDE LIQUID BULB	5,521.67

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21803:						5,521.67
21804						
09/16	09/01/2016	21804	335	PUBLIC SAFETY APPREC LUNCHEON	2016-PUBLIC SAFETY LUNCHEON (12)	360.00
Total 21804:						360.00
21805						
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR BANK ANALYSIS FEES	69.86
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ACCOUNTING FEES	500.00
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ATTORNEY FEES	1,422.50
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	1,942.93
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES FOR REGI	1,379.75
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES FOR PROJ	494.00
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ADMINISTRATIVE FEES	5,330.55
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES FOR PROJ	730.00
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES FOR CAL	8,382.12
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ATTORNEY FEES	840.00
09/16	09/01/2016	21805	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES CDWC	390.00
Total 21805:						21,481.71
21806						
09/16	09/01/2016	21806	5740	QUINN COMPANY	MAINTENANCE-CAT	1,174.61
Total 21806:						1,174.61
21807						
09/16	09/01/2016	21807	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 21807:						1,500.00
21808						
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	TOOLS & SUPPLIES	448.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	108.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	11,693.52
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	TOOLS & SUPPLIES	503.62
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	1,439.03
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	MARKING PAINT 20 OZ BLUE #203	102.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	MARKING PAINT 20 OZ BLACK #206	102.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	4" PLASTIC HYD CAP	650.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	2-1/2" PLASTIC HYD CAP	550.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	2" PVC SCH80 SXMIP ADPT	61.50
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	3/4" X 1/8" LTHR MTR GSMT	87.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	6" X 18" CI HYD EXT CL BO 8H	199.70
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	J&R W5-1/2 CONC MTR BOX	272.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	1" E4201SG NO LEAD CTS	295.04
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	1R CONC VLV BOX	36.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	1R CONC COVER M/WTR	21.00
09/16	09/01/2016	21808	62502	S & J SUPPLY COMPANY, INC	6" - 8" T316 SS 150# B&N SET	1,646.12
Total 21808:						18,214.53
21809						
09/16	09/01/2016	21809	339	S C W U A	REGISTRATION FOR VENDORS FAIR (17)	425.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21809:						425.00
21810						
09/16	09/01/2016	21810	336	SAN GABRIEL VALLEY NEWSPAPER	PUBLIC NOTICE	715.52
Total 21810:						715.52
21811						
09/16	09/01/2016	21811	62534	SHRED IT USA	SHREDDING SERVICE	81.60
Total 21811:						81.60
21812						
09/16	09/01/2016	21812	3550	SOUTHERN COUNTIES FUELS	DIESEL CLEAR	489.77
09/16	09/01/2016	21812	3550	SOUTHERN COUNTIES FUELS	GASOLINE, REGULAR GRADE	3,220.89
09/16	09/01/2016	21812	3550	SOUTHERN COUNTIES FUELS	DIESEL	1,101.17
Total 21812:						4,811.83
21813						
09/16	09/01/2016	21813	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	301.93
Total 21813:						301.93
21814						
09/16	09/01/2016	21814	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	52.32
Total 21814:						52.32
21815						
09/16	09/01/2016	21815	62632	THE TACO BAR	CATERING SERVICE-C.S. APPRECIATION WEEK	572.25
Total 21815:						572.25
21816						
09/16	09/01/2016	21816	6500	THERMALAIR INC	QUARTERLY PREVENTATIVE MAINTENANCE INSP	394.00
09/16	09/01/2016	21816	6500	THERMALAIR INC	MAINTENANCE SERVICE-AC1	968.13
09/16	09/01/2016	21816	6500	THERMALAIR INC	MAINTENANCE SERVICE-AC IN BOARDROOM	290.00
Total 21816:						1,652.13
21817						
09/16	09/01/2016	21817	62521	TRIPEPI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE FEE	300.00
09/16	09/01/2016	21817	62521	TRIPEPI SMITH & ASSOCIATES	SOFTWARE FOR DISPLAY OF PDF FILES	228.00
Total 21817:						528.00
21818						
09/16	09/01/2016	21818	62585	UNICORN METALS RECYCLING CO.	TOOLS & SUPPLIES	26.69
Total 21818:						26.69
21819						
09/16	09/01/2016	21819	62353	VERIZON	CONFERENCE CALLS	68.17

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21819:						68.17
21820						
09/16	09/01/2016	21820	382	W A RASIC CONSTRUCTION CO INC	BALANCE ON PROJECT 16SX28-NOGALES	43,667.96
Total 21820:						43,667.96
21821						
09/16	09/01/2016	21821	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	1,176.17
Total 21821:						1,176.17
21822						
09/16	09/01/2016	21822	62432	WASTE MANAGEMENT COMPANY	HAUL DIRT	777.29
09/16	09/01/2016	21822	62432	WASTE MANAGEMENT COMPANY	HAUL DIRT	620.20
Total 21822:						1,397.49
21823						
09/16	09/01/2016	21823	7975	WEWAC	WEWAC PROGRAMS FOR 2016-17	1,500.00
Total 21823:						1,500.00
21824						
09/16	09/01/2016	21824	321	WIENHOFF DRUG TESTING INC	RANDOM DRUG TESTING	325.00
Total 21824:						325.00
21825						
09/16	09/01/2016	21825	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
Total 21825:						300.00
21827						
09/16	09/13/2016	21827	3375	ANTHONY LIMA	MILEAGE REIMBURSEMENT	118.26
09/16	09/13/2016	21827	3375	ANTHONY LIMA	TOTAL EXPENSES-URBAN WATER CONFERENCE	59.51
Total 21827:						177.77
21828						
09/16	09/13/2016	21828	3360	ROBERT LEWIS	MILEAGE REIMBURSEMENT	112.32
09/16	09/13/2016	21828	3360	ROBERT LEWIS	TOTAL EXPENSES-URBAN WATER CONFERENCE	5.00
Total 21828:						117.32
21829						
09/16	09/15/2016	21829	1000	ACWA JPIA	EMPLOYEE HEALTH BENEFITS	31,158.02
09/16	09/15/2016	21829	1000	ACWA JPIA	EMPLOYEE VISION BENEFITS	465.96
09/16	09/15/2016	21829	1000	ACWA JPIA	EMPLOYEE ASSISTANCE PROGRAM	51.70
09/16	09/15/2016	21829	1000	ACWA JPIA	EMPLOYEE DENTAL BENEFITS	2,811.86
09/16	09/15/2016	21829	1000	ACWA JPIA	RETIREEES HEALTH BENEFITS	11,331.91
09/16	09/15/2016	21829	1000	ACWA JPIA	DIRECTORS HEALTH BENEFITS	7,402.61
Total 21829:						53,222.06

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21830						
09/16	09/15/2016	21830	4600	AIRGAS USA LLC	TOOLS & SUPPLIES	166.82
09/16	09/15/2016	21830	4600	AIRGAS USA LLC	TOOLS & SUPPLIES	224.22
09/16	09/15/2016	21830	4600	AIRGAS USA LLC	TANK RENTAL	74.74
Total 21830:						465.78
21831						
09/16	09/15/2016	21831	3850	ATHENS SERVICES (MODERN SVC)	TRASH SERVICE	515.80
Total 21831:						515.80
21832						
09/16	09/15/2016	21832	1600	B & K ELECTRIC WHOLESALE	SUPPLIES FOR COI	29.47
Total 21832:						29.47
21833						
09/16	09/15/2016	21833	62591	CALAFCO	SPONSORSHIP	500.00
Total 21833:						500.00
21834						
09/16	09/15/2016	21834	6966	CINTAS CORPORATION LOC 693	UNIFORM RENTAL	3,153.75
Total 21834:						3,153.75
21835						
09/16	09/15/2016	21835	1270	CORELOGIC SOLUTIONS LLC	PROPERTY DATA INFO	111.50
Total 21835:						111.50
21836						
09/16	09/15/2016	21836	2125	DANIELS TIRE SERVICE	TIRE TRUCK 16	151.26
Total 21836:						151.26
21837						
09/16	09/15/2016	21837	32	DAVE MILLER	MILEAGE REIMBURSEMENT	41.04
Total 21837:						41.04
21838						
09/16	09/15/2016	21838	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	2,100.00
09/16	09/15/2016	21838	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	2,100.00
Total 21838:						4,200.00
21839						
09/16	09/15/2016	21839	33	DUSTIN T MOISIO	MILEAGE REIMBURSEMENT	43.20
Total 21839:						43.20
21840						
09/16	09/15/2016	21840	1754	ED BUTTS FORD	MAINTENANCE TRUCK 16	50.20

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21840:						50.20
21841						
09/16	09/15/2016	21841	196	EMPLOYMENT DEVELOPMENT DEPT	TAX PENALTY-PERIOD ENDING 6-30-16	119.76
Total 21841:						119.76
21842						
09/16	09/15/2016	21842	2300	FEDERAL EXPRESS	POSTAGE	51.75
Total 21842:						51.75
21843						
09/16	09/15/2016	21843	330	FUEL PRO INC	D/O INSPECTION	170.00
Total 21843:						170.00
21844						
09/16	09/15/2016	21844	62526	HARRINGTON INDUSTRIAL PLASTICS	SUPPLIES FOR RES	848.38
Total 21844:						848.38
21845						
09/16	09/15/2016	21845	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	174.36
09/16	09/15/2016	21845	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	188.24
09/16	09/15/2016	21845	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	559.50
Total 21845:						922.10
21846						
09/16	09/15/2016	21846	244	INFOSEND INC	BILLING SERVICE	1,593.43
09/16	09/15/2016	21846	244	INFOSEND INC	BILLING SERVICE	21.99
09/16	09/15/2016	21846	244	INFOSEND INC	INSERTS-ROWLAND HEIGHTS DAY AT THE FAIR	166.91
09/16	09/15/2016	21846	244	INFOSEND INC	BILLING SERVICE	2,088.29
Total 21846:						3,870.62
21847						
09/16	09/15/2016	21847	62226	INLAND DESERT SECURITY &	ANSWERING SERVICE	499.30
Total 21847:						499.30
21848						
09/16	09/15/2016	21848	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	168.65
09/16	09/15/2016	21848	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	214.65
09/16	09/15/2016	21848	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	206.98
09/16	09/15/2016	21848	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	275.96
Total 21848:						866.24
21849						
09/16	09/15/2016	21849	3060	INTERNAL REVENUE SERVICE	FEDERAL TAX & PENALTY	420.66
Total 21849:						420.66

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21850						
09/16	09/15/2016	21850	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	110.73
Total 21850:						110.73
21851						
09/16	09/15/2016	21851	62562	RMC WATER AND ENVIRONMENT	PHASE 3 CONSTRUCTION-FULLERTON RD	1,345.00
09/16	09/15/2016	21851	62562	RMC WATER AND ENVIRONMENT	POTABLE WATER ON CALL SERVICES	4,768.75
09/16	09/15/2016	21851	62562	RMC WATER AND ENVIRONMENT	RECYCLED WATER ON CALL SERVICES	2,341.00
Total 21851:						8,454.75
21852						
09/16	09/15/2016	21852	62062	ROBERT LEAMY	MILEAGE REIMBURSEMENT	62.10
Total 21852:						62.10
21853						
09/16	09/15/2016	21853	62460	RYAN WHITE	MILEAGE REIMBURSEMENT	40.50
Total 21853:						40.50
21854						
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	3/4" X 3" SB 247 .88 FCRC	373.82
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR VAULT REHAB	846.94
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	20,308.07
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	20,795.93
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	298.83
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	9,276.73
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	244.30
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	453.66
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	670.18
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	1,429.64
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	2,561.61
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR FULLERTON RD	673.73
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	689.50
09/16	09/15/2016	21854	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	416.61
Total 21854:						59,039.55
21855						
09/16	09/15/2016	21855	62166	SO CAL GAS CO	GAS UTILITY BILL-2505 ARTIGAS	58.09
Total 21855:						58.09
21856						
09/16	09/15/2016	21856	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	39,143.65
09/16	09/15/2016	21856	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	4,349.29
Total 21856:						43,492.94
21857						
09/16	09/15/2016	21857	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	100.38
Total 21857:						100.38

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21858						
09/16	09/15/2016	21858	1165	TERMINIX PROCESSING CENTER	MONTHLY PEST CONTROL SERVICE	105.00
Total 21858:						105.00
21859						
09/16	09/15/2016	21859	5900	THE GAS COMPANY	GAS UTILITY BILL	19.55
Total 21859:						19.55
21860						
09/16	09/15/2016	21860	62395	TRANSWORLD SYSTEMS INC	COLLECTION FEES	35.46
Total 21860:						35.46
21861						
09/16	09/15/2016	21861	62585	UNICORN METALS RECYCLING CO.	TOOLS & SUPPLIES	27.78
Total 21861:						27.78
21862						
09/16	09/15/2016	21862	62355	USA BLUE BOOK	CHEVRON RANDO HD OIL	555.63
Total 21862:						555.63
21863						
09/16	09/15/2016	21863	62353	VERIZON	PHONE SYSTEM-VOIP/VOICE LINE	921.87
Total 21863:						921.87
21864						
09/16	09/15/2016	21864	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	876.09
Total 21864:						876.09
21865						
09/16	09/15/2016	21865	205	WARREN GRAPHICS	BC FOR C REYNOSO & J JACOBSON	92.76
Total 21865:						92.76
21866						
09/16	09/21/2016	21866	4750	PWR JT WATER LINE COMMISSION	536.2 AC FT-JULY 2016 WATER	492,231.60
09/16	09/21/2016	21866	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	10,739.20
09/16	09/21/2016	21866	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,149.69
09/16	09/21/2016	21866	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	1,992.76
Total 21866:						506,113.25
21867						
09/16	09/26/2016	21867	750	A & B ELECTRIC	REPLACED BALLAST & PHOTOCELL	309.15
Total 21867:						309.15
21868						
09/16	09/26/2016	21868	62528	AM CONSERVATION GROUP INC	HOSE NOZZLE BLUE	842.50
09/16	09/26/2016	21868	62528	AM CONSERVATION GROUP INC	HOSE NOZZLE GREEN	842.50
09/16	09/26/2016	21868	62528	AM CONSERVATION GROUP INC	FROG MOISTURE METER	845.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
09/16	09/26/2016	21868	62528	AM CONSERVATION GROUP INC	FREIGHT	424.65
Total 21868:						2,954.65
21869						
09/16	09/26/2016	21869	400	AT&T MOBILITY	MOBILE PHONES, IPADS	1,879.24
Total 21869:						1,879.24
21870						
09/16	09/26/2016	21870	402	BOOMERANG BLUEPRINT	HANDOUTS FOR AMERICAN WATER COLLEGE W	938.65
Total 21870:						938.65
21871						
09/16	09/26/2016	21871	62524	BRITTNIE VAN DE CAR	MILEAGE REIMBURSEMENT	28.08
Total 21871:						28.08
21872						
09/16	09/26/2016	21872	1476	BUSINESS CARD (VISA)	VEHICLE EXPENSE	51.88
09/16	09/26/2016	21872	1476	BUSINESS CARD (VISA)	CONFERENCE EXPENSE	489.00
09/16	09/26/2016	21872	1476	BUSINESS CARD (VISA)	MISC EXPENSES	1,566.45
09/16	09/26/2016	21872	1476	BUSINESS CARD (VISA)	MEMBERSHIP FEES	25.00
09/16	09/26/2016	21872	1476	BUSINESS CARD (VISA)	RECYCLED WATER EXPENSES	2,266.11
Total 21872:						4,398.44
21873						
09/16	09/26/2016	21873	62071	CALIFORNIA LIVING INC	INTERIOR PLANT MAINTENANCE	430.00
Total 21873:						430.00
21874						
09/16	09/26/2016	21874	1079	CA-NV SECTION AWWA	CROSS CONNECTION RENEWAL-MARCOS ASPEIT	80.00
Total 21874:						80.00
21875						
09/16	09/26/2016	21875	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,884.00
Total 21875:						1,884.00
21876						
09/16	09/26/2016	21876	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	23,466.35
Total 21876:						23,466.35
21877						
09/16	09/26/2016	21877	1900	CLINICAL LAB OF S B	WATER SAMPLES	1,725.00
Total 21877:						1,725.00
21878						
09/16	09/26/2016	21878	62631	CW WULFF ASSOCIATES	CSWRCB D3-D4 SESSION 1 & 2 EXAM REVIEW	3,400.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 21878:						3,400.00
21879						
09/16	09/26/2016	21879	62638	DIVE CORR	WATER TANK AND CATHODIC PROTECTION CLAS	100.00
Total 21879:						100.00
21880						
09/16	09/26/2016	21880	62433	EMPLOYEE RELATIONS INC	BACKGROUND VERIFICATION	176.60
Total 21880:						176.60
21881						
09/16	09/26/2016	21881	2550	FRONTIER	PHONE SERVICE	440.32
Total 21881:						440.32
21882						
09/16	09/26/2016	21882	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	3,157.00
09/16	09/26/2016	21882	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67
09/16	09/26/2016	21882	379	HIGHROAD INFORMATION TECHNOL	INSTALL COAX CABLE FOR DIRECT TV	1,000.00
Total 21882:						8,573.67
21883						
09/16	09/26/2016	21883	2975	INDUSTRY LIFT INC	MAINTANENCE ON FORKLIFT	178.08
Total 21883:						178.08
21884						
09/16	09/26/2016	21884	62435	INDUSTRY PUBLIC UTILITY COMMISS	PUMPING POWER-PUMPSTATION 2A	16,253.54
Total 21884:						16,253.54
21885						
09/16	09/26/2016	21885	244	INFOSEND INC	BILLING SERVICE	50.84
Total 21885:						50.84
21886						
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	203.91
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	226.91
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	223.84
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	150.25
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	203.91
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	118.05
09/16	09/26/2016	21886	62624	INTER VALLEY POOL SUPPLY INC	CHEMICALS FOR RCS	206.98
Total 21886:						1,333.85
21887						
09/16	09/26/2016	21887	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	600.00
09/16	09/26/2016	21887	62066	JANITORIAL SYSTEMS	WINDOW CLEANING INSIDE & OUT	300.00
Total 21887:						900.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21888						
09/16	09/26/2016	21888	62583	LINCOLN FINANCIAL GROUP	LIFE INSURANCE	249.84
09/16	09/26/2016	21888	62583	LINCOLN FINANCIAL GROUP	SHORT/LONG TERM DISABILITY	724.67
09/16	09/26/2016	21888	62583	LINCOLN FINANCIAL GROUP	DIRECTORS LIFE & AD&D INSURANCE	41.85
Total 21888:						1,016.36
21889						
09/16	09/26/2016	21889	62573	MANAGED MOBILE INC	MAINTENANCE FREIGHLINER	647.22
09/16	09/26/2016	21889	62573	MANAGED MOBILE INC	MAINTENANCE #20	336.13
09/16	09/26/2016	21889	62573	MANAGED MOBILE INC	MAINTENANCE WALTO TRAILER	180.29
Total 21889:						1,163.64
21890						
09/16	09/26/2016	21890	62525	MORROW-MEADOWS CORPORATION	RCS SCADA CONNECTION AND PROGRAMMING (4,600.00
Total 21890:						4,600.00
21891						
09/16	09/26/2016	21891	62646	NBS	RATE STUDY	8,216.25
Total 21891:						8,216.25
21892						
09/16	09/26/2016	21892	62476	NETWORKFLEET INC	MONTHLY SERVICE	449.10
Total 21892:						449.10
21893						
09/16	09/26/2016	21893	189	NOBEL SYSTEMS	GIS SUBSCRIPTION	5,000.00
Total 21893:						5,000.00
21894						
09/16	09/26/2016	21894	46201	PITNEY BOWES GLOBAL FINANCIAL	POSTAGE METER-LEASING CHARGE	263.28
Total 21894:						263.28
21895						
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR COSTS RELATED TO SCADA S	4,480.00
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LA HABRA HEIGHTS PROJECT	725.00
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LA HABRA HEIGHTS MAINTEN	224.00
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CAL DOMESTIC	530.17
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROJECT PB13-003 LABOR	81,014.01
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	4,387.80
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR COSTS RELATED TO SCADA S	915.34
09/16	09/26/2016	21895	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR LA HABRA HEIGHTS PROJECT	2,730.45
Total 21895:						95,006.77
21896						
09/16	09/26/2016	21896	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 21896:						1,500.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
21897						
09/16	09/26/2016	21897	62611	RITA GIACALONE Ph.D.	CONSULTING SERVICES	9,427.18
Total 21897:						9,427.18
21898						
09/16	09/26/2016	21898	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR PUMPS	553.72
09/16	09/26/2016	21898	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR COI	539.56
Total 21898:						1,093.28
21899						
09/16	09/26/2016	21899	62534	SHRED IT USA	SHREDDING SERVICE	81.60
Total 21899:						81.60
21900						
09/16	09/26/2016	21900	215	SOUTH COAST AQMD	ANNUAL RENEWAL-2505 ARTIGAS FACILITY ID 952	354.86
09/16	09/26/2016	21900	215	SOUTH COAST AQMD	EMISSIONS FEES-2505 ARTIGAS FACILITY ID 9521	124.35
Total 21900:						479.21
21901						
09/16	09/26/2016	21901	143	ST JOSEPH HERITAGE HEALTHCARE	PHYSICAL EXAM-J NAZAROFF	55.00
Total 21901:						55.00
21902						
09/16	09/26/2016	21902	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	314.93
Total 21902:						314.93
21903						
09/16	09/26/2016	21903	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	177.00
Total 21903:						177.00
21904						
09/16	09/26/2016	21904	2212	WHITE NELSON DIEHL EVANS LLP	FIRST INTERIM BILLING FISCAL YR 6/30/16	13,500.00
Total 21904:						13,500.00
21905						
09/16	09/26/2016	21905	321	WIENHOFF DRUG TESTING INC	PRE-EMPLOYMENT TEST	65.00
Total 21905:						65.00
21906						
09/16	09/26/2016	21906	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
09/16	09/26/2016	21906	62568	XCEPTIONAL NETWORKS, INC	SERVICE TICKETS	997.50
Total 21906:						1,297.50
90216						
09/16	09/02/2016	90216	215	SOUTH COAST AQMD	ANNUAL RENEWAL FEES-2505 ARTIGAS-FACILITY	519.81
09/16	09/02/2016	90216	215	SOUTH COAST AQMD	EMISSIONS FEES-2501 ARTIGAS-FACILITY ID 9521	151.79
09/16	09/02/2016	90216	215	SOUTH COAST AQMD	ANNUAL RENEWAL-FACILITY ID 328 (REF # N1303	673.49

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
09/16	09/02/2016	90216	215	SOUTH COAST AQMD	EMISSIONS FEES-3021 S FULLERTON -FACILITY I	151.79
09/16	09/02/2016	90216	215	SOUTH COAST AQMD	ANNUAL RENEWAL-FACILITY ID 103956(REF # D88	1,064.58
09/16	09/02/2016	90216	215	SOUTH COAST AQMD	EMISSIONS FEES-FACILITY ID 103956	143.01
Total 90216:						2,704.47
91516						
09/16	09/15/2016	91516	62558	PUENTE BASIN WATER AGENCY	PM 22/PM 9 CONNECTION	395,933.40
09/16	09/15/2016	91516	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,425.23
09/16	09/15/2016	91516	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	1,828.86
09/16	09/15/2016	91516	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	1,457.58
09/16	09/15/2016	91516	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	11,203.21
09/16	09/15/2016	91516	62558	PUENTE BASIN WATER AGENCY	WATER RESEARCH FOUNDARION DUES	1,030.00
Total 91516:						412,878.28
92116						
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	SEMINARS & TRAINING EXPENSE	927.28
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	CONFERENCE EXPENSES	8,417.06
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	MISC EXPENSES	6,533.88
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	VEHICLE EXPENSES	304.11
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	RES EXPENSES	98.55
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	MAINTENANCE & OPERATION EXPENSE	49.13
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	DIRECT TV SERVICE	72.63
09/16	09/21/2016	92116	1070	AMERICAN EXPRESS	TOOLS & SUPPLIES	542.82
Total 92116:						16,945.46
Grand Totals:						1,546,440.49

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11173-0	4,600.00	.00	4,600.00
11505-0	114,383.49	.00	114,383.49
222100	.00	1,546,440.49-	1,546,440.49-
51310-0	888,165.00	.00	888,165.00
51410-1	3,450.34	.00	3,450.34
51410-2	2,574.92	.00	2,574.92
51410-3	1,828.86	.00	1,828.86
51410-5	21,942.41	.00	21,942.41
51510-0	25,518.61	.00	25,518.61
51910-0	14,564.89	.00	14,564.89
52210-0	6,631.02	.00	6,631.02
52310-0	55,397.19	.00	55,397.19
54209-0	2,311.80	.00	2,311.80
54210-0	1,331.30	.00	1,331.30
54211-0	4,166.13	.00	4,166.13
54212-0	1,442.01	.00	1,442.01
54213-0	7,173.29	.00	7,173.29
54214-0	624.04	.00	624.04
54215-0	8,642.35	.00	8,642.35
54216-0	293.68	.00	293.68
54217-0	5,401.34	.00	5,401.34

GL Account	Debit	Credit	Proof
54218-0	756.44	.00	756.44
54219-0	99,661.09	.00	99,661.09
56210-0	6,696.23	.00	6,696.23
56211-0	1,781.58	.00	1,781.58
56214-0	769.56	.00	769.56
56215-0	2,685.00	.00	2,685.00
56216-0	2,263.47	.00	2,263.47
56217-0	445.50	.00	445.50
56218-0	8,955.67	.00	8,955.67
56218-1	2,262.50	.00	2,262.50
56219-0	10,932.48	.00	10,932.48
56220-0	43,967.17	.00	43,967.17
56221-0	8,270.54	.00	8,270.54
56223-0	10,087.41	.00	10,087.41
56312-0	49,673.53	.00	49,673.53
56320-0	14,761.64	.00	14,761.64
56411-0	31,158.02	.00	31,158.02
56413-0	2,811.86	.00	2,811.86
56415-0	465.96	.00	465.96
56416-0	249.84	.00	249.84
56417-0	11,331.91	.00	11,331.91
56418-0	724.67	.00	724.67
56419-0	51.70	.00	51.70
56421-0	7,444.46	.00	7,444.46
56510-0	3,183.68	.00	3,183.68
56710-0	6,596.75	.00	6,596.75
56811-0	13,500.00	.00	13,500.00
56812-0	11,279.63	.00	11,279.63
57312-0	4,786.45	.00	4,786.45
57314-0	2,010.41	.00	2,010.41
57315-0	2,950.00	.00	2,950.00
57316-0	7,109.75	.00	7,109.75
57319-0	2,954.65	.00	2,954.65
57321-0	3,418.27	.00	3,418.27
Grand Totals:	<u>1,546,440.49</u>	<u>1,546,440.49-</u>	<u>.00</u>

Report Criteria:

Report type: GL detail

Report Criteria:
Detail Report

Check Number	Date	Payee					
21907	09/27/2016	SEQUEL CONTRACTORS INC					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	222-50	DEPOSIT REFUND	22810-0	460.02	
		2	222-50	CREDIT REDUND	15210-0	490.12	950.14
21908	09/27/2016	GREGG ELECTRIC INC					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	1048-02	DEPOSIT REFUND-825 AJAX	22810-0	236.41	
		2	1048-02	CREDIT REFUND-825 AJAX	15210-0	458.90	695.31
21909	09/27/2016	JEFFERY JUNSUK YANG					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	946194-96	CREDIT REFUND-2040 RIO BONITO	15210-0	85.36	85.36
21910	09/27/2016	FENG ZHOU					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	195983-60	DEPOSIT REFUND-18003 AMARGOSO DR	22810-0	205.02	205.02
21911	09/27/2016	JING CHEN					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	300695-54	DEPOSIT REFUND-2726 BATSON	22810-0	259.43	259.43
21912	09/27/2016	GARY LEE					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	436280-88	DEPOSIT REFUND-2111 PASO REAL	22810-0	81.16	81.16
21913	09/27/2016	QINGQING LIU					
		Sequence	Source	Description	GL Account	Amount	Check Amount
		1	279432-01	DEPOSIT REFUND-19241 VALLEY VIEW	22810-0	43.24	43.24
21914	09/27/2016	DONNA STEINMETZ					

Sequence	Source	Description	GL Account	Amount	Check Amount
1	324985-75	DEPOSIT REFUND-1455 DESTOYA AVE	22810-0	156.58	156.58
21915	09/27/2016	KATHY HUYNH			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	431876-15	DEPOSIT REFUND-16406 EMBER GLEN	22810-0	57.20	57.20
21916	09/27/2016	MAINLAND EXCHANGE INC			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	376996-41	DEPOSIT REFUND-18355 BEDFORD	22810-0	613.34	613.34
21917	09/27/2016	JOY DU			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	262141-67	DEPOSIT REFUND-18124 MESCAL ST	22810-0	132.26	132.26
21918	09/27/2016	ZHONGYING WANG			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	460616-25	DEPOSIT REFUND-1808 SANTA YSABELA	22810-0	214.31	214.31
21919	09/27/2016	BEN HE			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	335516-45	DEPOSIT REFUND-18933 GRANDBY PL	22810-0	77.96	77.96
21920	09/27/2016	JIAN JUN LIU			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	413134-12	CREDIT REFUND-16667 CIRCLE HILL	15210-0	119.91	119.91
21921	09/27/2016	ZHANG CENLUN			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	100422-95	CREDIT REFUND-18546 STONEGATE	15210-0	82.71	82.71
21922	09/27/2016	PAUL CHENG			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	434302-85	CREDIT REFUND-2326 SIERRA LEONE	15210-0	75.17	75.17

Check Number	Date	Payee						
21923	09/27/2016	GLENN TOMITA						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	401901-24	CREDIT REFUND-18925 ELIZONDO	15210-0	47.56	47.56
21924	09/27/2016	ALAIN CHU						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	731924-22	CREDIT REFUND-18408 COMPANARIO	15210-0	32.21	32.21
21925	09/27/2016	CAROL SAY						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	17138-67	CREDIT REFUND-SAMARA DR	15210-0	161.68	161.68
21926	09/27/2016	EMILY SO						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	179211-97	CREDIT REFUND-16535 OLD FOREST	15210-0	209.17	209.17
21927	09/27/2016	AIRONG SUN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	239297-54	CREDIT REFUND-2132 DESIRE AVE	15210-0	114.88	114.88
21928	09/27/2016	FRANCES HARNCHIOU WU						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	285745-52	CREDIT REFUND-2773 SOMERSET	15210-0	51.08	51.08
21929	09/27/2016	MAINLAND EXCHANGE INC						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	376996-41	CREDIT REFUND-18355 BEDFORD	15210-0	83.24	83.24
21930	09/27/2016	SUNSHINE GROWERS C/O MARSHA LEPPER						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	1091-02	CREDIT REFUND-16411 WEDGEWORTH	15210-0	370.74	370.74
21931	09/27/2016	WILLIAM WOSMAN						

Sequence	Source	Description	GL Account	Amount	Check Amount
1	448991-20	CREDIT REFUND-2503 DOUBLETREE LANE	15210-0	175.31	175.31
21932 09/27/2016 JUN LI					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	365291-15	CREDIT REFUND-2105 PASO REAK	15210-0	381.51	381.51
21933 09/28/2016 GRIFFITH COMPANY					
Sequence	Source	Description	GL Account	Amount	Check Amount
1	56-00	DEPOSIT REFUND	22810-0	373.62	373.62
Grand Totals:					<u>5,850.10</u>

Report Criteria:
Detail Report

Tab

1.4



Rowland Water District Memorandum

To: Thomas Coleman, General Manager

From: Sean S. Henry, Finance Officer

CC:

Date: October 4, 2016

Subject: Investment Update – September 2016

Economic Review: The next meeting of the Federal Reserve is scheduled for November 1st. The last meeting was held on September 20th. The Fed Funds rate was maintained at a target range of ¼ to ½ percent. At the meeting, the Federal Reserve stated “the labor market has continued to strengthen and growth of economic activity has picked up from the modest pace seen in the first half of the year. Although the unemployment rate is little changed in recent months, job gains have been solid, on average. Household spending has been growing strongly but business fixed investment has remained soft. Inflation has continued to run below the Committee’s two percent longer-run objective, partly reflecting earlier declines in energy prices and in prices of non-energy imports.” The latest reading of the Consumer Price Index (CPI) for Los Angeles, Riverside and Orange Counties was 1.4 for the month of August. The previous reading was 1.2 in July.

LAIF Update: LAIF ended the month of September with a yield of 0.61%. This represents a .02 basis point increase from the month of August. A comparison with last year shows a .28 basis point increase from August 2016 when the yield stood at 0.33%.

RWD Investments: Rowland Water District’s bond portfolio carries an average yield of 1.15%. This represents a .01 basis point decrease from the month of August and a 0.54 basis point premium to LAIF. The District had one bond mature in the month of August. A five- year \$480,000 FNMA yielding 1.25% matured on September 28th. The District CD Placement program carries an effective yield of 0.93% and an average maturity of 633 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 SEPTEMBER 30, 2016



CASH	
Citizens Business Bank	1,426,197.51
Comerica Bank MMIA	<u>26,474.58</u>
TOTAL CASH	1,452,672.09

COMERICA SECURITIES CD PLACEMENT	NA	1mth - 2 Years	NA	NA	NA	0.93%	633	2,190,000.00	12.08%
LOCAL AGENCY INVESTMENT FUND (LAIF)	NA	NA	NA	NA	NA	0.61%	NA	1,927,159.87	10.63%

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

	Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio
US Treasury Note	5 Year	250,000.00	101.231	100.066	10/31/16	1.00%	NA	250,165.00	1.38%
Fedl Natl Mtg Assn	5 Year	250,000.00	100.639	100.114	11/15/16	1.38%	NA	250,285.00	1.38%
US Treasury Note	5 Year	250,000.00	99.942	100.108	11/30/16	0.88%	NA	250,270.00	1.38%
Fed Natl Mtg Assn	5 Year	200,000.00	101.194	100.260	01/30/17	1.25%	NA	200,520.00	1.11%
Fed Natl Mtg Assn	5 Year	250,000.00	100.083	100.190	08/28/17	0.88%	NA	250,475.00	1.38%
US Treasury Note	5 Year	250,000.00	99.559	99.953	09/30/17	0.63%	NA	249,882.50	1.38%
Fed Natl Mtg Assn	5 Year	250,000.00	100.019	100.149	12/20/17	0.88%	NA	250,372.50	1.38%
Fed Home Loan Mtg Corp	5 Year	200,000.00	99.289	99.971	01/12/18	0.75%	NA	199,942.00	1.10%
US Treasury Note	5 Year	200,000.00	99.742	100.031	02/28/18	0.75%	NA	200,062.00	1.10%
US Treasury Note	4 Year	250,000.00	99.539	101.047	06/30/18	1.38%	NA	252,617.50	1.39%
Fed Natl Mtg Assn	5 Year	500,000.00	100.300	100.089	05/21/18	0.88%	NA	500,445.00	2.76%
US Treasury Note	5 Year	250,000.00	99.727	101.129	09/30/18	1.38%	NA	252,822.50	1.39%
US Treasury Note	5 Year	250,000.00	99.868	101.191	11/30/18	1.38%	NA	252,997.50	1.40%
US Treasury Note	5 Year	250,000.00	99.137	101.496	12/31/18	1.50%	NA	253,740.00	1.39%
US Treasury Note	5 Year	250,000.00	100.172	101.535	01/31/19	1.50%	NA	253,837.50	1.40%
US Treasury Note	5 Year	250,000.00	99.140	101.563	02/28/19	1.50%	NA	253,907.50	1.40%
US Treasury Note	5 Year	250,000.00	99.617	101.902	03/31/19	1.63%	NA	254,755.00	1.40%
US Treasury Note	5 Year	250,000.00	98.719	101.027	04/30/19	1.26%	NA	252,567.50	1.40%
US Treasury Note	5 Year	100,000.00	98.532	101.008	10/31/19	1.27%	NA	101,008.00	1.41%
US Treasury Note	5 Year	250,000.00	99.359	101.309	01/31/20	1.38%	NA	253,272.50	1.39%
US Treasury Note	5 Year	250,000.00	99.047	100.481	03/31/20	1.14%	NA	251,202.50	0.56%
US Treasury Note	5 Year	250,000.00	99.016	101.301	04/30/20	1.38%	NA	253,252.50	1.40%
Fed Natl Mtg Assn	5 Year	250,000.00	98.867	101.530	06/22/20	1.50%	NA	253,825.00	1.39%
US Treasury Note	5 Year	250,000.00	99.633	100.063	02/28/21	1.13%	NA	250,157.50	1.40%
US Treasury Note	5 Year	250,000.00	100.184	99.856	07/31/21	1.13%	NA	249,640.00	1.40%
Cash Reserve Account						0.07%		77,113.32	0.43%
Total BNY Mellon Investments								6,319,135.32	34.87%

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

	Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio
Fedl Natl Mtg Assn	5 Year	500,000.00	100.898	100.114	11/15/16	1.38%	NA	500,570.00	2.76%
Fedl Home Loan Mtg Corp	5 Year	465,000.00	100.427	100.230	03/08/17	1.00%	NA	466,069.50	2.57%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	102.124	100.414	05/12/17	1.25%	NA	251,035.00	1.39%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	100.793	100.282	06/29/17	1.00%	NA	250,705.00	1.38%
Fedl Natl Mtg Assn	5 Year	485,000.00	101.342	100.190	08/28/17	0.88%	NA	485,921.50	2.68%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.650	100.149	12/20/17	0.88%	NA	495,737.55	2.74%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.066	99.971	01/12/18	0.75%	NA	494,856.45	2.73%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.448	100.134	02/08/18	0.88%	NA	495,663.30	2.73%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.392	100.078	03/07/18	0.88%	NA	495,386.10	2.73%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.530	100.089	05/21/18	0.88%	NA	500,445.00	2.76%
Fedl Natl Mtg Assn	4 Year	250,000.00	98.671	100.667	09/27/18	1.27%	NA	251,667.50	1.39%
Fedl Natl Mtg Assn	5 Year	245,000.00	100.061	101.615	11/27/18	1.63%	NA	248,956.75	1.37%
Fedl Home Loan Mtg Corp	5 Year	275,000.00	99.581	100.726	08/01/19	1.25%	NA	276,996.50	1.53%
Fedl Home Loan Mtg Corp	5 Year	275,000.00	99.344	100.706	10/02/19	1.25%	NA	276,941.50	1.53%
Fedl Farm Credit Bank	5 Year	240,000.00	98.229	100.609	10/22/19	1.29%	NA	241,461.60	1.33%
ML Bank Deposit (Cash Account)						0.07%		503,075.39	2.78%
Total Merrill Lynch Investments								6,235,488.64	34.40%

TOTAL INVESTMENTS
TOTAL CASH AND INVESTMENTS

	16,671,783.83	100%
	18,124,455.92	
Weighted Average Yield of Total Investment Portfolio:	0.90%	

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 AUGUST 2016

SOURCE / DESCRIPTION	2016			2015		
	ACRE-FEET	COST	COST/A.F.	ACRE-FEET	COST	COST/A.F.
WATER CHARGES:						
POTABLE WATER						
PUENTE BASIN WATER AGENCY / TVMWD	395.5	363,069.00	918.00	392.5	352,817.05	898.90
POMONA-WALNUT-ROWLAND JWLC	608.9	558,970.20	918.00	551.7	495,978.30	899.00
LA HABRA HEIGHTS	0.0	-	-	4.1	1,896.97	461.55
WATER REPLENISHMENT DISTRICT (WRD)	0.0	-	-	4.1	1,163.13	283.69
	1,004.4	922,039.20		952.4	851,855.5	
RECLAIMED WATER	104.5	24,342.44	232.94	122.5	28,840.86	235.44
TOTAL WATER CHARGES	1,108.9	946,381.64		1,074.9	880,696.31	
FIXED CHARGES:						
PUENTE BASIN WATER AGENCY / TVMWD						
CAPACITY RESERVATION		11,203.21			9,993.79	
CONNECTED CAPACITY		1,425.23			1,409.90	
WATER USE CHARGE		1,457.58			1,360.71	
EQUIV. SMALL METER		1,828.86			1,665.02	
SUBTOTAL		15,914.88			14,429.42	
PWR JWLC						
CAPACITY RESERVATION		10,739.20			11,348.45	
CONNECTED CAPACITY		1,149.69			1,137.31	
WATER USE CHARGE		1,992.76			2,208.05	
DEPRECIATION		-			-	
REPLACEMENT		-			-	
BUDGET ASSESSMENT		-			-	
SUBTOTAL		13,881.65			14,693.81	
LHH / OCWD						
WHEELING CHARGE	0.0	-	-	4.1	205.00	11.00
SUBTOTAL						
TOTAL FIXED CHARGES		29,796.53			29,123.23	
TOTAL PURCHASED WATER CHARGES		976,178.17			909,819.54	
AVERAGE WATER CHARGE:		\$ 880.31			\$ 846.41	

Tab

1.5

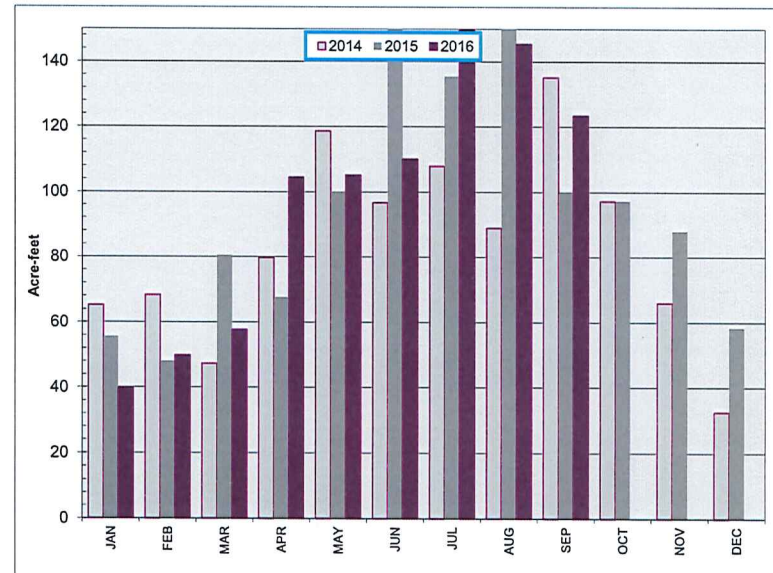
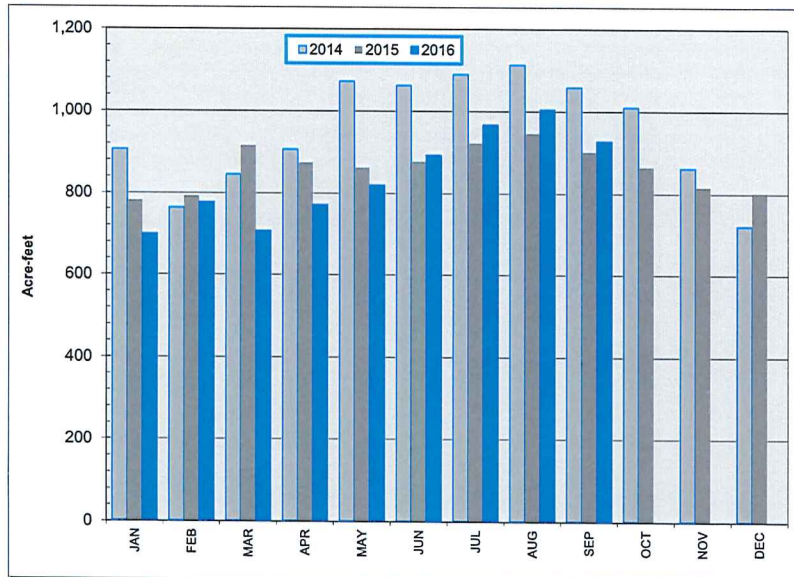


Water Purchases for CY 2016 (Acre-feet)



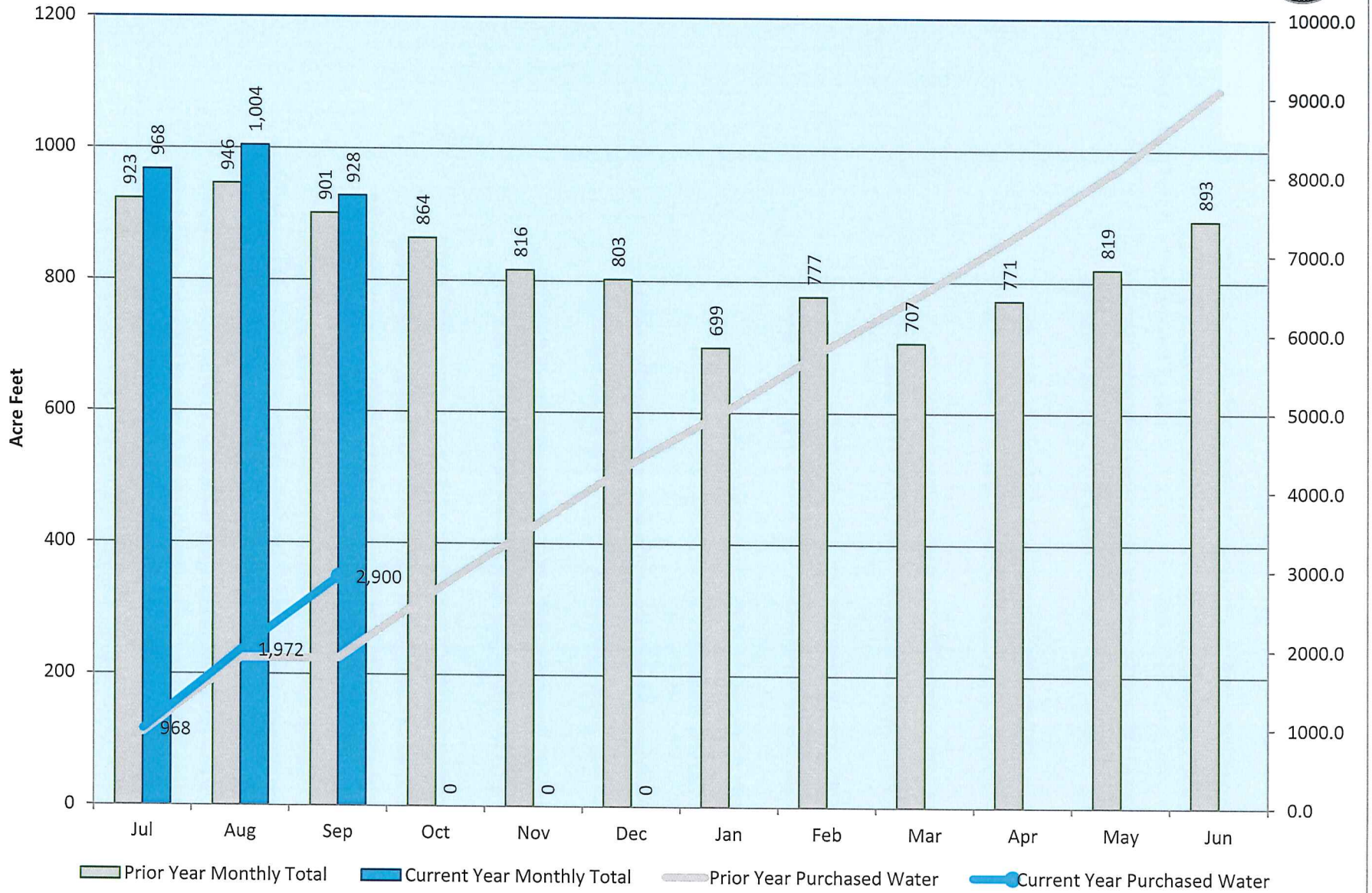
	POTABLE SYSTEM				TOTAL
	LHH	PM-22	JWL		
			PM-15	Miramar	
JAN	72.2	306.6	150.0	170.3	699.1
FEB	99.4	284.9	179.4	213.3	777.0
MAR	85.0	193.1	157.5	271.4	707.0
APR	0.0	295.1	297.5	178.5	771.1
MAY	0.0	345.4	308.1	165.7	819.2
JUN	0.0	455.0	351.7	86.5	893.2
JUL	0.0	431.3	457.2	79.0	967.5
AUG	0.0	395.5	531.5	77.4	1,004.4
SEP	0.0	334.4	489.6	104.0	928.0
OCT					0.0
NOV					0.0
DEC					0.0
TOTAL	256.6	3,041.3	2,922.5	1,346.1	7,566.5

RECYCLED SYSTEM					
Well 1	Wet Well	WVWD	Industry	Potable Make-up	TOTAL
0.0	3.5	0.0	36.3	0.0	39.8
0.0	9.4	1.0	39.5	0.0	49.9
0.0	6.9	2.0	48.8	0.0	57.7
5.7	3.9	3.0	91.9	0.0	104.5
26.8	8.2	3.0	67.2	0.0	105.2
23.7	8.3	1.0	77.1	0.0	110.1
33.5	8.0	3.0	130.0	0.0	174.5
12.2	29.8	2.0	101.5	0.0	145.5
35.4	10.9	3.0	74.2	0.0	123.5
					0.0
					0.0
					0.0
137.3	88.9	18.0	666.5	0.0	910.7



Potable Water Purchases For FY 2016-2017

(Acre-feet)



Tab

2.1



OCTOBER 2016-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					
	10/5/2016	Three Valleys Board Meeting	\$110.00		Mileage
	10/6/2016	OPARC Dinner		X	
	10/11/2016	RWD Board Meeting	\$110.00		
	10/15/2016	Buckboard Day Parade		X	
	10/19/2016	Three Valleys Board Meeting	\$110.00		Mileage
	10/20/2016	PWR Meeting at Walnut	\$110.00		Mileage
	10/25/2016	RWD Special Board Meeting	\$110.00		
	10/27/2016	Three Valleys Leadership Breakfast		X	
		TOTAL PAYMENT	\$550.00		
John Bellah					
	10/11/2016	RWD Board Meeting	\$80.00		
	10/15/2016	Buckboard Day Parade		X	
	10/21/2016	FOR US Foundation-State of Schools Breakfast		X	
	10/25/2016	RWD Special Board Meeting	\$80.00		
	10/27/2016	Three Valleys Leadership Breakfast		X	
		TOTAL PAYMENT	\$160.00		
Robert W. Lewis					
	10/6/2016	Public Safety Appreciation Luncheon		X	
	10/10/2016	SGV Chamber Gov Affairs	\$110.00		
	10/11/16-10/13/16	CSDA Conference	\$330.00		Mileage & Other expenses
	10/15/2016	Buckboard Day Parade		X	
	10/25/2016	RWD Special Board Meeting	\$110.00		
	10/27/2016	Three Valleys Leadership Breakfast		X	
		TOTAL PAYMENT	\$550.00		
Szu-Pei Lu					
	10/6/2016	Public Safety Appreciation Luncheon		X	
	10/11/2016	RWD Board Meeting	\$110.00		
	10/15/2016	Buckboard Day Parade		X	
	10/19/2016	Three Valleys Board Meeting	\$110.00		
	10/21/2016	FOR US Foundation-State of Schools Breakfast		X	
	10/25/2016	RWD Special Board Meeting	\$110.00		
	10/27/2016	Three Valleys Leadership Breakfast		X	
		TOTAL PAYMENT	\$330.00		
Teresa Rios					
	10/11/16-10/13/16	CSDA Conference	\$330.00		Car Rental & Gas
	10/25/2016	RWD Special Board Meeting	\$110.00		
		TOTAL PAYMENT	\$440.00		

APPROVED FOR PAYMENT:

Tom Coleman

Tab

2.2

ROWLAND WATER DISTRICT
FINANCIAL STATEMENTS
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
FOR THE YEAR ENDED JUNE 30, 2016

Preliminary Draft

ROWLAND WATER DISTRICT

TABLE OF CONTENTS

For the Year Ended June 30, 2016

	<u>Page Number</u>
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis (Required Supplementary Information)	5 - 15
BASIC FINANCIAL STATEMENTS:	17
Proprietary Fund:	
Statement of Net Position	18 - 19
Statement of Revenues, Expenses and Changes in Net Position	20 - 21
Statement of Cash Flows	22 - 23
Fiduciary Fund:	
Statement of Fiduciary Net Position	26
Statement of Changes in Fiduciary Net Position	27
Notes to Basic Financial Statements	29 - 65
REQUIRED SUPPLEMENTARY INFORMATION:	67
Schedule of Proportionate Share of the Net Pension Liability	68
Schedule of Contributions - Defined Benefit Pension Plan	69
Other Post-Employment Benefit Plan - Schedule of Funding Progress	70
OTHER SUPPLEMENTARY INFORMATION:	71
Schedules of Other Operating Expenses	72
Schedules of General and Administrative Expenses	73
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	75 - 76

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) as of and for the year ended June 30, 2016, 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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, 2016 and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

Other Matters

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of contributions for the defined benefit pension plan, and the other post employment benefit plan schedule of funding progress, identified as required supplementary information in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE**, 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.

Irvine, California
DATE

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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BASIC FINANCIAL STATEMENTS

Preliminary Draft

ROWLAND WATER DISTRICT
STATEMENT OF NET POSITION

June 30, 2016

ASSETS:

CURRENT ASSETS:

Cash and cash equivalents	\$ 2,343,634
Investments	14,688,703
Accounts receivable, net of allowance for doubtful accounts of \$30,000	2,614,651
Interest receivable	37,676
Supply inventories	115,816
Water in storage	61,590
Prepaid items	39,118

TOTAL CURRENT ASSETS	19,901,188
----------------------	------------

RESTRICTED ASSETS:

Cash and cash equivalents	617,535
Investments	9,300,748

TOTAL RESTRICTED ASSETS	9,918,283
-------------------------	-----------

CAPITAL ASSETS:

Capital assets, not being depreciated	1,398,258
Capital assets, being depreciated, net	57,354,128

TOTAL CAPITAL ASSETS, NET	58,752,386
---------------------------	------------

OTHER NONCURRENT ASSETS:

Investment in joint ventures	14,963,701
------------------------------	------------

TOTAL ASSETS	103,535,558
--------------	-------------

DEFERRED OUTFLOWS OF RESOURCES:

Deferred amounts from pension plans	691,225
Deferred amounts on refunding	3,495,468

TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,186,693
--------------------------------------	-----------

(Continued)

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT
STATEMENT OF NET POSITION
(CONTINUED)

June 30, 2016

LIABILITIES:

CURRENT LIABILITIES (PAYABLE FROM
UNRESTRICTED ASSETS):

Accounts payable	\$ 2,032,016
Interest payable	131,304
Current portion of installment purchase contract payable	410,000
Current portion of 2014A refunding bonds payable	495,000
	3,068,320

CURRENT LIABILITIES (PAYABLE FROM
RESTRICTED ASSETS):

Retentions payable	-
Refundable customer deposits	182,577
Unearned construction advances	390,307
	572,884

TOTAL CURRENT LIABILITIES

3,641,204

NONCURRENT LIABILITIES:

Compensated absences	294,658
Net OPEB obligation	120,446
Installment purchase contract payable	19,656,215
2014A refunding bonds payable	20,112,026
Net pension liability	3,048,469
	43,231,814

TOTAL NONCURRENT LIABILITIES

43,231,814

TOTAL LIABILITIES

46,873,018

DEFERRED INFLOWS OF RESOURCES:

Deferred amounts from pension plans	352,751
	352,751

NET POSITION:

Net investment in capital assets	37,208,570
Unrestricted	23,287,912
	60,496,482

TOTAL NET POSITION

\$ 60,496,482

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the year ended June 30, 2016

OPERATING REVENUES:

Water sales:	
Residential	\$ 6,831,066
Business	5,132,977
Public entities	204,311
Industrial	20,472
Reclaimed water	624,313
Other	67,249
	<hr/>
Total water sales	12,880,388

Water services:

Water service charges	6,090,233
Nonrefundable new service fees	43,225
New service connection fees	334,630
Reconnection fees	20,310
Customer penalties	199,124
Other	97,132
	<hr/>
Total water services	6,784,654

TOTAL OPERATING REVENUES	<hr/> 19,665,042
--------------------------	------------------

OPERATING EXPENSES:

Source of supply	9,616,789
Pumping and power	920,439
Transmission and distribution	1,124,026
Customer services	62,916
Depreciation expense	2,191,832
Other operating expenses	312,953
General and administrative expenses	4,062,806
	<hr/>

TOTAL OPERATING EXPENSES	<hr/> 18,291,761
--------------------------	------------------

OPERATING INCOME	<hr/> 1,373,281
------------------	-----------------

(Continued)

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

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

For the year ended June 30, 2016

NONOPERATING REVENUES (EXPENSES):

Investment income:

Interest and dividend income	\$ 352,137
Realized and unrealized gains (losses) on investments, net	(14,972)
Property tax revenues	327,836
Miscellaneous income	65,507
Rental income	139,364
Interest expense	(1,564,669)
Amortization of debt premium/(discount)	(28,592)
Gain from investment in joint ventures	388,216

TOTAL NONOPERATING
REVENUES (EXPENSES)

(335,173)

CHANGE IN NET POSITION

1,038,108

NET POSITION - BEGINNING OF YEAR

59,458,374

NET POSITION - END OF YEAR

\$ 60,496,482

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENT OF CASH FLOWS

For the year ended June 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 19,654,246
Cash payments to suppliers for goods and services	(11,476,577)
Cash payments to employees for services	(2,561,178)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>5,616,491</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Proceeds from property taxes	327,836
Other receipts	65,507
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>393,343</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(2,622,262)
Proceeds from sale of capital assets	-
Change in deferred construction advances	133,390
Principal payments on debt	(880,000)
Interest paid	(1,564,652)
Proceeds from debt premium	-
Proceeds from issuance of debt	-
Payment to refunding debt escrow agent	-
Payment of debt issuance costs	-
Capital contributions received	-
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(4,933,524)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Contributions to joint ventures	(3,440,599)
Purchases of investments	(26,286,990)
Proceeds from sale of investments	26,807,305
Investment income	344,788
NET CASH USED FOR INVESTING ACTIVITIES	<u>(2,575,496)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,499,186)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>4,320,991</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,821,805</u>

See accompanying notes to basic financial statements.

(Continued)

ROWLAND WATER DISTRICT

STATEMENTS OF CASH FLOWS
(CONTINUED)

For the year ended June 30, 2016

RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 1,373,281
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,191,832
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(11,338)
(Increase) decrease in other receivables	-
(Increase) decrease in supply inventories	2,418
(Increase) decrease in water in storage	2,413,948
(Increase) decrease in prepaid items	8,797
(Increase) decrease in escrow deposits	104,528
(Increase) decrease in deferred outflows of resources from pension plans	(356,435)
Increase (decrease) in accounts payables	(169,828)
Increase (decrease) in retentions payable	(104,528)
Increase (decrease) in refundable customer deposits	542
Increase (decrease) in compensated absences	38,969
Increase (decrease) in accrued net OPEB obligation	(148,664)
Increase (decrease) in net pension liability	706,588
Increase (decrease) in deferred inflows of resources from pension plans	(433,619)

NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 5,616,491</u>
--	---------------------

NONCASH CAPITAL AND RELATED
FINANCING ACTIVITIES:

Amortization of debt premiums/discounts and deferred amount on refunding	<u>\$ 119,254</u>
--	-------------------

NONCASH INVESTING ACTIVITIES:

Gain (loss) from investment in joint ventures	<u>\$ 8,485</u>
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See accompanying notes to basic financial statements.

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Preliminary Draft

FIDUCIARY FUND FINANCIAL STATEMENTS

Preliminary Draft

ROWLAND WATER DISTRICT
STATEMENT OF FIDUCIARY NET POSITION

June 30, 2016

	<u>Other Post-Employment Benefit (OPEB) Trust Fund</u>
ASSETS:	
Investments	\$ 2,311,579
 TOTAL ASSETS	 <u>2,311,579</u>
 NET POSITION:	
Held in trust for OPEB benefits	<u>2,311,579</u>
 TOTAL NET POSITION	 <u>\$ 2,311,579</u>

Preliminary Draft

See accompanying notes to basic financial statements.

ROWLAND WATER DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the year ended June 30, 2016

	Other Post-Employment Benefit (OPEB) Trust Fund
ADDITIONS:	
Employer contributions	\$ 420,000
Investment income	19,062
TOTAL ADDITIONS	<u>439,062</u>
DEDUCTIONS:	
Distributions	-
Administrative expense	5,024
TOTAL DEDUCTIONS	<u>5,024</u>
CHANGE IN NET POSITION	434,038
NET POSITION - BEGINNING OF YEAR	<u>1,877,541</u>
NET POSITION - END OF YEAR	<u><u>\$ 2,311,579</u></u>

Preliminary Draft

See accompanying notes to basic financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

Preliminary Draft

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Nature of Organization:

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

b. Basis of Presentation:

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

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

c. Measurement Focus and Basis of Accounting:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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

Fiduciary Funds:

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

d. New Accounting Pronouncements:

GASB Current Year Standards:

In fiscal year 2015-2016, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 72, "*Fair Value Measurement and Application*". GASB Statement No. 72 requires the District to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach or income approach. GASB Statement No. 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. GASB Statement No. 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that were used for the fair value measurements. There was no material impact on the District's financial statements as a result of the implementation of GASB Statement No. 72.

GASB Statement No. 73 - "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*", was required to be implemented in the current fiscal year, except for those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for periods beginning after June 15, 2016, and did not impact the District.

GASB Statement No. 76 - "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*", was required to be implemented in the current fiscal year and did not impact the District.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d. New Accounting Pronouncements (Continued):

GASB Current Year Standards (Continued):

GASB Statement No. 79 - "*Certain External Investment Pools and Pool Participants*", was required to be implemented in the current fiscal year, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing, which are effective for periods beginning after December 15, 2015, and did not impact the District.

GASB Statement No. 82, "*Pension Issues an Amendment of GASB Statement No. 67, No. 68 and No. 73*", changed the measurement of covered payroll reported in required supplementary information and has been early implemented.

GASB Pending Accounting Standards:

GASB has issued the following statements, which may impact the District's financial reporting requirements in the future.

- GASB 73 - "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68", the provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB 68, effective for periods beginning after June 15, 2016.
- GASB 74 - "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans", effective for periods beginning after June 15, 2016.
- GASB 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", effective for periods beginning after June 15, 2017.
- GASB 77 - "*Tax Abatement Disclosure*", effective for periods beginning after December 15, 2015.
- GASB 78 - "*Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*", effective for periods beginning after December 15, 2015.
- GASB 79 - "*Certain External Investment Pools and Pool Participants*", the certain provisions on portfolio quality, custodial credit risk, and shadow pricing, effective for periods beginning after December 15, 2015.
- GASB 80 - "*Blending Requirements for Certain Component Units*", effective for periods beginning after June 15, 2016.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d. New Accounting Pronouncements (Continued):

GASB Pending Accounting Standards (Continued):

- GASB 81 - “*Irrevocable Split-Interest Agreements*”, effective for periods beginning after December 15, 2016.
- GASB 82 - “*Pension Issues*”, effective for periods beginning after June 15, 2016, except for certain provisions on selection of assumptions, which is effective in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

e. Deferred Outflows/Inflows of Resources:

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

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

f. Net Position:

Net position of the District can be classified into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

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

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

g. Uniform System of Accounts for Water Utility Districts:

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

h. Operating Revenues and Expenses:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

i. Cash and Cash Equivalents:

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

j. Investments:

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

k. Restricted Assets:

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

l. Accounts Receivable:

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

m. Inventories and Water in Storage:

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

n. Capital Assets and Depreciation:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

o. Capitalized Interest:

The District incurred interest charges on long-term debt totaling \$1,564,669 for the year ended June 30, 2016. No interest has been capitalized as additions to the cost of construction for the year ended June 30, 2016.

p. Restricted Liabilities:

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

q. Unearned Construction Advances and Capital Contributions:

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

r. Property Taxes:

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

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

s. Compensated Absences:

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

t. Claims and Judgments:

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the District records the estimated loss, net of any insurance coverage under its participation in the Joint Power Insurance Authority program. At June 30, 2016, in the opinion of the District's legal counsel, the District had no material claims which would require loss provision in the financial statements. Small dollar claims and judgments are recorded as expenses when paid.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

u. Pensions:

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

v. Use of Estimates:

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

2. CASH AND INVESTMENTS:

Cash and Investments:

Cash and investments as of June 30, 2016 are reported in the accompanying statements of net position as follows:

	Government Wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Financial Statement Classification:			
Unrestricted:			
Cash and cash equivalents	\$ 2,343,634	\$ -	\$ 2,343,634
Investments	14,688,703	2,311,579	17,000,282
Restricted:			
Cash and cash equivalents	617,535	-	617,535
Investments	<u>9,300,748</u>	<u>-</u>	<u>9,300,748</u>
Total Cash and Investments	<u>\$ 26,950,620</u>	<u>\$ 2,311,579</u>	<u>\$ 29,262,199</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

Cash and investments as of June 30, 2016 consisted of the following:

	District Funds	OPEB Trust	Total
Cash on hand	\$ 400	\$ -	\$ 400
Demand deposits	887,623	-	887,623
Time deposits	498,000	-	498,000
Investments	<u>25,564,597</u>	<u>2,311,579</u>	<u>27,876,176</u>
Total cash and investments	<u>\$ 26,950,620</u>	<u>\$ 2,311,579</u>	<u>\$ 29,262,199</u>

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

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

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

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

N/A - Not Applicable

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

Investments Authorized by Debt Agreements:

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

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

N/A - Not Applicable

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2016.

Investment Type	Remaining Maturity (in Years)				Fair Value Total
	Less Than 1 year	1 to 2 Years	2 to 3 Years	3 to 5 Years	
District Investments:					
U.S. Treasury Notes	\$ 751,331	\$ 450,781	\$ 3,153,544	\$ -	\$ 4,355,656
U.S. Government Sponsored Agency Securities:					
FFCB	-	-	242,614	-	242,614
FHLMC	968,981	1,192,099	556,641	-	2,717,721
FNMA	1,434,442	3,239,074	250,216	254,803	5,178,535
Negotiable CD	1,084,609	611,845	-	-	1,696,453
LAIF	1,928,931	-	-	-	1,928,931
Money Market Mutual Funds	99,564	-	-	-	99,564
Held by Trustee:					
U.S. Treasury Notes	1,420,740	1,000,940	-	-	2,421,680
U.S. Government Sponsored Agency Securities:					
FHLMC	985,635	2,008,089	-	-	2,993,724
FNMA	1,475,072	-	-	-	1,475,072
LAIF	44,680	-	-	-	44,680
Money Market Mutual Funds	2,409,967	-	-	-	2,409,967
OPEB Trust Investments:					
PARS Trust Pool	2,311,579	-	-	-	2,311,579
	<u>\$ 14,915,531</u>	<u>\$ 8,502,828</u>	<u>\$ 4,203,015</u>	<u>\$ 254,803</u>	<u>\$ 27,876,176</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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, 2016. U.S. treasury notes and bills are not required to be rated and, therefore, have been excluded from the tables below.

Investment	Minimum Legal Rating	Total as of June 30, 2016	AAA	AA+	Unrated
District Investments:					
U.S. Government					
Sponsored Agency Securities:					
FFCB	N/A	\$ 242,614	\$ -	\$ 242,614	\$ -
FHLMC	N/A	2,717,721	-	2,717,721	-
FNMA	N/A	5,178,535	-	5,178,535	-
Negotiable CD	N/A	1,696,453	1,696,453	-	-
LAIF	N/A	1,928,931	-	-	1,928,931
Money Market Mutual Funds	A	99,564	99,564	-	-
Held by Trustee:					
U.S. Government					
Sponsored Agency Securities:					
FHLMC	N/A	2,993,724	-	2,993,724	-
FNMA	N/A	1,475,072	-	1,475,072	-
LAIF	N/A	44,680	-	-	44,680
Money Market Mutual Funds	A	2,409,967	2,409,967	-	-
OPEB Trust Investments:					
PARS Trust Pool	N/A	2,311,579	-	-	2,311,579
		<u>\$ 21,098,840</u>	<u>\$ 4,205,984</u>	<u>\$ 12,607,666</u>	<u>\$ 4,285,190</u>

Concentration of Credit Risk:

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

Issuer	Investment Type	
Federal Home Loan Mortgage Corporation	U.S. Government Sponsored Agency Securities	\$5,711,445
Federal National Mortgage Association	U.S. Government Sponsored Agency Securities	\$6,653,607

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

Custodial Credit Risk:

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2016, the District's deposits were covered by the Federal Deposit Insurance Corporation insurance limits or collateralized as required by California law.

Investment in State Investment Pool

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

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

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

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

Those investment guidelines approved by the District are as follows:

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

Acceptable Investments:

The following is a list of acceptable investments:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

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

Fixed Income Guidelines:

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

Equity Guidelines:

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

Fair Value Measurements

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

Fair Value Measurements (Continued)

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the District's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the District's own data.

The asset's or liability's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable requires judgment by the District's management. District management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment or liability within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to District management's perceived risk of that investment or liability.

The following is a description of the recurring valuation methods and assumptions used by the District to estimate the fair value of its investments. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received by District's asset manager from third party service provider.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

2. CASH AND INVESTMENTS (CONTINUED):

Fair Value Measurements (Continued)

The District has no investments categorized in Level 3. When valuing Level 3 securities, the inputs or methodology are not necessarily an indication of the risks associated with investing in those securities. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy.

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
U.S. Treasury Notes	\$ -	\$ 4,355,656	\$ -	\$ 4,355,656
U.S. Government Sponsored Agency Securities:				
FFCB	-	242,614	-	242,614
FHLMC	-	2,717,721	-	2,717,721
FNMA	-	5,178,535	-	5,178,535
Negotiable CD	-	1,696,453	-	1,696,453
Held by Trustee:				
U.S. Treasury Notes	-	2,421,680	-	2,421,680
U.S. Government Sponsored Agency Securities:				
FHLMC	-	2,993,724	-	2,993,724
FNMA	-	1,475,072	-	1,475,072
Total Investments	\$ -	\$ 21,081,455	\$ -	21,081,455
Investments not subject to hierarchy:				
LAIF				1,928,931
Money Market Mutual Funds				99,564
Held By Trustee:				
LAIF				44,680
Money Market Mutual Funds				2,409,967
OPEB Trust:				
PARS Trust Pool				2,311,579
Total Investments				\$ 27,876,176

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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, 2016</u>
Deposits from customers	Security deposits for payment of utility bills	\$ 182,577
Customer advances	Construction	390,307
Bond proceeds	Construction projects	<u>9,345,399</u>
		<u>\$ 9,918,283</u>

4. CAPITAL ASSETS:

Changes in capital assets for the year ended June 30, 2016 is as follows:

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Retirements/ Transfers</u>	<u>Balance June 30, 2016</u>
Capital assets, not being depreciated:				
Land	\$ 261,340	\$ -	\$ -	\$ 261,340
Water rights	5,000	-	-	5,000
Construction in progress	<u>1,162,307</u>	<u>1,599,299</u>	<u>(1,629,688)</u>	<u>1,131,918</u>
Total capital assets, not being depreciated	<u>1,428,647</u>	<u>1,599,299</u>	<u>(1,629,688)</u>	<u>1,398,258</u>
Capital assets, being depreciated:				
Intangible plant	1,022,551	-	-	1,022,551
Sources of supply plant	2,076,956	-	-	2,076,956
Pumping plant	10,037,819	-	-	10,037,819
Transmission and distribution plant	63,116,434	2,005,496	-	65,121,930
Telemetry equipment	1,354,235	135,437	-	1,489,672
General plant	570,451	-	-	570,451
Office building and equipment	6,108,622	393,040	-	6,501,662
Transportation equipment	888,066	118,678	(42,706)	964,037
Communication equipment	<u>133,902</u>	<u>-</u>	<u>-</u>	<u>133,902</u>
Total capital assets, being depreciated	85,309,036	2,652,651	(42,706)	87,918,981
Less accumulated depreciation	<u>(28,415,727)</u>	<u>(2,191,832)</u>	<u>42,706</u>	<u>(30,564,853)</u>
Total capital assets, being depreciated, net	<u>56,893,309</u>	<u>(460,819)</u>	<u>-</u>	<u>57,354,128</u>
Total capital assets, net	<u>\$ 58,321,956</u>	<u>\$ 2,060,118</u>	<u>\$ (1,629,688)</u>	<u>\$ 58,752,386</u>

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

5. INVESTMENT IN JOINT VENTURES:

Puente Basin Water Agency:

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

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

The District records its investment in the Puente Basin Water Agency as an other noncurrent asset, Investment in Joint Ventures. The changes in its investment in Puente Basin Water Agency consisted of the following as of June 30, 2016:

Beginning of year	\$ 10,450,257
Contributions*	3,440,599
Share of income	<u>373,815</u>
End of year	<u>\$ 14,264,671</u>

*Contributions contains a value of water in storage transferred, totaling \$2,432,129.

The following is condensed financial information of the investment in Puente Basin Water Agency as of and for the year ended June 30, 2016 including the participants' approximate percentage shares:

	Amount	Walnut Valley Water District	Rowland Water District
Total assets	\$ 62,186,121	50.0%	50.0%
Total liabilities	38,521,038	50.0%	50.0%
Total equity	23,665,083	50.0%	50.0%
Billings to participants	15,933,770		

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

5. INVESTMENT IN JOINT VENTURES (CONTINUED):

Pomona-Walnut-Rowland Joint Water Line Commission:

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

Each year, every member agency is charged an assessment for their share of the general and administrative costs of the Commission which is allocated based on each agency's capacity rights in the pipeline. In addition, a capital surcharge is assessed for the future replacement of the pipeline. For the year ended June 30, 2016, the District remitted assessments of \$47,976, for their 20.0% capacity rights and their share of future replacement costs. Also, the District purchased water totaling \$5,150,972, from the Commission during the year ended June 30, 2016.

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

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

Beginning of year	\$ 684,629
Share in income	<u>14,401</u>
End of year	<u>\$ 699,030</u>

The following is condensed financial information of the investment in Pomona-Walnut-Rowland Joint Waterline Commission as of and for the year ended June 30, 2016 including the participants' approximate percentage shares:

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

5. INVESTMENT IN JOINT VENTURES (CONTINUED):

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

	<u>Amount</u>	<u>City of Pomona</u>	<u>Walnut Valley Water District</u>	<u>Rowland Water District</u>
Total assets	\$5,473,079	27.5%	43.9%	27.5%
Total liabilities	\$3,020,343	27.5%	43.9%	27.5%
Total equity	\$2,452,736	27.5%	43.9%	27.5%
Water billings to participants	\$16,312,820			

6. CERTIFICATES OF PARTICIPATION:

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

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

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

7. WATER REVENUE REFUNDING BONDS, SERIES 2014A:

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

These bonds mature in various amounts through December 1, 2039. The balance outstanding as of June 30, 2016 is \$19,025,000. The Bonds were issued at a premium of \$1,686,785, which is being amortized over the life of the debt on a straight-line basis. The unamortized premium outstanding as of June 30, 2016 is \$1,582,026.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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

Interest is payable semi-annually on December 1 and June 1 at rates ranging from 2.00% to 5.00%. The installment payments on these bonds are secured by a first priority lien on the Net Revenues of the District. The following is a summary of the changes in Water Revenue Refunding Bonds, Series 2014A bonds for the year ended June 30, 2016:

	Balance at June 30, 2015	Additions	Reductions	Balance at June 30, 2016	Due Within One Year
Water Revenue Refunding Bonds, Series 2014A	\$ 19,510,000	\$ -	\$ (485,000)	\$ 19,025,000	\$ 495,000
Add: Unamortized Premium	1,648,940	-	(66,914)	1,582,026	-
TOTAL	\$ 21,158,940	\$ -	\$ (551,914)	\$ 20,607,026	\$ 495,000

Maturities of the Water Revenue Refunding Bonds, Series 2014A and interest payments subsequent to June 30, 2016 as follows:

Year Ending	Principal	Interest	Total
2017	\$ 495,000	\$ 795,819	\$ 1,290,819
2018	510,000	780,744	1,290,744
2019	525,000	765,219	1,290,219
2020	540,000	749,244	1,289,244
2021	560,000	729,944	1,289,944
2022 - 2026	3,170,000	3,286,719	6,456,719
2027 - 2031	3,815,000	2,673,722	6,488,722
2032 - 2036	4,700,000	1,788,500	6,488,500
2037 - 2039	4,710,000	486,000	5,196,000
Total	\$ 19,025,000	\$ 12,055,911	\$ 31,080,911

8. INSTALLMENT PURCHASE CONTRACT PAYABLE:

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

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

8. INSTALLMENT PURCHASE CONTRACT PAYABLE (CONTINUED):

The District's obligation to make installment payments is a special obligation of the District payable solely from the net revenues of the District. The following is a summary of the installment purchase contract for the year ended June 30, 2016:

	Balance at June 30, 2015	Additions	Reductions	Balance at June 30, 2016	Due Within One Year
Installment purchase Contract	\$ 19,070,000	\$ -	\$ (395,000)	\$ 18,675,000	\$ 410,000
Add: Unamortized premium	1,433,554	-	(52,239)	1,391,215	-
TOTAL	<u>\$ 20,513,554</u>	<u>\$ -</u>	<u>\$ (447,339)</u>	<u>\$ 20,066,215</u>	<u>\$ 410,000</u>

Maturities of the installment purchase contract and interest payments subsequent to June 30, 2016 as follows:

Year Ending	Principal	Interest	Total
2017	\$ 410,000	\$ 742,450	\$ 1,152,450
2018	425,000	725,750	1,150,750
2019	445,000	710,575	1,155,575
2020	460,000	694,700	1,154,700
2021	475,000	676,000	1,151,000
2022 - 2026	2,690,000	3,072,100	5,762,100
2027 - 2031	3,205,000	2,559,825	5,764,825
2032 - 2036	3,750,000	2,020,625	5,770,625
2037 - 2041	4,620,000	1,149,500	5,769,500
2042 - 2043	2,195,000	111,125	2,306,125
Total	<u>\$ 18,675,000</u>	<u>\$ 12,462,650</u>	<u>\$ 31,137,650</u>

9. COMPENSATED ABSENCES:

In accordance with the District's policy, employees may accrue up to 240 hours of vacation. For the year ended June 30, 2016, the total accrued vacation liability for all employees totaled \$164,092.

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

9. COMPENSATED ABSENCES (CONTINUED):

The District has modified the Employment Agreement in regards to the General Manager's sick leave benefits. The General Manager shall receive the same sick leave benefits, upon the same terms and conditions, as provided to all other District employees. For the year ended June 30, 2016, the total accrued sick leave liability for all employees totaled \$130,566.

10. DEFERRED COMPENSATION PLAN:

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

11. DEFINED BENEFIT PENSION PLANS:

a. General Information about the Pension Plans:

Plan Descriptions:

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

Benefits Provided:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

a. General Information about the Pension Plans:

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

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

Contributions:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

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

As of June 30, 2016, the District reported net pension liabilities for its proportionate shares of the net pension liability of all Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	<u>\$ 3,048,469</u>

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2015, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for all Plans as of June 30, 2015 and 2016 was as follows:

	Miscellaneous
Proportion - June 30, 2015	0.09476%
Proportion - June 30, 2016	0.11112%
Change - Increase (Decrease)	0.01636%

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

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

For the year ended June 30, 2016, the District recognized pension expense of \$247,370. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 337,455	\$ -
Differences between actual and expected experience	21,457	-
Change in assumptions	-	(203,007)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	332,313	(47,974)
Net differences between projected and actual earnings on plan investments	-	(101,770)
Total	<u>\$ 691,225</u>	<u>\$ (352,751)</u>

\$337,455 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Year Ending June 30,	Amount
2016	\$ (42,401)
2017	(41,369)
2018	(45,296)
2019	130,085
2020	-
Thereafter	-

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

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

Actuarial Assumptions:

The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

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

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

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

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at the CalPERS website under Forms and Publications.

Change of Assumptions:

GASB 69, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

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

Discount Rate:

The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the Plans, the tests revealed the assets would not run out. Therefore, the current 7.65% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

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

Discount Rate (Continued):

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the CalPERS Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	100.00%		

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

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

11. DEFINED BENEFIT PENSION PLANS (CONTINUED):

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

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

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

	<u>Miscellaneous</u>
1% Decrease	6.65%
Net Pension Liability	\$ 5,038,057
Current Discount Rate	7.65%
Net Pension Liability	\$ 3,048,469
1% Increase	8.65%
Net Pension Liability	\$ 1,405,833

Pension Plans Fiduciary Net Position

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

- c. Payable to the Pension Plans:

At June 30, 2016, the District had no outstanding amount of contributions to the pension plans due for the year ended June 30, 2016.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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 25 active employees and 10 retired employees through the ACWA health program. At retirement, the District provides a contribution for the continuation of these coverage's for eligible retirees. Eligibility for a District contribution requires retirement from the District and under CalPERS on or after age 50 with at least 15 years of continuous service. The District provides 100% of the cost of coverage for the retiree and any covered spouse.

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

b. Funding Policy:

The contribution requirements of plan members and the District are established and may be amended by the District, District's Board of Directors, and/or the employee associations. Currently, contributions are not required from plan members. The District has been typically funding this OPEB plan on a pay-as-you-go basis. For the year ended June 30, 2016, the District paid \$147,319 in health care costs for its retirees and their covered dependents. In addition, the District made a \$420,000 contribution to a trust account established to fund the District's net OPEB obligation for the year ended June 30, 2016.

c. Annual OPEB Cost and Net OPEB Obligation:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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

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

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

Annual required contribution	\$ 418,321
Interest on net OPEB obligation	17,492
Adjustment to annual required contribution	<u>(17,158)</u>
Annual OPEB cost (expense)	418,655
Actual contributions made	<u>(567,319)</u>
Increase (decrease) in net OPEB obligation	(148,664)
Net OPEB Obligation - beginning of year	269,110
Net OPEB Obligation - end of year	<u>\$ 120,446</u>

d. Three-Year Trend Information:

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2016, 2015 and 2014 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
6/30/14	\$ 360,066	\$ 187.15%	\$ 459,526
6/30/15	351,251	154.21%	269,110
6/30/16	418,655	135.51%	120,446

e. Funded Status and Funding Progress:

As of July 1, 2015, the plan was 28.95% percent funded. The actuarial accrued liability for benefits was \$6,485,558, and the actuarial value of assets was \$1,877,541, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,608,017. The estimated covered payroll (annual payroll of active employees covered by the plan) was \$2,099,673 and the ratio of the UAAL to the covered payroll was 219.46%.

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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

e. Funded Status and Funding Progress (Continued):

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

f. Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The entry age normal cost method was used for the actuarial valuation as of July 1, 2015. Significant assumptions included a discount rate of 6.5% per annum, projected salary increases of 3.25% per annum and medical trend rates that start at 9.0% for HMO and 9.5% for PPO coverage in the initial year and are decreased 0.5% per year to an ultimate rate of 5.0%. The unfunded actuarial accrued liability is being amortized over an initial 30 years using the level-percentage-of-pay method on a closed-basis. The remaining amortization period is 30 years.

13. RISK MANAGEMENT:

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

13. RISK MANAGEMENT (CONTINUED):

At June 30, 2016, the District participated in the self-insurance programs of the Insurance Authority as follows:

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

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

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

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

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

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

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

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

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

ROWLAND WATER DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2016

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, 2016:

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

15. COMMITMENTS AND CONTINGENCIES:

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

16. SUBSEQUENT EVENTS:

Events occurring after June 30, 2016 have been evaluated for possible adjustments to the financial statements or disclosure as of **DATE**, which is the date these financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

Preliminary Draft

ROWLAND WATER DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last Ten Fiscal Years*

Fiscal year ended	June 30, 2016	June 30, 2015
Measurement period	June 30, 2015	June 30, 2014
Proportion of the net pension liability	0.11112%	0.03764%
Proportionate share of the net pension liability	\$ 3,048,469	\$ 2,341,881
Covered - employee payroll	\$ 2,161,937	\$ 2,163,227
Proportionate share of the net pension liability as percentage of covered - employee payroll	141.01%	108.26%
Plan's fiduciary net position	\$ 11,560,803	\$ 11,721,653
Plan fiduciary net position as a percentage of the total pension liability	82.20%	83.35%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

GASB 69, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

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

ROWLAND WATER DISTRICT

SCHEDULE OF CONTRIBUTIONS - DEFINED BENEFIT PENSION PLAN

Last Ten Fiscal Years*

	June 30, 2016	June 30, 2015
Contractually required contribution (actuarially determined)	\$ 337,455	\$ 334,790
Contributions in relation to the actuarially determined contributions	<u>(337,455)</u>	<u>(334,790)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered - employee payroll	\$ 2,099,673	\$ 2,161,937
Contributions as a percentage of covered - employee payroll	16.07%	15.49%

Notes to Schedule:

Valuation Date 6/30/2013

Methods and Assumptions Used to Determine Contribution Rates:

Cost-sharing employers	Entry age normal cost method**
Amortization method	Level percentage of payroll, closed**
Asset valuation method	Market Value***
Inflation	2.75%**
Salary increases	3.30% to 14.20% depending on age, service, and type of employment; including inflation of 2.75%**
Investment rate of return	7.50%, net of pension plan investment expense, including inflation**
Retirement age	50 years (2%@55 and 2%@60), 52 years (2%@62)**
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010. There is no margin for future mortality improvement beyond the valuation date.**

* - Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

** - The valuation for June 30, 2012 (applicable to fiscal year ended June 30, 2015) included the same actuarial assumptions.

*** - The valuation for June 30, 2012 (applicable to fiscal year ended June 30, 2015) valued assets using a 15 Year Smoothed Market method.

ROWLAND WATER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION

For the year ended June 30, 2016

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

Retiree Health Plan

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Assets (AVA) (b)	Unfunded Actuarial Accrued Liability (UAAL) (a) - (b)	Funded Ratio (b)/(a)	Estimated Annual Covered Payroll (c)	UAAL as a % of Covered Payroll [(a)-(b)]/(c)
07/01/09	\$ 4,645,724	\$ -	\$ 4,645,724	0.00%	\$ 1,964,000	236.54%
07/01/12	\$ 4,499,844	\$ 404,434	\$ 4,095,410	8.99%	\$ 2,161,937	189.43%
07/01/15 (1)	\$ 6,485,558	\$ 1,877,541	\$ 4,608,017	28.95%	\$ 2,099,673	219.46%

(1) The changes to the AAL from July 1, 2012 to July 1, 2015 are summarized as follows (in thousands):

Changes to AAL	AAL
AAL as of July 1, 2012	\$ 4,500,000
Expected Benefits Earned, Benefit Payments and Interest	950,000
Recognition of an Age-Related Implicit Subsidy	830,000
Revised CalPERS Assumed Mortality Rates	410,000
Revised Plan Selection and Marriage Assumptions	360,000
Plan Amendment Change: New Eligibility Ages	300,000
Revised Health Care Cost Assumed Trend Rates	180,000
Revised CalPERS Assumed Retirement Rates	80,000
Vision Calculation Error Fixed	(70,000)
Middle-of-Year Active Decrements	(140,000)
Actual 2015 Premium Rates	(1,010,000)
Actual Demographic and Other Experience	96,000
AAL as of July 1, 2015	<u>\$ 6,486,000</u>

OTHER SUPPLEMENTARY INFORMATION

Preliminary Draft

ROWLAND WATER DISTRICT

SCHEDULE OF OTHER OPERATING EXPENSES

For the year ended June 30, 2016

Engineering	\$	13,048
Maintenance and operations		31,361
Small tools and supplies		40,294
Water tests		21,887
Certification, fees and permits		48,650
Water supply planning and development		157,713
TOTAL OTHER OPERATING EXPENSES	\$	<u>312,953</u>

Preliminary Draft

ROWLAND WATER DISTRICT

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES

For the year ended June 30, 2016

Salaries and wages	\$ 998,870
Payroll taxes	168,188
Insurance	602,393
Automobile expenses	63,671
Service charges	112,807
Office supplies and expenses	254,040
Utilities	71,329
Professional services	429,581
Membership fees and dues	45,931
Conferences and travel	60,969
Directors' fees and expenses	116,579
Public relations	110,563
Repairs and maintenance	31,368
Pension plan contributions	425,614
Other post employment benefits	418,655
Seminars and training	67,007
Conservation rebate program expenses	10,352
Taxes, permits and fees	17,160
Uncollectable accounts	12,845
Miscellaneous	44,884
	<hr/>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	<u>\$ 4,062,806</u>

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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 the proprietary fund and fiduciary fund of the Rowland Water District (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated DATE.

Internal Control over Financial Reporting

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

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

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

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.

Irvine, California

DATE

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SCHNEIDER & ASSOCIATES CLAIM SERVICES

CLAIMS ADJUSTERS, INVESTIGATORS, ADMINISTRATORS | WWW.SCHNEIDERCLAIMS.COM

April 12, 2016

Rowland Water District
3021 Fullerton Road
Rowland Heights, CA 91748

Attention: Risk Manager

RE:	Claim Number:	ISA4077
	Our File Number:	25711
	Insured Name:	Long's Directional Boring, Inc.
	Date of Loss:	03/16/2016
	Claimant Names:	Cowboy Café In & Out Burger

Dear Risk Manager:

Please be advised Schneider & Associates Claim Services is working on behalf of Ironshore Specialty Insurance Company through its administrator, Specialty Claims Management, to investigate the above noted General Liability claim made against Long's Directional Boring, Inc.

We are in the process of conducting our investigation. This claim arises out of business interruption damages sustained by Cowboy Café and In & Out Burger located at the intersection of Colima Road and Fullerton Road in City of Industry, CA. Long's Directional Drilling was hired as a subcontractor by Select Electric, Inc. to install a 4" PVC pipe for new electrical wiring. Our insured called Dig Alert prior to beginning any of the work regarding this project.

Our investigation has determined that your company was notified by Dig Alert to go to the project site to mark the existing utility water line. A representative from your company arrived at the site and they improperly marked the water line. After being instructed where to bore the line by Select Electric, Inc., they struck the main water line which caused damage and the water in the area had to be turned off for several hours while repairs were made to the water main. It appears your employee mismarked the water line. In fact, the distance where the line was struck was approximately five feet away from where your employee marked the line.

We are hereby tendering this claim to you for future handling, and request that you refer this matter to your general liability insurance carrier. Please have the assigned representative acknowledge, in writing, their handling of this matter. Please contact the undersigned upon receipt of this letter so we may discuss this in more detail. We thank you for your anticipated cooperation in the handling of this matter.

Serving
California
Nevada
Arizona
Utah



State License
CA 2F05633
AZ 868043
NV 220215
UT 329278

Please contact the undersigned if additional information is required from us. We may be reached at (888) 95-CLAIM (25246) or (818) 566-3090.

Sincerely,

SCHNEIDER & ASSOCIATES
www.schneiderclaims.com

Mark I. Cox
mcox@schneiderclaims.com
Mobile: (831) 247-2954

cc:

Specialty Claims Management
25909 Pala, Suite 395
Mission Viejo, CA 92691
Attention: Wayne Felix

Select Electric, Inc.
11250 E. Firestone Blvd.
Norwalk, CA 90650

Tab

2.4

**Rowland Water District
Communication Strategies Update
November 8, 2016**

• **Proposition 218**

- Draft notice complete
- Additional outreach and talking points being drafted
- Press release to be prepared

• **OPARC Release**

- Drafted and distributed October 31, 2016
- Press release distributed

• **Solar Cup/Santana High School Release**

- Drafted and distributed November 7, 2016

• **District Video**

- Interviews underway
 - o John "Cinco" Rowland V complete
 - o Others to be scheduled
- B-Roll underway
 - o Board meeting complete
 - o Historic photography being treated
 - o District facilities to be scheduled
 - o Drone opportunities to be scheduled
- Script being drafted

• **Miscellaneous**

- Educational brochure (final complete)
- Website (sliders and text updated as needed)
- On-Hold Messages

• Press Releases

Date	News Story	In Process	Completed	Distributed
1/21/16	El Nino Preparations	*****	*****	*****
2/29/16	OPARC Program	*****	*****	*****
3/1/16	Learning Center MOU/Interns	*****	*****	
3/1/16	Audit Review and Completion	*****	*****	*****
3/31/16	ACWA/JPIA Refund	*****	*****	*****
6/1/16	Certificate of Excellence	*****	*****	*****
6/1/16	Solar Cup	*****	*****	*****
6/27/16	CCR Availability	*****	*****	*****
7/6/16	Urban Water Management	*****	*****	*****
7/9/16	Poster Contest	*****	*****	*****
7/27/16	Level 1 Water Supply	*****	*****	*****
7/31/16	Annual Budget	*****	*****	*****
8/2/16	Conflict of Interest	*****	*****	*****
9/22/16	Water Rates	*****		
9/30/16	Customer Appreciation Week	*****	*****	*****
10/31/16	OPARC Event	*****	*****	*****
11/7/16	Santana/Solar Cup	*****	*****	*****



Memorandum

To: Board of Directors

From: Brittnie Van De Car
Public Affairs Representative

Date: November 8, 2016

Re: Public Affairs & Education Update

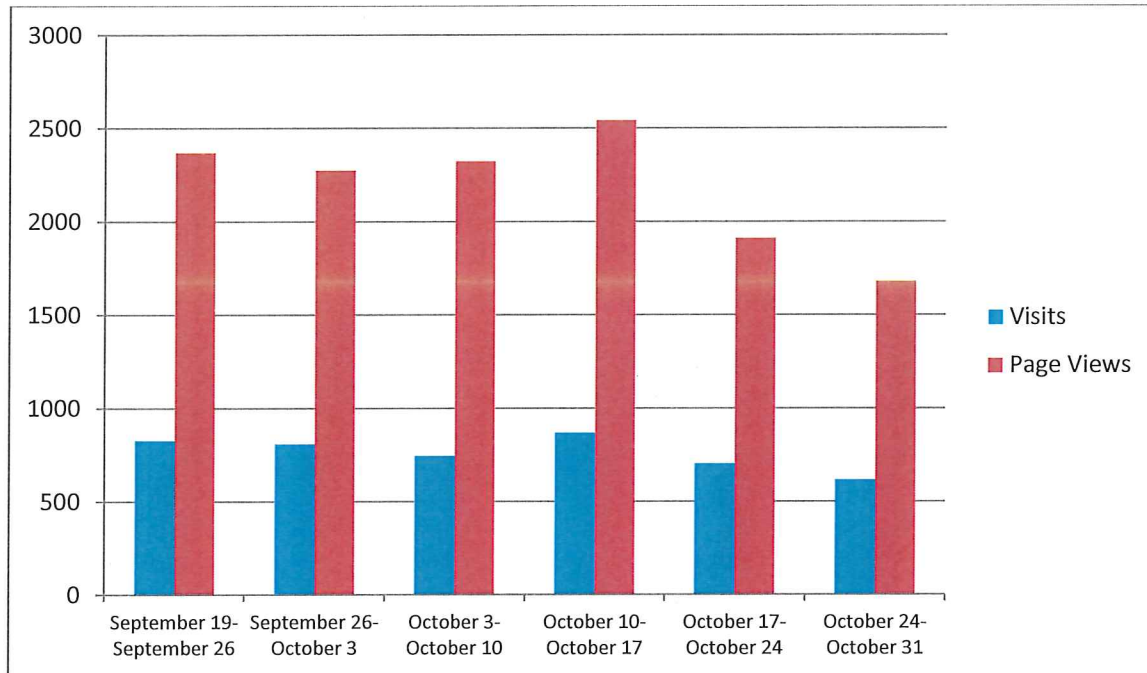
- Upcoming Classroom Presentations
 - November 8, 2016
 - Rowland Elementary School
 - 2nd Grade
 - 2 Presentations
 - Water Cycle Bracelet
 - **52 Students Total**
 - November 9, 2016
 - Rowland Elementary School
 - 2nd Grade
 - 1 Presentation
 - Water Cycle Presentation
 - **26 Students Total**
 - **78 Students Reached**
- Buckboard Days Parade and Festival was a huge success
- Delivered fliers to high school seniors for the Scholarship Contest
- Delivered fliers to junior high and high school students for the Media Contest
- Holding a landscape class November 9th. Marketing this in the lobby and on the bill
- Created a Survey Monkey to send out to the teachers that have participated in the classroom presentations.
 - The Teacher Evaluations are anonymous and provide valuable feedback
 - The feedback is used to develop and enhance future presentations
- Keeping up-to-date with the WaterSense partnership program:
 - Printing appropriate promotional material and placing it at the Customer Service Counter for distribution to customers
- Attending bi-monthly webinars on upcoming promotional items and programs put on by the Environmental Protection Agency (EPA) WaterSense program
- Updating the Lobby Player on a daily/weekly basis
- Checking the Google Analytics weekly (see attached data charts)
 - The “Website Visits and Pageviews” allows us to determine the number of **new** vs. **returning** visitors and the **source** of viewing
- The “Pageviews” allows us to evaluate which pages on the website are viewed most frequently
- Adding all new customer emails to Constant Contact to be utilized as a customer newsletter database
- Creating content, ideas and layout for quarterly e-newsletter



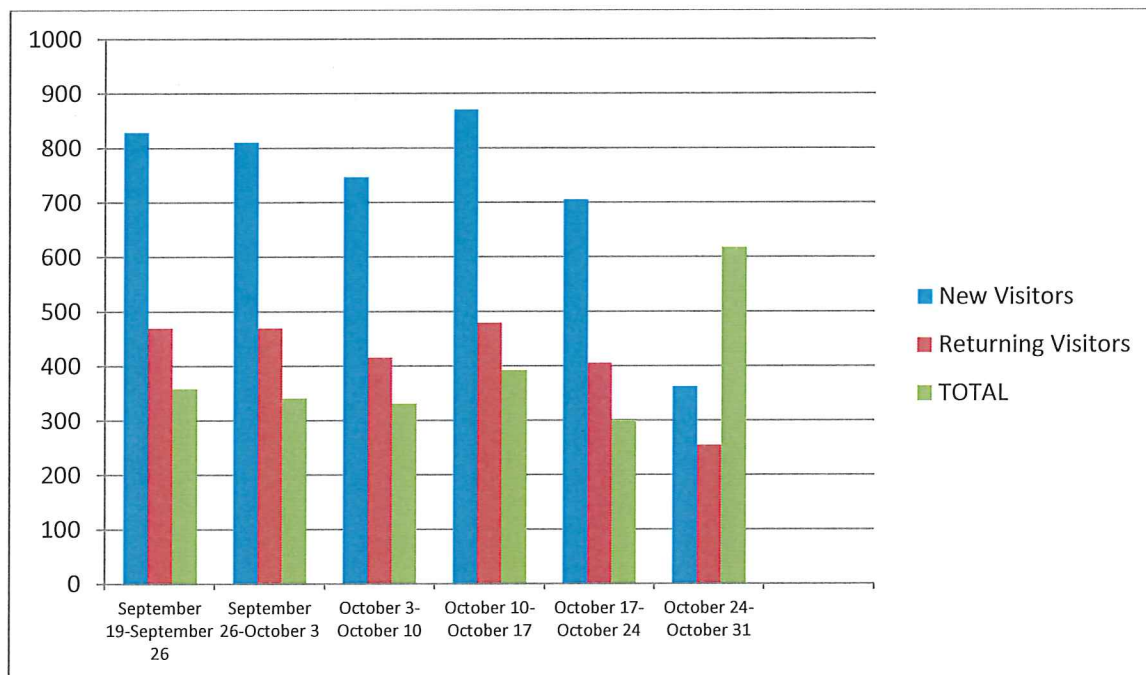
- Checking the District's FaceBook and Twitter page weekly
 - Posting necessary information on the pages
- Maintain and view District website on a daily basis
 - Update pages
 - Make relevant changes
 - Updating the Drought Monitor page weekly
 - Upload the Board packet, minutes and agendas when necessary
- Attended the monthly WEWAC meeting on Wednesday, October 26, 2016

November 2016 Google Analytics

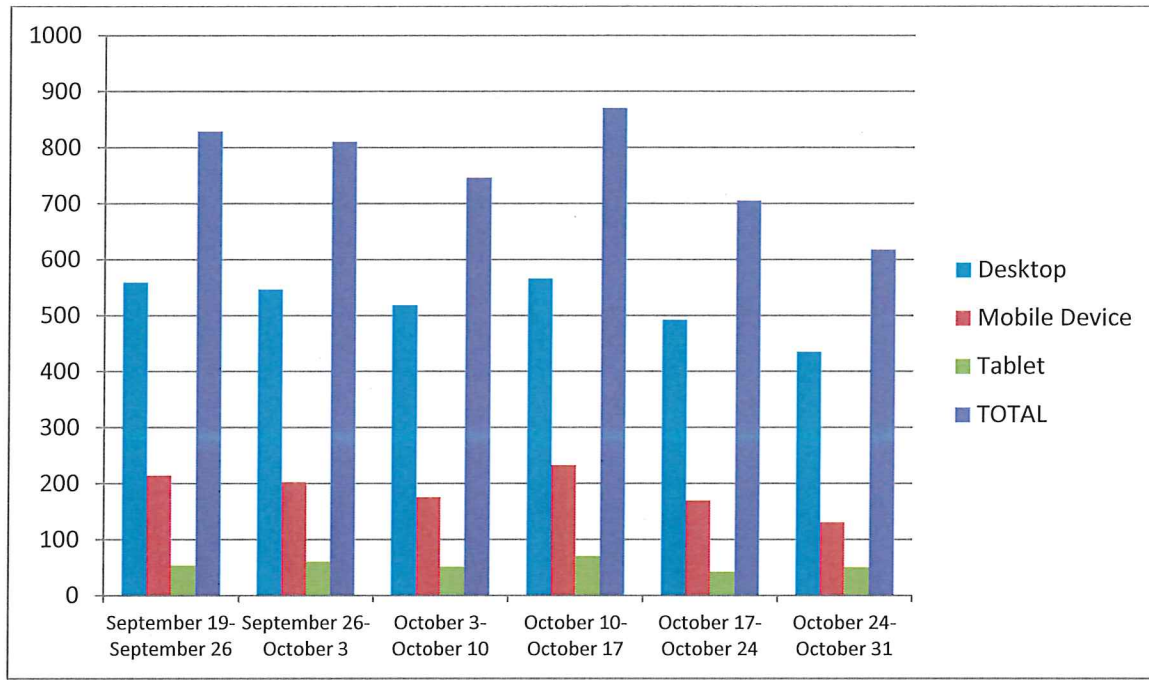
Website Visits and Pageviews



New vs. Returning Visitors



Source of Viewing



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2.5

2016 ACWA FALL CONFERENCE CONFERENCE AGENDA

Programs are subject to change without notice.

ACWA/JPIA - MONDAY, NOV. 28

8:30 - 10:00 AM

- ACWA/JPIA Employee Benefits Committee

10:15 - 11:15 AM

- ACWA/JPIA Executive Committee

1:30 - 4:00 PM

- ACWA/JPIA Board of Directors

4:00 - 5:00 PM

- ACWA/JPIA Town Hall

5:00 - 6:00 PM

- ACWA/JPIA Reception

TUESDAY, NOV. 29

8:00 AM - 6:00 PM

- Registration

8:30 AM - Noon

- ACWA/JPIA Seminar

10:00 - 11:45 AM

- Groundwater Committee
- Local Government Committee

11:00 AM - Noon

- Outreach Task Force

Noon - 2:00 PM

- ACWA 101 & Luncheon
- Committee Lunch Break

1:00 - 2:45 PM

- Energy Committee
- Finance Committee
- Scholarship & Awards Subcommittee
- Water Management Committee

1:30 - 3:30 PM

- ACWA/JPIA: Sexual Harassment Prevention for Board Members & Managers (AB 1825)

3:00 - 4:45 PM

- Communications Committee
- Federal Affairs Committee
- Membership Committee
- Water Quality Committee

5:00 - 6:30 PM

- Welcome Reception in the Exhibit Hall

WEDNESDAY, NOV. 30

7:30 AM - 5 PM

- Registration

8:00 - 9:45 AM

- Opening Breakfast *(Ticket Required)*

9:00 AM - Noon & 1:30 - 5:00 PM

- Exhibit Hall

10:00 - 11:30 AM

- Attorneys Program
- Communications Committee Program
- Energy Committee Program
- Exhibitor Technical Presentation
- Finance Program
- Region Issue Forum
- Statewide Issue Forum
- Water Industry Trends Program

11:30 - 11:45 AM

- Prize Drawing in the Exhibit Hall

11:45 AM - 1:45 PM

- Luncheon *(Ticket Required)*

2:00 - 3:15 PM

- Aquatic Resources Subcommittee
- Attorneys Program
- Exhibitor Technical Presentations
- Region Program
- Statewide Issue Forum
- Water Industry Trends Program

3:30 - 4:45 PM

- Energy Committee Program
- Exhibitor Technical Presentation
- Finance Program
- Local Government Committee Program
- Statewide Issue Forum
- Water Industry Trends program

4:00 - 6:00 PM

- Legal Affairs Committee

5:00 - 7:00 PM

- CalDesal Hosted Mixer
- CH2M Hosted Reception

THURSDAY, DEC. 1

7:30 AM - 4 PM

- Registration

8:00 AM - Noon

- Exhibit Hall

8:00 - 9:15 AM

- Networking Continental Breakfast *(Ticket Required)*

9:30 - 11:00 AM

- Attorneys Program
- Exhibitor Technical Presentations
- Finance Program
- Joint Communications / Groundwater Program
- Region Issue Forum
- Statewide Issue Forum
- Water Industry Trends Program

9:30 - 11:45 AM

- Ethics Training (AB 1234) - *Limited Seating*

11:00 - 11:30 AM

- Prize Drawings in the Exhibit Hall

11:45 AM - 1:45 PM

- Luncheon *(Ticket Required)*

2:00 - 3:15 PM

- Attorneys Program
- Exhibitor Technical Presentations
- Federal Issues Forum
- Statewide Issue Forum
- Water Industry Trends Programs

3:30 - 5 PM

- Regions 1-10 Membership Meetings

6:00 - 7:00 PM

- Outreach Reception

7:00 - 10:00 PM

- Dinner & Entertainment *(Ticket Required)*

FRIDAY, DEC. 2

8:00 - 9:30 AM

- Registration

8:30 - 10:00 AM

- ACWA's Hans Doe Past Presidents' Breakfast in Partnership with ACWA/JPIA *(Ticket Required)*

OTHER EVENTS

TUESDAY, NOV. 29

7:00 AM - 4 PM

- ACWA Fall Conference Golf Tournament *(Pre-Registration Required)*

THURSDAY, DEC. 1

6:45 - 8:30 AM

- San Joaquin Valley Agricultural Water Committee

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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 the meeting room.

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

Wednesday, October 19, 2016 at 8:00 AM

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

Item 1 – Call to Order

Kuhn

Item 2 – Pledge of Allegiance

Kuhn

Item 3 – Roll Call

**Executive
Assistant**

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

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

Kuhn

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

Item 5 – Reorder Agenda

Kuhn

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

Kuhn

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

We request that remarks be limited to five minutes or less

**Item 7 – Public Hearing - Draft Initial Study and Mitigated Negative Declaration
TVMWD Well No. 3 (Baseline Road), Project No. 58458 [enc]**

Kuhn

The Board will convene a Public Hearing to receive comments and/or testimony regarding the Initial Study-Mitigated Negative Declaration that has been prepared for the TVMWD's proposed construction of Well No. 3 (Baseline Road), Project No. 58458. TVMWD has fully complied with the noticing requirements for this Public Hearing.

In accordance with Government Code Section 6061, the Public Hearing was noticed in newspaper(s) of general circulation, *San Gabriel Valley Tribune* and *Inland Valley*

Daily Bulletin on October 12, 2016. A copy of the notice is enclosed.

- Staff report to the Board of Directors;
- Open the Public Hearing;
- Consider public comments and testimony;
- Close the Public Hearing.

Item 8 – Consideration and Possible Approval to Adopt the Draft Initial Study-Mitigated Negative Declaration regarding TVMWD Well No. 3 (Baseline Road), Project No. 58458 [enc]

Kuhn

Upon conclusion of the Public Hearing the Board will consider approval to adopt the Initial Study-Mitigated Negative Declaration for TVMWD Well No. 3 (Baseline Road), Project No. 58458.

Item 8: Board Action Required – Motion No. 16-10-5104
Staff Recommendation: Defer action to a future meeting

Item 9 – Consent Calendar

Kuhn

The Board is being asked to consider the Consent Calendar items 9.1-9.2 listed below. Consent Calendar items are 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.

9.1 – Receive, Approve and File Minutes – September 2016 [enc]

- September 7, 2016 – Regular Board Meeting
- September 21, 2016 – Regular Board Meeting

9.2 – Approve Financial Reports and Investment Update – September 2016 [enc]

- Change in Cash and Cash Equivalents Report
- Consolidated Listing of Investment Portfolio and Investment Report
- YTD District Budget Monthly Status Reports
- Warrant Summary Disbursements

Item 9: Board Action Required – Motion No. 16-10-5105
Staff Recommendation: Approve as presented

Item 10 – General Manager’s Report

Hansen

Item 10.A – Administration staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.

10.A.1 – Legislative Update, October 2016 [enc]

The Board will be provided with an update of legislative activities occurring at state and federal levels.

10.A.2 – Approve Director Expense Forms, September 2016 [enc]

The Board will consider approval of the September 2016 Director expense reports that include disclosure of per diem requests for meeting attendance, and an itemization of any expenses incurred by TVMWD.

Item 10.A.2: Board Action Required – Motion No. 16-10-5106
Staff Recommendation: Approve as presented

Item 10.B – Engineering-Operations staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.

10.B.1 – Calendar Year Imported Water Purchases and Peak Flow Reports – September, 2016 [enc]

The Board will review the imported water purchases and peak flow reports for the month ending September 2016.

10.B.2 – Miramar Operations Report – September 2016 [enc]

The Board will review the monthly Miramar Operations Report that includes a summary of the following reports: water quality, monthly production, monthly and year-to-date sales, hydro-generation production and operations / maintenance review.

Item 11 – Directors' / General Manager Oral Reports

The following reports are provided by Directors as it concerns activities at meetings of which they are assigned to serve as the representative or alternate of TVMWD.

11.A – Local Agency Formation Commission	Ruzicka
11.B – Six Basins Watermaster	Bowcock
11.C – Main San Gabriel Basin Watermaster	Bowcock
11.D – Chino Basin Watermaster	Kuhn
11.E – San Gabriel Basin Water Quality Authority	Kuhn
11.F – San Gabriel Valley Council of Governments	Goytia
11.G – Metropolitan Water District	De Jesus
11.H – Additional Board Member or Staff Reports / Comments	All Kuhn

Item 12 – Closed Session

12.A Conference With Legal Counsel – Existing Litigation (pursuant to Government Code Section 54956.9(d)(1))

Chino Basin Municipal Water District v. City of Chino, et.al.
San Bernardino County Superior Court, Case No. RCV51010

12.B Conference With Legal Counsel – Anticipated Litigation (pursuant to Government Code Section 54956.9(d)(2))

- Significant exposure to litigation, one potential case

Item 13 – Report Out Of Closed Session **Kuhn**

Item 14 – Future Agenda Items **Kuhn**

Item 15 – Adjournment

Board adjourned to November 2, 2016 Regular Board Meeting at 8:00 AM.

American Disabilities Act Compliance Statement

Government Code Section 54954.2(a)



Any request for disability-related modifications or accommodations (including auxiliary aids or services) that is sought in order to participate in the above agenda public meeting should be directed to the TVMWD'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 TVMWD office located at, 1021 East Miramar Avenue, Claremont, CA, 91711. The materials will also be posted on the TVMWD website at www.threevalleys.com.

The Three Valleys MWD Board Meeting packets and agendas are available for review on the TVMWD website at www.threevalleys.com. The website is updated on Sunday preceding any regularly scheduled Board Meeting.



Action Line

Regular Board Meeting

October 19, 2016

FOR ADDITIONAL INFORMATION: 909-621-5568

BOARD MEMBERS

CARLOS GOYTIA
DIVISION I

DAVID DE JESUS
DIVISION II

BRIAN BOWCOCK
DIVISION III

BOB KUHN
DIVISION IV

JOSEPH RUZICKA
DIVISION V

FRED LANTZ
DIVISION VI

DAN HORAN
DIVISION VII

THREE VALLEYS MWD

1021 E. Miramar Avenue
Claremont, CA 91711
909-621-5568 — Phone
909-625-5470 — Fax
www.threevalleys.com

Board meetings
are scheduled for
8:00 a.m. the first
and third
Wednesday of
each month at
1021 E. Miramar
Claremont, CA

Director Lantz had an excused absence from today's meeting.

Hearing: A Public Hearing was convened to receive comments and hear testimony regarding the proposed consideration to adopt the Draft Initial Study and Mitigated Negative Declaration concerning the CEQA portion of TVMWD Project No. 58458, Well No. 3 (Baseline Road).

Approved: *Motion No. 16-10-5104.* Upon conclusion of the Public Hearing, the Board took action considering the staff recommendation to defer this matter until a future undetermined meeting. The motion passed on a 6-0 vote with Director Lantz absent.

Approved: *Motion No. 16-10-5105* approving Consent Calendar items 9.1-9.2 as follows: (9.1) Receive, approve and file, September 2016 Board Meeting minutes for September 7, 2016 and September 21, 2016; (9.2) Receive, approve and file, September 2016 Financial Reports. The motion passed on a 6-0 vote with Director Lantz absent.

Report: The Board was provided an information report on current legislative activities for October 2016.

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

Regular Board Meeting

October 19, 2016 ~ Page 2 ~

Approved: *Motion No. 16-10-5106* approving Director Expense Forms for September 2016. The motion passed on a 6-0 vote with Director Lantz absent.

Closed Session: A closed session was convened commencing at 9:25 a.m. to discuss two items as follows:

(A) Conference with Legal Counsel, Existing Litigation, pursuant to Government Code Section 54956.9(d)(1) Chino Basin Municipal Water District v. City of Chino Case; San Bernardino County Case No. RCV51010.

(B) Conference with Legal Counsel, Anticipated Litigation, pursuant to Government Code Section 54956.9(d)(2); Significant exposure, one potential case.

Closed Session Report:

Regular Session was reconvened at 10:08 a.m. There was nothing to report pursuant to the Brown Act.

Upcoming Meeting Notices:

- **Wednesday, November 2, 2016 — Regular Board Meeting @ 8:00 a.m.**
- **Wednesday, November 16, 2016 — Regular Board Meeting @ 8:00 a.m.**
- **Thursday, October 27, 2016—Leadership Breakfast @ 7:30 a.m.**
Speaker: Kathy Cole, MWD Executive Legislative Representative
2016 Legislative Wrap-Up & What We Can Expect in 2017