

# Board of Directors *Regular Meeting*



**C**OLLABORATION  
Working together towards a  
common purpose

**E**NGAGEMENT  
Building awareness and participation  
within our organization, our community  
and our industry

**T**EAMWORK  
Connecting with each other to  
advance the organization

**R**ESILIENCE  
Adapting well in the face  
of adversity

**A**CCOUNTABILITY  
Acting responsibly and with our  
customers in mind

**E**XCELLENCE  
Providing the very best for  
our customers

**November 8, 2022, at 6:00 p.m.**

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3021 Fullerton Road, Rowland Heights, CA 91748  
(562) 697-1726 | [RWD.org](http://RWD.org)



## AGENDA

Regular Meeting of the Board of Directors  
3021 Fullerton Road  
Rowland Heights, CA 91748  
November 8, 2022 -- 6:00 PM

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### SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Based on the fact that there is a continuing State of Emergency for COVID-19 and that state and local officials continue to recommend social distancing measures, the Rowland Water District Board of Directors is holding this meeting pursuant to AB 361 and the meeting may be attended virtually or in person. Any Director and member of the public who desires to participate in the open session items of this meeting may do so remotely by accessing the following options: **Zoom:** <https://us02web.zoom.us/j/8759899861> -- Meeting ID: 875 989 9861; **Dial-In:** (669) 900-6833 -- Passcode: 8759899861#

*Agenda materials are available for public review at <https://www.rwd.org/agendas-minutes/>. 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.*

### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### ROLL CALL OF DIRECTORS

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

### 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 Gabriela Sanchez, Executive Assistant, at (562) 383-2323, 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.*

## 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 [Authorize Virtual Meetings Pursuant to AB 361](#)

*Recommendation: The Board of Directors authorize virtual meetings pursuant to AB 361 for 30 days based on the fact that there is a continuing State of Emergency for COVID-19 and state and local officials recommend social distancing measures.*

### 1.2 [Approval of the Minutes of Regular Board Meeting held on October 18, 2022](#)

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

### 1.3 [Demands on General Fund Account for September 2022](#)

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

### 1.4 [Investment Report for September 2022](#)

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

### 1.5 [Water Purchases for September 2022](#) - For information only.

### 1.6 [California Reservoir Conditions](#) – For information only.

*Next Regular Board Meeting:* December 13, 2022

*Next Special Board Meeting:* December 20, 2022

## 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 Reimbursement October 2022](#)

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

### 2.2 [Consider Adoption of RWD Resolution No. 11-2022, Increasing the Automobile Allowance for the Assistant General Manager](#)

*Recommendation: The Board of Directors adopt Resolution No. 11-2022 as presented.*

### 2.3 **Consider Juneteenth as a District-Observed Holiday**

*Recommendation: The Board of Directors adopt Juneteenth as a District paid holiday to employees and direct staff to incorporate this holiday to the District Personnel Rules & Regulations.*

### 2.4 [Receive and File the Pomona-Walnut-Rowland Joint Water Line Commission Financial Statements for FY 2021-2022 Prepared by Fedak & Brown LLP](#)

*Recommendation: The Board receive and file the P-W-R JWL Financial Statements for FY 2021-2022 as presented.*

### 2.5 **Consider Additional Funds for Security Upgrades**

*Recommendation: The Board of Directors approve the additional funds as discussed.*

### 3. PUBLIC RELATIONS

3.1 [Communications Outreach](#)

CV Strategies

3.2 [Education Update](#)

Brittnie Gildea

### 4. DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS

*(Including items that may have arisen after posting of the agenda)*

### 5. LEGISLATIVE INFORMATION

### 6. REVIEW OF CORRESPONDENCE

### 7. COMMITTEE & ORGANIZATION REPORTS *(verbal reports)*

7.1 Joint Powers Insurance Authority Directors Hsu/Lewis

7.2 Three Valleys Municipal Water District Directors Lu-Yang/Lima

7.3 Association of California Water Agencies Directors Lewis/Bellah

7.4 Puente Basin Water Agency Directors Lima/Lewis

7.5 Project Ad-Hoc Committee Directors Lima/Lu-Yang

7.6 Regional Chamber of Commerce-Government Affairs Committee Directors Lewis/Bellah

7.7 P-W-R Joint Water Line Commission Directors Lima/Bellah

7.8 Sheriff's Community Advisory Council Directors Lu-Yang

7.9 Rowland Heights Community Coordinating Council Directors Lu-Yang/Bellah

### 8. OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

8.1 [Finance Report](#) Mrs. Malner

8.2 Operations Report Mr. Davidson/ Mr. Moisio

8.3 Personnel Report Mr. Coleman

### 9. ATTORNEY'S REPORT

Mr. Guiboa

### 10. CLOSED SESSION

#### a. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – [§54956.8]

Property: Portion of Property Located at 839 S. Azusa Avenue  
City of Industry, CA

District Negotiator: Tom Coleman, General Manager

Negotiating Parties: City of Industry

Under Negotiation: Price and Terms

**b. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – [§54956.8]**

Property: Assessor Parcel Numbers 8266-002-900, 8266-002-901 and  
8269-003-903  
District Negotiator: Tom Coleman, General Manager  
Negotiating Parties: Puente Hills Habitat Authority  
Under Negotiation: Price and Terms of Payment

**11. RECONVENE/REPORT ON CLOSED SESSION**

**General Manager's and Directors' 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 ANTHONY J. LIMA, Presiding



**RESOLUTION NO. 10-2021  
ROWLAND WATER DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS  
AUTHORIZING VIRTUAL BOARD AND COMMITTEE MEETINGS  
PURSUANT TO AB 361**

WHEREAS, the Rowland Water District ("District") is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate in the Agency's meetings; and

WHEREAS, starting in March 2020, in response to the spread of COVID-19 in the State of California, the Governor issued a number of executive orders aimed at containing the COVID-19 virus; and

WHEREAS, among other things, these orders waived certain requirements of the Brown Act to allow legislative bodies to meet virtually; and

WHEREAS, pursuant to the Governor's executive orders, the District has been holding virtual meetings during the pandemic in the interest of protecting the health and safety of the public, District staff and Directors; and

WHEREAS, the Governor's executive order related to the suspension of certain provisions of the Brown Act expires on September 30, 2021; and

WHEREAS, on September 16, 2021 the Governor signed AB 361 (in effect as of October 1, 2021 – Government Code Section 54953(e)), which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, a state of emergency has been proclaimed related to COVID-19, state and local officials are recommending measures to promote social distancing, and because of the ongoing threat of COVID-19, meeting in person would present imminent risks to the health and safety of attendees.

**NOW, THEREFORE, BE IT RESOLVED THE BOARD OF DIRECTORS OF THE ROWLAND WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Remote Teleconference Meetings: Consistent with the provisions of Government Code Section 54953(e), the Board of Directors finds and determines that (1) a state of emergency related to COVID-19 is currently in effect; (2) state and local officials have recommended measures to promote social distancing in connection with COVID-19; and (3) due to the COVID-19 emergency, meeting in person would present imminent risks to the health and safety of attendees. Based on such facts, findings and determinations, the Board authorizes staff to conduct remote teleconference meetings of the Board of Directors, including Committee meetings, under the provisions of Government Code Section 54953(e).

Section 3. Effective Date of Resolution. This Resolution shall take effect upon adoption and shall be effective for 30 days unless earlier extended by a majority vote of the Board of Directors in accordance with Section 4 of this Resolution.

Section 4. Extension by Motion. The Board of Directors may extend the application of this Resolution by motion and majority vote by up to 30 days at a time, provided that it makes all necessary findings consistent with and pursuant to the requirements of Section 54953(e)(3).

**ADOPTED AT A REGULAR MEETING OF THE ROWLAND WATER DISTRICT HELD OCTOBER 12, 2021, by the following roll call vote:**

<b>AYES:</b>	<b>Directors Lima, Lu-Yang, Lewis, Bellah and Hsu</b>
<b>NOES:</b>	<b>None</b>
<b>ABSTAIN:</b>	<b>None</b>
<b>ABSENT:</b>	<b>None</b>

  
\_\_\_\_\_  
**ANTHONY J. LIMA, President**

I certify that the forgoing Resolution is a true and correct copy of the Resolution of the Board of Directors of the Rowland Water District adopted on October 12, 2021.

  
\_\_\_\_\_  
**TOM COLEMAN**  
General Manager/Board Secretary



Minutes of the Regular Meeting  
of the Board of Directors of the Rowland Water District  
October 18, 2022 – 6:03 p.m.  
3021 Fullerton Road  
Rowland Heights, CA 91748

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**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF DIRECTORS**

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

**ABSENT:**

None.

**OTHERS PRESENT:**

Joseph Byrne, Legal Counsel, Best, Best & Krieger  
Erin Kaiman, CV Strategies  
Tara Bravo, CV Strategies  
Mike Ti, Director, TVMWD  
Kirk Howie, TVMWD

**ROWLAND WATER DISTRICT STAFF**

Tom Coleman, General Manager  
Dusty Moisio, Assistant General Manager  
Myra Malner, Director of Finance  
Allen Davidson, Director of Operations  
Gabby Sanchez, Executive Assistant  
Elisabeth Mendez, Compliance and Safety Coordinator  
Brittnie Gildea, Education and Outreach Coordinator

**ADDITION(S) TO THE AGENDA**

**PUBLIC COMMENT ON NON-AGENDA ITEM**

None.

**1. CONSENT CALENDAR**

Upon motion by Director Lu-Yang, seconded by Director Bellah, the Consent Calendar was unanimously approved as follows:

- 1.1 Approval of the Minutes of Regular Board Meeting Held on September 13, 2022
- 1.2 Approval of Minutes of Special Board Meeting Held on September 27, 2022
- 1.3 Demands on General Fund Account for August 2022
- 1.4 Investment Report for August 2022
- 1.5 Water Purchases for August 2022
- 1.6 California Reservoir Conditions  
(Motion pass 5-0)

Next Regular Board Meeting: November 8, 2022, 6:00 p.m.

## **2. ACTION ITEMS**

### **2.1 Review and Approve Directors' Meeting Reimbursements for September 2022**

Upon motion by Director Lu-Yang, seconded by Director Hsu, the Board unanimously approved the Directors' Meeting Reimbursement Report as presented. (Motion pass 5-0)

### **2.2 Consider Amendments to Rowland Water District Administrative Leave Policy**

Upon motion by Director Lewis, seconded by Director Bellah, the Board unanimously approved amendments to the Administrative Leave Policy effective immediately upon approval by the Board. (Motion pass 5-0)

### **2.3 LAFCO Special District Voting Member**

Following discussion regarding the LAFCO Special District ballot memorandum included in the Board packet, a motion was made by Director Bellah, seconded by Director Lu-Yang, and unanimously carried to cast vote for Robert W. Lewis for the position of Special District Voting Member. (Motion pass 5-0)

### **2.4 Association of California Water Agencies – Proposed Amended and Restated Bylaws**

Upon motion by Director Lu Yang, seconded by Director Hsu, the Board unanimously provided the District's ACWA Voting Delegate, Director Robert Lewis, guidance on casting the District's vote on the proposed ACWA amended and restated bylaws.

## **3. PUBLIC RELATIONS**

### **3.1 Communications Outreach (CV Strategies)**

Ms. Kaiman provided an update on CV Strategies' communications outreach activities performed on behalf of the District during the month of September 2022. The Board then viewed videos of two (2) RWD employees featured by the Association of California Water Agencies (ACWA) during Water Professionals Week via various social media platforms.

### **3.2 Education Update**

Ms. Gildea provided the Board with an update on community outreach and water education activities as listed in the Education Outreach Report included in the Board packet. She took a moment to highlight the District's participation in the Rowland Heights Buckboard Day's Parade and Festival, noting receipt of a certificate of appreciation from the office of Los Angeles County Supervisor Hilda Solis, First District, and advised that the District's float took second place in the "Float for Business" category.

## **4. DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS (INCLUDING ITEMS THAT MAY HAVE ARISEN AFTER THE POSTING OF THE**

## **AGENDA)**

As a matter of possible interest, General Manager Tom Coleman inquired about Board members' interest in attending the Rowland Unified School District's State of the District event scheduled for November 1, 2022.

### **5. LEGISLATIVE INFORMATION – None.**

### **6. REVIEW OF CORRESPONDENCE**

- 6.1** The Board received notification from the Los Angeles County Registrar-Recorder/County Clerk stating that the election scheduled to be held on November 8, 2022, for the offices of Director Division 1 (unexpired term ending December 6, 2024), and Divisions 4 and 5 (full term ending December 4, 2026), shall not be held because the seats ran uncontested. The candidates nominated for these positions shall be appointed by the Board of Supervisors at a regular or special meeting held prior to December 2, 2022.
- 6.2** The Board acknowledged receipt of the letter of appreciation received from the Rowland USD Family Resources Center for District staff's contributions to the Shoes That Fit program.

### **7. COMMITTEE REPORTS**

- 7.1 Joint Powers Insurance Authority** – Mr. Coleman reported on the ACWA/JPIA Workers' Compensation, Liability, and Property Risk Assessment dated September 14, 2022, included in the Board packet.
- 7.2 Three Valleys Municipal Water District** – In addition to reports provided by Directors Lima and Lu-Yang on TVMWD Board meeting business matters, the Board viewed maps of Metropolitan Water District of Southern California's service area and major conveyance facilities in California.
- 7.3 Association of California Water Agencies** – Nothing to report.
- 7.4 Puente Basin Water Agency (PBWA)** – Director Lima reported on business matters discussed during the October 6, 2022, PBWA meeting held at Rowland Water District.
- 7.5 Project Ad-Hoc Committee** – Nothing to report.
- 7.6 Regional Chamber of Commerce** – Director Lewis reported on activities from the October 10, 2022, Government Affairs Committee Meeting.
- 7.7 P-W-R Joint Waterline Commission** – Director Lima reported on the business matters discussed during the October 13, 2022, P-W-R Joint Waterline Commission meeting held remotely via WebEx.
- 7.8 Sheriff's Community Advisory Council** - Nothing to report.
- 7.9 Rowland Heights Community Coordinating Council (RHCCC)** – Board members and staff reported on their attendance at the October 17, 2022 RHCCC meeting.

### **8. OTHER REPORTS, INFORMATION ITEMS AND COMMENTS**

### **8.1 Finance Report**

Director of Finance, Myra Malner, presented a year-to-date Financial Dashboard containing comparative graphs of Revenue and Expense by Category and Consumption by Class through August 30, 2022.

### **8.2 Operations Report**

Director of Operations, Allen Davidson, provided the Board with field operations tasks completed during the month of September (as listed below). He, then followed up with a presentation on the status of the valve replacement project at Gale and Azusa.

- Water Samples – 125
- Site Inspections - 85
- Service Orders Completed - 355
- Meters Replaced - 95
- Modules Replaced - 2
- Dig Alerts – 314
- Service Lines Replaced- 2
- System Valves Replaced- 4
- Air Releases Inspections - 4
- Recycled Water Inspections – 20

### **8.3 Personnel Report**

General Manager Tom Coleman spoke on the appointment of Mr. Allen Davidson as Director of Operations and continued with a brief update on District recruitments.

## **9. ATTORNEY'S REPORT**

Legal Counsel, Joseph Byrne, reported on Pure Water Southern California, a proposed partnership between the Metropolitan Water District of Southern California and the Los Angeles County Sanitation Districts aimed to constructively reuse cleaned wastewater currently being discharged to the Pacific Ocean from the Sanitation Districts' Joint Water Pollution Control Plant in the city of Carson.

## **10. CLOSED SESSION**

A closed session was not held in connection with the items listed below:

### **a. Conference with Real Property Negotiator – [§54956.8]**

Property: Portion of Property Located at  
839 S. Azusa Ave., City of Industry, CA  
District Negotiator: Tom Coleman, General Manager  
Negotiating Parties: City of Industry  
Under Negotiation: Price and Terms

### **b. Conference with Real Property Negotiator – [§54956.8]**

Property: Assessor Parcel Numbers 8266-002-901 and 8269-003-903  
District Negotiator: Tom Coleman, General Manager  
Negotiating Parties: Puente Hills Habitat Authority  
Under Negotiation: Price and Terms of Payment

**General Manager's and Directors' Comments** – Director Lu-Yang took a moment to highlight the District's participation in the Buckboard Days parade. Following Director Lu-Yang's report, Director Bellah spoke on his participation in a candidates' forum hosted by the RHCCC.

**Future Agenda Item(s)** – None.

**Late Business** – None.

A motion was made by Director Lu-Yang, seconded by Director Hsu, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:56 p.m.

\_\_\_\_\_  
ANTHONY J. LIMA  
Board President

Attest: \_\_\_\_\_  
TOM COLEMAN  
Board Secretary

## Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>31003</b>						
09/22	09/01/2022	31003	62840	AM-TEC TOTAL SECURITY INC	SECURITY IMPROVEMENT PROJECT	71,576.39
Total 31003:						71,576.39
<b>31004</b>						
09/22	09/01/2022	31004	62445	EXCEL DOOR & GATE COMPANY	PERFORM REPAIR AND SERVICE ON MAIN GATE	600.00
Total 31004:						600.00
<b>31005</b>						
09/22	09/01/2022	31005	2550	FRONTIER	PHONE SERVICE	278.36
Total 31005:						278.36
<b>31006</b>						
09/22	09/01/2022	31006	5600	G M SAGER CONSTRUCTION	OFFICE PAVING AND HARDSCAPE	241,515.00
Total 31006:						241,515.00
<b>31007</b>						
09/22	09/01/2022	31007	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	742.44
Total 31007:						742.44
<b>31008</b>						
09/22	09/01/2022	31008	62624	HASA INC	CHEMICALS FOR RCS	372.29
09/22	09/01/2022	31008	62624	HASA INC	CHEMICALS FOR RCS	500.27
09/22	09/01/2022	31008	62624	HASA INC	CHEMICALS FOR RCS	302.49
09/22	09/01/2022	31008	62624	HASA INC	CHEMICALS FOR RCS	395.56
09/22	09/01/2022	31008	62624	HASA INC	CHEMICALS FOR RCS	209.41
Total 31008:						1,780.02
<b>31009</b>						
09/22	09/01/2022	31009	379	HIGHROAD INFORMATION TECHNOL	SECURITY CAMERA SYSTEM 6U RACK TOMICH	636.42
09/22	09/01/2022	31009	379	HIGHROAD INFORMATION TECHNOL	SECURITY CAMERA SYSTEM 6U RACK RES 8	636.42
Total 31009:						1,272.84
<b>31010</b>						
09/22	09/01/2022	31010	244	INFOSEND INC	BILLING SERVICE	3,164.11
09/22	09/01/2022	31010	244	INFOSEND INC	INSERTS-LEVEL 2	814.03
Total 31010:						3,978.14
<b>31011</b>						
09/22	09/01/2022	31011	62495	LOS ANGELES FREIGHTLINER	MAINTENANCE TRUCK 28	5,578.59
Total 31011:						5,578.59
<b>31012</b>						
09/22	09/01/2022	31012	62842	PACIFIC PARTS AND CONTROLS INC	C-H 9SX2000 UPS TOWER	1,741.00
09/22	09/01/2022	31012	62842	PACIFIC PARTS AND CONTROLS INC	C-H 9SXBEM96 EXT BATTERY MODULE	1,762.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
09/22	09/01/2022	31012	62842	PACIFIC PARTS AND CONTROLS INC	EATON UPS NETWORK CARD	390.00
09/22	09/01/2022	31012	62842	PACIFIC PARTS AND CONTROLS INC	TAX	369.84
Total 31012:						4,262.84
<b>31013</b>						
09/22	09/01/2022	31013	62448	PARS	GASBY 45 MANAGEMENT FEE	1,354.36
Total 31013:						1,354.36
<b>31014</b>						
09/22	09/01/2022	31014	5000	PUENTE BASIN WATER AGENCY	REEB AUG 2022	1,666.67
09/22	09/01/2022	31014	5000	PUENTE BASIN WATER AGENCY	ACWA/JPIA CYBER LIABILITY INSURANCE	56.25
Total 31014:						1,722.92
<b>31015</b>						
09/22	09/01/2022	31015	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	5,633.51
09/22	09/01/2022	31015	62502	S & J SUPPLY COMPANY, INC	TOOLS & SUPPLIES	722.70
Total 31015:						6,356.21
<b>31016</b>						
09/22	09/01/2022	31016	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	27,260.83
09/22	09/01/2022	31016	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	3,028.98
Total 31016:						30,289.81
<b>31017</b>						
09/22	09/01/2022	31017	62813	SOUTHLAND CIVIL ENGINEERING & S	ESTABLISH PROPERTY BOUNDARY	3,500.00
Total 31017:						3,500.00
<b>31018</b>						
09/22	09/01/2022	31018	62030	STUMP FENCE CO	RESERVOIR SITE AUTOMATED GATES	130,550.00
Total 31018:						130,550.00
<b>31019</b>						
09/22	09/01/2022	31019	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	1,388.93
Total 31019:						1,388.93
<b>31020</b>						
09/22	09/01/2022	31020	62830	YORKE ENGINEERING, LLC	TIER I SPCC PLAN	1,419.50
Total 31020:						1,419.50
<b>31022</b>						
09/22	09/06/2022	31022	1400	BADGER METER INC	M200 LCD DISP 110/220	216.13
Total 31022:						216.13
<b>31023</b>						
09/22	09/06/2022	31023	1900	CLINICAL LAB OF S B	WATER SAMPLES	2,254.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31023:						2,254.00
<b>31024</b>						
09/22	09/06/2022	31024	5600	G M SAGER CONSTRUCTION	ASPHALT	5,145.22
09/22	09/06/2022	31024	5600	G M SAGER CONSTRUCTION	ASPHALT	9,716.62
Total 31024:						14,861.84
<b>31025</b>						
09/22	09/06/2022	31025	62624	HASA INC	CHEMICALS FOR RCS	279.22
09/22	09/06/2022	31025	62624	HASA INC	CHEMICALS FOR RCS	386.25
09/22	09/06/2022	31025	62624	HASA INC	CHEMICALS FOR RCS	367.64
09/22	09/06/2022	31025	62624	HASA INC	CHEMICALS FOR RCS	507.25
Total 31025:						1,540.36
<b>31026</b>						
09/22	09/06/2022	31026	2724	HOME DEPOT CREDIT SERVICES	TOOLS & SUPPLIES	573.17
09/22	09/06/2022	31026	2724	HOME DEPOT CREDIT SERVICES	MAINTENANCE & OPERATION	104.28
09/22	09/06/2022	31026	2724	HOME DEPOT CREDIT SERVICES	SUPPLIES FOR RC	108.04
Total 31026:						785.49
<b>31027</b>						
09/22	09/06/2022	31027	257	MCMMASTER-CARR SUPPLY CO	SUPPLIES FOR RES	36.79
Total 31027:						36.79
<b>31028</b>						
09/22	09/06/2022	31028	5000	PUENTE BASIN WATER AGENCY	CAL DOMESTIC MAINT RESERVES FY 21-22	1,486.21
09/22	09/06/2022	31028	5000	PUENTE BASIN WATER AGENCY	CDWC 594.48 AF @200	59,448.00
Total 31028:						60,934.21
<b>31029</b>						
09/22	09/06/2022	31029	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	801.12
09/22	09/06/2022	31029	62502	S & J SUPPLY COMPANY, INC	JONES 4040 RESIDENTIAL HYDRANTS	12,780.00
09/22	09/06/2022	31029	62502	S & J SUPPLY COMPANY, INC	TAX & SHIPPING	1,214.10
Total 31029:						14,795.22
<b>31030</b>						
09/22	09/06/2022	31030	5692	SECURITY FIRE PROTECTION	MAINT-FIRE EXTINGUISHERS	1,010.58
Total 31030:						1,010.58
<b>31031</b>						
09/22	09/06/2022	31031	5900	SOCALGAS	GAS UTILITY BILL	25.99
Total 31031:						25.99
<b>31032</b>						
09/22	09/06/2022	31032	62665	VERIZON	SCADA ALARM MODEM	21.39
Total 31032:						21.39

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>31033</b>						
09/22	09/15/2022	31033	1000	ACWA JPIA	EMPLOYEE HEALTH BENEFITS	48,522.88
09/22	09/15/2022	31033	1000	ACWA JPIA	EMPLOYEE VISION BENEFITS	590.70
09/22	09/15/2022	31033	1000	ACWA JPIA	EMPLOYEE ASSISTANCE PROGRAM	52.36
09/22	09/15/2022	31033	1000	ACWA JPIA	EMPLOYEE DENTAL BENEFITS	3,353.68
09/22	09/15/2022	31033	1000	ACWA JPIA	RETIREES HEALTH BENEFITS	17,516.10
09/22	09/15/2022	31033	1000	ACWA JPIA	DIRECTORS HEALTH BENEFITS	9,319.21
Total 31033:						79,354.93
<b>31034</b>						
09/22	09/15/2022	31034	3375	ANTHONY J. LIMA	MILEAGE REIMBURSEMENT	29.75
Total 31034:						29.75
<b>31035</b>						
09/22	09/15/2022	31035	400	AT&T MOBILITY	MOBILE PHONES, IPADS	2,014.61
Total 31035:						2,014.61
<b>31036</b>						
09/22	09/15/2022	31036	3850	ATHENS SERVICES (MODERN SVC)	TRASH SERVICE	448.36
Total 31036:						448.36
<b>31037</b>						
09/22	09/15/2022	31037	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-GENERAL	5,133.44
09/22	09/15/2022	31037	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-ENVIRONMENTAL LAW	1,302.00
Total 31037:						6,435.44
<b>31038</b>						
09/22	09/15/2022	31038	6966	CINTAS	UNIFORM RENTAL	5,712.96
Total 31038:						5,712.96
<b>31039</b>						
09/22	09/15/2022	31039	62700	CITIZENS TRUST C/O CITIZEN BUSIN	TRUSTEES FEES	1,754.65
Total 31039:						1,754.65
<b>31040</b>						
09/22	09/15/2022	31040	62439	CVSTRATEGIES	COMMUNICATION SERVICES-GENERAL	526.25
09/22	09/15/2022	31040	62439	CVSTRATEGIES	COMMUNICATION SERVICES-PRESS RELEASES	1,147.50
09/22	09/15/2022	31040	62439	CVSTRATEGIES	COMMUNICATION SERVICES-BOARD SUPPORT	3,828.75
09/22	09/15/2022	31040	62439	CVSTRATEGIES	COMMUNICATION SERVICES-OP-ED	682.50
Total 31040:						6,185.00
<b>31041</b>						
09/22	09/15/2022	31041	2550	FRONTIER	INTERNET ACCESS	959.10
Total 31041:						959.10
<b>31042</b>						
09/22	09/15/2022	31042	330	FUEL PRO INC	D/O INSPECTION	170.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31042:						170.00
<b>31043</b>						
09/22	09/15/2022	31043	62624	HASA INC	CHEMICALS FOR RCS	397.12
09/22	09/15/2022	31043	62624	HASA INC	CHEMICALS FOR RCS	327.04
09/22	09/15/2022	31043	62624	HASA INC	CHEMICALS FOR RCS	306.02
09/22	09/15/2022	31043	62624	HASA INC	CHEMICALS FOR RCS	163.52
09/22	09/15/2022	31043	62624	HASA INC	CHEMICALS FOR RCS	263.97
09/22	09/15/2022	31043	62624	HASA INC	CHEMICALS FOR RCS	350.40
Total 31043:						1,808.07
<b>31044</b>						
09/22	09/15/2022	31044	379	HIGHROAD INFORMATION TECHNOL	MEETING OWL 3	1,108.91
Total 31044:						1,108.91
<b>31045</b>						
09/22	09/15/2022	31045	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR RES	592.88
09/22	09/15/2022	31045	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR RES	657.33
09/22	09/15/2022	31045	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR RES	1,907.50
Total 31045:						3,157.71
<b>31046</b>						
09/22	09/15/2022	31046	62233	JOHN BELLAH	MILEAGE REIMBURSMENT	126.25
Total 31046:						126.25
<b>31047</b>						
09/22	09/15/2022	31047	62781	KEVIN STONE	TOTAL EXPENSES-PRESCRIPTION SAFETY GOOG	379.96
Total 31047:						379.96
<b>31048</b>						
09/22	09/15/2022	31048	62844	LINDE GAS & EQUIPMENT INC	CARBON DIOXIDE, REFRIGERATED LIQUID	10,114.50
09/22	09/15/2022	31048	62844	LINDE GAS & EQUIPMENT INC	FEES & DELIVERY	762.38
09/22	09/15/2022	31048	62844	LINDE GAS & EQUIPMENT INC	TAX	1,070.68
Total 31048:						11,947.56
<b>31049</b>						
09/22	09/15/2022	31049	62735	MUTUAL OF OMAHA	LIFE INSURANCE	484.50
09/22	09/15/2022	31049	62735	MUTUAL OF OMAHA	SHORT/LONG TERM DISABILITY	1,272.82
09/22	09/15/2022	31049	62735	MUTUAL OF OMAHA	DIRECTORS LIFE INSURANCE	69.35
Total 31049:						1,826.67
<b>31050</b>						
09/22	09/15/2022	31050	46201	PITNEY BOWES GLOBAL FINANCIAL S	POSTAGE METER-LEASING CHARGE	252.14
Total 31050:						252.14
<b>31051</b>						
09/22	09/15/2022	31051	5000	PUENTE BASIN WATER AGENCY	LEASE JUL-DEC 2022	26,522.50
09/22	09/15/2022	31051	5000	PUENTE BASIN WATER AGENCY	SCE 19846U COLIMA RD 7/15-8/14	18.47

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31051:						26,540.97
<b>31052</b>						
09/22	09/15/2022	31052	3360	ROBERT LEWIS	MILEAGE REIMBURSEMENT	230.00
Total 31052:						230.00
<b>31053</b>						
09/22	09/15/2022	31053	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	100,361.68
09/22	09/15/2022	31053	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	191.82
09/22	09/15/2022	31053	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	2,256.01
09/22	09/15/2022	31053	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR METERS	2,470.32
09/22	09/15/2022	31053	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	2,476.90
Total 31053:						107,756.73
<b>31054</b>						
09/22	09/15/2022	31054	62691	SJ LYONS CONSTRUCTION INC	SETTING THE LIBRARY AND ELECTRICAL	6,600.00
09/22	09/15/2022	31054	62691	SJ LYONS CONSTRUCTION INC	GENSET CONCRETE PAD	10,000.00
09/22	09/15/2022	31054	62691	SJ LYONS CONSTRUCTION INC	FULLERTON BOOSTER STATION	26,600.00
Total 31054:						43,200.00
<b>31055</b>						
09/22	09/15/2022	31055	62481	STAPLES BUSINESS CREDIT	OFFICE SUPPLIES	432.88
Total 31055:						432.88
<b>31056</b>						
09/22	09/15/2022	31056	1165	TERMINIX PROCESSING CENTER	PEST CONTROL-747 ANAHEIM PUENTE	127.00
09/22	09/15/2022	31056	1165	TERMINIX PROCESSING CENTER	PEST CONTROL-2633 SALEROSO	70.00
Total 31056:						197.00
<b>31057</b>						
09/22	09/15/2022	31057	62353	VERIZON	CONFERENCE CALLS	12.79
Total 31057:						12.79
<b>31058</b>						
09/22	09/15/2022	31058	382	W A RASIC CONSTRUCTION CO INC	JOB 21TX88-FULLERTON RD GRADE SEP	50,382.28
Total 31058:						50,382.28
<b>31059</b>						
09/22	09/15/2022	31059	4750	PWR JT WATER LINE COMMISSION	PM 15 Water Use	652,579.49
09/22	09/15/2022	31059	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	7,778.34
09/22	09/15/2022	31059	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,351.57
09/22	09/15/2022	31059	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	1,857.56
Total 31059:						663,566.96
<b>31061</b>						
09/22	09/22/2022	31061	4600	AIRGAS USA LLC	TANK RENTAL	121.58

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31061:						121.58
<b>31062</b>						
09/22	09/22/2022	31062	62622	AKM CONSULTING ENGINEERS	POTABLE WATER AND RECYCLED WATER HYDRA	10,187.00
Total 31062:						10,187.00
<b>31063</b>						
09/22	09/22/2022	31063	62840	AM-TEC TOTAL SECURITY INC	SECURITY IMPROVEMENT-RES 8	2,449.26
Total 31063:						2,449.26
<b>31064</b>						
09/22	09/22/2022	31064	1625	ANTHEM BLUE CROSS	RETIREE HEALTH BENEFITS	1,277.72
Total 31064:						1,277.72
<b>31065</b>						
09/22	09/22/2022	31065	62554	APPLIED TECHNOLOGY GROUP	EMERGENCY RADIOS	119.99
Total 31065:						119.99
<b>31066</b>						
09/22	09/22/2022	31066	62093	ASTRA INDUSTRIAL SERVICES INC	BACKFLOW TEST EQUIPMENT CAL. FEE	140.00
09/22	09/22/2022	31066	62093	ASTRA INDUSTRIAL SERVICES INC	SUPPLIES FOR WBS	176.50
Total 31066:						316.50
<b>31067</b>						
09/22	09/22/2022	31067	62810	BREAKING THE CHAIN CONSULTING	MANAGEMENT AND STAFF COACHING	6,000.00
09/22	09/22/2022	31067	62810	BREAKING THE CHAIN CONSULTING	STRENGTH FINDERS ASSESSMENT	49.99
Total 31067:						6,049.99
<b>31068</b>						
09/22	09/22/2022	31068	62524	BRITTNIE VAN DE CAR	MILEAGE REIMBURSEMENT	233.88
Total 31068:						233.88
<b>31069</b>						
09/22	09/22/2022	31069	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,979.00
Total 31069:						1,979.00
<b>31070</b>						
09/22	09/22/2022	31070	1270	CORELOGIC SOLUTIONS LLC	PROPERTY DATA INFO	153.50
Total 31070:						153.50
<b>31071</b>						
09/22	09/22/2022	31071	62505	D & H WATER SYSTEMS	TVM 15 TIDAL WAVE WATER MIXER W/ NON VFD M	16,500.00
09/22	09/22/2022	31071	62505	D & H WATER SYSTEMS	TAX	1,567.50
09/22	09/22/2022	31071	62505	D & H WATER SYSTEMS	SHIPPING	100.00
Total 31071:						18,167.50

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>31072</b>						
09/22	09/22/2022	31072	62433	EMPLOYEE RELATIONS INC	BACKGROUND VERIFICATION	347.99
Total 31072:						347.99
<b>31073</b>						
09/22	09/22/2022	31073	2300	FEDERAL EXPRESS	POSTAGE	35.11
Total 31073:						35.11
<b>31074</b>						
09/22	09/22/2022	31074	2550	FRONTIER	PHONE SERVICE	306.16
Total 31074:						306.16
<b>31075</b>						
09/22	09/22/2022	31075	330	FUEL PRO INC	D/O INSPECTION	200.00
Total 31075:						200.00
<b>31076</b>						
09/22	09/22/2022	31076	62826	G & A NELOS CONSTRUCTION INC	FINAL INVOICE-PROJECT AT 18220 COLIMA RD	128,500.00
Total 31076:						128,500.00
<b>31077</b>						
09/22	09/22/2022	31077	62812	GROWING ROOTS LLC	MONTHLY PLANT CARE	320.00
Total 31077:						320.00
<b>31078</b>						
09/22	09/22/2022	31078	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	336.03
09/22	09/22/2022	31078	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	840.08
Total 31078:						1,176.11
<b>31079</b>						
09/22	09/22/2022	31079	62526	HARRINGTON INDUSTRIAL PLASTICS	SUPPLIES FOR RES	283.78
Total 31079:						283.78
<b>31080</b>						
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	284.31
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	528.00
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	662.95
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	285.76
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	186.88
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	350.40
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	233.60
09/22	09/22/2022	31080	62624	HASA INC	CHEMICALS FOR RCS	350.40
Total 31080:						2,882.30
<b>31081</b>						
09/22	09/22/2022	31081	379	HIGHROAD INFORMATION TECHNOL	MANAGED IT SERVICES	6,930.00
09/22	09/22/2022	31081	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,550.00
09/22	09/22/2022	31081	379	HIGHROAD INFORMATION TECHNOL	MAINTENANCE, SUPPORT AND SOFTWARE RENE	13,535.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31081:						23,015.00
<b>31082</b>						
09/22	09/22/2022	31082	62435	INDUSTRY PUBLIC UTILITY COMMISSI	PUMPING POWER-PUMPSTATION 2A	7,452.21
Total 31082:						7,452.21
<b>31083</b>						
09/22	09/22/2022	31083	244	INFOSEND INC	BILLING SERVICE	84.63
Total 31083:						84.63
<b>31084</b>						
09/22	09/22/2022	31084	62703	IWATER INC.	VALVE SERVICE	23,373.00
Total 31084:						23,373.00
<b>31085</b>						
09/22	09/22/2022	31085	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	660.00
Total 31085:						660.00
<b>31086</b>						
09/22	09/22/2022	31086	62835	LOWE'S	TOOLS & SUPPLIES	87.35
Total 31086:						87.35
<b>31087</b>						
09/22	09/22/2022	31087	62664	M & J TREE SERVICE	MAINTENANCE FOR AUGUST-WBS	600.00
09/22	09/22/2022	31087	62664	M & J TREE SERVICE	MAINTENANCE SERVICE 6 SITES	6,600.00
Total 31087:						7,200.00
<b>31088</b>						
09/22	09/22/2022	31088	62649	OPARC	PAINTING FIRE HYDRANTS	2,673.69
Total 31088:						2,673.69
<b>31089</b>						
09/22	09/22/2022	31089	62847	PALADIN TECHNOLOGIES	CHECK THE POWER CONNECTION TO THE PROJE	225.00
Total 31089:						225.00
<b>31090</b>						
09/22	09/22/2022	31090	62771	PUBLIC WATER AGENCIES GROUP	ASSESSMENT FOR EMERGENCY PREPARDNESS	1,541.92
Total 31090:						1,541.92
<b>31091</b>						
09/22	09/22/2022	31091	5100	PUENTE READY MIX INC	CRUSHER BASE & WASH CON SAND	1,910.88
Total 31091:						1,910.88
<b>31092</b>						
09/22	09/22/2022	31092	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	12,843.63
09/22	09/22/2022	31092	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR MAINS	1,861.50

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
09/22	09/22/2022	31092	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	1,752.27
09/22	09/22/2022	31092	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	13,855.03
09/22	09/22/2022	31092	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	1,802.84
Total 31092:						32,115.27
<b>31093</b>						
09/22	09/22/2022	31093	62691	SJ LYONS CONSTRUCTION INC	GENSET CONCRETE PAD	15,475.00
Total 31093:						15,475.00
<b>31094</b>						
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	UNLEADED GAS	6,887.90
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	FEDERAL LUST	1.56
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	FEDERAL OIL SPILL	3.02
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	CA STATE EXCISE TAX GAS	843.21
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	CA - LEAD POISONING PREV FEE	5.12
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	CA - AB 32 - GAS	10.90
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	FUEL SURCHARGE	9.92
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	REGULATORY COMPLIANCE	12.95
09/22	09/22/2022	31094	3550	SOUTHERN COUNTIES FUELS	TAX	352.33
Total 31094:						8,126.91
<b>31095</b>						
09/22	09/22/2022	31095	62030	STUMP FENCE CO	RES 8 SITE AUTOMATED GATES	31,700.00
Total 31095:						31,700.00
<b>31096</b>						
09/22	09/22/2022	31096	6600	THREE VALLEYS MUN WATER DIST	LEADERSHIP BREAKFAST	300.00
Total 31096:						300.00
<b>31097</b>						
09/22	09/22/2022	31097	62521	TRIPEPI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE	375.00
09/22	09/22/2022	31097	62521	TRIPEPI SMITH & ASSOCIATES	ANNUAL WEBSITE HOSTING FEE	380.00
09/22	09/22/2022	31097	62521	TRIPEPI SMITH & ASSOCIATES	SSL CERTIFICATE FEE	200.00
Total 31097:						955.00
<b>31098</b>						
09/22	09/22/2022	31098	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	339.00
Total 31098:						339.00
<b>31099</b>						
09/22	09/22/2022	31099	62537	URBAN FUTURES INC	CONTINUING DISCLOSURE AND COMPLIANCE SE	1,750.00
Total 31099:						1,750.00
<b>31100</b>						
09/22	09/22/2022	31100	62476	VERIZON CONNECT NWF INC	MONTHLY SERVICE	420.94
Total 31100:						420.94

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>31101</b>						
09/22	09/22/2022	31101	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	917.37
Total 31101:						917.37
<b>31102</b>						
09/22	09/22/2022	31102	62432	WASTE MANAGEMENT COMPANY	HAUL DIRT	1,115.89
Total 31102:						1,115.89
<b>31103</b>						
09/22	09/27/2022	31103	3360	ROBERT LEWIS	TOTAL EXPENSES-CSDA CONFERENCE	204.14
Total 31103:						204.14
<b>9132022</b>						
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	PM 22/PM 9 CONNECTION	319,955.30
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,675.49
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	2,115.09
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	1,357.20
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	12,619.47
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	MWD LRP CREDIT JUNE 2022	12,270.00-
09/22	09/13/2022	913202	62558	PUENTE BASIN WATER AGENCY	WATER RESEARCH FOUNDATION DUES	1,030.00
Total 9132022:						326,482.55
Grand Totals:						2,283,873.15

## Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11505-0	855,926.86	.00	855,926.86
222100	12,270.00	2,296,143.15-	2,283,873.15-
51310-0	972,534.79	12,270.00-	960,264.79
51410-1	3,214.76	.00	3,214.76
51410-2	3,027.06	.00	3,027.06
51410-3	2,115.09	.00	2,115.09
51410-5	20,397.81	.00	20,397.81
51510-0	2,306.30	.00	2,306.30
51910-0	89,198.10	.00	89,198.10
52310-0	34,713.04	.00	34,713.04
54209-0	12,271.73	.00	12,271.73
54210-0	1,861.50	.00	1,861.50
54211-0	15,412.11	.00	15,412.11
54212-0	2,470.32	.00	2,470.32
54213-0	18,488.07	.00	18,488.07
54214-0	28,518.22	.00	28,518.22
54215-0	16,667.79	.00	16,667.79
54216-0	4,262.84	.00	4,262.84
54217-0	11,168.46	.00	11,168.46
54219-0	776.50	.00	776.50
56210-0	13,705.50	.00	13,705.50
56211-0	3,109.01	.00	3,109.01
56214-0	432.88	.00	432.88

GL Account	Debit	Credit	Proof
56215-0	1,030.00	.00	1,030.00
56216-0	35.11	.00	35.11
56217-0	619.88	.00	619.88
56218-0	6,435.44	.00	6,435.44
56218-2	1,541.92	.00	1,541.92
56219-0	7,095.74	.00	7,095.74
56220-0	11,543.91	.00	11,543.91
56221-0	6,999.03	.00	6,999.03
56223-0	204.14	.00	204.14
56226-0	13,535.00	.00	13,535.00
56312-0	21,633.28	.00	21,633.28
56320-0	6,349.99	.00	6,349.99
56411-0	48,522.88	.00	48,522.88
56413-0	3,353.68	.00	3,353.68
56415-0	590.70	.00	590.70
56416-0	484.50	.00	484.50
56417-0	18,793.82	.00	18,793.82
56418-0	1,272.82	.00	1,272.82
56419-0	52.36	.00	52.36
56421-0	9,388.56	.00	9,388.56
56710-0	121.58	.00	121.58
56812-0	727.95	.00	727.95
57310-0	15,106.50	.00	15,106.50
57312-0	1,383.22	.00	1,383.22
57314-0	1,939.86	.00	1,939.86
57315-0	2,254.00	.00	2,254.00
57321-0	2,288.55	.00	2,288.55
57323-0	259.99	.00	259.99
Grand Totals:	2,308,413.15	2,308,413.15-	.00

Report Criteria:

Report type: GL detail

Report Criteria:  
Detail Report

Check Number	Check Issue Date	Payee			
30895	09/13/2022	ZUENING LI			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	103293-65	Void - CREDIT REFUND	15210-0	74.96-	74.96-
31021	09/01/2022	PHEASANT RIDGE #1			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	301797-30	CREDIT REFUND	15210-0	48,958.64	48,958.64
31060	09/20/2022	ANDREW MORENO			
Sequence	Source	Description	GL Account	Amount	Check Amount
1		Payroll-9/16/22-9/20/22	22210-0	428.60	428.60
Grand Totals:					49,312.28



# ROWLAND WATER DISTRICT

## CASH INVESTMENTS

### As of September 30, 2022

Description / Type	Term	Shares / Units Held	Purchase Price	Current Price	Maturity Date	Current Yield	Current Value	% of Portfolio
<b>Cash</b>								
Citizens Business Bank							\$ 10,345,576	
<b>Total Cash</b>							<b>\$ 10,345,576</b>	
<b>Local Agency Investment Fund (LAIF)</b>	N/A					1.51%	\$ 2,128,126	15.56%
<b>Citizens Trust Investments (US Bank Custodian)</b>								
Fed'l Home Loan Mtg. Corp. - WTK6	4 Year	500,000	96.8350	95.7140	11/3/2023	0.31%	\$ 478,570	3.50%
Fed'l Home Loan Mtg. Corp. - WVJ2	4 Year	300,000	100.0000	92.1220	9/30/2024	0.43%	\$ 276,366	2.02%
Fed'l National Mtg. Assn. - XP73	3 Year	300,000	100.0000	98.9630	5/28/2025	4.04%	\$ 296,889	2.17%
Fed'l National Mtg. Assn. - 06M0	4 Year	200,000	100.0000	91.5800	12/16/2024	0.55%	\$ 183,160	1.34%
Fed'l Home Loan Mtg. Corp. - 4C27	5 Year	350,000	100.0000	89.9320	7/29/2025	0.78%	\$ 314,762	2.30%
Fed'l National Mtg. Assn. - 4XZ1	5 Year	200,000	100.0000	90.2910	6/30/2025	0.82%	\$ 180,582	1.32%
Fed'l National Mtg. Assn. - 0U43	5 Year	250,000	99.6518	98.5670	9/12/2023	2.92%	\$ 246,418	1.80%
Fed'l Home Loan Bank - 0T94	5 Year	505,000	99.2492	99.5850	1/19/2023	2.38%	\$ 502,904	3.68%
Fed'l Home Loan Bank - MSE3	5 Year	500,000	99.9250	98.4260	3/1/2023	0.11%	\$ 492,130	3.60%
Fed'l Farm Cr Bks - MLT7	3 Year	200,000	99.9040	94.7890	12/28/2023	0.22%	\$ 189,578	1.39%
Fed'l Farm Cr Bks - MLT7	3 Year	25,000	99.7000	94.7890	12/28/2023	0.22%	\$ 23,697	0.17%
Fed'l Farm Cr Bks - MLV2	3 Year	150,000	99.6670	93.7920	4/5/2024	0.29%	\$ 140,688	1.03%
Fed'l Farm Cr Bks - MFP2	4 Year	500,000	99.9490	91.8750	11/4/2024	0.48%	\$ 459,375	3.36%
Fed'l Farm Cr Bks - L5S9	3 Year	350,000	99.9200	92.5710	9/3/2024	0.52%	\$ 323,999	2.37%
Fed'l Home Loan Banks - KMF0	4 Year	200,000	99.9540	91.5790	10/28/2024	0.33%	\$ 183,158	1.34%
Fed'l Home Loan Banks - JP45	3 Year	200,000	100.0000	94.3180	3/11/2024	0.53%	\$ 188,636	1.38%
Fed'l Home Loan Banks - L7D0	5 Year	200,000	99.7900	89.0030	8/26/2025	0.56%	\$ 178,006	1.30%
Fed'l Home Loan Banks - N6N5	4 Year	200,000	100.0000	90.6410	4/29/2025	0.77%	\$ 181,282	1.33%
Fed'l Home Loan Banks - LGR9	5 Year	500,000	100.0000	88.4500	2/26/2026	0.96%	\$ 442,250	3.23%
Fed'l Home Loan Banks - LLD4	5 Year	250,000	99.9250	88.3860	3/17/2026	0.99%	\$ 220,965	1.62%
Fed'l Home Loan Banks - MUX8	5 Year	200,000	99.9300	88.2910	3/30/2026	0.99%	\$ 176,582	1.29%
Fed'l Home Loan Banks - PUY9	4 Year	200,000	100.0000	91.8730	2/28/2025	1.09%	\$ 183,746	1.34%
Fed'l Home Loan Banks - P6M2	5 Year	200,000	100.0000	87.4270	9/30/2026	1.17%	\$ 174,854	1.28%
Fed'l Home Loan Banks - PS48	3 Year	165,000	98.8630	92.8700	11/18/2024	1.13%	\$ 153,236	1.12%
Fed'l Home Loan Banks - QP56	3 Year	350,000	100.0000	94.4180	6/21/2024	1.27%	\$ 330,463	2.42%
Fed'l Home Loan Bank - Q7E7	5 Year	200,000	99.9050	89.6740	6/30/2026	1.67%	\$ 179,348	1.31%
Fed'l Home Loan Bank - QJD6	4 Year	200,000	99.7190	88.9490	10/27/2026	1.69%	\$ 177,898	1.30%
Fed'l National Mtg. Assn. - 1BR5	5 Year	125,000	101.0674	99.6710	12/9/2022	1.88%	\$ 124,589	0.91%
Fed'l Home Loan Bank - S3H0	2 Year	300,000	100.0000	97.3080	2/26/2024	2.70%	\$ 291,924	2.13%
Fed'l National Mtg. Assn. - DRG9	5 Year	250,000	100.8232	99.5260	3/10/2023	2.76%	\$ 248,815	1.82%
Fed'l Home Loan Bank - 0F70	2 Year	125,000	104.3708	98.7840	12/8/2023	3.42%	\$ 123,480	0.90%
Air Prods & Chems Inc. - 8BB1	5 Year	255,000	104.1940	90.8750	10/15/2025	1.65%	\$ 231,731	1.69%
Apple Inc. - 3DT4	5 Year	200,000	102.4560	91.7200	5/11/2025	1.23%	\$ 183,440	1.34%
Apple Inc. - 3CU2	5 Year	150,000	103.6730	97.5350	5/11/2024	2.92%	\$ 146,303	1.07%
Apple Inc. - 3CG3	5 Year	400,000	104.3970	98.2070	2/9/2024	3.05%	\$ 392,828	2.87%
Bank of New York Mellon Corp. - RAE7	5 Year	250,000	99.8060	99.6010	1/29/2023	2.96%	\$ 249,003	1.82%
Caterpillar Finl Service - Q3B3	2 Year	200,000	96.7600	95.1040	11/8/2024	2.26%	\$ 190,208	1.39%
Floria Pwr & Lt Co - 1FZ5	5 Year	800,000	108.9188	95.6760	4/1/2025	2.98%	\$ 765,408	5.60%
Paccar Financial Corp. - RQ66	5 Year	500,000	104.7908	93.6240	2/6/2025	1.92%	\$ 468,120	3.42%
Paccar Financial Corp. - RP59	3 Year	170,000	105.0550	99.3740	8/9/2023	3.42%	\$ 168,936	1.24%
Schwab Charles Corp - 3BN4	2 Year	200,000	95.7870	94.5480	3/18/2024	0.79%	\$ 189,096	1.38%
US Bancorp Mtns. - HHV5	5 Year	200,000	102.1370	98.2790	2/5/2024	3.43%	\$ 196,558	1.44%
Inter American Development Bank - OCC0	3 Year	200,000	104.5920	98.8800	10/24/2023	3.03%	\$ 197,760	1.45%
Intl Bank for Recon & Dev - 8JB0	5 Year	400,000	98.7800	91.0290	4/22/2025	0.69%	\$ 364,116	2.66%
Cash Reserve Account						2.73%	\$ 134,283	0.98%
<b>Total Citizens Trust Investments</b>							<b>\$ 11,546,138</b>	<b>84.44%</b>
<b>Total Investments</b>							<b>\$ 13,674,264</b>	<b>100.00%</b>
<b>Total Cash &amp; Investments</b>							<b>\$ 24,019,841</b>	

Market values determined on last business day of the month. 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 show above are based on annual rates of return.

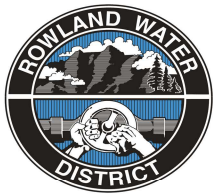


# ROWLAND WATER DISTRICT

## PROFIT & LOSS

### September 2022

	Sep-22	Year-to-Date (YTD)	Budget (Annual)	Under / (Over) Budget	YTD Budget %	Prior YTD
<b>1 OPERATING REVENUE</b>						
2 Water Sales	\$ 1,651,807	\$ 4,685,318	\$ 16,094,500	\$ 11,409,182	29%	\$ 4,737,648
3 Meter Charges	968,716	2,902,675	12,189,600	9,286,925	24%	3,030,773
4 Customer Fees	171,427	250,156	256,700	6,544	97%	25,747
5 Contract Income	15,655	55,535	218,400	162,865	25%	38,727
6 RWD Labor Sales/Reimbursements	55,664	111,275	120,000	8,725	93%	19,488
7 Capacity Fees	-	30,385	50,000	19,615	61%	66,028
8 Flow Tests	1,300	4,225	17,500	13,275	24%	4,900
9 Return Check Fees	180	3,780	4,500	720	84%	1,110
10 Uncollectable	-	-	(56,600)	(56,600)	0%	-
<b>11 TOTAL OPERATING REVENUE</b>	<b>2,864,749</b>	<b>8,043,348</b>	<b>28,894,600</b>	<b>20,851,252</b>	<b>28%</b>	<b>7,924,422</b>
<b>12 NON-OPERATING REVENUE</b>						
13 Property Taxes	-	18,890	393,800	374,910	5%	-
14 Shared Services	1,062	10,713	24,000	13,287	45%	9,438
15 Interest Income	21,366	60,595	245,000	184,405	25%	60,866
16 Miscellaneous Income	515	1,046	25,000	23,954	4%	11,403
<b>17 TOTAL NON-OPERATING REVENUE</b>	<b>22,943</b>	<b>91,245</b>	<b>687,800</b>	<b>596,555</b>	<b>13%</b>	<b>81,708</b>
<b>18 TOTAL REVENUES</b>	<b>2,887,692</b>	<b>8,134,592</b>	<b>29,582,400</b>	<b>21,447,808</b>	<b>27%</b>	<b>8,006,129</b>
<b>19 OPERATING EXPENSES</b>						
20 Source of Supply						
21 Water Purchases	953,548	3,003,836	11,591,300	8,587,464	26%	3,109,040
22 Pumping Power	35,805	101,977	336,600	234,623	30%	99,378
23 Fixed Charges	28,755	86,264	300,700	214,436	29%	75,442
24 Chemicals	5,766	24,905	65,000	40,095	38%	18,658
25 Total Source of Supply	1,023,875	3,216,983	12,293,600	9,076,617	26%	3,302,518
26 Maintenance of Water System	110,071	250,176	762,500	512,324	33%	163,725
27 Service Contracts	33,908	74,386	381,200	306,814	20%	89,715
28 Assessments	21,403	55,707	280,000	224,293	20%	49,640
29 Vehicle Expense	12,804	44,271	123,500	79,229	36%	21,429
30 Tools & Supplies	704	12,194	40,800	28,606	30%	9,248
31 Equipment Expense	1,382	17,711	35,300	17,589	50%	4,279
32 Maintenance & Operations	11,255	20,405	71,900	51,495	28%	24,041
33 Engineering	9,784	58,110	200,000	141,890	29%	48,205
34 Water Tests	5,629	7,883	24,000	16,118	33%	6,861
35 Conservation	-	1,607	50,000	48,393	3%	776
36 Community Outreach	4,073	31,926	223,600	191,674	14%	105,219
<b>37 TOTAL OPERATING EXPENSES</b>	<b>1,234,888</b>	<b>3,791,360</b>	<b>14,486,400</b>	<b>10,695,040</b>	<b>26%</b>	<b>3,825,657</b>
<b>38 ADMINISTRATIVE EXPENSES</b>						
39 Liability Insurance	-	77,078	137,100	60,022	56%	56,361
40 IT Support Services	12,997	38,455	158,200	119,745	24%	34,582
41 IT Licensing	14,123	89,768	325,600	235,832	28%	61,991
42 Director Expense	12,719	35,381	181,100	145,719	20%	37,976



# ROWLAND WATER DISTRICT

## PROFIT & LOSS

### September 2022

	Sep-22	Year-to-Date (YTD)	Budget (Annual)	Under / (Over) Budget	YTD Budget %	Prior YTD
43 Bank / Management Fees	15,291	46,070	178,200	132,130	26%	40,041
44 Legal Fees	15,399	37,211	116,500	79,289	32%	29,105
45 Compliance	10,544	32,163	156,100	123,937	21%	25,181
46 Auditing & Accounting	-	11,700	35,000	23,300	33%	14,357
47 Utility Services	9,107	22,960	125,100	102,140	18%	27,218
48 Dues & Memberships	-	1,535	49,200	47,665	3%	25,833
49 Conference & Meetings	8,738	9,909	45,000	35,091	22%	15,063
50 Office Expenses	4,244	6,323	37,700	31,377	17%	12,513
51 Seminars/Training	9,728	30,789	115,500	84,711	27%	20,024
52 Miscellaneous Expense	17,241	23,616	156,000	132,384	15%	22,979
<b>53 TOTAL ADMINISTRATIVE EXPENSES</b>	<b>130,132</b>	<b>462,957</b>	<b>1,816,300</b>	<b>1,353,343</b>	<b>25%</b>	<b>423,225</b>
<b>54 PERSONNEL EXPENSES</b>						
55 Wages						
56 Operations	57,443	168,490	1,167,500	999,010	14%	199,083
57 Distribution	79,143	234,575	1,203,400	968,825	19%	262,684
58 Administration	118,620	355,560	1,545,500	1,189,940	23%	357,638
59 Total Wages	255,206	758,625	3,916,400	3,157,775	19%	819,405
60 Payroll Taxes	17,076	52,199	273,300	221,101	19%	53,405
61 Workers Compensation	16,817	16,817	81,400	64,583	21%	15,429
62 Unemployment	279	279	900	621	31%	372
63 CalPERS	36,616	449,789	1,039,400	589,611	43%	622,061
64 OPEB Contributions	-	-	-	-	0%	-
65 EE & Retiree Health Insurance	71,839	215,077	1,059,500	844,423	20%	197,132
<b>66 TOTAL PERSONNEL EXPENSES</b>	<b>397,833</b>	<b>1,492,786</b>	<b>6,370,900</b>	<b>4,878,114</b>	<b>23%</b>	<b>1,707,804</b>
<b>67 TOTAL EXPENSES</b>	<b>1,762,853</b>	<b>5,747,103</b>	<b>22,673,600</b>	<b>16,926,497</b>	<b>25%</b>	<b>5,956,685</b>
<b>68 NET INCOME / (LOSS) - BEFORE DEBT SERVICE &amp; CAPITAL EXPENDITURES</b>	<b>1,124,839</b>	<b>2,387,490</b>	<b>6,908,800</b>	<b>4,521,310</b>	<b>35%</b>	<b>2,049,444</b>
69 Less: Total Debt Service	(1,765)	(5,244)	(716,200)	710,956	1%	(10,639)
70 Less: CalPERS (Bond Debt Savings)	-	-	(1,750,900)	1,750,900	0%	-
71 Less: Capital Expenses (Current Year)	(403,410)	(403,410)	(5,542,700)	5,139,290	7%	(48,539)
<b>72 CASH INCREASE / (DECREASE)</b>	<b>\$ 719,664</b>	<b>\$ 1,978,835</b>	<b>\$ (1,101,000)</b>	<b>\$ 3,079,835</b>		<b>\$ 1,990,266</b>

*\*No assurance is provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States are not included.*



## Rowland Water District

### Profit & Loss Analysis and Variance Report

September 2022

**1. OPERATING REVENUE**

2. Water Sales – volumetric water sales revenue from all customer types including residential, commercial, public, industrial, recycled and construction. YTD is trending at 29%.
3. Meter Charges – the fixed monthly base rate charged to water customers each month (includes all customer types). YTD is at 24%.
4. Customer Fees – various fees conditionally charged to customers such as penalties, new service connections, reconnections, backflow administration, cross connections, connections and recycled water checks/inspections. These types of fees are unpredictable in nature and can often trend over/under expected budget. YTD is at 97%.
5. Contract Income – contains revenues from tower lease contracts. YTD is currently at 25%.
6. RWD Labor Sales/Reimbursements – water sold on construction invoices, City of Industry labor sales and Pomona-Walnut-Rowland Joint Water Line Commission (PWR JWLC) treasurer fees. The frequency and amounts of these revenues are unknown and can occasionally trend over/under budget due to their unpredictable nature. YTD is at 93%.
7. Capacity Fees – fees imposed on any property or person requesting a new, additional or larger connection to the District's potable water system (fees vary by meter size). These receipts are uncertain and can trend over/under budget due to their unpredictable nature. YTD is currently high at 61% due to capacity fees for a new 2 inch meter.
8. Flow Tests – fire flow tests performed by District personnel to measure the volume of water available at a specific hydrant (\$350 per test). YTD is at 24%.
9. Return Check Fees – customers are charged a fee when the District is paid with insufficient funds checks and checks are returned by the bank. These receipts are uncertain and can trend over/under budget due to their unpredictable nature. YTD is currently high at 84%.
10. Uncollectable – the District analyzes customer receivables at the end of each year and recognizes an expense equal to the estimated amount of cash that may not be collected. Uncollectable expense will be zero until assessed at year-end.

**11. TOTAL OPERATING REVENUE**

**12. NON-OPERATING REVENUE**

13. Property Taxes – includes tax contributions from the County of Los Angeles. YTD is at 5% since the bulk of receipts happen between December and May each year and can cause YTD % to trend over/under expected budget %.



## Rowland Water District

### Profit & Loss Analysis and Variance Report

September 2022

14. Shared Services – RWD is paid for extending Executive Director services to Bellflower-Somerset Mutual Water Company (provided by the General Manager of RWD). YTD is at 45% due to the unpredictable nature of shared services.
15. Interest Income – includes interest and dividends received on District investments. YTD is at 25%.
16. Miscellaneous Income – includes income from various sources such as recycling and refunds. YTD is low at 4% due to unpredictable nature of recycling revenues.
17. **TOTAL NON-OPERATING REVENUE**
18. **TOTAL REVENUES**
19. **OPERATING EXPENSES**
20. **SOURCE OF SUPPLY**
21. Water Purchases – Includes variable costs of potable water from Three Valleys Municipal Water District (TVMWD) and California Domestic Water Company (CalDomestic), and recycled water purchases from City of Industry and Walnut Valley Water District (WVWD). YTD is at 26%.
22. Pumping Power – the cost of electricity used for pumping water. YTD is at 30%.
23. Fixed Charges – includes fixed charges from TVMWD and CalDomestic. YTD is at 29%.
24. Chemicals – the cost of chemicals used to treat water sold to customers. YTD is at 38%.
25. **TOTAL SOURCE OF SUPPLY**
26. Maintenance of Water System – the costs of repairs and maintenance on elements of the District water system such as main lines, services, meters, reservoirs, valves, hydrants, and telemetry system. YTD is at 33%.
27. Service Contracts – includes costs for services such as billing printing and mailing, bulk paper shredding, copier leasing and services, landscaping, janitorial, uniforms, security system monitoring and maintenance, Caselle maintenance and support, Harmony renewal and other services. YTD is low at 20% due to timing of service contracts.
28. Assessments – operating costs billed to RWD for their share of the PWR JWLC, which is billed quarterly, and the Puente Basin Water Agency (PBWA), which is billed monthly. YTD can trend over/under budget due to the timing of billing. YTD is currently at 20%.



## Rowland Water District

### Profit & Loss Analysis and Variance Report

September 2022

29. Vehicle Expense – includes repair and maintenance costs for District vehicles as well as the cost of fuel. YTD can trend over/under budget due to the timing of truck maintenance and fuel purchases. YTD is currently at 36%.
30. Tools & Supplies – small tools and supplies used in the field. YTD can trend over/under budget due to the timing of tools and supplies. YTD is at 30%.
31. Equipment Expense – various costs incurred related to District equipment. YTD can trend over/under budget due to the timing of tools and supplies. YTD is at 50%.
32. Maintenance & Operations – various costs incurred for District maintenance and operations not directly related to the water system. YTD can trend over/under budget due to the timing of maintenance and operations. YTD is currently at 28%.
33. Engineering – general engineering costs related to District operations. YTD is high at 29% due to the cost of updating the hydraulic model.
34. Water Tests – laboratory testing and sampling of District water. YTD is at 33%.
35. Conservation – water conservation programs and efforts. YTD is low at 3% due to timing of conservation expenses.
36. Community Outreach – costs related to public relations and community outreach. YTD is at 14%.
37. **TOTAL OPERATING EXPENSES**
38. **ADMINISTRATIVE EXPENSES**
39. Liability Insurance – coverage through ACWA JPIA for the District insurance package. YTD is at 56% due to timing of insurance bill and budgeting method used.
40. IT Support Services – information technology support services. YTD is at 24%.
41. IT Licensing – includes costs for various software licenses. YTD is at 28%.
42. Director Expense – costs for director compensation and benefits. YTD is at 20% of budget.
43. Bank/Management Fees – includes various banking fees, Paymentus fees (for processing customer payments) and investment administrative fees. YTD is currently at 26%.
44. Legal Fees – legal costs related to RWD, PBWA and Public Water Agencies Group (PWAG). YTD is at 32%.



## Rowland Water District

### Profit & Loss Analysis and Variance Report

September 2022

45. Compliance – includes costs for State Water Resources Control Board (SWRCB) compliance, LA County property taxes, various employee certifications, District permits, and maintenance costs for equipment compliance. YTD is at 21%.
46. Auditing & Accounting – includes consulting services for complex accounting matters and annual audit assurance services related to District financial reporting. YTD is high at 33% due to the timing of audit billing.
47. Utility Services – costs related to office electricity, office phones, gas and district cell phones. YTD is at 18%.
48. Dues & Memberships – costs for district memberships, dues and subscriptions to various agencies such as the Water Education Foundation, Association of California Water Agencies, Urban Water Institute, California Special Districts Association and American Water Works Association. YTD is low at 3% due the timing of these billings.
49. Conference & Meetings – conference attendance and meeting expenses. YTD is at 22% due to timing of conference and meeting costs for District personnel.
50. Office Expenses – costs for office supplies, postage, printing and stationery. YTD is low at 17% due to timing of these expenses.
51. Seminars/Training – employee seminars and training. YTD is at 27%.
52. Miscellaneous Expense – includes costs for travel, books & subscriptions, and miscellaneous general expenses. YTD is low at 15% due to the timing of these expenses.
53. **TOTAL ADMINISTRATIVE EXPENSES**
54. **PERSONNEL EXPENSES**
55. **WAGES**
56. Operations – wages expense (regular, standby, OT) attributable to Operations. YTD is low at 14% as the Director of Operations position is unfilled.
57. Distribution – wages expense (regular, standby, OT) attributable to Distribution. YTD is at 19%.
58. Administration – wages expense (regular) attributable to Administration. YTD is at 23%.
59. **TOTAL WAGES**
60. Payroll Taxes – employer payroll taxes paid by the District. YTD is trending at 19%.



## Rowland Water District

### Profit & Loss Analysis and Variance Report

September 2022

61. Workers Compensation – the District is billed quarterly for workers compensation insurance which can occasionally cause this line item to trend over/under expected budget. YTD is at 21%.
62. Unemployment – state unemployment insurance is paid quarterly which can cause this line to occasionally trend over/under expected budget. YTD is at 31%.
63. CalPERS – includes retirement costs for employee pension plans through the California Public Employee Retirement System. Contributions are made monthly and an annual payment is made at the beginning of each fiscal year for the plan's unfunded accrued liability. YTD is high at 43% due to payment timing of the unfunded payment (\$ 340.3K paid in July 2022).
64. OPEB Contributions – includes retirement costs for other post-employment benefits that provides medical, dental and vision coverage. There will be no OPEB contributions for the current fiscal year as the Public Agency Retirement Services (PARS) trust is fully funded.
65. EE & Retiree Health Insurance – includes the cost of health, dental, vision, life, and disability insurance for current employees as well as health insurance for retired employees. YTD is at 20%.
66. **TOTAL PERSONNEL EXPENSES**
67. **TOTAL EXPENSES**
68. **NET INCOME / (LOSS) BEFORE DEBT SERVICE & CAPITAL EXPENSES** – Financially, the District has performed as expected through September 2022.
69. Less: Total Debt Service – includes interest and principal payments on outstanding District debt as well as related administrative expenses. Interest payments on outstanding debt are made twice per year (December/June) and principal payments occur annually in December.
70. Less: CalPERS (Bond Debt Savings) – includes bond debt refunding savings for paying down the CalPERS unfunded accrued liability. Payments will be made in December and June.
71. Less: Capital Expenses (Current-Year) – includes expenses related to current-year district projects and capital assets, excluding projects funded by bond proceeds (debt). YTD is at 7%.
72. **CASH INCREASE / (DECREASE)**

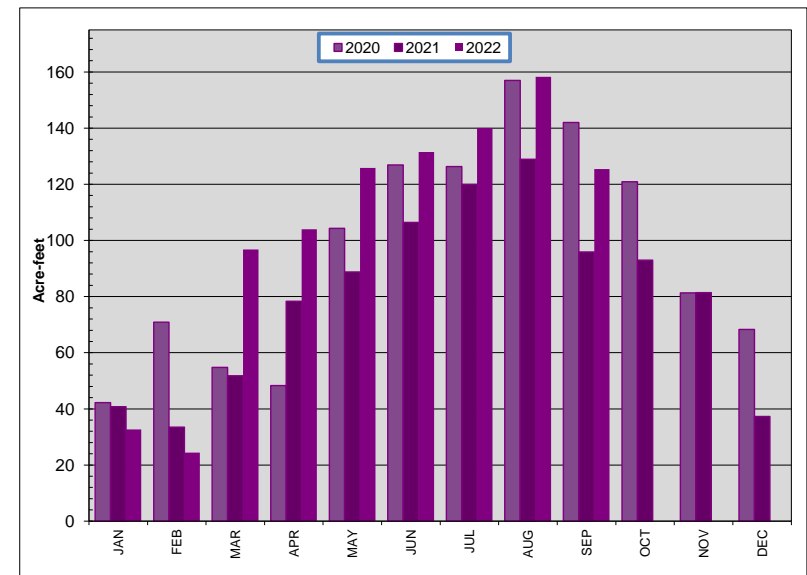
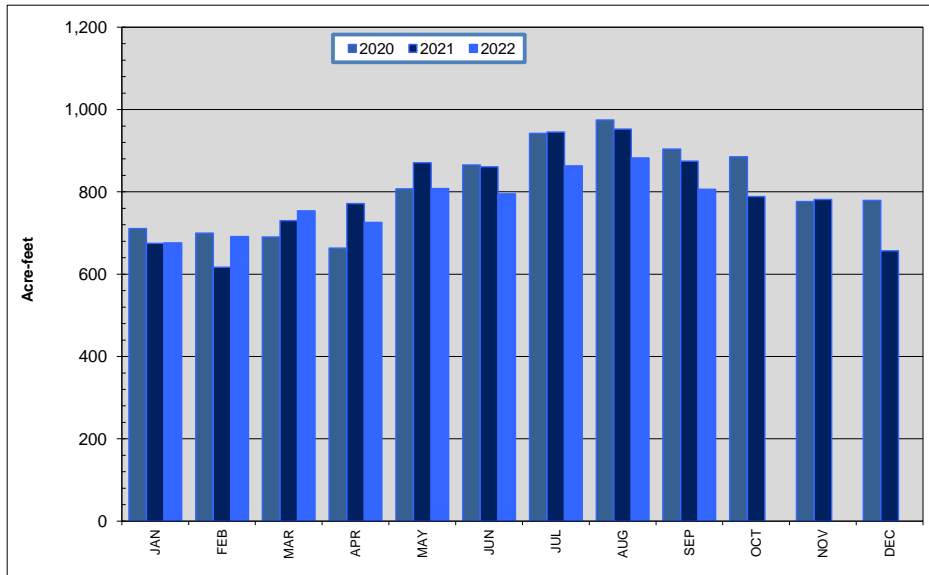


## Water Purchases for CY 2022 (Acre-feet)



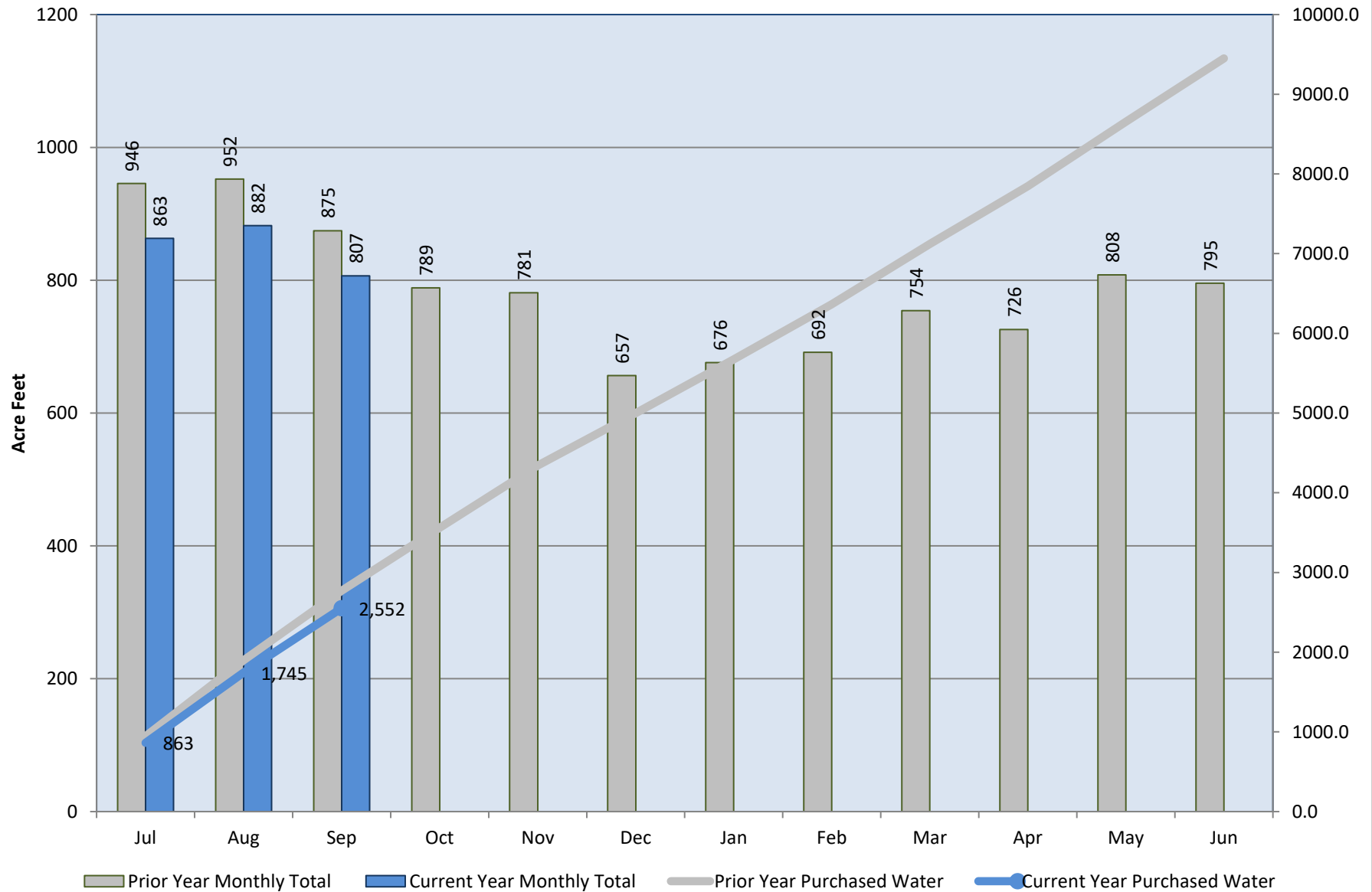
	POTABLE SYSTEM						TOTAL
	WBS	LHH	PM-9	PM-22	JWL		
					PM-15	Miramar	
JAN	173.8	0.0	0.0	228.3	133.5	140.3	675.9
FEB	56.8	0.0	0.0	222.6	391.9	20.4	691.7
MAR	0.0	0.0	0.0	236.0	347.6	170.5	754.1
APR	0.0	0.0	0.0	216.7	296.7	212.4	725.8
MAY	0.0	0.0	0.0	242.4	559.0	6.8	808.2
JUN	0.0	0.0	0.0	237.4	558.0	0.0	795.4
JUL	0.0	0.0	0.0	283.9	579.0	0.0	862.9
AUG	0.0	0.0	0.0	295.3	587.0	0.0	882.3
SEP	0.0	0.0	0.0	250.3	556.2	0.0	806.5
OCT							0.0
NOV							0.0
DEC							0.0
TOTAL	230.6	0.0	0.0	2,212.9	4,008.9	550.4	7,002.8

RECYCLED SYSTEM					TOTAL
Well 1	Wet Well	WVWD	Industry	Potable Make-up	
15.9	6.6	1.0	9.2	0.0	32.7
12.7	8.5	1.0	2.2	0.0	24.4
27.6	4.0	1.0	64.2	0.0	96.8
12.1	12.9	1.0	78.0	0.0	104.0
0.0	33.5	2.0	90.3	0.0	125.8
0.0	24.8	2.0	104.7	0.0	131.5
0.0	21.7	3.0	115.4	0.0	140.1
0.0	33.1	2.0	123.2	0.0	158.3
0.0	18.1	2.0	105.3	0.0	125.4
					0.0
					0.0
					0.0
68.3	163.2	15.0	692.5	0.0	939.0



# Potable Water Purchases For FY 2022-2023

(Acre-feet)



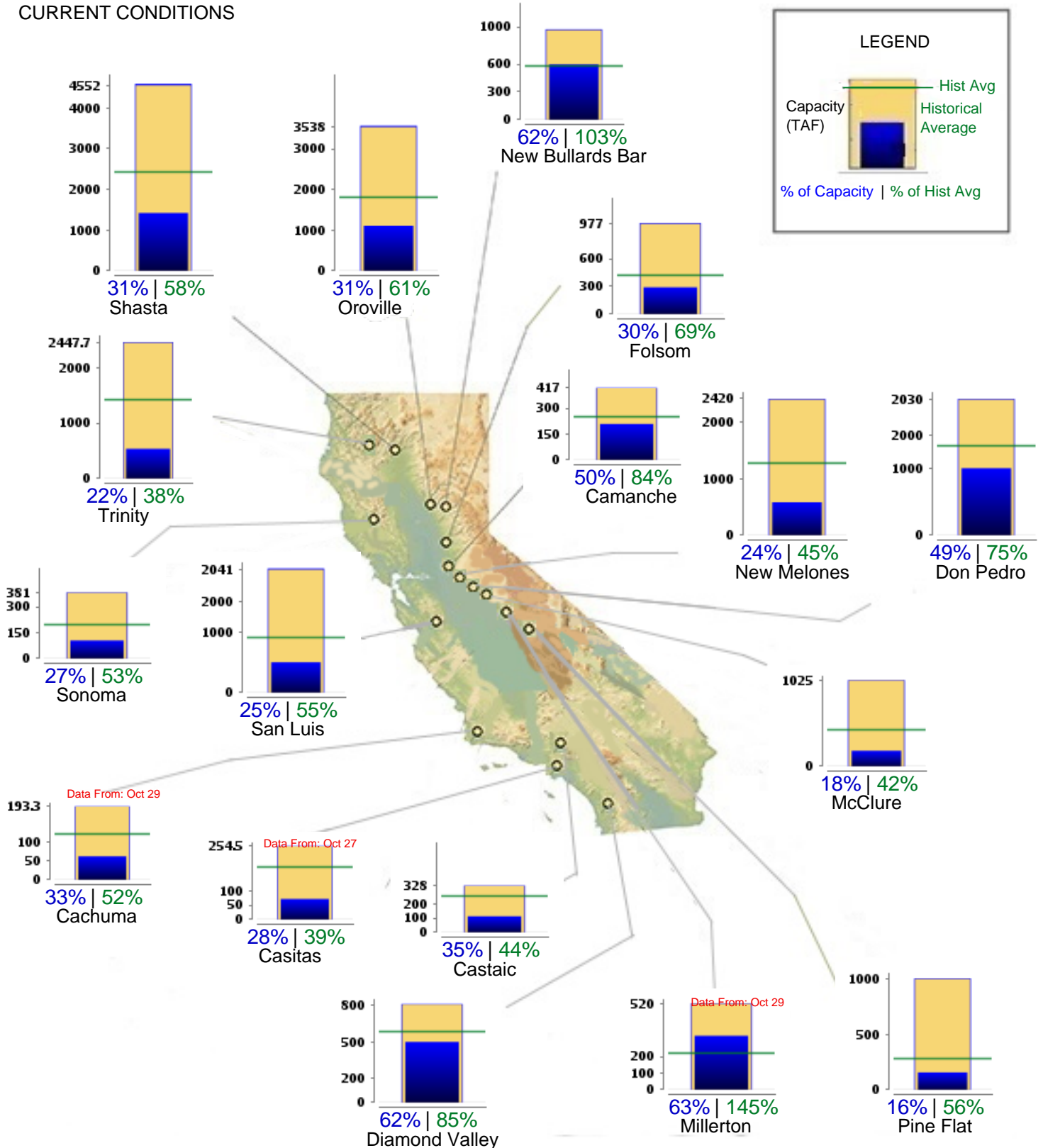


# CURRENT RESERVOIR CONDITIONS

## CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - October 30, 2022

### CURRENT CONDITIONS





## October 2022-DIRECTOR REIMBURSEMENTS

Director	Date of Meeting/Event	Meeting/Event Attended	Reimbursement	No Charge	Additional Comments (Submit expense report if claiming mileage and/or meal reimbursement)
<b>Anthony J. Lima</b>					
	10/5/2022	TVMWD Board Meeting	\$185.00		Mileage
	10/6/2022	PBWA	\$185.00		
	10/13/2022	Three Valleys MWD Leadership Breakfast		X	Mileage
	10/13/2022	PWR Joint Water Line Commission	\$185.00		
	10/18/2022	RWD Board Meeting	\$185.00		
	10/19/2022	TVMWD Board Meeting	\$185.00		Mileage
		<b>TOTAL PAYMENT</b>	<b>\$925.00</b>		
<b>John Bellah</b>					
	10/13/2022	Three Valleys MWD Leadership Breakfast		X	Mileage
	10/13/2022	PWR Joint Water Line Commission	\$185.00		
	10/17/2022	RHCCC	\$185.00		
	10/18/2022	RWD Special Board Meeting	\$185.00		
		<b>TOTAL PAYMENT</b>	<b>\$555.00</b>		
<b>Robert W. Lewis</b>					
	10/6/2022	PBWA	\$185.00		
	10/10/2022	GAC	\$185.00		
	10/13/2022	Three Valleys MWD Leadership Breakfast		X	Mileage
	10/18/2022	RWD Board Meeting	\$185.00		
		<b>TOTAL PAYMENT</b>	<b>\$555.00</b>		
<b>Szu Pei Lu-Yang</b>					
	10/5/2022	TVMWD Board Meeting	\$185.00		
	10/17/2022	RHCCC	\$185.00		
	10/18/2022	RWD Board Meeting	\$185.00		
	10/19/2022	TVMWD Board Meeting	\$185.00		
		<b>TOTAL PAYMENT</b>	<b>\$740.00</b>		
<b>Vanessa Hsu</b>					
	10/13/2022	Three Valleys MWD Leadership Breakfast		X	
	10/18/2022	RWD Board Meeting	\$185.00		
		<b>TOTAL PAYMENT</b>	<b>\$185.00</b>		

APPROVED FOR PAYMENT:

Tom Coleman



## **RESOLUTION NO. 11-2022**

### **ROWLAND WATER DISTRICT RESOLUTION OF THE BOARD OF DIRECTORS INCREASING THE AUTOMOBILE ALLOWANCE FOR THE ASSISTANT GENERAL MANAGER**

**WHEREAS**, the District's Personnel Policy provides that the General Manager, Assistant General Manager and Director of Operations shall be provided an Automobile Allowance to compensate them for use of their personal vehicles in performing their duties; and

**WHEREAS**, Resolution No. 1-2018 indicates that the amount of the Automobile Allowance provided to the General Manager shall be set by contract in the General Manager's Employment Agreement, and that the Automobile Allowance for the Assistant General Manager and Director of Operations shall be \$500.00 per month, subject to adjustment by the Board of Directors from time to time; and

**WHEREAS**, based on the employment duties and requirements of the Assistant General Manager position, the Board of Directors desires to increase the Automobile Allowance for the Assistant General Manager to \$700 per month.

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

1. The Automobile Allowance for the Assistant General Manager established in Resolution 1-2018 shall be increased to \$700.00 per month, subject to adjustment by the Board of Directors from time to time.
2. All other provisions of Resolution 1-2018 shall remain in effect, and this Resolution does not amend or alter the existing Rowland Water District Personnel Rules and Regulations, which include provisions on the Automobile Allowance.
3. This Resolution shall become effective immediately upon adoption by the Board of Directors and the Automobile Allowance increase will take effect on the first day of the month following such adoption.

**PASSED, APPROVED, AND ADOPTED** at the regular meeting of the Board of Directors held November 8, 2022, by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

**ANTHONY J. LIMA**  
President

ATTEST:

---

**TOM COLEMAN**  
General Manager

I certify that the forgoing Resolution is a true and correct copy of the Resolution of the Board of Directors of the Rowland Water District adopted on November 8, 2022.

---

**TOM COLEMAN**  
General Manager/Board Secretary

**Pomona-Walnut-Rowland  
Joint Water Line Commission**

**Management Report**

**June 30, 2022**



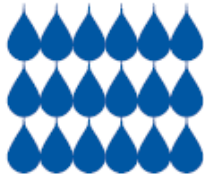
**Fedak & Brown LLP**  
Certified Public Accountants

# **Pomona-Walnut-Rowland Joint Water Line Commission**

## **Management Report**

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Christopher J. Brown, CPA, CGMA  
Jonathan Abadesco, CPA  
Andy Beck, CPA

## Fedak & Brown LLP

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(951) 783-9149

### **CONFIDENTIAL**

Board of Commissioners  
Pomona-Walnut-Rowland Joint Water Line Commission  
Rowland Heights, California

#### **Dear Members of the Board:**

In planning and performing our audit of the financial statements of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered Commission internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weakness. Given these limitations during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Current Year Comments and Recommendations**

Our comments, all of which have been discussed with the appropriate members of management, are summarized as follows:

#### **Disclosure of Audit Adjustments and Reclassifications**

As your external auditor, we assume that the books and records of the Commission are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the Commission's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Commissioners to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Commissioners with a better understanding of the scope of the audit.

**Current Year Comments and Recommendations, continued**

*Management's Response*

We have reviewed and approved the audit adjustment entries provided by the auditor and have entered the entries into the Commission's accounting system.

**Prior Year Comments and Recommendations**

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the Commission are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the Commission's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Commissioners to gain a full and complete understanding and appreciation of the scope and extent of the audit process, we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Commissioners with a better understanding of the scope of the audit.

*Management's Response*

We have reviewed and approved the audit adjustment entries provided by the auditor and have entered the entries into the Commission's accounting system.

\* \* \* \* \*

This communication is intended solely for the information and use of management, Board of Commissioners, and others within the Commission, and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

*Fedak & Brown LLP*

**Fedak & Brown LLP**  
Cypress, California  
October 13, 2022

**APPENDIX**

**Pomona-Walnut-Rowland  
Joint Water Line Commission**

**Audit/Finance Committee Letter**

**June 30, 2022**



Christopher J. Brown, CPA, CGMA  
Jonathan Abadesco, CPA  
Andy Beck, CPA

# Fedak & Brown LLP

Certified Public Accountants

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(951) 783-9149

Board of Commissioners  
Pomona-Walnut-Rowland Joint Water Line Commission  
Rowland Heights, California

We have audited the financial statements of the business-type activities of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, Government Auditing Standards and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated March 16, 2022. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2022. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of the fair value of cash and cash equivalents is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and cash equivalents in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements were:

The disclosure of fair value of cash and cash equivalents in Note 2 to the financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net in Note 3 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

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

Significant Audit Matters, continued

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit processes and testwork.

*Corrected and Uncorrected Misstatements*

Generally Accepted Auditing Standards require us to accumulate all known and likely misstatements identified during the audit, except those that are considered trivial, and communicate them to the appropriate level of management as follows:

There were two (2) audit adjustment and/or reclassification entries made to the original trial balance presented to us to begin our audit. Both journal entries were prepared by the auditor (see a listing of those entries attached on page 4 of this report).

*Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the Management Representation Letter to the Auditor dated October 13, 2022.

*Management Consultations with Other Independent Accountants*

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

*Other Audit Findings or Issues*

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

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Conclusion

We appreciate the cooperation extended to us by Tom Monk, Administrative Officer, Myra Malner, Commission Treasurer, and the Commission staff in the performance of our audit testwork.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the Commission.

*Fedak & Brown LLP*

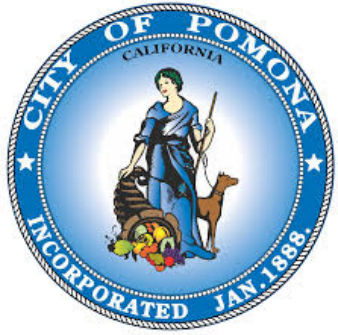
**Fedak & Brown LLP**  
Cypress, California  
October 13, 2022

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Schedule of Audit Adjusting Journal Entries**  
**June 30, 2022**

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
<b>Adjusting Journal Entries</b>			
<b>Adjusting Journal Entries JE # 1</b>			
AJE - To restrict LAIF based on the \$43,323 reserve transfer for Depreciation and Replacement noted in the Commission's FY21/22 budget.			
102-5	Restricted LAIF	\$ 792,212.00	
102-5	Restricted LAIF	43,323.00	
102-0	LAIF		835,535.00
<b>Total</b>		<b>\$ 835,535.00</b>	<b>835,535.00</b>
<b>Adjusting Journal Entries JE # 2</b>			
AJE - To reclassify restricted receivables (June billing for depreciation & replacement) at June 30, 2022.			
108-5	Restricted Accounts Receivable	\$ 4,747.25	
108-5	Restricted Accounts Receivable	6,083.50	
108-0	Accts. Rec.-Water Sales		10,830.75
<b>Total</b>		<b>\$ 10,830.75</b>	<b>10,830.75</b>
<b>Total Adjusting Journal Entries</b>		<b>\$ 846,365.75</b>	<b>846,365.75</b>
<b>Total All Journal Entries</b>		<b>\$ 846,365.75</b>	<b>846,365.75</b>

**Legend:**

AJE	Audit Adjusting Journal Entry
-----	-------------------------------



**Pomona-Walnut-Rowland  
Joint Water Line Commission**

**Annual Financial Report**

**For the Fiscal Years Ended June 30, 2022 and 2021**



### **Board of Commissioners as of June 30, 2022**

<b>Name</b>	<b>Title</b>	<b>Elected/ Appointed</b>
Scarlett Kwong	Commissioner	Appointed
Anthony J. Lima	Commissioner	Appointed
Victor Preciado	Commissioner	Appointed
Edwin Hilden	Alternate	Appointed
John Bellah	Alternate	Appointed
John Nolte	Alternate	Appointed

**Pomona-Walnut-Rowland Joint Water Line Commission  
Tom Monk, Administrative Officer  
3021 Fullerton Road  
Rowland Heights, California 91748  
(562) 697-1726 – [www.rowlandwater.com](http://www.rowlandwater.com)**

**Pomona-Walnut-Rowland  
Joint Water Line Commission**

**Annual Financial Report**

**For the Fiscal Years Ended June 30, 2022 and 2021**

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Annual Financial Report**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

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## **Financial Section**





Christopher J. Brown, CPA, CGMA  
Jonathan Abadesco, CPA  
Andy Beck, CPA

## Fedak & Brown LLP

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(951) 783-9149

### Independent Auditor's Report

Board of Commissioners  
Pomona-Walnut-Rowland Joint Water Line Commission  
Rowland Heights, California

#### Report on the Audit of the Financial Statements

##### *Opinion*

We have audited the accompanying financial statements of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission), as of and for the years ended June 30, 2022 and 2021, and the related statements of revenues, expenses, and changes in net position for the years then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

##### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Independent Auditor's Report, continued**

### ***Auditor's Responsibilities for the Audits of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Project's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for a reasonable period of time.

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

## **Independent Auditor's Report, continued**

### ***Other-Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 our audits 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.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The other supplemental information on pages 28 through 31 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 other supplementary information is 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 October 13, 2022, on our consideration of the Commission'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 solely 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 the effectiveness of the Commission's 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 Commission's internal control over financial reporting and compliance. This report can be found on pages 32 and 33.

*Fedak & Brown LLP*

**Fedak & Brown LLP**  
Cypress, California  
October 13, 2022

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**Pomona-Walnut-Rowland Joint Water Line Commission**  
***Management's Discussion and Analysis***  
**For the Fiscal Years Ended June 30, 2022 and 2021**

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) provides an introduction to the financial statements of the Commission for the fiscal years ended June 30, 2022 and 2021. We encourage readers to consider the information presented here with additional information that we have furnished in the accompanying basic financial statements and related notes, which follow this section.

**Financial Highlights**

- The Commission's net position increased 0.36% or \$11,085 to \$3,123,930. In 2021, the Commission's net position increased 0.60% or \$18,683 to \$3,112,845.
- The Commission's operating revenues decreased 5.68% or \$1,278,056 to \$21,206,417. In 2021, the Commission's operating revenues increased 22.41% or \$4,115,617 to \$22,484,473.
- The Commission's non-operating revenues decreased 18.13% or \$469 to \$2,118. In 2021, the Commission's non-operating revenues decreased 91.73% or \$28,687 to \$2,587.
- The Commission's operating expenses decreased 5.72% or \$1,285,030 to \$21,199,084. In 2021, the Commission's operating expenses increased 22.44% or \$4,121,283 to \$22,484,114.
- The Commission's non-operating expenses increased to \$13,509. In 2021, there were no non-operating expenses.
- There were no changes in capital contributions for the fiscal years ended June 30, 2022 and 2021.

**Required Financial Statements**

This annual report consists of a series of financial statements. The Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows provide information about the activities and performance of the Commission using accounting methods similar to those used by private sector companies.

The Statements of Net Position include all of the Commission's investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for evaluating the results of operations, evaluating the capital structure of the Commission, and assessing the liquidity and financial flexibility of the Commission. All of the current year's revenues and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the Commission's operations over the past year and can be used to determine if the Commission has successfully recovered all of its costs through its water sales and other charges to its member agencies. In addition to tracking cost recovery performance, these statements can also be used to evaluate the results of operations and creditworthiness. The final required financial statements are the Statements of Cash Flows, which provide information about the Commission's cash receipts and cash payments during the reporting period. The Statements of Cash Flows report cash receipts, cash payments, and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities, and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Financial Analysis of the Commission**

One of the most important questions asked about the Commission's finances is, "Is the Commission better off or worse off as a result of this year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position report information about the Commission in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the Commission's *net position* and changes in them. You can think of the Commission's net position – the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources – as one way to measure the Commission's financial health, or *financial position*. Over time, *increases or decreases* in the Commission's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 15 through 27.

**Statements of Net Position**

<b>Condensed Statements of Net Position</b>					
	<b>2022</b>	<b>2021</b>	<b>Change</b>	<b>2020</b>	<b>Change</b>
<b>Assets:</b>					
Current assets	\$ 4,221,592	4,905,237	(683,645)	4,826,925	78,312
Restricted assets	846,366	803,043	43,323	759,720	43,323
Capital assets, net	1,447,551	1,475,731	(28,180)	1,409,192	66,539
<b>Total assets</b>	<b>6,515,509</b>	<b>7,184,011</b>	<b>(668,502)</b>	<b>6,995,837</b>	<b>188,174</b>
<b>Liabilities:</b>					
Current liabilities	3,391,579	4,071,166	(679,587)	3,901,675	169,491
<b>Total liabilities</b>	<b>3,391,579</b>	<b>4,071,166</b>	<b>(679,587)</b>	<b>3,901,675</b>	<b>169,491</b>
<b>Net position:</b>					
Net investment in capital assets	1,447,551	1,475,731	(28,180)	1,409,192	66,539
Restricted for capital asset repairs and replacement	846,366	803,043	43,323	759,720	43,323
Unrestricted	830,013	834,071	(4,058)	925,250	(91,179)
<b>Total net position</b>	<b>\$ 3,123,930</b>	<b>3,112,845</b>	<b>11,085</b>	<b>3,094,162</b>	<b>18,683</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Commission, assets exceeded liabilities by \$3,123,930 and \$3,112,845, as of June 30, 2022 and 2021, respectively.

The Commission's total net position is made up of three components: (1) net investment in capital assets, (2) restricted net position and (2) unrestricted net position.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Statements of Net Position, continued**

By far the largest portion of the Commission's net position (46% and 47% as of June 30, 2022 and 2021, respectively) reflects the Commission's net investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The Commission uses these capital assets to provide services to its member agencies; consequently, these assets are not available for future spending.

At the end of fiscal years 2022 and 2021, the Commission showed a positive balance in its unrestricted net position of \$830,013 and \$834,071, respectively, which may be utilized in future years.

**Statements of Revenues, Expenses, and Changes in Net Position**

**Condensed Statements of Revenues, Expenses, and Changes in Net Position**

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>2020</u>	<u>Change</u>
<b>Revenues:</b>					
Operating revenues	\$ 21,206,417	22,484,473	(1,278,056)	18,368,856	4,115,617
Non-operating revenue	<u>2,118</u>	<u>2,587</u>	<u>(469)</u>	<u>31,274</u>	<u>(28,687)</u>
<b>Total revenues</b>	<u>21,208,535</u>	<u>22,487,060</u>	<u>(1,278,525)</u>	<u>18,400,130</u>	<u>4,086,930</u>
<b>Expenses:</b>					
Operating expenses	21,199,084	22,484,114	(1,285,030)	18,362,831	4,121,283
Non-operating expense	13,509	-	13,509	-	-
Depreciation	<u>28,180</u>	<u>27,586</u>	<u>594</u>	<u>27,552</u>	<u>34</u>
<b>Total expenses</b>	<u>21,240,773</u>	<u>22,511,700</u>	<u>(1,270,927)</u>	<u>18,390,383</u>	<u>4,121,317</u>
<b>Net (loss) income before capital contributions</b>	<u>(32,238)</u>	<u>(24,640)</u>	<u>(7,598)</u>	<u>9,747</u>	<u>(34,387)</u>
<b>Capital contributions:</b>					
Surcharges	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>43,323</u>	<u>-</u>
<b>Total capital contributions</b>	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>43,323</u>	<u>-</u>
<b>Change in net position</b>	11,085	18,683	(7,598)	53,070	(34,387)
<b>Net position, beginning of period</b>	<u>3,112,845</u>	<u>3,094,162</u>	<u>18,683</u>	<u>3,041,092</u>	<u>53,070</u>
<b>Net position, end of period</b>	<u>\$ 3,123,930</u>	<u>3,112,845</u>	<u>11,085</u>	<u>3,094,162</u>	<u>18,683</u>

The Statement of Revenues, Expenses, and Changes in Net Position show how the Commission's net position changed during the fiscal years. In 2022, net position increased 0.36% or \$11,085 to \$3,123,930, due to \$43,323 in capital contributions in the current year, offset by a net loss of \$32,238 from ongoing operations. In 2021, net position increased 0.60% or \$18,683 to \$3,112,845, due to \$43,323 in capital contributions in the current year, offset by a net loss of \$24,640 from ongoing operations.

A closer examination of net position reveals that:

In 2022, total revenues decreased 5.69% or \$1,278,525 to \$21,208,535. Operating revenues decreased 5.68% or \$1,278,056 to \$21,206,417, due to a decrease of \$1,278,056 in water sales to member agencies.

In 2021, total revenues increased 22.21% or \$4,086,930 to \$22,487,060. Operating revenues increased 22.41% or \$4,115,617 to \$22,484,473, primarily due to an increase of \$4,113,052 in water sales to member agencies.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Statements of Revenues, Expenses and Changes in Net Position, continued**

In 2022, non-operating revenues decreased 18.13% or \$469 to \$2,118, primarily due to a decrease of \$1,197 in investment income.

In 2021, non-operating revenues decreased 91.73% or \$28,687 to \$2,587, primarily due to a decrease of \$29,460 in investment income.

In 2022, total expenses decreased 5.65% or \$1,270,927 to \$21,240,773. Operating expenses decreased 5.72% or \$1,285,030 to \$21,199,084, primarily due to decreases of \$1,278,056 in water purchases and \$7,371 in maintenance costs.

In 2021, total expenses increased 22.41% or \$4,121,317 to \$22,511,700. Operating expenses increased 22.44% or \$4,121,283 to \$22,484,114, primarily due to increases of \$4,113,052 in water purchases and \$6,706 in maintenance costs.

In 2022, non-operating expenses increased 100.00% to \$13,509, due to an increase of \$13,509 in unrealized loss on investments, net of investment income due to the effect of fair market value adjustments at year-end.

In 2021, there were no non-operating expenses.

In 2022, depreciation expense increased 2.15% or \$594 to \$28,180 due to the maturation of existing depreciable assets.

In 2021, depreciation expense increased 0.12% or \$34 to \$27,586 due to the maturation of existing depreciable assets.

As of June 30, 2022 and 2021, total capital contributions were \$43,323, respectively.

<b>Budget vs. Actual - 2022</b>				
	<b>2022 Budget</b>	<b>2022 Actual</b>	<b>Dollar Change</b>	<b>Percent Change</b>
<b>Revenues:</b>				
Operating revenues	\$ 20,622,307	21,206,417	584,110	2.83%
Non-operating revenues	12,750	2,118	(10,632)	-83.39%
<b>Total revenues</b>	<b>20,635,057</b>	<b>21,208,535</b>	<b>573,478</b>	<b>2.78%</b>
<b>Expenses:</b>				
Operating expenses (incl. depr.)	21,072,307	21,227,264	154,957	-0.74%
Non-operating expense	-	13,509	13,509	100.00%
<b>Total expenses</b>	<b>21,072,307</b>	<b>21,240,773</b>	<b>168,466</b>	<b>-0.80%</b>
<b>Net loss before capital contributions</b>	<b>(437,250)</b>	<b>(32,238)</b>	<b>405,012</b>	<b>92.63%</b>
<b>Capital contributions:</b>				
Surcharges	43,323	43,323	-	-
<b>Total capital contributions</b>	<b>43,323</b>	<b>43,323</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b>(393,927)</b>	<b>11,085</b>	<b>405,012</b>	<b>102.81%</b>

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Statements of Revenues, Expenses, and Changes in Net Position, continued**

<b>Budget vs. Actual - 2021</b>				
	<b>2021 Budget</b>	<b>2021 Actual</b>	<b>Dollar Change</b>	<b>Percent Change</b>
<b>Revenues:</b>				
Operating revenues	\$ 20,054,782	22,484,473	2,429,691	12.12%
Non-operating revenues	12,750	2,587	(10,163)	-79.71%
<b>Total revenues</b>	<b>20,067,532</b>	<b>22,487,060</b>	<b>2,419,528</b>	<b>12.06%</b>
<b>Expenses:</b>				
Operating expenses (incl. depr.)	20,504,782	22,511,700	2,006,918	-9.79%
<b>Total expenses</b>	<b>20,504,782</b>	<b>22,511,700</b>	<b>2,006,918</b>	<b>-9.79%</b>
<b>Net loss before capital contributions</b>	<b>(437,250)</b>	<b>(24,640)</b>	<b>412,610</b>	<b>94.36%</b>
<b>Capital contributions:</b>				
Surcharges	43,323	43,323	-	-
<b>Total capital contributions</b>	<b>43,323</b>	<b>43,323</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b>(393,927)</b>	<b>18,683</b>	<b>412,610</b>	<b>104.74%</b>

The majority of operating revenue is derived from water sales to member agencies. The Commission predicts water sales by using a three-year rolling average. This is calculated by estimating how many acre-feet of water will be purchased from the Three Valleys Municipal Water District at the prevailing Tier I and Tier II water rates. As in previous years, these assumptions do not include any special programs offered by the Commission in the efforts to promote water conservation.

In fiscal year 2021-2022, the Commission estimated 18,050 acre-feet of Tier I water purchases at an average rate of \$1,110 per acre-foot. The Commission actually purchased 18,658 acre-feet of Tier I water.

In fiscal year 2020-2021, the Commission estimated 18,066 acre-feet of Tier I water purchases at an average rate of \$1,080 per acre-foot. The Commission actually purchased 20,368 acre-feet of Tier I water.

**Capital Asset Administration**

Changes in capital assets for 2022, were as follows:

	<b>Balance 2021</b>	<b>Additions</b>	<b>Deletions/ Transfers</b>	<b>Balance 2022</b>
<b>Capital assets:</b>				
Depreciable assets	\$ 2,470,480	-	-	2,470,480
Accumulated depreciation	(994,749)	(28,180)	-	(1,022,929)
<b>Total capital assets</b>	<b>\$ 1,475,731</b>	<b>(28,180)</b>	<b>-</b>	<b>1,447,551</b>

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Capital Asset Administration**

Changes in capital assets for 2021, were as follows:

	<u>Balance 2020</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2021</u>
Capital assets:				
Depreciable assets	\$ 2,376,355	94,125	-	2,470,480
Accumulated depreciation	<u>(967,163)</u>	<u>(27,586)</u>	<u>-</u>	<u>(994,749)</u>
Total capital assets	\$ <u>1,409,192</u>	<u>66,539</u>	<u>-</u>	<u>1,475,731</u>

At the end of fiscal year 2022 and 2021, the Commission's capital assets amounted to \$1,447,551 and \$1,475,731 (net of accumulated depreciation), respectively. These capital assets include pipelines and improvements, service connections, and telemetry systems. See note 3 to the basic financial statements for further detailed information on the Commission's capital assets.

**Economic Factors and Next Year's Budget and Rates**

**Fiscal Year 2022 Actual vs. Fiscal Year 2023 Budget**

	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<b>Revenues:</b>				
Operating revenues	\$ 21,206,417	20,648,994	(557,423)	-2.63%
Non-operating revenues	<u>2,118</u>	<u>7,000</u>	<u>4,882</u>	<u>230.50%</u>
Total revenues	<u>21,208,535</u>	<u>20,655,994</u>	<u>(552,541)</u>	<u>-2.61%</u>
<b>Expenses:</b>				
Operating expenses (incl. depr.)	21,227,264	21,098,994	128,270	0.60%
Non-operating expense	<u>13,509</u>	<u>-</u>	<u>(13,509)</u>	<u>-100.00%</u>
Total expenses	<u>21,240,773</u>	<u>21,098,994</u>	<u>141,779</u>	<u>0.67%</u>
Net loss before capital contributions	<u>(32,238)</u>	<u>(443,000)</u>	<u>(410,762)</u>	<u>-1274.15%</u>
<b>Capital contributions:</b>				
Surcharges	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>-</u>
Total capital contributions	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>-</u>
Change in net position	11,085	(399,677)	(410,762)	3705.57%
Net position, beginning of period	<u>3,112,845</u>	<u>3,123,930</u>	<u>11,085</u>	<u>0.36%</u>
Net position, end of period	\$ <u>3,123,930</u>	<u>2,724,253</u>	<u>(399,677)</u>	<u>-12.79%</u>

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Economic Factors and Next Year's Budget and Rates, continued**

**Fiscal Year 2021 Actual vs. Fiscal Year 2022 Budget**

	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<b>Revenues:</b>				
Operating revenues	\$ 22,484,473	20,622,307	(1,862,166)	-8.28%
Non-operating revenues	2,587	12,750	10,163	392.85%
<b>Total revenues</b>	<u>22,487,060</u>	<u>20,635,057</u>	<u>(1,852,003)</u>	<u>-8.24%</u>
<b>Expenses:</b>				
Operating expenses (incl. depr.)	22,511,700	21,072,307	1,439,393	6.39%
<b>Total expenses</b>	<u>22,511,700</u>	<u>21,072,307</u>	<u>1,439,393</u>	<u>6.39%</u>
<b>Net loss before capital contributions</b>	<u>(24,640)</u>	<u>(437,250)</u>	<u>(412,610)</u>	<u>1674.55%</u>
<b>Capital contributions:</b>				
Surcharges	43,323	43,323	-	-
<b>Total capital contributions</b>	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>	18,683	(393,927)	(412,610)	-2208.48%
<b>Net position, beginning of period</b>	<u>3,094,162</u>	<u>3,112,845</u>	<u>18,683</u>	<u>0.60%</u>
<b>Net position, end of period</b>	<u>\$ 3,112,845</u>	<u>2,718,918</u>	<u>(393,927)</u>	<u>-12.65%</u>

The Commission's Board of Commissioners and Administrative Officer consider several factors when setting the fiscal year budget. One factor is the water sales projection that each agency gives. This is taken into consideration along with historical water use numbers in setting future years operating revenues. As in previous years, the majority of operating revenues are directly offset by operating expenses. This is due to the correlation between water sales and purchased water costs.

In fiscal years 2021-2022 and 2020-2021, the Commission factored in actual costs when looking at administrative expenses. This was determined by looking at actual time and/or material cost in all matters directly relating to the Joint Water Line. As in previous years, the last factor is the funding of depreciation and replacement of the water line.

In fiscal years 2021-2022 and 2020-2021, an amount equal to \$43,323 of the \$18,683 change in ending net position, shown in the table above, is/was projected to be transferred to reserves for depreciation and replacement, respectively.

**Conditions Affecting Current Financial Position**

The COVID-19 pandemic in the United States has caused business disruption through labor shortages and business closings. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the disruption. Consequently, the related financial impact on the Commission and the duration cannot be estimated at this time.

Management is unaware of any other conditions, which could have a significant impact on the Commission's current financial position, net position, or operating results in terms of past, present, and future.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
***Management's Discussion and Analysis, continued***  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Requests for Information**

This financial report is designed to provide the Commission's present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the Commission's finances and to demonstrate the Commission's accountability with an overview of the Commission's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Myra Malner, Commission Treasurer, at Rowland Water District, 3021 Fullerton Road, Rowland Heights, California, 91748 or (562) 697-1726.

# **Basic Financial Statements**

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Statements of Net Position**  
**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Current assets:</b>		
Cash and cash equivalents (note 2)	\$ 820,191	911,999
Accrued interest receivable	2,775	1,207
Accounts receivable	3,397,168	3,990,124
Prepaid expenses	<u>1,458</u>	<u>1,907</u>
<b>Total current assets</b>	<u>4,221,592</u>	<u>4,905,237</u>
<b>Restricted Assets</b>		
Cash and cash equivalents (note 2)	835,535	792,212
Accounts receivable	<u>10,831</u>	<u>10,831</u>
<b>Total restricted assets</b>	<u>846,366</u>	<u>803,043</u>
<b>Non-current assets:</b>		
Capital assets – being depreciated, net (note 3)	<u>1,447,551</u>	<u>1,475,731</u>
<b>Total non-current assets</b>	<u>1,447,551</u>	<u>1,475,731</u>
<b>Total assets</b>	<u>6,515,509</u>	<u>7,184,011</u>
<b>Current liabilities:</b>		
Accounts payable	<u>3,391,579</u>	<u>4,071,166</u>
<b>Total current liabilities</b>	<u>3,391,579</u>	<u>4,071,166</u>
<b>Total liabilities</b>	<u>3,391,579</u>	<u>4,071,166</u>
<b>Net position (note 4):</b>		
Net investment in capital assets	1,447,551	1,475,731
Restricted for capital asset repairs and replacement	846,366	803,043
Unrestricted	<u>830,013</u>	<u>834,071</u>
<b>Total net position</b>	<u>\$ 3,123,930</u>	<u>3,112,845</u>

See accompanying notes to the basic financial statements

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating revenues:</b>		
Water sales to member agencies	\$ 21,106,617	22,384,673
Member agency assessments	<u>99,800</u>	<u>99,800</u>
<b>Total operating revenues</b>	<u>21,206,417</u>	<u>22,484,473</u>
<b>Operating expenses:</b>		
Water purchases	21,106,617	22,384,673
Maintenance	13,315	20,686
General and administrative	64,200	64,200
Insurance expense	2,183	2,183
Legal fees	815	215
Auditing	7,154	6,912
Other	<u>4,800</u>	<u>5,245</u>
<b>Total operating expenses</b>	<u>21,199,084</u>	<u>22,484,114</u>
<b>Operating income before depreciation</b>	7,333	359
Depreciation	<u>(28,180)</u>	<u>(27,586)</u>
<b>Operating loss</b>	<u>(20,847)</u>	<u>(27,227)</u>
<b>Non-operating revenue (expense), net:</b>		
Investment income	-	1,197
Unrealized loss on investments, net	(13,509)	-
Other non-operating revenue	<u>2,118</u>	<u>1,390</u>
<b>Total non-operating revenue (expense), net</b>	<u>(11,391)</u>	<u>2,587</u>
<b>Net loss before capital contributions</b>	<u>(32,238)</u>	<u>(24,640)</u>
<b>Capital contributions:</b>		
Surcharges	<u>43,323</u>	<u>43,323</u>
<b>Total capital contributions</b>	<u>43,323</u>	<u>43,323</u>
<b>Changes in net position</b>	11,085	18,683
<b>Net position, beginning of period</b>	<u>3,112,845</u>	<u>3,094,162</u>
<b>Net position, end of period</b>	<u>\$ 3,123,930</u>	<u>3,112,845</u>

See accompanying notes to the basic financial statements

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Statements of Cash Flows**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>		
Cash received from member agencies	\$ 21,799,373	21,969,810
Cash paid to vendors and suppliers for materials and services	<u>(21,878,222)</u>	<u>(22,314,623)</u>
<b>Net cash used in operating activities</b>	<u>(78,849)</u>	<u>(344,813)</u>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition and construction of capital assets	-	(94,125)
Capital surcharge	<u>43,323</u>	<u>43,323</u>
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>43,323</u>	<u>(50,802)</u>
<b>Cash flows from investing activities:</b>		
Investment income	<u>(12,959)</u>	<u>6,728</u>
<b>Net cash (used in) provided by investing activities</b>	<u>(12,959)</u>	<u>6,728</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(48,485)</u>	<u>(388,887)</u>
<b>Cash and cash equivalents – beginning of year</b>	<u>1,704,211</u>	<u>2,093,098</u>
<b>Cash and cash equivalents – end of year</b>	<u>\$ 1,655,726</u>	<u>1,704,211</u>
<b>Reconciliation of cash and cash equivalents to statement of financial position:</b>		
Cash and cash equivalents	\$ 820,191	911,999
Cash and cash equivalents – restricted	<u>835,535</u>	<u>792,212</u>
<b>Total cash and cash equivalents</b>	<u>\$ 1,655,726</u>	<u>1,704,211</u>
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>		
Operating loss	<u>\$ (20,847)</u>	<u>(27,227)</u>
<b>Adjustments to reconcile operating loss to net cash used in operating activities:</b>		
Depreciation	28,180	27,586
<b>Change in assets and liabilities:</b>		
Increase in assets:		
Accounts receivable	592,956	(514,663)
Prepaid expenses	449	-
Increase in liabilities:		
Accounts payable	<u>(679,587)</u>	<u>169,491</u>
<b>Total adjustments</b>	<u>(58,002)</u>	<u>(317,586)</u>
<b>Net cash used in operating activities</b>	<u>\$ (78,849)</u>	<u>(344,813)</u>

See accompanying notes to the basic financial statements

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(1) Reporting Entity and Summary of Significant Accounting Policies**

**A. Organization and Operations of the Reporting Entity**

The Pomona-Walnut-Rowland Joint Water Line Commission (Commission) was formed under the Joint Powers Agreement of 1956 between the City of Pomona, Walnut Valley Water District, and Rowland Water District (the Agreement) for the purpose of acquiring, constructing, maintaining, repairing, managing, operating, and controlling a water transmission pipeline for the benefit of the member agencies. The original agreement was for a term of fifty years and has resulted in substantial cost savings for each of its member agencies. On December 21, 2006, the Agreement was amended, restated, and renewed and will continue to be enforced for twenty years from this date, with three, ten-year extensions allowable upon written consent of each of the member agencies.

The Commission purchases water for resale to the member agencies at a price sufficient to provide reserve funds for emergencies. Member agencies are billed for the cost of maintenance and operations of the pipeline.

**B. Basis of Accounting and Measurement Focus**

The Commission reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Commission is that the cost of providing water to its member agencies on a continuing basis be financed or recovered primarily through water sales, capital contributions and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and water purchases, result from exchange transactions associated with the principal activity of the Commission. Exchange transactions are those in which each party receives and gives up essentially equal value. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses. Non-operating revenues and expenses, such as grant funding, investment income and interest expense, result from non-exchange transactions, in which the Commission gives (receives) value without directly (giving) value in exchange.

**C. Financial Reporting**

The Commission's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Commission solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the Commission's proprietary fund.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**C. Financial Reporting, continued**

The Commission has adopted the following GASB pronouncements in the current year:

*Governmental Accounting Standards Board Statement No. 87*

In June 2017, the GASB issued Statement No. 87 – *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by 18 months. Earlier application is encouraged.

*Governmental Accounting Standards Board Statement No. 89*

In June 2018, the GASB issued Statement No. 89 – *Accounting for Interest Cost incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position**

**1. Use of Estimates**

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

**2. Uncertainty**

The COVID-19 outbreak in the United States has caused business disruption through labor shortages and business closings. While the disruption is currently expected to be temporary, there is considerable uncertainty around its duration. Consequently, the related financial impact on the Commission and the duration cannot be estimated at this time.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued**

**3. Cash and Cash Equivalents**

Substantially all of the Commission's cash is invested in interest bearing accounts. The Commission considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

**4. Investments and Investment Policy**

The Commission's investment policy authorizes investments in certificates-of-deposit and the California Local Agency Investment Fund (LAIF). The Commission's investment policy does contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

**5. Fair Value Measurements**

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- **Level 1** – Valuation level is based on quoted prices in active markets for identical assets.
- **Level 2** – Valuation level is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- **Level 3** – Valuation level is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

**6. Restricted Assets**

Restricted assets are financial resources generated for a specific purpose such as capital projects. These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

The Commission's restricted assets are the accumulation of capital surcharges assessed to each member agency. These funds are restricted for major repairs and replacement of water.

**7. Accounts Receivable and Allowance for Uncollectible Accounts**

The Commission extends credit to customers in the normal course of operations. When management deems customer accounts uncollectible, the Commission uses the allowance method for the reservation and write-off of those accounts. As of June 30, 2022 and 2021, there is no allowance for uncollectible accounts as management believes all accounts will be collected.

**8. Prepaid Expenses**

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position**

**9. Capital Assets**

Capital assets acquired and/or constructed are capitalized at historical cost. Commission policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value at the date of the donation. Capital assets received in service concession arrangements are reported at acquisition value. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Pipelines and improvements – 150 years
- Service connections – 150 years
- Telemetry systems – 10 years
- Valve replacements – 50 years

**10. Net Position**

The financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding balances of any debt, or other long-term borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** – Consists of assets that have restrictions placed upon their use by external constraints imposed either by creditors (debt covenants), grantors, contributors, or laws and regulations of other governments, or constraints imposed by law through enabling legislation.
- **Unrestricted** – Consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted components of net position.

**11. Water Sales and Services**

Water sales are billed on a monthly cyclical basis and recognize the respective revenues when they are earned.

**12. Capital Contributions**

Capital contributions represent cash contributed to the Commission by member agencies for the cost of maintenance and operations of the pipeline.

**13. Budgetary Policies**

The Commission adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(2) Cash and Cash Equivalents**

Cash and cash equivalents as of June 30 are classified in the accompanying financial statements as follows:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 820,191	911,999
Cash and cash equivalents – restricted	835,535	792,212
Total cash and cash equivalents	<u>\$ 1,655,726</u>	<u>1,704,211</u>

Cash and cash equivalents as of June 30 consist of the following:

	<u>2022</u>	<u>2021</u>
Deposits with financial institutions	\$ 192,724	226,132
Deposits in		
Local Agency Investment Fund (LAIF)	1,463,002	1,478,079
Total cash and cash equivalents	<u>\$ 1,655,726</u>	<u>1,704,211</u>

As of June 30, the Commission's authorized deposits had the following maturities:

	<u>2022</u>	<u>2021</u>
Deposits in		
Local Agency Investment Fund (LAIF)	311 days	291 days

***Investments Authorized by the California Government Code and the Commission's Investment Policy***

The table below identifies the investment types that are authorized by the Commission in accordance with the California Government Code (or the Commission's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Commission's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<b>Authorized Investment Type</b>	<b>Maximum Maturity</b>	<b>Maximum Percentage Of Portfolio</b>	<b>Maximum Investment in One Issuer</b>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations - CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Negotiable Certificates of Deposit	5 years	30%	None
Collateralize Bank Deposits	5 years	None	None
Corporate debt - Short and Long Term	5 years	None	None
Commercial Paper - Pooled Funds	270 days	40% of the District's	10%
Commercial Paper - Non-Pooled Funds	270 days	money	
Repurchase agreements	1 year	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(2) Cash and Cash Equivalents, continued**

***Investment in State Investment Pool***

The Commission is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 and is under the management of the Treasurer of the State of California with oversight provided by the Local Agency Investment Advisory Board. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission'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. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the Commission's deposits with the bank in accordance with the Code.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. 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 Commission 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 matures, or comes close to maturity evenly over time, as necessary to provide requirements for cash flow and liquidity needed for operations.

***Custodial Credit Risk***

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits, or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the Commission'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 Commission deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the Commission's name.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(2) Cash and Cash Equivalents, continued**

***Credit Risk***

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.

***Concentration of Credit Risk***

The Commission's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. The Commission's deposit portfolio with governmental agencies, LAIF, is 88% and 87% as of June 30, 2022 and 2021, respectively, of the Commission's total depository and investment portfolio. There were no investments in any one non-governmental issuer that represent 5% or more of the Commission's total investments.

**(3) Capital Assets**

Changes in capital assets for the year ended June 30, 2022, were as follows:

	<u>Balance 2021</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2022</u>
Depreciable assets:				
Pipeline and improvements	\$ 2,281,203	-	-	2,281,203
Service connections	85,277	-	-	85,277
Telemetry system	104,000	-	-	104,000
Total depreciable assets	<u>2,470,480</u>	<u>-</u>	<u>-</u>	<u>2,470,480</u>
Accumulated depreciation:				
Pipeline and improvements	(892,983)	(17,211)	-	(910,194)
Service connections	(36,973)	(569)	-	(37,542)
Telemetry system	(64,793)	(10,400)	-	(75,193)
Total accumulated depreciation	<u>(994,749)</u>	<u>(28,180)</u>	<u>-</u>	<u>(1,022,929)</u>
Total depreciable assets, net	<u>\$ 1,475,731</u>	<u>(28,180)</u>	<u>-</u>	<u>1,447,551</u>

Changes in capital assets for the year ended June 30, 2021, were as follows:

	<u>Balance 2020</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2021</u>
Depreciable assets:				
Pipeline and improvements	\$ 2,187,078	94,125	-	2,281,203
Service connections	85,277	-	-	85,277
Telemetry system	104,000	-	-	104,000
Total depreciable assets	<u>2,376,355</u>	<u>94,125</u>	<u>-</u>	<u>2,470,480</u>
Accumulated depreciation:				
Pipeline and improvements	(876,366)	(16,617)	-	(892,983)
Service connections	(36,404)	(569)	-	(36,973)
Telemetry system	(54,393)	(10,400)	-	(64,793)
Total accumulated depreciation	<u>(967,163)</u>	<u>(27,586)</u>	<u>-</u>	<u>(994,749)</u>
Total depreciable assets, net	<u>\$ 1,409,192</u>	<u>66,539</u>	<u>-</u>	<u>1,475,731</u>

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(3) Capital Assets, continued**

For the fiscal years ending June 30, 2022 and 2021, the Commission had \$0 and \$94,125 in capital asset additions, respectively.

**(4) Net Position**

Calculation of net position as of June 30, were as follows:

	<u>2022</u>	<u>2021</u>
<b>Net investment in capital assets:</b>		
Capital assets, net	\$ 1,447,551	1,475,731
<b>Restricted:</b>		
Capital asset repairs and replacement	846,366	803,043
<b>Unrestricted:</b>	<u>830,013</u>	<u>834,071</u>
<b>Total net position</b>	<u>\$ 3,123,930</u>	<u>3,112,845</u>

**(5) Risk Management**

The Commission is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Commission is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

On June 30, 2022, the Commission participated in the liability and property programs of the ACWA/JPIA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing self-insurance limits of \$5,000,000, combined single limit at \$5,000,000 per occurrence. The JPIA purchases additional excess coverage layers up to \$55 million per occurrence total for general, auto and public officials' liability, which increases the limits on the insurance coverage noted above.
- Cyber Liability coverage is included for all Agencies participating in the Liability Program. It protects the Commission from risks relating to information technology infrastructure and activities by first and third parties. The limit is \$3,000,000 per loss/\$5,000,000 program annual aggregate.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the Commission's insurance coverage during the fiscal years ended June 30, 2022, 2021, and 2020. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There was no IBNR claims payable as of June 30, 2022, 2021, and 2020.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(6) Governmental Accounting Standards Board Statements Issued, Not Yet Effective**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2022, that has effective dates that may impact future financial presentations.

The following pronouncement implementation dates have been delayed one year due to the COVID-19 pandemic.

***Governmental Accounting Standards Board Statement No. 91***

In May 2019, the GASB issued Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 92***

In January 2020, the GASB issued Statement No. 92 – *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The requirements of this Statement were as follows: (1) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; (2) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020; (3) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020; and (4) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged and is permitted by topic.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(6) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 93***

In March 2020, the GASB issued Statement No. 93 – *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended; and (7) Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The requirements of this Statement were effective as follows: (1) The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021; and (2) All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective dates have been postponed by one year. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 94***

In March 2020, the GASB issued Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(6) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 96***

In May 2020, the GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 97***

In June 2020, the GASB issued Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 41 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(6) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 98***

In October 2021, the GASB issued Statement No. 98 – *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness.

The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 99***

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 100***

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2022 and 2021**

**(6) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 100, continued***

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 101***

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**(7) Commitments and Contingencies**

***Litigation***

In the ordinary course of operations, the Commission is subject to claims and litigation from outside parties. After consultation with legal counsel, the Commission believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

**(8) Subsequent Events**

Events occurring after June 30, 2022, have been evaluated for possible adjustment to the financial statements or disclosure as of October 13, 2022, which is the date the financial statements were available to be issued.

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## **Supplementary Information**



**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Combining Schedule of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2022**

	<u>Water Operations</u>	<u>General and Administrative</u>	<u>Total</u>
<b>Operating revenues:</b>			
Water sales to member agencies	\$ 21,106,617	-	21,106,617
Member agency assessments	-	99,800	99,800
<b>Total operating revenues</b>	<u>21,106,617</u>	<u>99,800</u>	<u>21,206,417</u>
<b>Operating expenses:</b>			
Water purchases	21,106,617	-	21,106,617
Maintenance	13,315	-	13,315
General and administrative	-	64,200	64,200
Insurance expense	-	2,183	2,183
Legal fees	-	815	815
Auditing	-	7,154	7,154
Other	-	4,800	4,800
<b>Total operating expenses</b>	<u>21,119,932</u>	<u>79,152</u>	<u>21,199,084</u>
<b>Operating (loss) income before depreciation</b>	(13,315)	20,648	7,333
Depreciation	(28,180)	-	(28,180)
<b>Operating (loss) income</b>	<u>(41,495)</u>	<u>20,648</u>	<u>(20,847)</u>
<b>Non-operating revenue (expense), net:</b>			
Unrealized loss on investments, net	(13,509)	-	(13,509)
Other non-operating revenue	2,118	-	2,118
<b>Total non-operating revenue (expense), net</b>	<u>(11,391)</u>	<u>-</u>	<u>(11,391)</u>
<b>Net (loss) income before capital contributions</b>	<u>(52,886)</u>	<u>20,648</u>	<u>(32,238)</u>
<b>Capital contributions:</b>			
Surcharges	43,323	-	43,323
<b>Total capital contributions</b>	<u>43,323</u>	<u>-</u>	<u>43,323</u>
<b>Changes in net position</b>	(9,563)	20,648	11,085
<b>Net position, beginning of period</b>	<u>2,917,113</u>	<u>195,732</u>	<u>3,112,845</u>
<b>Net position, end of period</b>	<u>\$ 2,907,550</u>	<u>216,380</u>	<u>3,123,930</u>

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Combining Schedule of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2021**

	<u>Water Operations</u>	<u>General and Administrative</u>	<u>Total</u>
<b>Operating revenues:</b>			
Water sales to member agencies	\$ 22,384,673	-	22,384,673
Member agency assessments	-	99,800	99,800
<b>Total operating revenues</b>	<u>22,384,673</u>	<u>99,800</u>	<u>22,484,473</u>
<b>Operating expenses:</b>			
Water purchases	22,384,673	-	22,384,673
Maintenance	20,686	-	20,686
General and administrative	-	64,200	64,200
Insurance expense	-	2,183	2,183
Legal fees	-	215	215
Auditing	-	6,912	6,912
Other	-	5,245	5,245
<b>Total operating expenses</b>	<u>22,405,359</u>	<u>78,755</u>	<u>22,484,114</u>
<b>Operating (loss) income before depreciation</b>	(20,686)	21,045	359
Depreciation	(27,586)	-	(27,586)
<b>Operating (loss) income</b>	<u>(48,272)</u>	<u>21,045</u>	<u>(27,227)</u>
<b>Non-operating revenue:</b>			
Investment income	1,197	-	1,197
Other non-operating revenue	1,390	-	1,390
<b>Total non-operating revenues</b>	<u>2,587</u>	<u>-</u>	<u>2,587</u>
<b>Net (loss) income before capital contributions</b>	<u>(45,685)</u>	<u>21,045</u>	<u>(24,640)</u>
<b>Capital contributions:</b>			
Surcharges	43,323	-	43,323
<b>Total capital contributions</b>	<u>43,323</u>	<u>-</u>	<u>43,323</u>
<b>Changes in net position</b>	(2,362)	21,045	18,683
<b>Net position, beginning of period</b>	<u>2,919,475</u>	<u>174,687</u>	<u>3,094,162</u>
<b>Net position, end of period</b>	<u>\$ 2,917,113</u>	<u>195,732</u>	<u>3,112,845</u>

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Schedule of Assets Invested in Capital Assets by Member Agency**  
**For the Fiscal Year Ended June 30, 2022**

	<b>City of Pomona</b>	<b>Walnut Valley Water District</b>	<b>Rowland Water District</b>	<b>Total</b>
Pipeline section A-B	\$ 276,438	151,474	106,031	533,943
Pipeline section B-D	188,719	150,958	94,359	434,036
Pipeline section D-F	-	621,096	386,002	1,007,098
Pipeline relocation	129,970	105,948	70,208	306,126
Telemetry system	-	60,320	43,680	104,000
Service connections	66,374	8,455	10,448	85,277
Total capital assets	\$ <u>661,501</u>	<u>1,098,251</u>	<u>710,728</u>	<u>2,470,480</u>

\* This schedule does not include accumulated depreciation

**Pomona-Walnut-Rowland Joint Water Line Commission**  
**Schedule of Assets Invested in Capital Assets by Member Agency**  
**For the Fiscal Year Ended June 30, 2021**

	<b>City of Pomona</b>	<b>Walnut Valley Water District</b>	<b>Rowland Water District</b>	<b>Total</b>
Pipeline section A-B	\$ 276,438	151,474	106,031	533,943
Pipeline section B-D	188,719	150,958	94,359	434,036
Pipeline section D-F	-	621,096	386,002	1,007,098
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Telemetry system	-	60,320	43,680	104,000
Service connections	66,374	8,455	10,448	85,277
Total capital assets	\$ <u>661,501</u>	<u>1,098,251</u>	<u>710,728</u>	<u>2,470,480</u>

\* This schedule does not include accumulated depreciation

# **Report on Internal Controls and Compliance**





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**Independent Auditor's Report on Internal Controls 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 Commissioners  
Pomona-Walnut-Rowland Joint Water Line Commission  
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 Pomona-Walnut-Rowland Joint Water Line Commission (Commission) as of and for the fiscal years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprises the Commission's basic financial statements, and have issued our report thereon dated October 13, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission'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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 entity'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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission'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*.

**Independent Auditor's Report on Internal Controls Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*, (continued)**

**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 Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Fedak & Brown LLP*

**Fedak & Brown LLP**

Cypress, California

October 13, 2022



# WHAT'S YOUR *Water Footprint?*

TAKING STEPS TO SAVE

## Rowland Water District – Board Report

November 8, 2022



### Customer Communications

- Water Quality/Perceptions of Tap Water  
Customer Messaging Campaign (videos, editorials, etc.)  
Nationwide AWWA survey on trust and satisfaction  
Launching 11/28



### District Outreach

- Drought Series – Phase Two
  - Article One (Infrastructure)/planned distribution 11/14  
District Signators include: Walnut Valley Water District, Three Valleys Water District, San Gabriel Valley Municipal Water District, Palmdale Water District, United Water Conservation District, San Luis & Delta Mendota Water Authority, Westlands Water District, Rowland Water District, San Gabriel County Water District, San Joaquin River Exchange Contractors Water Authority
  - Article Two (Recycled Water)/in review
- Revised Board Member Profiles



### Website/Graphics Enhancements

- Updated videos and sliders as needed
- Recycled Water
- Cornhole Game





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## Press Releases/Earned Media

- Election Results
  - Water Quality
  - Drought Series Statewide Coverage
- 



## AWWA SURVEY

Poll shows 7 in 10 consumers consider tap water safe

October 12, 2022

Nearly three-in-four people perceive their home's tap water as safe, according to a [survey](#) conducted by Morning Consult on behalf of the [American Water Works Association](#) (AWWA), and nearly 80% trust their water utility. The June 2022 poll, titled "Public Perceptions of Tap Water," included 1,977 Americans served by water utilities.

The survey showed approximately 70% of respondents rate the quality of water at their faucet as excellent or good, a level nearly equal to a similar survey conducted in June 2021. However, fewer Black adults rated their water as "safe" (6% decline) and more rated their water "unsafe" (7% increase) compared to June 2021. At the same time, Black adults (26%) and Hispanic adults (22%) were more likely than White adults (16%) to report that the safety of their water supply has improved over the past five years.

With inflation on the rise in the United States, the most recent survey showed that one-third of respondents were struggling to pay their water bill on time, an 8% increase from June 2021. The consumer price index rose 9.1% from June 2021 to June 2022.

"It's good to see the vast majority of people have confidence in both their tap water and their water utility," said AWWA CEO David LaFrance. "At the same time, we have work to do to gain and maintain trust in tap water, especially in communities where historical inequities have existed. With affordability challenges rising, focusing on disadvantaged communities is even more important."

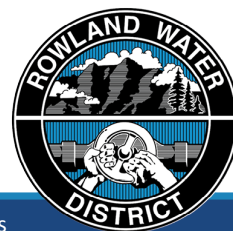
Seventy-seven percent of respondents indicated they have "a lot" or "some" trust in their water utility. Respondents who are aware of the frequent water quality tests at their utility indicated a much higher level of trust than those who are unaware. Three-fourths of respondents (73%) say they are generally satisfied with the water. However, that figure rose to 88% among those who said they are aware of frequent testing.

Approximately three-fourths of respondents say they are generally, very or somewhat satisfied with the water at their faucet. Respondents' satisfaction with their water utility has increased by 4% since the June 2021 survey.

Three-fourths of respondents strongly or somewhat support continuing Congressional assistance to help with paying water bills for those who may not be able to afford it. Respondents across key demographics show support for this policy, with the most support expressed by Black respondents. The struggle to pay a water bill is most strongly expressed by lower-income, Black and Hispanic respondents.

###

*This poll was conducted between June 22-23, 2022, and it reflects a sample of 1,977 U.S. respondents receiving water from a public water supply. The interviews were conducted online. Results from the full survey have a margin of error of plus or minus 2 percentage points.*





## Community Outreach Update | November 8, 2022 Board Meeting

**SOCIAL MEDIA:** #DiscoverRWD #RowlandConnections #RWDeducation #WaterFacts

The District regularly posts updates on District information, conservation, education, and water-related tips utilizing the national hashtag holiday calendar. These posts are shared on Twitter, Instagram, Facebook, LinkedIn, and YouTube when necessary. See below for our social media engagement.

### Twitter:

Measurement	Total
Followers	733
Tweets	11
Tweet Impressions	1,225
Profile Visits	194
Mentions	7

### Twitter Top Performing Post:



**DID YOU KNOW?**  
A pumpkin consists of approximately 94% water!

Rowland Water District @RowlandWater

💧 WATER FACT:

🍂 Did you know that a pumpkin consists of approximately 94% water?! 🍂

✅ Discover your water footprint here  
<https://yourwaterfootprint.org/>

#DiscoverRWD #WaterFacts  
[pic.twitter.com/glvCPRbNhS](https://pic.twitter.com/glvCPRbNhS)

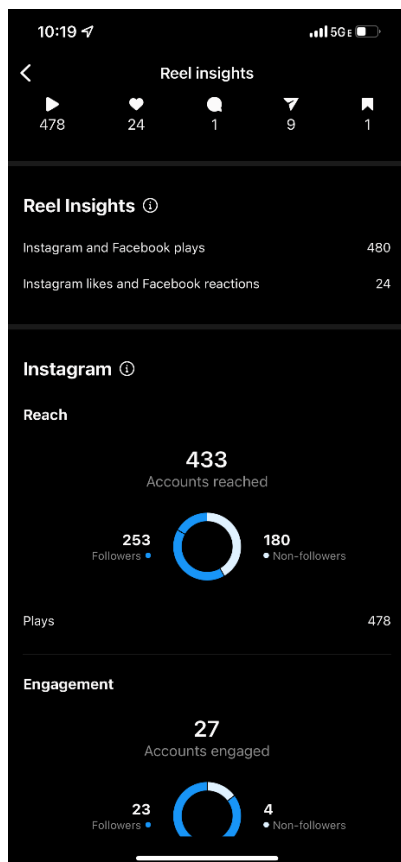
Impressions	157
Total engagements	8
Likes	4
Retweets	2
Replies	1
Link clicks	1



### Instagram:

Measurement	Total
Total Followers	1,104
Post Engagement	107
Impressions (Total number of times post have been seen)	1,611
Profile Impressions	3,404

### Instagram Top Performing Post:





**WEBSITE (October 10, 2022-November 1, 2022)**

Measurement	Total
Users	3,203
New Users	2,354
Returning Visitor	1,205
Pageviews	10,285

**CONSTANT CONTACT-(electronic information sent to customer emails)**

**Total Active Contacts-11,453**

October 11<sup>th</sup>- Buckboard Days Parade: 51% open rate

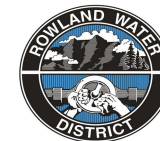
**EDUCATION OUTREACH:**

- Staff is reviewing the 130 applications received for the Front Yard Landscape Makeover Program. Mrs. Gildea will have an update on the final selections at the December meeting.
- Rowland Water District received 15 applications for the CET Splash Cash program. Staff is reviewing the applications and will notify the teachers in December.
- Mrs. Gildea has 530 4<sup>th</sup>-6<sup>th</sup> grade students participating in the Mini Science and Mini Solar Challenge programs. The students represent five schools within Rowland Unified School District.
- Staff continues attending monthly Conservation and Education Team (CET) meetings.
- Staff continues attending Metropolitan Water District (MWD) education and Water Use Efficiency (WUE) meetings.

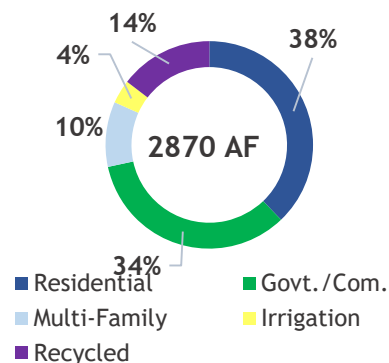


# ROWLAND WATER DISTRICT FINANCIAL DASHBOARD

## September 30, 2022



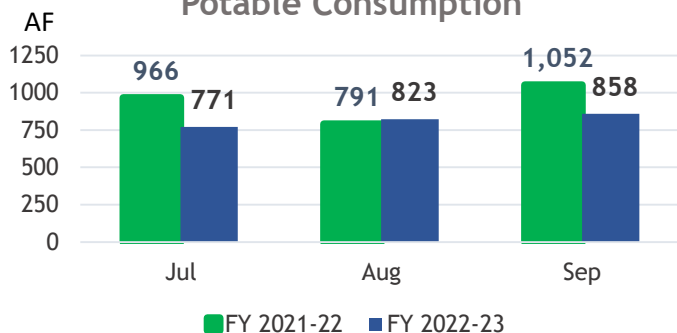
### Consumption by Class 1



87% of Prior Year

26% of Budget 2

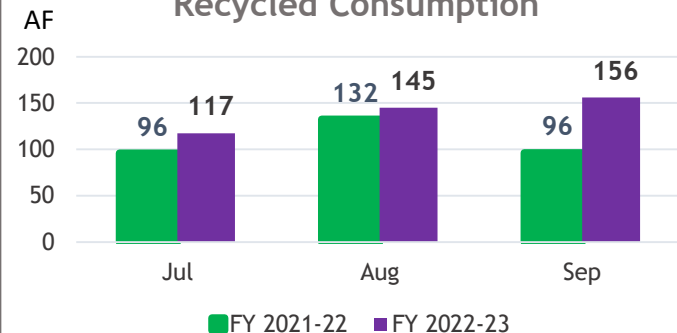
### Potable Consumption



129% of Prior Year

40% of Budget 3

### Recycled Consumption



YTD Revenue  
Annual Budget

\$8,134,592  
\$29,582,400

27% 4

YTD Expense  
Annual Budget

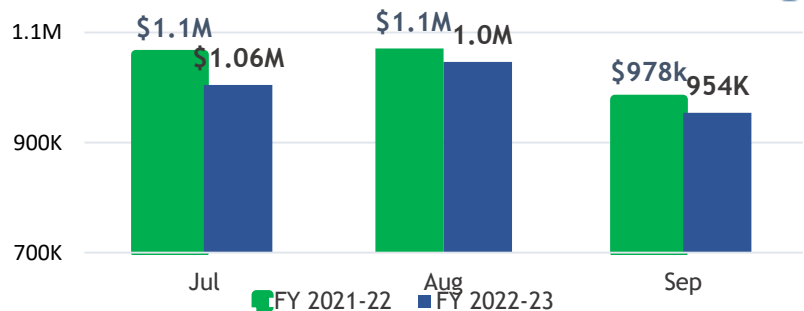
\$5,747,103  
\$22,673,600

25% 5

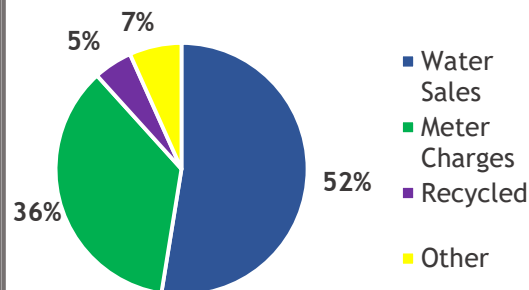
YTD Water Purchases  
of \$3.0 M

52% of YTD Expense

### Water Purchases



### Revenues by Category 7



### CIP Completion 8

