



Board of Directors *Regular Meeting*



COMMUNICATION
Sharing our value with
the community

ENGAGEMENT
Building awareness and participation
within our organization, our community
and our industry

TEAMWORK
Connecting with each other to
advance the organization

RESILIENCE
Adapting well in the face
of adversity

ACCOUNTABILITY
Acting responsibly and with our
customers in mind

EXCELLENCE
Providing the very best for
our customers

February 14, 2023, at 6:00 p.m.

3021 Fullerton Road, Rowland Heights, CA 91748
(562) 697-1726 | RWD.org



AGENDA

Regular Meeting of the Board of Directors
3021 Fullerton Road
Rowland Heights, CA 91748
February 14, 2023 -- 6:00 PM

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

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

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 [Approval of the Minutes of Regular Board Meeting held on January 10, 2023](#)

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

1.2 [Approval of the Minutes of Special Board Meeting held on January 24, 2023](#)

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

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

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

1.4 [Investment Report for December 2022](#)

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

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

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

1.7 **Reschedule the May 9, 2023, Regular Board Meeting Date**

Recommendation: The Board of Directors reschedule May's Regular Board Meeting date to May 2, 2023.

1.8 **Reschedule the November 28, 2023, Special Board Meeting Date**

Recommendation: The Board of Directors reschedule November's Special Board Meeting date to November 21, 2023.

Next Special Board Meeting: February 28, 2023

Next Regular Board Meeting: March 14, 2023

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 January 2023](#)

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

2.2 [Receive and File "Final" RWD Financial Audit Report for Fiscal Year 2021-2022 Prepared by Nigro & Nigro, PC, Professional Accountancy Corporation](#)

Recommendation: The Board of Directors receive and file the Financial Audit report as presented.

2.3 [Consider Adoption of RWD Resolution No. 2-2023, Amending Drought Rates for Potable Water with Effective Dates of January 1, 2023, 2024, 2025 and 2026](#)

Recommendation: The Board of Directors approve RWD Resolution No. 2-2023 as presented.

2.4 [Ratify PBWA Cost-Sharing Agreement for Groundwater Reliability Partnership](#)

Recommendation: The Board of Directors ratify the approval of a cost-sharing agreement for the development of a groundwater reliability project between the City of Glendora, PBWA, and Three Valleys Municipal Water District.

2.5 [Consider Approval of First Amendment to Wireless Communications Facility Site Lease Agreement with Verizon Wireless at Blandford Reservoir Site](#)

Recommendation: The Board of Directors review and approve amendment to the communications site lease agreement with Los Angeles SMSA Limited Partnership, a California limited partnership dba Verizon Wireless, to permit the install and maintenance of drainage improvements with an increase of \$200 per month to the rent for a total of \$44,400 per year.

2.6 [Proposed Revisions to the 2023 Board Committee and Organization Assignments](#)

Recommendation: That the Board review and approve the updated 2023 Board Committee and Organization Assignments as included in the Board packet.

2.7 [Consider Adoption of RWD Resolution No. 2.1-2023, Nominating Board of Director Szu Pei Lu-Yang to the Executive Committee of the Association of California Joint Powers Insurance Authority \("ACWA/JPIA"\)](#)

Recommendation: The Board of Directors adopt RWD Resolution No. 2.1-2023 as presented.

2.8 Request Additional Funds for Artigas Booster Station Asphalt and Fence Rehabilitation in the amount of \$130,000

Recommendation: The Board of Directors approve funds in the amount of \$130,000 for asphalt and fence rehabilitation at the Artigas Booster Station site.

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)

4.1 ACWA 2023 Spring Conference – Monterey, May 9-11, 2023

5. LEGISLATIVE INFORMATION

6. REVIEW OF CORRESPONDENCE

6.1 Local Agency Formation Commission (LAFCO)

- [Independent Special District Voting Member Election Results](#)
- [Notice of Vacancy of LAFCO Alternate Public Member](#)

6.2 [California Special District Association \(CSDA\) – Call for Nominations \(Seat C\)](#)

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/Moisio |
| 8.3 | Personnel Report | Mr. Coleman |

9. ATTORNEY'S REPORT

Mr. Byrne

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 SZU PEI LU-YANG, Presiding



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
January 10, 2023 – 6:00 p.m.
3021 Fullerton Road
Rowland Heights, CA 91748
Zoom at: <https://us02web.zoom.us/j/8759899861>

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None.

OTHERS PRESENT:

Joseph Byrne, Legal Counsel, Best, Best & Krieger
Erin Kaiman, CV Strategies

REMOTE PARTICIPATION:

Mike Ti, TVMWD
Paul Kaymark, Nigro & Nigro
Kyle Miller, Office of Senator Bob Archuleta, Thirty-Second District
Jody Roberto, 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 (Meeting host)

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEM

Mr. Kylie Miller, team member of the office of Senator Bob Archuleta, Thirty-Second District, introduced himself to the Board and spoke on matters associated with their constituency within the Thirty-Second District and water-related legislation of interest to the Senator.

1. Adoption of RWD Resolution No. 1-2023, Authorizing Virtual Board Meetings and Committee Meetings Pursuant to AB 361

Upon motion by Director Lima, seconded by Director Lewis, the Board unanimously adopted RWD Resolution No 1-2023, Authorizing Virtual Board Meetings and Committee Meetings Pursuant to AB 361, by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang
NOES: None
ABSENT: None
ABSTAIN: None

(Motion pass 5-0)

2. CONSENT CALENDAR

Upon motion by Director Bellah, seconded by Director Hsu, the Consent Calendar was unanimously approved (5-0) by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang
NOES: None
ABSENT: None
ABSTAIN: None

(Motion pass 5-0)

- 2.1** Approval of Minutes of Regular Board Meeting Held on December 13, 2022
- 2.2** Approval of Minutes of Special Board Meeting Held on December 20, 2022
- 2.3** Demands on General Fund Account for November 2022
- 2.4** Investment Report for November 2022
- 2.5** Water Purchases for November 2022
- 2.6** California Reservoir Conditions

Next Special Board Meeting: January 24, 2022, 6:00 p.m.
Next Regular Board Meeting: February 14, 2023, 6:00 p.m.

3. ACTION ITEMS

3.1 Review and Approve Directors' Meeting Reimbursements for December 2022

Upon motion by Director Lima, seconded by Director Bellah, the Board unanimously approved the Directors' Meeting Reimbursement Report as presented by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang

NOES: None
ABSENT: None
ABSTAIN: None

(Motion pass 5-0)

3.2 Receive and Approve “Draft” Rowland Water District Financial Audit Report for Fiscal Year 2021-2022, Prepared by Nigro & Nigro, PC

The Board received a presentation by Mr. Paul Kaymark, CPA, of Nigro & Nigro, PC, a Professional Accountancy Corporation, highlighting elements of the “draft” 2021-2022 RWD Audited Financial Statements. Mr. Kaymark advised that in the firm’s opinion, the financial statements presented fairly, in all material respects, the financial position of the District as of June 30, 2022, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States. As a result, an unmodified opinion was provided.

Upon motion by Director Lima, seconded by Director Bellah, the Directors unanimously approved (5-0) the “draft” RWD Financial Statements and Independent Auditor’s Report for Fiscal Year ended June 30, 2022, by the following roll call vote:

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

Motion pass (5-0)

3.3 Receive and File the Puente Basin Water Agency Audit Report for Fiscal Year 2021-2022 Prepared by Fedak & Brown LLP

Upon motion by Director Lewis, seconded by Director Lima, the Board of Directors received and filed the Puente Basin Water Agency Audit Report for Fiscal Year 2021-2022 as prepare by Fedak & Brown LLP by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang
NOES: None
ABSENT: None
ABSTAIN: None

Motion pass (5-0)

3.4 Review and Approve Schedule of Monthly Salary Ranges Effective January 1, 2023

Upon motion by Director Hsu, seconded by Director Lima, the Board unanimously approved the schedule of monthly salary ranges as included in the Board packet by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang
NOES: None
ABSENT: None
ABSTAIN: None

(Motion pass 5-0)

3.5 Request Additional Funds for Reservoir 11 Project

The Board was asked to approve additional funds in the amount of \$60,000 for safety enhancements proposed for Reservoir 11. Staff provided detail regarding the proposed safety modifications and entertained questions posed by Board members.

Upon motion by Director Lewis, seconded by Director Bellah, the Board unanimously approved funds in the amount of \$60,000 for proposed modifications to Reservoir 11 by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang
NOES: None
ABSENT: None
ABSTAIN: None

(Motion pass 5-0)

3.6 Approve Changes in IRS Mileage Rate From 62.5 to 65.5 cents effective January 1, 2023

Upon motion by Director Lima, seconded by Director Hsu, the Board unanimously approved changes in the IRS mileage rate from 62.5 to 65.5 cents effective January 1, 2023, by the following roll call vote:

AYES: Directors Bellah, Hsu, Lewis, Lima, Lu-Yang
NOES: None
ABSENT: None
ABSTAIN: None

(Motion pass 5-0)

4. PUBLIC RELATIONS

4.1 Communications Outreach (CV Strategies)

Ms. Erin Kaiman reported on CV Strategies' outreach activities performed on behalf of the District during the month of December 2022. Additionally, she notified the Board of the upcoming customer messaging campaign regarding water quality/perceptions of tap water, and updated the Board on District branding elements and press releases.

4.2 Education Update

Education and Outreach Coordinator Brittnie Gildea discussed community outreach and water education activities listed in the Education Outreach Report included in the Board packet. She took a moment to highlight in particular the installation of water bottle filling stations at both Yorbita Elementary School and Telesis Academy, and the District's Residential Landscape Makeover Program.

5. DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS (INCLUDING ITEMS THAT MAY HAVE ARISEN AFTER THE POSTING OF THE AGENDA) – None.

6. LEGISLATIVE INFORMATION – None.

7. REVIEW OF CORRESPONDENCE

- 7.1** Board members received communication from the Local Agency Formation Commission advising that the voting period for the election appointing a voting member of the Commission has been extended to January 27, 2023.

8. COMMITTEE REPORTS

- 8.1 Joint Powers Insurance Authority** – Mr. Coleman advised the Board of the ACWA/JPIA’s upcoming election of Executive Committee members to be held during the JPIA’s Spring 2023 Board of Directors’ meeting. Board members were asked to advise staff of their interest in being placed into nomination.
- 8.2 Three Valleys Municipal Water District** – Director Lima spoke on business matters from the December 2, 2022, and January 4, 2023, TVMWD Board meetings.
- 8.3 Association of California Water Agencies** – None.
- 8.4 Puente Basin Water Agency (PBWA)** – None.
- 8.5 Project Ad-Hoc Committee** – None.
- 8.6 Regional Chamber of Commerce** – Nothing to report.
- 8.7 P-W-R Joint Waterline Commission** – Nothing to report.
- 8.8 Sheriff’s Community Advisory Council** - Nothing to report.
- 8.9 Rowland Heights Community Coordinating Council (RHCCC)** – Nothing to report.

9. OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

9.1 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 November 2022.

9.2 Operations Report

Director of Operations, Allen Davidson, provided the Board with field operations tasks completed during the month of December 2022 (as listed below) and the collective totals for calendar year 2022.

- Water Samples – 152
- Site Inspections - 96
- Service Orders Completed - 328
- Meters Replaced - 70
- Modules Replaced - 0
- Dig Alerts – 268
- Service Lines Replaced- 8

- System Valves Replaced- 0
- Air Releases Inspections - 20
- Recycled Water Inspections – 12

9.3 Personnel Report – None.

10. ATTORNEY’S REPORT – None.

11. 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 8266-002-900, 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

General Manager’s and Directors’ Comments – Director Bellah took a moment to brief the Board on an editorial on drought related matters.

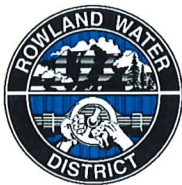
Future Agenda Item(s) – None.

Late Business – None.

A motion was made by Director Hsu, seconded by Director Lima, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:38 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary



**RESOLUTION NO. 1-2023
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, 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, state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, such conditions now exist in the District, specifically, a state of emergency has been proclaimed related to COVID-19, and state and local officials are recommending measures to promote social distancing,

**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; and state and local officials have recommended measures to promote social distancing in connection with COVID-19. 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).

PASSED, APPROVED, AND ADOPTED at the regular meeting of the Board of Directors held January 10, 2023, by the following roll call vote:


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


SZU PEI LU-YANG
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 January 10, 2023.


TOM COLEMAN
Board Secretary



Minutes of the Special Meeting
of the Board of Directors of the Rowland Water District
January 24, 2023 – 6:00 p.m.
3021 Fullerton Road
Rowland Heights, CA 91748

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None.

OTHERS PRESENT:

Jim Uhl, Breaking the Chain Consulting

ROWLAND WATER DISTRICT STAFF

Tom Coleman, General Manager
Dusty Moisio, Assistant General Manager
Allen Davidson, Director of Operations
Myra Malner, Director of Finance
Gabby Sanchez, Executive Assistant

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEM

None.

1. ACTION ITEMS

- 1.1 Board Development Workshop Facilitated by Jim Uhl, Breaking the Chain Consulting**
Mr. Jim Uhl of Breaking the Chain Consulting facilitated dialogue amongst Board members regarding strengths-based assessments, leadership development, and organizational health. As this was an informational item only, no Board action was taken.

1.2 Update on the ACWA/JPIA Election of Executive Committee Member

Board members were apprised of the election procedures for the ACWA/JPIA election of Executive Committee Members. President Lu-Yang expressed her interest in submitting her nomination and directed staff to move forward the nomination procedures. As this was an informational item only, no Board action was taken.

2. 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 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

General Manager's and Directors' Comments – Board members were informed of an upcoming tour of the Pomona-Walnut-Rowland Joint Water Line and were asked to advise Assistant General Manager Dusty Moisio of their interest and availability in participating.

Future Agenda Item(s) – None.

Late Business – None.

A motion was made by Director Hsu, seconded by Director Lima, and unanimously carried to adjourn the meeting. The meeting was adjourned at 8:10 p.m.

SZU PEI LU-YANG
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
31379						
12/22	12/05/2022	31379	62554	APPLIED TECHNOLOGY GROUP	EMERGENCY RADIOS	120.00
Total 31379:						120.00
31380						
12/22	12/05/2022	31380	62741	BEE REMOVERS	BEE REMOVAL	125.00
Total 31380:						125.00
31381						
12/22	12/05/2022	31381	62810	BREAKING THE CHAIN CONSULTING	MANAGEMENT AND STAFF COACHING	6,000.00
Total 31381:						6,000.00
31382						
12/22	12/05/2022	31382	62705	COMP	LIFT TEST	59.00
12/22	12/05/2022	31382	62705	COMP	BAT TEST	46.00
12/22	12/05/2022	31382	62705	COMP	PHYSICAL EXAM	84.00
12/22	12/05/2022	31382	62705	COMP	QUICK TEST	52.00
Total 31382:						241.00
31383						
12/22	12/05/2022	31383	2550	FRONTIER	PHONE SERVICE	307.67
Total 31383:						307.67
31384						
12/22	12/05/2022	31384	62580	GMC ELECTRICAL, INC	CORROSION TEST STATION INSPECTION 36" REC	3,845.60
Total 31384:						3,845.60
31385						
12/22	12/05/2022	31385	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	840.08
12/22	12/05/2022	31385	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	898.45
Total 31385:						1,738.53
31386						
12/22	12/05/2022	31386	62624	HASA INC	CHEMICALS FOR RCS	307.98
12/22	12/05/2022	31386	62624	HASA INC	CHEMICALS FOR RCS	562.39
12/22	12/05/2022	31386	62624	HASA INC	CHEMICALS FOR RCS	468.66
12/22	12/05/2022	31386	62624	HASA INC	CHEMICALS FOR RCS	474.16
12/22	12/05/2022	31386	62624	HASA INC	CHEMICALS FOR RCS	723.30
Total 31386:						2,536.49
31387						
12/22	12/05/2022	31387	244	INFOSEND INC	BILLING SERVICE	6,609.56
Total 31387:						6,609.56

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
31388						
12/22	12/05/2022	31388	62448	PARS	GASBY 45 MANAGEMENT FEE	1,293.37
Total 31388:						1,293.37
31389						
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	WEST YOST SEPT 2022	2,256.50
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	BEST DRILLING-DURWARD WELL	90,246.82
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	LEGAL OCT 2022	105.00
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	CIVILTEC-DURWARD WELL	110.00
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	CIVILTEC-DURWARD WELL	1,744.82
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	SERVICE & REG FEE 1905 FAIRPLEX	25.50
12/22	12/05/2022	31389	5000	PUENTE BASIN WATER AGENCY	CIVILTEC-WELL MGMT	300.00
Total 31389:						94,788.64
31390						
12/22	12/05/2022	31390	385	R AND I HOLDINGS INC	TOOLS & SUPPLIES	121.56
12/22	12/05/2022	31390	385	R AND I HOLDINGS INC	EQUIPMENT REPAIR-WACKER PUMP	202.14
Total 31390:						323.70
31391						
12/22	12/05/2022	31391	62829	RED WING BUSINESS ADVANTAGE A	BOOT ALLOWANCE	1,429.57
Total 31391:						1,429.57
31392						
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR MAINS	945.74
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	113.67
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	16" BUTTERFLY VALVE AND FITTINGS	6,844.68
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	TAX	650.25
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	6,985.49
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR BOOSTER STATION VALVE REPLA	6,275.30
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR MAINES	854.10
12/22	12/05/2022	31392	62502	S & J SUPPLY COMPANY, INC	CREDIT MEMO	2,063.40-
Total 31392:						20,605.83
31393						
12/22	12/05/2022	31393	62549	SAN GABRIEL VALLEY EAC	ANNUAL MEMBERSHIP	95.00
Total 31393:						95.00
31394						
12/22	12/05/2022	31394	62691	SJ LYONS CONSTRUCTION INC	OFFICE GENERATOR	2,700.00
12/22	12/05/2022	31394	62691	SJ LYONS CONSTRUCTION INC	FULLERTON BOOSTER STATION	10,270.10
Total 31394:						12,970.10
31395						
12/22	12/05/2022	31395	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	36,126.49
12/22	12/05/2022	31395	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	4,014.05
Total 31395:						40,140.54

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
31396						
12/22	12/05/2022	31396	5900	SOCALGAS	GAS UTILITY BILL	405.85
Total 31396:						405.85
31397						
12/22	12/05/2022	31397	6500	THERMALAIR INC	QUARTERLY PREVENTATIVE MAINTENANCE	475.00
12/22	12/05/2022	31397	6500	THERMALAIR INC	SEMI ANNUAL PREVENTATIVE MAINTENANCE INS	295.00
Total 31397:						770.00
31398						
12/22	12/05/2022	31398	62672	TRAILERS UNLIMITED INC	CUSTOM TRAILER FOR GENSET (SEE ATTACHED)	25,213.00
12/22	12/05/2022	31398	62672	TRAILERS UNLIMITED INC	TAX	2,395.24
Total 31398:						27,608.24
31399						
12/22	12/05/2022	31399	62695	TRAVIS NOELTE	TOTAL EXPENSES-BOOT ALLOWANCE	215.49
Total 31399:						215.49
31400						
12/22	12/05/2022	31400	62521	TRIPEPI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE	375.00
Total 31400:						375.00
31401						
12/22	12/05/2022	31401	382	W A RASIC CONSTRUCTION CO INC	JOB 22TX26-COLIMA WIDENING	187,643.02
12/22	12/05/2022	31401	382	W A RASIC CONSTRUCTION CO INC	JOB 22SC86-2705 CHESTNUT	21,251.00
Total 31401:						208,894.02
31402						
12/22	12/05/2022	31402	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	961.67
Total 31402:						961.67
31408						
12/22	12/13/2022	31408	1000	ACWA JPIA	EMPLOYEE HEALTH BENEFITS	50,772.64
12/22	12/13/2022	31408	1000	ACWA JPIA	EMPLOYEE VISION BENEFITS	590.70
12/22	12/13/2022	31408	1000	ACWA JPIA	EMPLOYEE ASSISTANCE PROGRAM	54.56
12/22	12/13/2022	31408	1000	ACWA JPIA	EMPLOYEE DENTAL BENEFITS	3,519.50
12/22	12/13/2022	31408	1000	ACWA JPIA	RETIREEES HEALTH BENEFITS	16,234.79
12/22	12/13/2022	31408	1000	ACWA JPIA	DIRECTORS HEALTH BENEFITS	9,011.59
Total 31408:						80,183.78
31409						
12/22	12/13/2022	31409	3375	ANTHONY J. LIMA	MILEAGE REIMBURSEMENT	127.63
Total 31409:						127.63
31410						
12/22	12/13/2022	31410	62554	APPLIED TECHNOLOGY GROUP	COI REPEATER FAILURE	150.00
12/22	12/13/2022	31410	62554	APPLIED TECHNOLOGY GROUP	NEW TRANSNET RADIO-COI BACKBONE	3,178.28

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31410:						3,328.28
31411						
12/22	12/13/2022	31411	400	AT&T MOBILITY	MOBILE PHONES, IPADS & NEW DEVICES	4,528.28
Total 31411:						4,528.28
31412						
12/22	12/13/2022	31412	62741	BEE REMOVERS	BEE REMOVAL	125.00
Total 31412:						125.00
31413						
12/22	12/13/2022	31413	62790	C & K TIRE SERVICE	420 BACK HOE	779.03
Total 31413:						779.03
31414						
12/22	12/13/2022	31414	6966	CINTAS	UNIFORM RENTAL	6,530.56
Total 31414:						6,530.56
31415						
12/22	12/13/2022	31415	62700	CITIZENS TRUST C/O CITIZEN BUSIN	TRUSTEES FEES	1,710.15
Total 31415:						1,710.15
31416						
12/22	12/13/2022	31416	1900	CLINICAL LAB OF S B	WATER SAMPLES	2,166.00
Total 31416:						2,166.00
31417						
12/22	12/13/2022	31417	62705	COMP	DOT PHYSICAL	103.00
Total 31417:						103.00
31418						
12/22	12/13/2022	31418	62433	EMPLOYEE RELATIONS INC	BACKGROUND VERIFICATION	365.92
Total 31418:						365.92
31419						
12/22	12/13/2022	31419	62445	EXCEL DOOR & GATE COMPANY	PERFORM SERVICE AND REPAIRS ON MAIN GATE	685.95
Total 31419:						685.95
31420						
12/22	12/13/2022	31420	62822	GABRIELA SANCHEZ	MILEAGE REIMBURSEMENT	110.88
12/22	12/13/2022	31420	62822	GABRIELA SANCHEZ	TOTAL EXPENSES-ACWA CONFERENCE	28.98
Total 31420:						139.86
31421						
12/22	12/13/2022	31421	2600	HACH COMPANY	WATER QUALITY TESTING SUPPLIES	2,208.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31421:						2,208.00
31422						
12/22	12/13/2022	31422	62624	HASA INC	CHEMICALS FOR RCS	790.27
12/22	12/13/2022	31422	62624	HASA INC	CHEMICALS FOR RCS	401.83
12/22	12/13/2022	31422	62624	HASA INC	CHEMICALS FOR RCS	803.66
Total 31422:						1,995.76
31423						
12/22	12/13/2022	31423	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR RES	875.00
12/22	12/13/2022	31423	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR PBWA	954.45
Total 31423:						1,829.45
31424						
12/22	12/13/2022	31424	2724	HOME DEPOT CREDIT SERVICES	TOOLS & SUPPLIES	289.58
12/22	12/13/2022	31424	2724	HOME DEPOT CREDIT SERVICES	MAINTENANCE & OPERATION	77.95
Total 31424:						367.53
31425						
12/22	12/13/2022	31425	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	660.00
Total 31425:						660.00
31426						
12/22	12/13/2022	31426	62713	JCL TRAFFIC SERVICES	TOOLS & SUPPLIES	665.41
Total 31426:						665.41
31427						
12/22	12/13/2022	31427	62664	M & J TREE SERVICE	MAINTENANCE SERVICE 6 SITES	6,600.00
Total 31427:						6,600.00
31428						
12/22	12/13/2022	31428	62078	MCKINNEY CONSTRUCTION CO INC	INSTALL 2 -6" VALVE REPLACEMENTS	26,786.86
Total 31428:						26,786.86
31429						
12/22	12/13/2022	31429	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	55.50
Total 31429:						55.50
31430						
12/22	12/13/2022	31430	62848	PHILADELPHIA SECURITY PRODUCTS	RESERVOIR GATES AND HATCH LOCKS	6,020.00
Total 31430:						6,020.00
31431						
12/22	12/13/2022	31431	46201	PITNEY BOWES BANK INC PURCHAS	POSTAGE METER-LEASING CHARGE	252.14
Total 31431:						252.14

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
31432						
12/22	12/13/2022	31432	385	R AND I HOLDINGS INC	EQUIPMENT REPAIR-MQ 2" PUMP	210.26
Total 31432:						210.26
31433						
12/22	12/13/2022	31433	3360	ROBERT LEWIS	MILEAGE REIMBURSEMENT	68.13
Total 31433:						68.13
31434						
12/22	12/13/2022	31434	62460	RYAN WHITE	TOTAL EXPENSES-CLASS A PERMIT APPLICATION	86.79
Total 31434:						86.79
31435						
12/22	12/13/2022	31435	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	10,984.56
12/22	12/13/2022	31435	62502	S & J SUPPLY COMPANY, INC	CREDIT MEMO INV S100189484.001	3,263.10-
12/22	12/13/2022	31435	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	1,308.20
12/22	12/13/2022	31435	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	1,600.38
12/22	12/13/2022	31435	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	8,341.76
12/22	12/13/2022	31435	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	454.58
Total 31435:						19,426.38
31436						
12/22	12/13/2022	31436	58002	SO CALIFORNIA EDISON	INFRARED, VIBRATION & MOTOR ANALYSIS. PRED	1,300.00
Total 31436:						1,300.00
31437						
12/22	12/13/2022	31437	62481	STAPLES BUSINESS CREDIT	OFFICE SUPPLIES	493.19
Total 31437:						493.19
31438						
12/22	12/13/2022	31438	62045	SZU-PEI LU-YANG	MILEAGE REIMBURSEMENT	68.13
Total 31438:						68.13
31439						
12/22	12/13/2022	31439	1165	TERMINIX PROCESSING CENTER	PEST CONTROL-2633 SALEROSO	70.00
12/22	12/13/2022	31439	1165	TERMINIX PROCESSING CENTER	PEST CONTROL-747 ANAHEIM PUENTE	127.00
Total 31439:						197.00
31440						
12/22	12/13/2022	31440	62565	UNIVAR USA INC.	SOD HYPO LIQUICHLOR-WBS	1,787.00
Total 31440:						1,787.00
31441						
12/22	12/13/2022	31441	62865	VERIZON	SCADA ALARM MODEM	21.39
Total 31441:						21.39

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
31442						
12/22	12/13/2022	31442	382	W A RASIC CONSTRUCTION CO INC	JOB 22SX11-FULLERTON RD GRADE SEP	4,872.23
Total 31442:						4,872.23
31443						
12/22	12/14/2022	31443	62558	PUENTE BASIN WATER AGENCY	PM 22/PM 9 CONNECTION	267,662.50
12/22	12/14/2022	31443	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,675.49
12/22	12/14/2022	31443	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	2,115.09
12/22	12/14/2022	31443	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	1,357.20
12/22	12/14/2022	31443	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	12,619.47
12/22	12/14/2022	31443	62558	PUENTE BASIN WATER AGENCY	ADJUSTMENT FOR CAL DOMESTIC PRODUCTION	22,771.04
Total 31443:						308,200.79
31444						
12/22	12/14/2022	31444	4750	PWR JT WATER LINE COMMISSION	PM 15 Water Use	585,073.90
12/22	12/14/2022	31444	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	7,778.34
12/22	12/14/2022	31444	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,351.57
12/22	12/14/2022	31444	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	1,857.56
Total 31444:						596,061.37
31445						
12/22	12/13/2022	31445	62531	KEN GRODY FORD	2022 FORD F-150 - 2 TRUCKS FOR BELLFLOWER S	63,384.70
Total 31445:						63,384.70
31446						
12/22	12/14/2022	31446	62683	CARSTAR LA HABRA COLLISION & GL	PREP & PAINT GATE DOORS (2)	1,519.13
Total 31446:						1,519.13
31447						
12/22	12/20/2022	31447	4600	AIRGAS USA LLC	TANK RENTAL	118.44
Total 31447:						118.44
31448						
12/22	12/20/2022	31448	62622	AKM CONSULTING ENGINEERS	COI RWSC ASSESSMENT	2,420.00
12/22	12/20/2022	31448	62622	AKM CONSULTING ENGINEERS	POTABLE WATER AND RECYCLED WATER HYDRA	856.00
Total 31448:						3,276.00
31449						
12/22	12/20/2022	31449	1625	ANTHEM BLUE CROSS	RETIREE HEALTH BENEFITS	1,277.72
Total 31449:						1,277.72
31450						
12/22	12/20/2022	31450	62554	APPLIED TECHNOLOGY GROUP	EMERGENCY RADIOS	120.00
Total 31450:						120.00
31451						
12/22	12/20/2022	31451	62854	ARIGATO RENTAL SERVICES	STAFF CHRISTMAS LUNCHEON	3,110.74

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31451:						3,110.74
31452						
12/22	12/20/2022	31452	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-ENVIRONMENTAL LAW	558.00
12/22	12/20/2022	31452	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-GENERAL COUNSEL	3,473.28
Total 31452:						4,031.28
31453						
12/22	12/20/2022	31453	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,979.00
Total 31453:						1,979.00
31454						
12/22	12/20/2022	31454	62705	COMP	QUICK TEST	52.00
12/22	12/20/2022	31454	62705	COMP	BAT TEST	46.00
12/22	12/20/2022	31454	62705	COMP	PHYSICAL EXAM	84.00
12/22	12/20/2022	31454	62705	COMP	LIFT TEST	59.00
Total 31454:						241.00
31455						
12/22	12/20/2022	31455	1270	CORELOGIC SOLUTIONS LLC	PROPERTY DATA INFO	198.00
Total 31455:						198.00
31456						
12/22	12/20/2022	31456	62439	CVSTRATEGIES	COMMUNICATION SERVICES-PRESS RELEASES	1,431.25
12/22	12/20/2022	31456	62439	CVSTRATEGIES	COMMUNICATION SERVICES-BOARD SUPPORT	1,135.00
12/22	12/20/2022	31456	62439	CVSTRATEGIES	COMMUNICATION SERVICES-GENERAL	6,879.08
Total 31456:						9,445.33
31457						
12/22	12/20/2022	31457	2300	FEDERAL EXPRESS	POSTAGE	33.12
Total 31457:						33.12
31458						
12/22	12/20/2022	31458	2550	FRONTIER	INTERNET ACCESS	890.00
12/22	12/20/2022	31458	2550	FRONTIER	PHONE SERVICE	361.57
Total 31458:						1,251.57
31459						
12/22	12/20/2022	31459	330	FUEL PRO INC	D/O INSPECTION	170.00
Total 31459:						170.00
31460						
12/22	12/20/2022	31460	5600	G M SAGER CONSTRUCTION	ASPHALT & CONCRETE	8,548.73
Total 31460:						8,548.73
31461						
12/22	12/20/2022	31461	62812	GROWING ROOTS LLC	MONTHLY PLANT CARE	320.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31461:						320.00
31462						
12/22	12/20/2022	31462	62624	HASA INC	CHEMICALS FOR RCS	401.83
12/22	12/20/2022	31462	62624	HASA INC	CHEMICALS FOR RCS	575.96
12/22	12/20/2022	31462	62624	HASA INC	CHEMICALS FOR RCS	455.41
12/22	12/20/2022	31462	62624	HASA INC	CHEMICALS FOR RCS	1,017.97
Total 31462:						2,451.17
31463						
12/22	12/20/2022	31463	379	HIGHROAD INFORMATION TECHNOL	SONICWALL TZ500 LICENSING 1 YR	1,670.00
12/22	12/20/2022	31463	379	HIGHROAD INFORMATION TECHNOL	MANAGED IT SERVICES	6,930.00
12/22	12/20/2022	31463	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,550.00
12/22	12/20/2022	31463	379	HIGHROAD INFORMATION TECHNOL	MAINTENANCE, SUPPORT AND SOFTWARE RENE	12,045.00
Total 31463:						23,195.00
31464						
12/22	12/20/2022	31464	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR RES	689.49
Total 31464:						689.49
31465						
12/22	12/20/2022	31465	62834	HPS WEST, INC.	4" OCTAVE SS FLOAT-FLG	2,671.10
Total 31465:						2,671.10
31466						
12/22	12/20/2022	31466	62435	INDUSTRY PUBLIC UTILITY COMMISSI	PUMPING POWER-PUMPSTATION 2A	2,627.50
Total 31466:						2,627.50
31467						
12/22	12/20/2022	31467	244	INFOSEND INC	BILLING SERVICE	111.83
12/22	12/20/2022	31467	244	INFOSEND INC	BILLING SERVICE	2,310.42
12/22	12/20/2022	31467	244	INFOSEND INC	BILLING SERVICE	88.66
12/22	12/20/2022	31467	244	INFOSEND INC	BILLING SERVICE	3,357.22
Total 31467:						5,868.13
31468						
12/22	12/20/2022	31468	62066	JANITORIAL SYSTEMS	WINDOW CLEANING	450.00
Total 31468:						450.00
31469						
12/22	12/20/2022	31469	62735	MUTUAL OF OMAHA	LIFE INSURANCE	522.50
12/22	12/20/2022	31469	62735	MUTUAL OF OMAHA	SHORT/LONG TERM DISABILITY	1,300.35
12/22	12/20/2022	31469	62735	MUTUAL OF OMAHA	DIRECTORS LIFE INSURANCE	69.35
Total 31469:						1,892.20
31470						
12/22	12/20/2022	31470	189	NOBEL SYSTEMS	GEOVIEWER ANNUAL SUBSCRIPTION (HOSTING O	5,000.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31470:						5,000.00
31471						
12/22	12/20/2022	31471	62649	OPARC	PAINTING FIRE HYDRANTS	1,981.56
Total 31471:						1,981.56
31472						
12/22	12/20/2022	31472	62839	PrintMyStuff.com	CORNHOLE BOARD STICKERS	870.41
Total 31472:						870.41
31473						
12/22	12/20/2022	31473	62771	PUBLIC WATER AGENCIES GROUP	ASSESSMENT FOR EMERGENCY PREPARDNESS	1,541.92
Total 31473:						1,541.92
31474						
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	BANK OF AMERICA-JUL-SEP 2022	1,261.99
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	ACWA/JPIA LIABILITY INSURANCE	1,069.50
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	SCE 19846U COLIMA RD	2.20
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	PACE ANALYTICAL-DURWARD WELL	390.96
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	PACE ANALYTICAL-DURWARD WELL	521.28
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	SERVICE & REG FEE 2525 C	25.50
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	LASER-OCT-NOV 2022	2,400.00
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	PACE ANALYTICAL-DURWARD WELL	278.50
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	BEST DRILLING-DURWARD WELL	24,557.50
12/22	12/20/2022	31474	5000	PUENTE BASIN WATER AGENCY	REEB-DEC 2022	2,166.67
Total 31474:						32,674.10
31475						
12/22	12/20/2022	31475	62660	PUENTE HILLS FORD	MAINTENANCE TRUCKS 6, 26, 31, 33, 38	2,129.39
Total 31475:						2,129.39
31476						
12/22	12/20/2022	31476	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	3,353.24
12/22	12/20/2022	31476	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR SERVICES	2,450.08
12/22	12/20/2022	31476	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR COLIMA WIDENING	11,321.97
Total 31476:						17,125.29
31477						
12/22	12/20/2022	31477	62534	SHRED IT C/O STERICYCLE INC	SHREDDING SERVICE	177.97
Total 31477:						177.97
31478						
12/22	12/20/2022	31478	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	2,981.69
Total 31478:						2,981.69
31479						
12/22	12/20/2022	31479	62595	SWRCB ACCOUNTING OFFICE	ANNUAL PERMIT FEES	3,274.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 31479:						3,274.00
31480						
12/22	12/20/2022	31480	6500	THERMALAIR INC	PERFORMED GENERAL INSPECTION	65.59
Total 31480:						65.59
31481						
12/22	12/20/2022	31481	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	248.00
Total 31481:						248.00
31482						
12/22	12/20/2022	31482	2360	USC FCCCHR	MEMBERSHIP RENEWAL	562.25
Total 31482:						562.25
31483						
12/22	12/20/2022	31483	62850	VALLEY VISTA SERVICES INC	TRASH SERVICE	247.61
Total 31483:						247.61
31484						
12/22	12/20/2022	31484	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	408.66
Total 31484:						408.66
31485						
12/22	12/20/2022	31485	205	WARREN GRAPHICS	BUSINESS CARDS	324.08
Total 31485:						324.08
31486						
12/22	12/20/2022	31486	62432	WASTE MANAGEMENT COMPANY	HAUL DIRT	707.90
Total 31486:						707.90
12152022						
12/22	12/15/2022	121520	62493	CADWAY INC (CAL DOMESTIC WATER	WATER CHARGE	70,136.79
Total 12152022:						70,136.79
12292022						
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	VEHICLE EXPENSE	573.57
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	MISC EXPENSES	8,766.15
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	CONFERENCE EXPENSE	7,744.20
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	CONSERVATION EXPENSE	11,519.42
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	SEMINAR & TRAINING EXPENSE CREDIT	80.00
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	OFFICE SUPPLIES	765.90
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	SERVICE CUTS	2,492.00
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	PORTABLE EMERGENCY GENERATOR EXPENSE	154.43
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	PUMPING MAINTENANCE	418.29
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	SPECTRUM	799.00
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	CENTRAL COMMUNICATION	400.79
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	STARLINK	110.00
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	FREEDOM VOICE	1,551.87

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	DIRECTV	93.99
12/22	12/29/2022	122920	1070	AMERICAN EXPRESS	NEXTIVA	74.07
Total 12292022:						34,707.10
12302022						
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	VEHICLE EXPENSE	651.15
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	MISC EXPENSES	1,279.09
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	OFFICE SUPPLIES	104.25
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	BOOK EXPENSE	191.88
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	POSTAGE EXPENSE	25.50
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	SEMINAR AND TRAINING EXPENSE	715.00
12/22	12/30/2022	123020	1476	BUSINESS CARD (VISA)	CONFERENCE EXPENSE	1,019.74
Total 12302022:						3,986.61
Grand Totals:						1,831,427.89

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11505-0	333,387.93	5,326.50-	328,061.43
11507-0	117,849.88	.00	117,849.88
13850-0	63,384.70	.00	63,384.70
222100	5,744.79	1,837,172.68-	1,831,427.89-
51110-0	70,136.79	.00	70,136.79
51310-0	875,507.44	.00	875,507.44
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	1,370.33	.00	1,370.33
51910-0	9,612.86	.00	9,612.86
52210-0	1,300.00	418.29-	881.71
52310-0	38,753.99	.00	38,753.99
54209-0	295.00	.00	295.00
54210-0	2,507.74	.00	2,507.74
54211-0	14,799.01	.00	14,799.01
54213-0	6,020.00	.00	6,020.00
54214-0	7,494.93	.00	7,494.93
54215-0	1,981.56	.00	1,981.56
54217-0	8,547.91	.00	8,547.91
54218-0	9,593.88	.00	9,593.88
54219-0	2,741.45	.00	2,741.45
56210-0	3,354.11	.00	3,354.11
56211-0	3,003.52	.00	3,003.52
56212-0	191.88	.00	191.88
56214-0	4,345.03	.00	4,345.03
56215-0	657.25	.00	657.25
56216-0	382.70	.00	382.70
56217-0	374.77	.00	374.77
56218-0	4,031.28	.00	4,031.28
56218-2	1,541.92	.00	1,541.92
56219-0	12,897.14	.00	12,897.14

GL Account	Debit	Credit	Proof
56220-0	10,764.00	.00	10,764.00
56221-0	9,445.33	.00	9,445.33
56223-0	8,792.92	.00	8,792.92
56226-0	18,715.00	.00	18,715.00
56312-0	30,340.36	.00	30,340.36
56320-0	6,795.00	.00	6,795.00
56411-0	50,772.64	.00	50,772.64
56413-0	3,519.50	.00	3,519.50
56415-0	590.70	.00	590.70
56416-0	522.50	.00	522.50
56417-0	17,512.51	.00	17,512.51
56418-0	1,300.35	.00	1,300.35
56419-0	54.56	.00	54.56
56421-0	9,080.94	.00	9,080.94
56710-0	1,309.87	.00	1,309.87
56812-0	16,037.37	.00	16,037.37
57310-0	856.00	.00	856.00
57312-0	1,132.05	.00	1,132.05
57314-0	2,823.62	.00	2,823.62
57315-0	2,166.00	.00	2,166.00
57319-0	11,519.42	.00	11,519.42
57321-0	8,062.32	.00	8,062.32
57323-0	240.00	.00	240.00
Grand Totals:	<u>1,842,917.47</u>	<u>1,842,917.47-</u>	<u>.00</u>

Report Criteria:

Report type: GL detail

Report Criteria:
Detail Report

Check Number	Check Issue Date	Payee			
31403	12/13/2022	STANLEY DEWITT MACFARLAND JR			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	463297-10	DEPOSIT REFUND-2327 FELICIA	22810-0	1,052.91	1,052.91
31404	12/13/2022	PORT LOGISTICS GROUP			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	336195-56	CREDIT REFUND-18215 ROWLAND	15210-0	324.51	
2	11003-02	CREDIT REFUND-18215 ROWLAND-RC	15210-0	685.83	
3	660287-46	CREDIT REFUND-18215 ROWLAND-FS	15210-0	182.47	1,192.81
31405	12/13/2022	THIRD PARTY ENTERPRISES			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	259504-25	CREDIT REFUND-18175 ROWLAND	15210-0	1,093.45	
2	801027-41	CREDIT REFUND-18175 ROWLAND-FS	15210-0	227.61	1,321.06
31406	12/13/2022	ANDREW WANG			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	683173-60	CREDIT REFUND-2360 BIRCH LOG	15210-0	138.58	138.58
31407	12/13/2022	JULIO HERNANDEZ GARCIA			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	554360-58	CREDIT REFUND-1835 SANTA YSABELA	15210-0	143.13	143.13
Grand Totals:					3,848.49

Report Criteria:
Detail Report

Check Number	Check Issue Date	Payee				
31403	12/13/2022	STANLEY DEWITT MACFARLAND JR				
	Sequence	Source	Description	GL Account	Amount	Check Amount
	1	463297-10	DEPOSIT REFUND-2327 FELICIA	22810-0	1,052.91	1,052.91
31404	12/13/2022	PORT LOGISTICS GROUP				
	Sequence	Source	Description	GL Account	Amount	Check Amount
	1	336195-56	CREDIT REFUND-18215 ROWLAND	15210-0	324.51	
	2	11003-02	CREDIT REFUND-18215 ROWLAND-RC	15210-0	685.83	
	3	660287-46	CREDIT REFUND-18215 ROWLAND-FS	15210-0	182.47	1,192.81
31405	12/13/2022	THIRD PARTY ENTERPRISES				
	Sequence	Source	Description	GL Account	Amount	Check Amount
	1	259504-25	CREDIT REFUND-18175 ROWLAND	15210-0	1,093.45	
	2	801027-41	CREDIT REFUND-18175 ROWLAND-FS	15210-0	227.61	1,321.06
31406	12/13/2022	ANDREW WANG				
	Sequence	Source	Description	GL Account	Amount	Check Amount
	1	683173-60	CREDIT REFUND-2360 BIRCH LOG	15210-0	138.58	138.58
31407	12/13/2022	JULIO HERNANDEZ GARCIA				
	Sequence	Source	Description	GL Account	Amount	Check Amount
	1	554360-58	CREDIT REFUND-1835 SANTA YSABELA	15210-0	143.13	143.13
Grand Totals:						3,848.49



ROWLAND WATER DISTRICT

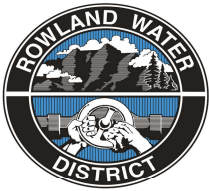
CASH INVESTMENTS

As of December 31, 2022

Description / Type	Term	Shares / Units Held	Purchase Price	Current Price	Maturity Date	Current Yield	Current Value	% of Portfolio
Cash								
Citizens Business Bank							\$ 7,696,978	
Total Cash							\$ 7,696,978	
Local Agency Investment Fund (LAIF)	N/A					2.17%	\$ 2,135,368	15.51%
Citizens Trust Investments (US Bank Custodian)								
Fed'l Home Loan Mtg. Corp. - WTK6	4 Year	500,000	96.8350	96.2490	11/3/2023	0.31%	\$ 481,245	3.50%
Fed'l Home Loan Mtg. Corp. - WVJ2	4 Year	300,000	100.0000	92.6190	9/30/2024	0.43%	\$ 277,857	2.02%
Fed'l National Mtg. Assn. - XP73	3 Year	300,000	100.0000	98.2740	5/28/2025	4.07%	\$ 294,822	2.14%
Fed'l National Mtg. Assn. - 06M0	4 Year	200,000	100.0000	92.0320	12/16/2024	0.54%	\$ 184,064	1.34%
Fed'l Home Loan Mtg. Corp. - 4C27	5 Year	350,000	100.0000	90.6460	7/29/2025	0.77%	\$ 317,261	2.30%
Fed'l National Mtg. Assn. - 4XZ1	5 Year	200,000	100.0000	90.9640	6/30/2025	0.81%	\$ 181,928	1.32%
Fed'l National Mtg. Assn. - 0U43	5 Year	250,000	99.6518	98.7150	9/12/2023	2.91%	\$ 246,788	1.79%
Fed'l Home Loan Bank - 0T94	5 Year	505,000	99.2492	99.9150	1/19/2023	2.38%	\$ 504,571	3.66%
Fed'l Home Loan Bank - MSE3	5 Year	500,000	99.9250	99.2690	3/1/2023	0.11%	\$ 496,345	3.60%
Fed'l Farm Cr Bks - MLT7	3 Year	200,000	99.9040	95.3810	12/28/2023	0.22%	\$ 190,762	1.39%
Fed'l Farm Cr Bks - MLT7	3 Year	25,000	99.7000	95.3810	12/28/2023	0.22%	\$ 23,845	0.17%
Fed'l Farm Cr Bks - MLV2	3 Year	150,000	99.6670	94.1820	4/5/2024	0.29%	\$ 141,273	1.03%
Fed'l Farm Cr Bks - MFP2	4 Year	500,000	99.9490	92.4980	11/4/2024	0.48%	\$ 462,490	3.36%
Fed'l Farm Cr Bks - L5S9	3 Year	350,000	99.9200	93.0330	9/3/2024	0.52%	\$ 325,616	2.36%
Fed'l Home Loan Banks - KMF0	4 Year	200,000	99.9540	92.1250	10/28/2024	0.33%	\$ 184,250	1.34%
Fed'l Home Loan Banks - JP45	3 Year	200,000	100.0000	94.7680	3/11/2024	0.53%	\$ 189,536	1.38%
Fed'l Home Loan Banks - L7D0	5 Year	200,000	99.7900	89.8180	8/26/2025	0.56%	\$ 179,636	1.30%
Fed'l Home Loan Banks - N6N5	4 Year	200,000	100.0000	91.2600	4/29/2025	0.77%	\$ 182,520	1.33%
Fed'l Home Loan Banks - LGR9	5 Year	500,000	100.0000	89.2710	2/26/2026	0.95%	\$ 446,355	3.24%
Fed'l Home Loan Banks - LLD4	5 Year	250,000	99.9250	89.2500	3/17/2026	0.98%	\$ 223,125	1.62%
Fed'l Home Loan Banks - MUX8	5 Year	200,000	99.9300	89.1550	3/30/2026	0.98%	\$ 178,310	1.30%
Fed'l Home Loan Banks - PUY9	4 Year	200,000	100.0000	92.3620	2/28/2025	1.08%	\$ 184,724	1.34%
Fed'l Home Loan Banks - P6M2	5 Year	200,000	100.0000	88.2410	9/30/2026	1.16%	\$ 176,482	1.28%
Fed'l Home Loan Banks - PS48	3 Year	165,000	98.8630	93.2600	11/18/2024	1.13%	\$ 153,879	1.12%
Fed'l Home Loan Banks - QP56	3 Year	350,000	100.0000	94.6940	6/21/2024	1.27%	\$ 331,429	2.41%
Fed'l Home Loan Bank - Q7E7	5 Year	200,000	99.9050	90.3980	6/30/2026	1.66%	\$ 180,796	1.31%
Fed'l Home Loan Bank - QJD6	4 Year	200,000	99.7190	89.6610	10/27/2026	1.67%	\$ 179,322	1.30%
Fed'l Home Loan Bank - S3H0	2 Year	300,000	100.0000	97.1920	2/26/2024	2.70%	\$ 291,576	2.12%
Fed'l National Mtg. Assn. - DRG9	5 Year	250,000	100.8232	99.6960	3/10/2023	2.76%	\$ 249,240	1.81%
Fed'l Home Loan Bank - 0F70	2 Year	125,000	104.3708	98.5610	12/8/2023	3.42%	\$ 123,201	0.89%
Air Prods & Chems Inc. - 8BB1	5 Year	255,000	104.1940	92.0390	10/15/2025	1.63%	\$ 234,699	1.70%
Apple Inc. - 3DT4	5 Year	200,000	102.4560	92.0650	5/11/2025	1.22%	\$ 184,130	1.34%
Apple Inc. - 3CU2	5 Year	150,000	103.6730	97.3580	5/11/2024	2.93%	\$ 146,037	1.06%
Apple Inc. - 3CG3	5 Year	400,000	104.3970	98.0000	2/9/2024	3.06%	\$ 392,000	2.85%
Bank of New York Mellon Corp. - RAE7	5 Year	250,000	99.8060	99.8790	1/29/2023	2.95%	\$ 249,698	1.81%
Caterpillar Finl Service - Q3B3	2 Year	200,000	96.7600	95.4060	11/8/2024	2.25%	\$ 190,812	1.39%
Florida Pwr & Lt Co - 1FZ5	5 Year	800,000	108.9188	95.7480	4/1/2025	2.98%	\$ 765,984	5.56%
Paccar Financial Corp. - RQ66	5 Year	500,000	104.7908	94.0950	2/6/2025	1.91%	\$ 470,475	3.42%
Paccar Financial Corp. - RP59	3 Year	170,000	105.0550	99.0750	8/9/2023	3.43%	\$ 168,428	1.22%
Schwab Charles Corp - 3BN4	2 Year	200,000	95.7870	95.0370	3/18/2024	0.79%	\$ 190,074	1.38%
US Bancorp Mtns. - HHV5	5 Year	200,000	102.1370	98.2140	2/5/2024	3.44%	\$ 196,428	1.43%
Inter American Development Bank - OCC0	3 Year	200,000	104.5920	98.5390	10/24/2023	3.04%	\$ 197,078	1.43%
Intl Bank for Recon & Dev - 8JB0	5 Year	400,000	98.7800	91.7350	4/22/2025	0.68%	\$ 366,940	2.67%
Cash Reserve Account						4.06%	\$ 297,100	2.16%
Total Citizens Trust Investments							\$ 11,633,130	84.49%
Total Investments							\$ 13,768,497	100.00%
Total Cash & Investments							\$ 21,465,476	

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

December 2022

	Dec-22	Year-to-Date (YTD)	Budget (Annual)	Under / (Over) Budget	YTD Budget %	Prior YTD
1 OPERATING REVENUE						
2 Water Sales	\$ 1,178,607	\$ 8,675,856	\$ 16,136,500	\$ 7,460,644	54%	\$ 8,503,752
3 Meter Charges	967,526	5,804,945	12,189,600	6,384,655	48%	5,768,602
4 Customer Fees	109,243	436,878	214,700	(222,178)	203%	81,675
5 Contract Income	19,228	96,084	218,400	122,316	44%	71,646
6 RWD Labor Sales/Reimbursements	20,513	154,587	120,000	(34,587)	129%	51,721
7 Capacity Fees	3,685	34,070	50,000	15,930	68%	89,257
8 Flow Tests	1,950	9,425	17,500	8,075	54%	9,800
9 Return Check Fees	420	5,670	4,500	(1,170)	126%	2,160
10 Uncollectable	-	-	(56,600)	(56,600)	0%	-
11 TOTAL OPERATING REVENUE	2,301,172	15,217,516	28,894,600	13,677,084	53%	14,578,613
12 NON-OPERATING REVENUE						
13 Property Taxes	141,501	163,997	393,800	229,803	42%	145,530
14 Shared Services	1,062	13,900	24,000	10,100	58%	23,093
15 Interest Income	17,877	109,568	245,000	135,432	45%	98,990
16 Miscellaneous Income	12,951	24,727	25,000	273	99%	23,533
17 TOTAL NON-OPERATING REVENUE	173,392	312,192	687,800	375,608	45%	291,145
18 TOTAL REVENUES	2,474,564	15,529,708	29,582,400	14,052,692	52%	14,869,758
19 OPERATING EXPENSES						
20 Source of Supply						
21 Water Purchases	713,164	5,331,333	11,591,300	6,259,967	46%	5,458,676
22 Pumping Power	36,801	205,127	336,600	131,473	61%	192,344
23 Fixed Charges	28,755	172,528	300,700	128,172	57%	150,884
24 Chemicals	8,316	53,589	65,000	11,411	82%	32,511
25 Total Source of Supply	787,036	5,762,578	12,293,600	6,531,022	47%	5,834,415
26 Maintenance of Water System	29,703	446,431	762,500	316,069	59%	301,180
27 Service Contracts	27,349	213,974	381,200	167,226	56%	219,799
28 Assessments	46,729	119,946	280,000	160,054	43%	85,280
29 Vehicle Expense	6,660	69,496	123,500	54,004	56%	59,840
30 Tools & Supplies	848	18,497	40,800	22,303	45%	21,740
31 Equipment Expense	10,493	30,090	35,300	5,210	85%	17,270
32 Maintenance & Operations	8,591	35,587	71,900	36,313	49%	38,204
33 Engineering	19,935	97,023	200,000	102,977	49%	98,929
34 Water Tests	5,518	15,567	24,000	8,434	65%	12,944
35 Conservation	11,519	30,393	50,000	19,607	61%	13,483
36 Community Outreach	12,399	62,685	223,600	160,915	28%	177,284
37 TOTAL OPERATING EXPENSES	966,781	6,902,265	14,486,400	7,584,135	48%	6,880,367
38 ADMINISTRATIVE EXPENSES						
39 Liability Insurance	-	157,127	137,100	(20,027)	115%	124,603
40 IT Support Services	20,244	82,020	158,200	76,180	52%	68,165
41 IT Licensing	67,533	192,648	325,600	132,952	59%	104,386
42 Director Expense	13,706	74,524	181,100	106,576	41%	77,121
43 Bank / Management Fees	15,661	95,574	178,200	82,626	54%	81,100



ROWLAND WATER DISTRICT

PROFIT & LOSS

December 2022

	Dec-22	Year-to-Date (YTD)	Budget (Annual)	Under / (Over) Budget	YTD Budget %	Prior YTD
44 Legal Fees	9,236	62,838	116,500	53,662	54%	55,264
45 Compliance	65,643	106,807	156,100	49,293	68%	90,545
46 Auditing & Accounting	15,250	26,950	35,000	8,050	77%	24,857
47 Utility Services	13,589	62,971	125,100	62,129	50%	61,320
48 Dues & Memberships	8,937	51,040	49,200	(1,840)	104%	38,006
49 Conference & Meetings	8,842	22,594	45,000	22,406	50%	14,970
50 Office Expenses	4,062	15,233	37,700	22,467	40%	17,678
51 Seminars/Training	7,065	62,473	115,500	53,027	54%	44,274
52 Miscellaneous Expense	12,099	59,672	156,000	96,328	38%	44,247
53 TOTAL ADMINISTRATIVE EXPENSES	261,866	1,072,470	1,816,300	743,830	59%	846,537
54 PERSONNEL EXPENSES						
55 Wages						
56 Operations	75,943	387,955	1,167,500	779,545	33%	425,389
57 Distribution	84,360	458,590	1,203,400	744,810	38%	528,367
58 Administration	135,909	741,200	1,545,500	804,300	48%	799,770
59 Total Wages	296,212	1,587,745	3,916,400	2,328,655	41%	1,753,527
60 Payroll Taxes	15,374	99,654	273,300	173,646	36%	103,882
61 Workers Compensation	16,939	33,756	81,400	47,644	41%	30,632
62 Unemployment	416	694	900	206	77%	850
63 CalPERS	35,717	556,694	1,039,400	482,706	54%	849,920
64 OPEB Contributions	-	-	-	-	0%	-
65 EE & Retiree Health Insurance	73,956	429,691	1,059,500	629,809	41%	404,797
66 TOTAL PERSONNEL EXPENSES	438,614	2,708,234	6,370,900	3,662,666	43%	3,143,607
67 TOTAL EXPENSES	1,667,262	10,682,969	22,673,600	11,990,631	47%	10,870,511
68 NET INCOME / (LOSS) - BEFORE DEBT SERVICE & CAPITAL EXPENDITURES	807,303	4,846,738	6,908,800	2,062,062	70%	3,999,247
69 Less: Total Debt Service	(359,761)	(368,361)	(716,200)	347,839	51%	(181,673)
70 Less: CalPERS (Bond Debt Savings)	(1,437,935)	(1,437,935)	(1,750,900)	312,965	82%	(1,607,504)
71 Less: Capital Expenses (Current Year)	(1,082,280)	(1,679,608)	(5,637,700)	3,958,092	30%	(986,522)
72 CASH INCREASE / (DECREASE)	\$ (2,072,673)	\$ 1,360,834	\$ (1,196,000)	\$ 2,556,834		\$ 1,223,548

**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

December 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 high at 54% due to consumption during warm months.
3. Meter Charges – the fixed monthly base rate charged to water customers each month (includes all customer types). YTD is at 48%.
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 203%.
5. Contract Income – contains revenues from tower lease contracts. YTD is currently at 44%.
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 high at 129% due to RWD labor sales/reimbursements for new service connections.
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 68% 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 54%.
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 126%.
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



Rowland Water District

Profit & Loss Analysis and Variance Report

December 2022

13. Property Taxes – includes tax contributions from the County of Los Angeles. YTD is at 42% since the bulk of receipts happen between December and May each year and can cause YTD % to trend over/under expected budget %.
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 58% due to the unpredictable nature of shared services.
15. Interest Income – includes interest and dividends received on District investments. YTD is at 45%.
16. Miscellaneous Income – includes income from various sources such as recycling and refunds. YTD is high at 99% due to lease of Puente Basin water rights.
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 46%.
22. Pumping Power – the cost of electricity used for pumping water. YTD is at 61%.
23. Fixed Charges – includes fixed charges from TVMWD and CalDomestic. YTD is at 57%.
24. Chemicals – the cost of chemicals used to treat water sold to customers. YTD is at 82% due to an average 40% increase in rates.
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 high at 59% due to the unpredictable timing of repairs.
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 high at 56% due to timing of service contracts.



Rowland Water District

Profit & Loss Analysis and Variance Report

December 2022

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 low at 43% due to unpredictable timing of assessments.
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 56%.
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 45%.
31. Equipment Expense – various costs incurred related to District equipment. YTD can trend over/under budget due to the timing of equipment expenses. YTD is at 85%.
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 49%.
33. Engineering – general engineering costs related to District operations. YTD is currently at 49%.
34. Water Tests – laboratory testing and sampling of District water. YTD is at 65%.
35. Conservation – water conservation programs and efforts. YTD currently is at 61%.
36. Community Outreach – costs related to public relations and community outreach. YTD is low at 28% due to timing of community outreach expenses.
37. **TOTAL OPERATING EXPENSES**
38. **ADMINISTRATIVE EXPENSES**
39. Liability Insurance – coverage through ACWA JPIA for the District insurance package. YTD is high at 115% due to 20% increase in ACWA JPIA rates.
40. IT Support Services – information technology support services. YTD is at 52%.
41. IT Licensing – includes costs for various software licenses. YTD is at 59%.
42. Director Expense – costs for director compensation and benefits. YTD is at 41% of budget.
43. Bank/Management Fees – includes various banking fees, Paymentus fees (for processing customer payments) and investment administrative fees. YTD is currently at 54%.
44. Legal Fees – legal costs related to RWD, PBWA and Public Water Agencies Group (PWAG). YTD is at 54%.



Rowland Water District

Profit & Loss Analysis and Variance Report

December 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 68%.
46. Auditing & Accounting – includes consulting services for complex accounting matters and annual audit assurance services related to District financial reporting. YTD is high at 77% due to timing of auditing & accounting fees.
47. Utility Services – costs related to office electricity, office phones, gas and district cell phones. YTD is at 50%.
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 high at 104% due the timing of these billings.
49. Conference & Meetings – conference attendance and meeting expenses. YTD is at 50%.
50. Office Expenses – costs for office supplies, postage, printing and stationery. YTD is at 40% due to timing of these expenses.
51. Seminars/Training – employee seminars and training. YTD is at 54%.
52. Miscellaneous Expense – includes costs for travel, books & subscriptions, and miscellaneous general expenses. YTD is low at 38% 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 33% as the Director of Operations position was vacant from July through September 2022.
57. Distribution – wages expense (regular, standby, OT) attributable to Distribution. YTD is at 38%.
58. Administration – wages expense (regular) attributable to Administration. YTD is at 48%.
59. **TOTAL WAGES**
60. Payroll Taxes – employer payroll taxes paid by the District. YTD is trending at 36%.
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 41%.



Rowland Water District

Profit & Loss Analysis and Variance Report

December 2022

- 62. Unemployment – state unemployment insurance is paid quarterly which can cause this line to occasionally trend over/under expected budget. YTD is at 77%.
- 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 at 54% 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 41%.
- 66. **TOTAL PERSONNEL EXPENSES**
- 67. **TOTAL EXPENSES**
- 68. **NET INCOME / (LOSS) BEFORE DEBT SERVICE & CAPITAL EXPENSES** – Financially, the District has performed as expected through December 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). YTD is at 51%.
- 70. Less: CalPERS (Bond Debt Savings) – includes bond debt refunding savings for paying down the CalPERS unfunded accrued liability. Payments are made in December and June. YTD is high at 82% since a large portion of the payment was made in December.
- 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 30%.
- 72. **CASH INCREASE / (DECREASE)**

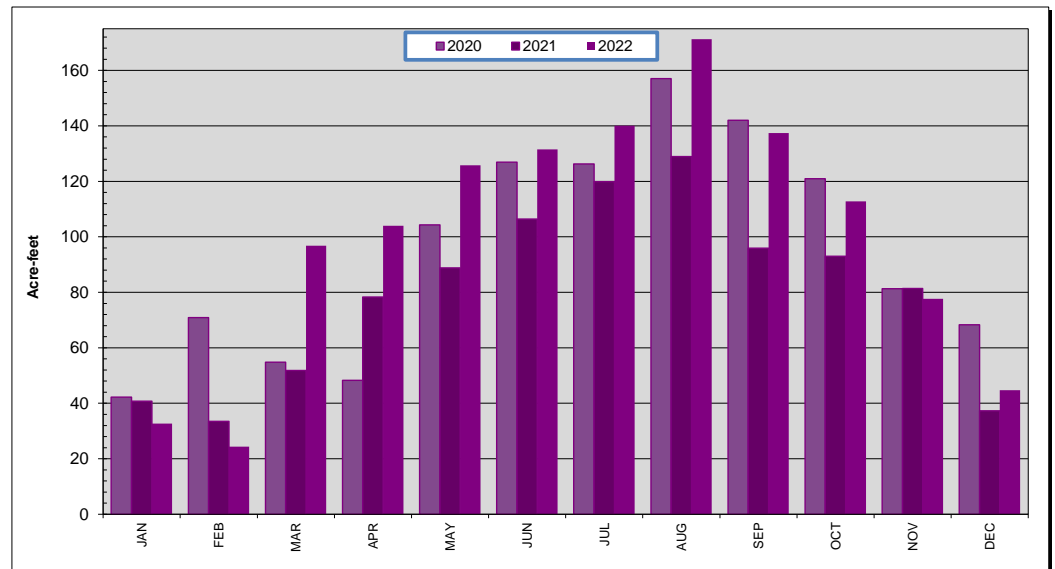
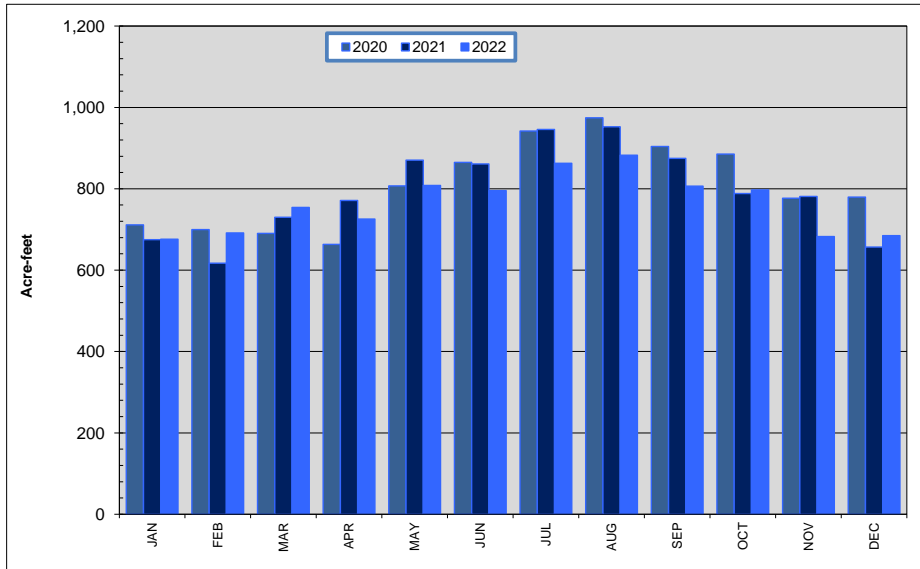


Water Purchases for CY 2022 (Acre-feet)



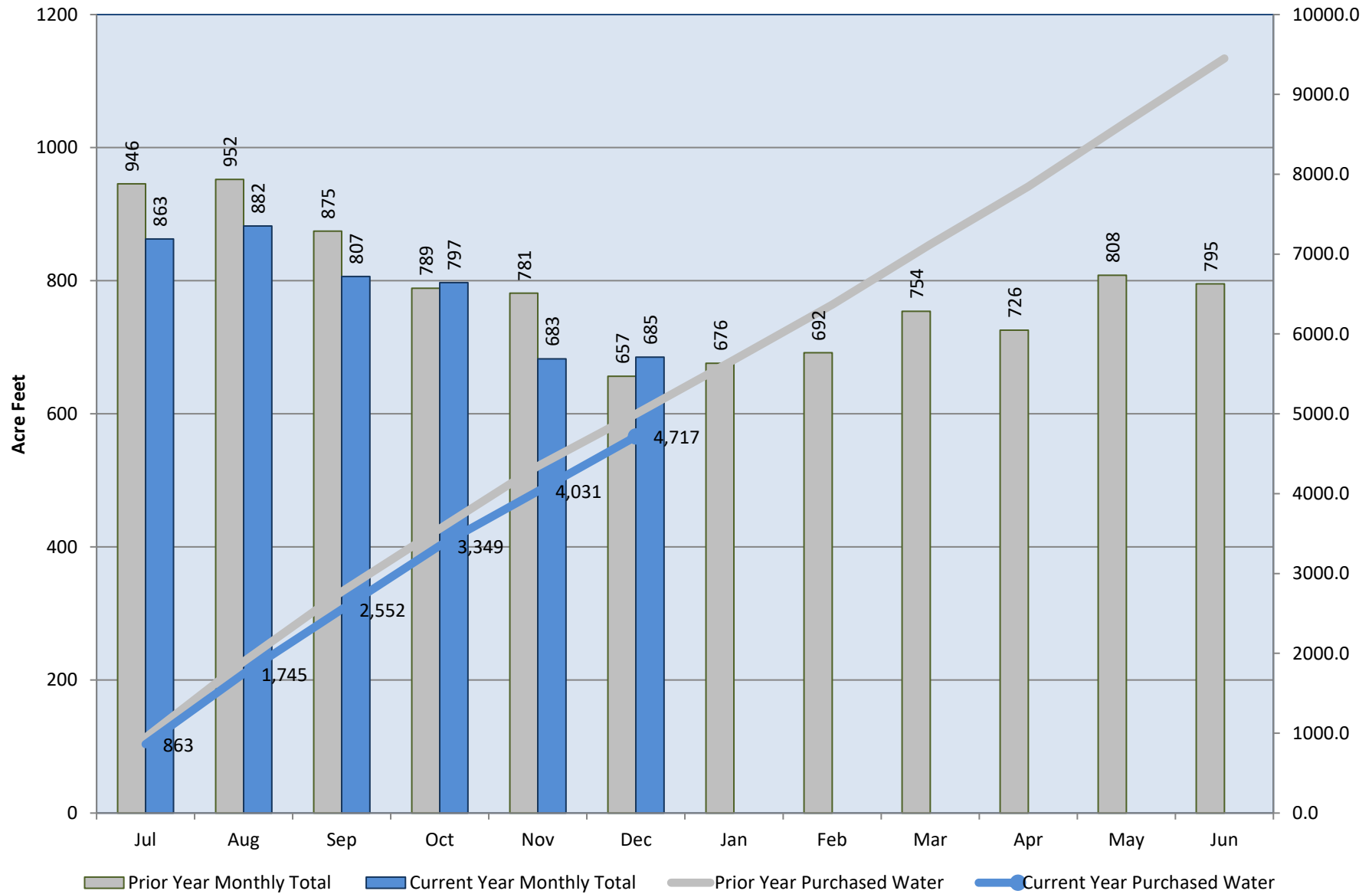
	POTABLE SYSTEM						TOTAL
	WBS	LHH	PM-9	PM-22	JWL		
					PM-15	Miramar	
JAN	173.8	0.0	0.0	228.3	133.5	140.3	675.9
FEB	56.8	0.0	0.0	222.6	391.9	20.4	691.7
MAR	0.0	0.0	0.0	236.0	347.6	170.5	754.1
APR	0.0	0.0	0.0	216.7	296.7	212.4	725.8
MAY	0.0	0.0	0.0	242.4	559.0	6.8	808.2
JUN	0.0	0.0	0.0	237.4	558.0	0.0	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	40.4	0.0	0.0	237.5	519.1	0.0	797.0
NOV	169.2	0.0	0.0	204.5	259.4	49.6	682.7
DEC	172.5	0.0	0.0	235.8	191.6	85.2	685.1
TOTAL	612.7	0.0	0.0	2,890.7	4,979.0	685.2	9,167.6

RECYCLED SYSTEM							TOTAL
Well 1	Wet Well	WVWD	Industry	Potable Make-up	Nogales Dewatering	Fullerton Dewatering	
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	12.9	0.0	171.2
0.0	18.1	2.0	105.3	0.0	12.0	0.0	137.4
29.2	14.2	2.0	52.6	1.9	12.9	0.0	112.8
29.2	20.2	0.0	15.5	0.0	12.8	0.0	77.7
3.0	17.5	0.0	11.2	0.0	13.0	0.0	44.7
129.7	215.1	17.0	771.8	1.9	63.6	0.0	1,199.1



Potable Water Purchases For FY 2022-2023

(Acre-feet)



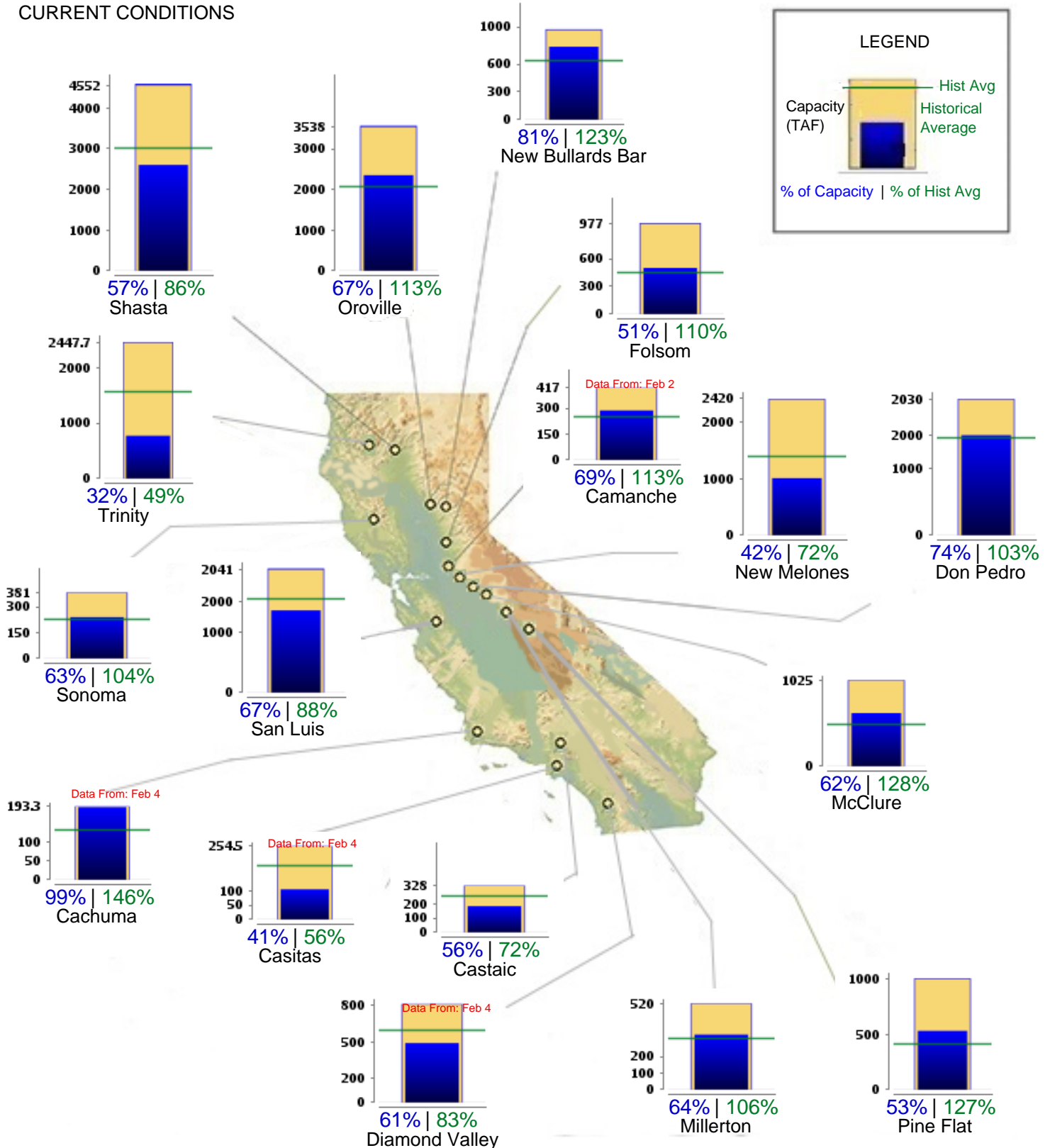


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - February 5, 2023

CURRENT CONDITIONS





January 2023-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)
Anthony J. Lima					
	1/4/2023	TVMWD Board Meeting	\$185.00		Mileage
	1/10/2023	RWD Board Meeting	\$185.00		
	1/11/2023	PBWA Stakeholder Meeting	\$185.00		
	1/18/2023	TVMWD Board Meeting	\$185.00		Mileage
	1/20/2023	RWD Employee Event		X	
	1/24/2023	RWD Special Board Meeting	\$185.00		
		TOTAL PAYMENT	\$925.00		
John Bellah					
	1/9/2023	RHCCC	\$185.00		
	1/10/2023	RWD Board Meeting	\$185.00		
	1/20/2023	RWD Employee Event		X	
	1/24/2023	RWD Special Board Meeting	\$185.00		
		TOTAL PAYMENT	\$555.00		
Robert W. Lewis					
	1/10/2023	RWD Board Meeting	\$185.00		
	1/11/2023	PBWA Stakeholder Meeting	\$185.00		
	1/19/2023	ACWA Region 8 Board Meeting	\$185.00		
	1/24/2023	RWD Special Board Meeting	\$185.00		
		TOTAL PAYMENT	\$740.00		
Szu Pei Lu-Yang					
	1/4/2023	TVMWD Board Meeting	\$185.00		
	1/10/2023	RWD Board Meeting	\$185.00		
	1/18/2023	TVMWD Board Meeting	\$185.00		
	1/24/2023	RWD Special Board Meeting	\$185.00		
		TOTAL PAYMENT	\$740.00		
Vanessa Hsu					
	1/10/2023	RWD Board Meeting	\$185.00		
	1/24/2023	RWD Special Board Meeting	\$185.00		
		TOTAL PAYMENT	\$370.00		

APPROVED FOR PAYMENT:

Tom Coleman

**ROWLAND WATER DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2022
(With Comparative Amounts as of June 30, 2021)**

NIGRO & NIGRO^{PC}

ROWLAND WATER DISTRICT

For the Fiscal Year Ended June 30, 2022

Table of Contents

FINANCIAL SECTION

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis.....	4
Basic Financial Statements:	
Proprietary Fund:	
Balance Sheets	10
Statements of Revenues, Expenses and Changes in Net Position.....	11
Statements of Cash Flows.....	12
Notes to Financial Statements	14

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the District's Proportionate Share of the Net Pension Liability	46
Schedule of the District's Contributions to the Defined Benefit Pension Plan.....	47
Schedule of Changes in the District's Net OPEB Liability and Related Ratios.....	48
Schedule of Contributions – Other Post-Employment Benefits (OPEB) Plan.....	49

SUPPLEMENTARY INFORMATION

Schedule of Other Operating Expenses	50
Schedule of General and Administrative Expenses.....	51

OTHER INDEPENDENT AUDITORS' REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	52
---	----

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Rowland Water District
Rowland Heights, California

Opinion

We have audited the accompanying financial statements of the Rowland Water District (District), which comprise the balance sheet as of June 30, 2022, and the related statement of revenues, expenses and changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2022 and 2021, and the respective changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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.

Change in Accounting Principle

As described in Notes 1 and 4 to the financial statements, as of July 1, 2020, the Agency adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Management's Responsibility for the Financial Statements

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

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 Agency'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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency'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 Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the Agency's Proportionate Share of the Plan's Net Pension Liability, Schedule of the Agency's Contributions to the Pension Plan, Schedule of Changes in the Agency's Net OPEB Liability and Related Ratios, and Schedule of the Agency's Contributions to the OPEB Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The Schedule of Other Operating Expenses and Schedule of General and Administrative Expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2021, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated January 10, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 the District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Nigro & Nigro, PC". The signature is written in a cursive, flowing style.

Murrieta, California
January 10, 2023

ROWLAND WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2022 (With Comparable Amounts as of June 30, 2021)

Management's Discussion and Analysis (MD&A) offers readers of Rowland Water District's financial statements a narrative overview of the District's financial activities for the year ended June 30, 2022. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- In fiscal year 2022, the District's net position increased 4.72%, or \$3,342,942 from the prior year's net position of \$70,796,975 to \$74,139,917, as a result of the year's operations.
- In fiscal year 2022, operating revenues increased by 1.18%, or \$329,313 from \$27,913,052 to \$28,242,365, from the prior year, primarily due to increases in residential, business, recycled water sales as well as other operating revenues.
- In fiscal year 2022, operating expenses before depreciation expense increased by 3.46% or \$684,872 from \$19,808,846 to \$20,493,718, from the prior year, primarily due to increases in costs for transmission and distribution, and general and administrative.

REQUIRED FINANCIAL STATEMENTS

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

The Balance Sheet includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports 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.

ROWLAND WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2022 (With Comparable Amounts as of June 30, 2021)

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question.

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

Condensed Balance Sheets

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
Assets:			
Current assets	\$ 15,690,004	\$ 14,767,567	\$ 922,437
Non-current assets	34,878,643	35,013,031	(134,388)
Capital assets, net	68,790,298	67,099,882	1,690,416
Total assets	<u>119,358,945</u>	<u>116,880,480</u>	<u>2,478,465</u>
Deferred outflows of resources	<u>7,305,466</u>	<u>5,855,538</u>	<u>1,449,928</u>
Total assets and deferred outflows of resources	<u>\$ 126,664,411</u>	<u>\$ 122,736,018</u>	<u>\$ 3,928,393</u>
Liabilities:			
Current liabilities	\$ 7,431,155	\$ 8,020,196	\$ (589,041)
Non-current liabilities	39,505,947	41,704,030	(2,198,083)
Total liabilities	<u>46,937,102</u>	<u>49,724,226</u>	<u>(2,787,124)</u>
Deferred inflows of resources	<u>5,587,392</u>	<u>2,214,817</u>	<u>3,372,575</u>
Net position:			
Net investment in capital assets	32,620,298	31,867,906	752,392
Unrestricted	41,519,619	38,929,069	2,590,550
Total net position	<u>74,139,917</u>	<u>70,796,975</u>	<u>3,342,942</u>
Total liabilities, deferred outflows of resources and net position	<u>\$ 126,664,411</u>	<u>\$ 122,736,018</u>	<u>\$ 3,928,393</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$74,139,917 as of June 30, 2022.

ROWLAND WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2022 (With Comparable Amounts as of June 30, 2021)

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Condensed Balance Sheets (continued)

By far the largest portion of the District's net position (44% as of June 30, 2022) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its customers; consequently, these assets are not available for future spending.

At the end of year 2022, the District showed a positive balance in its unrestricted net position of \$41,519,619 which may be utilized in future years.

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

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
Operating revenues	\$ 28,242,365	\$ 27,913,052	\$ 329,313
Operating expenses	<u>(20,493,718)</u>	<u>(19,808,846)</u>	<u>(684,872)</u>
Operating income before depreciation	7,748,647	8,104,206	(355,559)
Depreciation expense	<u>(3,553,348)</u>	<u>(3,434,208)</u>	<u>(119,140)</u>
Operating income	4,195,299	4,669,998	(474,699)
Non-operating revenues(expenses), net	<u>(852,357)</u>	<u>(588,647)</u>	<u>(263,710)</u>
Change in net position	3,342,942	4,081,351	(738,409)
Net position:			
Beginning of year	<u>70,796,975</u>	<u>66,715,624</u>	<u>4,081,351</u>
End of year	<u><u>\$ 74,139,917</u></u>	<u><u>\$ 70,796,975</u></u>	<u><u>\$ 3,342,942</u></u>

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years. In the case of the District, the District's net position increased 4.72%, or \$3,342,942 from the prior year's net position of \$70,796,975 to \$74,139,917, as a result of the year's operations.

ROWLAND WATER DISTRICT*Management's Discussion and Analysis (Unaudited)**For the Year Ended June 30, 2022 (With Comparable Amounts as of June 30, 2021)*

FINANCIAL ANALYSIS OF THE DISTRICT (continued)**Total Revenues**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Water sales	\$ 15,753,112	\$ 15,597,274	\$ 155,838
Water service charges	11,622,138	11,840,763	(218,625)
New service connections	166,842	156,194	10,648
Reimbursements	148,351	128,347	20,004
Other operating revenues	<u>551,922</u>	<u>190,474</u>	<u>361,448</u>
Total operating revenues	<u>28,242,365</u>	<u>27,913,052</u>	<u>329,313</u>
Non-operating revenues:			
Property taxes	502,421	490,250	12,171
Investment earnings	(462,229)	(318,995)	(143,234)
Rental and contract revenue	158,568	131,804	26,764
Grant revenue – Proposition No. 84 funding	-	408,500	(408,500)
Other non-operating revenues	<u>147,129</u>	<u>178,016</u>	<u>(30,887)</u>
Total non-operating revenues	<u>345,889</u>	<u>889,575</u>	<u>(543,686)</u>
Total revenues	<u>\$ 28,588,254</u>	<u>\$ 28,802,627</u>	<u>\$ (214,373)</u>

In fiscal year 2022, operating revenues increased by 1.18%, or \$329,313 from \$27,913,052 to \$28,242,365, from the prior year, primarily due to increases in residential, business, recycled water sales as well as other operating revenues.

Also, non-operating revenues decreased by 0.61%, or \$543,686 from \$889,575 to \$345,889 due to the \$408,500 grant revenue reimbursement funding from Proposition No. 84 in 2021 and a decrease in investment earnings.

ROWLAND WATER DISTRICT*Management's Discussion and Analysis (Unaudited)**For the Year Ended June 30, 2022 (With Comparable Amounts as of June 30, 2021)***FINANCIAL ANALYSIS OF THE DISTRICT (continued)****Total Expenses**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Increase (Decrease)</u>
Operating expenses:			
Source of supply	\$ 11,099,755	\$ 10,972,900	\$ 126,855
Pumping and power	1,204,751	1,175,185	29,566
Transmission and distribution	1,965,230	1,736,405	228,825
Customer services	110,174	81,834	28,340
Other operating expenses	513,275	473,839	39,436
General and administrative	5,600,533	5,368,683	231,850
Total operating expenses	<u>20,493,718</u>	<u>19,808,846</u>	<u>684,872</u>
Depreciation expense	<u>3,553,348</u>	<u>3,434,208</u>	<u>119,140</u>
Non-operating expenses:			
Interest expense	647,335	1,431,244	(783,909)
Transfer to jv	331,846	3,808,880	(3,477,034)
Change in investment in joint-ventures	1,942	(3,761,902)	3,763,844
Cost of bond issuance	217,123	-	217,123
Total non-operating expenses	<u>1,198,246</u>	<u>1,478,222</u>	<u>(279,976)</u>
Total expenses	<u>\$ 25,245,312</u>	<u>\$ 24,721,276</u>	<u>\$ 524,036</u>

In fiscal year 2022, operating expenses before depreciation expense increased by 3.46% or \$684,872 from \$19,808,846 to \$20,493,718, from the prior year, primarily due to increases in costs for transmission and distribution, and general and administrative.

Capital Assets

	<u>Balance June 30, 2022</u>	<u>Balance June 30, 2021</u>
Capital assets:		
Non-depreciable assets	\$ 7,860,368	\$ 5,697,770
Depreciable assets	102,305,751	100,671,796
Accumulated depreciation	<u>(41,375,819)</u>	<u>(39,269,684)</u>
Total capital assets, net	<u>\$ 68,790,300</u>	<u>\$ 67,099,882</u>

At the end of year 2022, the District's investment in capital assets amounted to \$68,790,300 (net of accumulated depreciation), respectively. Capital asset additions amounted to \$5,243,766 for various projects and equipment. See Note 6 for further information.

ROWLAND WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2022 (With Comparable Amounts as of June 30, 2021)

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Debt Administration

The long-term debt of the District is summarized below:

Long-term debt:	Balance	Balance
	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Contract and bonds payable	<u>\$ 36,170,000</u>	<u>\$ 35,231,976</u>

Long-term debt increased by a total of \$938,024 due to the refinance of debt for the year ended June 30, 2022. There were no principal payments due during the year. See Notes 7 and 8 for further information.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

CONDITIONS AFFECTING CURRENT AND FUTURE FINANCIAL POSITION

The District's Board of Directors and management considered many factors when setting the fiscal year 2022, user fees, and charges. A projection is made on the acre feet of water that will be purchased and sold. The District also looks at the increased cost of the Source of Supply. Since the District heavily relies on import water, the costs are directly passed through by Metropolitan Water District and Three Valleys Municipal Water District. Some are fixed costs that do not vary depending upon the amount of water sold. Other expenses are budgeted individually to account for increases in such things as vehicle expenses and insurance coverages. The District's customer base has not changed significantly; therefore, revenue and costs are more easily projected. Questions concerning the information about the economic analysis, revenue and expense assumptions, and other budgetary process parameters utilized in the annual budget preparation can be obtained from the District's Finance Officer.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District'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 the District's Director of Finance, 3021 S. Fullerton Rd., Rowland Heights, CA 91748 – (562) 697-1726.

ROWLAND WATER DISTRICT

Balance Sheets

June 30, 2022 (With Comparative Amounts as of June 30, 2021)

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>2022</u>	<u>2021</u>
Current assets:		Restated
Cash and cash equivalents (Note 2)	\$ 11,470,536	\$ 10,296,597
Accrued interest receivable	54,949	59,247
Accounts receivable, net (Note 3)	3,523,761	3,830,187
Property taxes receivable	18,929	-
Lease receivable (Note 4)	143,931	166,370
Other receivables	110,571	32,815
Inventory – water-in-storage (Note 5)	99,518	103,512
Inventory – materials and supplies	180,382	192,443
Prepaid expenses	87,427	86,396
Total current assets	15,690,004	14,767,567
Non-current assets:		
Investments (Note 2)	11,744,841	12,691,980
Investments in joint-ventures (Note 5)	21,640,986	21,642,928
Lease receivable (Note 4)	534,192	678,123
Net OPEB asset (Note 10)	958,624	-
Capital assets – not being depreciated (Note 6)	7,860,368	5,697,770
Capital assets – being depreciated, net (Note 6)	60,929,930	61,402,112
Total non-current assets	103,668,941	102,112,913
Total assets	119,358,945	116,880,480
Deferred outflows of resources:		
Deferred amounts related to refunding of long-term debt (Note 9)	3,300,000	2,756,243
Deferred amounts related to net OPEB obligation(asset) (Note 10)	480,437	1,858,397
Deferred amounts related to net pension liability (Note 11)	3,525,029	1,240,898
Total deferred outflows of resources	7,305,466	5,855,538
Total assets and deferred outflows of resources	\$ 126,664,411	\$ 122,736,018
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,820,175	\$ 3,105,739
Deposits and unearned revenues	4,471,061	3,632,710
Accrued interest payable	56,746	109,760
Long-term liabilities – due within one year:		
Compensated absences (Note 7)	83,173	91,987
Contract payable (Note 8)	-	495,000
Bonds payable (Note 9)	-	585,000
Total current liabilities	7,431,155	8,020,196
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 7)	249,517	275,961
Contract payable (Note 8)	-	17,094,520
Bonds payable (Note 9)	36,170,000	17,057,456
Net OPEB obligation (Note 10)	-	1,905,587
Net pension liability (Note 11)	3,086,430	5,370,506
Total non-current liabilities	39,505,947	41,704,030
Total liabilities	46,937,102	49,724,226
Deferred inflows of resources:		
Deferred amounts related to leases (Note 4)	659,358	838,942
Deferred amounts related to net OPEB obligation(asset) (Note 10)	2,069,250	1,168,468
Deferred amounts related to net pension liability (Note 11)	2,858,784	207,407
Total deferred inflows of resources	5,587,392	2,214,817
Net position:		
Net investment in capital assets (Note 12)	32,620,298	31,867,906
Unrestricted	41,519,619	38,929,069
Total net position	74,139,917	70,796,975
Total liabilities, deferred inflows of resources and net position	\$ 126,664,411	\$ 122,736,018

The notes to financial statements are an integral part of this statement.

ROWLAND WATER DISTRICT*Statements of Revenues, Expenses and Changes in Net Position**For the Fiscal Year Ended June 30, 2022 (With Comparative Amounts as of June 30, 2021)*

	<u>2022</u>	<u>2021</u>
Operating revenues:		Restated
Water sales	\$ 15,753,112	\$ 15,597,274
Water service charges	11,622,138	11,840,763
New service connections	166,842	156,194
Reimbursements	148,351	128,347
Other operating revenues	551,922	190,474
Total operating revenues	<u>28,242,365</u>	<u>27,913,052</u>
Operating expenses:		
Source of supply	11,099,755	10,972,900
Pumping and power	1,204,751	1,175,185
Transmission and distribution	1,965,230	1,736,405
Customer services	110,174	81,834
Other operating	513,275	473,839
General and administrative	5,600,533	5,368,683
Total operating expenses	<u>20,493,718</u>	<u>19,808,846</u>
Operating income before depreciation	7,748,647	8,104,206
Depreciation expense	<u>(3,553,348)</u>	<u>(3,434,208)</u>
Operating income	<u>4,195,299</u>	<u>4,669,998</u>
Non-operating revenues(expenses):		
Property taxes	502,421	490,250
Investment earnings	(462,229)	(318,995)
Rental and contract revenue	158,568	131,804
Grant revenue – Propostion No. 84 funding	-	408,500
Other non-operating revenues	147,129	178,016
Interest expense	(647,335)	(1,431,244)
Cost of bond issuance	(217,123)	-
Contribution to joint-venture (Note 5)	(331,846)	(3,808,880)
Change in investment in joint-ventures (Note 5)	<u>(1,942)</u>	<u>3,761,902</u>
Total non-operating revenues(expenses), net	<u>(852,357)</u>	<u>(588,647)</u>
Change in net position	3,342,942	4,081,351
Net position:		
Beginning of year	<u>70,796,975</u>	<u>66,715,624</u>
End of year	<u><u>\$ 74,139,917</u></u>	<u><u>\$ 70,796,975</u></u>

ROWLAND WATER DISTRICT*Statements of Cash Flows**For the Fiscal Year Ended June 30, 2022 (With Comparative Amounts as of June 30, 2021)*

	2022	2021
		Restated
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 29,601,869	\$ 29,410,429
Cash paid to employees for salaries and wages	(3,374,761)	(2,969,340)
Cash paid to vendors and suppliers for materials and services	(19,927,054)	(19,395,260)
Net cash provided by operating activities	6,300,054	7,045,829
Cash flows from non-capital financing activities:		
Proceeds from property taxes	483,492	498,088
Net cash provided by non-capital financing activities	483,492	498,088
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(5,243,764)	(6,765,526)
Principal paid on long-term debt	-	(1,035,000)
Interest paid on long-term debt	(740,327)	(1,405,932)
Proceeds from water revenue refunding bonds	36,170,000	-
Refunding escrow deposit for refunded bonds	(35,952,877)	-
Cost of bond issuance	(217,123)	-
Net cash used in capital and related financing activities	(5,984,091)	(9,206,458)
Cash flows from investing activities:		
Change in investments	947,139	3,606,021
Investment earnings	220,979	239,370
Contributions to joint-ventures	(793,634)	(790,960)
Net cash provided by investing activities	374,484	3,054,431
Net increase in cash and cash equivalents	1,173,939	1,391,890
Cash and cash equivalents:		
Beginning of year	10,296,597	8,904,707
End of year	\$ 11,470,536	\$ 10,296,597

ROWLAND WATER DISTRICT*Statements of Cash Flows (continued)**For the Fiscal Year Ended June 30, 2022 (With Comparative Amounts as of June 30, 2021)*

	<u>2022</u>	<u>2021</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 4,195,299	\$ <u>4,669,998</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,553,348	3,434,208
Allowance for bad debt	155,610	220,587
Rental and contract revenue	158,568	131,804
Grant revenue – Proposition No. 84 funding	-	408,500
Other non-operating revenues	147,129	178,016
Change in assets – (increase)decrease:		
Accounts receivable, net	150,816	(1,078,026)
Lease receivable	166,370	(570,688)
Other receivables	(77,756)	428,757
Inventory – water-in-storage	3,994	(421)
Inventory – materials and supplies	12,061	(35,748)
Prepaid expenses	(1,031)	5,762
Change in deferred outflows of resources – (increase)decrease		
Deferred amounts related to net OPEB obligation	1,377,960	(1,208,206)
Deferred amounts related to net pension liability	(2,284,131)	23,088
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	(285,564)	(1,220,928)
Deposits and unearned revenues	838,351	1,213,290
Compensated absences	(35,258)	20,188
Net OPEB obligation(asset)	(2,864,211)	(192,896)
Net pension liability	(2,284,076)	419,873
Change in deferred inflows of resources – increase(decrease)		
Deferred amounts related to leases	(179,584)	565,137
Deferred amounts related to net OPEB obligation	900,782	(198,765)
Deferred amounts related to net pension liability	2,651,377	(167,701)
Total adjustments	<u>2,104,755</u>	<u>2,375,831</u>
Net cash provided by operating activities	<u>\$ 6,300,054</u>	<u>\$ 7,045,829</u>
Noncash investing, capital and financing transactions:		
Change in fair-value of investments	<u>\$ (678,910)</u>	<u>\$ (557,260)</u>
Amortization of bond discount	<u>\$ 19,876</u>	<u>\$ 119,253</u>
Amortization of deferred amounts related to refunding of long-term debt	<u>\$ (197,021)</u>	<u>\$ (147,845)</u>

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

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

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity (GASB Statement No. 61). The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

B. Basis of Presentation, Basis of Accounting

The District 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 District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as operating income in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

New Accounting Pronouncement

GASB 84 – In January 2017, GASB issued Statement No. 84 – *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The District adopted this standard in the current fiscal year. Implementation of GASB 84 removed the previously reported OPEB trust that no longer qualifies as a fiduciary fund of the District.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of 90 days or less, when purchased, to be cash equivalents. Cash deposits are reported at the carrying amount, which reasonably estimates fair value.

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

3. Restricted Assets

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

4. Receivables and Allowance for Doubtful Accounts

Customer accounts receivable consist of amounts owed by private individuals and organizations for services rendered in the regular course of business operations. Receivables are shown net of allowances for doubtful accounts. Uncollectable accounts are based on prior experience and management's assessment of the collectability of existing accounts.

5. Prepaids

Certain payments of vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

6. Lease Receivable and Deferred Inflows of Resources

The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. As a lessor, the District is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions. The District's lease receivable is measured at the present value of the lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

7. Inventories and Water in Storage

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

8. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District's policy to capitalize assets costing over \$10,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. Estimated service lives for the District's classes of assets are as follows:

Description	Estimated Lives
Transmission and distribution system	15-75 years
Equipment	5-10 years

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

10. Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave (employee benefits). Liabilities for vacation leave are recorded when benefits are earned. Full cash payment for all unused vacation leave is available to employees upon retirement or termination. Also, in accordance with the District's policy, employees may accrue unlimited sick time. Upon attaining 352 hours, the employee may exercise the option to exchange 50% of sick leave hours earned in the previous twelve-months for cash or vacation time. Upon separation, retirement, or death, an employee shall receive, as an additional retirement benefit, an amount equal to 50% of accrued hours for unused sick leave pay for up to 352 hours or 176 hours.

11. Pensions

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

The following timeframes are used for pension reporting:

Valuation Date June 30, 2020

Measurement Date June 30, 2021

Measurement Period July 1, 2020 to June 30, 2021

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retirees) as of the beginning of the measurement period.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

10. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Retiree Benefits Plan ("the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments which are reported at cost.

The following timeframes are used for OPEB reporting:

Valuation Date June 30, 2021

Measurement Date June 30, 2021

Measurement Period July 1, 2020 to June 30, 2021

11. Net Position

Net position is classified into two components: net investment in capital assets and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

D. Use of Estimates

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes

The Los Angeles County Assessor's Office assesses all real and personal property within the County each year. The Los Angeles County Tax Collector's Office bills and collects the District's share of property taxes. The Los Angeles County Auditor-Controller's Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations. Property taxes receivable at year-end are related to property taxes collected by the Los Angeles County Tax Collector's Office, which have not been credited to the District's cash balance as of June 30.

The property tax calendar is as follows:

Lien date March 1
Levy date July 1
Due dates November 1 and March 1
Collection dates December 10 and November 10

F. New Pronouncements – Governmental Accounting Standards Board (GASB)

During the fiscal year ended June 30, 2022, the District has implemented a new pronouncement as follows:

GASB 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. The requirements of this Statement were effective for reporting periods beginning after December 15, 2019. However, GASB Statement No. 95 postponed its effective date by 18 months due to the COVID-19 pandemic and its effect on the audit/accounting industry. The District adopted the Statement as of July 1, 2020. See Note 4 for the effect of this Statement.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments were classified in the accompanying financial statements as follows:

Description	June 30, 2022
Cash and cash equivalents	\$ 11,470,536
Investments	11,744,841
Total cash and investments	\$ 23,215,377

Cash and investments consisted of the following:

Description	June 30, 2022
Petty cash	\$ 400
Demand deposits held with financial institutions	9,369,876
Investments	13,845,101
Total cash and investments	\$ 23,215,377

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 2 – CASH AND INVESTMENTS (continued)

Demand Deposits with Financial Institutions

At June 30, 2022, the carrying amount of the District's demand deposits were \$9,369,876 and the financial institution's balances were \$9,246,975. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

Custodial Credit Risk – Deposits

Custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2022, the District's deposits were covered by the Federal Deposit Insurance Corporation insurance limits or collateralized as required by California law.

Investments

The District's investments as of June 30, 2022 are presented in the following Investment Table:

Type of Investments	Measurement Input	Credit Rating	Total Fair Value	Maturity		
				12 Months or Less	13 to 24 Months	25 to 120 Months
U.S. treasury obligations	Level 2	N/A	\$ 250,150	\$ 250,150	\$ -	\$ -
U.S. government sponsored agency securities	Level 2	A to AAA	7,797,326	1,621,051	2,044,936	4,131,339
Medium-term notes	Level 2	A to AAA	3,431,342	249,735	1,117,313	2,064,294
Local Agency Investment Fund (LAIF)	N/A	N/A	2,100,260	2,100,260	-	-
Money-market mutual funds	N/A	AAA	266,023	266,023	-	-
Total investments			\$ 13,845,101	\$ 4,487,219	\$ 3,162,249	\$ 6,195,633

ROWLAND WATER DISTRICT*Notes to Financial Statements**June 30, 2022*

NOTE 2 – CASH AND INVESTMENTS (continued)**Investments Authorized by the California Government Code and the District's Investment Policy**

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

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

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 2 – CASH AND INVESTMENTS (continued)

Investments Authorized by Debt Agreements

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

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

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by in the Investment Table that shows the distribution of the District's investments by maturity as of June 30, 2022.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented in the Investment Table are Standard & Poor's credit ratings for the District's investments as of June 30, 2022. U.S. treasury obligations are not required to be rated and therefore no rating has been assigned.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 2 – CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

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

Issuer	Amount
U.S. government sponsored agency securities:	
Federal National Mortgage Association	\$ 1,454,946
Federal Farm Credit Banks Funding Corporation	\$ 1,650,408
Federal Home Loan Bank	\$ 3,926,018
Federal Home Loan Mortgage Corporation	\$ 765,954
Corporate securities:	
Apple Inc.	\$ 735,643
Florida Power Light Co.	\$ 785,408

Fair Value Measurements

The District categorizes its fair value measurement within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs. All of the District's investments were assigned a Level 2 input on the Investment Table.

Investment in State Investment Pool

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

NOTE 3 – ACCOUNTS RECEIVABLE, NET

The balance at June 30, 2022 consists of the following;

Description	June 30, 2022
Accounts receivable	\$ 3,679,371
Allowance for doubtful accounts	(155,610)
Total accounts receivable, net	\$ 3,523,761

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES

Changes in the District's lease receivable for the year ended June 30, 2022 was as follows:

Description	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Cellular antenna site rental 1	\$ 30,065	\$ -	\$ (19,943)	\$ 10,122
Cellular antenna site rental 2	119,365	-	(41,909)	77,456
Cellular antenna site rental 3	37,800	-	(28,185)	9,615
Cellular antenna site rental 4	232,291	-	(42,622)	189,669
Cellular antenna site rental 5	424,972	-	(33,711)	391,261
	<u>\$ 844,493</u>	<u>\$ -</u>	<u>\$ (166,370)</u>	<u>\$ 678,123</u>

Changes in the District's lease receivable for the year ended June 30, 2021 was as follows:

Description	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Cellular antenna site rental 1	\$ 49,612	\$ -	\$ (19,547)	\$ 30,065
Cellular antenna site rental 2	159,593	-	(40,228)	119,365
Cellular antenna site rental 3	64,600	-	(26,800)	37,800
Cellular antenna site rental 4	-	235,795	(3,504)	232,291
Cellular antenna site rental 5	-	430,536	(5,564)	424,972
	<u>\$ 273,805</u>	<u>\$ 666,331</u>	<u>\$ (95,643)</u>	<u>\$ 844,493</u>

The District is reporting a total lease receivable of \$678,123 and \$844,493 and a total related deferred inflows of resources of \$659,358 and \$838,942 for the years ending June 30, 2022 and 2021, respectively. Also, the District is reporting total lease revenue of \$166,370 and \$95,643 and interest revenue of \$15,648 and \$6,483 related to lease payments received for the years ending June 30, 2022 and 2021, respectively. The lease held by the District does not have an implicit rate of return, therefore the District used their incremental borrowing rate of 2.00% to discount the lease revenue to the net present value. In some cases leases contain termination clauses. In these cases the clause requires the lessee or lessor to show cause to terminate the lease. Also, certain leasing-types are considered "volatile leases." Those volatile leases were not extended past their initial lease period for financial statement recognition due to their volatility. The District's leases are summarized as follows:

Cellular Antenna Site Rental 1

The District, on July 1, 2020, renewed a continuous lease for 30 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$68,774. As of June 30, 2022 the value of the lease receivable was \$10,122. The lease is required to make monthly fixed payments of \$1,694 for the remaining 30 months, then increasing 10% every 5 years. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$9,922 as of June 30, 2022. The District recognized lease revenue of \$19,943 and interest revenue of \$780 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)

Cellular Antenna Site Rental 2

The District, on July 1, 2020, renewed a continuous lease for 45 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$159,593. As of June 30, 2022, the value of the lease receivable was \$77,456. The lease is required to make monthly fixed payments of \$3,570 for the first 9 months, then increasing 2.0% per year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$74,476 as of June 30, 2022. The District recognized lease revenue of \$41,909 and interest revenue of \$2,006 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental 3

The District, on July 1, 2020, renewed a continuous lease for 28 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$64,600. As of June 30, 2022, the value of the lease receivable was \$9,615. The lease is required to make monthly fixed payments of \$2,275 for the first 4 months, then increasing 3.0% per year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$9,229 as of June 30, 2022. The District recognized lease revenue of \$28,185 and interest revenue of \$500 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental 4

The District, on June 1, 2021, renewed a continuous lease for 60 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$235,795. As of June 30, 2022, the value of the lease receivable was \$184,706. The lease is required to make monthly fixed payments of \$3,897 for the first 12 months, then increasing 3.0% per year. The lease had a monthly rental increase of \$1,212 effective as of March 2021 due to additional site rental space. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$189,669 as of June 30, 2022. The District recognized lease revenue of \$42,622 and interest revenue of \$4,258 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental 5

The District, on May 1, 2021, signed a continuous lease for 120 months as lessor for the use of a cellular Antenna site rental. An initial lease receivable was recorded in the amount of \$430,536. As of June 30, 2022, the value of the lease receivable was \$391,261. The lease is required to make monthly fixed payments of \$3,500 for the first 12 months, then increasing 3.0% per year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$381,025 as of June 30, 2022. The District recognized lease revenue of \$33,711 and interest revenue of \$8,499 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)

Minimum future lease receipts for the next eight fiscal years are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 143,931	\$ 12,444	\$ 156,375
2024	118,753	9,859	128,612
2025	89,495	7,856	97,351
2026	89,711	6,043	95,754
2027	44,208	4,725	48,933
2028-2031	<u>192,025</u>	<u>9,427</u>	<u>201,452</u>
Total	\$ 678,123	\$ 50,354	\$ 728,477
Current	<u>(143,931)</u>		
Long-term	<u>\$ 534,192</u>		

Changes in the District's deferred inflows of resources related to leases for June 30, 2022 is as follows:

<u>Description</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
Cellular antenna site rental 1	\$ 29,767	\$ -	\$ (19,845)	\$ 9,922
Cellular antenna site rental 2	117,035	-	(42,559)	74,476
Cellular antenna site rental 3	36,914	-	(27,685)	9,229
Cellular antenna site rental 4	231,865	-	(47,159)	184,706
Cellular antenna site rental 5	<u>423,361</u>	<u>-</u>	<u>(42,336)</u>	<u>381,025</u>
	<u>\$ 838,942</u>	<u>\$ -</u>	<u>\$ (179,584)</u>	<u>\$ 659,358</u>

Changes in the District's deferred inflows of resources related to leases for June 30, 2021 is as follows:

<u>Description</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
Cellular antenna site rental 1	\$ 49,612	\$ -	\$ (19,845)	\$ 29,767
Cellular antenna site rental 2	159,593	-	(42,559)	117,034
Cellular antenna site rental 3	64,600	-	(27,685)	36,915
Cellular antenna site rental 4	-	235,795	(3,930)	231,865
Cellular antenna site rental 5	<u>-</u>	<u>430,536</u>	<u>(7,175)</u>	<u>423,361</u>
	<u>\$ 273,805</u>	<u>\$ 666,331</u>	<u>\$ (101,194)</u>	<u>\$ 838,942</u>

The amounts reported as deferred inflows of resources related to leases for the year ended June 30, 2022, will be amortized in future periods as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Inflows of Resources</u>
2023	\$ 151,204
2024	121,414
2025	89,495
2026	85,565
2027	42,336
2028-2031	<u>169,344</u>
Total	<u>\$ 659,358</u>

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 5 – INVESTMENTS IN JOINT-VENTURES

The balance at June 30, 2022 consists of the following;

<u>Investments in Joint-Ventures</u>	<u>PBWA</u>	<u>PWR-JWLC</u>	<u>Total</u>
Balance – beginning of year	\$ 20,737,090	\$ 905,838	21,642,928
Change in investment in joint-ventures	<u>(5,168)</u>	<u>3,226</u>	<u>(1,942)</u>
Balance – end of year	<u>\$ 20,731,922</u>	<u>\$ 909,064</u>	<u>\$ 21,640,986</u>

Puente Basin Water Agency (PBWA)

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

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

The changes in its investment in Puente Basin Water Agency consist of the following as of June 30, 2022:

<u>Description</u>	<u>June 30, 2022</u>
Balance – beginning of year	\$ 20,737,090
Share of net income	<u>(5,168)</u>
Balance – end of year	<u>\$ 20,731,922</u>

The following is condensed financial information of the investment in Puente Basin Water Agency as of and for the year ended June 30, 2022, including the participants' approximate percentage shares:

<u>Description</u>	<u>June 30, 2022</u>	<u>District Share 50%</u>
Total assets	<u>\$ 78,795,024</u>	
Total liabilities	\$ 5,931,322	
Total net position	<u>41,463,844</u>	<u>\$ 20,731,922</u>
Total liabilities and net position	<u>\$ 47,395,166</u>	

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 5 – INVESTMENTS IN JOINT-VENTURES (continued)

Pomona-Walnut-Rowland Joint Water Line Commission (PWR-JWLC)

The District is a member of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission). The Commission was formed under the Joint Powers Agreement (the JPA) of 1956 between the City of Pomona, the Walnut Valley Water District (WVWD), and the Rowland Water District (RWD). The JPA's purpose is to acquire, construct, maintain, repair, manage, and operate a water transmission pipeline for the benefit of the members' water supplies. The Commission is governed by a three-member board composed of one appointee from each member agency. Each year, every member agency is charged an assessment for their share of the general and administrative costs of the Commission, which is allocated to each agency on a one-third basis. A budget assessment is collected each fiscal year and each agency pays one-third of the amount of the assessment as well as a capital surcharge for the future replacement of the pipeline. For the year ended June 30, 2022, the District remitted assessments totaling \$242,242 for their share of general and administrative costs and future replacement costs. Upon dissolution of the Commission, the net position will be divided in proportion to the contribution each agency made to the maintenance and operation account during the last prior 12-month period. The District, consequently, has an ongoing financial responsibility in the activities of the Commission. However, the JPA does not explicitly require the measurement of the District's equity interest in the Commission. Complete financial statements for the Commission can be obtained by written request at P.O. Box 508, Walnut, California.

The changes in its investment in the Commission consisted of the following as of June 30, 2022:

<u>Description</u>	<u>June 30, 2022</u>
Balance – beginning of year	\$ 905,838
Share of net income	<u>3,226</u>
Balance – end of year	<u><u>\$ 909,064</u></u>

The following is condensed financial information of the investment in Pomona-Walnut-Rowland Joint Water Line Commission as of and for the year ended June 30, 2022, including the participants' approximate percentage shares:

<u>Description</u>	<u>June 30, 2022</u>	<u>Member Share</u>		
		<u>City of Pomona</u> 25.8%	<u>WVWD</u> 45.1%	<u>RWD</u> 29.1%
Total assets	<u>\$ 6,515,509</u>			
Total liabilities	\$ 3,391,579			
Total net position	<u>3,123,930</u>	<u>\$ 805,974</u>	<u>\$ 1,408,892</u>	<u>\$ 909,064</u>
Total liabilities and net position	<u>\$ 6,515,509</u>			

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

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

Description	Balance July 1, 2021	Additions	Deletions/ Transfers	Balance June 30, 2022
Non-depreciable assets:				
Land	\$ 261,340	\$ -	\$ -	\$ 261,340
Water rights	5,000	-	-	5,000
Construction-in-process	5,431,430	5,269,569	(3,106,971)	7,594,028
Total non-depreciable assets	5,697,770	5,269,569	(3,106,971)	7,860,368
Depreciable assets:				
Sources of supply	2,110,034	-	-	2,110,034
Pumping	10,740,101	105,253	-	10,845,354
Transmission and distribution system	74,863,055	1,969,610	(424,662)	76,408,003
Intangible assets	1,022,551	-	(1,022,551)	-
Telemetry equipment	1,805,919	591,053	-	2,396,972
Office building and equipment	7,546,877	213,782	-	7,760,659
General plant	1,306,725	201,470	-	1,508,195
Transportation equipment	1,276,534	-	-	1,276,534
Total depreciable assets	100,671,796	3,081,168	(1,447,213)	102,305,751
Accumulated depreciation:				
Sources of supply	(1,243,360)	(80,191)	-	(1,323,551)
Pumping	(5,043,997)	(382,087)	-	(5,426,084)
Transmission and distribution system	(27,316,402)	(1,948,516)	424,662	(28,840,256)
Intangible assets	(572,551)	(450,000)	1,022,551	-
Telemetry equipment	(1,052,753)	(106,712)	-	(1,159,465)
Office building and equipment	(2,971,879)	(364,068)	-	(3,335,947)
General plant	(472,329)	(67,095)	-	(539,424)
Transportation equipment	(596,413)	(154,679)	-	(751,092)
Total accumulated depreciation	(39,269,684)	(3,553,348)	1,447,213	(41,375,819)
Total depreciable assets, net	61,402,112	(472,180)	-	60,929,932
Total capital assets, net	\$ 67,099,882	\$ 4,797,389	\$ (3,106,971)	\$ 68,790,300

NOTE 7 – COMPENSATED ABSENCES

Summary changes to compensated absences balances for the year ended June 30, 2022, were as follows:

Balance July 1, 2022	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
<u>\$ 367,948</u>	<u>\$ 321,503</u>	<u>\$ (356,761)</u>	<u>\$ 332,690</u>	<u>\$ 83,173</u>	<u>\$ 249,517</u>

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 8 – CONTRACT PAYABLE

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

The bond premium is being amortized and recognized as interest expense over the life of the debt on a straight-line basis. The installment purchase contract payments mirror the debt service payments on the Water Revenue Bonds, 2012 Series A. Interest is payable semiannually on December 1 and June 1 at rates ranging from 2.00% to 5.00%.

All unspent proceeds from the bonds plus investments earnings on those proceeds were utilized.

The District's obligation to make installment payments is a special obligation of the District payable solely from the net revenues of the District. The debt was refunded in the fiscal year ended June 30, 2022.

Description	Balance	Additions	Deductions	Balance
	July 1, 2021			June 30, 2022
2012 Series A Water Revenue Bonds	\$ 16,460,000	\$ -	\$(16,460,000)	\$ -
2012 Series A Water Revenue Bonds – Premium	1,129,520	-	(1,129,520)	-
	<u>\$ 17,589,520</u>	<u>\$ -</u>	<u>\$(17,589,520)</u>	<u>\$ -</u>

NOTE 9 – BONDS PAYABLE

Water Revenue Refunding Bonds, Series 2014A were issued on September 18, 2014, in the amount of \$20,060,000 to refund \$19,105,000 of outstanding balance on the 2008 Certificates of Participation. The prior obligations were issued to finance certain improvements.

The bonds were issued at a premium of \$1,686,785, which is being amortized over the life of the debt on a straight-line basis.

Interest is payable semiannually on December 1 and June 1 at rates ranging from 2.00% to 5.00%. The installment payments on these bonds are secured by a first priority lien on the net revenues of the District. The following is a summary of the changes in Water Revenue Refunding Bonds, Series 2014A for the year ended June 30, 2022:

Description	Balance	Additions	Deductions	Balance
	July 1, 2021			June 30, 2022
2014A Series Water Revenue Refunding Bonds	\$ 16,395,000	\$ -	\$(16,395,000)	\$ -
2014A Series Water Revenue Bonds – Premium	1,247,456	-	(1,247,456)	-
	<u>\$ 17,642,456</u>	<u>\$ -</u>	<u>\$(17,642,456)</u>	<u>\$ -</u>

The debt was refunded in the fiscal year ended June 30, 2022.

ROWLAND WATER DISTRICT*Notes to Financial Statements**June 30, 2022***NOTE 9 – BONDS PAYABLE (continued)**

Water Revenue Refunding Bonds, Series 2021A were issued on September 7, 2021, in the amount of \$36,170,000 to refund \$16,460,000 of outstanding balance on the 2012 Series A Water Revenue Bonds and to refund \$16,395,000 of outstanding balance on the 2014 Series A Water Revenue Refunding Bonds. The prior obligations were issued to finance certain improvements and to finance a purchase contract. The bonds were issued at par. The refunding of the two debts provided the District with a net present value savings of \$3,926,597 and a cash flow savings of \$4,050,571.

These bonds mature in various amounts through December 1, 2042. Interest is payable semiannually on December 1 and June 1 at rates ranging from 0.317% to 2.863%. The installment payments on these bonds are secured by a first priority lien on the net revenues of the District. The following is a summary of the changes in Water Revenue Refunding Bonds, Series 2021A for the year ended June 30, 2022:

Description	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Current Portion	Long-term Portion
2021A Series Water Revenue Refunding Bonds	\$ -	\$ 36,170,000	\$ -	\$ 36,170,000	\$ -	\$ 36,170,000

Maturities of the Water Revenue Refunding Bonds, Series 2021A and interest payments subsequent to June 30, 2022, are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ -	\$ 716,173	\$ 716,173
2024	1,380,000	713,986	2,093,986
2025	1,735,000	706,784	2,441,784
2026	1,745,000	694,197	2,439,197
2027	1,770,000	677,172	2,447,172
2028-2032	9,235,000	3,002,657	12,237,657
2033-2037	10,220,000	2,032,806	12,252,806
2038-2042	8,950,000	699,320	9,649,320
2043	1,135,000	16,248	1,151,248
Total	36,170,000	\$ 9,259,343	\$ 45,429,343
Current	-		
Long-term	\$ 36,170,000		

The following is a summary of the changes in deferred amounts related to refunding for the year ended June 30, 2022:

Description	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022
Deferred amounts related to refunding	\$ 2,756,243	\$ 3,472,380	\$ (2,928,623)	\$ 3,300,000

The District will amortize this amount at \$165,000 per year until the fiscal year ended June 30, 2043.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2022
OPEB related deferred outflows	\$ 480,437
Net other post-employment benefits obligation(asset)	(958,624)
OPEB related deferred inflows	2,069,250

A. General Information about the OPEB Plan

Plan Description

The District has an agent multiple-employer other post-employment benefit plan that provides medical, dental, and vision coverage to 27 active employees, 10 retired employees, and 7 covered dependents of retirees through the ACWA health program as of the measurement date, June 30, 2021. At retirement, the District provides a contribution for the continuation of these coverage's for eligible retirees. Eligibility for a District contribution requires retirement from the District and under CalPERS on or after age 50 with at least 15 years of continuous service. The District provides 100% of the cost of coverage for the retiree and any covered spouse. Employees hired on or after July 1, 2012, are eligible for a District contribution if retiring from the District and under CalPERS on or after age 62 with at least 15 years of continuous District service. The District provides 100% of the cost of coverage for the retiree only and covered spouse.

An employee may also be eligible for retiree medical, dental, and vision benefits if, at the time of retirement from the District, the employee has at least twenty-five (25) years of service in the water utility industry, has been employed by the District for a minimum continuous period of five (5) years, and has attained a minimum age of fifty (50) years. For purposes of this benefit, "retirement from the District" means the employee's effective retirement date is within 120 days of separation from employment with the District and the employee receive either a service or disability retirement allowance from CalPERS resulting from his or her service to the District.

Funding Policy

The contribution requirements of plan members and the District are established and may be amended by the District and/or the District's Board of Directors. Currently, contributions are not required from plan members. The District has been typically funding this OPEB plan on a pay-as-you-go basis; however, recently contributions have been made to an OPEB Trust.

Contributions

Benefit provisions and contribution requirements are established and may be amended through agreements and memorandums of understanding between the District and its employees. The plan does not require employee contributions. Administrative costs of this plan are financed by the District. For fiscal year ended June 30, 2021, the measurement period, the District's contributions totaling \$1,686,776 included \$1,420,000 placed in its PARS OPEB Trust, 227,720 in current year premium payments, and an implied subsidy of \$39,056.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. General Information about the OPEB Plan (continued)

Accounting for the Plan

The other post-employment benefit trust is prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measure date. Securities for which market quotations are not readily available are valued at their fair value as determined by the custodian with the assistance of a valuation service.

B. Net OPEB Liability

The District's total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry age normal, level percentage of payroll
Asset Valuation Method	Market value of assets as of the measurement date
Actuarial Assumptions:	
Discount Rate	
Long-Term Expected	
Rate of Return on Investments	6.50%
Inflation	2.26%
Payroll increases	3.25%
Healthcare Trend Rates	Pre-65 - 6.95% trending down annually to 5.0% by 2029 and later Post-65 - 5% trending down annually to 5.0% by 2029 and later
Morbidity	CalPERS 2017 Study
Mortality	CalPERS 2017 Study
Disability	Not valued
Retirement	2017 CalPERS Public Agency Miscellaneous experience study; 2.5% @55 and 2% @62
Percent Married	80% of future retirees would enroll a spouse

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

B. Net OPEB Liability (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
PARS moderate investment policy:		
Equity	48.25%	5.65%
Fixed income	45.00%	1.39%
REITs	1.75%	5.06%
Cash	5.00%	0.00%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in the Net OPEB Liability

The changes in the total OPEB liability are as follows:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance at July 1, 2021 (Measurement date July 1, 2020)	\$ 6,782,497	\$ 4,876,910	\$ 1,905,587
Changes for the year:			
Service cost	152,983	-	152,983
Interest	442,272	-	442,272
Differences in experience	(410,394)	-	(410,394)
Changes in assumption	(168,050)	-	(168,050)
Employer contributions	-	1,686,776	(1,686,776)
Net investment income	-	1,194,246	(1,194,246)
Benefit payments	(266,776)	(266,776)	-
Net changes	(249,965)	2,614,246	(2,864,211)
Balance at June 30, 2022 (Measurement date June 30, 2021)	\$ 6,532,532	\$ 7,491,156	\$ (958,624)

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

C. Changes in the Net OPEB Liability (continued)

Changes of Assumptions

In fiscal year 2020-21, the census data from the plans participants was updated, which decreased the total OPEB liability by \$168,050.

Change of Benefit Terms

In fiscal year 2020-21, the measurement period, there were no changes to the actuarial assumptions.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
	5.5%	6.5%	7.5%
Net OPEB Liability	<u>\$ (105,375)</u>	<u>\$ (958,624)</u>	<u>\$ (1,660,525)</u>

Sensitivity of the Total OPEB Liability to Changes in Medical Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage point lower:

	Healthcare Cost		
	7.0% Decreasing	8.0% Decreasing	9.0% Decreasing
	to 4.0%	to 5.0%	to 6.0%
Net OPEB Liability	<u>\$ (1,719,335)</u>	<u>\$ (958,624)</u>	<u>\$ (13,537)</u>

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the District recognized OPEB expense/(credit) of (\$168,498). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Account Description	Deferred Outflows	Deferred Inflows
	of Resources	of Resources
OPEB contributions made after the measurement date	\$ 432,067	\$ -
Changes in assumptions	-	(588,281)
Differences between expected and actual experience	48,370	(885,060)
Differences between projected and actual earnings on OPEB plan investments	-	(595,909)
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 480,437</u>	<u>\$ (2,069,250)</u>

ROWLAND WATER DISTRICT*Notes to Financial Statements**June 30, 2022*

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)**D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)**

The differences between projected and actual earnings on plan investments is amortized over five years. The District reported \$2,020,880 as deferred inflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Amortization Period	Deferred
Fiscal Year Ended June 30	Outflows/(Inflows)
	of Resources
2023	\$ (381,752)
2024	(382,503)
2025	(379,182)
2026	(404,328)
2027	(183,178)
Thereafter	<u>(289,937)</u>
Total	<u>\$ (2,020,880)</u>

At June 30, 2022, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2022.

NOTE 10 – PENSION PLAN**Summary**

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2022
Pension related deferred outflows	\$ 3,525,029
Net pension liability	3,086,430
Pension related deferred inflows	2,858,784

Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California known as the California Public Employees' Retirement System (CalPERS), or "The Plan".

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 11 – PENSION PLAN (continued)

A. General Information about the Pension Plan

The Plan

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to <u>January 1, 2013</u>	On or after <u>January 1, 2013</u>
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5-years of service	5-years of service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required member contribution rates	8.000%	6.750%
Required employer contribution rates – FY 2021	12.361%	7.732%

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2021 Annual Actuarial Valuation Reports. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

At June 30, 2021 measurement date, the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	14	10	24
Transferred and terminated members	14	6	20
Retired members and beneficiaries	20	-	20
Total plan members	48	16	64

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

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 11 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Benefits Provided

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

Contributions

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

Contributions for the year ended June 30, 2022, were as follows:

Contribution Type	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Contributions – employer	\$ 2,990,888	\$ 81,941	\$ 3,072,829

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2021, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2022:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2022	Fiscal Year Ending June 30, 2021	
Measurement Date	June 30, 2021	June 30, 2020	
Percentage of Risk Pool Net Pension Liability	0.162546%	0.127321%	0.035225%
Percentage of Plan Net Pension Liability	0.057069%	0.049359%	0.007710%

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 11 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

The District's proportionate share percentage of the net pension liability for the June 30, 2021, measurement date was as follows:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2020 (Measurement Date)	\$ 20,719,771	\$ 15,349,265	\$ 5,370,506
Balance as of June 30, 2021 (Measurement Date)	\$ 22,346,370	\$ 19,259,940	\$ 3,086,430
Change in Plan Net Pension Liability	\$ 1,626,599	\$ 3,910,675	\$ (2,284,076)

For the year ended June 30, 2021, the District recognized pension expense of \$1,155,999. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 3,072,829	\$ -
Difference between actual and proportionate share of employer contributions		(164,494)
Adjustment due to differences in proportions	106,090	-
Differences between expected and actual experience	346,110	-
Differences between projected and actual earnings on pension plan investments	-	(2,694,290)
Changes in assumptions	-	-
Total Deferred Outflows/(Inflows) of Resources	\$ 3,525,029	\$ (2,858,784)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARS�) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARS� for the measurement period is 3.8 years.

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 11 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

An amount of \$3,072,829 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2023	\$ (506,158)
2024	(543,454)
2025	(612,409)
2026	(744,563)
Total	\$ (2,406,584)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2021 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2020, total pension liability. The June 30, 2021, total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 11 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Long-term Expected Rate of Return (continued)

The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class.

Investment Type¹	New Strategic Allocation	Real Return Years 1 - 10²	Real Return Years 11+³
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	<u>100.0%</u>		

¹ In the CalPERS's ACFR, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities.

² An expected inflation rate-of-return of 2.5% is used for years 1-10.

³ An expected inflation rate-of-return of 2.9% is used for years 11+.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

There were no subsequent events that would materially affect the results in this disclosure.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate	Current	Discount Rate
	- 1% 6.15%	Discount Rate 7.15%	+ 1% 8.15%
CalPERS – Miscellaneous Plan	6,036,841	\$ 3,086,430	\$ 647,367

ROWLAND WATER DISTRICT*Notes to Financial Statements**June 30, 2022*

NOTE 11 – PENSION PLAN (continued)**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)****Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

C. Payable to the Pension Plans

At June 30, 2021, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2022.

NOTE 12 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30, 2022:

<u>Description</u>	<u>June 30, 2022</u>
Net investment in capital assets:	
Capital assets – not being depreciated	\$ 7,860,368
Capital assets, net – being depreciated	60,929,930
Bonds payable – non-current portion	<u>(36,170,000)</u>
Total net investment in capital assets	<u>\$ 32,620,298</u>

NOTE 13 – PRIOR PERIOD ADJUSTMENT

Beginning net position as of July 1, 2020 was restated by \$0, for the District's retroactive restatement for the adoption of *GASB No. 87 - Leases* as noted below as the lease started on July 1, 2020:

<u>Description</u>	<u>Balance</u>
Net position:	
June 30 2020, as previously stated	\$ 66,715,624
Lease receivable	273,805
Deferred amounts related to leases	<u>(273,805)</u>
Net adjustment	<u>-</u>
June 30 2020, as restated	<u>\$ 66,715,624</u>

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2022

NOTE 13 – PRIOR PERIOD ADJUSTMENT (continued)

Beginning net position as of July 1, 2021 was restated by \$5,414, for the District’s restatement for the adoption of *GASB No. 87 - Leases* as noted below as the lease continued through July 1, 2021:

<u>Description</u>	<u>Balance</u>
Net position:	
June 30 2021, as previously stated	\$ 70,791,424
Lease receivable	844,493
Deferred amounts related to leases	<u>(838,942)</u>
Net adjustment	<u>5,551</u>
June 30 2021, as restated	<u><u>\$ 70,796,975</u></u>

NOTE 14 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District’s general creditors.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the accompanying financial statements.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 15 – RISK MANAGEMENT POOL

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

A. Entity	ACWA-JPIA
B. Purpose	To pool member contributions and realize the advantages of self-insurance
C. Participants	As of September 30, 2021 – 396 member districts
D. Governing board	Nine representatives employed by members
E. Condensed financial information	September 30, 2021
Audit dated	March 30, 2022
Statement of financial position:	Sept 30, 2021
Total assets	<u>\$ 271,770,359</u>
Deferred outflows	<u>1,189,142</u>
Total liabilities	<u>123,558,690</u>
Deferred inflows	<u>(409,721)</u>
Net position	<u><u>\$ 149,810,532</u></u>
Statement of revenues, expenses and changes in net position:	
Total revenues	\$ 200,883,781
Total expenses	<u>(174,760,456)</u>
Change in net position	26,123,325
Beginning – net position	<u>123,687,207</u>
Ending – net position	<u><u>\$ 149,810,532</u></u>
F. Member agencies share of year-end financial position	Not Calculated

The District participated in the self-insurance programs of the Insurance Authority as follows:

Property Loss - The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence and has purchased excess insurance coverage up to \$500,000,000 (total insurable value of \$48,405,017). The District has a \$2,500 deductible for buildings, personal property and fixed equipment, a \$25,000/\$50,000 deductible for accidental mechanical breakdown, a \$1,000 deductible for mobile equipment, and a \$500 deductible for licensed vehicles.

General Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to of \$60,000,000. This program does not have a deductible.

Auto Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to \$60,000,000. This program does not have a deductible.
Public Officials' Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to \$60,000,000.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2022

NOTE 15 – RISK MANAGEMENT POOL (continued)

Cyber Liability - The Insurance Authority has purchased insurance coverage of \$3,000,000 per occurrence/\$5,000,000 aggregate. This program does not have a deductible.

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

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

Workers' Compensation - The Insurance Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased up to the statutory limit for workers' compensation coverage. The Insurance Authority is self-insurance up to \$2,000,000 and has purchased excess insurance coverage of \$2,000,000 for employer's liability coverage.

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

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

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 District's insurance coverage during the years ending 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 were no IBNR claims payable as of June 30, 2022, 2021, and 2020.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Litigation

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

NOTE 17 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through January 10, 2023, the date which the financial statements were available to be issued.

Required Supplementary Information

ROWLAND WATER DISTRICT*Schedule of the District's Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2022***Last Ten Fiscal Years*****California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2014	0.03764%	\$ 2,341,881	\$ 2,046,157	114.45%	83.35%
June 30, 2015	0.04441%	3,309,528	2,161,937	153.08%	78.38%
June 30, 2016	0.04547%	3,934,518	2,099,673	187.39%	75.20%
June 30, 2017	0.04646%	4,607,714	2,167,973	212.54%	74.47%
June 30, 2018	0.04698%	4,527,220	2,279,335	198.62%	75.80%
June 30, 2019	0.04831%	4,950,633	2,353,585	210.34%	74.70%
June 30, 2020	0.04936%	5,370,506	2,587,427	207.56%	74.08%
June 30, 2021	0.05707%	3,086,430	2,715,233	113.67%	86.19%

Notes to Schedule:**Benefit Changes:**

There were no changes in benefits.

Changes in Assumptions:**From fiscal year June 30, 2015 and June 30, 2016:**

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

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

There were no significant changes in assumptions.

From fiscal year June 30, 2019 to June 30, 2020:

There were no significant changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no significant changes in assumptions.

ROWLAND WATER DISTRICT*Schedule of the District's Contributions to the Defined Benefit Pension Plan
For the Year Ended June 30, 2022***Last Ten Fiscal Years*****California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	\$ 334,790	\$ (334,790)	\$ -	\$ 2,161,937	15.49%
June 30, 2016	337,455	(337,455)	-	2,099,673	16.07%
June 30, 2017	371,209	(371,209)	-	2,167,973	17.12%
June 30, 2018	414,273	(414,273)	-	2,279,335	18.18%
June 30, 2019	483,791	(483,791)	-	2,353,585	20.56%
June 30, 2020	570,560	(570,560)	-	2,587,427	22.05%
June 30, 2021	642,042	(642,042)	-	2,715,233	23.65%
June 30, 2022	710,829	(3,072,829)	-	3,023,183	101.64%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Inflation	Investment Rate of Return
June 30, 2015	June 30, 2013	Entry Age	Market Value	2.75%	7.65%
June 30, 2016	June 30, 2014	Entry Age	Market Value	2.75%	7.65%
June 30, 2017	June 30, 2015	Entry Age	Market Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Market Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Market Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Market Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Market Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Market Value	2.50%	7.15%

Amortization Method

Level percentage of payroll, closed

Salary Increases

Depending on age, service, and type of employment

Investment Rate of Return

Net of pension plan investment expense, including inflation

Retirement Age

50 years (2% @ 55 and 2% @ 60), 52 years (2% @ 62)

Mortality

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

ROWLAND WATER DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios For the Year Ended June 30, 2022

Fiscal Year Ended Measurement Date	Last Ten Fiscal Years*				
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability:					
Service cost	\$ 152,983	\$ 145,698	\$ 124,022	\$ 99,230	\$ 121,597
Interest	442,272	417,667	427,189	394,763	450,304
Changes of assumptions	(168,050)	-	(262,190)	-	(526,713)
Differences between expected and actual experience	(410,394)	51,531	(253,977)	11,333	(710,721)
Changes of benefit terms	-	-	-	151,163	-
Benefit payments	(266,776)	(221,224)	(185,776)	(179,152)	(154,372)
Net change in total OPEB liability	(249,965)	393,672	(150,732)	477,337	(819,905)
Total OPEB liability - beginning	6,782,497	6,388,825	6,539,557	6,062,220	6,882,125
Total OPEB liability - ending	6,532,532	6,782,497	6,388,825	6,539,557	6,062,220
Plan fiduciary net position:					
Contributions - employer	1,686,776	641,224	605,776	599,152	574,372
Net investment income	1,194,246	166,568	264,426	203,849	261,561
Administrative expense	-	-	-	(10,222)	(850)
Benefit payments	(266,776)	(221,224)	(185,776)	(179,152)	(154,372)
Net change in plan fiduciary net position	2,614,246	586,568	684,426	613,627	680,711
Plan fiduciary net position - beginning	4,876,910	4,290,342	3,605,916	2,992,289	2,311,578
Plan fiduciary net position - ending	7,491,156	4,876,910	4,290,342	3,605,916	2,992,289
District's net OPEB liability	\$ (958,624)	\$ 1,905,587	\$ 2,098,483	\$ 2,933,641	\$ 3,069,931
Plan fiduciary net position as a percentage of the total OPEB liability	114.67%	71.90%	67.15%	55.14%	49.36%
Covered-employee payroll	\$ 3,095,166	\$ 2,856,168	\$ 2,728,686	\$ 2,285,510	\$ 2,174,023
District's net OPEB liability as a percentage of covered-employee payroll	-30.97%	66.72%	76.90%	128.36%	141.21%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017 – There were no changes in benefits
Measurement Date June 30, 2018 – Coverage expanded to spouses for future retirees hired on or after July 1, 2009 if they have 25 years of service, effective fiscal year ending June 30, 2018
Measurement Date June 30, 2020 – There were no changes in benefits
Measurement Date June 30, 2019 – There were no changes in benefits

Changes in Assumptions:

Measurement Date June 30, 2017 – Average per capita claims cost was updated to reflect actual 2017 premiums, health care cost trend rate was updated to reflect 2018 industry survey data, and mortality table was updated to reflect most recent CalPERS studies.
Measurement Date June 30, 2018 – There were no changes in benefits
Measurement Date June 30, 2019 – Census data from the plans participants was updated, which decreased the total OPEB liability by \$262,190.
Measurement Date June 30, 2020 – There were no changes in benefits

* Fiscal year 2018 was the first year of implementation; therefore, only five years are shown.

ROWLAND WATER DISTRICT

Schedule of Contributions – Other Post-Employment Benefits (OPEB) Plan For the Year Ended June 30, 2022

Fiscal Year Ended	Last Ten Fiscal Years*				
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	\$ 296,665	\$ 308,417	\$ 354,481	\$ 343,260	\$ 343,260
Contributions in relation to the actuarially determined contributions	(1,686,776)	(641,224)	(605,776)	(599,152)	(599,152)
Contribution deficiency (excess)	\$ (1,390,111)	\$ (332,807)	\$ (251,295)	\$ (255,892)	\$ (255,892)
Covered payroll	\$ 3,095,166	\$ 2,856,168	\$ 2,728,686	\$ 2,285,510	\$ 2,174,023
Contributions as a percentage of covered payroll	54.50%	22.45%	22.20%	26.22%	27.56%

Notes to Schedule:

Valuation Date	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method Entry age normal	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method Closed period, level percent of pay	(1)	(1)	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years	20-years	20-years
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value
Discount rate	6.50%	6.50%	6.50%	6.50%	6.50%
Inflation	2.26%	2.26%	2.26%	2.26%	2.26%
Payroll increases	3.25%	3.25%	3.25%	3.25%	3.25%
Mortality	(2)	(2)	(2)	(2)	(2)
Morbidity	(3)	(3)	(3)	(3)	(3)
Disability	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Retirement	(4)	(4)	(4)	(4)	(4)
Percent Married	80%	80%	80%	80%	80%
Healthcare trend rates	(5)	(5)	(5)	(5)	(5)

(1) Closed period, level percent of pay

(2) CalPERS 2014 Study

(3) CalPERS 2013 Study

(4) CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62

(5) Pre-65 - 8.00% trending down 0.25% annually to 5.00% in 2031 and later
Post-65 - 5.50% trending down 0.25% annually to 5.00% in 2021 and later

* Fiscal year 2018 was the first year of implementation; therefore, only five years are shown.

Supplementary Information

ROWLAND WATER DISTRICT*Schedule of Other Operating Expenses**For the Year Ended June 30, 2022 (With Comparative Amounts as of June 30, 2021)*

	<u>2022</u>	<u>2021</u>
Other Operating Expenses:		
Certification, fees and permits	\$ 104,310	\$ 92,252
Engineering	271,696	239,782
Maintenance and operations	64,807	81,472
Small tools and supplies	45,252	36,704
Water tests	<u>27,210</u>	<u>23,629</u>
Total Other Operating Expenses	<u><u>\$ 513,275</u></u>	<u><u>\$ 473,839</u></u>

ROWLAND WATER DISTRICT*Schedule of General and Administrative Expenses**For the Year Ended June 30, 2022 (With Comparative Amounts as of June 30, 2021)*

	<u>2022</u>	<u>2021</u>
General and Administrative Expenses:		
Salaries and wages	\$ 1,438,795	\$ 1,473,595
Payroll taxes	227,177	221,906
Employee benefits	609,805	550,382
OPEB expenses	(362,575)	47,853
Pension expenses	1,372,972	1,066,792
Director's fees and expenses	156,700	151,899
Bank service charges	174,141	154,201
Community outreach	255,445	196,273
Conferences, training and travel	143,167	23,812
Conservation rebate program	37,865	32,238
Information technology	387,085	293,671
Insurance – liability and workers' compensation	187,529	192,022
Membership fees and dues	47,346	47,900
Miscellaneous	127,649	98,979
Office supplies	41,467	40,486
Professional services	129,245	140,156
Repairs and maintenance	35,130	17,460
Service contracts	410,111	274,986
Taxes, permits and fees	12,893	14,575
Uncollectable accounts	(67,516)	122,700
Utilities	115,444	118,062
Vehicle expenses	120,658	88,735
Total General and Administrative Expenses	<u>\$ 5,600,533</u>	<u>\$ 5,368,683</u>

Other Independent Auditors' Reports



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

Board of Directors
Rowland Water District
Rowland Heights, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Rowland Water District (District), which comprise the balance sheet as of June 30, 2021, and the related statement of revenues, expenses and changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 10, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures to determine the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the 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 District's financial statements are free of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Murrieta, California
January 10, 2023

ROWLAND WATER DISTRICT
Report to the Board of Directors
For the Fiscal Year Ended
June 30, 2022

NIGRO
& NIGRO^{PC}



Board of Directors
Rowland Water District
Rowland Heights, California

We are pleased to present this report related to our audit of the financial statements of the Rowland Water District (District) as of and for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

A handwritten signature in blue ink that reads 'Nigro & Nigro, PC'. The signature is written in a cursive, flowing style.

NIGRO & NIGRO, PC

Murrieta, California
January 10, 2023

ROWLAND WATER DISTRICT

Table of Contents

For the Fiscal Year Ended June 30, 2022

	<u>Page</u>
Required Communications	4
Summary of Adjusting Journal Entries	8

Required Communications

ROWLANDWATER DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2022

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated April 1, 2022. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement Audit	An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.
Accounting Policies and Practices	<p>Accounting Policies and Practices Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted.</p> <p>Adoption of, or Change in, Significant Accounting Policies or Their Application Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p>Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p>Management's Judgments and Accounting Estimates Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.</p>
Audit Adjustments	Audit adjustments are summarized in the attached Summary of Adjusting Journal Entries .
Uncorrected Misstatements	We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

ROWLAND WATER DISTRICT*Required Communications**For the Fiscal Year Ended June 30, 2022*

Area	Comments
Discussions With Management	We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Disagreements With Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	No significant difficulties were encountered in performing our audit.
Required Supplementary Information	<p>We applied certain limited procedures to the:</p> <ol style="list-style-type: none">1. Management's Discussion and Analysis2. Required Pension Plan Disclosures3. Required OPEB Plan Disclosures <p>Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>

ROWLAND WATER DISTRICT*Required Communications**For the Fiscal Year Ended June 30, 2022*

Area	Comments
Supplementary Information	<p>We were engaged to report on the,</p> <p>Supplementary Information:</p> <ol style="list-style-type: none">1. Schedule of Other Operating Expenses2. Schedule of General and Administrative Expenses <p>Which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.</p>

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

Summary of Adjusting Journal Entries

ROWLAND WATER DISTRICT
Summary of Adjusting Journal Entries
For the Fiscal Year Ended June 30, 2022

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
To record GASB 68 activity			
13901-0	DEFERRED OUTFLOWS - CONTRIB.	2,284,131.00	
23090-0	NET PENSION LIABILITY	2,284,076.00	
23091-0	DEFERRED INFLOWS - ACTUARIAL		2,651,377.00
56401-0	PENSION EXPENSE/(INCOME)		1,916,830.00
Total		4,568,207.00	4,568,207.00
Adjusting Journal Entries JE # 2			
To record GASB 75 entry			
23092-0	NET OPEB LIABILITY	2,864,211.00	
13902-0	OPEB DEFERRED OUTFLOWS		1,269,804.00
13902-1	DOR-OPEB RELATED		108,156.00
23093-0	OPEB DEFERRED INFLOWS		900,782.00
56900-0	ANNUAL OPEB COST		153,402.00
56900-1	OPEB- Deferred Contributions		432,067.00
Total		2,864,211.00	2,864,211.00
Adjusting Journal Entries JE # 3			
To remove loss on disposal			
57110-0	DEPRECIATION-FIELD	51,316.68	
49511-0	GAIN ON SALE OF ASSETS		51,316.68
Total		51,316.68	51,316.68
Adjusting Journal Entries JE # 4			
To restate 6/30/21 GASB 87 accounts			
14500-0	Lease Recievable (NEW)	770,085.00	
23094-0	Deferred Inflows - Leases (NEW)		764,671.00
30131-0	PRIOR PERIOD ADJ. - BEGINNING		5,414.00
Total		770,085.00	770,085.00
Adjusting Journal Entries JE # 5			
To record GASB 87 activity during the year			
23094-0	Deferred Inflows - Leases (NEW)	164,478.00	
42380-0	CONTRACT INCOME	2,923.00	
14500-0	Lease Recievable (NEW)		152,722.00
49210-0	INTEREST INCOME		14,679.00
Total		167,401.00	167,401.00
Total Adjusting Journal Entries		8,421,220.68	8,421,220.68

February 14, 2023

ITEM NO. 2.3

ROWLAND WATER DISTRICT

TO: Honorable President and Members of the Board

SUBMITTED BY: Tom Coleman, General Manager

PREPARED BY: Myra Malner, Director of Finance

SUBJECT: *Consider Adoption of RWD Resolution No. 2-2023, Amending Drought Rates for Potable Water with Effective Dates of January 1, 2023, 2024, 2025 and 2026*

PURPOSE:

To request that the Board of Directors adopt RWD Resolution No. 2-2023 reducing the amounts of the Drought Rates with effective dates of January 1, 2023, 2024, 2025 and 2026.

BACKGROUND:

In June 2022, the Rowland Water District (District) Board of Directors declared a Level 2 Water Supply Shortage, under which customers are required to reduce water use by 20%. Upon declaration of Level 2 Water Supply Shortage, the Board authorized the implementation of drought rates for the Potable Water Commodity Charges to ensure compliance with all water conservation mandates, provide customers an incentive to save water and ensure that there is sufficient revenue to continue providing safe and reliable water service.

The drought rates were part of the water rate study completed and presented, by NBS, at the District's public hearing held November 19, 2021. Following the public hearing, the drought rates presented in Exhibit A attached were adopted by the Board of Directors.

Upon review and implementation of the drought rates, effective January 1, 2023, District staff noted that the rates were significantly higher than the prior year increase. A review of the drought rates effective January 1, 2023, 2024, 2025 and 2026 was conducted by NBS and they concurred with District staff's observation. NBS recalculated the drought rates effective January 1, 2023, 2024, 2025, and 2026 with the same formula/escalator as January 1, 2022. The revised drought rates are summarized in Exhibit B.

RECOMMENDATION:

It is recommended by staff that the Board of Directors adopt Resolution No. 2-2023, amending drought rates with effective dates of January 1, 2023, 2024, 2025 and 2026.

EXHIBIT A

Water Rate Schedule Drought Rates ¹		Current Rates	Proposed Rates					
			FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	
Drought Rates - Level 1 - 10% Conservation Goal								
Single-Family Residential: <u>Proposed</u>								
Tier 1	1-8 hcf		\$3.16	\$3.23	\$4.27	\$5.30	\$6.33	\$7.36
Tier 2	9-15 hcf		\$3.47	\$3.70	\$4.74	\$5.77	\$6.80	\$7.83
Tier 3	16+ hcf		\$5.20	\$5.19	\$6.23	\$7.26	\$8.29	\$9.32
All Other Customers:								
Uniform Rate		\$3.56	\$3.69	\$4.73	\$5.76	\$6.79	\$7.82	
Drought Rates - Level 2 - 20% Conservation Goal								
Single-Family Residential: <u>Proposed</u>								
Tier 1	1-8 hcf		\$3.22	\$3.29	\$4.33	\$5.36	\$6.39	\$7.42
Tier 2	9-15 hcf		\$3.60	\$3.85	\$4.89	\$5.92	\$6.95	\$7.98
Tier 3	16+ hcf		\$6.13	\$6.02	\$7.06	\$8.09	\$9.12	\$10.15
All Other Customers:								
Uniform Rate		\$3.67	\$3.81	\$4.85	\$5.88	\$6.91	\$7.94	
Drought Rates - Level 3 - 30% Conservation Goal								
Single-Family Residential: <u>Proposed</u>								
Tier 1	1-8 hcf		\$3.30	\$3.37	\$4.41	\$5.44	\$6.47	\$7.50
Tier 2	9-15 hcf		\$3.79	\$4.07	\$5.11	\$6.14	\$7.17	\$8.20
Tier 3	16+ hcf		\$7.75	\$7.42	\$8.46	\$9.49	\$10.52	\$11.55
All Other Customers:								
Uniform Rate		\$3.82	\$3.96	\$5.00	\$6.03	\$7.06	\$8.09	
Drought Rates - Level 4 - 40% Conservation Goal								
Single-Family Residential: <u>Proposed</u>								
Tier 1	1-8 hcf		\$3.40	\$3.48	\$4.52	\$5.55	\$6.58	\$7.61
Tier 2	9+ hcf		\$5.95	\$6.17	\$7.21	\$8.24	\$9.27	\$10.30
All Other Customers:								
Uniform Rate		\$4.01	\$4.17	\$5.21	\$6.24	\$7.27	\$8.30	
Drought Rates - Level 5 - 50% Conservation Goal								
Single-Family Residential: <u>Proposed</u>								
Tier 1	1-8 hcf		\$3.55	\$3.62	\$4.66	\$5.69	\$6.72	\$7.75
Tier 2	9+ hcf		\$7.77	\$7.95	\$8.99	\$10.02	\$11.05	\$12.08
All Other Customers:								
Uniform Rate		\$4.28	\$4.45	\$5.49	\$6.52	\$7.55	\$8.58	
Drought Rates - Level 6 - 60% Conservation Goal								
Single-Family Residential: <u>Proposed</u>								
Tier 1	1-8 hcf		\$3.78	\$3.84	\$4.88	\$5.91	\$6.94	\$7.97
Tier 2	9+ hcf		\$12.09	\$11.98	\$13.02	\$14.05	\$15.08	\$16.11
All Other Customers:								
Uniform Rate		\$4.68	\$4.88	\$5.92	\$6.95	\$7.98	\$9.01	

1. Drought rates replace the standard tiered or uniform volumetric rates, in each successive conservation target.

EXHIBIT B

Water Rate Schedule Drought Rates ¹		Current Rates	Proposed Rates ²				
			FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Drought Rates - Level 1 - 10% Conservation Goal							
Single-Family Residential: Proposed							
Tier 1	1-8 hcf		\$3.23	\$3.36	\$3.46	\$3.57	\$3.67
Tier 2	9-15 hcf		\$3.70	\$3.84	\$3.96	\$4.08	\$4.20
Tier 3	16+ hcf		\$5.19	\$5.40	\$5.56	\$5.72	\$5.90
All Other Customers:							
Uniform Rate		\$3.56	\$3.69	\$3.84	\$3.96	\$4.07	\$4.20
Drought Rates - Level 2 - 20% Conservation Goal							
Single-Family Residential: Proposed							
Tier 1	1-8 hcf		\$3.29	\$3.43	\$3.53	\$3.63	\$3.74
Tier 2	9-15 hcf		\$3.85	\$4.00	\$4.12	\$4.24	\$4.37
Tier 3	16+ hcf		\$6.02	\$6.26	\$6.45	\$6.64	\$6.84
All Other Customers:							
Uniform Rate		\$3.67	\$3.81	\$3.96	\$4.08	\$4.20	\$4.33
Drought Rates - Level 3 - 30% Conservation Goal							
Single-Family Residential: Proposed							
Tier 1	1-8 hcf		\$3.37	\$3.51	\$3.61	\$3.72	\$3.83
Tier 2	9-15 hcf		\$4.07	\$4.23	\$4.36	\$4.49	\$4.62
Tier 3	16+ hcf		\$7.42	\$7.71	\$7.95	\$8.18	\$8.43
All Other Customers:							
Uniform Rate		\$3.82	\$3.96	\$4.12	\$4.25	\$4.37	\$4.50
Drought Rates - Level 4 - 40% Conservation Goal							
Single-Family Residential: Proposed							
Tier 1	1-8 hcf		\$3.48	\$3.62	\$3.72	\$3.84	\$3.95
Tier 2	9+ hcf		\$6.17	\$6.42	\$6.61	\$6.81	\$7.02
All Other Customers:							
Uniform Rate			\$4.01	\$4.17	\$4.33	\$4.46	\$4.60
Drought Rates - Level 5 - 50% Conservation Goal							
Single-Family Residential: Proposed							
Tier 1	1-8 hcf		\$3.62	\$3.77	\$3.88	\$4.00	\$4.12
Tier 2	9+ hcf		\$7.95	\$8.26	\$8.51	\$8.77	\$9.03
All Other Customers:							
Uniform Rate			\$4.45	\$4.63	\$4.77	\$4.91	\$5.06
Drought Rates - Level 6 - 60% Conservation Goal							
Single-Family Residential: Proposed							
Tier 1	1-8 hcf		\$3.84	\$4.00	\$4.12	\$4.24	\$4.37
Tier 2	9+ hcf		\$11.98	\$12.46	\$12.84	\$13.22	\$13.62
All Other Customers:							
Uniform Rate			\$4.68	\$4.88	\$5.07	\$5.22	\$5.38

1. Drought rates replace the standard tiered or uniform volumetric rates, in each successive conservation target.

2. Updated drought rates are in **blue font**.



RESOLUTION NO. 2-2023

ROWLAND WATER DISTRICT RESOLUTION OF THE BOARD OF DIRECTORS AMENDING DROUGHT RATES FOR POTABLE WATER

WHEREAS, the Rowland Water District (“District”) is a county water district, organized and operating pursuant to Division 12 of the California Water Code; and

WHEREAS, the District is authorized to fix and collect charges for the provision of services and facilities to provide potable water service, including drought rates (“Drought Rates”) for the volumetric potable water commodity charges (“Potable Water Commodity Charges”) which ensure there is sufficient revenue for the operation of the District in the event of increased or new conservation requirements and may be implemented during declared drought levels. The Drought Rates vary depending on the level or percentage of water conservation sought and the amount of water consumed while under those water use restrictions; and

WHEREAS, in June 2022, the District Board of Directors (“Board”) declared a Level 2 Water Supply Shortage, under which customers are required to reduce water use by 20%; and

WHEREAS, upon declaration of the Level 2 Water Supply Shortage, the Board authorized the implementation of the Drought Rates for the Potable Water Commodity Charges to ensure compliance with all water conservation mandates, to provide customers incentive to save water, and to ensure sufficient revenue to continue providing safe and reliable water service; and

WHEREAS, the District now wishes to reduce the amounts of the Drought Rates applicable for the period January 1, 2023 through January 1, 2026; and

WHEREAS, an amendment to reduce the Drought Rates is not subject to Article XIII D, section 6 of the California Constitution, which creates certain procedural and substantive requirements which are only required for the imposition of new or increases in existing property-related fees and charges, and as such is not applicable here, including the requirement to provide notice and a public hearing; and

WHEREAS, the Board now desires to amend and impose a reduction to the previously adopted Drought Rates as set forth in Exhibit A.

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

1. Incorporation of Recitals. The Recitals set forth above are made of findings of this Board and are incorporated herein and made an operative part of this Resolution.
2. Inconsistency with other Fees and Charges. To the extent the Drought Rates reduced by this Resolution are inconsistent with Drought Rates previously adopted, it is the explicit intention of the Board that the amended Drought Rates adopted pursuant to this Resolution shall prevail.
3. Amended Drought Rates. The Board hereby adopts the amended Drought Rates at the rates, in the amounts, and on the effective dates set forth in Exhibit A, with the initial effective date of January 1, 2023. The Drought Rates may be activated as a result of a drought, a statewide order mandating water use reduction, or other natural disaster or event that results in a water shortage and an unforeseen drop in water demand.
4. Unaffected Water Rates. The Board proposes no action for any other water rate, except the Drought Rates, that were adopted at the November 9, 2021 meeting which became effective January 1, 2022 and such rates are to remain valid and unaffected by this Resolution.
5. Authorization. The Board of Directors hereby authorizes and directs the General Manager of the District to collect the amended Drought Rates, when activated, as set forth in Exhibit A, and to take all actions necessary to effectuate and implement the amended Drought Rates.
6. CEQA Compliance. The Board finds that the administration, operation, maintenance, and improvements of the District water system, which is to be funded by the water rates in general and the Drought Rates when activated, is necessary to maintain service within the District's existing water service area as described herein. The Board further finds that the administration, operation, maintenance and improvements of the District's water system, to be funded by the water rates in general and the Drought Rates when activated, will not expand the District's water system. The Board further finds that the adoption of the amended Drought Rates is necessary and reasonable to fund the administration, operation, maintenance and improvement of the District's water system. Based on these findings, the Board determines that the adoption of the amended Drought Rates is exempt from the requirements of the California Environmental Quality Act pursuant to section 21080(b)(8) of the Public Resources Code and section 15273(a) of the State CEQA Guidelines. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the Rowland Water District, 3021 Fullerton Road, Rowland Heights, CA 91748. The custodian for these records is the Board Secretary of the District.
7. Severability. If any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.
8. Effective Date. This Resolution shall become effective immediately upon its adoption.

**ADOPTED AT A REGULAR MEETING OF THE ROWLAND WATER DISTRICT HELD
February 14, 2023 by the following roll call vote:**

AYES:

NOES:

ABSTAIN:

ABSENT:

SZU PEI LU-YANG, 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 February 14, 2023.

**TOM COLEMAN
General Manager/Board Secretary**

EXHIBIT “A” TO RESOLUTION NO. 2-2023

AMENDED POTABLE WATER DROUGHT RATES

Effective January 1, 2023

Amended Drought Rates for Potable Water Commodity Charges (\$/HCF) and Effective Dates ⁽¹⁾					
Drought Rates – Level 1	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
<i>Single-Family Residential:</i>					
Tier 1 1-8 hcf	\$3.23	\$3.36	\$3.46	\$3.57	\$3.67
Tier 2 9-15 hcf	\$3.70	\$3.84	\$3.96	\$4.08	\$4.20
Tier 3 16+ hcf	\$5.19	\$5.40	\$5.56	\$5.72	\$5.90
<i>All Other Customers:</i>					
Uniform Rate	\$3.69	\$3.84	\$3.96	\$4.07	\$4.20
Drought Rates – Level 2					
<i>Single-Family Residential:</i>					
Tier 1 1-8 hcf	\$3.29	\$3.43	\$3.53	\$3.63	\$3.74
Tier 2 9-15 hcf	\$3.85	\$4.00	\$4.12	\$4.24	\$4.37
Tier 3 16+ hcf	\$6.02	\$6.26	\$6.45	\$6.64	\$6.84
<i>All Other Customers:</i>					
Uniform Rate	\$3.81	\$3.96	\$4.08	\$4.20	\$4.33
Drought Rates – Level 3					
<i>Single-Family Residential:</i>					
Tier 1 1-8 hcf	\$3.37	\$3.51	\$3.61	\$3.72	\$3.83
Tier 2 9-15 hcf	\$4.07	\$4.23	\$4.36	\$4.49	\$4.62
Tier 3 16+ hcf	\$7.42	\$7.71	\$7.95	\$8.18	\$8.43
<i>All Other Customers:</i>					
Uniform Rate	\$3.96	\$4.12	\$4.25	\$4.37	\$4.50
Drought Rates – Level 4					
<i>Single-Family Residential:</i>					
Tier 1 1-8 hcf	\$3.48	\$3.62	\$3.72	\$3.84	\$3.95
Tier 2 9+ hcf	\$6.17	\$6.42	\$6.61	\$6.81	\$7.02
<i>All Other Customers:</i>					
Uniform Rate	\$4.17	\$4.33	\$4.46	\$4.60	\$4.73
Drought Rates – Level 5					
<i>Single-Family Residential:</i>					
Tier 1 1-8 hcf	\$3.62	\$3.77	\$3.88	\$4.00	\$4.12
Tier 2 9+ hcf	\$7.95	\$8.26	\$8.51	\$8.77	\$9.03
<i>All Other Customers:</i>					
Uniform Rate	\$4.45	\$4.63	\$4.77	\$4.91	\$5.06
Drought Rates – Level 6					
<i>Single-Family Residential:</i>					
Tier 1 1-8 hcf	\$3.84	\$4.00	\$4.12	\$4.24	\$4.37
Tier 2 9+ hcf	\$11.98	\$12.46	\$12.84	\$13.22	\$13.62
<i>All Other Customers:</i>					
Uniform Rate	\$4.88	\$5.07	\$5.22	\$5.38	\$5.54

⁽¹⁾ The Drought Rates replace the standard tiered or uniform Potable Water Commodity Charge rates, during the applicable water shortage level declared by the Board. The Drought Rates set forth in this Table do not include the Zonal Surcharges, which will be added to the Drought Rates as applicable.

**COST-SHARING AGREEMENT
FOR GROUNDWATER RELIABILITY PARTNERSHIP**

This Cost-Sharing Agreement (“Agreement”) is entered into by and among the undersigned parties listed in Exhibit A attached hereto and incorporated herein by this reference (“Parties”).

RECITALS

- A. Three Valleys Municipal Water District (“TVMWD”), City of Glendora (“Glendora”) and the Puente Basin Water Agency (“PBWA”) entered into Groundwater Reliability Partnership Principles of Agreement on June 2, 2022.
- B. Glendora and the PBWA (collectively, “Partner Agencies”) desire for TVMWD, as the regional wholesale water agency, to take the lead in the development of a Groundwater Reliability Project (“Project”) that provides overall resilience for the service area and accomplishes the objectives set forth above.
- C. Other TVMWD Member Agencies may in the future desire to become Partner Agencies in the Project and may be included this Agreement upon mutually-acceptable terms.
- D. TVMWD and the Partner Agencies desire to retain the engineering firm of Woodard & Curran (“Consultants”) to update the previously-completed technical feasibility study for the Project based on current conditions (“Study”). TVMWD will serve as the lead agency for the Study.
- E. In addition to the Study that will develop the capital infrastructure options needed to facilitate the development and distribution of the treated groundwater supply, TVMWD and the Partner Agencies will develop concepts for (1) Project ownership and operation and (2) the terms of use of developed studies by TVMWD and the Partner Agencies.
- F. Based on the results of the Study, the Parties may collectively develop future agreements for Project construction and operation.

**COST-SHARING AGREEMENT
FOR GROUNDWATER RELIABILITY PARTNERSHIP**

G. Through this Agreement, the Parties desire to govern their payment of costs and fees arising from their cooperative efforts and to confirm their common interests in maintaining a joint participation in the Study and the Project, to allow them to continue to share information related to the Project.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals, and the mutual covenants and conditions contained herein, the Parties agree as follows:

1. The Parties will contribute the sums listed in Exhibit B attached hereto and incorporated herein, which sets forth each Party's contribution towards the Consultants' fees and costs collectively incurred in the Parties' cooperative efforts for the Study. If additional funds are needed, the participating Parties will agree on the amount of additional call(s) for funds and each participating Party's contribution to such call(s). If any new parties decide to join the undersigned Parties and participate in this Agreement, Exhibits A and B will be modified accordingly, and the amounts contributed shall be adjusted. TVMWD will have the responsibility for collecting each Party's contribution of funds, processing invoices submitted by the Consultants pursuant to the scope of work for the Study, coordinating communications among the Parties to the Consultants, and for maintaining an accurate accounting of this administration of funds.

2. Each Party is represented by its own respective legal counsel in connection with the Study and the Project, and the cooperative efforts referenced herein. Said legal counsel will not have an attorney-client relationship with any other Party to this Agreement as a result of the legal counsel's participation in discussions and actions related to the Parties' cooperative efforts on the Study and/or the Project. Similarly, said legal counsel will not have a duty of loyalty or confidentiality to any Party to this Agreement other than the legal counsel's specific client(s), and

**COST-SHARING AGREEMENT
FOR GROUNDWATER RELIABILITY PARTNERSHIP**

consequently, no Party may seek to disqualify the legal counsel for another Party as a result of the legal counsel's participation in discussions and actions related to the Parties' cooperative efforts on the Study and/or the Project.

3. If there is a breach of this Agreement by a Party, the Parties agree that the non-breaching Party will have no adequate remedy at law in money or damages and shall be entitled to seek and obtain, in addition to all other remedies that may be available, a temporary restraining order, injunctive relief, or other equitable relief against the breach or its continuance.

4. Nothing in this Agreement shall be construed to waive any rights, claims, or privileges that any Party shall have against another Party or any other person or entity.

5. This Agreement shall be binding upon the successors and assigns of the Parties.

6. This Agreement is made under, and shall be construed in accordance with, the laws of the State of California.

7. The individuals signing this Agreement in a representative capacity warrant that they have the authority to do so on behalf of the entity or entities they represent, and further agree that as representatives of the entity or entities that they respectively represent, they themselves are bound by all terms of this Agreement.

8. All notices and other communications required to be given to a Party under the terms of this Agreement (a) shall be in writing, (b) shall be personally delivered, or transmitted by facsimile or email, and (c) shall be directed to such Party at the address, facsimile number or email address specified below, or at such other address, facsimile number or email address as such Party may hereafter designate by notice in accordance with this paragraph.

9. This Agreement may be executed in counterparts, each of which so executed shall be deemed an original irrespective of the date of the execution, and said counterparts shall together

**COST-SHARING AGREEMENT
FOR GROUNDWATER RELIABILITY PARTNERSHIP**

constitute one and the same Agreement. Further, facsimile or .PDF copies of signatures shall be as effective as original signatures for evidencing execution of this Agreement.

By: _____
Print Name: Matthew H. Litchfield, P.E.
Title: General Manager/Chief Engineer
Representing: Three Valleys Municipal Water District

By: _____
Print Name: Alison Sweet
Title: Public Works Director
Representing: City of Glendora

By: _____
Print Name: Erik Hitchman, P.E.
Title: Administrative Officer
Representing: Puente Basin Water Agency

Exhibit A

List of Parties

1. Three Valleys Municipal Water District
2. City of Glendora
3. Puente Basin Water Authority

Exhibit B

Each Party's Contribution

Agency	Contribution
Three Valleys Municipal Water District	\$49,486.67
City of Glendora	\$49,486.66
Puente Basin Water Agency	\$49,486.67
Total Study Cost Groundwater Reliability Project Feasibility Study by <i>Woodard & Curran (12/9/2022)</i>	\$148,460.00

FIRST AMENDMENT TO WIRELESS COMMUNICATIONS FACILITY SITE LEASE AGREEMENT

This First Amendment to Wireless Communications Facility Site Lease Agreement ("Amendment") is entered into on _____, by and between Rowland Water District (fka Rowland Area County Water District), a political subdivision formed and operating pursuant to Sections 3000 et seq. of the California Water Code ("Landlord"), and Los Angeles SMSA Limited Partnership, a California limited partnership dba Verizon Wireless ("Tenant"), with reference to the facts set forth in the Recitals below:

RECITALS

A. Landlord is the owner of that certain real property located off of Blanford Drive, Rowland Heights, California ("Property").

B. Landlord and Tenant are parties to that certain Wireless Communications Facility Site Lease Agreement dated November 15, 2021 (the "Agreement"), pursuant to which Tenant is leasing from Landlord ground space (the "Premises") for the purpose of operating a communications facility.

C. In connection with obtaining Tenant's Governmental Approvals, the County of Los Angeles ("County") is requiring Tenant to install certain drainage improvements at the Property.

D. Landlord and Tenant have agreed to execute this Amendment in order to permit Tenant to install and maintain such drainage improvements.

AGREEMENT

NOW, THEREFORE, in consideration of the facts contained in the Recitals above, the mutual covenants and conditions below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Installation. Landlord and Tenant acknowledge and agree that in connection with complying with the County's drainage requirements, Tenant shall be permitted to install certain improvements, including a gravel dry well ("Well"), related connections and other improvements (collectively, "Drainage Improvements"), substantially as described and depicted in Exhibit 1 attached hereto and made a part hereof. Once installed, Tenant shall be responsible for maintaining and replacing the Drainage Improvements, including keeping the area surrounding the Well clear of debris during the term of the Agreement; provided however, that Landlord shall be responsible for repairing any damage it causes to the Drainage Improvements. Tenant acknowledges that the primary purpose of the Property is to provide public water service, and that Tenant's installation and maintenance of the Drainage Improvements shall comply with Tenant's obligations pursuant to Paragraph 2(e) of the Agreement.

2. Rent. In consideration of Tenant's right to install the Drainage Improvements, the initial annual rent due under the Agreement shall be increased by \$200 per month for a new annual rent of \$44,400, which Tenant shall commence paying upon the Commencement Date as provided in the Agreement.

3. Continued Effect. Except as specifically modified by this Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect. In the event of a conflict between any term and provision of the Agreement and this Amendment, the terms and provisions of this Amendment shall control. In addition, except as otherwise stated in this Amendment, all initially capitalized terms will have the same respective defined meaning stated in the Agreement. All captions are for reference purposes only and shall not be used in the construction or interpretation of this Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Amendment to be executed by each party's duly authorized representative effective as of the date last written below.

LANDLORD:

Rowland Water District

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

Los Angeles SMSA Limited Partnership, a
California limited partnership dba Verizon Wireless

By: AirTouch Cellular Inc., its General Partner

By: _____

Name: _____

Title: _____

Date: _____

Exhibit 1

Drainage Improvements

See Attached

PRECISE GRADING PLAN

FOR
VERIZON RIDGEVIEW
18814U AMBERLY PLACE, ROWLAND HEIGHTS, CA 91748
(APN: 8269-094-900 AND 8269-004-900)
(ENTRANCE AT END OF BLANDFORD DRIVE)

GENERAL INFORMATION

- GRADING PERMIT APPLICATION NO. UNC-BLDG220325000437
- EARTHWORK VOLUMES
CUT 32 (CY), FILL 0 (CY),
OVER EXCAVATION/ALLUVIAL REMOVAL & COMPACTION 0 (CY),
EXPORT 32 (CY), EXPORT LOCATION: _____
- TOTAL DISTURBED AREA 0.041 (ACRES),
- TOTAL PROPOSED LANDSCAPE AREA 0 SQUARE FEET.
- TOTAL TURF AREA 0 % (PERCENT OF TOTAL PROPOSED LANDSCAPING).
- PRE-DEVELOPMENT IMPERVIOUS AREA 0 (SQ-FT).
- POST-DEVELOPMENT IMPERVIOUS AREA 326 (SQ-FT).
- CONSTRUCTION & DEMOLITION DEBRIS RECYCLING AND REUSE PLAN (RPP ID) _____ (PROPERTY INFORMATION).
- PROPERTY ADDRESS 18814U AMBERLY PLACE, ROWLAND HEIGHTS, CA 91748
- PROPERTY OWNER ROWLAND AREA CO WATER DISTRICT
- ASSESSORS ID NUMBER(S) 8269-094-900 AND 8269-004-900
- PROPERTY ZONING: OS
- INTENDED LAND USE: V-B

GRADING GENERAL NOTES

- ALL GRADING AND CONSTRUCTION SHALL CONFORM TO THE 2014 COUNTY OF LOS ANGELES BUILDING CODES AND THE STATE MODEL WATER EFFICIENCY LANDSCAPE ORDINANCE UNLESS SPECIFICALLY NOTED ON THESE PLANS.
- ANY MODIFICATIONS OR CHANGES TO APPROVED GRADING PLANS MUST BE APPROVED BY THE BUILDING OFFICIAL.
- NO GRADING SHALL BE STARTED WITHOUT FIRST NOTIFYING THE BUILDING OFFICIAL. A PRE-GRADING MEETING AT THE SITE IS REQUIRED BEFORE THE START OF THE GRADING WITH THE FOLLOWING PEOPLE PRESENT: OWNER, GRADING CONTRACTOR, DESIGN CIVIL ENGINEER, SOILS ENGINEER, GEOLOGIST, COUNTY GRADING INSPECTOR(S) OR THEIR REPRESENTATIVES, AND WHEN REQUIRED THE ARCHEOLOGIST OR OTHER JURISDICTIONAL AGENCIES. PERMITTEE OR HIS AGENT ARE RESPONSIBLE FOR ARRANGING PRE-GRADE MEETING AND MUST NOTIFY THE BUILDING OFFICIAL AT LEAST TWO BUSINESS DAYS PRIOR TO PROPOSED PRE-GRADE MEETING.
- APPROVAL OF THESE PLANS REFLECT SOLELY THE REVIEW OF PLANS IN ACCORDANCE WITH THE COUNTY OF LOS ANGELES BUILDING CODES AND DOES NOT REFLECT ANY POSITION BY THE COUNTY OF LOS ANGELES OR THE DEPARTMENT OF PUBLIC WORKS REGARDING THE STATUS OF ANY TITLE ISSUES RELATING TO THE LAND ON WHICH THE IMPROVEMENTS MAY BE CONSTRUCTED. ANY DISPUTES RELATING TO TITLE ARE SOLELY A PRIVATE MATTER NOT INVOLVING THE COUNTY OF LOS ANGELES OR THE DEPARTMENT OF PUBLIC WORKS.
- ALL GRADING AND CONSTRUCTION ACTIVITIES SHALL COMPLY WITH COUNTY OF LOS ANGELES CODE, TITLE 12, SECTION 12.12.030 THAT CONTROLS AND RESTRICTS NOISE FROM THE USE OF CONSTRUCTION AND GRADING EQUIPMENT FROM THE HOURS OF 8:00 PM TO 6:30 AM, AND ON SUNDAYS AND HOLIDAYS.
- CALIFORNIA PUBLIC RESOURCES CODE (SECTION 5097.98) AND HEALTH AND SAFETY CODE (SECTION 7050.5) ADDRESS THE DISCOVERY AND DISPOSITION OF HUMAN REMAINS. IN THE EVENT OF DISCOVERY OR RECOGNITION OF ANY HUMAN REMAINS IN ANY LOCATION OTHER THAN A DEDICATED CEMETERY, THE LAW REQUIRES THAT GRADING IMMEDIATELY STOPS AND NO FURTHER EXCAVATION OR DISTURBANCE OF THE SITE, OR ANY NEARBY AREA WHERE HUMAN REMAINS MAY BE LOCATED, OCCUR UNTIL THE FOLLOWING HAS BEEN MEASURES HAVE BEEN TAKEN:
 - THE COUNTY CORONER HAS BEEN INFORMED AND HAS DETERMINED THAT NO INVESTIGATION OF THE CAUSE OF DEATH IS REQUIRED, AND
 - IF THE REMAINS ARE OF NATIVE AMERICAN ORIGIN, THE DESCENDANTS FROM THE DECEASED NATIVE AMERICANS HAVE MADE A RECOMMENDATION FOR THE MEANS OF TREATING OR DISPOSING, WITH APPROPRIATE DIGNITY, OF THE HUMAN REMAINS AND ANY ASSOCIATED GRAVE GOODS.
- THE LOCATION AND PROTECTION OF ALL UTILITIES IS THE RESPONSIBILITY OF THE PERMITTEE.
- ALL EXPORT OF MATERIAL FROM THE SITE MUST GO TO A PERMITTED SITE APPROVED BY THE BUILDING OFFICIAL OR A LEGAL DUMPSITE. RECEIPTS FOR ACCEPTANCE OF EXCESS MATERIAL BY A DUMPSITE ARE REQUIRED AND MUST BE PROVIDED TO THE BUILDING OFFICIAL UPON REQUEST.
- A COPY OF THE GRADING PERMIT AND APPROVED GRADING PLANS MUST BE IN THE POSSESSION OF A RESPONSIBLE PERSON AND AVAILABLE AT THE SITE AT ALL TIMES.
- SITE BOUNDARIES, EASEMENTS, DRAINAGE DEVICES, RESTRICTED USE AREAS SHALL BE LOCATED PER CONSTRUCTION STAKING BY FIELD ENGINEER OR LICENSED SURVEYOR PRIOR TO GRADING, AS REQUESTED BY THE BUILDING OFFICIAL. ALL PROPERTY LINES, EASEMENTS, AND RESTRICTED USE AREAS SHALL BE STAKED.
- NO GRADING OR CONSTRUCTION SHALL OCCUR WITHIN THE PROTECTED ZONE OF ANY OAK TREE AS REQUIRED PER TITLE CHAPTER 22.56 OF THE COUNTY OF LOS ANGELES ZONING CODE. THE PROTECTED ZONE SHALL MEAN THAT AREA WITHIN THE DRIP LINE OF AN OAK TREE EXTENDING THERE FROM A POINT AT LEAST FIVE FEET OUTSIDE THE DRIP LINE, OR 15 FEET FROM THE TRUNK(S) OF A TREE, WHICHEVER IS GREATER.
- THE STANDARD RETAINING WALL DETAILS SHOWN ON THE GRADING PLANS ARE FOR REFERENCE ONLY. STANDARD RETAINING WALLS ARE NOT CHECKED, PERMITTED, OR INSPECTED PER THE GRADING PERMIT. A SEPARATE RETAINING WALL PERMIT IS REQUIRED FOR ALL STANDARD RETAINING WALLS.
- A PREVENTIVE PROGRAM TO PROTECT THE SLOPES FROM POTENTIAL DAMAGE FROM BURROWING RODENTS IS REQUIRED PER SECTION J101.8 OF THE COUNTY OF LOS ANGELES BUILDING CODE. OWNER IS TO INSPECT SLOPES PERIODICALLY FOR EVIDENCE OF BURROWING RODENTS AND A FIRST EVIDENCE OF THEIR EXISTENCE SHALL EMPLOY AN EXTERMINATOR FOR THEIR REMOVAL.
- WHERE A GRADING PERMIT IS ISSUED AND THE BUILDING OFFICIAL DETERMINES THAT THE GRADING WILL NOT BE COMPLETED PRIOR TO NOVEMBER 1, THE OWNER OF THE SITE ON WHICH THE GRADING IS BEING PERFORMED SHALL, ON OR BEFORE OCTOBER 1, FILE OR CAUSE TO BE FILED WITH THE BUILDING OFFICIAL AN ESCP PER SECTION J110.8.3 OF THE COUNTY OF LOS ANGELES BUILDING CODE.
- TRANSFER OF RESPONSIBILITY: IF THE FIELD ENGINEER, THE SOILS ENGINEER, OR THE ENGINEERING GEOLOGIST OF RECORD IS CHANGED DURING GRADING, THE WORK SHALL BE STOPPED UNTIL THE REPLACEMENT HAS AGREED IN WRITING TO ACCEPT THEIR RESPONSIBILITY WITHIN THE AREA OF TECHNICAL COMPETENCE FOR APPROVAL UPON COMPLETION OF THE WORK. IT SHALL BE THE DUTY OF THE PERMITTEE TO NOTIFY THE BUILDING OFFICIAL IN WRITING OF SUCH CHANGE PRIOR TO THE RECOMMENCEMENT OF SUCH GRADING.

INSPECTION NOTES

- THE PERMITTEE OR HIS AGENT SHALL NOTIFY THE BUILDING OFFICIAL AT LEAST ONE WORKING DAY IN ADVANCE OF REQUIRED INSPECTIONS AT FOLLOWING STAGES OF THE WORK. (SECTION J105.7 OF THE BUILDING CODE.)
 - PRE-GRADE - BEFORE THE START OF ANY EARTH DISTURBING ACTIVITY OR CONSTRUCTION.
 - INITIAL - WHEN THE SITE HAS BEEN CLEARED OF VEGETATION AND UNAPPROVED FILL HAS BEEN SCARIFIED, BENCHED OR OTHERWISE PREPARED FOR FILL. FILL SHALL NOT BE PLACED PRIOR TO THIS INSPECTION. NOTE: PRIOR TO ANY CONSTRUCTION ACTIVITIES, INCLUDING GRADING, ALL STORM WATER POLLUTION PREVENTION MEASURES INCLUDING EROSION CONTROL DEVICES WHICH CONTAIN SEDIMENTS MUST BE INSTALLED.
 - ROUGH - WHEN APPROXIMATE FINAL ELEVATIONS HAVE BEEN ESTABLISHED; DRAINAGE TERRACES, SWALES AND BERMS INSTALLED AT THE TOP OF THE SLOPE; AND THE STATEMENTS REQUIRED IN THIS SECTION HAVE BEEN RECEIVED.
 - FINAL - WHEN GRADING HAS BEEN COMPLETED, ALL DRAINAGE DEVICES INSTALLED, SLOPE PLANTING ESTABLISHED, IRRIGATION SYSTEMS INSTALLED AND THE AS-BUILT PLANS, REQUIRED STATEMENTS, AND REPORTS HAVE BEEN SUBMITTED AND APPROVED.
- IN ADDITION TO THE INSPECTION REQUIRED BY THE BUILDING OFFICIAL FOR GRADING, REPORTS AND STATEMENTS SHALL BE SUBMITTED TO THE BUILDING OFFICIAL IN ACCORDANCE WITH SECTION J105 OF THE COUNTY OF LOS ANGELES BUILDING CODE.
- UNLESS OTHERWISE DIRECTED BY THE BUILDING OFFICIAL, THE FIELD ENGINEER FOR ALL ENGINEERED GRADING PROJECTS SHALL PREPARE ROUTINE INSPECTION REPORTS AS REQUIRED UNDER SECTION J105.11 OF THE COUNTY OF LOS ANGELES BUILDING CODE. THESE REPORTS, KNOWN AS "REPORT OF GRADING ACTIVITIES", SHALL BE SUBMITTED TO THE BUILDING OFFICIAL AS FOLLOWS:
 - BI-WEEKLY DURING ALL TIMES WHEN GRADING OF 400 CUBIC YARDS OR MORE PER WEEK IS OCCURRING ON THE SITE;
 - MONTHLY, AT ALL OTHER TIMES; AND
 - AT ANY TIME WHEN REQUESTED IN WRITING BY THE BUILDING OFFICIAL. SUCH "REPORT OF GRADING ACTIVITIES" SHALL CERTIFY TO THE BUILDING OFFICIAL THAT THE FIELD ENGINEER HAS INSPECTED THE GRADING SITE AND RELATED ACTIVITIES AND HAS FOUND THEM IN COMPLIANCE WITH THE APPROVED GRADING PLANS AND SPECIFICATIONS, THE BUILDING CODE, ALL GRADING PERMIT CONDITIONS, AND ALL OTHER APPLICABLE ORDINANCES AND REQUIREMENTS. THIS FORM IS AVAILABLE AT THE FOLLOWING WEBSITE [HTTP://DPW.LACOUNTY.GOV/BSD/DG/DEFAULT.ASPX](http://dpw.lacounty.gov/bsd/dg/default.aspx). "REPORT OF GRADING ACTIVITIES" MAY BE SCANNED AND UPLOADED AT THE WEBSITE OR FAXED TO (310) 530-5482. FAILURE TO PROVIDE REQUIRED INSPECTION REPORTS WILL RESULT IN A "STOP WORK ORDER."
- ALL GRADED SITES MUST HAVE DRAINAGE SWALES, BERMS, AND OTHER DRAINAGE DEVICES INSTALLED PRIOR TO ROUGH GRADING APPROVAL PER SECTION J105.7 OF THE COUNTY OF LOS ANGELES BUILDING CODE.
- THE GRADING CONTRACTOR SHALL SUBMIT THE STATEMENT TO THE GRADING INSPECTOR AS REQUIRED BY SECTION J105.12 OF THE COUNTY OF LOS ANGELES BUILDING CODE AT THE COMPLETION OF ROUGH GRADING.
- FINAL GRADING MUST BE APPROVED BEFORE OCCUPANCY OF BUILDINGS WILL BE ALLOWED PER SECTION J105 OF THE COUNTY OF LOS ANGELES BUILDING CODE.

DRAINAGE NOTES

- ROOF DRAINAGE MUST BE DIVERTED FROM GRADED SLOPES.
- PROVISIONS SHALL BE MADE FOR CONTRIBUTORY DRAINAGE AT ALL TIMES.
- ALL CONSTRUCTION AND GRADING WITHIN A STORM DRAIN EASEMENT ARE TO BE DONE PER PRIVATE DRAIN PD NO. N/A OR MISCELLANEOUS TRANSFER DRAIN MTD NO. N/A
- ALL STORM DRAIN WORK IS TO BE DONE UNDER CONTINUOUS INSPECTION BY THE FIELD ENGINEER. STATUS REPORTS REQUIRED UNDER NOTE 18 AND SECTION J105.11 OF THE COUNTY OF LOS ANGELES BUILDING CODE SHALL INCLUDE INSPECTION INFORMATION AND REPORTS ON THE STORM DRAIN INSTALLATION.

AGENCY NOTES

- AN ENCROACHMENT PERMIT FROM (COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS) (CALTRANS) (CITY OF N/A) IS REQUIRED FOR ALL WORK WITHIN THE STREAMBED AND AREAS OUTLINES ON GRADING PLANS SHALL CONFORM TO (COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS)(CALTRANS) (CITY OF N/A) ENCROACHMENT PERMIT.
- AN ENCROACHMENT PERMIT /CONNECTION PERMIT IS REQUIRED FROM THE COUNTY OF LOS ANGELES FLOOD CONTROL DISTRICT FOR ALL WORK WITHIN THE COUNTY OF LOS ANGELES FLOOD CONTROL DISTRICT RIGHT OF WAY. ALL WORK SHALL CONFORM TO CONDITIONS SET BY THE PERMIT.

GRADING GENERAL NOTES

- PERMISSION TO OPERATE IN VERY HIGH FIRE HAZARD SEVERITY ZONE MUST BE OBTAINED FROM THE FIRE PREVENTION BUREAU OR THE LOCAL FIRE STATION PRIOR TO COMMENCING WORK.
- ALL WORK WITHIN THE STREAMBED AND AREAS OUTLINES ON GRADING PLANS SHALL CONFORM TO:
 - ARMY CORP 404 PERMIT NUMBER: N/A
 - CALIFORNIA FISH & WILDLIFE PERMIT NO.: N/A
- ALL CONSTRUCTION/DEMOLITION, GRADING, AND STORAGE OF BULK MATERIALS MUST COMPLY WITH THE LOCAL AQMD RULE 403 FOR FUGITIVE DUST. INFORMATION ON RULE 403 IS AVAILABLE AT AQMD'S WEBSITE [HTTP://WWW.AVAQMD.COM](http://www.AVAQMD.COM).

GENERAL GEOTECHNICAL NOTES

- ALL WORK MUST BE IN COMPLIANCE WITH THE RECOMMENDATIONS INCLUDED IN THE GEOTECHNICAL CONSULTANT'S REPORT(S) AND THE APPROVED GRADING PLANS AND SPECIFICATIONS.
- GRADING OPERATIONS MUST BE CONDUCTED UNDER PERIODIC INSPECTIONS BY THE GEOTECHNICAL CONSULTANTS WITH MONTHLY INSPECTION REPORTS TO BE SUBMITTED TO THE GEOLOGY AND SOILS SECTION.
- THE SOIL ENGINEER SHALL PROVIDE SUFFICIENT INSPECTIONS DURING THE PREPARATION OF THE NATURAL GROUND AND THE PLACEMENT AND COMPACTION OF THE FILL TO BE SATISFIED THAT THE WORK IS BEING PERFORMED IN ACCORDANCE WITH THE PLAN AND APPLICABLE CODE REQUIREMENTS.
- ROUGH GRADING MUST BE APPROVED BY A FINAL ENGINEERING GEOLOGY AND SOILS ENGINEERING REPORT. AN AS-BUILT GEOLOGIC MAP MUST BE INCLUDED IN THE FINAL GEOLOGY REPORT. PROVIDE A FINAL REPORT STATEMENT THAT VERIFIES WORK WAS DONE IN ACCORDANCE WITH REPORT RECOMMENDATIONS AND CODE PROVISIONS (SECTION J105.12 OF THE COUNTY OF LOS ANGELES BUILDING CODE). THE FINAL REPORT(S) MUST BE SUBMITTED TO THE GEOTECHNICAL AND MATERIALS ENGINEERING DIVISION FOR REVIEW AND APPROVAL.
- FOUNDATION, WALL AND POOL EXCAVATIONS MUST BE INSPECTED AND APPROVED BY THE CONSULTING GEOLOGIST AND SOIL ENGINEER, PRIOR TO THE PLACING OF STEEL OR CONCRETE.
- BUILDING PADS LOCATED IN CUT/FILL TRANSITION AREAS SHALL BE OVER-EXCAVATED A MINIMUM OF THREE (3) FEET BELOW THE PROPOSED BOTTOM OF FOOTING.

FILL NOTES

- ALL FILL SHALL BE COMPACTED TO THE FOLLOWING MINIMUM RELATIVE COMPACTION CRITERIA:
 - 90 PERCENT OF MAXIMUM DRY DENSITY WITHIN 40 FEET BELOW FINISH GRADE.
 - 93 PERCENT OF MAXIMUM DRY DENSITY DEEPER THAN 40 FEET BELOW FINISH GRADE, UNLESS A LOWER RELATIVE COMPACTION (NOT LESS THAN 90 PERCENT OF MAXIMUM DRY DENSITY) IS JUSTIFIED BY THE GEOTECHNICAL ENGINEER. THE RELATIVE COMPACTION SHALL BE DETERMINED BY A.S.T.M. SOIL COMPACTION TEST D1557-91 WHERE APPLICABLE: WHERE NOT APPLICABLE, A TEST ACCEPTABLE TO THE BUILDING OFFICIAL SHALL BE USED. (SECTION J107.5 OF THE COUNTY OF LOS ANGELES BUILDING CODE.)
 - 95 PERCENT OF MAXIMUM DRY DENSITY IS REQUIRED FOR ALL FIRE LANES UNLESS OTHERWISE APPROVED BY THE FIRE DEPARTMENT.
- FIELD DENSITY SHALL BE DETERMINED BY A METHOD ACCEPTABLE TO THE BUILDING OFFICIAL. (SECTION J107.5 OF THE COUNTY OF LOS ANGELES BUILDING CODE.) HOWEVER, NOT LESS THAN 10% OF THE REQUIRED DENSITY TEST, UNIFORMLY DISTRIBUTED, AND SHALL BE OBTAINED BY THE SAND CONE METHOD.
- SUFFICIENT TESTS OF THE FILL SOILS SHALL BE MADE TO DETERMINE THE RELATIVE COMPACTION OF THE FILL IN ACCORDANCE WITH THE FOLLOWING MINIMUM GUIDELINES:
 - ONE TEST FOR EACH TWO-FOOT VERTICAL LIFT.
 - ONE TEST FOR EACH 1,000 CUBIC YARDS OF MATERIAL PLACED.
 - ONE TEST AT THE LOCATION OF THE FINAL FILL SLOPE FOR EACH BUILDING SITE (LOT) IN EACH FOUR-FOOT VERTICAL LIFT OR PORTION THEREOF. D. ONE TEST IN THE VICINITY OF EACH BUILDING PAD FOR EACH FOUR-FOOT VERTICAL LIFT OR PORTION THEREOF.
- SUFFICIENT TESTS OF FILL SOILS SHALL BE MADE TO VERIFY THAT THE SOIL PROPERTIES COMPLY WITH THE DESIGN REQUIREMENTS, AS DETERMINED BY THE SOIL ENGINEER INCLUDING SOIL TYPES, SHEAR STRENGTHS PARAMETERS AND CORRESPONDING UNIT WEIGHTS IN ACCORDANCE WITH THE FOLLOWING GUIDELINES:
 - PRIOR AND SUBSEQUENT TO PLACEMENT OF THE FILL, SHEAR TESTS SHALL BE TAKEN ON EACH TYPE OF SOIL OR SOIL MIXTURE TO BE USED FOR ALL FILL SLOPES STEEPER THAN THREE (3) HORIZONTAL TO ONE VERTICAL.
 - SHEAR TEST RESULTS FOR THE PROPOSED FILL MATERIAL MUST MEET OR EXCEED THE DESIGN VALUES USED IN THE GEOTECHNICAL REPORT TO DETERMINE SLOPE STABILITY REQUIREMENTS. OTHERWISE, THE SLOPE MUST BE REEVALUATED USING THE ACTUAL SHEAR TEST VALUE OF THE FILL MATERIAL THAT IS IN PLACE.
 - FILL SOILS SHALL BE FREE OF DELETERIOUS MATERIALS.
- FILL SHALL NOT BE PLACED UNTIL STRIPPING OF VEGETATION, REMOVAL OF UNSUITABLE SOILS, AND INSTALLATION OF SUBDRAIN (IF ANY) HAVE BEEN INSPECTED AND APPROVED BY THE SOIL ENGINEER. THE BUILDING OFFICIAL MAY REQUIRE A "STANDARD TEST METHOD FOR MOISTURE, ASH, ORGANIC MATTER, PEAT OR OTHER ORGANIC SOILS" ASTM D-2974-97 ON ANY SUSPECT MATERIAL. DETRIMENTAL AMOUNTS OF ORGANIC MATERIAL SHALL NOT BE PERMITTED IN FILLS. SOIL CONTAINING SMALL AMOUNTS OF ROOTS MAY BE ALLOWED PROVIDED THAT THE ROOTS ARE IN A QUANTITY AND DISTRIBUTED IN A MANNER THAT WILL NOT BE DETRIMENTAL TO THE FUTURE USE OF THE SITE AND THE SOILS ENGINEER APPROVES THE USE OF SUCH MATERIAL.
- ROCK OR SIMILAR MATERIAL GREATER THAN 12 INCHES IN DIAMETER SHALL NOT BE PLACED IN THE FILL UNLESS RECOMMENDATIONS FOR SUCH PLACEMENT HAVE BEEN SUBMITTED BY THE SOIL ENGINEER AND APPROVED IN ADVANCE BY THE BUILDING OFFICIAL. LOCATION, EXTENT, AND ELEVATION OF ROCK DISPOSAL AREAS MUST BE SHOWN ON AN "AS BUILT" GRADING PLAN.
- CONTINUOUS INSPECTION BY THE SOIL ENGINEER, OR A RESPONSIBLE REPRESENTATIVE, SHALL BE PROVIDED DURING ALL FILL PLACEMENT AND COMPACTION OPERATIONS WHERE FILLS HAVE A DEPTH GREATER THAN 30 FEET OR SLOPE SURFACE STEEPER THAN 2:1. (SECTION J107.8 OF THE COUNTY OF LOS ANGELES BUILDING CODE)
- CONTINUOUS INSPECTION BY THE SOIL ENGINEER, OR A RESPONSIBLE REPRESENTATIVE, SHALL BE PROVIDED DURING ALL SUBDRAIN INSTALLATION. (SECTION J107.2 OF THE COUNTY OF LOS ANGELES BUILDING CODE)
- ALL SUBDRAIN OUTLETS ARE TO BE SURVEYED FOR LINE AND ELEVATION. SUBDRAIN INFORMATION MUST BE SHOWN ON AN "AS BUILT" GRADING PLAN.
- FILL SLOPES IN EXCESS OF 2:1 STEEPNESS RATIO ARE TO BE CONSTRUCTED BY THE PLACEMENT OF SOIL AT SUFFICIENT DISTANCE BEYOND THE PROPOSED FINISH SLOPE TO ALLOW COMPACTION EQUIPMENT TO BE OPERATED AT THE OUTER LIMITS OF THE FINAL SLOPE SURFACE. THE EXCESS FILL IS TO BE REMOVED PRIOR TO COMPLETION OF ROUGH GRADING. OTHER CONSTRUCTION PROCEDURES MAY BE USED WHEN IT IS DEMONSTRATED TO THE SATISFACTION OF THE BUILDING OFFICIAL THAT THE ANGLE OF SLOPE, CONSTRUCTION METHOD AND OTHER FACTORS WILL HAVE EQUIVALENT EFFECT. (SECTION J107.5 OF THE COUNTY OF LOS ANGELES BUILDING CODE.)

PLANTING AND IRRIGATION NOTES

- PLANTING AND IRRIGATION ON GRADED SLOPES MUST COMPLY WITH THE FOLLOWING MINIMUM GUIDELINES:
 - THE SURFACE OF ALL CUT SLOPES MORE THAN 5 FEET IN HEIGHT AND FILL SLOPES MORE THAN 3 FEET IN HEIGHT SHALL BE PROTECTED AGAINST DAMAGE BY EROSION BY PLANTING WITH GRASS OR GROUND-COVER PLANTS. SLOPES EXCEEDING 15 FEET IN VERTICAL HEIGHT SHALL ALSO BE PLANTED WITH SHRUBS, SPACED AT NOT TO EXCEED 10 FEET ON CENTERS; OR TREES, SPACED AT NOT TO EXCEED 20 FEET ON CENTERS, OR A COMBINATION OF SHRUBS AND TREES AT EQUIVALENT SPACING, IN ADDITION TO THE GRASS OR GROUND-COVER PLANTS. THE PLANTS SELECTED AND PLANTING METHODS USED SHALL BE SUITABLE FOR THE SOIL AND CLIMATIC CONDITIONS OF THE SITE. PLANT MATERIAL SHALL BE SELECTED WHICH WILL PRODUCE A COVERAGE OF PERMANENT PLANTING EFFECTIVELY CONTROLLING EROSION. CONSIDERATION SHALL BE GIVEN TO DEEP-ROOTED PLANTING MATERIAL NEEDING LIMITED WATERING, MAINTENANCE, HIGH ROOT TO SHOOT RATIO, WIND SUSCEPTIBILITY AND FIRE-RETARDANT CHARACTERISTICS. ALL PLANT MATERIALS MUST BE APPROVED BY THE BUILDING OFFICIAL. (SECTION J110.3 OF THE COUNTY OF LOS ANGELES BUILDING CODE)
 - NOTE: PLANTING MAY BE MODIFIED FOR THE SITE IF SPECIFIC RECOMMENDATIONS ARE PROVIDED BY BOTH THE SOILS ENGINEER AND A LANDSCAPE ARCHITECT. SPECIFIC RECOMMENDATIONS MUST CONSIDER SOILS AND CLIMATIC CONDITIONS, IRRIGATION REQUIREMENTS, PLANTING METHODS, FIRE RETARDANT CHARACTERISTICS, WATER EFFICIENCY, MAINTENANCE NEEDS, AND OTHER REGULATORY REQUIREMENTS. RECOMMENDATIONS MUST INCLUDE A FINDING THAT THE ALTERNATIVE PLANTING WILL PROVIDE A PERMANENT AND EFFECTIVE METHOD OF EROSION CONTROL. MODIFICATIONS TO PLANTING MUST BE APPROVED BY THE BUILDING OFFICIAL PRIOR TO INSTALLATION.

- SLOPES REQUIRED TO BE PLANTED BY SECTION J110.3 SHALL BE PROVIDED WITH AN APPROVED SYSTEM OF IRRIGATION THAT IS DESIGNED TO COVER ALL PORTIONS OF THE SLOPE. IRRIGATION SYSTEM PLANS SHALL BE SUBMITTED AND APPROVED PRIOR TO INSTALLATION. A FUNCTIONAL TEST OF THE SYSTEM MAY BE REQUIRED. FOR SLOPES LESS THAN 20 FEET IN VERTICAL HEIGHT, HOSE BIBS TO PERMIT HAND WATERING WILL BE ACCEPTABLE. IF SUCH HOSE BIBS ARE INSTALLED AT CONVENIENTLY ACCESSIBLE LOCATIONS WHERE A HOSE NO LONGER THAN 90 FEET IS NECESSARY FOR IRRIGATION, THE REQUIREMENTS FOR PERMANENT IRRIGATION SYSTEMS MAY BE MODIFIED UPON SPECIFIC RECOMMENDATION OF A LANDSCAPE ARCHITECT OR EQUIVALENT AUTHORITY THAT, BECAUSE OF THE TYPE OF PLANTS SELECTED, THE PLANTING METHODS USED AND THE SOIL AND CLIMATIC CONDITIONS AT THE SITE, IRRIGATION WILL NOT BE NECESSARY FOR THE MAINTENANCE OF THE SLOPE PLANTING. (SECTION J110.4 OF THE COUNTY OF LOS ANGELES BUILDING CODE)
 - OTHER GOVERNMENTAL AGENCIES MAY HAVE ADDITIONAL REQUIREMENTS FOR LANDSCAPING AND IRRIGATION. IT IS THE RESPONSIBILITY OF THE APPLICANT TO COORDINATE WITH OTHER AGENCIES TO MEET THEIR REQUIREMENTS WHILE MAINTAINING COMPLIANCE WITH THE COUNTY OF LOS ANGELES BUILDING CODE.
- THE PLANTING AND IRRIGATION SYSTEMS SHALL BE INSTALLED AS SOON AS PRACTICAL AFTER ROUGH GRADING. PRIOR TO FINAL GRADING APPROVAL ALL REQUIRED SLOPE PLANTING MUST BE WELL ESTABLISHED. (SECTION J110.7 OF THE COUNTY OF LOS ANGELES BUILDING CODE)
 - LANDSCAPE IRRIGATION SYSTEM SHALL BE DESIGNED AND MAINTAINED TO PREVENT SPRAY ON STRUCTURES. (TITLE 31, SECTION 5.407.2.1)
 - PRIOR TO ROUGH GRADE APPROVAL THIS PROJECT REQUIRES A LANDSCAPE PERMIT. LANDSCAPE PLANS IN COMPLIANCE WITH THE "MODEL WATER EFFICIENT LANDSCAPE ORDINANCE" TITLE 23, CHAPTER 2.7 OF CALIFORNIA CODE OF REGULATIONS (AB 1881) MUST BE SUBMITTED TO THE DEPARTMENT OF PUBLIC WORKS, LAND DEVELOPMENT DIVISION, (900 S. FREMONT AVE, ALHAMBRA - 3RD FLOOR, CA 91803 (626) 458-4921). TO OBTAIN LANDSCAPE PERMIT APPROVED PLANS AND WATER PURVEYOR ACKNOWLEDGMENT FORM MUST BE SUBMITTED TO THE LOCAL BUILDING AND SAFETY OFFICE.

BEST MANAGEMENT PRACTICE NOTES

- EVERY EFFORT SHOULD BE MADE TO ELIMINATE THE DISCHARGE OF NON-STORMWATER FROM THE PROJECT SITE AT ALL TIMES.
- ERODED SEDIMENTS AND OTHER POLLUTANTS MUST BE RETAINED ON-SITE AND MAY NOT BE TRANSPORTED FROM THE SITE VIA SHEET FLOW, SWALES, AREA DRAINS, NATURAL DRAINAGE COURSES OR WIND.
- STOCKPILES OF EARTH AND OTHER CONSTRUCTION RELATED MATERIALS MUST BE PROTECTED FROM BEING TRANSPORTED FROM THE SITE BY THE FORCES OF WIND OR WATER.
- FUELS, OILS, SOLVENTS, AND OTHER TOXIC MATERIALS MUST BE STORED IN ACCORDANCE WITH THEIR LISTING AND ARE NOT TO CONTAMINATE THE SOIL AND SURFACE WATERS. ALL APPROVED STORAGE CONTAINERS ARE TO BE PROTECTED FROM THE WEATHER. SPILLS MUST BE CLEANED UP IMMEDIATELY AND DISPOSED OF IN A PROPER MANNER. SPILLS MAY NOT BE WASHED INTO THE DRAINAGE SYSTEM.
- EXCESS OR WASTE CONCRETE MAY NOT BE WASHED INTO THE PUBLIC WAY OR ANY OTHER DRAINAGE SYSTEM. PROVISIONS SHALL BE MADE TO RETURN CONCRETE WASTES ON-SITE UNTIL THEY CAN BE DISPOSED OF AS SOLID WASTE.
- TRASH AND CONSTRUCTION RELATED SOLID WASTES MUST BE DEPOSITED INTO A COVERED RECEPTACLE TO PREVENT CONTAMINATION OF RAINWATER AND DISPERSAL BY WIND.
- SEDIMENTS AND OTHER MATERIALS MAY NOT BE TRACKED FROM THE SITE BY VEHICLE TRAFFIC. THE CONSTRUCTION ENTRANCE ROADWAYS MUST BE STABILIZED SO AS TO INHIBIT SEDIMENTS FROM BEING DEPOSITED INTO THE PUBLIC WAY. ACCIDENTAL DEPOSITIONS MUST BE SWEEP UP IMMEDIATELY AND MAY NOT BE WASHED DOWN BY RAIN OR OTHER MEANS.
- ANY SLOPES WITH DISTURBED SOILS OR DENUDED OF VEGETATION MUST BE STABILIZED SO AS TO INHIBIT EROSION BY WIND AND WATER.
- "I CERTIFY THAT THIS DOCUMENT AND ALL ATTACHMENTS WERE PREPARED UNDER MY DIRECTION OR SUPERVISION IN ACCORDANCE WITH A SYSTEM DESIGNED TO ENSURE THAT QUALIFIED PERSONNEL PROPERLY GATHER AND EVALUATE THE INFORMATION SUBMITTED BASED ON MY INQUIRY OF THE PERSON OR PERSONS WHO MANAGE THE SYSTEM OR THOSE PERSONS DIRECTLY RESPONSIBLE FOR GATHERING THE INFORMATION, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE INFORMATION SUBMITTED IS TRUE, ACCURATE, AND COMPLETE. I AM AWARE THAT SUBMITTING FALSE AND/OR INACCURATE INFORMATION, FAILING TO UPDATE THE ESCP TO REFLECT CURRENT CONDITIONS, OR FAILING TO PROPERLY AND/OR ADEQUATELY IMPLEMENT THE ESCP MAY RESULT IN REVOCATION OF GRADING AND/OR OTHER PERMITS OR OTHER SANCTIONS PROVIDED BY LAW."

PRINT NAME _____ (OWNER)

SIGNATURE _____ (OWNER) DATE _____

ENGINEER'S NOTICE TO CONTRACTOR

- THE EXISTENCE AND LOCATION OF ANY UNDERGROUND UTILITIES AND/OR STRUCTURES SHOWN ON THESE PLANS WERE OBTAINED BY A SEARCH OF THE AVAILABLE RECORDS. APPROVAL OF THESE PLANS DOES NOT CONSTITUTE A REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THE LOCATION OR THE EXISTENCE OR NON-EXISTENCE OF ANY UTILITY AND/OR STRUCTURE WITHIN THE LIMITS OF THIS PROJECT. THE CONTRACTOR IS REQUIRED TO TAKE ALL DUE PRECAUTIONARY MEANS TO PROTECT THE UTILITIES OF RECORD OR NOT THE RECORD OR NOT SHOWN ON THESE PLANS.
 - RELOCATION OR REMOVAL OF ANY EXISTING UTILITIES SHALL BE PERFORMED BY THE RESPECTIVE UTILITY OWNERS, AT THE EXPENSE OF THE DEVELOPER.
 - THE GRADING CONTRACTOR SHALL SATISFY HIMSELF AS TO THE GRADING QUANTITY AS SHOWN ON THIS PLAN AS PART OF HIS BID.
 - IT IS REQUESTED THAT THE GRADING CONTRACTOR NOTIFY THIS PRIVATE ENGINEER BY CALLING AT LEAST 48 HOURS BEFORE COMPLETION OF THE GRADING OPERATION IN ORDER THAT THIS OFFICE MAY PERFORM A FINAL INSPECTION WITH OUR GRADE CERTIFICATION.
 - CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL REQUIRED PERMITS PRIOR TO COMMENCEMENT OF GRADING OPERATIONS.
 - UNAUTHORIZED CHANGES AND USES: THE ENGINEER PREPARING THESE PLAN WILL NOT BE RESPONSIBLE FOR, OR LIABLE FOR, UNAUTHORIZED CHANGES TO OR USES OF THESE PLANS. ALL CHANGES TO THE PLANS MUST BE IN WRITING AND MUST BE APPROVED BY THE PROJECT ENGINEER OF WORK.
23. The following BMPs from the "CASQA Construction BMP Online Handbook" must be implemented for all construction activities as applicable. As an alternative, details from "Caltrans Stormwater Quality Handbooks, Construction Site Best Management Practices (BMP) Manual" may be used. Additional measures may be required if deemed appropriate by the Building Official.

EROSION CONTROL

EC1 - SCHEDULING
EC2 - PRESERVATION OF EXISTING VEGETATION
EC3 - HYDRAULIC MULCH
EC4 - HYDROSEEDING
EC16 - NON-VEGETATED STABILIZATION

TEMPORARY SEDIMENT CONTROL

SE5 - FIBER ROLLS
SE7 - STREET SWEEPING AND VACUUMING

WIND EROSION CONTROL

WE1 - WIND EROSION CONTROL

EQUIPMENT TRACKING CONTROL

TC1 - STABILIZED CONSTRUCTION ENTRANCE EXIT

NON-STORMWATER MANAGEMENT

NS1 - WATER CONSERVATION PRACTICES
NS3 - PAVING AND GRINDING OPERATIONS
NS6 - ILLICIT CONNECTION/DISCHARGE
NS7 - POTABLE WATER/IRRIGATION
NS8 - VEHICLE AND EQUIPMENT CLEANING
NS9 - VEHICLE AND EQUIPMENT FUELING
NS10 - VEHICLE AND EQUIPMENT MAINTENANCE
NS12 - CONCRETE CURING
NS13 - CONCRETE FINISHING
NS14 - MATERIAL AND EQUIPMENT USE

WASTE MANAGEMENT & MATERIAL POLLUTION CONTROL

WM1 - MATERIAL DELIVERY AND STORAGE
WM2 - MATERIAL USE
WM3 - STOCKPILE MANAGEMENT
WM4 - SPILL PREVENTION AND CONTROL
WM5 - SOLID WASTE MANAGEMENT
WM6 - HAZARDOUS WASTE MANAGEMENT
WM7 - CONTAMINATION SOIL MANAGEMENT
WM8 - CONCRETE WASTE MANAGEMENT
WM9 - SANITARY/SEPTIC WASTE MANAGEMENT
WM10 - LIQUID WASTE MANAGEMENT

SHEET INDEX

TITLE SHEET 1
PRECISE GRADING & DRAINAGE PLAN 2
EROSION CONTROL PLAN 3
EROSION CONTROL NOTES 4

EARTH WORK QUANTITY

CUT	32	C.Y.
FILL	0	C.Y.
IMPORT	0	C.Y.
EXPORT	32	C.Y.
NET NEW IMPERVIOUS AREA:	326	SQ-FT

NOTE:
QUANTITIES SHOWN HERE ON ARE FOR PERMIT AND/OR BONDING PURPOSE ONLY.

ARCHITECT

DCI PACIFIC
26 EXECUTIVE PARK, SUITE 170
IRVINE, CA 92614
TELEPHONE: (949) 475-1000
CONTACT: D.K. DO, RA
E-MAIL: DK@DCIPACIFIC.COM
CONTACT: JOHN'AH BOK'YU, RA
E-MAIL: BOK@DCIPACIFIC.COM

CIVIL ENGINEER

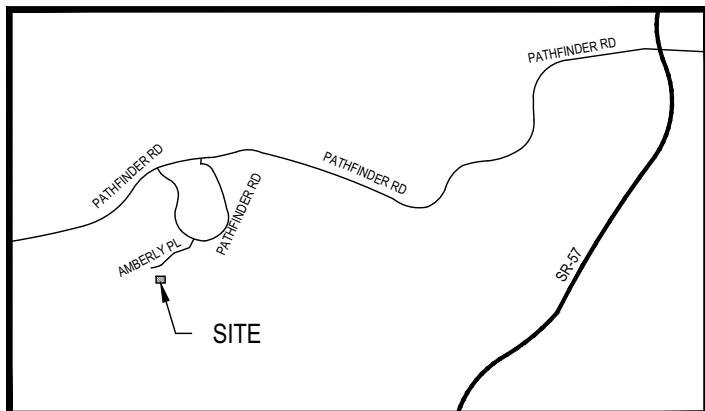
W.H. CIVIL ENGINEERING INC.
NORTH CA: 1590 OAKLAND RD., SUITE B112
SAN JOSE, CA 95131
SOUTH CA: 25 MAUCHLY, SUITE 323
IRVINE, CA 92618
PHONE: 949-229-3357

BENCH MARK

ELEVATIONS ARE BASED ON GPS OBSERVATIONS FROM TWO NATIONAL GEODETIC SURVEY C.O.R.S. REFERENCE STATIONS: 1) JPLM, ELEVATION=1503.49' AND 2) PNM1, ELEVATION=4233.46' WITH GEOD 2012 CORRECTIONS APPLIED.

BASIS OF BEARING

THE BEARINGS SHOWN HEREON ARE BASED ON NAD 1983 CALIFORNIA STATE PLANE COORDINATE SYSTEM-ZONE 5. AS DETERMINED BY G.P.S. OBSERVATIONS, USING TRIMBLE 5700S800 RECEIVERS AND TRIMBLE GEODETIC OFFICE 1.60 SOFTWARE.



VICINITY MAP
NOT TO SCALE

OWNER/SUBDIVIDER:
JUSTIN ROBINSON
TELEPHONE:(714) 863-4366

VERIZON RIDGEVIEW

TITLE SHEET

PROJECT ADDRESS

18814U AMBERLY PLACE, ROWLAND HEIGHTS, CA 91748
(APN: 8269-094-900 AND 8269-004-900)

PLANS PREPARED BY:

W. H. ENGINEERING GROUP

NORTH-CA:1590 OAKLAND RD., SUITE 112, SAN JOSE, CA 95131
SOUTH-CA: 25 MAUCHLY, SUITE 323, IRVINE, CA 92618
INFO@WHENGINEERINGGROUP.COM
PHONE: 949-229-3357

10/28/2022 DATE
WALIN MAJING CHEN R.C.E. 033467 EXP. 3/31/2023



DESIGNER

DESIGNED BY:

DRAFTED BY:

CHECKED BY:

APPROVED BY:

REVISIONS

DATE

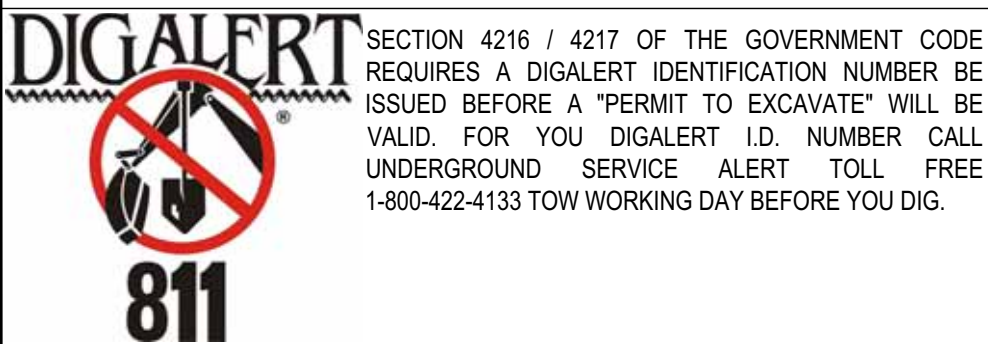
NO.

PROJECT NO.:

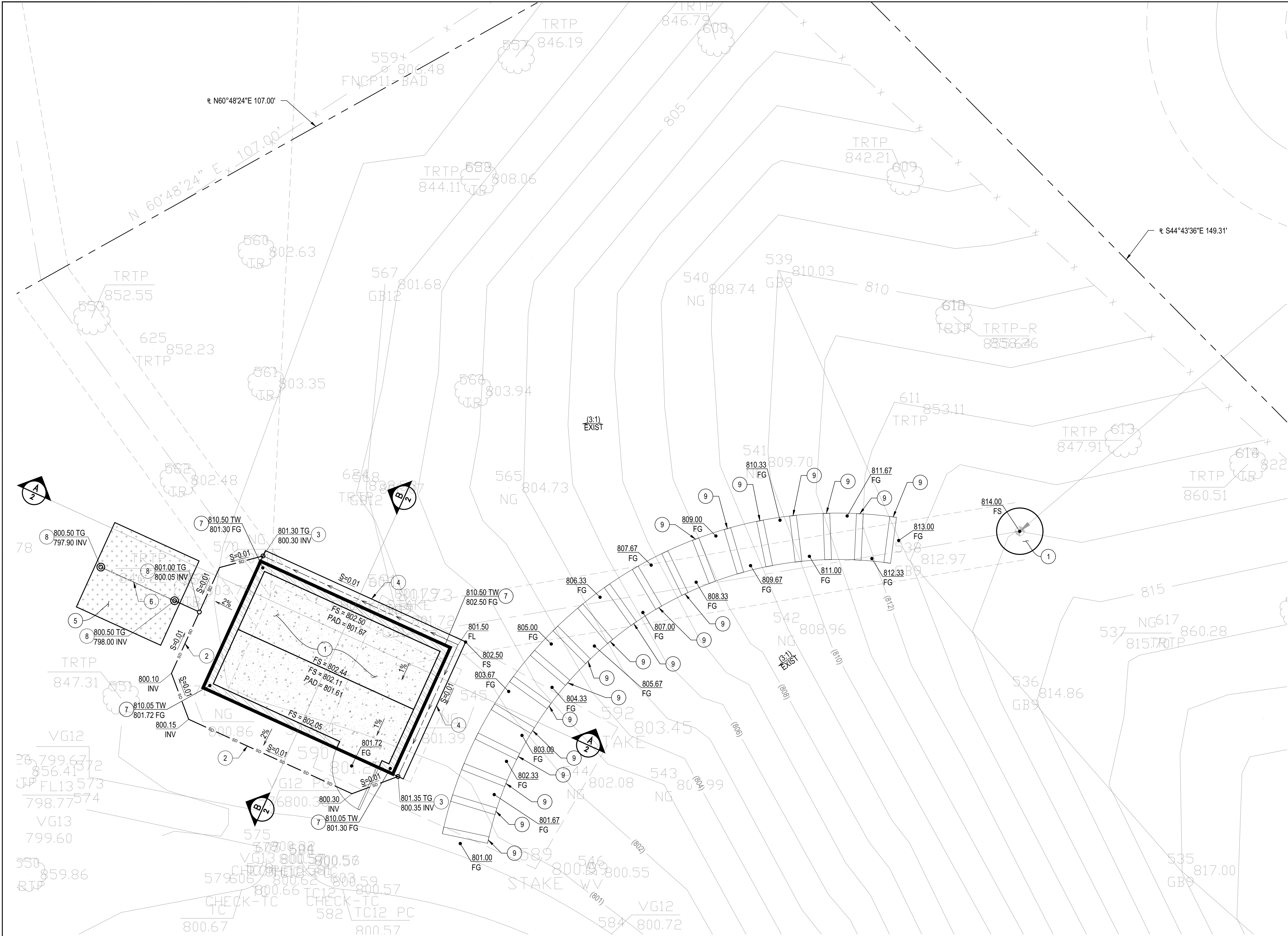
202231

SHEET NO.:

1 OF 4



SECTION 4216 / 4217 OF THE GOVERNMENT CODE
REQUIRES A DIGALERT IDENTIFICATION NUMBER BE
ISSUED BEFORE A "PERMIT TO EXCAVATE" WILL BE
VALID. FOR YOU DIGALERT ID, NUMBER CALL
UNDERGROUND SERVICE ALERT TOLL FREE
1-800-422-4133 TOW WORKING DAY BEFORE YOU DIG.



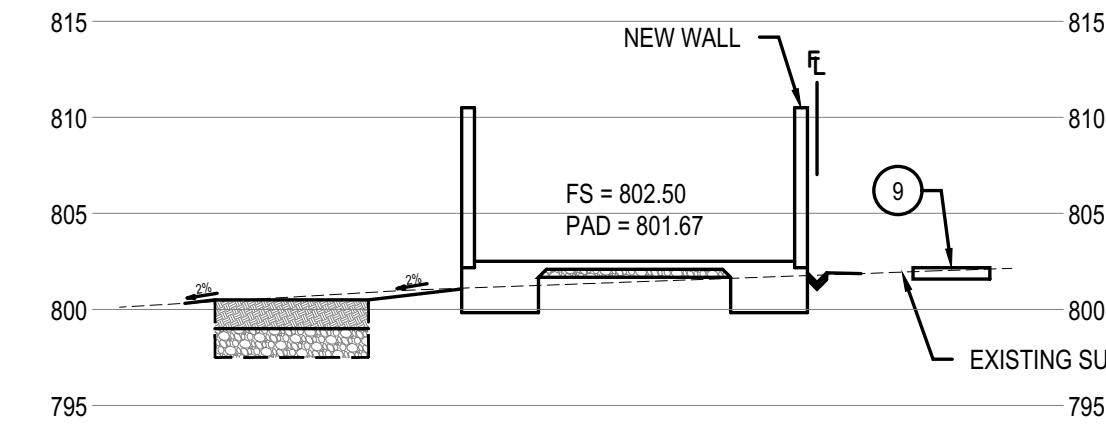
Precise Grading Plan

Scale 1"=5'

NOTE: NO PERSON SHALL USE OR OPERATE IN, UPON, OR WITHIN ANY HAZARDOUS FIRE AREA, ANY TRACTOR, CONSTRUCTION EQUIPMENT, ENGINE, MACHINERY, OR ANY STEAM, OIL, OR GASOLINE-OPERATED STATIONARY OR MOBILE EQUIPMENT, FROM WHICH SPARK OR FIRE MAY ORIGINATE UNLESS SUCH EQUIPMENT IS PROVIDED WITH A QUALIFIED DEVICE OR SPARK ARRESTER INSTALLED IN OR ATTACHED TO THE EXHAUST PIPE WHICH WILL PREVENT THE ESCAPE OF FIRE OR SPARKS. SAID QUALIFIED DEVICE OR SPARK ARRESTER SHALL MEET THE REQUIREMENTS OF THE CURRENT VERSION OF THE UNITED STATES FOREST SERVICE "STANDARD FOR SPARK ARRESTERS FOR INTERNAL COMBUSTION ENGINES" (STANDARD 5100-1). FOR THE PURPOSE OF THIS SECTION, ANY REGISTERED MOTOR VEHICLE OPERATED ON A ROAD OR HIGHWAY AND WHICH IS EQUIPPED WITH A MUFFLER IN GOOD CONDITION, AS REQUIRED BY THE CALIFORNIA VEHICLE CODE, SHALL BE DEEMED TO BE IN COMPLIANCE WITH THIS SECTION.

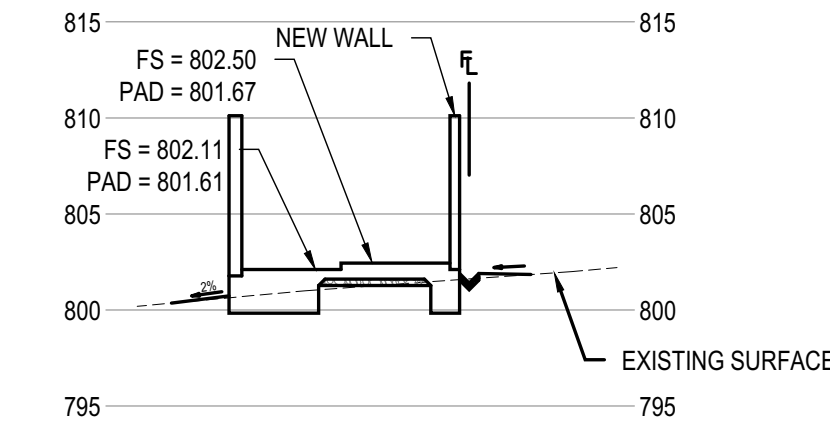
Grading and Drainage Note:

- Provisions shall be made for contributory drainage at all times.
- Tenant shall maintain drainage devices and keep free of debris.
- A property line survey, prepared by a California licensed land surveyor may be required by the building official based upon site conditions in accordance with LACBC Section 108.1.
- No work is allowed within the protected zone of oak tree without an oak tree report and permit.
- Surround the construction area with silt fence, gravel bags, or fiber rolls during rainy season between October 15th and April 15th.
- Finish floor shall be a minimum of 8 inches above finish grade immediately outside the building.



Section A-A

Scale 1"=10'

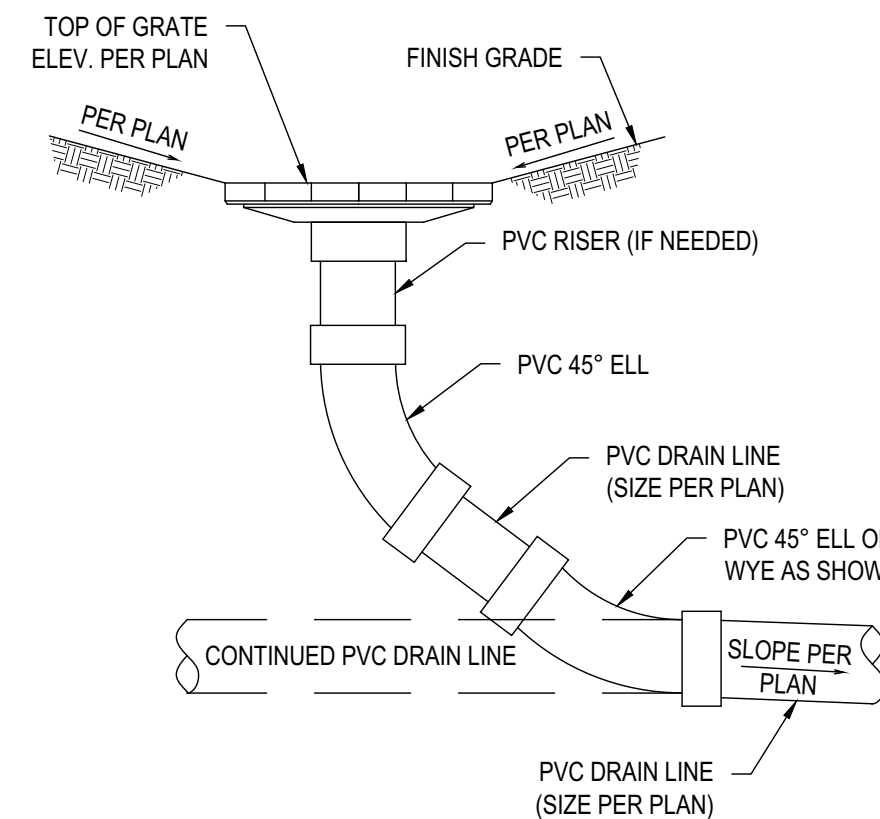


Section B-B

Scale 1"=10'

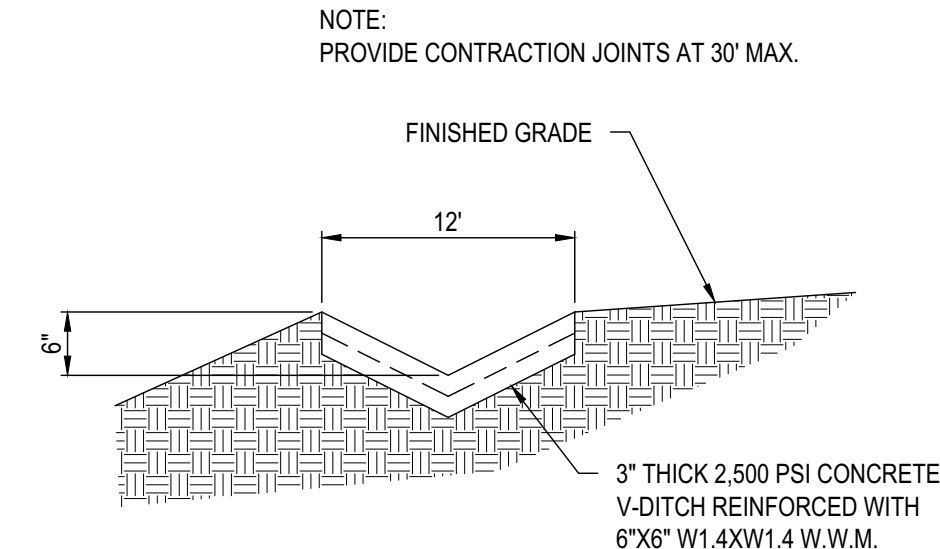
Construction Note

- Construct concrete pad per detail on architectural plan.
- Install 4" dia. SCH 40 PVC pipe drain.
- Install 6" dia. atrium drain per detail.
- Install concrete V-ditch per detail.
- Install 8" x 8" x 3' gravel drywell per detail.
- Install 4" dia. SCH-40 perforated PVC pipe drain system.
- Construct 8" CMU wall per architectural plan.
- Install pop up emitter.
- Install 4' wide foot path with steps made from railroad tie. See architectural details sheet D-1.



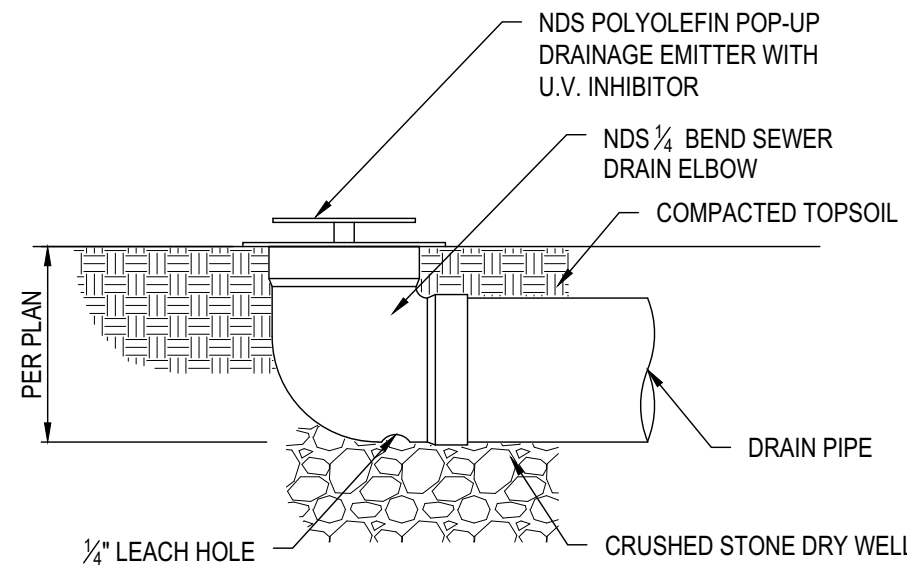
Detail Inlet Drain

Not to scale



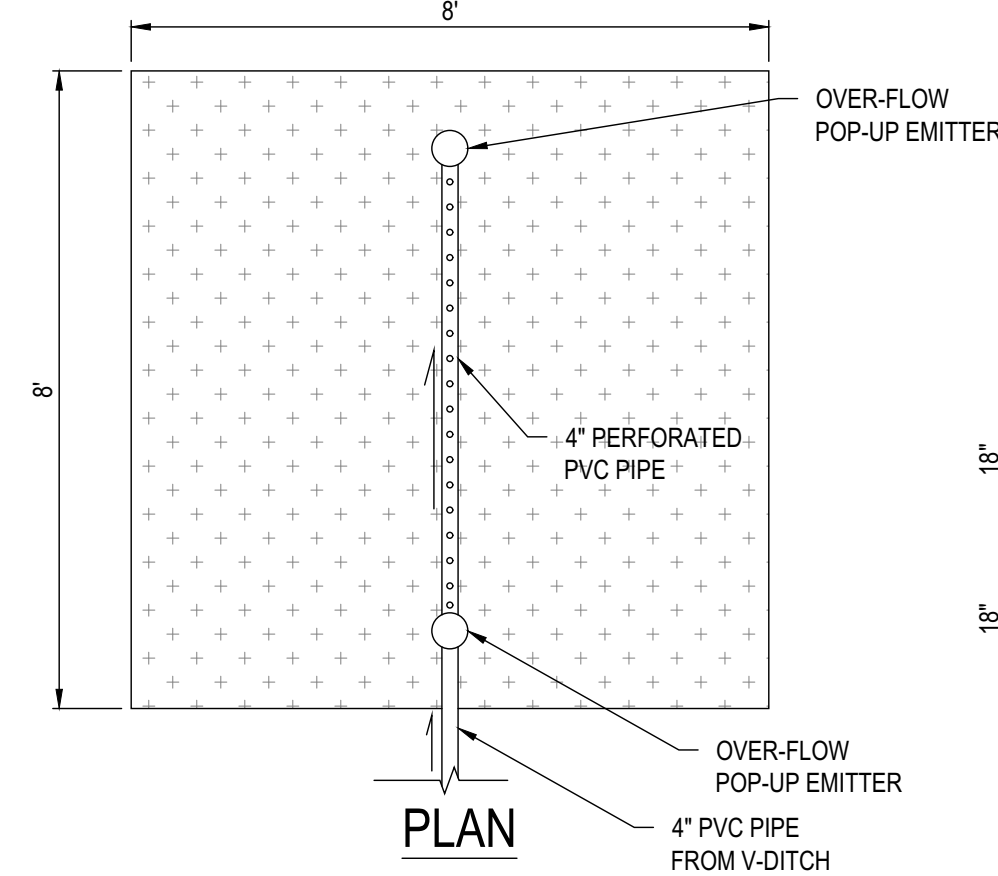
Detail Concrete V-Ditch

Not to scale



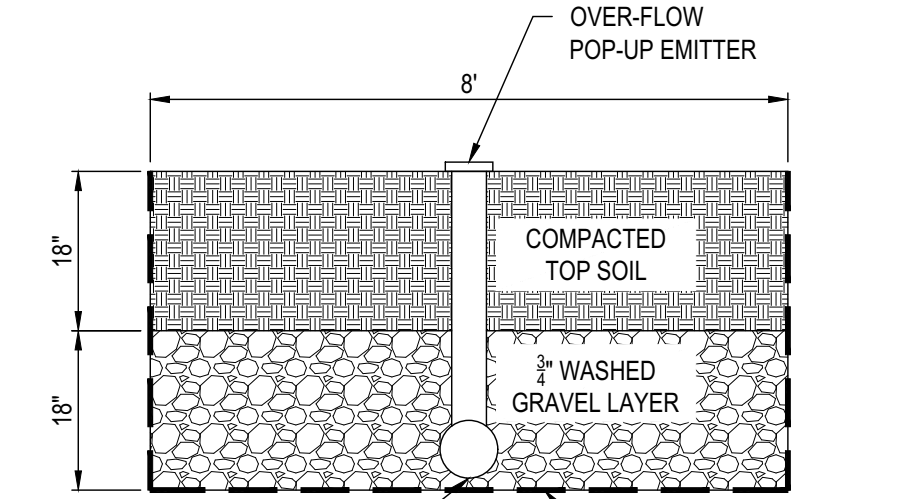
Detail Drainage Pop-up Emitter

Not to scale



Detail Gravel Dry Well

Not to scale



Section

OWNER/SUBDIVIDER:
JUSTIN ROBINSON
TELEPHONE (714) 863-4366

VERIZON RIDGEVIEW
PRECISE GRADING & DRAINAGE PLAN
PROJECT ADDRESS
18814U AMBERLY PLACE, ROWLAND HEIGHTS, CA 91748
(APN: 8269-004-900 AND 8269-004-900)

PLANS PREPARED BY:
W. H. ENGINEERING GROUP
NORTH-CA 1590 OAKLAND RD, SUITE 112, SAN JOSE, CA 95131
SOUTH-CA: 25 MALIBU, SUITE 323, IRVINE, CA 92618
INFO@WHENGINEERINGGROUP.COM
PHONE: 949-229-3357

REGISTERED PROFESSIONAL ENGINEER
STATE OF CALIFORNIA
NO. 68816
EXP. 12/31/2023

DESIGNER	DESIGNED BY	DRAFTED BY	CHECKED BY	APPROVED BY	REVISIONS	DATE	NO.

PROJECT NO.:
202231

SHEET NO.:
2 OF 4

10/28/2022
DATE

W. LIN MAUNG CHEN
R.C.E. 033467 EXP. 3/31/2023



- Owner or Authorized Representative (Permittee) _____ Date _____
2. Developers/contractors are responsible to inspect all Erosion Control Devices and BMPs are installed and functioning properly as required by the State Construction General Permit. A construction site inspection checklist and inspection log shall be maintained at the project site at all times and available for review by the Building Official.

[illegible]



PROPOSED

Rowland Water District
COMMITTEE & ORGANIZATION ASSIGNMENTS - 2023
Board of Directors

Last Approved by the Board on December 13, 2022

Committee	Current Assignments	Notes
Association of California Water Agencies	Director Bellah Director Lewis	
ACWA/Joint Powers Insurance Authority	Director Hsu <u>Lu-Yang</u> Director Lewis <u>Hsu</u> (Alternate)	
ACWA Region 8	Director Lewis	
Los Angeles County Sheriff's Department Advisory Council	Director Lu-Yang	
PWR Joint Water Line Commission	Director Lima Director Bellah	
Puente Basin Water Agency	Director Lewis Director Lima Tom Coleman (Alternate)	
Rowland Heights Community Coordinating Council	Director Bellah Director Lu-Yang	
RWD Project Ad-Hoc Committee	Director Lima Director Lu-Yang	
San Gabriel Valley Regional Chamber of Commerce-Government Affairs Committee	Director Bellah Director Lewis (Alternate)	
Three Valleys Municipal Water District	Director Lima Director Lu-Yang	



**RESOLUTION NO. 2.1-2023
ROWLAND WATER DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS
NOMINATING ITS JPIA BOARD MEMBER SZU PEI LU-YANG
TO THE EXECUTIVE COMMITTEE OF THE
ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")**

WHEREAS, the Rowland Water District ("District") is member district of the JPIA that participates in all four of its Programs: Liability, Property, Workers' Compensation, and Employee Benefits; and

WHEREAS, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's **Executive Committee**, the member district must place into nomination its member of the JPIA Board of Directors for such open position; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rowland Water District that its member of the JPIA Board of Directors, Szu Pei Lu Yang, be nominated as a candidate for the **Executive Committee** for the election to be held during the JPIA's Spring 2023 Board of Directors' meeting.

BE IT FURTHER RESOLVED that the JPIA staff is hereby requested, upon receipt of the formal concurrence of three other member districts to affect such nomination.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the JPIA at:

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

PASSED, APPROVED, AND ADOPTED at the regular meeting of the Board of Directors held February 14, 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SZU PEI LU-YANG
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 February 14, 2023.

TOM COLEMAN
Board Secretary



Rowland Water District – Board Report

February 14, 2023



Customer Communications

Consumer Confidence Report

- Wireframe drafted
- General Manager letter drafted

Eblast Template revised



District Outreach

District factsheet updated to 2023

Boardroom artwork development

District history video revised

Board workshop planning



Website/Graphics Enhancements

Updated videos and sliders as needed

Branding style guide draft complete

Branding elements revised per guidelines



Press Releases/Earned Media

District Audit Release

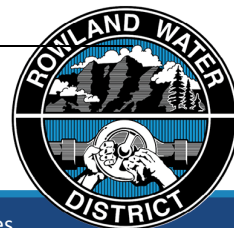
Landscape Winners Release

Landscaping Classes Release

Water Fill Station Release - Will be covered by CSDA, Covered by ACWA

Splash Cash Release - Will be covered by CSDA

Brian Bowcock Release - Will be covered by ACWA



California Infrastructure Op-Ed – Southern California News Group Coverage

HAPPY NEW YEAR
THE PRESS-ENTERPRISE
AN EDITION OF THE REGISTER
SERVING RIVERSIDE AND SURROUNDING AREAS
Sunday, January 1, 2023 \$2.50 FACEBOOK.COM/THEPRESSENERPRISE TWITTER.COM/PRESSENERPRISE pressenterprise.com

THE ORANGE COUNTY
REGISTER

Whittier Daily News

SAN GABRIEL VALLEY TRIBUNE

THE SUN

CALIFORNIA

Water conservation is not enough

By Tom Coleman and
Federico Barajas

Pasadena Star-News

PRESS-TELEGRAM

DAILY BREEZE

DAILY BULLETIN

Redlands Daily Facts

As California confronts another extended drought and its impacts, it is more obvious than ever that the state has failed to address its water supply and management challenges for far too long.

The immediate fallout of the unprecedented situation we find ourselves in is frightening: local residents with wells running dry; urban water rationing and critical shortages; massive fallowing of some of the nation's most productive agricultural land and the resulting impacts on food prices; and significant uncertainty about our ability to adapt to the future. The long-term effects are even more dire.

The viability of California's \$3.4 trillion economy is at stake. Consequences to the state's agricultural enterprise have already begun to show, with rural communities experiencing \$1.2 billion in direct losses and hundreds of thousands of acres fallowed in 2021, and more expected in 2022.

Despite tens of billions of dollars in voter-approved water resource bonds over the last 25 years, Californians have been unable to build any significant storage or conveyance facilities due to permitting delays and bureaucracy. History shows we can do better – the 1950s-1960s construction of the federal Central Valley Project (CVP) and State Water Project (SWP) are evidence of Cal-

ifornia's ingenuity and foresight. Sadly, we failed to build upon that legacy.

In August, Governor Gavin Newsom unveiled strategies to address the water crisis. He called for legislation to streamline permitting for ocean desalination, brackish groundwater treatment and stormwater capture – the types of projects water suppliers have been doing, or attempting to do, for decades.

Climate modeling predicts a future with fewer but more intense years of significant rain, interspersed by dry periods. Our water system, once the envy of the country, has been stretched to its limits and must adapt to this changing future. However, with this challenge comes opportunity – we can match the vision of prior generations and restore the reliability of our water system to deliver a fundamental human right – the right to water.

California needs to build projects now, with the same urgency state leaders demonstrated in quickly rebuilding freeways after the 1994 Northridge earthquake and repairing Oroville Dam after it was damaged by heavy rains in 2017. The state needs to rapidly implement an all-of-the-above approach to water supply reliability – which must include improved conveyance systems and more water storage.

Enhanced conveyance will enable us to move water rapidly during the years it's available to store for periods when Mother Nature is less generous. There are

multiple solutions to this challenge, including restoring the capacity of existing infrastructure that has been damaged, like the San Luis Canal, the California Aqueduct and the Delta-Mendota Canal, as well as constructing new and improved projects like the Delta Conveyance Project.

Increased water storage is a critical tool to a more resilient water future for all Californians. Storage systems like Sites Reservoir and expanding existing reservoirs like San Luis Reservoir and Los Vaqueros Reservoir have been on the drawing board for too long. These improvements, which have all been decades in development, will capture enough water from extreme rainy seasons to supply over 3.8 million households for a year. There is no question that these projects, if constructed, would help to mitigate the impacts during the difficult drought we are currently experiencing.

Now is the time for the state to eliminate environmental logjams and bureaucratic red tape to start building these projects and solve its water supply crisis. Planning is not enough, nor is the timeworn advice to the public to just conserve. Conservation is not enough to solve this problem.

Tom Coleman has served as general manager at Rowland Water District in Rowland Heights. Federico Barajas is executive director of the San Luis & Delta-Mendota Water Authority in Los Baños.



Community Outreach Update | February 14, 2023 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	741
Tweets	14
Tweet Impressions	968
Profile Visits	161
Mentions	0

Twitter Top Performing Post:

**Rowland Water District** @RowlandWater · Jan 19



👤🚨 Our 6-month long, paid internship is open and accepting applications!

▶ Visit bit.ly/34RigEk for detailed job description, benefits & to apply. The deadline to apply is February 17th!...

❤️
3

↻
1

💬
0

Impressions ⓘ
152

Engagements ⓘ
13

Detail expands ⓘ
0

New followers ⓘ
0

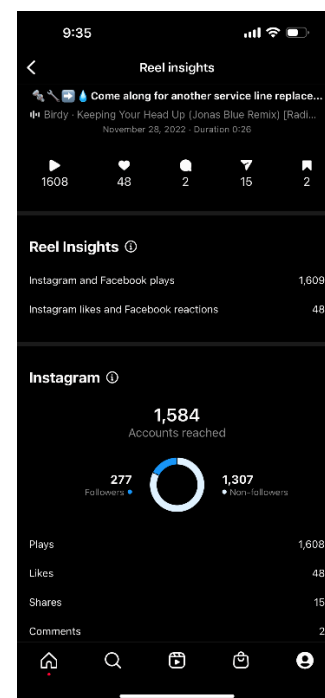
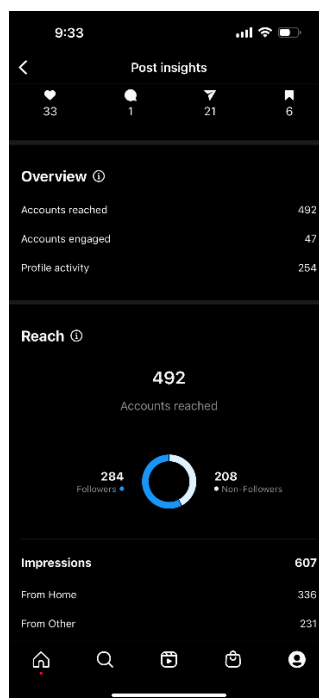
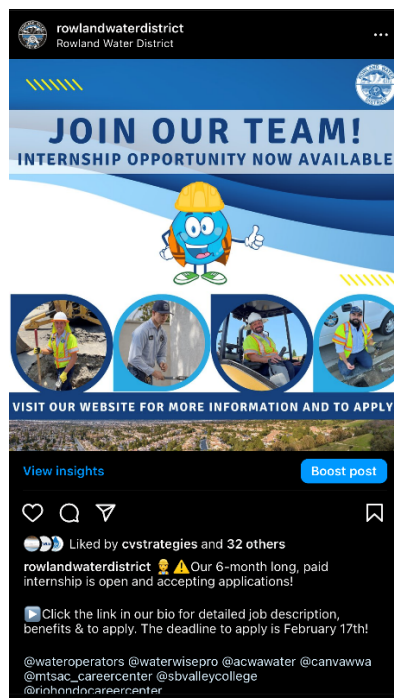
Profile visits ⓘ
4



Instagram:

Measurement	Total
Total Followers	1,142
Post Engagement	152
Impressions (Total number of times post have been seen)	13,592
Profile Impressions	6,412

Instagram Top Performing Post/Reel:





WEBSITE (December 6, 2022-January 3, 2023)

Measurement	Total
Users	4,800
New Users	4,400
Returning Visitor	1,100
Pageviews	17,065

CONSTANT CONTACT-(electronic information sent to customer emails)

Total Active Contacts-11,680

January 9th- 2023 Landscape Series: 44% Open Rate

EDUCATION OUTREACH:

Landscape Series - The first of the five RWD Landscape Series was a success with over 30 in attendance. The class on Edible Gardening for Beginners was held on February 9th, and all those in attendance received workshop materials and a California native succulent. The next class is scheduled for March 16th.

ROWLAND WATER DISTRICT'S LANDSCAPE SERIES
-FREE in person landscape classes to our customers-

Edible Gardening for Beginners
February 9, 2023
4:30 - 6:30 p.m.

Residential Leak Detection
March 16, 2023
4:30 - 6:30 p.m.

Composting for a Healthy Garden
April 20, 2023
4:30 - 6:00 p.m.

Landscaping for Fire Prevention
May 18, 2023
4:30 - 6:00 p.m.

CA Native Plants
June 15, 2023
4:30 - 6:30 p.m.

Register for any of the above classes online at www.rwd.org
Classes are on a first-come, first-served basis. Customers attending the classes will receive a FREE CA Native plant.

SPACE IS LIMITED! For information and class descriptions visit rwd.org/classes

Fix a Leak Week - Mrs. Gildea is preparing for Fix a Leak Week; March 20th-March 23rd. Customers are encouraged to visit the District's customer serve lobby where they will be given a free conservation giveaway.



Landscape Makeover Program - Keith Fouts, Brittanie Gildea and Gabby Sanchez, along with a representative of California Native Landscape Design, the program's landscape design architect, completed pre-inspection site visits which involved meeting with the customer, measuring the yard, and discussing program elements. Landscape retrofits, which will be completed by Quezada Pro Landscaping, are set to start in April.

Mini Science and Solar Challenge Programs - Mrs. Gildea has 530 4th-6th grade students participating in the Mini Science and Mini Solar Challenge programs. Students represent five schools within Rowland Unified School District.

Mini Solar Boat Races will be held at Nogales High School on March 23rd with races commencing at 9:00 a.m.

Other Water Education/Outreach Activities


- Staff continues attending monthly Conservation and Education Team (CET) meetings. Teachers are encouraged to visit: <https://pwagcet.org/> for resources on water-related lessons and grants.
- Staff continues attending Metropolitan Water District (MWD) education and Water Use Efficiency (WUE) meetings.

Lagerlof, LLP

155 NORTH LAKE AVENUE, 11TH FLOOR
PASADENA, CALIFORNIA 91101
PHONE: (626) 793-9400 ♦ FAX (626) 793-5900

William F. Kruse
E-MAIL: WFKRUSE@lagerlof.com

MEMORANDUM

To: Los Angeles County Independent Special Districts
From: William F. Kruse, Special Counsel 
Date: January 31, 2023
Subject: Special Election Results; LAFCO Commissioner

The special election to fill the vacancy for LAFCO Commissioner closed as of 5:00 p.m. on January 27, 2023. Twenty-eight (28) valid ballots were received. The results are as follows:

1. For VOTING REPRESENTATIVE:

STEVEN APPLETON received 7 votes

ROBERT W. LEWIS received 11 votes

SHARON S. RAGHAVACHARY received 5 votes

YVETTE STEVENSON-RODRIGUEZ received 5 votes

Mr. Lewis will serve as LAFCO Voting Representative with his term ending May 4, 2026.

Thank you for participating in the election.

LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES

NOTICE OF VACANCY OF LAFCO ALTERNATE PUBLIC MEMBER

There is a vacancy for the office of Alternate Public Member of the Local Agency Formation Commission for the County of Los Angeles (LAFCO). Any vacancy in the membership of the Commission is filled by appointment by the body which originally appointed the member whose office has become vacant. The remaining term of office of the Alternate Public Member expires on May 1, 2024. Thereafter, the term of office is four (4) years, with no restrictions against the incumbent seeking re-appointment.

LAFCO is a State-mandated Commission charged with the responsibility to provide for the orderly formation and growth of cities and special districts. LAFCO consists of nine (9) regular members and six (6) alternate members. One regular member (and alternate member) represents the general public.

Pursuant to State law, LAFCO reviews and holds public hearings on proposals for boundary changes for 88 cities and 89 special districts in Los Angeles County. The Commission is also responsible for preparing and adopting municipal service reviews of the cities and special districts, and determining and periodically updating their spheres of influence.

The Commission consists of nine (9) regular members and six (6) alternate members, including representatives from the County of Los Angeles Board of Supervisors, the City of Los Angeles, the San Fernando Valley, and the other 87 cities, and the independent special districts in Los Angeles County. The Public Member is a regular member of the Commission and represents the general public. The Public Member and Alternate Public Member are appointed by the other members of the Commission. The Alternate Public Member serves and votes in place of the Public Member when the Public Member is absent or disqualified from participating in a meeting of the Commission.

The Commission meets once a month in downtown Los Angeles at the Kenneth Hahn Hall of Administration (500 West Temple Street). Members currently receive \$150 per meeting attended, plus mileage expenses for travel to and from meetings.

Prospective applicants must be a resident of Los Angeles County. No Public Member or Alternate Public Member shall be an officer or employee of the County of Los Angeles or serve on any city or special district within the territory of the County of Los Angeles. This restriction applies at the time of appointment, meaning that applicants whose application indicates an intent to resign or retire prior to final appointment from any prohibited office, employment, or appointment may still be considered by the Commission.

An application is available on the homepage of LAFCO's website (www.lalafco.org). The deadline to submit an application is 5:00 p.m. on Monday, March 13, 2023. Applications can be submitted in person, by U.S. mail or courier (LAFCO, 80 South Lake Avenue, Suite 870, Pasadena, California, 91101), or by e-mail to Alisha O'Brien (aobrien@lalafco.org). The office hours are Monday – Thursday, 9:00 a.m. to 5:00 p.m., closed Fridays and Holidays.

Should you have any questions, please contact Alisha O'Brien, LAFCO Government Analyst, at 626/204-6500.



Local Agency Formation Commission for the County of Los Angeles
80 South Lake Avenue, Suite 870, Pasadena, CA 91101
Telephone: (626) 204-6500 Fax: (626) 204-6507

APPLICATION FOR ALTERNATE PUBLIC MEMBER LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES (LAFCO)

Prospective applicants must be a resident of Los Angeles County. No Public Member or Alternate Public Member shall be an officer or employee of the County of Los Angeles or serve on any city or special district within the territory of the County of Los Angeles. This restriction applies at the time of appointment, meaning that applicants whose application indicates an intent to resign or retire prior to final appointment from any prohibited office, employment, or appointment may still be considered by the Commission.

**Applications must be submitted to LAFCO no later than
Monday, March 13, 2023, at 5:00 p.m.**

Name:

Address:

Telephone:

E-mail:

Current Occupation:

Date : From/To

Employer:

Qualifications:

How did you hear about us?

Why do you wish to serve on LAFCO?

Are you available to attend monthly meetings generally scheduled on the second Wednesday of the month at 9:00 a.m. in downtown Los Angeles?

☐ YES ☐ NO

Have you attended LAFCO meetings?

☐ YES ☐ NO

Are you a resident of Los Angeles County?

☐ YES ☐ NO



Are you an officer, employee, or appointee to a commission/board of the County of Los Angeles or any city or special district (an agency of the state, formed pursuant to general law or special act, for the local performance of government or proprietary functions within limited boundaries) with territory in the County?

☐

YES

☐

NO

If yes, name agency:

If selected by the Commission, would you be willing to resign or retire from your office, employment, or appointment by the County, city, or special district prior to your selection as the Alternate Public Member?

☐

YES

☐

NO

If you need additional space, please attach extra sheets.

CONSENT AND CERTIFICATION

Please check the following boxes and sign and date the application below.

☐

I have reviewed the description of qualifications and duties for the position and am able to perform all duties and am willing to serve the Commission as an Alternate Public Member.

☐

I understand that if appointed to Los Angeles LAFCO I will be required to comply with FPPC disclosure regulations and file annual statements of financial interests.

☐

I certify that the information contained in this application is true and correct. I authorize the verification of the information in this application.

SIGNATURE: _____

DATE: _____



California Special
Districts Association
Districts Stronger Together



**GET INVOLVED
IN CSDA**

CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS - SEAT C

Deadline: April 6, 2023

The California Special Districts Association Elections and Bylaws Committee is looking for independent special district board members or their general managers who are interested in leading the direction of CSDA for the 2024 - 2026 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network they seek to represent (see the [CSDA network map](#)).

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, professional development, and other resources for members. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

Commitment and Expectations:

- Attend all board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.

- *(CSDA reimburses directors for their related expenses for board and committee meetings as outlined in board policy).*
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the Spring, and the CSDA Annual Conference - held in the Summer/Fall.
 - *(CSDA does **not** reimburse expenses for the two conferences even if a board or committee meeting is held in conjunction with the event).*
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected.
 - *(CSDA does **not** reimburse expenses for the academy classes even if a board or committee meeting is held in conjunction with the event).*

Nomination Procedures:

Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors) for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action along with the [Candidate Information Sheet](#) must accompany the [Nomination Form](#). The deadline for receiving nominations for the Northern, Sierra, Coastal and Southern Networks is April 6, 2023. Where there is no incumbent running in the Bay Area and Central Networks the deadline for receiving nominations is April 17, 2023. Nominations and supporting documentation may be mailed or emailed**

Mail: 1112 I Street, Suite 200, Sacramento, CA 95814

Fax: 916.442.7889

Email: amberp@csda.net

Once received, nominees will receive a candidate's letter in the mail. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

CSDA will begin electronic voting on June 5, 2023. All votes must be received through the system no later than 5:00 p.m. July 14, 2023. The successful candidates will be notified no later than July 18, 2023. All selected Board Members will be introduced at the Annual Conference in Monterey, CA in August 2023.

Expiring Terms

(See [geographic network map](#) for network breakdown)

Northern Network Seat C - Fred Ryness, Burney Water District*

Sierra Network Seat C - Pete Kampa, Groveland Community Services District*

Bay Area Network Seat C - Vacant

Central Network Seat C - Steve Perez, Rosamond Community Services District

Coastal Network Seat C - Vincent Ferrante, Moss Landing Harbor District*

Southern Network Seat C - Arlene Schafer, Costa Mesa Sanitary District*

(* = Incumbent is running for re-election)

CSDA will be using a web-based online voting system, allowing your district to cast your vote easily and securely. Electronic Ballots will be emailed to the main contact in your district June 5, 2023. All votes must be received through the system no later than 5:00 p.m. July 14, 2023.

*Districts can opt to cast a paper ballot instead; but you must contact Amber Phelen by e-mail at amberp@cda.net by **April 6, 2023** in order to ensure that you will receive a paper ballot on time.*

CSDA will mail paper ballots on June 5, 2023 per district request only.

If you have any questions, please contact Amber Phelen at amberp@cda.net.



**California Special
Districts Association**
Districts Stronger Together

2023 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: _____

District: _____

Mailing Address: _____

Network: _____ (see map)

Telephone: _____

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: _____

E-mail: _____

Nominated by (optional): _____

**Return this form, a Board resolution/minute action supporting the candidate, and
Candidate Information Sheet by mail or email to:**

CSDA
Attn: Amber Phelen
1112 I Street, Suite 200
Sacramento, CA 95814
(877) 924-2732

amberp@csda.net

DEADLINE FOR RECEIVING NOMINATIONS:

Northern, Sierra, Coastal and Southern Networks: **April 6, 2023 at 5:00 p.m.**

Bay Area and Central Networks: **April 17, 2023 at 5:00 p.m.**



**California Special
Districts Association**
Districts Stronger Together

2023 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: _____

District/Company: _____

Title: _____

Elected/Appointed/Staff: _____

Length of Service with District: _____

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

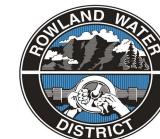
4. List civic organization involvement:

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot.**

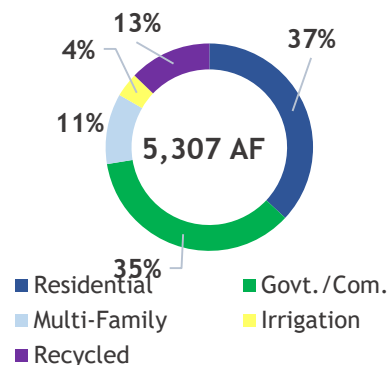


ROWLAND WATER DISTRICT FINANCIAL DASHBOARD

December 31, 2022



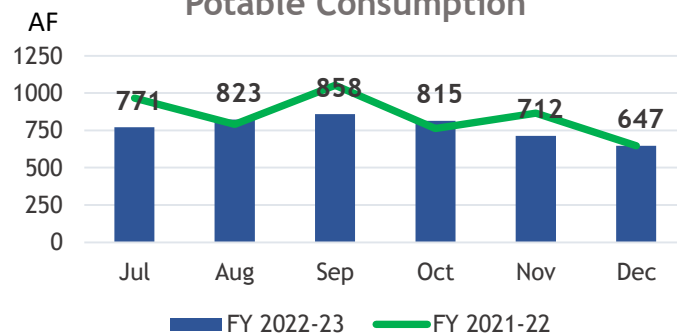
Consumption by Class 1



91% of Prior Year

49% of Budget 2

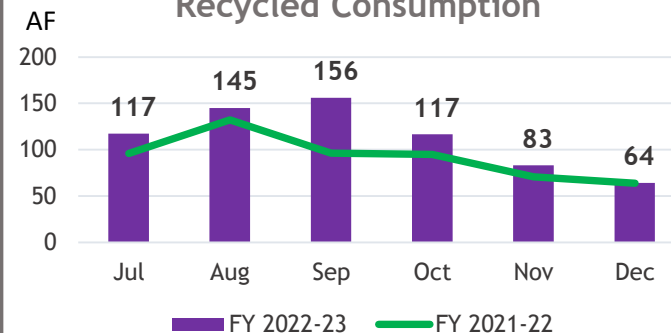
Potable Consumption



123% of Prior Year

66% of Budget 3

Recycled Consumption



YTD Revenue
Annual Budget

\$15,529,708
\$29,582,400

52% 4

YTD Expense
Annual Budget

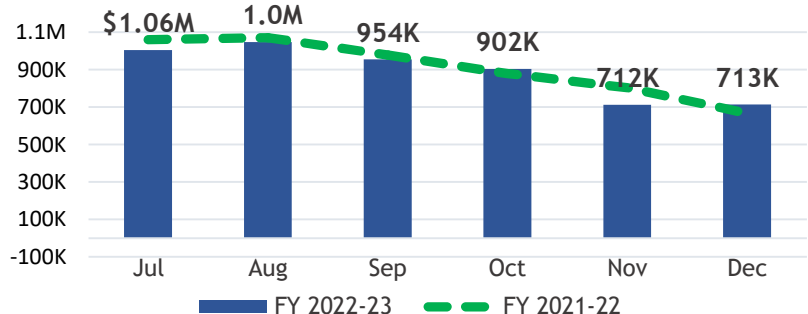
\$10,682,969
\$22,673,600

47% 5

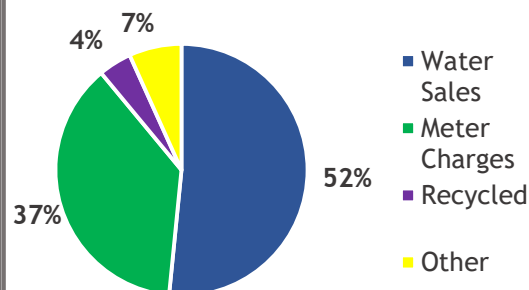
YTD Water Purchases
of \$5.3 M

50% of YTD Expense

Water Purchases 6



Revenues by Category 7



CIP Completion 8

