



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 11, 2025, 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 11, 2025 -- 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

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

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 Palomares, Executive Services Manager, at (562) 383-2323, or writing to Rowland Water District, at 3021 Fullerton Road, Rowland Heights, CA 91747. 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.

DIRECTOR REMOTE PARTICIPATION PURSUANT TO GOV. CODE §54953(f)

- Notifications Due to Just Cause
- Requests Due to Emergency Circumstances

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 14, 2025

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

1.2 Demands on General Fund Account for January 2025

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

1.3 Investment Report for December 2024

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

1.4 Water Purchases for December 2024 - For information only.

1.5 California Reservoir Conditions – For information only.

Special Board Meeting: February 25, 2025

Regular Board Meeting: March 11, 2025

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 for January 2025

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

2.2 Review and Approve "Final" Rowland Water District Financial Audit Report for Fiscal Year 2023-2024, Prepared by Nigro & Nigro, PC

Recommendation: The Board approve the "Final" Rowland Water District FY 2023-2024 Financial Audit as included in the Board packet.

2.3 **Request for Additional Funds for Reservoir 2 and 16 Inlet Cla-Val Installation in the amount of \$106,000**

Recommendation: The Board approve additional funds in the amount of \$106,000 for the installation of an inlet cla-val at Reservoirs 2 and 16.

2.4 **Request for Additional Funds for the Rehabilitation of Well 1 in the amount of \$70,000**

Recommendation: The Board approve additional funds in the amount of \$70,000 for the rehabilitation of Well 1.

2.5 Consider Adoption of Resolution No. 2-2025, Concurring in Nomination to the Executive Committee of the ACWA/JPIA Chris Kapheim

Recommendation: The Board adopt Resolution No. 2-2025.

2.6 San Gabriel Valley Council of Governments (SGVCOG) Affiliate Partnerships Program

Recommendation: The Board consider joining SGVCOG Affiliate Partnerships Program.

2.7 **Procurement Procedures Policy**

Recommendation: The Board receive staff's verbal update on the District's draft Procurement Procedures Policy.

3. PUBLIC RELATIONS

3.1 [Community Relations & Education Update](#)

Mrs. Gildea

3.2 [Communications Outreach](#)

CV Strategies

4. DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS

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

4.1 Rowland Water District Discover Fest – May 10, 2025, 10:00 a.m. – 2:00 p.m.

5. LEGISLATIVE INFORMATION

5.1 [AB 259 \(Rubio\): Open Meetings: Local Agencies: Teleconferences.](#)

6. REVIEW OF CORRESPONDENCE

6.1 [ACWA/JPIA Workers' Compensation, Liability, and Property Risk Assessment Visit](#)

6.2 [ACWA/JPIA H.R. LaBounty Safety Award](#)

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

7.1 Joint Powers Insurance Authority

Directors Lu-Yang/Hsu

7.2 Three Valleys Municipal Water District

Directors Lima/Bellah

7.3 Association of California Water Agencies

Directors Lewis/Bellah

7.4 Puente Basin Water Agency

Directors Lewis/Lima

7.5 Project Ad-Hoc Committee

Directors Lima/Lu-Yang

7.6 Regional Chamber of Commerce-Government Affairs Committee

Directors Bellah/Lewis

7.7 P-W-R Joint Water Line Commission

Directors Lima/Bellah

7.8 Rowland Heights Community Coordinating Council

Directors Lu-Yang/Bellah

7.9 Local Agency Formation Commission

Director Lewis

8. OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

8.1 [Finance Report](#)

Mrs. Malner

8.2 Operations Report

Mr. Davidson

8.3 Project Updates

Mr. Moisio

8.4 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 Anaheim & Puente Road
City of Industry, CA

District Negotiator: Tom Coleman, General Manager

Negotiating Parties: City of Industry

Under Negotiation: Price and Terms

b. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [§54956.9]

Paragraph (1) of subdivision (d) of §54956.9

Haste, et al. vs Rowland Water District

c. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One case.

d. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:
One case.

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 John Bellah, Presiding



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
January 14, 2025 – 6:00 p.m.
Board Room: 3021 Fullerton Road, Rowland Heights CA 91748
Via Zoom at: <https://us02web.zoom.us/j/8759899861>

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

President John Bellah

Vice President Vanessa Hsu (participated remotely)

Director Robert W. Lewis

Director Anthony J. Lima

Director Szu Pei Lu-Yang

Legal Counsel Joseph Byrne noted Director Vanessa Hsu's remote participation in compliance with AB 2449 (Government Code Section 54953(f)).

ABSENT:

None.

OTHERS PRESENT:

Joseph Byrne, Legal Counsel, Best Best & Krieger

Mike Ti, TVMWD

Erin La Combe, CV Strategies

Tara Bravo-Mullaly, CV Strategies

Paul Kaymark, Nigro & Nigro, PC (participated remotely)

Jody Roberto, TVMWD (participated remotely)

Kirk Howie, TVMWD (participated remotely)

ROWLAND WATER DISTRICT STAFF

Tom Coleman, General Manager

Dusty Moisio, Assistant General Manager

Myra Malner, Director of Finance

Allen Davidson, Director of Operations

Gabriela Palomares, Executive Services Manager

Robert Leamy, Water Systems Supervisor
Brittnie Gildea, Social Media & Marketing Coordinator

ADDITION(S) TO THE AGENDA – None.

PUBLIC COMMENT ON NON-AGENDA ITEMS - General Manager Tom Coleman took a moment to comment on the current wildfires in Southern California, water reliability, and RWD's support in aiding water district's affected by the Eaton fire.

1. CONSENT CALENDAR

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

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

Approval of the Consent Calendar included:

- 1.1 Approval of Minutes of Regular Board Meeting held on December 10, 2024
- 1.2 Demands on General Fund Account for December 2024
- 1.3 Investment Report for December 2024
- 1.4 Water Purchases for November 2024
- 1.5 California Reservoir Conditions
- 1.6 Reschedule the November 11, 2025, Regular Board meeting to November 4, 2025

2. ACTION ITEMS

2.1 Review and Approve "Draft" Rowland Water District Financial Audit Report for Fiscal Year 2023-2024 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" 2023-2024 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, 2024, 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 Lu-Yang, seconded by Director Lima, the Directors unanimously approved (5-0) the "draft" RWD Financial Statements and Independent Auditor's Report for Fiscal Year ended June 30, 2024, by the following roll call vote:

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

(Motion Passed 5-0)

2.2 Review and Approve Directors' Meeting Reimbursements for December 2024

Upon motion by Director Lima, seconded by Director Lewis, 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
Abstain: None
Absent: None

Motion passed (5-0)

2.3 Receive and File Puente Basin Water Agency Financial Statements for Fiscal Year 2023-2024 Prepared by C.J. Brown & Company CPAs

Following discussion, upon motion by Director Lewis, seconded by Director Lu-Yang, the Board unanimously received and filed the Puente Basin Water Agency Audit Report for Fiscal Year 2023-2024. The motion was approved as follows:

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

Motion passed (5-0)

2.4 Receive and File the Pomona-Walnut-Rowland Joint Water Line Commission Financial Statements for FY 2023-2024 Prepared by Fedak & Brown LLP

Following discussion, upon motion by Director Lima, seconded by Director Hsu, the Board unanimously received and filed the Pomona-Walnut-Rowland Joint Water Line Commission Financial Statements for Fiscal Year 2023-2024. The motion was approved as follows:

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

Motion passed (5-0)

2.5 Urban Water Institute Call for Nominations for Board of Directors

Board members received the Urban Water Institute's call for nomination. However, there was no interest in nominating one of their own for consideration.

2.6 Approve Changes in the IRS Mileage Rate from 67 to 70 Cents Effective January 1, 2025

Upon motion by Director Lu-Yang, seconded by Director Lima, the Board unanimously approved changes in the IRS mileage rate from 67 to 70 cents effective January 1, 2025. The motion was approved as follows:

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

Motion passed (5-0)

3. PUBLIC RELATIONS

3.1 Community Relations and Education Update

Board members received a presentation by Brittne Gildea, Social Media and Marketing Coordinator, on the District's newly launched residential irrigation retrofit program. This program offers \$650 for irrigation retrofits to RWD residential customers who meet two criteria: they must reside in an identified disadvantaged community (DAC) and participate in MWD's free water efficiency survey. Additionally, the Board received an update on educational programs, including the annual poster contest, Scholar Dollar, and Splash Cash initiatives.

3.2 Communications Outreach (CV Strategies)

Erin La Combe noted that CV Strategies, on behalf of the District, prepared and distributed press releases in December focusing on the District's State of the District presentation, annual report, and educational programs. These press releases were distributed to local media outlets and received traction from the Association of California Water Agencies.

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

4.1 Directors interested in attending the Three Valleys Leadership Breakfast on February 27, 2025, were asked to advise staff accordingly.

5. LEGISLATIVE INFORMATION

General Manager Tom Coleman briefed the Board on two recent actions by Governor Newsom: the declaration of a State of Emergency to aid the communities affected by the recent Southern California wildfires, and the introduction of a proposed spending framework for Proposition 4's \$10 billion climate bond initiative.

6. REVIEW OF CORRESPONDENCE

6.1 The Board received a "President's Special Recognition Award" certificate from the ACWA/JPIA for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in the Property Program for the period 7/1/2020-6/30/2023.

7. COMMITTEE REPORTS

7.1 Joint Powers Insurance Authority – Director Lu-Yang spoke on ACWA/JPIA Executive Committee matters, advising that four (4) Executive Committee member seats will be up for reelection in May 2025.

7.2 Three Valleys Municipal Water District – Director Bellah reported on the December 18, 2024, TVMWD Board meeting activities.

7.3 Association of California Water Agencies – Director Lewis noted that he will attend the February 25-27, 2025, ACWA DC Conference.

7.4 Puente Basin Water Agency (PBWA) – Directors Lewis and Lima reported on the December 12, 2024, PBWA meeting activities.

7.5 Project Ad-Hoc Committee – None.

7.6 Regional Chamber of Commerce – None.

7.7 P-W-R Joint Waterline Commission – The next meeting is scheduled for February 13, 2024.

7.8 Rowland Heights Community Coordinating Council (RHCCC) – Director Bellah attended the January 13, 2025, RHCC meeting where Krystal Moreno of the office of Senator Susan Rubio briefed the group on the Eaton fire.

7.9 Local Agency Formation Commission – None.

8. OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

8.1 Finance Report

Director of Finance, Myra Malner, presented a year-to-date Financial Dashboard containing comparative graphs of Revenue and Expense by Category and Consumption by Class through November 2024 and answered questions posed by Board members.

8.2 Operations Report

The Board was provided with the field operations tasks completed during December 2024 and calendar year totals (as listed below):

December 2024

- Water Samples - 253
- Site Inspections – 82
- Service Orders Completed - 275
- Meters Replaced - 30
- Modules Replaced - 12
- Dig Alerts - 292
- Service Lines Replaced - 5
- System Valves Replaced - 0
- Air Releases Inspections - 0
- Recycled Water Inspections – 11

2024 Calendar Year

- Water Samples - 2586
- Site Inspections – 875
- Service Orders Completed - 4668
- Meters Replaced - 231
- Modules Replaced - 229
- Dig Alerts - 3821
- Service Lines Replaced - 58
- System Valves Replaced - 13
- Air Releases Inspections - 126
- Recycled Water Inspections – 130

8.3 Projects Update – Assistant General Manager Dusty Moisio reported on steps District field crew members performed to assess the structural integrity of the Vantage Pointe mainline. He advised that various sections of the main were exposed to examine the pipe condition, soil conditions, and backfill material quality.

8.4 Personnel Report – General Manager Tom Coleman reported on the status of the Customer Service Supervisor and Customer Service Representative recruitments.

9. ATTORNEY’S REPORT – None.

10. CLOSED SESSION – 7:35 p.m.

A Closed Session was held in connection with the items listed below:

a. Conference with Real Property Negotiator - [§54956.8]

Property: Portion of Property Located at
Anaheim & Puente Road
City of Industry
District Negotiator: Tom Coleman, General Manager
Negotiating Parties: City of Industry
Under Negotiation: Price and Terms

b. Conference with Legal Counsel – Existing Litigation [§54956.9]

Paragraph (1) of subdivision (d) of §54956.9
Haste, et al. vs Rowland Water District

c. Conference with Legal Counsel – Anticipated Litigation

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 One case.

d. Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One case.

11. Reconvene/Report on Closed Session – 8:31 p.m.

Closed Session Announcements – It was reported by Legal Counsel that the Board was briefed on the facts and circumstances of the closed session matters and no reportable action was taken on the matters.

General Manager’s and Directors’ Comments – None.

Future Agenda Item(s) – None.

Late Business – None.

A motion was made by Director Hsu to adjourn the meeting. The meeting was adjourned at 8:32 p.m.

JOHN BELLAH
Presiding Director

Attest: _____
TOM COLEMAN
Board Secretary

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
33841						
01/25	01/29/2025	33841	244	INFOSEND INC	BILLING SERVICE	2,676.11-
Total 33841:						2,676.11-
34344						
01/25	01/08/2025	34344	62524	BRITTNIE GILDEA	MILEAGE REIMBURSEMENT	54.14
01/25	01/08/2025	34344	62524	BRITTNIE GILDEA	MILEAGE REIMBURSEMENT	15.41
Total 34344:						69.55
34345						
01/25	01/08/2025	34345	62790	C & K TIRE SERVICE	FLAT REPAIR-BACKHOE	226.03
Total 34345:						226.03
34346						
01/25	01/08/2025	34346	62716	CASEY HAYES	TOTAL EXPENSES-BOOT ALLOWANCE	149.58
Total 34346:						149.58
34347						
01/25	01/08/2025	34347	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	15,912.00
01/25	01/08/2025	34347	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	15,912.00-
01/25	01/08/2025	34347	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM-CIP	3,998.40
01/25	01/08/2025	34347	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM-CIP	3,998.40-
Total 34347:						.00
34348						
01/25	01/08/2025	34348	62705	COMP	QUICK TEST	70.00
01/25	01/08/2025	34348	62705	COMP	PHYSICAL EXAM	95.00
01/25	01/08/2025	34348	62705	COMP	BAT TEST	50.00
01/25	01/08/2025	34348	62705	COMP	LIFT TEST	80.00
Total 34348:						295.00
34349						
01/25	01/08/2025	34349	62439	CVSTRATEGIES	COMMUNICATION SERVICES-PRESS RELEASES	855.00
01/25	01/08/2025	34349	62439	CVSTRATEGIES	COMMUNICATION SERVICES-ANNUAL REPORT	2,122.50
01/25	01/08/2025	34349	62439	CVSTRATEGIES	COMMUNICATION SERVICES-BOARD SUPPORT	612.50
Total 34349:						3,590.00
34350						
01/25	01/08/2025	34350	62505	D & H WATER SYSTEMS	TIDAL WAVE NON VFD MIXER	36,500.00
01/25	01/08/2025	34350	62505	D & H WATER SYSTEMS	TAX	3,467.50
01/25	01/08/2025	34350	62505	D & H WATER SYSTEMS	SHIPPING	400.00
Total 34350:						40,367.50
34351						
01/25	01/08/2025	34351	62792	ESMERALDA MALNER	MILEAGE REIMBURSEMENT	192.96
01/25	01/08/2025	34351	62792	ESMERALDA MALNER	CPA LICENSE RENEWAL	340.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34351:						532.96
34352						
01/25	01/08/2025	34352	2550	FRONTIER	PHONE SERVICE	81.60
Total 34352:						81.60
34353						
01/25	01/08/2025	34353	62822	GABRIELA S PALOMARES	MILEAGE REIMBURSEMENT	109.08
Total 34353:						109.08
34354						
01/25	01/08/2025	34354	62828	GABRIELLA LANDEROS	MILEAGE REIMBURSEMENT	51.46
Total 34354:						51.46
34355						
01/25	01/08/2025	34355	62624	HASA INC	CHEMICALS FOR RCS	291.86
01/25	01/08/2025	34355	62624	HASA INC	CHEMICALS FOR RCS	291.86
01/25	01/08/2025	34355	62624	HASA INC	CHEMICALS FOR RCS	437.79
01/25	01/08/2025	34355	62624	HASA INC	CHEMICALS FOR RCS	291.86
01/25	01/08/2025	34355	62624	HASA INC	CHEMICALS FOR RCS	729.65
01/25	01/08/2025	34355	62624	HASA INC	CHEMICALS FOR RCS	639.17
Total 34355:						2,682.19
34356						
01/25	01/08/2025	34356	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	2,226.37
01/25	01/08/2025	34356	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	740.22
01/25	01/08/2025	34356	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	1,525.59
Total 34356:						4,492.18
34357						
01/25	01/08/2025	34357	62664	M & J TREE SERVICE	HEDGE-CLEAN UP AND HAUL AWAY	1,100.00
Total 34357:						1,100.00
34358						
01/25	01/08/2025	34358	62786	NIGRO & NIGRO PC	FINAL AUDIT WORK 6/30/24	9,500.00
01/25	01/08/2025	34358	62786	NIGRO & NIGRO PC	GASB 87 CALCULATIONS	2,750.00
Total 34358:						12,250.00
34359						
01/25	01/08/2025	34359	189	NOBEL SYSTEMS	LCRR PROJECT SUPPORT SERVICES	6,800.00
01/25	01/08/2025	34359	189	NOBEL SYSTEMS	GEOVIEWER METER ROUTES MODULE ANNUAL S	5,000.00
Total 34359:						11,800.00
34360						
01/25	01/08/2025	34360	62858	NORTHSTAR CHEMICAL	SODIUM HYPOCHLORITE-WBS	1,546.08
Total 34360:						1,546.08

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
34361						
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	CIVILTEC DURWARD WELL	110.00
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	CIVILTEC WELL MGMT	300.00
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	WEST YOST-OCT 2024	2,633.08
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	WOODARD & CURRAN-OCT 2024	15,750.12
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	SERVICE & REG FEE 2525C	25.50
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	LEGAL-NOV 2024	168.75
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	CJ BROWN AUDIT FYE 06/30/24	428.00
01/25	01/08/2025	34361	5000	PUENTE BASIN WATER AGENCY	REEB-JAN 2025	2,250.00
Total 34361:						21,665.45
34362						
01/25	01/08/2025	34362	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR RES	2,507.56
01/25	01/08/2025	34362	62502	S & J SUPPLY COMPANY, INC	MATERIAL FOR VANTAGE POINT MAIN REPLACEM	2,567.20
Total 34362:						5,074.76
34363						
01/25	01/08/2025	34363	62919	SHOETERIA INC	EMPLOYEE BOOT ALLOWANCE	2,999.46
Total 34363:						2,999.46
34364						
01/25	01/08/2025	34364	5900	SOCALGAS	GAS UTILITY BILL	317.99
Total 34364:						317.99
34365						
01/25	01/08/2025	34365	62595	SWRCB ACCOUNTING OFFICE	ANNUAL PERMIT FEE	563.00
Total 34365:						563.00
34366						
01/25	01/08/2025	34366	35	TERESA RYAN	MILEAGE REIMBURSEMENT	67.00
Total 34366:						67.00
34367						
01/25	01/08/2025	34367	62626	TRI COUNTY PUMP COMPANY	PS2A PUMP 4 REPAIRS	16,278.35
Total 34367:						16,278.35
34368						
01/25	01/08/2025	34368	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	15,912.00
Total 34368:						15,912.00
34369						
01/25	01/08/2025	34369	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM-CIP	3,998.40
Total 34369:						3,998.40
34371						
01/25	01/13/2025	34371	62531	KEN GRODY FORD	2024 F-150 VIN 44719	44,712.28

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34371:						44,712.28
34372						
01/25	01/13/2025	34372	62531	KEN GRODY FORD	2024 F-150 VIN 44736	44,713.28
Total 34372:						44,713.28
34373						
01/25	01/14/2025	34373	3375	ANTHONY J. LIMA	MILEAGE REIMBURSEMENT	9.38
Total 34373:						9.38
34374						
01/25	01/14/2025	34374	62233	JOHN BELLAH	MILEAGE REIMBURSEMENT	172.86
01/25	01/14/2025	34374	62233	JOHN BELLAH	NON REIMBURSABLE EXPENSES-ACWA FALL CON	21.56-
Total 34374:						151.30
34375						
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	PM 22/PM 9 CONNECTION	331,800.00
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,882.96
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	2,394.36
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	1,435.18
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	5,648.56
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	MWD LRP CREDIT-OCT 2024	2,515.00-
01/25	01/16/2025	34375	62558	PUENTE BASIN WATER AGENCY	ADJUSTMENT FOR CAL DOMESTIC PRODUCTION-	96,575.92
Total 34375:						437,221.98
34376						
01/25	01/16/2025	34376	4750	PWR JT WATER LINE COMMISSION	PM 15 Water Use	108,186.64
01/25	01/16/2025	34376	4750	PWR JT WATER LINE COMMISSION	PM 21 Water Use	323,875.07
01/25	01/16/2025	34376	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	6,404.27
01/25	01/16/2025	34376	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,518.92
01/25	01/16/2025	34376	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	2,233.30
Total 34376:						442,218.20
34377						
01/25	01/22/2025	34377	62921	FLEET SERVICES INC.	COMPLETE ENGINE MAINTENANCE ON EOC MOT	4,950.25
Total 34377:						4,950.25
34378						
01/25	01/22/2025	34378	1000	ACWA JPIA	EMPLOYEE HEALTH BENEFITS	58,592.71
01/25	01/22/2025	34378	1000	ACWA JPIA	EMPLOYEE VISION BENEFITS	724.95
01/25	01/22/2025	34378	1000	ACWA JPIA	EMPLOYEE ASSISTANCE PROGRAM	66.96
01/25	01/22/2025	34378	1000	ACWA JPIA	EMPLOYEE DENTAL BENEFITS	4,297.68
01/25	01/22/2025	34378	1000	ACWA JPIA	RETIREES HEALTH BENEFITS	14,227.63
01/25	01/22/2025	34378	1000	ACWA JPIA	DIRECTORS HEALTH BENEFITS	9,229.82
Total 34378:						87,139.75
34379						
01/25	01/22/2025	34379	1050	ACWA JPIA	WORKERS' COMP QUARTERLY PREMIUM	21,267.08

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34379:						21,267.08
34380						
01/25	01/22/2025	34380	4600	AIRGAS USA LLC	TANK RENTAL	130.08
Total 34380:						130.08
34381						
01/25	01/22/2025	34381	62554	APPLIED TECHNOLOGY GROUP	EMERGENCY RADIOS	360.00
Total 34381:						360.00
34382						
01/25	01/22/2025	34382	400	AT&T MOBILITY	MOBILE PHONES, IPADS	1,594.80
Total 34382:						1,594.80
34383						
01/25	01/22/2025	34383	62903	CALIFORNIA WATER EFFICIENCY PAR	CALWEP MEMBERSHIP DUES	3,764.35
Total 34383:						3,764.35
34384						
01/25	01/22/2025	34384	403	CASELLE INC	CONTRACT SUPPORT CHARGES	2,265.00
Total 34384:						2,265.00
34385						
01/25	01/22/2025	34385	62700	CITIZENS TRUST C/O CITIZEN BUSIN	TRUSTEES FEES	1,999.30
Total 34385:						1,999.30
34386						
01/25	01/22/2025	34386	62309	CITY OF INDUSTRY CITY HALL	WATER SUPPLY PRODUCTION-BREA CYN/57 FWY	341.28
Total 34386:						341.28
34387						
01/25	01/22/2025	34387	62911	COMMERCE HOSE & INDUSTRIAL PR	SUPPLIES FOR RES	137.13
Total 34387:						137.13
34388						
01/25	01/22/2025	34388	62705	COMP	DOT PHYSICAL EXAM	115.00
Total 34388:						115.00
34389						
01/25	01/22/2025	34389	62645	CORE & MAIN	HACH FREE AMMONIA REAGENT/HACH POCKET C	3,610.21
Total 34389:						3,610.21
34390						
01/25	01/22/2025	34390	1270	CORELOGIC SOLUTIONS LLC	PROPERTY DATA INFO	100.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34390:						100.00
34391						
01/25	01/22/2025	34391	62535	CORE-ROSION PRODUCTS	2" BOSS FITTING, TITANIUM HARDWARE	890.85
Total 34391:						890.85
34392						
01/25	01/22/2025	34392	62882	CREATIVE MC	BLUE MINI FANS	6,190.66
Total 34392:						6,190.66
34393						
01/25	01/22/2025	34393	62891	DAVID WARREN	CONTRACT WORK ON MAKING CONSERVATION A	4,725.00
Total 34393:						4,725.00
34394						
01/25	01/22/2025	34394	62433	EMPLOYEE RELATIONS INC	BACKGROUND VERIFICATION	46.65
Total 34394:						46.65
34395						
01/25	01/22/2025	34395	2300	FEDERAL EXPRESS	POSTAGE	77.88
Total 34395:						77.88
34396						
01/25	01/22/2025	34396	2550	FRONTIER	INTERNET ACCESS	890.00
01/25	01/22/2025	34396	2550	FRONTIER	PHONE SERVICE	547.57
Total 34396:						1,437.57
34397						
01/25	01/22/2025	34397	5600	G M SAGER CONSTRUCTION	ASPHALT	22,648.75
01/25	01/22/2025	34397	5600	G M SAGER CONSTRUCTION	ASPHALT	4,439.50
Total 34397:						27,088.25
34398						
01/25	01/22/2025	34398	62878	GREENMEDIA CREATIONS	WATERWELL TRAINING CLASSES	1,884.87
Total 34398:						1,884.87
34399						
01/25	01/22/2025	34399	62812	GROWING ROOTS LLC	MONTHLY PLANT CARE	365.00
Total 34399:						365.00
34400						
01/25	01/22/2025	34400	27211	HILL BROS CHEMICAL CO	CHEMICAL FOR WBS	1,353.25
Total 34400:						1,353.25
34401						
01/25	01/22/2025	34401	2724	HOME DEPOT CREDIT SERVICES	SUPPLIES FOR HYDRANTS	260.02

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
01/25	01/22/2025	34401	2724	HOME DEPOT CREDIT SERVICES	TOOLS & SUPPLIES	165.18
01/25	01/22/2025	34401	2724	HOME DEPOT CREDIT SERVICES	MAINTENANCE & OPERATION	10.93
01/25	01/22/2025	34401	2724	HOME DEPOT CREDIT SERVICES	CONSERVATION SUPPLIES	221.45
01/25	01/22/2025	34401	2724	HOME DEPOT CREDIT SERVICES	SUPPLIES FOR RES	91.41
01/25	01/22/2025	34401	2724	HOME DEPOT CREDIT SERVICES	MATERIAL FOR LOCKER ROOM REMODEL	1,507.82
Total 34401:						2,256.81
34402						
01/25	01/22/2025	34402	62435	INDUSTRY PUBLIC UTILITY COMMISSI	PUMPING POWER-PUMPSTATION 2A	3,213.99
Total 34402:						3,213.99
34403						
01/25	01/22/2025	34403	244	INFOSEND INC	BILLING SERVICE	1,614.31
01/25	01/22/2025	34403	244	INFOSEND INC	INSERTS-HOLIDAY CLOSURES	974.17
01/25	01/22/2025	34403	244	INFOSEND INC	BILLING SERVICE	153.14
Total 34403:						2,741.62
34404						
01/25	01/22/2025	34404	62861	KIWANIS CLUB OF ROWLAND HEIGHT	LITERACY FAIR SPONSORSHIP	250.00
Total 34404:						250.00
34405						
01/25	01/22/2025	34405	62835	LOWE'S	TOOLS & SUPPLIES	129.56
Total 34405:						129.56
34406						
01/25	01/22/2025	34406	62664	M & J TREE SERVICE	MAINTENANCE SERVICE 6 SITES	6,600.00
Total 34406:						6,600.00
34407						
01/25	01/22/2025	34407	62573	MANAGED MOBILE INC	FLEET MAINTENANCE MANAGEMENT FEE	55.00
01/25	01/22/2025	34407	62573	MANAGED MOBILE INC	MAINTENANCE TRUCK 28	736.60
01/25	01/22/2025	34407	62573	MANAGED MOBILE INC	MAINTENANCE TRUCK 28	2,244.81
01/25	01/22/2025	34407	62573	MANAGED MOBILE INC	MAINTENANCE TRUCK 28	1,287.78
Total 34407:						4,324.19
34408						
01/25	01/22/2025	34408	62735	MUTUAL OF OMAHA	LIFE INSURANCE	598.50
01/25	01/22/2025	34408	62735	MUTUAL OF OMAHA	SHORT/LONG TERM DISABILITY	1,757.30
01/25	01/22/2025	34408	62735	MUTUAL OF OMAHA	DIRECTORS LIFE INSURANCE	66.50
Total 34408:						2,422.30
34409						
01/25	01/22/2025	34409	189	NOBEL SYSTEMS	UPDATES TO DISTRICT'S GIS DATA	1,470.00
Total 34409:						1,470.00
34410						
01/25	01/22/2025	34410	62649	OPARC	PAINTING FIRE HYDRANTS	2,932.23

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34410:						2,932.23
34411						
01/25	01/22/2025	34411	5100	PUENTE READY MIX INC	W/C SAND-READY MIX	1,337.62
01/25	01/22/2025	34411	5100	PUENTE READY MIX INC	W/CON PLANT SALES-SAND & CAB BASE	2,670.05
Total 34411:						4,007.67
34412						
01/25	01/22/2025	34412	62502	S & J SUPPLY COMPANY, INC	TOOLS & SUPPLIES	79.76
01/25	01/22/2025	34412	62502	S & J SUPPLY COMPANY, INC	CLA-VAL KIT #20957466E	3,495.00
01/25	01/22/2025	34412	62502	S & J SUPPLY COMPANY, INC	CLA-VAL KIT #9817903K	1,630.00
01/25	01/22/2025	34412	62502	S & J SUPPLY COMPANY, INC	TAX	486.87
01/25	01/22/2025	34412	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR VALVES	361.13
Total 34412:						6,052.76
34413						
01/25	01/22/2025	34413	62549	SAN GABRIEL VALLEY EAC	2025 MEMBERSHIP	95.00
Total 34413:						95.00
34414						
01/25	01/22/2025	34414	5625	SAN GABRIEL VALLEY WATER ASSN	2025 MEMBERSHIP DUES	100.00
Total 34414:						100.00
34415						
01/25	01/22/2025	34415	62743	SOCAL SCADA SOLUTIONS LLC	SCADA ON CALL SERVICES 06/01/24-12/31/24	6,425.00
Total 34415:						6,425.00
34416						
01/25	01/22/2025	34416	62895	STAPLES	OFFICE SUPPLIES	292.90
Total 34416:						292.90
34417						
01/25	01/22/2025	34417	2185	SWRCB ACCOUNTING OFFICE	WATER SYSTEM ANNUAL FEES	69,812.64
Total 34417:						69,812.64
34418						
01/25	01/22/2025	34418	62626	TRI COUNTY PUMP COMPANY	NOGALES LIFT STATION PUMP1 REPAIRS	30,867.10
Total 34418:						30,867.10
34419						
01/25	01/22/2025	34419	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	330.05
Total 34419:						330.05
34420						
01/25	01/22/2025	34420	62850	VALLEY VISTA SERVICES INC	TRASH SERVICE	272.99

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34420:						272.99
34421						
01/25	01/22/2025	34421	3025	VOLVO CONSTRUCTION EQUIPMENT	PERFORM SERVICE ON EQUIPMENT	1,905.94
Total 34421:						1,905.94
34422						
01/25	01/22/2025	34422	7700	WALNUT VALLEY WATER DISTRICT	RECYCLED WATER	741.71
Total 34422:						741.71
34423						
01/25	01/22/2025	34423	62763	WESTERLY METER SERVICE CO LLC	5/8" - 1" SMALL METER TEST	4,480.00
01/25	01/22/2025	34423	62763	WESTERLY METER SERVICE CO LLC	1 1/2" - 2" METER TEST	42.00
Total 34423:						4,522.00
34424						
01/25	01/22/2025	34424	321	WIENHOFF DRUG TESTING INC	ANNUAL CONSORTIUM MEMBERSHIP	935.00
Total 34424:						935.00
34425						
01/25	01/22/2025	34425	62562	WOODARD & CURRAN	AS NEEDED POTABLE WATER SUPPORT SERVICE	3,128.75
Total 34425:						3,128.75
34439						
01/25	01/28/2025	34439	62920	AIS TRUST ACCOUNT NEWPORT	MINI SOLAR BOAT-ADDITIONAL INSURANCE	306.00
Total 34439:						306.00
34440						
01/25	01/28/2025	34440	62622	AKM CONSULTING ENGINEERS	ARTIGAS CBS BUILDING	12,551.00
Total 34440:						12,551.00
34441						
01/25	01/28/2025	34441	62475	ALLEN DAVIDSON	REIMBURSEMENT FOR T2 RENEWAL	60.00
Total 34441:						60.00
34442						
01/25	01/28/2025	34442	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-GENERAL COUNSEL	10,779.32
01/25	01/28/2025	34442	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-LABOR AND EMPLOYMENT	652.00
01/25	01/28/2025	34442	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-REAL PROPERTY	869.40
01/25	01/28/2025	34442	62597	BEST BEST & KRIEGER LLP	LEGAL FEES-GENERAL LITIGATION	3,519.20
Total 34442:						15,819.92
34443						
01/25	01/28/2025	34443	1476	BUSINESS CARD (VISA)	MISC EXPENSES	1,161.90
01/25	01/28/2025	34443	1476	BUSINESS CARD (VISA)	CONFERENCE & MEETING EXPENSES	1,328.63

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34443:						2,490.53
34444						
01/25	01/28/2025	34444	6966	CINTAS	UNIFORM RENTAL	6,126.46
Total 34444:						6,126.46
34445						
01/25	01/28/2025	34445	1900	CLINICAL LAB OF S B	WATER SAMPLES	3,216.00
Total 34445:						3,216.00
34446						
01/25	01/28/2025	34446	62652	DAVID TAPIA	REIMBURSEMENT FOR D5 REVIEW COURSE	349.99
Total 34446:						349.99
34447						
01/25	01/28/2025	34447	62624	HASA INC	CHEMICALS FOR RCS	671.28
01/25	01/28/2025	34447	62624	HASA INC	CHEMICALS FOR RCS	496.16
01/25	01/28/2025	34447	62624	HASA INC	CHEMICALS FOR RCS	1,167.44
Total 34447:						2,334.88
34448						
01/25	01/28/2025	34448	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	85.96
01/25	01/28/2025	34448	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	85.96-
01/25	01/28/2025	34448	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	1,521.00
01/25	01/28/2025	34448	62849	HAYES AUTOMATION INC.	WATER QUALITY TESTING SUPPLIES	1,521.00-
Total 34448:						.00
34449						
01/25	01/28/2025	34449	379	HIGHROAD INFORMATION TECHNOL	MAINTENANCE, SUPPORT AND SOFTWARE RENE	11,634.00
01/25	01/28/2025	34449	379	HIGHROAD INFORMATION TECHNOL	MANAGED IT SERVICES	7,201.00
Total 34449:						18,835.00
34450						
01/25	01/28/2025	34450	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	660.00
Total 34450:						660.00
34451						
01/25	01/28/2025	34451	62128	LEWIS ENGRAVING INC	NAME PLATE & BADGE	77.50
Total 34451:						77.50
34452						
01/25	01/28/2025	34452	62664	M & J TREE SERVICE	MAINTENANCE FOR DECEMBER 2024-WBS	600.00
Total 34452:						600.00
34453						
01/25	01/28/2025	34453	233	MCCALL'S METER SALES & SVC	FLOWCOM DIGITAL REGISTER KIT/PULSE-NOGAL	1,758.49

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34453:						1,758.49
34454						
01/25	01/28/2025	34454	189	NOBEL SYSTEMS	GEOVIEWER IOT DEVICES ANNUAL SUBSCRIPTIO	9,035.00
01/25	01/28/2025	34454	189	NOBEL SYSTEMS	GEOVIEWER WORK ORDER MODULE ANNUAL SU	9,800.00
01/25	01/28/2025	34454	189	NOBEL SYSTEMS	GEOVIEWER MOBILE ANNUAL SUBSCRIPTION	22,908.00
01/25	01/28/2025	34454	189	NOBEL SYSTEMS	GEOVIEWER UNLIMITED FIELD FORMS ANNUAL S	9,800.00
01/25	01/28/2025	34454	189	NOBEL SYSTEMS	UPDATES TO DISTRICT'S GIS	1,200.00
Total 34454:						52,743.00
34455						
01/25	01/28/2025	34455	62181	ONE TOUCH OFFICE TECHNOLOGY	CONTRACT-RICOH/MPC6004	2,215.75
Total 34455:						2,215.75
34456						
01/25	01/28/2025	34456	62649	OPARC	PAINTING FIRE HYDRANTS	2,992.20
Total 34456:						2,992.20
34457						
01/25	01/28/2025	34457	62448	PARS	GASBY 45 MANAGEMENT FEE	1,910.10
01/25	01/28/2025	34457	62448	PARS	GASBY 45 MANAGEMENT FEE	1,956.99
Total 34457:						3,867.09
34458						
01/25	01/28/2025	34458	62924	PEGASUS CLAIMS SERVICES INC	PROFESSIONAL SERVICE	1,811.00
Total 34458:						1,811.00
34459						
01/25	01/28/2025	34459	62771	PUBLIC WATER AGENCIES GROUP	PWAG ASSESSMENT	875.00
01/25	01/28/2025	34459	62771	PUBLIC WATER AGENCIES GROUP	ASSESSMENT FOR EMERGENCY PREPARDNESS	2,110.22
Total 34459:						2,985.22
34460						
01/25	01/28/2025	34460	62660	PUENTE HILLS FORD	MAINTENANCE TRUCK 31	408.03
Total 34460:						408.03
34461						
01/25	01/28/2025	34461	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR PUMPS	465.37
Total 34461:						465.37
34462						
01/25	01/28/2025	34462	62883	SALINAS TIRES & WHEELS	TIRES TRUCK 4	901.75
Total 34462:						901.75
34463						
01/25	01/28/2025	34463	62577	TOM COLEMAN	REIMBURSEMENT FOR D5 RENEWAL	105.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 34463:						105.00
34464						
01/25	01/28/2025	34464	62521	TRIEPEI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE	375.00
01/25	01/28/2025	34464	62521	TRIEPEI SMITH & ASSOCIATES	MONTHLY WEBSITE MAINTENANCE	375.00
Total 34464:						750.00
34465						
01/25	01/28/2025	34465	62432	WASTE MANAGEMENT COMPANY	HAUL DIRT	1,479.01
Total 34465:						1,479.01
34466						
01/25	01/28/2025	34466	62887	WESTERN ALLIED CORPORATION	A/C SERVICE AGREEMENT	1,816.00
Total 34466:						1,816.00
34467						
01/25	01/29/2025	34467	244	INFOSEND INC	BILLING SERVICE	2,676.11
Total 34467:						2,676.11
1142025						
01/25	01/14/2025	114202	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	44,726.61
01/25	01/14/2025	114202	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	4,969.62
Total 1142025:						49,696.23
1152025						
01/25	01/15/2025	115202	62493	CADWAY INC (CAL DOMESTIC WATER	WATER CHARGE	85,976.68
Total 1152025:						85,976.68
Grand Totals:						1,716,308.56

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11185-0	89,425.56	.00	89,425.56
11505-0	56,993.52	.00	56,993.52
222100	26,730.03	1,743,038.59-	1,716,308.56-
51110-0	85,976.68	.00	85,976.68
51310-0	860,778.91	2,515.00-	858,263.91
51410-1	3,668.48	.00	3,668.48
51410-2	3,401.88	.00	3,401.88
51410-3	2,394.36	.00	2,394.36
51410-5	12,052.83	.00	12,052.83
51510-0	40,562.51	19,910.40-	20,652.11
51910-0	21,665.45	.00	21,665.45
52210-0	465.37	.00	465.37
52310-0	47,940.60	.00	47,940.60
54209-0	16,278.35	.00	16,278.35

GL Account	Debit	Credit	Proof
54210-0	2,816.63	.00	2,816.63
54211-0	25,318.80	.00	25,318.80
54212-0	4,522.00	.00	4,522.00
54213-0	3,626.95	.00	3,626.95
54214-0	361.13	.00	361.13
54215-0	10,623.95	.00	10,623.95
54216-0	6,425.00	.00	6,425.00
54217-0	5,017.07	.00	5,017.07
54218-0	32,625.59	.00	32,625.59
54219-0	9,111.20	.00	9,111.20
56210-0	10,584.22	.00	10,584.22
56211-0	5,866.39	.00	5,866.39
56214-0	292.90	.00	292.90
56215-0	4,894.35	.00	4,894.35
56216-0	155.38	.00	155.38
56217-0	672.29	.00	672.29
56218-0	17,630.92	.00	17,630.92
56218-2	2,985.22	.00	2,985.22
56219-0	7,784.57	.00	7,784.57
56220-0	8,841.00	.00	8,841.00
56221-0	4,146.00	.00	4,146.00
56223-0	1,328.63	21.56-	1,307.07
56226-0	74,977.00	.00	74,977.00
56311-0	21,267.08	.00	21,267.08
56312-0	25,895.99	2,676.11-	23,219.88
56320-0	689.99	.00	689.99
56411-0	58,592.71	.00	58,592.71
56413-0	4,297.68	.00	4,297.68
56415-0	724.95	.00	724.95
56416-0	598.50	.00	598.50
56417-0	14,227.63	.00	14,227.63
56418-0	1,757.30	.00	1,757.30
56419-0	66.96	.00	66.96
56421-0	9,296.32	.00	9,296.32
56710-0	2,262.05	.00	2,262.05
56811-0	12,250.00	.00	12,250.00
56812-0	4,357.59	.00	4,357.59
57310-0	10,523.75	.00	10,523.75
57312-0	374.50	.00	374.50
57314-0	1,673.93	.00	1,673.93
57315-0	3,216.00	.00	3,216.00
57319-0	8,296.98	.00	8,296.98
57320-0	165.00	.00	165.00
57321-0	79,931.99	1,606.96-	78,325.03
57323-0	360.00	.00	360.00
Grand Totals:	1,769,768.62	1,769,768.62-	.00

Report Criteria:

Report type: GL detail

Check Number	Check Issue Date	Payee			Check Amount
34336	01/08/2025	JIN SHI			1,262.35
	Sequence	Source	Description	GL Account	Amount
	1		PROJECT REFUND	24110-0	1,262.35
34337	01/08/2025	AMS PAVING INC			3,090.22
	Sequence	Source	Description	GL Account	Amount
	1	9600308-01	DEPOSIT REFUND	22810-0	3,090.22
34338	01/08/2025	LIPING WENG			132.04
	Sequence	Source	Description	GL Account	Amount
	1	437289-87	DEPOSIT REFUND	22810-0	132.04
34339	01/08/2025	YUE CAO			116.08
	Sequence	Source	Description	GL Account	Amount
	1	188070-55	DEPOSIT REFUND	22810-0	116.08
34340	01/08/2025	BERTIN MORALES SANCHEZ			137.99
	Sequence	Source	Description	GL Account	Amount
	1	553104-32	DEPOSIT REFUND	22810-0	137.99
34341	01/08/2025	JIANG WENGUANG			105.53
	Sequence	Source	Description	GL Account	Amount
	1	9600213-02	DEPOSIT REFUND	22810-0	105.53
34341	01/14/2025	JIANG WENGUANG			-105.53
	Sequence	Source	Description	GL Account	Amount
	1	9600213-02	Void - DEPOSIT REFUND	22810-0	-105.53
34342	01/08/2025	NCR			3,303.88
	Sequence	Source	Description	GL Account	Amount
	1	9600290-01	DEPOSIT REFUND	22810-0	3,031.27
	2	9600290-01	CREDIT REFUND	15210-0	272.61
34343	01/08/2025	AMBER HAO			113.46
	Sequence	Source	Description	GL Account	Amount
	1	674815-72	CREDIT REFUND	15210-0	113.46
34426	01/22/2025	CEC ENTERTAINMENT LLC			3,724.41
	Sequence	Source	Description	GL Account	Amount
	1		PROJECT REFUND	24110-0	3,724.41
34427	01/22/2025	DAVID MARTINEZ ANTONIO			121.97
	Sequence	Source	Description	GL Account	Amount
	1	640235-86	DEPOSIT REFUND	22810-0	121.97

Check Number	Check Issue Date	Payee			Check Amount
34428	01/22/2025	JOVITO HERNANDEZ			114.10
	Sequence	Source	Description	GL Account	Amount
	1	231052-65	DEPOSIT REFUND	22810-0	114.10
34429	01/22/2025	YANLING CHEN			163.95
	Sequence	Source	Description	GL Account	Amount
	1	172921-59	DEPOSIT REFUND	22810-0	163.95
34430	01/22/2025	REAL GOOD FOODS LLC			11,529.94
	Sequence	Source	Description	GL Account	Amount
	1	668234-05	CREDIT REFUND-18901 RAILROAD	15210-0	11,529.94
34431	01/22/2025	JELICK ELEMENTARY SCHOOL			1,492.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	1,492.00
34432	01/22/2025	JELICK ELEMENTARY SCHOOL			1,500.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	1,500.00
34433	01/22/2025	JELICK ELEMENTARY SCHOOL			1,060.50
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	1,060.50
34434	01/22/2025	JELICK ELEMENTARY SCHOOL			2,600.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	2,600.00
34435	01/22/2025	SANTANA HIGH SCHOOL			1,500.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	1,500.00
34436	01/22/2025	ROWLAND ELEMENTARY SCHOOL			2,400.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	2,400.00
34437	01/22/2025	TELESIS ACADEMY			1,500.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	1,500.00
34438	01/22/2025	NORTHAM ELEMENTARY SCHOOL			1,200.00
	Sequence	Source	Description	GL Account	Amount
	1		2024-2025 SPLASH CASH PROGRAM	57319-0	1,200.00
Grand Totals:					37,062.89



ROWLAND WATER DISTRICT

CASH AND INVESTMENTS

As of December 31, 2024

Description / Type	Term	Shares / Units Held	Purchase Price	Current Price	Maturity Date	Current Yield	Current Value	% of Portfolio
Cash								
Citizens Business Bank							\$ 3,490,341	
Total Cash							\$ 3,490,341	
Local Agency Investment Fund (LAIF)	N/A					4.43%	\$ 9,163,546	38.31%
Citizens Trust Investments (US Bank Custodian)								
Fed'I National Mtg. Assn. - XP73	3 Year	300,000	100.0000	99.8220	5/28/2025	4.01%	\$ 299,466	1.25%
Fed'I Home Loan Mtg. Corp. - 1YX5	2 Year	500,000	100.0000	100.0500	3/26/2026	5.05%	\$ 500,250	2.09%
Fed'I Home Loan Mtg. Corp. - 1M91	4 Year	300,000	100.0000	100.2200	4/28/2028	5.49%	\$ 300,660	1.26%
Fed'I Home Loan Mtg. Corp. - 4C27	5 Year	350,000	100.0000	97.9410	7/29/2025	0.71%	\$ 342,794	1.43%
Fed'I National Mtg. Assn. - 4XZ1	5 Year	200,000	100.0000	98.2530	6/30/2025	0.75%	\$ 196,506	0.82%
Fed'I National Mtg. Assn. - AX89	3 Year	400,000	99.5500	98.4580	7/21/2028	4.16%	\$ 393,832	1.65%
Fed'I National Mtg. Assn. - AZT1	3 Year	400,000	100.0000	99.9330	3/2/2029	4.63%	\$ 399,732	1.67%
Fed'I Home Loan Banks - L7D0	5 Year	200,000	99.7900	97.5980	8/26/2025	0.51%	\$ 195,196	0.82%
Fed'I Home Loan Banks - N6N5	4 Year	200,000	100.0000	98.8340	4/29/2025	0.71%	\$ 197,668	0.83%
Fed'I Home Loan Banks - LGR9	5 Year	500,000	100.0000	96.1580	2/26/2026	0.88%	\$ 480,790	2.01%
Fed'I Home Loan Banks - LLD4	5 Year	250,000	99.9250	95.9950	3/17/2026	0.91%	\$ 239,988	1.00%
Fed'I Home Loan Banks - MUX8	5 Year	200,000	99.9300	95.8710	3/30/2026	0.91%	\$ 191,742	0.80%
Fed'I Home Loan Banks - PUY9	4 Year	200,000	100.0000	99.4620	2/28/2025	1.00%	\$ 198,924	0.83%
Fed'I Home Loan Banks - P6M2	5 Year	200,000	100.0000	94.5140	9/30/2026	1.08%	\$ 189,028	0.79%
Fed'I Home Loan Bank - Q7E7	5 Year	200,000	99.9050	95.9270	6/30/2026	1.56%	\$ 191,854	0.80%
Fed'I Home Loan Bank - QJD6	4 Year	200,000	99.7190	95.0680	10/27/2026	1.58%	\$ 190,136	0.79%
Fed'I Home Loan Bank - 2TD7	4 Year	500,000	100.0000	98.4900	6/23/2028	4.11%	\$ 492,450	2.06%
Fed'I Home Loan Bank - 3ED1	3 Year	500,000	100.0000	99.3060	10/21/2027	4.18%	\$ 496,530	2.08%
Fed'I Home Loan Bank - 36C2	4 Year	700,000	100.0000	98.9530	10/10/2028	4.29%	\$ 692,671	2.90%
Fed'I Home Loan Bank - 3G72	3 Year	200,000	100.0000	99.5410	10/22/2027	4.27%	\$ 199,082	0.83%
Fed'I Home Loan Bank - 3NZ2	2 Year	500,000	99.9250	99.9910	8/13/2027	4.50%	\$ 499,955	2.09%
Fed'I Home Loan Bank - WLZ1	2 Year	180,000	99.9180	100.6350	6/12/2026	4.72%	\$ 181,143	0.76%
Fed'I Home Loan Bank - WS92	2 Year	200,000	99.8530	100.3860	9/12/2025	4.86%	\$ 200,772	0.84%
Fed'I Home Loan Bank - 0UQ0	3 Year	500,000	100.0000	100.3630	4/15/2027	4.98%	\$ 501,815	2.10%
Fed'I Home Loan Bank - 0C56	2 Year	300,000	100.0000	99.9200	8/28/2025	5.13%	\$ 299,760	1.25%
Air Prods & Chems Inc. - 8BB1	5 Year	255,000	104.1940	97.6300	10/15/2025	1.54%	\$ 248,957	1.04%
Apple Inc. - 3DT4	5 Year	200,000	102.4560	98.8070	5/11/2025	1.14%	\$ 197,614	0.83%
Apple Inc. - 3BZ2	2 Year	300,000	94.5180	96.9920	8/4/2026	2.53%	\$ 290,976	1.22%
Apple Inc. - 3CJ7	3 Year	200,000	96.8220	97.9930	2/9/2027	3.42%	\$ 195,986	0.82%
Deere John Capital - EWT2	2 Year	150,000	100.5690	100.6830	3/3/2026	5.02%	\$ 151,025	0.63%
Emerson Elec Co - 1BQ6	4 Year	200,000	90.3290	90.2940	12/21/2028	2.21%	\$ 180,588	0.75%
Florida Pwr & Lt Co - 1FZ5	5 Year	800,000	108.9188	99.5250	4/1/2025	2.86%	\$ 796,200	3.33%
Home Depot Inc - 6BN1	2 Year	200,000	93.7730	96.2070	9/15/2026	2.21%	\$ 192,414	0.80%
Honeywell International - 6BL9	2 Year	150,000	94.6540	96.5220	11/1/2026	2.59%	\$ 144,783	0.61%
John Deere Capital Corporation - EXB0	4 Year	200,000	101.1140	100.9630	11/1/2026	4.90%	\$ 201,926	0.84%
Paccar Financial Corp. - RQ66	5 Year	500,000	104.7908	99.7210	2/6/2025	1.80%	\$ 498,605	2.08%
Texas Instruments - 8CE2	3 Year	400,000	100.6293	100.4290	2/8/2027	4.58%	\$ 401,716	1.68%
Toyota Mtr Corp - THP3	2 Year	200,000	93.8350	97.1340	10/16/2025	0.82%	\$ 194,268	0.81%
Intl Bank for Recon & Dev - 8JB0	5 Year	400,000	98.7800	98.8750	4/22/2025	0.63%	\$ 395,500	1.65%
Cash Reserve Account						4.35%	\$ 2,595,545	10.85%
Total Citizens Trust Investments							\$ 14,758,845	61.69%
Total Investments							\$ 23,922,391	100.00%
Total Cash & Investments							\$ 27,412,732	

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 (Unaudited)

December 2024

	Dec-24	Year-to-Date (YTD)	Budget (Annual)	Under / (Over) Budget	YTD Budget %	Prior YTD (Unaudited)
1 OPERATING REVENUE						
2 Water Sales	\$ 1,458,406	\$ 9,727,537	\$ 17,115,100	\$ 7,387,563	57%	\$ 8,819,031
3 Meter Charges	1,042,627	6,255,580	12,650,700	6,395,121	49%	6,040,160
4 Customer Fees	45,647	810,080	377,500	(432,580)	215%	533,393
5 Contract Income	13,774	125,393	214,400	89,007	58%	126,406
6 RWD Labor Sales/Reimbursements	25,751	165,842	235,800	69,958	70%	126,228
7 Capacity Fees	-	69,770	50,000	(19,770)	140%	54,110
8 Flow Tests	325	10,725	16,600	5,875	65%	9,750
9 Return Check Fees	480	2,700	7,200	4,500	38%	3,000
10 Uncollectable	-	-	(59,500)	(59,500)	0%	-
11 TOTAL OPERATING REVENUE	2,587,010	17,167,627	30,607,800	13,440,173	56%	15,712,078
12 NON-OPERATING REVENUE						
13 Property Taxes	149,909	168,695	436,800	268,105	39%	155,955
14 Interest Income	38,153	325,469	600,000	274,531	54%	271,640
15 Miscellaneous Income	-	98,469	25,000	(73,469)	394%	12,073
16 TOTAL NON-OPERATING REVENUE	188,062	592,632	1,061,800	469,168	56%	439,669
17 TOTAL REVENUES	2,775,072	17,760,258	31,669,600	13,909,342	56%	16,151,746
18 OPERATING EXPENSES						
19 Source of Supply						
20 Water Purchases	903,797	6,356,787	11,670,800	5,314,013	54%	5,920,114
21 Pumping Power	40,904	283,800	522,300	238,500	54%	262,937
22 Fixed Charges	52,647	160,235	322,100	161,865	50%	126,384
23 Chemicals	6,182	46,800	86,000	39,200	54%	38,177
24 Total Source of Supply	1,003,530	6,847,623	12,601,200	5,753,577	54%	6,347,612
25 Maintenance of Water System	104,024	458,902	818,200	359,298	56%	459,342
26 Service Contracts	33,011	223,934	458,900	234,966	49%	258,347
27 Assessments	93,839	202,468	296,200	93,732	68%	150,574
28 Vehicle Expense	6,234	70,116	163,600	93,484	43%	90,303
29 Tools & Supplies	4,281	25,730	44,200	18,470	58%	24,918
30 Equipment Expense	4,399	28,968	39,400	10,432	74%	27,114
31 Maintenance & Operations	3,959	33,704	100,000	66,296	34%	61,591
32 Engineering	12,011	122,333	200,000	77,667	61%	106,113
33 Water Tests	3,216	14,664	25,000	10,336	59%	14,516
34 Conservation	11,283	42,561	57,300	14,739	74%	21,625
35 Community Outreach	2,516	52,177	188,700	136,523	28%	64,852
36 TOTAL OPERATING EXPENSES	1,282,301	8,123,178	14,992,700	6,869,522	54%	7,626,906
37 ADMINISTRATIVE EXPENSES						
38 Liability Insurance	-	304,945	226,900	(78,045)	134%	201,687
39 IT Support Services	9,900	63,120	139,200	76,080	45%	93,263
40 IT Licensing	12,662	161,728	313,400	151,672	52%	195,533
41 Director Expense	1,798	77,927	198,500	120,573	39%	75,289
42 Bank / Management Fees	26,554	150,452	294,100	143,648	51%	104,699
43 Legal Fees	17,849	89,956	158,500	68,544	57%	65,609
44 Compliance	85,232	131,209	183,600	52,391	71%	122,876
45 Auditing & Accounting	-	25,950	35,000	9,050	74%	26,100
46 Utility Services	9,943	65,549	133,900	68,351	49%	66,279
47 Dues & Memberships	2,927	50,374	65,900	15,526	76%	45,956



ROWLAND WATER DISTRICT

PROFIT & LOSS (Unaudited)

December 2024

	Dec-24	Year-to-Date (YTD)	Budget (Annual)	Under / (Over) Budget	YTD Budget %	Prior YTD (Unaudited)
48 Conference & Meetings	12,019	39,916	47,700	7,784	84%	21,000
49 Office Expenses	2,793	13,214	31,800	18,586	42%	10,457
50 Seminars/Training	4,042	57,082	118,300	61,218	48%	43,648
51 Miscellaneous Expense	8,987	99,311	154,100	54,789	64%	60,254
52 TOTAL ADMINISTRATIVE EXPENSES	194,707	1,330,732	2,100,900	770,168	63%	1,132,649
53 PERSONNEL EXPENSES						
54 Wages						
55 Operations	99,889	580,529	1,396,600	816,071	42%	597,927
56 Distribution	109,033	668,760	1,438,000	769,240	47%	547,203
57 Administration	131,435	873,799	1,868,200	994,401	47%	792,288
58 Total Wages	340,357	2,123,088	4,702,800	2,579,712	45%	1,937,418
59 Payroll Taxes	16,097	130,034	334,800	204,766	39%	123,329
60 Workers Compensation	20,945	40,235	106,800	66,565	38%	38,225
61 Unemployment	-	-	6,200	6,200	0%	85
62 CalPERS	48,876	400,979	791,200	390,221	51%	268,412
63 OPEB Contributions	-	-	-	-	0%	-
64 EE & Retiree Health Insurance	89,656	457,862	1,027,900	570,038	45%	451,962
65 TOTAL PERSONNEL EXPENSES	515,931	3,152,198	6,969,700	3,817,502	45%	2,819,431
66 TOTAL EXPENSES	1,992,939	12,606,109	24,063,300	11,457,191	52%	11,578,986
67 NET INCOME / (LOSS) - BEFORE DEBT SERVICE & CAPITAL EXPENDITURES	782,133	5,154,150	7,606,300	2,452,150	68%	4,572,760
68 Less: Total Debt Service	-	(2,090,899)	(2,441,800)	350,901	86%	(1,738,087)
69 Less: CalPERS (Bond Debt Savings)	-	-	-	-	0%	-
70 Less: Capital Expenses (Current Year)	(249,950)	(832,950)	(4,443,300)	3,610,350	19%	(794,322)
71 CASH INCREASE / (DECREASE)	\$ 532,183	\$ 2,230,300	\$ 721,200	\$ 1,509,100		\$ 2,040,352

**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 2024

1. OPERATING REVENUE

2. Water Sales – volumetric water sales revenue from all customer types including residential, commercial, public, industrial, recycled and construction. YTD is at 57%.
3. Meter Charges – the fixed monthly base rate charged to water customers each month (includes all customer types). YTD is at 49%.
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 high 215% due to new service connections.
5. Contract Income – contains revenues from cell tower lease contracts. YTD is at 58%.
6. RWD Labor Sales/Reimbursements – water sold on construction invoices, City of Industry labor sales and Puente Basin Water Agency (PBWA) 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 70% due to project management and administration on 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 high at 140% due to capacity fees on new service connections.
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 65%.
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 at 38%.
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 the year-end audited financial statements.

11. TOTAL OPERATING REVENUE

12. NON-OPERATING REVENUE



Rowland Water District

Profit & Loss Analysis and Variance Report

December 2024

13. Property Taxes – includes tax contributions from the County of Los Angeles. YTD is at 39% since the bulk of receipts happen between December and May each year and can cause YTD% to trend over/under expected budget %.
14. Interest Income – includes interest and dividends received on District investments. YTD is at 54%.
15. Miscellaneous Income – includes income from various sources such as recycling and refunds. YTD is high at 394% due to a vendor refund.
16. **TOTAL NON-OPERATING REVENUE**
17. **TOTAL REVENUES**
18. **OPERATING EXPENSES**
19. **SOURCE OF SUPPLY**
20. 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 54%.
21. Pumping Power – the cost of electricity used for pumping water. YTD is at 54%.
22. Fixed Charges – includes fixed charges from TVMWD and CalDomestic. YTD is at 50%.
23. Chemicals – the cost of chemicals used to treat water sold to customers. YTD is at 54%.
24. **TOTAL SOURCE OF SUPPLY**
25. Maintenance of Water System – the costs of repairs and maintenance on elements of the District water system such as main lines, services, meters, reservoirs, valves, hydrants, and telemetry system. YTD is at 56%.
26. 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 at 49%.
27. Assessments – operating costs billed to RWD for their share of PWR JWLC, which is billed quarterly, and PBWA, which is billed monthly. YTD can trend over/under budget due to the timing of billing. YTD is high at 68% due to PBWA lease payments from July through December.



Rowland Water District

Profit & Loss Analysis and Variance Report

December 2024

28. 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 at 43%.
29. 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 58%.
30. 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 74%.
31. 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 at 34%.
32. Engineering – general engineering costs related to District operations. YTD is high at 61% due to the cost of the water distribution system leak detection program.
33. Water Tests – laboratory testing and sampling of District water. YTD is at 59%.
34. Conservation – water conservation programs and efforts. YTD is 74%.
35. Community Outreach – costs related to public relations and community outreach. YTD is at 28%.
36. **TOTAL OPERATING EXPENSES**
37. **ADMINISTRATIVE EXPENSES**
38. Liability Insurance – coverage through ACWA JPIA for the District insurance package. YTD is high at 134% due to higher ACWA JPIA insurance rates increase.
39. IT Support Services – information technology support services. YTD is at 45%.
40. IT Licensing – includes costs for various software licenses. YTD is at 52%.
41. Director Expense – costs for director compensation and benefits. YTD is at 39% of budget.
42. Bank/Management Fees – includes various banking fees, Paymentus and InvoiceCloud fees (for processing customer payments) and investment administrative fees. YTD is at 51%.
43. Legal Fees – legal costs related to RWD, PBWA and Public Water Agencies Group (PWAG). YTD is at 57%.
44. 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 71%.



Rowland Water District

Profit & Loss Analysis and Variance Report

December 2024

45. Auditing & Accounting – includes consulting services for complex accounting matters and annual audit assurance services related to District financial reporting. YTD is high at 74% due to timing of audit bill and budgeting method used.
46. Utility Services – costs related to office electricity, office phones, gas and district cell phones. YTD is at 49%.
47. 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 at 76%.
48. Conference & Meetings – conference attendance and meeting expenses. YTD is at 84%.
49. Office Expenses – costs for office supplies, postage, printing and stationery. YTD is at 42%.
50. Seminars/Training – employee seminars and training. YTD is at 48%.
51. Miscellaneous Expense – includes costs for travel, books & subscriptions, and miscellaneous general expenses. YTD is at 64%.
52. **TOTAL ADMINISTRATIVE EXPENSES**
53. **PERSONNEL EXPENSES**
54. **WAGES**
55. Operations – wages expense (regular, standby, OT) attributable to Operations. YTD is at 42%.
56. Distribution – wages expense (regular, standby, OT) attributable to Distribution. YTD is at 47%.
57. Administration – wages expense (regular) attributable to Administration. YTD is at 47%.
58. **TOTAL WAGES**
59. Payroll Taxes – employer payroll taxes paid by the District. YTD is trending at 39%.
60. 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 38%.
61. Unemployment – state unemployment insurance is paid quarterly which can cause this line to occasionally trend over/under expected budget. YTD is at 0%.



Rowland Water District

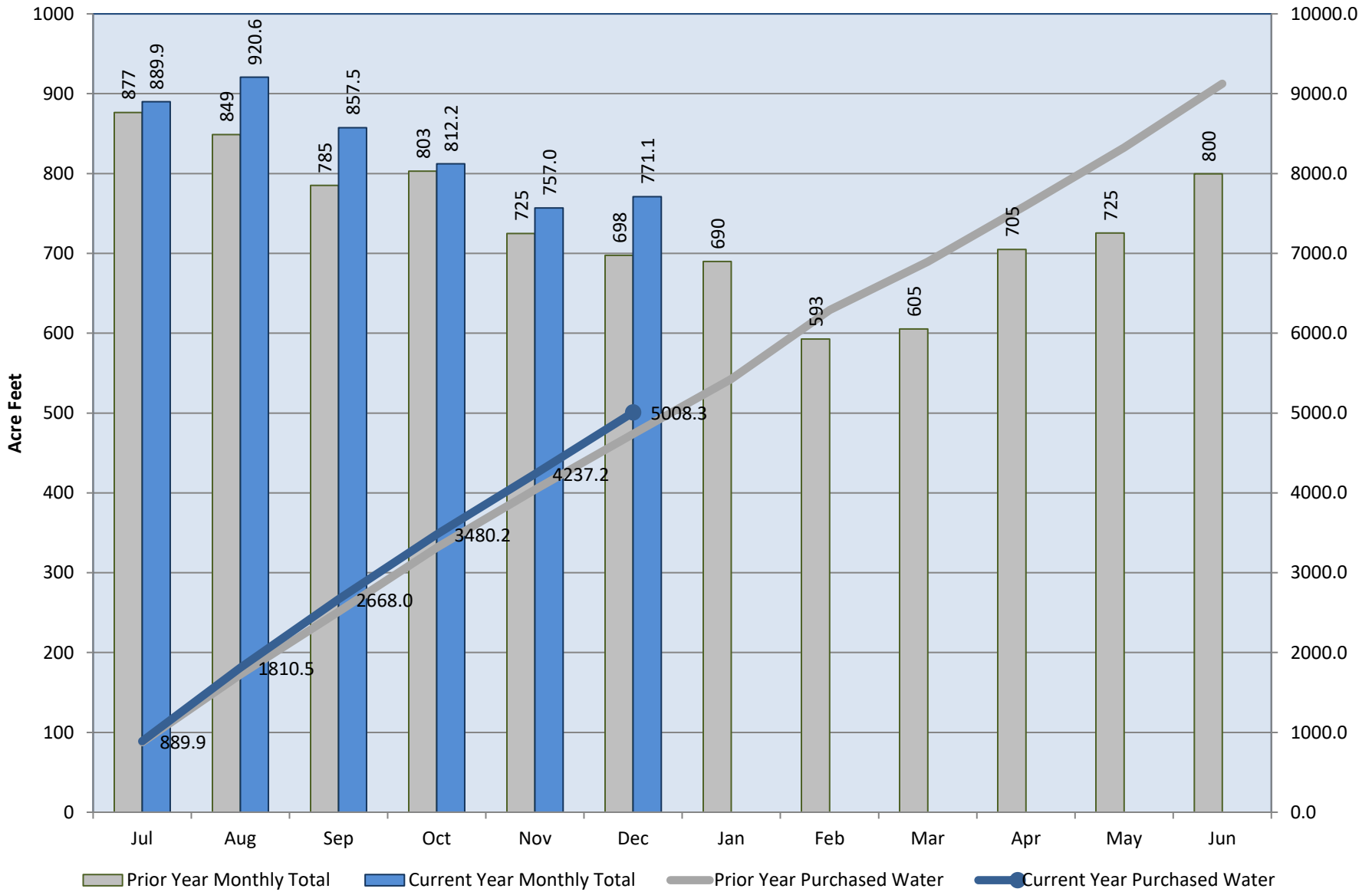
Profit & Loss Analysis and Variance Report

December 2024

- 62. 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 51%.
- 63. 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.
- 64. 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 45%.
- 65. **TOTAL PERSONNEL EXPENSES**
- 66. **TOTAL EXPENSES**
- 67. **NET INCOME / (LOSS) BEFORE DEBT SERVICE & CAPITAL EXPENSES** – Financially, the District has performed as expected through December 2024.
- 68. 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).
- 69. 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. There will be no CalPERS Bond Debt Savings for the current fiscal year
- 70. 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 19%.
- 71. **CASH INCREASE / (DECREASE)**

Potable Water Purchases For FY 2024-2025

(Acre-feet)



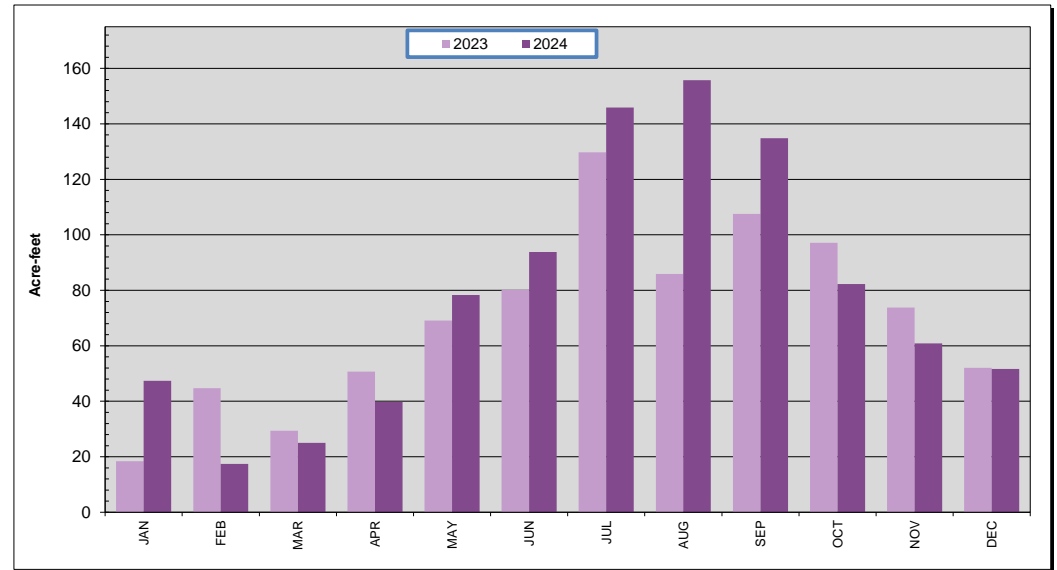
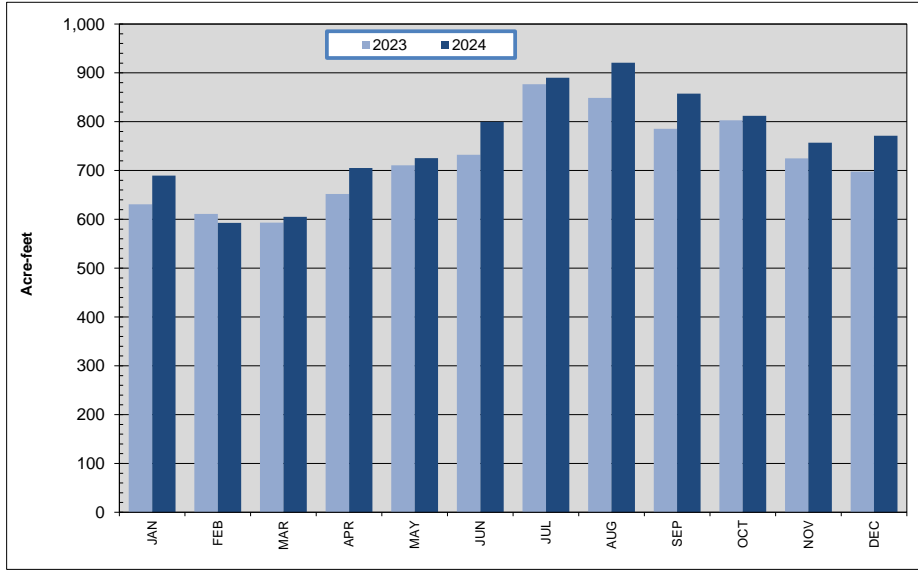


Water Purchases for CY 2024 (Acre-feet)



	POTABLE SYSTEM						
	WBS	LHH	PM-9	PM-22	JWL		TOTAL
					PM-15	Miramar	
JAN	189.0	0.0	0.0	219.5	138.3	142.9	689.7
FEB	100.3	0.0	0.0	232.4	260.1	0.0	592.8
MAR	155.6	0.0	0.0	133.0	316.6	0.0	605.2
APR	191.9	0.0	0.0	199.8	313.3	0.0	705.0
MAY	10.4	0.0	0.0	284.5	139.9	290.6	725.4
JUN	0.0	0.0	0.0	313.0	146.8	339.7	799.5
JUL	0.0	0.0	0.0	361.2	224.8	303.9	889.9
AUG	0.0	0.0	0.0	352.2	270.3	298.1	920.6
SEP	0.0	0.0	0.0	297.5	262.2	297.8	857.5
OCT	51.1	0.0	0.0	276.6	159.2	325.3	812.2
NOV	152.7	0.0	0.0	262.5	85.6	256.2	757.0
DEC	200.3	0.0	0.0	241.0	84.2	245.6	771.1
TOTAL	1,051.3	0.0	0.0	3,173.2	2,401.3	2,500.1	9,125.9

RECYCLED SYSTEM							
Well 1	Wet Well	WVWD	Industry	Potable Make-up	Nogales Dewatering	Fullerton Dewatering	TOTAL
14.9	14.8	0.0	4.1	0.0	13.6	0.0	47.4
1.0	4.8	0.0	0.6	0.0	11.0	0.0	17.4
5.9	7.1	1.0	1.5	0.0	9.5	0.0	25.0
4.0	15.7	1.0	1.1	2.0	16.0	0.0	39.8
24.3	26.8	2.0	10.2	0.0	15.0	0.0	78.3
29.7	21.0	2.0	30.1	0.0	11.0	0.0	93.8
30.0	0.0	3.0	99.9	0.0	3.2	0.0	136.1
29.9	0.0	4.0	112.7	0.0	9.1	0.0	155.7
25.4	18.9	3.0	74.2	0.0	13.3	0.0	134.8
21.9	0.0	1.0	45.7	2.3	2.0	0.0	72.9
0.0	15.3	1.0	40.8	1.6	2.2	0.0	60.9
0.0	11.5	1.0	27.5	0.0	11.7	0.0	51.7
187.0	135.9	19.0	448.4	5.9	117.6	0.0	913.8



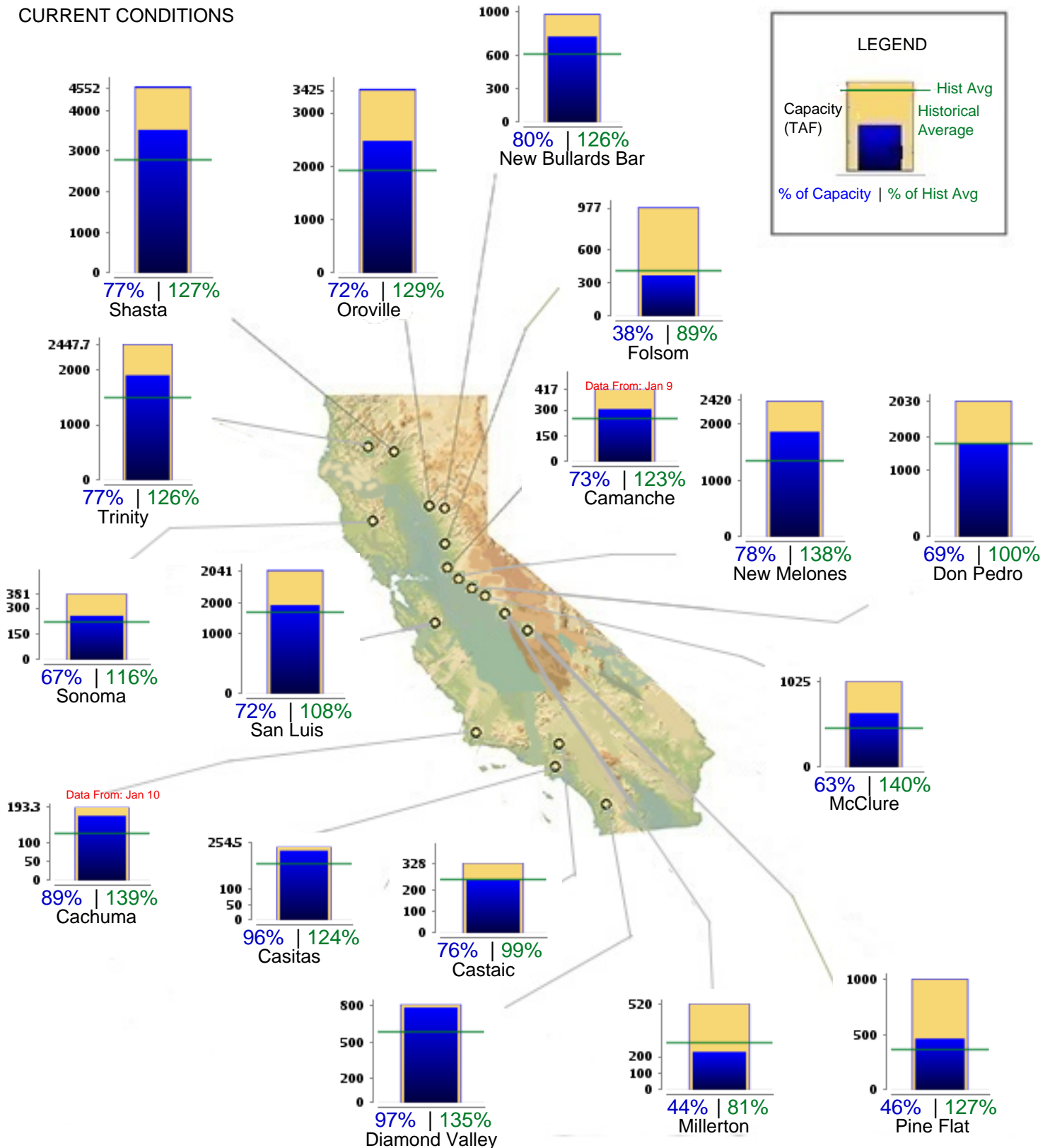


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - January 11, 2025

CURRENT CONDITIONS





February 2025 - 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					
	1/14/2025	RWD Board Meeting	\$230.00		
	1/15/2025	TVMWD Board Meeting	\$230.00		Mileage
		TOTAL PAYMENT	\$460.00		
John Bellah					
	1/13/2025	RHCCC	\$230.00		
	1/14/2025	RWD Board Meeting	\$230.00		
		TOTAL PAYMENT	\$460.00		
Robert W. Lewis					
	1/6/2025	California LAFCO Southern Section Meeting		X	
	1/14/2025	RWD Board Meeting	\$230.00		
		TOTAL PAYMENT	\$230.00		
Szu Pei Lu-Yang					
	1/14/2025	RWD Board Meeting	\$230.00		
		TOTAL PAYMENT	\$230.00		
Vanessa Hsu					
	1/14/2025	RWD Board Meeting	\$230.00		
		TOTAL PAYMENT	\$230.00		

APPROVED FOR PAYMENT:


Dusty Moiso

**ROWLAND WATER DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2024
(With Comparative Amounts as of June 30, 2023)**

NIGRO & NIGRO^{PC}

ROWLAND WATER DISTRICT

For the Fiscal Year Ended June 30, 2024

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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, 2024, 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, 2024 and 2023, 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.

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, 2023, 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 14, 2025, 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 14, 2025

ROWLAND WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)

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, 2024. 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 2024, the District's net position increased 7.29%, or \$6,031,070 from the prior year's net position of \$82,718,369 to \$88,749,439, as a result of the year's operations.
- In fiscal year 2024, operating revenues decreased 1.43%, or \$428,395 from \$29,959,151 to \$29,530,756, from the prior year, primarily due to decreases in new service connections.
- In fiscal year 2024, operating expenses before depreciation expense increased by 7.87% or \$1,605,120 from \$20,386,811 to \$21,991,931, from the prior year, primarily due to increases in source of supply expenses.

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, 2024 (With Comparable Amounts as of June 30, 2023)

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, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>
Assets:			
Current assets	\$ 25,283,147	\$ 21,628,340	\$ 3,654,807
Non-current assets	34,818,504	31,720,451	3,098,053
Capital assets, net	71,498,570	70,747,620	750,950
Total assets	<u>131,600,221</u>	<u>124,096,411</u>	<u>7,503,810</u>
Deferred outflows of resources	<u>6,645,899</u>	<u>9,219,142</u>	<u>(2,573,243)</u>
Total assets and deferred outflows of resources	<u>\$ 138,246,120</u>	<u>\$ 133,315,553</u>	<u>\$ 4,930,567</u>
Liabilities:			
Current liabilities	\$ 7,544,492	\$ 6,827,614	\$ 716,878
Non-current liabilities	36,485,236	39,404,770	(2,919,534)
Total liabilities	<u>44,029,728</u>	<u>46,232,384</u>	<u>(2,202,656)</u>
Deferred inflows of resources	<u>5,466,953</u>	<u>4,364,800</u>	<u>1,102,153</u>
Net position:			
Net investment in capital assets	39,678,570	37,712,620	1,965,950
Restricted	3,316,790	-	3,316,790
Unrestricted	45,754,079	45,005,749	748,330
Total net position	<u>88,749,439</u>	<u>82,718,369</u>	<u>6,031,070</u>
Total liabilities, deferred outflows of resources and net position	<u>\$ 138,246,120</u>	<u>\$ 133,315,553</u>	<u>\$ 4,930,567</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 \$88,749,439 as of June 30, 2024.

ROWLAND WATER DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Condensed Balance Sheets (continued)

By far the largest portion of the District's net position (45% as of June 30, 2024) 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 2024, the District showed a positive balance in its unrestricted net position of \$45,754,079 which may be utilized in future years.

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

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>
Operating revenues	\$ 29,530,756	\$ 29,959,151	\$ (428,395)
Operating expenses	<u>(21,991,931)</u>	<u>(20,386,811)</u>	<u>(1,605,120)</u>
Operating income before depreciation	7,538,825	9,572,340	(2,033,515)
Depreciation expense	<u>(3,363,615)</u>	<u>(3,232,422)</u>	<u>(131,193)</u>
Operating income	4,175,210	6,339,918	(2,164,708)
Non-operating revenues(expenses), net	<u>755,860</u>	<u>(435,046)</u>	<u>1,190,906</u>
Change in net position before capital	4,931,070	5,904,872	(973,802)
Capital contributions:			
Contributed capital–other	<u>1,100,000</u>	<u>2,673,580</u>	<u>(1,573,580)</u>
Change in net position	6,031,070	8,578,452	(2,547,382)
Net position:			
Beginning of year	<u>82,718,369</u>	<u>74,139,917</u>	<u>8,578,452</u>
End of year	<u>\$ 88,749,439</u>	<u>\$ 82,718,369</u>	<u>\$ 6,031,070</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 7.29%, or \$6,031,070 from the prior year's net position of \$82,718,369 to \$88,749,439, as a result of the year's operations.

ROWLAND WATER DISTRICT*Management's Discussion and Analysis (Unaudited)**For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)*

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

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Water sales	\$ 15,926,705	\$ 15,115,558	\$ 811,147
Water service charges	12,312,083	11,840,892	471,191
New service connections	466,217	2,100,118	(1,633,901)
Reimbursements	262,840	428,319	(165,479)
Other operating revenues	562,911	474,264	88,647
Total operating revenues	<u>29,530,756</u>	<u>29,959,151</u>	<u>(428,395)</u>
Non-operating revenues:			
Property taxes	638,141	575,898	62,243
Investment earnings	1,137,818	63,714	1,074,104
Rental and contract revenue	235,211	209,311	25,900
Other non-operating revenues	27,643	107,149	(79,506)
Change in investment in joint-ventures	658,677	-	658,677
Contributed capital-other	1,100,000	2,673,580	(1,573,580)
Total non-operating revenues	<u>3,797,490</u>	<u>3,629,652</u>	<u>167,838</u>
Total revenues	<u>\$ 33,328,246</u>	<u>\$ 33,588,803</u>	<u>\$ (260,557)</u>

In fiscal year 2024, operating revenues decreased 1.43%, or \$428,395 from \$29,959,151 to \$29,530,756, from the prior year, primarily due to decreases in new service connections.

Also, non-operating revenues increased by 4.62%, or \$167,838 from \$3,629,652 to \$3,797,490 due to the increase in investment earnings of \$1,137,818

ROWLAND WATER DISTRICT*Management's Discussion and Analysis (Unaudited)**For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)***FINANCIAL ANALYSIS OF THE DISTRICT (continued)****Total Expenses**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Operating expenses:			
Source of supply	\$ 11,266,648	\$ 10,354,361	\$ 912,287
Pumping and power	1,736,997	1,368,677	368,320
Transmission and distribution	2,002,932	1,830,038	172,894
Customer services	-	56,704	(56,704)
Other operating expenses	568,097	544,960	23,137
General and administrative	6,417,257	6,232,071	185,186
Total operating expenses	<u>21,991,931</u>	<u>20,386,811</u>	<u>1,605,120</u>
Depreciation expense	<u>3,363,615</u>	<u>3,232,422</u>	<u>131,193</u>
Non-operating expenses:			
Interest expense	878,415	881,000	(2,585)
Contributions to joint-venture	1,063,215	778,176	285,039
Change in investment in joint-ventures	-	(268,058)	268,058
Total non-operating expenses	<u>1,941,630</u>	<u>1,391,118</u>	<u>550,512</u>
Total expenses	<u>\$ 27,297,176</u>	<u>\$ 25,010,351</u>	<u>\$ 2,286,825</u>

In fiscal year 2024, operating expenses before depreciation expense increased by 7.87% or \$1,605,120 from \$20,386,811 to \$21,991,931, from the prior year, primarily due to increases in source of supply expenses.

Capital Assets

	<u>Balance June 30, 2024</u>	<u>Balance June 30, 2023</u>
Capital assets:		
Non-depreciable assets	\$ 6,852,285	\$ 5,565,968
Depreciable assets	112,424,801	109,739,084
Accumulated depreciation	<u>(47,778,516)</u>	<u>(44,557,432)</u>
Total capital assets, net	<u>\$ 71,498,570</u>	<u>\$ 70,747,620</u>

At the end of year 2024, the District's investment in capital assets amounted to \$71,498,570 (net of accumulated depreciation), respectively. Capital asset additions amounted to \$4,114,565 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, 2024 (With Comparable Amounts as of June 30, 2023)

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, 2024</u>	<u>June 30, 2023</u>
Bonds payable	<u>\$ 34,790,000</u>	<u>\$ 36,170,000</u>

Long-term debt had no change during the 2024 fiscal year. There were no principal payments due during the year. See Note 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 2024, 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, 2024 (With Comparative Amounts as of June 30, 2023)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2024	2023
Current assets:		
Cash and cash equivalents (Note 2)	\$ 15,223,774	\$ 10,710,204
Investments (Note 2)	5,299,761	3,952,146
Accrued interest receivable	200,161	82,913
Accounts receivable, net (Note 3)	3,525,229	3,356,806
Property taxes receivable	12,793	14,680
Lease receivable (Note 4)	154,307	177,771
Other receivables	146,691	2,850,495
Inventory – water-in-storage	118,881	109,290
Inventory – materials and supplies	461,195	272,928
Prepaid expenses	140,355	101,107
Total current assets	25,283,147	21,628,340
Non-current assets:		
Investments (Note 2)	7,122,572	7,862,225
Restricted – investments (Note 2)	1,253,621	-
Investments in joint-ventures (Note 5)	23,882,056	23,223,378
Lease receivable (Note 4)	497,086	634,848
Net OPEB asset (Note 9)	2,063,169	-
Capital assets – not being depreciated (Note 6)	6,852,285	5,565,968
Capital assets – being depreciated, net (Note 6)	64,646,285	65,181,652
Total non-current assets	106,317,074	102,468,071
Total assets	131,600,221	124,096,411
Deferred outflows of resources:		
Deferred amounts related to refunding of long-term debt (Note 8)	2,970,000	3,135,000
Deferred amounts related to net OPEB liability(asset) (Note 9)	609,483	1,147,714
Deferred amounts related to net pension liability (Note 10)	3,066,416	4,936,428
Total deferred outflows of resources	6,645,899	9,219,142
Total assets and deferred outflows of resources	\$ 138,246,120	\$ 133,315,553
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,002,969	\$ 2,609,478
Deposits and unearned revenues	2,648,175	2,686,105
Accrued interest payable	56,002	56,573
Long-term liabilities – due within one year:		
Compensated absences (Note 7)	102,346	95,458
Bonds payable (Note 8)	1,735,000	1,380,000
Total current liabilities	7,544,492	6,827,614
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 7)	307,038	286,374
Bonds payable (Note 8)	33,055,000	34,790,000
Net OPEB liability (Note 9)	-	119,265
Net pension liability (Note 10)	3,123,198	4,209,131
Total non-current liabilities	36,485,236	39,404,770
Total liabilities	44,029,728	46,232,384
Deferred inflows of resources:		
Deferred amounts related to leases (Note 4)	620,616	786,367
Deferred amounts related to net OPEB liability(asset) (Note 9)	2,712,718	1,232,135
Deferred amounts related to net pension liability (Note 10)	2,133,619	2,346,298
Total deferred inflows of resources	5,466,953	4,364,800
Net position:		
Net investment in capital assets (Note 11)	39,678,570	37,712,620
Restricted for OPEB expenses (Note 9)	2,063,169	-
Restricted for pension expenses (Note 2)	1,253,621	-
Unrestricted	45,754,079	45,005,749
Total net position	88,749,439	82,718,369
Total liabilities, deferred inflows of resources and net position	\$ 138,246,120	\$ 133,315,553

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, 2024 (With Comparative Amounts as of June 30, 2023)*

	2024	2023
Operating revenues:		
Water sales	\$ 15,926,705	\$ 15,115,558
Water service charges	12,312,083	11,840,892
New service connections	466,217	2,100,118
Reimbursements	262,840	428,319
Other operating revenues	562,911	474,264
Total operating revenues	29,530,756	29,959,151
Operating expenses:		
Source of supply	11,266,648	10,354,361
Pumping and power	1,736,997	1,368,677
Transmission and distribution	2,002,932	1,830,038
Customer services	-	56,704
Other operating	568,097	544,960
General and administrative	6,417,257	6,232,071
Total operating expenses	21,991,931	20,386,811
Operating income before depreciation	7,538,825	9,572,340
Depreciation expense	(3,363,615)	(3,232,422)
Operating income	4,175,210	6,339,918
Non-operating revenues(expenses):		
Property taxes	638,141	575,898
Investment earnings	1,137,818	63,714
Rental and contract revenue	235,211	209,311
Other non-operating revenues	27,643	107,149
Interest expense	(878,415)	(881,000)
Contributions to joint-venture (Note 5)	(1,063,215)	(778,176)
Change in investment in joint-ventures (Note 5)	658,677	268,058
Total non-operating revenues(expenses), net	755,860	(435,046)
Change in net position before capital contributions	4,931,070	5,904,872
Capital contributions:		
Contributed capital-other	1,100,000	2,673,580
Total capital contributions	1,100,000	2,673,580
Change in net position	6,031,070	8,578,452
Net position:		
Beginning of year	82,718,369	74,139,917
End of year	<u>\$ 88,749,439</u>	<u>\$ 82,718,369</u>

ROWLAND WATER DISTRICT*Statements of Cash Flows**For the Fiscal Year Ended June 30, 2024 (With Comparative Amounts as of June 30, 2023)*

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 33,386,536	\$ 28,583,779
Cash paid to employees for salaries and wages	(4,136,555)	(3,428,917)
Cash paid to vendors and suppliers for materials and services	<u>(17,263,659)</u>	<u>(18,463,134)</u>
Net cash provided by operating activities	<u>11,986,322</u>	<u>6,691,728</u>
Cash flows from non-capital financing activities:		
Proceeds from property taxes	<u>640,028</u>	<u>580,147</u>
Net cash provided by non-capital financing activities	<u>640,028</u>	<u>580,147</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,114,565)	(5,189,744)
Interest paid on long-term debt	<u>(713,986)</u>	<u>(716,173)</u>
Net cash used in capital and related financing activities	<u>(4,828,551)</u>	<u>(5,905,917)</u>
Cash flows from investing activities:		
Change in investments	(1,194,822)	(84,754)
Investment earnings	230,570	50,974
Contributions to joint-ventures	<u>(2,319,977)</u>	<u>(2,092,510)</u>
Net cash used in investing activities	<u>(3,284,229)</u>	<u>(2,126,290)</u>
Net increase(decrease) in cash and cash equivalents	4,513,570	(760,332)
Cash and cash equivalents:		
Beginning of year	<u>10,710,204</u>	<u>11,470,536</u>
End of year	<u><u>\$ 15,223,774</u></u>	<u><u>\$ 10,710,204</u></u>

ROWLAND WATER DISTRICT*Statements of Cash Flows (continued)**For the Fiscal Year Ended June 30, 2024 (With Comparative Amounts as of June 30, 2023)*

	<u>2024</u>	<u>2023</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 4,175,210	\$ 6,339,918
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,363,615	3,232,422
Allowance for bad debt	(83,284)	(83,284)
Rental and contract revenue	235,211	209,311
Other non-operating revenues	27,643	107,149
Change in assets – (increase)decrease:		
Accounts receivable, net	(85,139)	250,239
Lease receivable	161,226	(134,496)
Other receivables	3,803,804	(66,344)
Inventory – water-in-storage	(9,591)	(9,772)
Inventory – materials and supplies	(188,267)	(92,546)
Prepaid expenses	(39,248)	(13,680)
Change in deferred outflows of resources – (increase)decrease		
Deferred amounts related to net OPEB liability	538,231	(667,277)
Deferred amounts related to net pension liability	1,870,012	(1,411,399)
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	393,491	(210,697)
Deposits and unearned revenues	(37,930)	(1,784,956)
Compensated absences	27,552	49,142
Net OPEB liability(asset)	(2,182,434)	1,077,889
Net pension liability	(1,085,933)	1,122,701
Change in deferred inflows of resources – increase(decrease)		
Deferred amounts related to leases	(165,751)	127,009
Deferred amounts related to net OPEB liability	1,480,583	(837,115)
Deferred amounts related to net pension liability	(212,679)	(512,486)
Total adjustments	<u>7,811,112</u>	<u>351,810</u>
Net cash provided by operating activities	<u>\$ 11,986,322</u>	<u>\$ 6,691,728</u>
Noncash investing, capital and financing transactions:		
Change in fair-value of investments	<u>\$ 71,153</u>	<u>\$ (15,223)</u>
Amortization of deferred amounts related to refunding of long-term debt	<u>\$ (165,000)</u>	<u>\$ (165,000)</u>

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

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.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

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. 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.

4. 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, 2024

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)

5. 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.

6. 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.

7. 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

8. 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, 2024

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)

9. 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.

10. 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, 2022

Measurement Date June 30, 2023

Measurement Period July 1, 2022 to June 30, 2023

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, 2024

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)

11. 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, 2023

Measurement Date June 30, 2023

Measurement Period July 1, 2022 to June 30, 2023

12. 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.
- **Restricted net position** - This component of net position consists of amounts held for the net OPEB asset expenses in future periods.
- **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, 2024

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

NOTE 2 – CASH AND INVESTMENTS

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

<u>Description</u>	<u>June 30, 2024</u>
Cash and cash equivalents	\$ 15,223,774
Investments – current	5,299,761
Investments – non-current	7,122,572
Restricted – investments	<u>1,253,621</u>
Total cash and investments	<u>\$ 28,899,728</u>

Cash and investments consisted of the following:

<u>Description</u>	<u>June 30, 2024</u>
Petty cash	\$ 400
Demand deposits held with financial institutions	5,084,208
Local Agency Investment Fund (LAIF)	10,139,166
Investments in Section 115 Trust	1,253,621
Investments	<u>12,422,333</u>
Total cash and investments	<u>\$ 28,899,728</u>

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

Demand Deposits with Financial Institutions

At June 30, 2024, the carrying amount of the District's demand deposits were \$5,084,208 and the financial institution's balances were \$5,085,770. 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, 2024, the District's deposits were covered by the Federal Deposit Insurance Corporation insurance limits or collateralized as required by California law.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests its funds to manage the State's cash flow and strengthen the financial security of local public agencies. PMIA's policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and has a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount 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 the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2023, the District held \$10,139,166 in LAIF.

Investments in Section 115 Trust

The District established a trust account with Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the District's CalPERS pension plans. The Section 115 Pension Trust's specific cash and investments are managed by a third party portfolio manager under guidelines approved by the District.

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

Investments

The District's investments as of June 30, 2024 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. government sponsored agency securities	Level 2	A to AAA	\$ 7,906,292	\$ 2,670,896	\$ 4,064,564	\$ 1,170,832
Medium-term notes	Level 2	A to AAA	3,937,070	2,049,894	581,856	1,305,320
Money-market mutual funds	N/A	AAA	578,971	578,971	-	-
Total investments			\$ 12,422,333	\$ 5,299,761	\$ 4,646,420	\$ 2,476,152

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, 2024

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, 2024.

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, 2024. 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, 2024

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:

<u>Issuer</u>	<u>Amount</u>
U.S. government sponsored agency securities:	
Federal Farm Credit Banks Funding Corporation	\$ 1,135,498
Federal Home Loan Bank	\$ 4,658,573
Federal Home Loan Mortgage Corpoartion	\$ 1,391,829

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.

NOTE 3 – ACCOUNTS RECEIVABLE, NET

The balance at June 30, 2024 consists of the following;

<u>Description</u>	<u>June 30, 2024</u>
Accounts receivable	\$ 3,567,270
Allowance for doubtful accounts	<u>(42,041)</u>
Total accounts receivable, net	<u>\$ 3,525,229</u>

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2024

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

Changes in the District's lease receivable for the year ended June 30, 2024 was as follows:

Description	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Cellular antenna site rental 1	\$ 96,313	\$ 21,064	\$ (25,179)	\$ 92,198
Cellular antenna site rental 2	33,814	-	(33,814)	-
Cellular antenna site rental 3	-	-	-	-
Cellular antenna site rental 4	144,767	-	(47,270)	97,497
Cellular antenna site rental 5	355,610	-	(37,669)	317,941
Cellular antenna site rental 6	182,115	-	(38,358)	143,757
	<u>\$ 812,619</u>	<u>\$ 21,064</u>	<u>\$ (182,290)</u>	<u>\$ 651,393</u>

Changes in the District's lease receivable for the year ended June 30, 2023 was as follows:

Description	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Cellular antenna site rental 1	\$ 10,122	\$ 106,489	\$ (20,298)	\$ 96,313
Cellular antenna site rental 2	77,456	-	(43,642)	33,814
Cellular antenna site rental 3	9,615	12,369	(21,984)	-
Cellular antenna site rental 4	189,669	-	(44,902)	144,767
Cellular antenna site rental 5	391,261	-	(35,651)	355,610
Cellular antenna site rental 6	-	198,952	(16,837)	182,115
	<u>\$ 678,123</u>	<u>\$ 317,810</u>	<u>\$ (183,314)</u>	<u>\$ 812,619</u>

The District is reporting a total lease receivable of \$651,393 and \$812,619 and a total related deferred inflows of resources of \$786,367 and \$659,358 for the years ending June 30, 2024 and 2023, respectively. Also, the District is reporting total lease revenue of \$182,290 and \$183,314 and interest revenue of \$16,991 and \$14,132 related to lease payments received for the years ending June 30, 2024 and 2023, 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 January 1, 2023, 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 \$106,489. There was a remeasurement of the lease to account for an amendment as of July 1, 2023. The lease receivable was remeasured to \$117,377 as of July 1, 2023. As of June 30, 2024 the value of the lease receivable was \$92,198. The lease is required to make monthly fixed payments of \$2,271 for the remaining 60 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 \$92,198 as of June 30, 2024. The District recognized lease revenue of \$25,687 and interest revenue of \$1,564 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, 2024

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

Cellular Antenna Site Rental 2

The District, on July 1, 2021, 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, 2024, the value of the lease receivable was \$0. The lease is required to make monthly fixed payments of \$3,864 for the remaining term of the lease, then increasing 2.0% per year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$0 as of June 30, 2024. The District recognized lease revenue of \$33,814 and interest revenue of \$282 during the fiscal year. This lease term has ended as of June 30, 2024.

Cellular Antenna Site Rental 3

This lease term has ended as of June 30, 2023.

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, 2024, the value of the lease receivable was \$97,497. The lease is required to make monthly fixed payments of \$4,658 for the next 11 months, then increasing 3.0% per year. The lease had a monthly rental increase of \$1,212 effective as of March 2022 due to additional site rental space. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$90,388 as of June 30, 2024. The District recognized lease revenue of \$47,270 and interest revenue of \$2,465 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, commenced 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, 2024, the value of the lease receivable was \$317,941. The lease is required to make monthly fixed payments of \$3,713 for the remaining 6 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 \$296,353 as of June 30, 2024. The District recognized lease revenue of \$37,668 and interest revenue of \$7,112 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 6

The District, on February 1, 2023, commenced 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 \$198,952. As of June 30, 2024, the value of the lease receivable was \$143,757. The lease is required to make monthly fixed payments of \$3,605 for the remaining 7 months, then increasing 3.0% every year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$142,582 as of June 30, 2024. The District recognized lease revenue of \$38,358 and interest revenue of \$3,642 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, 2024

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>
2025	\$ 154,307	\$ 12,295	\$ 166,602
2026	155,825	9,181	165,006
2027	111,649	6,536	118,185
2028	84,149	4,377	88,526
2029	49,004	2,909	51,913
2030-2031	96,459	2,678	99,137
Total	\$ 651,393	\$ 37,976	\$ 689,369
Current	(154,307)		
Long-term	\$ 497,086		

Changes in the District's deferred inflows of resources related to leases for June 30, 2024 is as follows:

<u>Description</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Cellular antenna site rental 1	\$ 95,840	\$ 21,537	\$ (26,084)	\$ 91,293
Cellular antenna site rental 2	31,918	-	(31,918)	-
Cellular antenna site rental 3	-	-	-	-
Cellular antenna site rental 4	137,547	-	(47,159)	90,388
Cellular antenna site rental 5	338,689	-	(42,336)	296,353
Cellular antenna site rental 6	182,373	-	(39,791)	142,582
	<u>\$ 786,367</u>	<u>\$ 21,537</u>	<u>\$ (187,288)</u>	<u>\$ 620,616</u>

Changes in the District's deferred inflows of resources related to leases for June 30, 2023 is as follows:

<u>Description</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2023</u>
Cellular antenna site rental 1	\$ 9,922	\$ 106,489	\$ (20,571)	\$ 95,840
Cellular antenna site rental 2	74,476	-	(42,558)	31,918
Cellular antenna site rental 3	9,229	12,369	(21,598)	-
Cellular antenna site rental 4	184,706	-	(47,159)	137,547
Cellular antenna site rental 5	381,025	-	(42,336)	338,689
Cellular antenna site rental 6	-	198,952	(16,579)	182,373
	<u>\$ 659,358</u>	<u>\$ 317,810</u>	<u>\$ (190,801)</u>	<u>\$ 786,367</u>

The amounts reported as deferred inflows of resources related to leases for the year ended June 30, 2024, will be amortized in future periods as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Inflows of Resources</u>
2025	\$ 155,369
2026	151,439
2027	108,210
2028	78,589
2029	42,336
2030-2031	84,673
Total	<u>\$ 620,616</u>

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2024

NOTE 5 – INVESTMENTS IN JOINT-VENTURES

The balance at June 30, 2024 consists of the following;

<u>Investments in Joint-Ventures</u>	<u>PBWA</u>	<u>PWR-JWLC</u>	<u>Total</u>
Balance – beginning of year	\$ 22,299,660	\$ 923,718	23,223,378
Change in investment in joint-ventures	633,030	25,647	658,677
Balance – end of year	<u>\$ 22,932,690</u>	<u>\$ 949,365</u>	<u>\$ 23,882,055</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, 2024:

<u>Description</u>	<u>June 30, 2024</u>
Balance – beginning of year	\$ 22,299,660
Share of net income	633,030
Balance – end of year	<u>\$ 22,932,690</u>

The following is condensed financial information of the investment in Puente Basin Water Agency as of and for the year ended June 30, 2024, including the participants' approximate percentage shares:

<u>Description</u>	<u>June 30, 2024</u>	<u>District Share 50%</u>
Total assets	<u>\$ 83,432,096</u>	
Total liabilities	\$ 37,566,716	
Total net position	45,865,380	<u>\$ 22,932,690</u>
Total liabilities and net position	<u>\$ 83,432,096</u>	

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

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, 2024, the District did not remit assessments 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, 2024:

Description	June 30, 2024
Balance – beginning of year	\$ 923,718
Share of net income	25,647
Balance – end of year	<u>\$ 949,365</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, 2024, including the participants' approximate percentage shares:

Description	June 30, 2024	Member Share		
		City of Pomona 25.8%	WVWD 45.1%	RWD 29.1%
Total assets	<u>\$ 6,771,399</u>			
Total liabilities	\$ 3,508,976			
Total net position	<u>3,262,423</u>	<u>\$ 841,705</u>	<u>\$ 1,471,353</u>	<u>\$ 949,365</u>
Total liabilities and net position	<u>\$ 6,771,399</u>			

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2024

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Changes in capital assets for the fiscal year ended June 30, 2024, were as follows:

Description	Balance July 1, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Non-depreciable assets:				
Land	\$ 261,340	\$ -	\$ -	\$ 261,340
Water rights	5,000	-	-	5,000
Construction-in-process	5,299,628	3,807,609	(2,521,292)	6,585,945
Total non-depreciable assets	5,565,968	3,807,609	(2,521,292)	6,852,285
Depreciable assets:				
Sources of supply	2,110,034	-	-	2,110,034
Pumping	11,182,387	190,756	-	11,373,143
Transmission and distribution system	82,469,108	1,533,053	(9,127)	83,993,034
Telemetry equipment	2,396,972	243,469	(54,419)	2,586,022
Office building and equipment	8,795,854	510,031	(55,995)	9,249,890
General plant	1,508,195	-	(22,990)	1,485,205
Transportation equipment	1,276,534	350,939	-	1,627,473
Total depreciable assets	109,739,084	2,828,248	(142,531)	112,424,801
Accumulated depreciation:				
Sources of supply	(1,391,604)	(67,773)	-	(1,459,377)
Pumping	(5,817,529)	(412,279)	-	(6,229,808)
Transmission and distribution system	(30,856,063)	(2,067,970)	9,127	(32,914,906)
Telemetry equipment	(1,263,317)	(107,153)	54,419	(1,316,051)
Office building and equipment	(3,748,094)	(482,298)	55,995	(4,174,397)
General plant	(610,618)	(70,212)	22,990	(657,840)
Transportation equipment	(870,207)	(155,930)	-	(1,026,137)
Total accumulated depreciation	(44,557,432)	(3,363,615)	142,531	(47,778,516)
Total depreciable assets, net	65,181,652	(535,367)	-	64,646,285
Total capital assets, net	\$ 70,747,620	\$ 3,272,242	\$ (2,521,292)	\$ 71,498,570

NOTE 7 – COMPENSATED ABSENCES

Summary changes to compensated absences balances for the year ended June 30, 2024, were as follows:

Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
<u>\$ 381,832</u>	<u>\$ 385,148</u>	<u>\$ (357,596)</u>	<u>\$ 409,384</u>	<u>\$ 102,346</u>	<u>\$ 307,038</u>

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

NOTE 8 – BONDS PAYABLE

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, 2024:

Description	Balance	Additions	Deductions	Balance	Current Portion	Long-term Portion
	July 1, 2023			June 30, 2024		
2021A Series Water Revenue Refunding Bonds	\$ 36,170,000	\$ -	\$ (1,380,000)	\$ 34,790,000	\$ 1,735,000	\$ 33,055,000

Maturities of the Water Revenue Refunding Bonds, Series 2023A and interest payments subsequent to June 30, 2024, are as follows:

Fiscal Year	Principal	Interest	Total
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	1,785,000	656,599	2,441,599
2029	1,820,000	632,320	2,452,320
2030-2034	9,585,000	2,666,427	12,251,427
2035-2039	10,715,000	1,523,770	12,238,770
2040-2043	5,635,000	271,913	5,906,913
Total	34,790,000	\$ 7,829,182	\$ 42,619,182
Current	(1,735,000)		
Long-term	\$ 33,055,000		

The following is a summary of the changes in deferred amounts related to refunding for the year ended June 30, 2024:

Description	Balance	Additions	Deductions	Balance
	July 1, 2023			June 30, 2024
Deferred amounts related to refunding	\$ 3,135,000	\$ -	\$ (165,000)	\$ 2,970,000

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, 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Summary

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

Description	2024
OPEB related deferred outflows	\$ 609,483
Net other post-employment benefits liability(asset)	(2,063,169)
OPEB related deferred inflows	2,712,718

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, 2023. 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, 2023, the measurement period, the District's contributions totaling \$45,811 including an implied subsidy of \$45,811. Payments made during the June 30, 2024 fiscal year end were reimbursed from the OPEB trust.

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

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, 2023 and was determined by an actuarial valuation as of June 30, 2023. 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, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
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	6.30%
Inflation	2.50%
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 2021 Study
Mortality	CalPERS 2021 Study
Disability	Not valued
Retirement	2021 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, 2024

NOTE 9 – 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 6.30%. 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</u>	<u>Plan Fiduciary</u>	<u>Net</u>
	<u>OPEB Liability</u>	<u>Net Position</u>	<u>OPEB Liability</u>
Balance at July 1, 2023 (Measurement date July 1, 2022)	\$ 6,620,196	\$ 6,500,931	\$ 119,265
Changes for the year:			
Service cost	110,543	-	110,543
Interest	425,284	-	425,284
Differences in experience	(1,282,972)	-	(1,282,972)
Changes in assumption	(585,641)	-	(585,641)
Employer contributions	-	375,809	(375,809)
Net investment income	-	473,839	(473,839)
Benefit payments	(375,809)	(375,809)	-
Net changes	(1,708,595)	473,839	(2,182,434)
Balance at June 30, 2024 (Measurement date June 30, 2023)	\$ 4,911,601	\$ 6,974,770	\$ (2,063,169)

ROWLAND WATER DISTRICT*Notes to Financial Statements**June 30, 2024***NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)****C. Changes in the Net OPEB Liability (continued)****Changes of Assumptions**

In fiscal year 2023-24, the measurement period, there was a decrease in the discount rate from 6.5% to 6.3% and the CalPERS 2021 Study reports were used in assumptions.

Change of Benefit Terms

In fiscal year 2023-24, 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 (5.30%) or 1 percentage point higher (7.30%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
	5.3%	6.3%	7.3%
Net OPEB Liability	<u>\$ (1,331,184)</u>	<u>\$ (2,063,169)</u>	<u>\$ (2,662,560)</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>\$ (2,747,401)</u>	<u>\$ (2,063,169)</u>	<u>\$ (1,189,356)</u>

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

For the year ended June 30, 2024, the District recognized OPEB expense/(credit) of \$117,799. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions made after the measurement date	\$ 45,811	\$ -
Changes in assumptions	-	(930,931)
Differences between expected and actual experience	36,242	(1,781,797)
Differences between projected and actual earnings on OPEB plan investments	527,430	-
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 609,483</u>	<u>\$ (2,712,728)</u>

ROWLAND WATER DISTRICT*Notes to Financial Statements**June 30, 2024*

NOTE 9 – 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 \$45,811 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, 2025. 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
2025	\$ (227,742)
2026	(252,890)
2027	(176,801)
2028	(253,232)
2029	(305,195)
Thereafter	<u>(933,196)</u>
Total	<u>\$ (2,149,056)</u>

At June 30, 2024, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2024.

NOTE 10 – PENSION PLAN**Summary**

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

Description	2024
Pension related deferred outflows	\$ 3,066,416
Net pension liability	3,123,198
Pension related deferred inflows	2,133,619

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, 2024

NOTE 10 – 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 2023	12.210%	7.470%

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, 2023 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, 2023 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	13	9	22
Retired members and beneficiaries	23	-	23
Total plan members	50	19	69

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, 2024

NOTE 10 – 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, 2024, were as follows:

Contribution Type	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Contributions – employer	\$ 294,725	\$ 115,008	\$ 409,733

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, 2023, 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, 2022, rolled forward to June 30, 2023, 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, 2024:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2024	Fiscal Year Ending June 30, 2023	
Measurement Date	June 30, 2023	June 30, 2022	
Percentage of Risk Pool Net Pension Liability	0.062459%	0.089954%	-0.027495%
Percentage of Plan Net Pension Liability	0.025035%	0.036440%	-0.011405%

ROWLAND WATER DISTRICT
Notes to Financial Statements
June 30, 2024

NOTE 10 – 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, 2023, 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, 2022 (Measurement Date)	\$ 23,423,289	\$ 19,214,158	\$ 4,209,131
Balance as of June 30, 2023 (Measurement Date)	\$ 25,945,264	\$ 22,822,066	\$ 3,123,198
Change in Plan Net Pension Liability	<u>\$ 2,521,975</u>	<u>\$ 3,607,908</u>	<u>\$ (1,085,933)</u>

For the year ended June 30, 2023, the District recognized pension expense of \$981,133. At June 30, 2024, 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	\$ 409,733	\$ -
Difference between actual and proportionate share of employer contributions	1,798,576	(21,848)
Adjustment due to differences in proportions	4,322	(2,087,021)
Differences between expected and actual experience	159,550	(24,750)
Differences between projected and actual earnings on pension plan investments	505,674	-
Changes in assumptions	188,562	-
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 3,066,417</u>	<u>\$ (2,133,619)</u>

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, 2024

NOTE 10 – 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 \$409,733 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, 2025. 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
2025	\$ 37,560
2026	46,143
2027	424,851
2028	14,511
Total	\$ 523,065

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2023 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2021, total pension liability. The June 30, 2023, 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	6.90%
Inflation	2.30%
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 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% 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, 2024

NOTE 10 – 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^{1,2}
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
	100.0%	

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate	Current	Discount Rate
	- 1%	Discount	+ 1%
	5.90%	Rate 6.90%	7.90%
CalPERS – Miscellaneous Plan	\$ 6,632,185	\$ 3,123,198	\$ 235,001

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

NOTE 10 – 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, 2023, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2024.

NOTE 11 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30, 2024:

Net investment in capital assets consisted of the following as of June 30, 2023:

Description	June 30, 2024	June 30, 2023
Net investment in capital assets:		
Capital assets – not being depreciated	\$ 6,852,285	5,565,968
Capital assets, net – being depreciated	64,646,285	65,181,652
Deferred amounts related to refunding of debt	2,970,000	3,135,000
Bonds payable – current portion	(1,735,000)	(1,380,000)
Bonds payable – non-current portion	<u>(33,055,000)</u>	<u>(34,790,000)</u>

NOTE 12 – 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, 2024

NOTE 13 – 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, 2023 – 401 member districts
D. Governing board	Nine representatives employed by members
E. Condensed financial information	September 30, 2023
Audit dated	March 20, 2024
Statement of financial position:	Sept 30, 2023
Total assets	<u>\$ 288,462,503</u>
Deferred outflows	<u>4,654,911</u>
Total liabilities	<u>167,203,667</u>
Deferred inflows	<u>5,200,835</u>
Net position	<u><u>\$ 120,712,912</u></u>
Statement of revenues, expenses and changes in net position:	
Total revenues	\$ 248,013,664
Total expenses	<u>(240,084,673)</u>
Change in net position	7,928,991
Beginning – net position	<u>112,783,921</u>
Ending – net position	<u><u>\$ 120,712,912</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.

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.

ROWLAND WATER DISTRICT

Notes to Financial Statements

June 30, 2024

NOTE 13 – RISK MANAGEMENT POOL (continued)

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, 2024, 2023, and 2022. 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, 2024, 2023, and 2022.

NOTE 14 – 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.

Construction Commitments

As of June 30, 2024, the District had commitments with respect to unfinished capital projects of approximately \$2.5 to \$3.0 million to be paid from a combination of State and local funds.

NOTE 15 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through January 14, 2025, 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, 2024

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%
June 30, 2022	0.03644%	4,209,131	2,572,145	163.64%	82.03%
June 30, 2023	0.02504%	3,123,198	3,183,868	98.09%	87.96%

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.

From fiscal year June 30, 2021 to June 30, 2022:

There were no significant changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced from 7.15% to 6.90%.

From fiscal year June 30, 2023 to June 30, 2024:

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, 2024***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)	(2,362,000)	2,572,145	119.47%
June 30, 2023	657,138	(2,095,073)	(1,437,935)	3,183,868	65.80%
June 30, 2024	409,733	(409,733)	-	3,668,985	11.17%

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%
June 30, 2023	June 30, 2021	Entry Age	Market Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Market Value	2.30%	6.90%

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, 2024

Fiscal Year Ended Measurement Date	Last Ten Fiscal Years*						
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability:							
Service cost	\$ 110,543	\$ 105,279	\$ 152,983	\$ 145,698	\$ 124,022	\$ 99,230	\$ 121,597
Interest	425,284	417,637	442,272	417,667	427,189	394,763	450,304
Changes of assumptions	(585,641)	-	(168,050)	-	(262,190)	-	(526,713)
Differences between expected and actual experience	(1,282,972)	(3,185)	(410,394)	51,531	(253,977)	11,333	(710,721)
Changes of benefit terms	-	-	-	-	-	151,163	-
Benefit payments	(375,809)	(432,067)	(266,776)	(221,224)	(185,776)	(179,152)	(154,372)
Net change in total OPEB liability	(1,708,595)	87,664	(249,965)	393,672	(150,732)	477,337	(819,905)
Total OPEB liability - beginning	6,620,196	6,532,532	6,782,497	6,388,825	6,539,557	6,062,220	6,882,125
Total OPEB liability - ending	4,911,601	6,620,196	6,532,532	6,782,497	6,388,825	6,539,557	6,062,220
Plan fiduciary net position:							
Contributions - employer	375,809	432,067	1,686,776	641,224	605,776	599,152	574,372
Net investment income	473,839	(990,225)	1,194,246	166,568	264,426	203,849	261,561
Administrative expense	-	-	-	-	-	(10,222)	(850)
Benefit payments	(375,809)	(432,067)	(266,776)	(221,224)	(185,776)	(179,152)	(154,372)
Net change in plan fiduciary net position	473,839	(990,225)	2,614,246	586,568	684,426	613,627	680,711
Plan fiduciary net position - beginning	6,500,931	7,491,156	4,876,910	4,290,342	3,605,916	2,992,289	2,311,578
Plan fiduciary net position - ending	6,974,770	6,500,931	7,491,156	4,876,910	4,290,342	3,605,916	2,992,289
District's net OPEB liability	\$ (2,063,169)	\$ 119,265	\$ (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	142.01%	98.20%	114.67%	71.90%	67.15%	55.14%	49.36%
Covered-employee payroll	\$ 3,341,037	\$ 3,301,898	\$ 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	-61.75%	3.61%	-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, 2019 – There were no changes in benefits
Measurement Date June 30, 2020 – There were no changes in benefits
Measurement Date June 30, 2021 – There were no changes in benefits
Measurement Date June 30, 2022 – There were no changes in benefits
Measurement Date June 30, 2023 – 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
Measurement Date June 30, 2021 – There were no changes in benefits
Measurement Date June 30, 2022 – There were no changes in benefits
Measurement Date June 30, 2023 – The discount rate was reduced to 6.30% from 6.5% and CalPERS 2021 Experience Study was used for assumptions

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

ROWLAND WATER DISTRICT

Schedule of Contributions – Other Post-Employment Benefits (OPEB) Plan For the Year Ended June 30, 2024

Fiscal Year Ended	Last Ten Fiscal Years*						
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	\$ 45,811	\$ 393,663	\$ 296,665	\$ 308,417	\$ 354,481	\$ 343,260	\$ 343,260
Contributions in relation to the actuarially determined contributions	(45,811)	(375,809)	(1,686,776)	(641,224)	(605,776)	(599,152)	(599,152)
Contribution deficiency (excess)	\$ -	\$ 17,854	\$ (1,390,111)	\$ (332,807)	\$ (251,295)	\$ (255,892)	\$ (255,892)
Covered payroll	\$ 3,341,037	\$ 3,301,898	\$ 3,095,166	\$ 2,856,168	\$ 2,728,686	\$ 2,285,510	\$ 2,174,023
Contributions as a percentage of covered payroll	1.37%	11.38%	54.50%	22.45%	22.20%	26.22%	27.56%

Notes to Schedule:

Valuation Date	June 30, 2021	June 30, 2021	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	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Closed period, level percent of pay	(1)	(1)	(1)	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years	20-years	20-years	20-years	20-years
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Discount rate	6.30%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Inflation	2.50%	2.26%	2.26%	2.26%	2.26%	2.26%	2.26%
Payroll increases	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Mortality	(6)	(2)	(2)	(2)	(2)	(2)	(2)
Morbidity	(6)	(3)	(3)	(3)	(3)	(3)	(3)
Disability	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Retirement	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Percent Married	80%	80%	80%	80%	80%	80%	80%
Healthcare trend rates	(7)	(5)	(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

(6) CalPERS 2021 Study

(7) Pre-65 - 7.74% trending down to 4.50%

Post-65 - 4.85% trending down to 4.50%

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

Supplementary Information

ROWLAND WATER DISTRICT*Schedule of Other Operating Expenses**For the Year Ended June 30, 2024 (With Comparative Amounts as of June 30, 2023)*

	<u>2024</u>	<u>2023</u>
Other Operating Expenses:		
Certification, fees and permits	\$ 135,545	\$ 151,449
Engineering	241,544	253,805
Maintenance and operations	116,407	67,723
Small tools and supplies	42,859	44,406
Water tests	<u>31,742</u>	<u>27,577</u>
Total Other Operating Expenses	<u><u>\$ 568,097</u></u>	<u><u>\$ 544,960</u></u>

ROWLAND WATER DISTRICT*Schedule of General and Administrative Expenses**For the Year Ended June 30, 2024 (With Comparative Amounts as of June 30, 2023)*

	<u>2024</u>	<u>2023</u>
General and Administrative Expenses:		
Salaries and wages	\$ 1,671,168	\$ 1,533,509
Payroll taxes	282,485	237,782
Employee benefits	751,465	658,953
OPEB expenses	(200,638)	(231,818)
Pension expenses	2,351,939	1,469,987
Director's fees and expenses	155,068	154,659
Bank service charges	235,476	198,600
Community outreach	121,111	125,054
Conferences, training and travel	162,859	167,328
Conservation rebate program	63,047	101,615
Information technology	492,593	476,192
Insurance – liability and workers' compensation	275,192	227,222
Membership fees and dues	57,053	51,914
Miscellaneous	182,766	157,053
Office supplies	23,022	28,780
Professional services	198,683	194,808
Repairs and maintenance	42,617	40,393
Service contracts	438,635	376,316
Taxes, permits and fees	13,272	13,754
Uncollectable accounts	(22,982)	(13,326)
Utilities	130,573	127,364
Vehicle expenses	186,675	135,932
Total General and Administrative Expenses	<u><u>\$ 7,612,079</u></u>	<u><u>\$ 6,232,071</u></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, 2023, 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 14, 2025.

Report on 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 or significant deficiencies may exist that have not been identified.

Report on 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 14, 2025



RESOLUTION NO. 2-2025

ROWLAND WATER DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("JPIA")

WHEREAS, this district is a member district of the JPIA; and

WHEREAS, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's **Executive Committee**, three member districts must concur with the nominating district; and

WHEREAS, another JPIA member district, the Kings River Conservation District has requested that this district concur in its nomination of its member of the JPIA Board of Directors to the **Executive Committee** of the JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rowland Water District that this district concur with the nomination of Chris Kapheim of the Kings River Conservation District to the **Executive Committee** of the JPIA.

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 11, 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

TOM COLEMAN
General Manager

JOHN BELLAH
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 11, 2025.

TOM COLEMAN
Board Secretary

UNAPPROVED RESOLUTION

AFFILIATE PARTNERSHIPS FOR PUBLIC AGENCIES

SGVCOG is seeking to open Affiliate Partnership positions for eligible SGV agencies that will contribute to our organization's expertise, be a sounding board for current and future initiatives, and make our regional voice louder. New affiliates to be added by Spring 2025.



AFFILIATE BENEFITS

COMMITTEES & WORKING GROUPS

Become a voting member of SGVCOG's Policy Committees and Working Groups, helping recommend projects, programs, and advocacy positions to the Governing Board. Limited to members of an agency's legislative/governing body.

SGVCOG STAFF LIAISON

Request SGVCOG staff liaison to attend your Governing Body's meetings to provide updates when needed.

AMPLIFY YOUR VOICE & MESSAGING

Join the SGVCOG community, participate in grand openings, groundbreakings, and recognition ceremonies. Build productive relationships with other agency leaders and elected officials.

JOIN REGIONAL ADVOCACY EFFORTS

SGVCOG is eager to work with regional agencies on issues of shared importance, including key legislation, state and federal project funding matters, and laws related to good governance.

ONE VALLEY. ONE VOICE.

Eligible public agencies include JPAs that address issues relevant to SGVCOG programs and projects, including transportation, infrastructure, water, waste management, sustainability, housing, homelessness, and mental health services.





Community Relations & Education

February 2025 Update

OUTREACH ENGAGEMENT

Direct Install Program- Rowland Water District launched the Residential Water Use Survey and Irrigation Retrofit Program with support from a \$25,000 MAAP grant. This initiative promotes water conservation by providing customers a free residential water use assesment to identify water use inefficiencies. Additionally, eligible customers within DAC can receive up to \$650 towards landscape retrofits.

To date, 36 customers have participated in the free water use survey. Of those 36, eight (8) customers resided within DAC and received irrigation retrofits.

Outreach Tactics for the Direct Install Program:

- Social media posts on all platforms
 - o Boosted post on Instagram
- Two e-blasts
- Bill Insert (February 5th, 19th, 26th)
- Flyer located in the lobby

FREE

RESIDENTIAL WATER USE SURVEY

Find out how to qualify for an additional **\$650** in irrigation retrofits!

See reversed side for information and qualifications.

CUSTOMER QUALIFICATIONS:

- ✓ RWD customers are eligible for a **FREE** residential water use survey provided by Waterwise Consulting Inc. This complimentary service is sponsored by the Metropolitan Water District of Southern California (MWD).
- ✓ As an added benefit to RWD customers who participate in the water use survey, properties located within a designated **Disadvantage Communities (DAC)** may qualify for up to **\$650** in irrigation retrofits. Act now while funds are available! Schedule your free water use survey today!

Here's how it works:

1. Schedule Your Water Survey by visiting www.rwd.org/direct-install
2. Receive your Assessment
3. Check Your Retrofit Eligibility



Community Relations & Education

February 2025 Update

Literacy Fair Event- Staff will host a booth on March 8th at the Kiwanis Literacy Fair located at Alvarado Intermediate School. The booth will have conservation swag and the water cycle bookmark activity.

Conservation Campaign- RWD staff developed a comprehensive marketing plan to align with the new water mandates and regulations. This plan includes media outreach, customer engagement, and incentives for water conservation. The first portion to launch are staff-created lightpost banners that will be hung along the north side of Colima Road targeting the many commuters and shoppers. In addition to lightpost banners, yard signs will be placed strategically around the entire service area and will be available for customers to request and put on their property (both residential and business customers).

Education Outreach:

Annual Poster Contest- Staff launched the program in January. To date 1,465 sheets of paper were requested and delivered to teachers. In addition to the paper, 11 teachers were chosen by lottery to receive a class set of Crayola markers and crayons to assist the students with creating and designing the posters. The deadline for posters is March 27, 2025.

Scholar Dollar Program- The deadline for high school seniors to submit their application is February 13, 2025.

Splash Cash Program- The district received nine Splash Cash applications from Jellick Elementary, Northam Elementary, Rowland Elementary, Telesis Academy and Santana High School. All nine applications have been approved for funding totalling \$13,252.50. PWAG CET will reimburse the District for one \$1,500 application.

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.



Community Relations & Education

February 2025 Update

SOCIAL MEDIA

Rowland Water District continually posts updates regarding District information, careers in water, conservation, and water education. These posts are shared on Facebook, Instagram X/Twitter, Nextdoor, and LinkedIn and YouTube when necessary.

CONSTANT CONTACT- Electronic information sent to customer emails.

- January 16, 2025- *Direct Install Program*- 46% open rate

- January 29, 2025- *Direct Install Program*- 44% open rate

Total Active Contacts-16,092



WHAT'S YOUR *Water Footprint?*

TAKING STEPS TO SAVE

Rowland Water District – Board Report

February 11, 2025



Earned Media Reach

- Philippines Trip Release
- Splash Cash Release
- MAAP Funding Release
- Audit Release



Customer Engagement

- Value Outreach Discussion & Concepts
- Value Video Series Plan Draft
- Updated Letterhead with New Board Positions



Strategic Plan

5th Edition of Effective Action for Sustainable Progress Strategic Plan

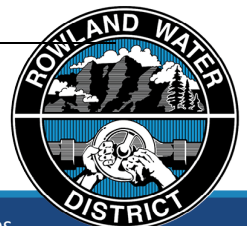
- Internal focus group to include staff input
- Content and initiative development
- Design update currently underway



Communications Planning

Outreach Plan Implementation for FY 24/25

- Direct customer communications
- Board engagement
- Awards submissions
- Multi-lingual efforts
- Earned media
- Social media strategies



 NEWSBREAK

Choose your location

[See all locations](#)

HOT

Super Bowl 2025

Los Angeles Fires

 **acwa.com**
website


📍 Rowland Heights

District Increases Environmental Awareness Through Local Classroom Funding

28 days ago

ROWLAND HEIGHTS — Rowland Water District (RWD) continues to demonstrate that it is a force for good in the community as its...



[Read full article](#) 



OUR WORK

RESOURCES

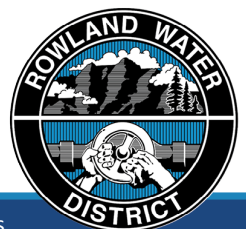
HOME / NEWSROOM

DISTRICT INCREASES ENVIRONMENTAL AWARENESS THROUGH LOCAL CLASSROOM FUNDING

BY ROWLAND WATER DISTRICT JAN 7, 2025 MEMBER SUBMITTED NEWS

ROWLAND HEIGHTS — Rowland Water District (RWD) continues to demonstrate that it is a force for good in the community as its ongoing Splash Cash program awarded more than \$13,000 in grants for water education-related programs for the 2024-2025 school year.

While teachers have the flexibility to create their curriculum or programs, the overall theme is centered around increasing students' awareness of the importance of water as a natural resource in Southern California.



Assembly Bill 259 (Rubio)

Sunset Elimination for Modified Brown Act Meeting Procedures

Bill Summary

[Assembly Bill 259 \(Rubio\)](#) eliminates the sunset on provisions added to the Brown Act by [Assembly Bill 2449 \(Rubio, 2022\)](#), a bill that provided additional flexibility with alternative Brown Act meeting procedures able to be observed in the event of a board member's absence in connection with a "just cause" or "emergency circumstances," allowing for those members so-affected to participate in the meeting remotely consistent with the process detailed in the bill. The provisions of AB 2449 include restrictions on how often its provisions may be invoked and require that a majority of the board be present in-person in order to constitute a quorum.

Problem

Several special districts and other local agencies have utilized the procedures established by AB 2449, successfully facilitating remote participation for legislative policymakers that would otherwise been encumbered by illness, official travel, or medical emergency. Though the terms of AB 2449 have been amended since their passage, the sunset date associated with its terms has not been changed; the alternative Brown Act meeting procedures established by the bill expire at the end of 2025.

Solution

By removing the sunset, AB 259 preserves the additional flexibility for individual board members of local agencies looking to meet remotely to continue providing the public with essential services.

Background

In support of the original legislation, AB 2449, author Assembly Member Blanca Rubio remarked that remote meetings held over the last few years "demonstrated the value of remote participation options when individuals are unable to attend a physical gathering. The Brown Act ensures that officials and their constituents can have open and transparent meetings, which we now know can occur using modern technology. [...] AB 2449 would

provide an avenue for constituents to interact with their representatives in situations where they might have not previously been able to."

AB 2449 followed other legislation like [Assembly Bill 361 \(R. Rivas, 2021\)](#) related to the Brown Act. However, while bills like AB 361 were concerned with entire agencies and disaster emergency scenarios posing a threat to the general health and welfare of all attendees, AB 2449 is more limited in scope. AB 2449 is applicable to individual board members – rather than the entire agency – and is concerned with the specific "just cause" and "emergency circumstances" enumerated within the bill.

Support

- California Special Districts Association
- Three Valleys Municipal Water District
- Various local government associations
- Various counties, cities, special districts, and other local agencies

For More Information

Marcus Detwiler
California Special Districts Association
marcusd@cda.net



December 11, 2024

Mr. Tom Coleman, General Manager
Rowland Water District
3021 S. Fullerton Road
Rowland Heights, California 91748

**RE: WORKERS' COMPENSATION, LIABILITY, AND PROPERTY
RISK ASSESSMENT VISIT**

Dear Mr. Coleman:

Visiting Rowland Water District (RWD) on November 14, 2024, was a pleasure. Thank you for taking the time to meet. Please extend my appreciation to Dusty Moisio, Assistant General Manager; Elisabeth Mendez, Compliance and Safety Coordinator; and Allen Davidson, Director of Operations. The purpose was to review loss histories, District operations, and risk exposures, aiming for opportunities to mitigate future risks.

Thank you for sharing information about the District's current projects, including the Cuatro Booster Station upgrade, and water main line installation. Staff shared that the District is working to update its Emergency Response Plans and is considering additional cybersecurity measures in partnership with an outside consultant's support. Elizabeth shared that the District has been recognized for its safety performance through the National Safety Council's 2024 Occupational Excellence Achievement Award. Congratulations on receiving the JPIA's 2024/25 Employee Benefits Program Wellness Grant Award, Fall 2024 H.R. Labounty Safety Award, and the Fall 2024 President's Special Recognition Award, in the Workers' Compensation and Property Programs. Each year at the Fall Conference, the JPIA recognizes members with a Loss Ratio of 20 percent or less. The data for this calculation is for three years, 2020-2023, as of September 30, 2024. A printed copy will be mailed to the District.

Loss Review

The District's loss history review highlighted information on claims paid over the last five coverage years. These claims impact Experience Modification Rates (E-Mod) and coverage costs the most. Periodic loss review may assist the staff in identifying trends, implementing actions to reduce exposures, and preventing future losses. An emphasis was made on best practices that help keep exposure at a minimum. Any E-Mod below 1.0 is positive and indicates savings to a member. There is no E-Mod in the JPIA's Property Program.

Workers' Compensation - The District's current E-Mod is 1.07. Zero claims were reported over the last two Program coverage years. Staff shared that RWD continues to investigate incidents to reduce the frequency and cost of claims. As a preventative measure, member agencies in our WC Program are encouraged to conduct Job Safety Analyses (JSA/JHA), for both new and repetitive job tasks, to evaluate employee exposures, and to identify the training, experience, and skills employees need to conduct high-risk job tasks. Two field-ready tools available for member use include the following:

- [JPIA's Sample Field Job Safety Analysis](#)
- [Authorized Equipment Operator Form](#)

Staff may find value in proactively completing a JSA/JHA to identify hazards and select improvement measures before injuries occur. When a documented training sign-in sheet accompanies this process, it makes an outstanding [H.R. LaBounty Safety Award](#) Program nomination.

Liability - The District's current E-Mod is 1.14. Zero claims were reported over the last two Program coverage years. Historical claims at RWD are related to water main breaks and vehicular incidents. Staff shared that RWD continues to invest in equipment to improve emergency response and is procuring an EOC Vehicle to enhance resilience.

Property – Three valued claims were reported over the last five years, two related to vehicular incidents where non-district parties were at fault, and one related to a diesel fuel theft event. Hearing about RWD's continued focus on security measures at District sites was encouraging. As a reminder, all property must be scheduled *before* loss or within 90 days of acquisition to ensure coverage applies; any additional contributions will be pro-rated. Members are encouraged to review and update their Property Schedules throughout the year. If a loss occurs to unscheduled property, there is no coverage. Please continue to consult the JPIA when questions about property claims arise.

2024/25 Risk Focus Items

The JPIA highlights the following risk reduction and loss control programs in the 2023/24 coverage year. Our goal is to promote implementing best practices that may limit exposure and reduce losses to the membership.

811 Underground Safety – California Government Code 4216 requires excavators to call 811 before digging so underground utilities can be marked, and underground utility owners to participate in the Regional Notification Center to locate and mark their lines. The goal is to prevent line strikes, loss of service, and costly repairs. JPIA encourages members to review their program to ensure staff are trained and follow the law, and to review [what to do if underground utility infrastructure is damaged](#). Allen confirmed that the District notifies 811 before digging operations begin, that RWD participates in the Regional Notification Center, and that staff receives line location training.

Serious Injury/Illness Reporting – Cal/OSHA requires employers to notify their local Cal/OSHA district office within eight hours, when a serious injury, illness, or death of an employee occurs at work, or in connection with employment. Failure to report within eight hours

Mr. Tom Coleman, General Manager
Rowland Water District
December 11, 2024
Page 3

can result in a citation from Cal/OSHA. Members are encouraged to include reporting requirements in their IIPP. To assist members, JPIA created a [Serious Injury and Illness Reporting Guide](#).

Cross Connection Control – We discussed the Federal and State regulations, such as the Safe Drinking Water Act (SDWA) and Section 7584 of the California Code of Regulations, that mandate water suppliers maintain safe and potable water; Section 2.4 of the Cross-Connection Control Policy Handbook from the State Water Resources Control Board explains changes to existing cross-connections control regulations, which took effect in July 2024, to include updates to responsibilities and scope of control plans. A *JPIASource* article was published in the fall 2024 titled [The Benefits of a Cross-Connection Ordinance](#) as a resource for members. RWD reported having a Cross Connection Control and Backflow Prevention Ordinance.

Site Visits

During the visit, we toured the District Administration Office and Operations Yard, as well as Tomich Road Booster Station. The staff was friendly and informative; and the areas were secure, organized, and well-maintained.

The JPIA thanks Rowland Water District for participating in our Workers' Compensation, Liability, and Property Programs. Please remember that most JPIA services are just an email or phone call away. Should you or your staff have any questions or need additional assistance, please contact me at (949) 806-8754 or acorral@acwajpia.com.

Sincerely,



Andrew J. Corral, CSP
Senior Risk Control Advisor

1211:tl

c: Dusty Moisio, Assistant General Manager
Allen Davidson, Director of Operations
Elisabeth Mendez, Compliance and Safety Coordinator
JPIA Member Services
JPIA Risk Management Committee
Szu Pei Lu-Yang, JPIA Board Member

ACWA JPIA Proudly Presents

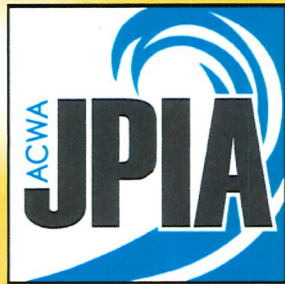
the

H.R. LaBounty Safety Award

to

Casey Hayes
Rowland Water District

December 2024



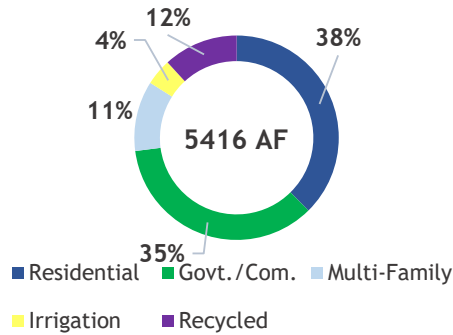


ROWLAND WATER DISTRICT FINANCIAL DASHBOARD

December 31, 2024

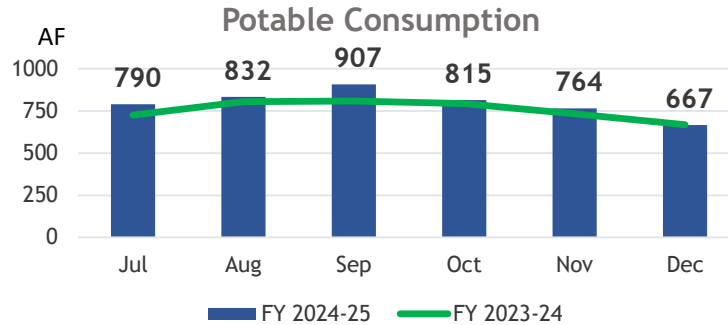


Consumption by Class



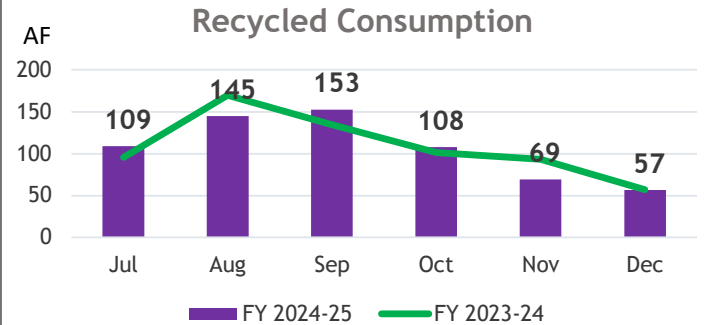
105% of Prior Year

57% of Budget



98% of Prior Year

72% of Budget



YTD Revenue
Annual Budget

\$17,760,258
\$31,669,600

56%

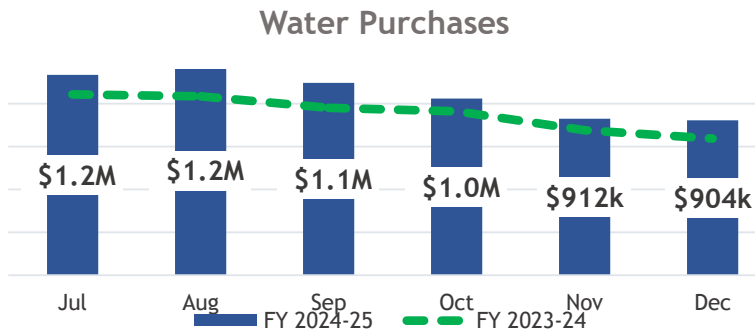
YTD Expense
Annual Budget

\$12,606,109
\$24,063,300

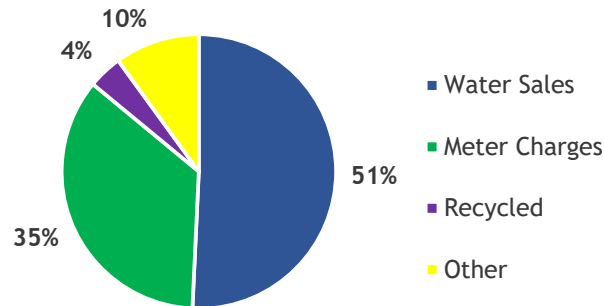
52%

YTD Water Purchases
of \$6.4 M

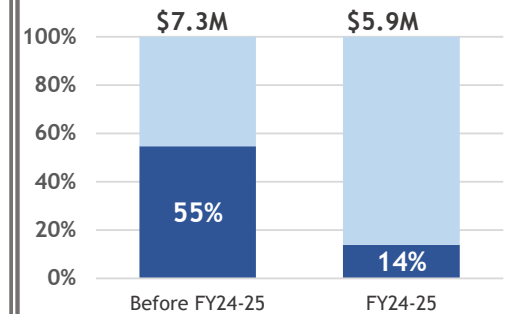
50% of YTD Expense



Revenues by Category



CIP Completion



- 361
Low Income Assist.



- 77
Turn-Offs



- 54
New Applications



- 6895
- 5142
Paperless Bills
Auto Pay



- 538
Phone Calls