

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

WALNUT VALLEY WATER DISTRICT – BOARD ROOM

271 South Brea Canyon Road • P. O. Box 508
Walnut, California 91789-3002
(909) 595-1268 • (626) 964-6551 • FAX (909) 594-9532

AGENDA FOR REGULAR QUARTERLY MEETING Thursday, February 13, 2020, 4:00 PM

Each item on the agenda shall be deemed to include any appropriate motion, resolution or ordinance to take action on any item.

1. Flag Salute
2. Roll Call: Ms. Kwong _____ Mr. Gonzalez _____ Mr. Lima _____
 Mr. Hilden _____ Mr. Preciado _____ Ms. Rios _____
3. Public Comment
 At this time, the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the Commission. Reasonable time limits on each topic and on each speaker are imposed in accordance with Commission policy.
4. Late Business, if any
 No action shall be taken on any items not appearing on the posted Agenda except upon a determination by a majority of the Commission that an emergency situation exists, or upon a determination by a two-thirds vote of the Commission that there is a need to take immediate action and that the need to take action arose after the posting of the Agenda.
5. [Rotation of Officers – 2020 Calendar Year](#) Teuber
 A. Discussion B. Action Taken
6. [Approval of Minutes for Meeting Held October 24, 2019](#) Teuber
 A. Discussion B. Action Taken
7. [Approval of Warrants and Charges Paid October 2019 through January 2020](#) Coleman
 A. Discussion B. Action Taken
8. Communications Teuber
9. Approval of Financial Reports Coleman
 A. [Treasurer's Reports ending December 31, 2019](#)
 B. [Statement of Income & Expenses as of Quarter Ending December 31, 2019](#)
 C. [Cash & Investment Portfolio Summary as of Quarter Ending December 31, 2019](#)
 (1) Discussion (2) Action Taken
10. [Adopt Final Audit](#) Teuber
 A. Discussion B. Action Taken
11. Three Valleys Municipal Water District Teuber
12. Administrative Report Teuber

13. [Operations Report](#) Teuber
14. [Water Use Reports for October 2019 through December 2019](#) Coleman
 - A. Discussion
 - B. Action Taken
15. Commissioners Questions and Comments
16. Commission Members and Staff Will Be Given an Opportunity to Request and Suggest Subjects for Discussion at a Future Meeting
17. Adjournment

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MEMORANDUM

TO: Commissioners Gonzalez, Kwong, and Lima **DATE:** February 13, 2020
FROM: Brian Teuber, Administrative Officer
RE: Rotation of Officers – 2020 Calendar Year

In accordance with the Commission's Bylaws, "at the first regular meeting in a calendar year...." the Commission shall elect officers for that year.

Based on past practice, the Commission will rotate officers with the new officers to be seated as follows:

1. Vice President Kwong will ascend to the position of President,
2. Commissioner Lima will ascend to the position of Vice President; and,
3. President Gonzalez will be Commissioner

**MINUTES OF THE SEVEN HUNDRED AND EIGHTY SIXTH MEETING OF THE
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION**

**October 24, 2019
At the Offices of the Walnut Valley Water District
Board Room**

PRESENT:

Commissioner Rubio Gonzalez
Commissioner Scarlett Kwong (4:03 p.m.)
Commissioner Tony Lima
Alternate Commissioner Edwin Hilden

STAFF PRESENT:

Brian Teuber, Administrative Officer
Carmen Fleming, Secretary

The meeting was called to order at 4:01 p.m. with Commission President Gonzalez presiding.

In attendance: Member agency representative Mr. Tom Coleman, and Mr. Dave Warren, of Rowland Water District; and Mr. Erik Hitchman, of Walnut Valley Water District; and Ms. Denise Jackman, Director at Three Valleys Municipal Water District; and Mr. Chris Diggs, of the City of Pomona.

Item 3: Public Comment

- ◆ There was no public comment at this time.

Item 4: Late Business

- ◆ There was no late business to be brought before the Commission at this time.

Item 5: Approval of Minutes for Meeting Held June 13, 2019

- ◆ The Commission was asked to approve the meeting minutes for the previous Commission meeting held June 13, 2019.

Upon consideration thereof, it was moved by Alternate Commissioner Hilden, seconded by Commissioner Lima and carried (3-0), to approve the minutes of the June 13, 2019 meeting.

President Gonzalez indicated the motion was approved by a 3-0 vote

Item 6: Approval of Warrants and Charges Paid June through September 2019

- ◆ The Commission was provided a List of Warrants and Charges for June through September 2019.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Alternate Commissioner Hilden, and unanimously carried (3-0), to receive and file the Warrants and Charges for June through September 2019.

President Gonzalez indicated the motion was approved by a 3-0 vote

Item 7: Communications

- ◆ **ACWA Nomination Candidate Information** - Mr. Teuber presented the ACWA nominees letters of interest for the upcoming election. This was an informational report only, the Commission took no action.

Item 8: Approval of Financial Reports

- ◆ Mr. Teuber noted the Treasurer’s Reports, the Statement of Income & Expenses, and the Cash & Investment Portfolio Summary as provided and requested they be received and filed.

Upon consideration thereof, it was moved by Commissioner Kwong, seconded by Commissioner Lima and unanimously carried, to receive and file the Treasurer’s Reports for June 2019 through September 2019, and the Statement of Income & Expenses and Cash & Investment Portfolio Summary for Quarter Ending September 30, 2019.

President Gonzalez indicated the motion was approved by a 3-0 vote

Item 9: Audit Planning Letter

- ◆ The Commission was asked to receive and file the Audit Planning Engagement Letter to initiate the audit process.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Kwong, and unanimously carried (3-0), to receive and file the Audit Planning Engagement Letter with White Diehl Evans LLP.

President Gonzalez indicated the motion was approved by a 3-0 vote

Item 10: Consider Adoption of Resolution No. 104 – Change in Authorized Signatures for LAIF General Fund Account

- ◆ Mr. Teuber requested the Commissioners consider adoption of the amendments to Resolution No. 103, authorizing the Commission to update the Local Agency Investment Fund (LAIF) signature card.

Upon consideration thereof, it was moved by Commissioner Kwong, seconded by Commissioner Lima and unanimously carried (3-0), to approve and adopt Resolution No. 104, amending Resolution No. 103, to update the Local Agency Investment Fund (LAIF) signature card.

A roll call vote was then taken:

Yes: Gonzalez, Kwong, Lima

Noes: None

Motion: Passed (3-0)

President Gonzalez indicated the motion was approved by a 3-0 roll call vote

Three Valleys Municipal Water District

- ◆ Staff reported on the Three Valley’s Board meeting activities.

Item 11: Administrative Report

- ◆ Mr. Teuber did not have any administrative matters to report at this time.

Item 12: Operations Report

- ◆ The Commission was provided with the Operations Report for the period of June 2019 through September 2019. As this is an informational report only, the Commission took no action.

Item 13: Water Use Reports for May through September 2019

- ◆ Mr. Teuber asked the Commission to receive and file the Water Usage Reports for May through September 2019, as presented.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Kwong and unanimously carried (3-0), to receive and file the Water Use Reports for May through September 2019.

President Gonzalez indicated the motion was approved by a 3-0 vote

Item 14: 2019 Calendar/Meeting Schedule

- ◆ The Commission was asked to adopt the 2020 calendar year P-W-R Joint Water Line Commission meeting schedule, with the scheduled dates as follows:
 - Thursday, February 13, 2020, at 4:00 p.m.
 - Thursday, June 11, 2020, at 4:00 p.m.
 - Thursday, October 8, 2020, at 4:00 p.m.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Kwong, and unanimously carried (3-0), to adopt the 2020 P-W-R Joint Water Line Commission calendar.

President Gonzalez indicated the motion was approved by a 3-0 vote

Item 15: Commissioner's Questions and Comments

- ◆ There were no Commissioner questions or comments at this time.

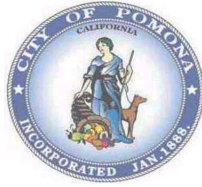
Item 16: Subjects for Discussion at Future Meetings

- ◆ There were no items requested for discussion at future meetings.

Item 17: Adjournment at 4:23 p.m.

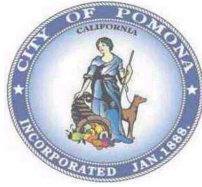
With no further items for discussion, it was moved by Commissioner Lima, seconded by Commissioner Kwong, and unanimously carried (3-0), to adjourn the Pomona-Walnut-Rowland Joint Waterline Commission meeting at 4:23 p.m.

President Gonzalez indicated the motion was approved by a 3-0 vote



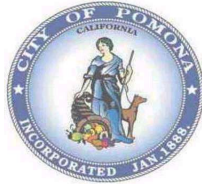
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
OCTOBER 2019

Check No.	Payee	Inv. Date	Description	Amount
EFT	Three Valleys Municipal Water District	8/31/2019	<i>PM-15</i>	\$ 2,130,648.00
		8/31/2019	<i>PM-21</i>	\$ 55,640.00
		8/31/2019	<i>LRP Rebate (Pomona)</i>	\$ (9,430.00)
		8/31/2019	<i>TVMWD Capacity</i>	\$ 5,619.62
		8/31/2019	<i>TVMWD Water Use</i>	\$ 5,912.21
		8/31/2019	<i>MWD Capacity</i>	\$ 21,827.48
Total				\$ 2,210,217.31
11767	ACWA JPIA	9/30/2019	<i>Auto & General Liability Insurance 10/1/2019-2020</i>	\$ 2,183.00
Total				\$ 2,183.00
11768	ACWA	9/26/2019	<i>Interest Credit Adjustment</i>	\$ (46.82)
		9/26/2019	<i>2020 Annual Agency Dues</i>	\$ 2,770.00
Total				\$ 2,723.18
11769	Caselle Inc.	10/1/2019	<i>Contract Support and Maint. for 11/1/19 to 11/30/19</i>	\$ 120.00
Total				\$ 120.00
11770	IGA Printing	8/28/2019	<i>PWR Custom Envelopes</i>	\$ 198.21
Total				\$ 198.21
Total Expenditures				\$ 2,215,441.70



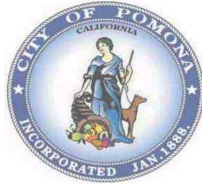
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
NOVEMBER 2019

Check No.	Payee	Inv. Date	Description	Amount
EFT	Three Valleys Municipal Water District	9/30/2019	<i>PM-15</i>	\$ 1,596,192.00
		9/30/2019	<i>PM-21</i>	\$ 302,640.00
		9/30/2019	<i>LRP Rebate (Pomona)</i>	\$ (9,040.00)
		9/30/2019	<i>TVMWD Capacity</i>	\$ 5,619.62
		9/30/2019	<i>TVMWD Water Use</i>	\$ 5,912.21
		9/30/2019	<i>MWD Capacity</i>	\$ 21,827.48
			Total	\$ 1,923,151.31
11771	Caselle Inc.	11/1/2019	<i>Contract Support and Maint. for 12/1/19 to 12/31/19</i>	\$ 120.00
			Total	\$ 120.00
11772	Walnut Valley Water District	9/30/2019	<i>Administrative, Ops, Secretary</i>	\$ 13,500.00
		9/30/2019	<i>USA Markups</i>	\$ 2,603.58
			Total	\$ 16,103.58
Total Expenditures				\$ 1,939,374.89



POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
DECEMBER 2019

Check No.	Payee	Inv. Date	Description	Amount
11777	Three Valleys Municipal Water District	10/31/2019	<i>PM-15A</i>	\$ 539,448.00
		10/31/2019	<i>PM-15B</i>	\$ 689,312.00
		10/31/2019	<i>PM-21</i>	\$ 573,872.00
		10/31/2019	<i>TVMWD Capacity</i>	\$ 5,619.62
		10/31/2019	<i>TVMWD Water Use</i>	\$ 5,912.21
		10/31/2019	<i>MWD Capacity</i>	\$ 21,827.48
			Total	\$ 1,835,991.31
11773	Morrow Meadows Corp.	10/29/2019	<i>JWL Calibrations</i>	\$ 1,108.88
			Total	\$ 1,108.88
11774	White Nelson Diehl Evans LLP	10/31/2019	<i>Interim Audit Billing</i>	\$ 3,800.00
			Total	\$ 3,800.00
11775	Caselle Inc.	12/1/2019	<i>Contract Support and Maint. for 1/1/20 to 1/31/20</i>	\$ 120.00
			Total	\$ 120.00
11776	Lagerlof, Senecal, Gosney & Kruse LLP	12/6/2019	<i>General Legal</i>	\$ 90.00
			Total	\$ 90.00
Total Expenditures				\$ 1,841,110.19



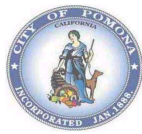
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
JANUARY 2019

Check No.	Payee	Inv. Date	Description	Amount
		11/30/2019	<i>PM-15A</i>	\$ 942,344.00
		11/30/2019	<i>PM-21</i>	\$ 508,248.00
EFT	Three Valleys Municipal Water District	11/30/2019	<i>LRP Rebate (Pomona)</i>	\$ (18,410.00)
		11/30/2019	<i>TVMWD Capacity</i>	\$ 5,619.62
		11/30/2019	<i>TVMWD Water Use</i>	\$ 5,912.21
		11/30/2019	<i>MWD Capacity</i>	\$ 21,827.48
			Total	\$ 1,465,541.31
			Total Expenditures	\$ 1,465,541.31



POMONA-WALNUT-ROWLAND JWLC
BALANCE SHEET
DECEMBER 2019

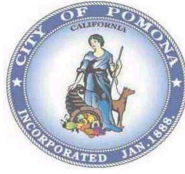
1	Assets		
2	Cash & Investments		
3	Citizens Business Bank	\$	724,353
4	LAIF		893,875
5	LAIF - Fair Market Value		2,458
6	Total Cash & Investments		1,620,687
7	Other Current Assets		
8	Accounts Receivable - Water Sales		2,368,177
9	Interest Receivable		5,867
10	Prepaid Expenses		5,380
11	Total Other Current Assets		2,379,424
12	Fixed Assets		
13	Pipeline		2,187,078
14	Service Connections		85,277
15	Telemetry System		104,000
16	Accumulated Depreciation		(939,611)
17	Total Fixed Assets		1,436,744
18	Total Assets	\$	5,436,855
19	Liabilities & Fund Balance		
20	Current Liabilities		
21	Accounts Payable	\$	2,333,357
22	Accrued Expense		18,600
23	Total Current Liabilities		2,351,957
24	Fund Balance		
25	Net Investment in Fixed Assets		1,436,744
26	Unappropriated Surplus		727,644
27	Retained Earnings		876,704
28	Net Income		43,806
29	Total Fund Balance		3,084,898
30	Total Liabilities & Fund Balance	\$	5,436,855



POMONA-WALNUT-ROWLAND JWLC
STATEMENT OF INCOME & EXPENSES
For The Period Ending December 31, 2019

	DECEMBER 2019 YTD	ANNUAL BUDGET	\$ DIFFERENCE	% OF BUDGET
1 Income				
2 Water Sales				
3 MWD PM-15	7,889,708	15,724,144	7,834,436	50%
4 TVMWD PM-21	1,738,984	4,250,412	2,511,428	41%
5 Total Water Sales	9,628,692	19,974,556	10,345,864	48%
6 Fixed Charges				
7 MWD CRC Charge	130,965	263,596	132,631	50%
8 TVMWD Connected Capacity	33,718	67,767	34,049	50%
9 TVMWD Water Use Charge	35,473	71,288	35,815	50%
10 Total Fixed Charges	200,156	402,651	202,495	50%
11 Depr. & Replacement				
12 Depreciation Charge	9,495	18,989	9,495	50%
13 Replacement Charge	12,167	24,334	12,167	50%
14 Total Depr. & Replacement	21,662	43,323	21,662	50%
15 Admin. Budget Assessment	48,400	96,800	48,400	50%
16 Interest Income	14,768	12,750	(2,018)	116%
17 Other Income	617	-	(617)	0%
18 Total Income	\$ 9,914,294	\$ 20,530,080	\$ 10,615,786	48%
19 Expenses				
20 Water Purchases				
21 MWD PM-15	7,889,708	15,724,144	7,834,436	50%
22 TVMWD PM-21	1,738,984	4,250,412	2,511,428	41%
23 Total Water Purchases	9,628,692	19,974,556	10,345,864	48%
24 Fixed Charges				
25 MWD Capacity Charge	130,965	263,596	132,631	50%
26 TVMWD Connected Capacity	33,718	67,767	34,049	50%
27 TVMWD Water Use Charge	35,473	71,288	35,815	50%
28 Total Fixed Charges	200,156	402,651	202,495	50%
29 Equipment & Line Maintenance	3,442	15,000	11,558	23%
30 Contract Services				
31 WVWD	27,000	54,000	27,000	50%
32 RWD	5,100	10,200	5,100	50%
33 Total Contract Services	32,100	64,200	32,100	50%
34 Administrative				
35 Legal	90	5,000	4,910	2%
36 Insurance	546	2,200	1,654	25%
37 Audit & Bookkeeping	3,800	5,500	1,700	69%
38 Other Admin Costs / Supplies	1,188	2,900	1,712	41%
39 ACWA Dues	474	2,000	1,526	24%
40 Total Administrative	6,098	17,600	11,502	35%
41 Project Development	-	450,000	450,000	0%
42 Total Expenses	\$ 9,870,488	\$ 20,924,007	\$ 11,053,519	47%
43 Net Income	\$ 43,806	\$ (393,927)	\$ (437,733)	-11%

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.



POMONA-WALNUT-ROWLAND JWLC
INVESTMENT REPORT
For The Period Ending December 31, 2019

Account Type	Issuer	Par Value	Market Value	Coupon Rate	Effective Yield	Accrued Interest Current Quarter*	Interest Deposited Fiscal YTD	Total Accrued & Deposited Interest Fiscal YTD	% of Portfolio
Investment Account	Local Agency Investment Fund	\$ 893,875	\$ 893,875	2.04%	2.04%	\$ 5,867	\$ 18,076	\$ 23,943	55.24%
Checking	Citizens Business Bank	\$ 724,353	\$ 724,353	0.00%	0.00%	n/a	n/a	n/a	44.76%
Total Cash & Investments		\$ 1,618,229	\$ 1,618,229	1.13%	1.13%	\$ 5,867	\$ 18,076	\$ 23,943	100.00%
				<i>Weighted Average %</i>					

**The accrued interest for the period ending September 30, 2019 has been estimated based on the previous quarter's interest earnings due to the current earnings accrual information from LAIF being unavailable at the time this report was prepared.*

All investments listed in this report comply with the Commission's Statement of Investment Policy. The Commission's cash balances and investment portfolio provides sufficient cash flow and liquidity to meet all normal obligations, excluding the purchase of water, for at least a six month period of time. All investment interest values shown above are based on annual rates of return.

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

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MEMORANDUM

TO: Commissioners Gonzalez, Kwong, and Lima **DATE:** February 13, 2020
FROM: Brian Teuber, Administrative Officer
RE: Adopt Final Audit

Attached is a copy of the final audit for fiscal year 2018-19 as prepared by White Nelson Diehl Evans, LLP. If there are no requested changes at this time, it is recommended that the Commission adopt the final audit. Upon approval of the final audit, a copy will be forwarded to each member agency for their file.

**POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION**

BASIC FINANCIAL STATEMENTS

**WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**

JUNE 30, 2019 AND 2018

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Pomona-Walnut-Rowland Joint Water Line Commission (the Commission), as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pomona-Walnut-Rowland Joint Water Line Commission as of June 30, 2019 and 2018, and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2020, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

White Nelson Diehl Evans LLP

Irvine, California
January 31, 2020

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019 and 2018

This section of the Commission's annual financial report presents our analysis of the Commission's financial performance during the fiscal years that ended on June 30, 2019 and 2018. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Fiscal Year 2019

- The Commission's net position increased by \$74,413 or 2.51 percent.
- During the year, the Commission's total operating revenues decreased to \$17,981,985 or 12.72 percent under the prior year amount, and operating expenses decreased to \$17,986,235 or 10.85 percent under the prior year amount.

Fiscal Year 2018

- The Commission's net position increased by \$484,578 or 19.52 percent.
- During the year, the Commission's total operating revenues increased to \$20,602,587 or 5.45 percent over the prior year amount, and operating expenses increased to \$20,175,221 or 3.15 percent over the prior year amount.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: Management's Discussion and Analysis, the financial statements and supplementary information. The financial statements also include notes that explain in more detail some of the information in the financial statements.

REQUIRED FINANCIAL STATEMENTS

The financial statements of the Commission report information about the Commission using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The Statement of Net Position includes all of the Commission's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Commission and assessing the liquidity and financial flexibility of the Commission. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Commission's operations over the past year and can be used to determine the Commission's credit worthiness and whether the Commission has successfully recovered all of its costs through its water rates and other charges. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Commission's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT’S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2019 and 2018

FINANCIAL ANALYSIS OF THE COMMISSION

One of the most important questions asked about the Commission’s finances is “Is the Commission as a whole better off or worse off as a result of this year’s activities?” The Statement of Net Position, and the Statement of Revenues, Expenses and Changes in Net Position report information about the Commission’s activities in a way that will help answer this question. These two statements report the net position of the Commission and changes in them. You can think of the Commission’s net position - the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in the Commission’s net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other nonfinancial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

NET POSITION

To begin our analysis, a summary of the Commission’s Statements of Net Position is presented in Table 1.

TABLE 1
Condensed Statements of Net Position

	Fiscal Year 2019	Fiscal Year 2018	Dollar Change	Fiscal Year 2017	Dollar Change
Assets:					
Current and other assets	\$ 4,934,661	\$ 4,677,288	\$ 257,373	\$ 4,918,447	\$ (241,159)
Capital assets	1,436,744	1,464,294	(27,550)	1,339,911	124,383
Total Assets	<u>6,371,405</u>	<u>6,141,582</u>	<u>229,823</u>	<u>6,258,358</u>	<u>(116,776)</u>
Liabilities:					
Current liabilities	<u>3,330,312</u>	<u>3,174,902</u>	<u>155,410</u>	<u>3,776,256</u>	<u>(601,354)</u>
Net Position:					
Net investment in capital assets	1,436,744	1,464,294	(27,550)	1,339,911	124,383
Restricted	716,397	673,074	43,323	629,751	43,323
Unrestricted	887,952	829,312	58,640	512,440	316,872
Total Net Position	<u>\$ 3,041,093</u>	<u>\$ 2,966,680</u>	<u>\$ 74,413</u>	<u>\$ 2,482,102</u>	<u>\$ 484,578</u>

Fiscal Year 2019

As you can see from Table 1, net position increased by \$74,413 from fiscal year 2018 to 2019.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2019 and 2018

NET POSITION (CONTINUED)

A further review of Net Position on Table 1 shows that Restricted Net Position (those established by Commission policy, enabling legislation, or other legal requirements), increased to \$716,397 in fiscal year 2019 due to the assessment of the Depreciation and Replacement Reserve capital surcharge. This additional \$43,323 was added to the \$673,074 collected in previous years.

Fiscal Year 2018

As you can see from Table 1, net position increased by \$484,578 from fiscal year 2017 to 2018. A further review of Net Position on Table 1 shows that Restricted Net Position (those established by Commission policy, enabling legislation, or other legal requirements), increased to \$673,074 in fiscal year 2018 due to the assessment of the Depreciation and Replacement Reserve capital surcharge. This additional \$43,323 was added to the \$629,751 collected in previous years.

TABLE 2
Condensed Statements of Revenues, Expenses and Changes in Net Position

	Fiscal Year 2019	Fiscal Year 2018	Dollar Change	Fiscal Year 2017	Dollar Change
Operating Revenues:					
Water sales to member agencies	\$ 17,870,990	\$ 20,041,712	\$ (2,170,722)	\$ 19,427,414	\$ 614,298
Member agency assessments	110,689	560,689	(450,000)	110,689	450,000
Other income	306	186	120	-	186
Total Operating Revenues	<u>17,981,985</u>	<u>20,602,587</u>	<u>(2,620,602)</u>	<u>19,538,103</u>	<u>1,064,484</u>
Operating Expenses:					
Water operations	17,882,566	20,059,800	(2,177,234)	19,440,065	619,735
Depreciation	27,550	25,848	1,702	24,547	1,301
General and administration	76,119	89,573	(13,454)	94,889	(5,316)
Total Operating Expenses	<u>17,986,235</u>	<u>20,175,221</u>	<u>(2,188,986)</u>	<u>19,559,501</u>	<u>615,720</u>
Operating Loss	(4,250)	427,366	(431,616)	(21,398)	448,764
Nonoperating Revenues:					
Investment income	<u>35,340</u>	<u>13,889</u>	<u>21,451</u>	<u>7,441</u>	<u>6,448</u>
Income (Loss) Before Capital Contributions	31,090	441,255	(410,165)	(13,957)	455,212
Capital Contributions - Surcharges	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>43,323</u>	<u>-</u>
Changes in Net Position	74,413	484,578	(410,165)	29,366	455,212
Net Position At:					
Beginning of Year	<u>2,966,680</u>	<u>2,482,102</u>	<u>484,578</u>	<u>2,452,736</u>	<u>29,366</u>
End of Year	<u>\$ 3,041,093</u>	<u>\$ 2,966,680</u>	<u>\$ 74,413</u>	<u>\$ 2,482,102</u>	<u>\$ 484,578</u>

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2019 and 2018

NET POSITION (CONTINUED)

While the Statements of Net Position show the change in financial position, the Statements of Revenues, Expenses and Changes in Net Position provide answers as to the nature and source of these changes.

Fiscal Year 2019

As you can see in Table 2, Operating Revenues decreased by \$2,620,602, Nonoperating Revenues increased by \$21,451, resulting in a decrease in Total Revenues of \$2,599,151.

A closer examination of the source of changes in net position reveals the Commission had an increase in net position of \$74,413 in fiscal year 2019 as opposed to \$484,578 increase in 2018. This represents a dollar change of \$(410,165). As discussed above, this decrease was expected as the prior year included the collection of an additional \$450,000 in member assessment to fund future projects. The increase in nonoperating revenue of \$21,451 is due to an increase in interest income. The Commission reserves are held in the Local Agency Investment Fund (LAIF) which earned an average annual yield of 2.266%, as compared to 1.376% in the prior year.

Fiscal Year 2018

As you can see in Table 2, Operating Revenues increased by \$1,064,484, Nonoperating Revenues increased by \$6,448 and Total Revenues increased by \$1,070,932.

A closer examination of the source of changes in net position reveals the Commission had an increase in net position of \$484,578 in fiscal year 2018 as opposed to a \$29,366 increase in 2017. This represents a dollar change of \$455,212. The reason for the variance from 2017 to 2018 was due to an increase in member agency assessments. The Commission collected an additional \$450,000, or \$150,000 from each member agency, to fund future projects. None of these funds were expended during the fiscal year. The increase in nonoperating revenue of \$6,448 is due to an increase in interest income. The Commission reserves are held in the Local Agency Investment Fund (LAIF) which earned an average a yield of 1.376%, as compared to 0.754% in the prior year.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2019 and 2018

NET POSITION (CONTINUED)

TABLE 3
Budget vs. Actual

	Fiscal Year 2019 Budget	Fiscal Year 2019 Actual	Dollar Change	Total Percent Change
Revenues:				
Operating revenues	\$ 20,032,899	\$ 17,981,985	\$ (2,050,914)	(10.24) %
Nonoperating revenues	12,750	35,340	22,590	177.18
Capital contributions	43,323	43,323	-	-
Total Revenues	20,088,972	18,060,648	(2,028,324)	(10.10)
Expenses:				
Water operations	20,386,099	17,882,566	2,503,533	12.28
Depreciation	-	27,550	(27,550)	-
General and administration	96,800	76,119	20,681	21.36
Total Expenses	20,482,899	17,986,235	2,496,664	12.19
Changes in Net Position	\$ (393,927)	\$ 74,413	\$ 468,340	(118.89) %

The majority of operating revenue is derived from water sales to member agencies. The Commission predicts water sales by using a three-year rolling average. This is done by estimating how many acre feet of water will be purchased from the Three Valleys Municipal Water District at the prevailing Tier I and Tier II water rates. As in previous years, these assumptions do not include any special programs offered by the Commission in the efforts to promote water conservation. The Commission purchased 17,154 acre-feet in 2018-2019. In fiscal year 2018-2019, the Commission estimated 19,055 acre-feet of Tier I water purchases at an average rate of \$1,023 per acre foot. The Commission did not estimate any Tier II purchases in fiscal year 2018-2019. The Commission purchased 19,744 acre-feet in 2017-2018. In fiscal year 2017-2018, the Commission estimated 18,667 acre-feet of Tier I water purchases at an average rate of \$996.00. The Commission did not estimate any Tier II purchases in fiscal year 2017-2018.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2019 and 2018

CAPITAL ASSETS

The Commission's net investment in capital assets totaled \$1,436,744 and \$1,464,294 as of June 30, 2019 and 2018, respectively. This investment in capital assets includes pipelines and improvements, service connections, telemetry system and engineering costs for proposed roads. There were no additions in fiscal year 2018-2019. There was an addition to pipelines and improvements of \$150,231 in fiscal year 2017-2018 for a mainline repair.

TABLE 4
Summary of Changes in Capital Assets

	Fiscal Year 2019	Fiscal Year 2018	Dollar Change	Fiscal Year 2017	Dollar Change
Capital assets, being depreciated:					
Pipelines and improvements	\$ 2,187,078	\$ 2,187,078	\$ -	\$ 2,036,847	\$ 150,231
Service connections	85,277	85,277	-	85,277	-
Telemetry system	104,000	104,000	-	104,000	-
Engineering for proposed roads	-	-	-	-	-
Total capital assets, being depreciated	<u>2,376,355</u>	<u>2,376,355</u>	<u>-</u>	<u>2,226,124</u>	<u>150,231</u>
Less accumulated depreciation:					
Pipelines and improvements	(859,781)	(843,198)	(16,583)	(828,318)	(14,880)
Service connections	(35,837)	(35,270)	(567)	(34,702)	(568)
Telemetry system	<u>(43,993)</u>	<u>(33,593)</u>	<u>(10,400)</u>	<u>(23,193)</u>	<u>(10,400)</u>
Total accumulated depreciation	<u>(939,611)</u>	<u>(912,061)</u>	<u>(27,550)</u>	<u>(886,213)</u>	<u>(25,848)</u>
Total capital assets, net	<u>\$ 1,436,744</u>	<u>\$ 1,464,294</u>	<u>\$ (27,550)</u>	<u>\$ 1,339,911</u>	<u>\$ 124,383</u>

Additional information on the Commission's capital assets can be found in Notes 1i and 4 of the notes to financial statements.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2019 and 2018

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Commission's board of directors and administrative officer consider several factors when setting the fiscal year budget. One factor is the water sales projection that each agency gives. This is taken into consideration along with historical water use numbers in setting future years operating revenues. As in previous years, the majority of operating revenues are directly offset by operating expenses. This is due to the correlation between water sales and purchased water costs. In 2018, the Commission factored in actual costs when looking at administrative expenses. This was determined by looking at actual time and/or material cost in all matters directly relating to the Joint Water Line. As in previous years, the last factor is the funding of depreciation and replacement of the water line. An amount equal to \$43,323 of the \$484,578 change in ending net position, shown in Table 5 below, is projected to be transferred to reserves for depreciation and replacement. A portion of the remainder of the funds will also be transferred to reserves to be held for projects that have already been identified.

TABLE 5
Fiscal Year 2019 Actual vs. Fiscal Year 2020 Budget

	Fiscal Year 2019 Actual	Fiscal Year 2020 Budget	Dollar Change	Total Percent Change
Revenues:				
Operating revenues	\$ 17,981,985	\$ 20,474,007	\$ 2,492,022	13.86 %
Nonoperating revenues	35,340	12,750	(22,590)	(63.92)
Capital contributions	43,323	43,323	-	-
Total Revenues	18,060,648	20,530,080	2,469,432	13.67
Expenses	17,986,235	20,924,007	(2,937,772)	(16.33)
Changes in Net Position	74,413	(393,927)	(468,340)	(629.38)
Net Position At:				
Beginning of Year	2,966,680	3,041,093	74,413	2.51
End of Year	<u>\$ 3,041,093</u>	<u>\$ 2,647,166</u>	<u>\$ (393,927)</u>	<u>(12.95) %</u>

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Pomona-Walnut-Rowland Joint Water Line Commission's finances and to demonstrate the Commission's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Commission's Treasurer, c/o Rowland Water District, 3021 S. Fullerton Road, Rowland Heights, CA 91748.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

STATEMENTS OF NET POSITION

June 30, 2019 and 2018

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,193,460	\$ 708,527
Accounts receivable from member agencies	3,014,136	3,290,788
Interest receivable	9,175	4,336
Prepaid insurance	1,493	563
TOTAL CURRENT ASSETS	4,218,264	4,004,214
RESTRICTED ASSETS:		
Cash and cash equivalents	705,566	662,243
Accounts receivable from member agencies	10,831	10,831
TOTAL RESTRICTED ASSETS	716,397	673,074
NONCURRENT ASSETS:		
Capital assets:		
Capital assets, at cost	2,376,355	2,376,355
Less accumulated depreciation	(939,611)	(912,061)
Capital assets, net	1,436,744	1,464,294
TOTAL NONCURRENT ASSETS	1,436,744	1,464,294
TOTAL ASSETS	6,371,405	6,141,582
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable	3,330,312	3,174,902
NET POSITION:		
Net investment in capital assets	1,436,744	1,464,294
Restricted for capital asset repairs and replacement	716,397	673,074
Unrestricted	887,952	829,312
TOTAL NET POSITION	\$ 3,041,093	\$ 2,966,680

See accompanying notes to financial statements.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES:		
Water sales to member agencies	\$ 17,870,990	\$ 20,041,712
Member agency assessments	110,689	560,689
Other income	306	186
	17,981,985	20,602,587
OPERATING EXPENSES:		
Water purchases	17,870,990	20,041,712
Maintenance	11,576	18,088
Depreciation	27,550	25,848
General and administrative contractual services	64,435	64,200
Insurance expense	2,200	2,183
Legal fees	165	13,888
Auditing	5,970	4,950
Other	3,349	4,352
	17,986,235	20,175,221
OPERATING INCOME (LOSS)	(4,250)	427,366
NONOPERATING REVENUES:		
Investment income	35,340	13,889
	35,340	13,889
INCOME BEFORE CAPITAL CONTRIBUTIONS	31,090	441,255
CAPITAL CONTRIBUTIONS - SURCHARGES	43,323	43,323
	43,323	43,323
CHANGES IN NET POSITION	74,413	484,578
NET POSITION AT BEGINNING OF YEAR	2,966,680	2,482,102
	2,966,680	2,482,102
NET POSITION AT END OF YEAR	\$ 3,041,093	\$ 2,966,680

See accompanying notes to financial statements.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from member agencies	\$ 18,258,331	\$ 21,096,978
Cash received JPIA RPA fund refund	306	186
Cash paid to suppliers	(17,804,205)	(20,750,728)
NET CASH PROVIDED BY OPERATING ACTIVITIES	454,432	346,436
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital surcharge	43,323	43,323
Acquisition of capital assets	-	(150,231)
NET CASH PROVIDED (USED) BY CAPITAL RELATED FINANCING ACTIVITIES	43,323	(106,908)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	30,501	11,875
NET INCREASE IN CASH AND CASH EQUIVALENTS	528,256	251,403
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,370,770	1,119,367
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,899,026	\$ 1,370,770
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (4,250)	\$ 427,366
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	27,550	25,848
(Increase) decrease in accounts receivable	276,652	494,577
Increase (decrease) in accounts payable	155,410	(601,355)
(Increase) decrease in prepaid expenses	(930)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 454,432	\$ 346,436

See accompanying notes to financial statements.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS

June 30, 2019 and 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Organization:

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

b. Operations:

The Commission purchases water for resale to the member agencies at a price sufficient to provide reserve funds for emergencies. In addition, the member agencies are billed for the cost of maintenance and operation of the pipeline. For the years ended June 30, 2019 and 2018, the Commission has purchased all of its water from Three Valleys Municipal Water District.

c. Fund Accounting:

The Commission reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Commission is that the costs of providing goods and services to the member agencies on a continuing basis be financed or recovered primarily through user charges.

d. Measurement Focus and Basis of Accounting:

The Commission's financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when liabilities are incurred, regardless of the timing of related cash flows.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

e. New Accounting Pronouncements:

Current Year Standards:

The Governmental Accounting Standards Board (GASB) has issued the following statements which are required to be implemented in the current year. Management has determined that none of the statements impact the Commission's financial reporting requirements.

GASB 83 - *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018. This statement did not impact the Commission.

GASB 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for periods beginning after June 15, 2018. This statement did not impact the Commission.

Pending Accounting Standards

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

GASB 84 - *Fiduciary Activities*, effective for periods beginning after December 15, 2018.

GASB 87 - *Leases*, effective for periods beginning after December 15, 2019.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2019.

GASB 90 - *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, effective for periods beginning after December 15, 2018.

GASB 91 - *Conduit Debt Obligations*, effective for periods beginning after December 15, 2020.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

f. Net Position:

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

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

g. Restricted Resources:

When both restricted and unrestricted resources are available for use, the Commission may use restricted resources or unrestricted resources based on the Board of Commissioners’ discretion.

h. Operating Revenues and Expenses:

Operating revenues, such as charges for services (water sales and member assessments), result from exchange transactions associated with the principal activity of the Commission. Exchange transactions are those in which each party receives and gives up essentially equal value. Nonoperating revenues, such as capital surcharges and investment income, result from nonexchange transactions or ancillary activities in which the Commission gives (receives) value without directly receiving (giving) equal value in exchange. Operating expenses include the cost of sales and services and administrative expenses. All expenses not meeting this definition are reported as nonoperating expenses, if any.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

i. Capital Assets:

Capital assets, which include pipelines and improvements, service connections, and telemetry system, are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Pipelines and improvements	150
Service connections	150
Telemetry system	10
Valve replacement	50

j. Investments:

Investments are stated at their fair value, which represents the quoted or stated market value. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

k. Cash and Cash Equivalents:

For purposes of the statements of cash flows, the Commission considers all investment instruments purchased with a maturity date of three months or less to be cash and cash equivalents.

l. Accounts Receivable:

The Commission reports its accounts receivable at invoiced amounts less allowances for doubtful accounts and other deductions, if applicable. Management evaluates the ability to collect accounts receivable based on a combination of factors. No allowance for doubtful accounts was recorded as of June 30, 2019 or 2018.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

m. Use of Estimates:

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

2. CASH AND INVESTMENTS:

Cash and Investments:

Cash and investments are reported as follows:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Statements of Net Position:		
Cash and cash equivalents	\$ 1,193,460	\$ 708,527
Restricted cash and cash equivalents	<u>705,566</u>	<u>662,243</u>
Total cash and investments	<u>\$ 1,899,026</u>	<u>\$ 1,370,770</u>

Cash and investments held by the Commission at June 30, 2019 and 2018, consisted of the following:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Deposits	\$ 460,768	\$ 457,013
Investment in California Local Agency Investment Fund (LAIF)	<u>1,438,258</u>	<u>913,757</u>
Total cash and investments	<u>\$ 1,899,026</u>	<u>\$ 1,370,770</u>

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

2. CASH AND INVESTMENTS (CONTINUED):

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

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
United States Treasury Bills, Bonds and Notes	5 years	None	None
United States Government Sponsored Agency Securities	5 years	None	None
State of California Obligations	5 years	None	None
California Local Agency Obligations	5 years	None	None
Banker's Acceptances Notes	180 days	40%	30%
Negotiable Certificates of Deposits	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20%	None
Medium-Term Corporate Notes	5 years	30%	None
Commercial Paper	270 days	40%	10%
Local Agency Investment Fund	N/A	None	None
Mutual Funds	N/A	20%	None
Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

2. CASH AND INVESTMENTS (CONTINUED):

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Commission manages its exposure to interest rate risk is by investing funds in the California Local Agency Investment Fund (LAIF).

The LAIF is a voluntary investment program that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. Investments in the LAIF are highly liquid, and deposits may be converted to cash within 24 hours without loss of interest. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligation, mortgage-backed securities, other asset-backed securities, loans to certain state funds and floating rate securities issued by federal agencies, government-sponsored enterprises and corporations.

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. The LAIF is not rated.

Concentration of Credit Risk:

The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

2. CASH AND INVESTMENTS (CONTINUED):

Custodial Credit Risk:

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Commission's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Commission deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The Commission's bank balances were insured or collateralized for the years ended June 30, 2019 and 2018.

Fair Value Measurements:

The Commission categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. 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 of similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

At June 30, 2019 and 2018, the investments in LAIF of \$1,438,258 and \$913,757, respectively, are not subject to the fair value measurement hierarchy.

3. RESTRICTED ASSETS:

Restricted assets are the accumulation of capital surcharges assessed to each member agency. These funds are restricted for major repairs and replacement of water lines.

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

4. CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Pipelines and improvements	\$ 2,187,078	\$ -	\$ -	\$ 2,187,078
Service connections	85,277	-	-	85,277
Telemetry system	<u>104,000</u>	<u>-</u>	<u>-</u>	<u>104,000</u>
 Total capital assets, being depreciated	 <u>2,376,355</u>	 <u>-</u>	 <u>-</u>	 <u>2,376,355</u>
Less accumulated depreciation:				
Pipelines and improvements	(843,198)	(16,583)	-	(859,781)
Service connections	(35,270)	(567)	-	(35,837)
Telemetry system	<u>(35,593)</u>	<u>(10,400)</u>	<u>-</u>	<u>(43,993)</u>
 Total accumulated depreciation	 <u>(912,061)</u>	 <u>(27,550)</u>	 <u>-</u>	 <u>(939,611)</u>
 Total capital assets, net	 <u>\$ 1,464,294</u>	 <u>\$ (27,550)</u>	 <u>\$ -</u>	 <u>\$ 1,436,744</u>

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

4. CAPITAL ASSETS (CONTINUED):

Capital asset activity for the year ended June 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Pipelines and improvements	\$ 2,036,847	\$ 150,231	\$ -	\$ 2,187,078
Service connections	85,277	-	-	85,277
Telemetry system	<u>104,000</u>	<u>-</u>	<u>-</u>	<u>104,000</u>
 Total capital assets, being depreciated	 <u>2,226,124</u>	 <u>150,231</u>	 <u>-</u>	 <u>2,376,355</u>
Less accumulated depreciation:				
Pipelines and improvements	(828,318)	(14,880)	-	(843,198)
Service connections	(34,702)	(568)	-	(35,270)
Telemetry system	<u>(23,193)</u>	<u>(10,400)</u>	<u>-</u>	<u>(33,593)</u>
 Total accumulated depreciation	 <u>(863,867)</u>	 <u>(25,848)</u>	 <u>-</u>	 <u>(912,061)</u>
 Total capital assets, net	 <u>\$ 1,339,911</u>	 <u>\$ 124,383</u>	 <u>\$ -</u>	 <u>\$ 1,464,294</u>

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2019 and 2018

5. RISK MANAGEMENT:

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

At June 30, 2019, the Commission participated in the self-insurance program of the ACWA/JPIA as follows:

General Liability - Insured up to \$60,000,000; the ACWA/JPIA is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Auto Liability - Insured up to \$60,000,000; the ACWA/JPIA is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Public Officials' Liability - Insured up to \$60,000,000; the ACWA/JPIA is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Cyber Liability - Insured up to \$3,000,000 per occurrence; \$5,000,000 aggregate for cyber security.

The Commission pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims experience. The nature and amounts of these adjustments cannot be estimated and are recorded to insurance expense when refunded or invoiced. The Commission's insurance expense for the years ended June 30, 2019 and 2018 was \$2,200 and \$2,183, respectively. There were no instances in the past three years where a settlement exceeded the Commission's coverage and there were no reductions in the Commission's insurance average.

6. SUBSEQUENT EVENTS:

Events occurring after June 30, 2019, have been evaluated for possible adjustment to the financial statements or disclosure as of January 31, 2020, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the year ended June 30, 2019

	Water Operations	General and Administration	Total
OPERATING REVENUES:			
Water sales to member agencies	\$ 17,870,990	\$ -	\$ 17,870,990
Member agency assessments	-	110,689	110,689
Other income	-	306	306
TOTAL OPERATING REVENUES	17,870,990	110,689	17,981,985
OPERATING EXPENSES:			
Water purchases	17,870,990	-	17,870,990
Maintenance	11,576	-	11,576
Depreciation	27,550	-	27,550
General and administrative contractual services	-	64,435	64,435
Insurance	-	2,200	2,200
Legal fees	-	165	165
Auditing	-	5,970	5,970
Other	-	3,349	3,349
TOTAL OPERATING EXPENSES	17,910,116	76,119	17,986,235
OPERATING INCOME (LOSS)	(39,126)	34,570	(4,250)
NONOPERATING REVENUES:			
Investment income	35,340	-	35,340
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,786)	34,570	31,090
CAPITAL CONTRIBUTIONS - SURCHARGES	43,323	-	43,323
CHANGES IN NET POSITION	39,537	34,570	74,413
NET POSITION AT BEGINNING OF YEAR	2,846,873	119,807	2,966,680
NET POSITION AT END OF YEAR	\$ 2,886,410	\$ 154,377	\$ 3,041,093

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the year ended June 30, 2018

	Water Operations	General and Administration	Total
OPERATING REVENUES:			
Water sales to member agencies	\$ 20,041,712	\$ -	\$ 20,041,712
Member agency assessments	426,400	134,289	560,689
Other income	-	186	186
TOTAL OPERATING REVENUES	20,468,112	134,475	20,602,587
OPERATING EXPENSES:			
Water purchases	20,041,712	-	20,041,712
Maintenance	18,088	-	18,088
Depreciation	25,848	-	25,848
General and administrative contractual services	-	64,200	64,200
Insurance	-	2,183	2,183
Legal fees	-	13,888	13,888
Auditing	-	4,950	4,950
Other	-	4,352	4,352
TOTAL OPERATING EXPENSES	20,085,648	89,573	20,175,221
OPERATING INCOME	382,464	44,902	427,366
NONOPERATING REVENUES:			
Investment income	13,889	-	13,889
INCOME BEFORE CAPITAL CONTRIBUTIONS	396,353	44,902	441,255
CAPITAL CONTRIBUTIONS - SURCHARGES	43,323	-	43,323
CHANGES IN NET POSITION	439,676	44,902	484,578
NET POSITION AT BEGINNING OF YEAR	2,407,197	74,905	2,482,102
NET POSITION AT END OF YEAR	\$ 2,846,873	\$ 119,807	\$ 2,966,680

POMONA-WALNUT-ROWLAND
JOINT WATER LINE COMMISSION

SCHEDULE OF ASSETS INVESTED IN
CAPITAL ASSETS BY MEMBER AGENCY

June 30, 2019

	City of Pomona	Walnut Valley Water District	Rowland Water District	Total
Pipeline section A-B	\$ 276,438	\$ 151,474	\$ 106,031	\$ 533,943
Pipeline section B-D	188,719	150,958	94,359	434,036
Pipeline section D-F	-	621,096	386,002	1,007,098
Pipeline relocation	81,239	79,246	51,516	212,001
Telemetry system	-	60,320	43,680	104,000
Service connections	66,374	8,455	10,448	85,277
	<u>\$ 612,770</u>	<u>\$ 1,071,549</u>	<u>\$ 692,036</u>	<u>\$ 2,376,355</u>

Note: This schedule excludes accumulated depreciation.

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*

The Board of Commissioners
Pomona-Walnut-Rowland
Joint Water Line Commission
Walnut, 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 Pomona-Walnut-Rowland Joint Water Line Commission (the Commission), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated January 31, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

White Nelson Nick Evans LLP

Irvine, California
January 31, 2020

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

We have audited the financial statements of Pomona-Walnut-Rowland Joint Water Line Commission (the Commission) for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated July 18, 2019 and in our letter on planning matters dated September 3, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2019. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Commission's financial statements were depreciation expense which was derived from the estimated useful lives for capital assets which are based on industry standards, and the fair value of investments which was provided by the California Local Agency Investment Fund (LAIF). We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

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

Significant Audit Findings (Continued)

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not identify any known or likely misstatements during the audit.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 31, 2020.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to management's discussion and analysis which is required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of revenues, expenses and changes in net position, and the schedule of assets invested in capital assets by member agency (supplementary information), which accompany the financial statements but are not RSI. With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is solely for the use of the Board of Commissioners and management of Pomona-Walnut-Rowland Joint Water Line Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

White Nelson Nick Evans LLP

Irvine, California
January 31, 2020

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

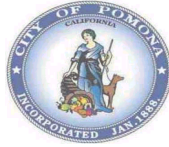
271 South Brea Canyon Road • P. O. Box 508
Walnut, California 91789-3002
(909) 595-1268 • (626) 964-6551 • FAX (909) 444-5521

MEMORANDUM

TO: Commissioners Gonzalez, Kwong, and Lima **DATE:** February 13, 2020
FROM: Brian Teuber, Administrative Officer
RE: Joint Water Line Operations Report for October 2019 – January 2020

Inspection Report: During the four-month period ending on January 31, 2020, all paved portions of the JWL were driven weekly and visually checked for leaks, vandalism, and other potential problems. Additionally, the cross-country sections of the line were walked and nothing unusual was found. Routine maintenance was performed as needed.

Meter Testing: On October 31, 2019, Morrow Meadows tested and calibrated the JWL meters. All meters tested within the established parameters.



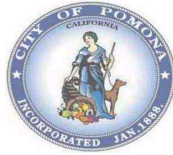
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
WATER USE DISTRIBUTION & BILLING
 NOVEMBER 2019

CONSUMPTION PER AGENCY (Per PWR Meter Reads)		
	Water Consumption (Acre-feet)	Allocation %
Pomona	151.378	10.849%
Walnut	800.633	57.382%
Rowland	443.258	31.769%
LaVerne	-	0.000%
TOTAL	1,395.269	100.000%

WATER PRODUCTION (ACTUAL)		
	Water Consumption (Acre-feet)	Allocation %
MWD	906.100	64.963%
TVMWD	488.700	35.037%
LaVerne	-	0.000%
Total	1,394.800	100.000%
PWR	1,395.269	
Difference	(0.469)	

CALCULATION OF AGENCY WATER CONSUMPTION (Water consumption billed to each agency based on amount of water purchased from MWD & TVMWD)							
Connection / Description	Billing Difference Allocation (Acre-feet)	Adj. Agency Consumption (Acre-Feet)	Adj. Agency Consumption for Billing (Rounded)	Water Purchased - MWD	Water Purchased - TVMWD	Water Purchased - LaVERNE WELL	Total Water Purchased (Acre-feet)
				64.963%	35.037%	0.000%	100.000%
Pomona	151.378	(0.051)	151.327	151.3	98.3	53.0	151.3
Walnut	800.633	(0.269)	800.364	800.4	519.9	280.4	800.4
Rowland	443.258	(0.149)	443.109	443.1	287.9	155.3	443.1
LaVerne	-	-	-	-	-	-	-
TOTAL	1,395.269	(0.469)	1,394.800	1,394.8	906.1	488.7	1,394.8

BILLING CHARGES PER AGENCY											
		MWD PM-15	TVMWD PM-21	MWD Capacity Reservation	TVMWD Connected Capacity	TVMWD Water Use Charge	Depreciation	Replacement	Admin Budget Assessment	MWD LRP Rebate Program	Billing Total
City of Pomona	Cons. (AF)	98.3	53.0							184.1	
	Allocation %			32.20%	52.00%	25.62%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 102,238.46	\$ 55,141.74	\$ 7,028.45	\$ 2,922.20	\$ 1,514.71	\$ -	\$ -	\$ -	\$ (18,410.00)	\$ 150,435.56
Walnut Valley Water District	Cons. (AF)	519.9	280.4							-	
	Allocation %			40.68%	28.00%	45.51%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 540,735.66	\$ 291,642.77	\$ 8,879.42	\$ 1,573.49	\$ 2,690.65	\$ -	\$ -	\$ -	\$ -	\$ 845,521.99
Rowland Water District	Cons. (AF)	287.9	155.3							-	
	Allocation %			27.12%	20.00%	28.87%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 299,369.88	\$ 161,463.49	\$ 5,919.61	\$ 1,123.92	\$ 1,706.86	\$ -	\$ -	\$ -	\$ -	\$ 469,583.76
City of LaVerne	Cons. (AF)	-	-							-	
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total (A.F.)		906.1	488.7								1,394.8
Total (\$)		\$ 942,344	\$ 508,248.00	\$ 21,827.48	\$ 5,619.61	\$ 5,912.22	\$ -	\$ -	\$ -	\$ (18,410.00)	\$ 1,465,541.31



POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
WATER USE DISTRIBUTION & BILLING
DECEMBER 2019

CONSUMPTION PER AGENCY (Per PWR Meter Reads)		
	Water Consumption (Acre-feet)	Allocation %
Pomona	1.263	0.160%
Walnut	426.825	54.029%
Rowland	361.906	45.811%
LaVerne	-	0.000%
TOTAL	789.994	100.000%

WATER PRODUCTION (ACTUAL)		
	Water Consumption (Acre-feet)	Allocation %
MWD	624.900	77.063%
TVMWD	186.000	22.937%
LaVerne	-	0.000%
Total	810.900	100.000%
PWR	789.994	
Difference	20.906	

CALCULATION OF AGENCY WATER CONSUMPTION (Water consumption billed to each agency based on amount of water purchased from MWD & TVMWD)							
Connection / Description	Billing Difference Allocation (Acre-feet)	Adj. Agency Consumption (Acre-Feet)	Adj. Agency Consumption for Billing (Rounded)	Water Purchased - MWD	Water Purchased - TVMWD	Water Purchased - LaVERNE WELL	Total Water Purchased (Acre-feet)
				77.063%	22.937%	0.000%	100.000%
Pomona	1.263	0.033	1.296	1.0	0.3	-	1.3
Walnut	426.825	11.295	438.120	438.1	337.6	100.5	438.1
Rowland	361.906	9.577	371.483	371.5	286.3	85.2	371.5
LaVerne	-	-	-	-	-	-	-
TOTAL	789.994	20.906	810.900	810.9	624.9	186.0	810.9

BILLING CHARGES PER AGENCY											
		MWD PM-15	TVMWD PM-21	MWD Capacity Reservation	TVMWD Connected Capacity	TVMWD Water Use Charge	Depreciation	Replacement	Admin Budget Assessment	MWD LRP Rebate Program	Billing Total
City of Pomona	Cons. (AF)	1.0	0.3							90.9	
	Allocation %			32.20%	52.00%	25.62%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ 5,699.00	\$ 4,592.00	\$ 24,200.00	\$ (100.00)	
	Total	\$ 1,039.02	\$ 309.26	\$ 7,028.45	\$ 2,922.20	\$ 1,514.71	\$ 1,424.75	\$ 1,148.00	\$ 8,066.67	\$ (9,090.00)	\$ 14,363.06
Walnut Valley Water District	Cons. (AF)	337.6	100.5							-	
	Allocation %			40.68%	28.00%	45.51%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ 7,734.00	\$ 12,102.00	\$ 24,200.00	\$ (100.00)	
	Total	\$ 351,131.60	\$ 104,513.49	\$ 8,879.42	\$ 1,573.49	\$ 2,690.65	\$ 1,933.50	\$ 3,025.50	\$ 8,066.67	\$ -	\$ 481,814.32
Rowland Water District	Cons. (AF)	286.3	85.2							-	
	Allocation %			27.12%	20.00%	28.87%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ 5,556.00	\$ 7,640.00	\$ 24,200.00	\$ (100.00)	
	Total	\$ 297,725.38	\$ 88,617.25	\$ 5,919.61	\$ 1,123.92	\$ 1,706.86	\$ 1,389.00	\$ 1,910.00	\$ 8,066.67	\$ -	\$ 406,458.69
City of LaVerne	Cons. (AF)	-	-							-	
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	Billing Rate	\$ 1,040.00	\$ 1,040.00	\$ 21,827.48	\$ 5,619.62	\$ 5,912.21	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total (A.F.)		624.9	186.0								810.9
Total (\$)		\$ 649,896	\$ 193,440.00	\$ 21,827.48	\$ 5,619.61	\$ 5,912.22	\$ 4,747.25	\$ 6,083.50	\$ 24,200.00	\$ (9,090.00)	\$ 902,636.06