

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

AGENDA FOR REGULAR QUARTERLY MEETING - **AMENDED** Thursday, October 8, 2020, 4:00 PM

Pursuant to the provisions of Executive Order N-25-20 Issued by Governor Gavin Newsom on March 12, 2020, any Board member and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Webex link below without otherwise complying with the Brown Act's teleconference requirements:

<https://walnutvalley.webex.com/meet/bmeeting>
(Computer and Telephone Audio Accessible)

Any member of the public wishing to make any comments to the Commission may do so by accessing the above-referenced link where they may select the option to join via webcam or teleconference. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public will be disconnected from the meeting prior to the Closed Session.

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Commission meeting, please contact the Administrative Officer's office at least 4 hours prior to a Commission meeting to inform the Agency of your needs and to determine if accommodation is feasible.

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. Preciado _____ Mr. Lima _____
Mr. Hilden _____ Mr. Sandoval _____ 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. Adopt Final Audit

A. Discussion

B. Action Taken

Teuber

6. Approval of Minutes for Meeting Held June 11, 2020

A. Discussion

B. Action Taken

Teuber

- | | | |
|---|------------------|---------|
| 7. Update on City of Pomona P-W-R Joint Water Line
Commissioner Appointment | | Teuber |
| A. Discussion | B. Action Taken | |
| 8. Consider Adoption of Resolution No. 105 – Designating Check Signers
for Fiscal Accounts | | Coleman |
| A. Discussion | B. Action Taken | |
| 9. Approval of Warrants and Charges Paid May 2020 through August 2020 | | Coleman |
| A. Discussion | B. Action Taken | |
| 10. Communications | | Teuber |
| 11. Approval of Financial Reports | | Coleman |
| A. Balance Sheet ending June 30, 2020 | | |
| B. Statement of Income & Expenses for the Period Ending June 30, 2020 | | |
| C. Investment Report for the Period Ending June 30, 2020 | | |
| (1) Discussion | (2) Action Taken | |
| 12. Biennial Review of the Conflict of Interest Code | | Teuber |
| A. Discussion | B. Action Taken | |
| 13. Three Valleys Municipal Water District | | Teuber |
| 14. Administrative Report | | Teuber |
| 15. Operations Report | | Teuber |
| 16. Water Use Reports for May through August 2020 | | Coleman |
| A. Discussion | B. Action Taken | |
| 17. 2021 Calendar/Meeting Schedule | | Teuber |
| A. Discussion | B. Action Taken | |
| 18. Commissioners Questions and Comments | | |
| 19. Commission Members and Staff Will Be Given an Opportunity to Request and Suggest
Subjects for Discussion at a Future Meeting | | |
| 20. Adjournment | | |

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) 594-9532

MEMORANDUM

TO: Commissioners Kwong, Lima and Preciado **DATE:** October 8, 2020
FROM: Brian Teuber, Administrative Officer
RE: Adopt Final Audit

Attached is a copy of the final audit for fiscal year 2019-20 as prepared by Fedak & Brown, 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**

Annual Financial Report

For the Fiscal Year Ended June 30, 2020

Presentation Draft
Subject to Board Approval

Pomona-Walnut-Rowland Joint Water Line Commission
Annual Financial Report
For the Fiscal Year Ended June 30, 2020

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Financial Section

Presentation Draft
Subject to Board Approval

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission), which comprises the statement of net position as of June 30, 2020, and the related statement of revenues, expenses, and changes in net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the entity'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 entity'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.

Independent Auditor's Report, continued

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Pomona-Walnut-Rowland Joint Water Line Commission as of June 30, 2020, and the respective changes in net position, and, where applicable, cash flows thereof for the year 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 on pages 4 through 9 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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The supplemental information schedules on pages 24 and 25 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Independent Auditor's Report, continued

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 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. This report can be found on pages 26 and 27.

Fedak & Brown LLP
Cypress, California
October 8, 2020

Presentation Draft
Subject to Board Approval

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) provides an introduction to the financial statements of the Commission for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here with additional information that we have furnished in the accompanying basic financial statements and related notes, which follow this section.

Financial Highlights

For the fiscal year ended June 30, 2020 the Commission's:

- Net position increased 1.75% or \$53,070 to \$3,094,162.
- Operating revenues increased 2.15% or \$386,871 to \$18,368,856.
- Non-operating revenues decreased 11.51% or \$4,066 to \$31,274.
- Operating expenses increased 2.25% or \$404,147 to \$18,362,831.
- Capital contributions had no change from 2019 to 2020.

Required Financial Statements

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

The Statement of Net Position includes all of the Commission's investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for evaluating the results of operations, evaluating the capital structure of the Commission, and assessing the liquidity and financial flexibility of the Commission. All of the current year's revenues and expenses are accounted for in the 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 if the Commission has successfully recovered all of its costs through its water sales and other charges to its member agencies. In addition to tracking cost recovery performance, this statement can also be used to evaluate the results of operations and creditworthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the Commission'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.

Financial Analysis of the Commission

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

Financial Analysis of the Commission, continued

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

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 13 through 23.

Statements of Net Position

	Condensed Statements of Net Position		
	2020	2019	Change
Assets:			
Current assets	\$ 4,826,925	4,218,263	608,662
Restricted assets	759,720	716,397	43,323
Capital assets, net	1,409,192	1,436,744	(27,552)
Total assets	6,995,837	6,371,404	624,433
Liabilities:			
Current liabilities	3,901,675	3,330,312	571,363
Total liabilities	3,901,675	3,330,312	571,363
Net position:			
Net investment in capital assets	1,409,192	1,436,744	(27,552)
Restricted for capital asset repairs and replacement	759,720	716,397	43,323
Unrestricted	925,250	887,951	37,299
Total net position	\$ 3,094,162	3,041,092	53,070

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Commission, assets exceeded liabilities by \$3,094,162, as of June 30, 2020.

Compared to prior year, net position of the Commission increased 1.75% or \$53,070. The Commission's total net position is made up of three components: (1) net investment in capital assets, (2) restricted net position and (2) unrestricted net position.

By far the largest portion of the Commission's net position (46% as of June 30, 2020) reflects the Commission's net investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The Commission uses these capital assets to provide services to its member agencies; consequently, these assets are not available for future spending.

At the end of fiscal year 2020, the Commission showed a positive balance in its unrestricted net position of \$925,250, which may be utilized in future years.

Statements of Revenues, Expenses and Changes in Net Position

Condensed Statements of Revenues, Expenses and Changes in Net Position

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Revenues:			
Operating revenues	\$ 18,368,856	17,981,985	386,871
Non-operating revenues	<u>31,274</u>	<u>35,340</u>	<u>(4,066)</u>
Total revenues	<u>18,400,130</u>	<u>18,017,325</u>	<u>382,805</u>
Expenses:			
Operating expenses	18,362,831	17,958,684	404,147
Depreciation	<u>27,552</u>	<u>27,549</u>	<u>3</u>
Total expenses	<u>18,390,383</u>	<u>17,986,233</u>	<u>404,150</u>
Net income before capital contributions	<u>9,747</u>	<u>31,092</u>	<u>(21,345)</u>
Capital contributions:			
Surcharges	<u>43,323</u>	<u>43,323</u>	<u>-</u>
Total capital contributions	<u>43,323</u>	<u>43,323</u>	<u>-</u>
Change in net position	53,070	74,415	(21,345)
Net position, beginning of period	<u>3,041,092</u>	<u>2,966,677</u>	<u>74,415</u>
Net position, end of period	<u>\$ 3,094,162</u>	<u>3,041,092</u>	<u>53,070</u>

The Statement of Revenues, Expenses, and Changes in Net Position show how the Commission's net position changed during the fiscal year. Net position increased 1.75% or \$53,070 to \$3,094,162, as a result of ongoing operations.

A closer examination of net position reveals that:

Total revenues increased 2.12% or \$382,805 to \$18,400,130. Operating revenues increased 2.15% or \$386,871, primarily due to an increase of \$400,631 in water sales to member agencies, which was offset by a decrease of \$13,889 in member agency assessments.

Non-operating revenues decreased 11.51% or \$4,066, primarily due to a decrease of \$4,683 in investment income.

Operating expenses increased 2.25% or \$404,147, primarily due to increases of \$400,631 in water purchases and \$2,404 in maintenance costs.

Total capital contributions were \$43,323 as of June 30, 2020 and 2019, respectively.

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

	Budget vs. Actual			
	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues:				
Operating revenues	\$ 20,474,007	18,368,856	(2,105,151)	-10.28%
Non-operating revenues	12,750	31,274	18,524	145.29%
Total revenues	<u>20,486,757</u>	<u>18,400,130</u>	<u>(2,086,627)</u>	<u>-10.19%</u>
Expenses:				
Operating expenses	20,924,007	18,390,383	2,533,624	12.11%
Total expenses	<u>20,924,007</u>	<u>18,390,383</u>	<u>2,533,624</u>	<u>12.11%</u>
Net (loss) income before capital contributions	<u>(437,250)</u>	<u>9,747</u>	<u>446,997</u>	<u>102.23%</u>
Capital contributions:				
Surcharges	43,323	43,323	-	-
Total capital contributions	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ (393,927)</u>	<u>53,070</u>	<u>446,997</u>	<u>113.47%</u>

The majority of operating revenue is derived from water sales to member agencies. The Commission predicts water sales by using a three-year rolling average. This is calculated by estimating how many acre-feet of water will be purchased from the Three Valleys Municipal Water District at the prevailing Tier I and Tier II water rates. As in previous years, these assumptions do not include any special programs offered by the Commission in the efforts to promote water conservation. In fiscal year 2019-2020, the Commission estimated 18,998 acre-feet of Tier I water purchases at an average rate of \$1,052 per acre-foot. In fiscal year 2019-2020, the Commission actually purchased 17,084 acre-feet of Tier I water.

Capital Asset Administration

Changes in capital assets for 2020, were as follows:

	<u>Balance 2019</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2020</u>
Capital assets:				
Depreciable assets	\$ 2,376,355	-	-	2,376,355
Accumulated depreciation	<u>(939,611)</u>	<u>(27,552)</u>	<u>-</u>	<u>(967,163)</u>
Total capital assets	<u>\$ 1,436,744</u>	<u>(27,552)</u>	<u>-</u>	<u>1,409,192</u>

At the end of fiscal year 2020, the Commission's capital assets amounted to \$1,409,192 (net of accumulated depreciation). These capital assets include pipelines and improvements, service connections, and telemetry systems. See note 3 to the basic financial statements for further detailed information on the Commission's capital assets.

Economic Factors and Next Year's Budget and Rates

Fiscal Year 2020 Actual vs. Fiscal Year 2021 Budget

	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues:				
Operating revenues	\$ 18,368,856	20,054,782	1,685,926	9.18%
Non-operating revenues	31,274	12,750	(18,524)	-59.23%
Total revenues	<u>18,400,130</u>	<u>20,067,532</u>	<u>1,667,402</u>	<u>9.06%</u>
Expenses:				
Operating expenses	18,390,383	20,504,782	(2,114,399)	-11.50%
Total expenses	<u>18,390,383</u>	<u>20,504,782</u>	<u>(2,114,399)</u>	<u>-11.50%</u>
Net income (loss) before capital contributions	<u>9,747</u>	<u>(437,250)</u>	<u>(446,997)</u>	<u>-4586.00%</u>
Capital contributions:				
Surcharges	43,323	43,323	-	-
Total capital contributions	<u>43,323</u>	<u>43,323</u>	<u>-</u>	<u>-</u>
Change in net position	53,070	(393,927)	(446,997)	-842.28%
Net position, beginning of period	<u>3,041,092</u>	<u>3,094,162</u>	<u>53,070</u>	<u>1.75%</u>
Net position, end of period	<u>\$ 3,094,162</u>	<u>2,700,235</u>	<u>(393,927)</u>	<u>-12.73%</u>

The Commission's Board of Commissioners and Administrative Officer consider several factors when setting the fiscal year budget. One factor is the water sales projection that each agency gives. This is taken into consideration along with historical water use numbers in setting future years operating revenues. As in previous years, the majority of operating revenues are directly offset by operating expenses. This is due to the correlation between water sales and purchased water costs. In fiscal year 2019-2020, 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 \$53,070 change in ending net position, shown in the table above, is projected to be transferred to reserves for depreciation and replacement.

Conditions Affecting Current Financial Position

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

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

Requests for Information

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

Presentation Draft
Subject to Board Approval

Basic Financial Statements

Presentation Draft
Subject to Board Approval

	<u>2020</u>
Current assets:	
Cash and cash equivalents (note 2)	\$ 1,344,209
Accrued interest receivable	5,348
Accounts receivable	3,475,460
Prepaid expenses	<u>1,908</u>
Total current assets	<u>4,826,925</u>
Restricted Assets	
Cash and cash equivalents (note 2)	748,889
Accounts receivable	<u>10,831</u>
Total restricted assets	<u>759,720</u>
Non-current assets:	
Capital assets – being depreciated, net (note 3)	<u>1,409,192</u>
Total non-current assets	<u>1,409,192</u>
Total assets	<u>6,995,837</u>
Current liabilities:	
Accounts payable	<u>3,901,675</u>
Total current liabilities	<u>3,901,675</u>
Total liabilities	<u>3,901,675</u>
Net position (note 4):	
Net investment in capital assets	1,409,192
Restricted for capital asset repairs and replacement	759,720
Unrestricted	<u>925,250</u>
Total net position	<u>\$ 3,094,162</u>

See accompanying notes to the basic financial statements

	<u>2020</u>
Operating revenues:	
Water sales to member agencies	\$ 18,271,621
Member agency assessments	96,800
Other	435
Total operating revenues	<u>18,368,856</u>
Operating expenses:	
Water purchases	18,271,621
Maintenance	13,980
General and administrative	64,200
Insurance expense	2,183
Legal fees	120
Auditing	5,700
Other	5,027
Total operating expenses	<u>18,362,831</u>
Operating income before depreciation	6,025
Depreciation	(27,552)
Operating loss	<u>(21,527)</u>
Non-operating revenue:	
Investment income	30,657
Other non-operating revenue	617
Total non-operating revenues	<u>31,274</u>
Net income before capital contributions	<u>9,747</u>
Capital contributions:	
Surcharges	43,323
Total capital contributions	<u>43,323</u>
Changes in net position	53,070
Net position, beginning of period	<u>3,041,092</u>
Net position, end of period	<u>\$ 3,094,162</u>

See accompanying notes to the basic financial statements

	<u>2020</u>
Cash flows from operating activities:	
Cash received from member agencies	\$ 17,907,097
Cash received from JPIA RPA fund refund	435
Cash paid to vendors and suppliers for materials and services	<u>(17,791,884)</u>
Net cash provided by operating activities	<u>115,648</u>
Cash flows from capital and related financing activities:	
Capital surcharge	<u>43,323</u>
Net cash provided by capital and related financing activities	<u>43,323</u>
Cash flows from investing activities:	
Investment income	<u>35,101</u>
Net cash provided by investing activities	<u>35,101</u>
Net increase in cash and cash equivalents	194,072
Cash and cash equivalents – beginning of year	<u>1,899,026</u>
Cash and cash equivalents – end of year	<u>\$ 2,093,098</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ <u>(21,527)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	27,552
Change in assets and liabilities:	
Increase in assets:	
Accounts receivable	(461,324)
Prepaid expenses	(416)
Increase in liabilities:	
Accounts payable	<u>571,363</u>
Total adjustments	<u>137,175</u>
Net cash provided by operating activities	<u>\$ 115,648</u>

See accompanying notes to the basic financial statements

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

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

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

B. Basis of Accounting and Measurement Focus

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

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

C. Financial Reporting

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

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

Governmental Accounting Standards Board Statement No. 84

In January 2017, the GASB issued Statement No. 84 – *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

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

C. Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 84, continued

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

Governmental Accounting Standards Board Statement No. 90

In August 2018, the GASB issued Statement No. 90 – *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

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

1. Use of Estimates

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

2. Cash and Cash Equivalents

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

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

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

3. Investments and Investment Policy

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

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

4. Fair Value Measurements

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

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

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

5. Restricted Assets

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

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

6. Accounts Receivable and Allowance for Uncollectible Accounts

The Commission extends credit to customers in the normal course of operations. When management deems customer accounts uncollectible, the Commission uses the allowance method for the reservation and write-off of those accounts. As of June 30, 2020, there is no allowance for uncollectible accounts as management believes all accounts will be collected.

7. Prepaid Expenses

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

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

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

8. Capital Assets

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

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

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

9. Net Position

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

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

10. Water Sales and Services

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

11. Capital Contributions

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

12. Budgetary Policies

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

13. Reclassification

The Commission has reclassified certain prior year information to conform to current year presentations.

(2) Cash and Cash Equivalents

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

	2020
Cash and cash equivalents	\$ 1,344,209
Cash and cash equivalents – restricted	748,889
Total cash and cash equivalents	<u>\$ 2,093,098</u>

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

	2020
Deposits with financial institutions	\$ 620,357
Deposits in Local Agency Investment Fund (LAIF)	1,472,741
Total cash and cash equivalents	<u>\$ 2,093,098</u>

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

	2020
Deposits in Local Agency Investment Fund (LAIF)	<u>191 days</u>

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

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

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

(2) Cash and Cash Equivalents, continued

Investment in State Investment Pool

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

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

Interest Rate Risk

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

Custodial Credit Risk

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

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

The California Government Code and the Commission's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Commission deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the Commission's name.

(2) Cash and Cash Equivalents, continued

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The Commission's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. The Commission's deposit portfolio with governmental agencies, LAIF, is 70% as of June 30, 2020 of the Commission's total depository and investment portfolio. There were no investments in any one non-governmental issuer that represent 5% or more of the Commission's total investments.

(3) Capital Assets

Changes in capital assets for the year ended June 30, 2020, were as follows:

	<u>Balance 2019</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2020</u>
Depreciable assets:				
Pipeline and improvements	\$ 2,187,078	-	-	2,187,078
Service connections	85,277	-	-	85,277
Telemetry system	104,000	-	-	104,000
Total depreciable assets	<u>2,376,355</u>	<u>-</u>	<u>-</u>	<u>2,376,355</u>
Accumulated depreciation:				
Pipeline and improvements	(859,781)	(16,585)	-	(876,366)
Service connections	(35,837)	(567)	-	(36,404)
Telemetry system	(43,993)	(10,400)	-	(54,393)
Total accumulated depreciation	<u>(939,611)</u>	<u>(27,552)</u>	<u>-</u>	<u>(967,163)</u>
Total capital assets, net	<u>\$ 1,436,744</u>	<u>(27,552)</u>	<u>-</u>	<u>1,409,192</u>

For the fiscal year ending June 30, 2020, the Commission had no capital asset additions or deletions.

(4) Net Position

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

	<u>2020</u>
Net investment in capital assets:	
Capital assets, net	\$ 1,409,192
Restricted:	
Capital asset repairs and replacement	759,720
Unrestricted:	<u>925,250</u>
Total net position	<u>\$ 3,094,162</u>

(5) Risk Management

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

On June 30, 2020, the Commission participated in the liability and property programs of the ACWA/JPIA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing self-insurance limits of \$5,000,000, combined single limit at \$5,000,000 per occurrence. The JPIA purchases additional excess coverage layers up to \$60 million per occurrence total for general, auto and public officials liability, which increases the limits on the insurance coverage noted above.
- Cyber Liability coverage is included for all Agencies participating in the Liability Program. It protects the Commission from risks relating to information technology infrastructure and activities by first and third parties. The limit is \$3,000,000 per loss/\$5,000,000 program annual aggregate.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the Commission's insurance coverage during the fiscal years ended June 30, 2020, 2019 and 2018. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There was no IBNR claims payable as of June 30, 2020, 2019 and 2018.

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

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2020, that has effective dates that may impact future financial presentations.

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

Governmental Accounting Standards Board Statement No. 87

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

The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

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

Governmental Accounting Standards Board Statement No. 89

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

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

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

The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

Governmental Accounting Standards Board Statement No. 91

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

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

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

The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.

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

Governmental Accounting Standards Board Statement No. 92

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

The requirements of this Statement are as follows: (1) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; (2) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020; (3) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021; and (4) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021. Earlier application is encouraged and is permitted by topic.

Governmental Accounting Standards Board Statement No. 93

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

The requirements of this Statement are effective as follows: (1) The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022; and (2) All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

(7) Commitments and Contingencies

Litigation

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

(7) Commitments and Contingencies, continued

COVID-19 Pandemic

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the Commission could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The Commission has not included any contingencies in the financial statements specific to this issue.

(8) Subsequent Events

Events occurring after June 30, 2020, have been evaluated for possible adjustment to the financial statements or disclosure as of October 8, 2020, which is the date the financial statements were available to be issued.

Presentation Draft
Subject to Board Approval

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Supplementary Information

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	Water Operations	General and Administrative	Total
Operating revenues:			
Water sales to member agencies	\$ 18,271,621	-	18,271,621
Member agency assessments	-	96,800	96,800
Other operating revenues	-	435	435
Total operating revenues	18,271,621	97,235	18,368,856
Operating expenses:			
Water purchases	18,271,621	-	18,271,621
Maintenance	13,980	-	13,980
General and administrative	-	64,200	64,200
Insurance expense	-	2,183	2,183
Legal fees	-	120	120
Auditing	-	5,700	5,700
Other	-	5,027	5,027
Total operating expenses	18,285,601	77,230	18,362,831
Operating (loss) income before depreciation	(13,980)	20,005	6,025
Depreciation	(27,552)	-	(27,552)
Operating (loss) income	(41,532)	20,005	(21,527)
Non-operating revenue:			
Investment income	30,657	-	30,657
Other non-operating revenue	617	-	617
Total non-operating revenues	31,274	-	31,274
Net (loss) income before capital contributions	(10,258)	20,005	9,747
Capital contributions:			
Surcharges	43,323	-	43,323
Total capital contributions	43,323	-	43,323
Changes in net position	33,065	20,005	53,070
Net position, beginning of period	2,886,410	154,682	3,041,092
Net position, end of period	\$ 2,919,475	174,687	3,094,162

Category	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
Total capital assets	\$ 612,770	1,071,549	692,036	2,376,355

Note: This schedule does not include accumulated depreciation

Report on Internal Controls and Compliance

Presentation Draft
Subject to Board Approval

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprises the Commission's basic financial statements, and have issued our report thereon dated October 8, 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

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

Purpose of this Report

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

Fedak & Brown LLP
Cypress, California
October 8, 2020

Presentation Draft
Subject to Board Approval

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

Management Report

June 30, 2020

Working Draft - Subject to Review

Pomona-Walnut-Rowland Joint Water Line Commission

Management Report

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Working Draft - Subject to Review

CONFIDENTIAL

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

Dear Members of the Board:

In planning and performing our audit of the financial statements of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Commission internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Summary of Current Year Comments and Recommendations

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

Disclosure of Audit Adjustments and Reclassifications

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

Summary of Current Year Comments and Recommendations, continued

Management's Response

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

* * * * *

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

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

Fedak & Brown LLP
Cypress, California
[INSERT DATE]

Working Draft - Subject to Review

APPENDIX

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

Audit/Finance Committee Letter

June 30, 2020

Working Draft - Subject to Review

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

We have audited the financial statements of the business-type activities of the Pomona-Walnut-Rowland Joint Water Line Commission (Commission) for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Auditor's Responsibility under United States Generally Accepted Accounting Standards

As stated in our Audit Engagement Letter dated July 6, 2020, our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with oversight of the Governing Commission are fairly presented, in all material respects, in conformity with United States generally accepted accounting principles. Our audit of the financial statements does not relieve the Governing Commission or management of its responsibilities of oversight in the Commission's external financial reporting process or any other processes.

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Governmental Auditing Standards.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing requirements previously communicated to the Commission and management in our Audit Engagement Letter dated July 6, 2020.

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 2020.

Qualitative Aspects of Accounting Practices, continued

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.

Management's Judgments, Accounting Estimates and Financial Disclosures

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

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

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

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

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

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the Management Representation Letter to the Auditor dated [INSERT DATE].

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Restriction on Use

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

Conclusion

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

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

Fedak & Brown LLP

Cypress, California

[INSERT DATE]

Pomona-Walnut-Rowland Joint Water Line Commission
Schedule of Adjusting Journal Entries
June 30, 2020

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
AJE - To record restricted A/R based on outstanding depreciation and replacement assessments per June 30 outstanding invoices.			
108-5	Restricted Accounts Receivable	\$ 6,083.50	
108-5	Restricted Accounts Receivable	4,747.25	
108-0	Accts. Rec.-Water Sales		10,830.75
Total		<u>10,830.75</u>	<u>10,830.75</u>
Adjusting Journal Entries JE # 2			
AJE - To restrict LAIF based on the \$43,323 reserve transfer for Depreciation and Replacement noted in the Commission's FY19/20 budget.			
102-5	Restricted LAIF	705,566.00	
102-5	Restricted LAIF	43,323.00	
102-0	LAIF		748,889.00
Total		<u>\$ 748,889.00</u>	<u>748,889.00</u>
	Total Adjusting Journal Entries	<u>\$ 759,719.75</u>	<u>759,719.75</u>

Legend:

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

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

June 11, 2020

Meeting conducted via Webex at:

https://wwwd.webex.com/join/board_room

PRESENT:

Commissioner Scarlett Kwong
Commissioner Tony Lima
Alternate Commissioner Victor Preciado

STAFF PRESENT:

Brian Teuber, Administrative Officer
Tom Coleman, Treasurer
Carmen Fleming, Secretary

ABSENT:

Commissioner Rubio Gonzalez

The meeting was called to order at 4:17 p.m. with Commission Kwong presiding.

In attendance: Member agency representative Mr. Dave Warren, of Rowland Water District; and Ms. Sherry Shaw, Mr. Erik Hitchman, and Mr. Josh Byerrum of Walnut Valley Water District; and Mr. Chris Diggs, of City of Pomona; and Mr. Carlos Goytia, of Three Valleys Municipal Water District.

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 February 13, 2020

- ◆ The Commission was asked to approve the meeting minutes for the previous Commission meeting held February 13, 2020.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Preciado and carried (3-0), to approve the minutes of the February 13, 2020. A roll call vote was then taken:

Yes: Kwong, Lima, Preciado

Noes: None

Motion Passed (3-0)

Commissioner Kwong indicated that the motion was approved by a 3-0 vote roll call vote

Item 6: Approval of Warrants and Charges Paid February 2020 through April 2020

- ◆ The Commission was provided with a List of Warrants and Charges for February through April 2020.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Preciado and carried (3-0), to receive and file the Warrants and Charges for February through April 2020. A roll call vote was then taken:

Yes: Kwong, Lima, Preciado
Noes: None
Motion Passed (3-0)

Commissioner Kwong indicated that the motion was approved by a 3-0 vote

Item 7: Consider Approval of Audit Services

- ◆ The Commission was asked to authorize the Administrative Officer to execute the contract with Fedak & Brown for \$5,884 a year to perform the annual audit and for preparation of the annual State Financial Transactions report.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Preciado and carried (3-0), to authorize the Administrative Officer to execute the contract with Fedak & Brown for \$5,884 a year to perform the annual audit and for preparation of the annual State Financial Transactions report. A roll call vote was then taken:

Yes: Kwong, Lima, Preciado
Noes: None
Motion Passed (3-0)

Commissioner Kwong indicated that the motion was approved by a 3-0 vote

Item 8: Communications

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

Item 9: Approval of Financial Reports

- ◆ Mr. Coleman noted the Balance Sheet, 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 Lima, seconded by Commissioner Preciado and unanimously carried (3-0), to receive and file the Balance Sheet ending March 31, 2020, the Statement of Income & Expenses as of quarter ending March 31, 2020, and Cash & Investment Portfolio Summary as of quarter ending March 31, 2020. A roll call vote was then taken:

Yes: Kwong, Lima, Preciado
Noes: None
Motion Passed (3-0)

Commissioner Kwong indicated that the motion was approved by a 3-0 vote

Item 10: Approval of Proposed Budget for Fiscal Year 2020-21

- ◆ Mr. Teuber discussed the details of the proposed budget for Fiscal Year 2020-21, after which he requested approval of the proposed budget by the Commission.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Preciado and unanimously carried (3-0), to approve the budget for Fiscal Year 2020-21 as presented. A roll call vote was then taken:

*Yes: Kwong, Lima, Preciado
Noes: None
Motion Passed (3-0)*

Commissioner Kwong indicated that the motion was approved by a 3-0 vote

Item 11: Three Valleys Municipal Water District

- ◆ Mr. Teuber and staff spoke on Three Valley's Board meeting activities and an upcoming special meeting.

Item 12: Administrative Report

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

Item 13: Operations Report

- ◆ The Commission was provided with the Operations Report for the period of February through May 2020.
- ◆ Ms. Shaw reported on the design of the twenty-foot extension newly required for the Gold Line.

Item 14: Water Use Reports for January through April 2020

- ◆ The Commission was asked to receive and file the Water Usage Reports for January through April 2020, as presented.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Preciado and unanimously carried (3-0), to receive and file the Water Use Reports for January through April 2020. A roll call vote was then taken:

*Yes: Kwong, Lima, Preciado
Noes: None
Motion Passed (3-0)*

Commissioner Kwong indicated that the motion was approved by a 3-0 vote

Item 15: Commissioners 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 5:01 p.m.

With no further items for discussion, the Pomona-Walnut-Rowland Joint Waterline Commission meeting adjourned at 5:01 p.m.

RESOLUTION NO. 105

**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
REPLACING RESOLUTION NO. 102
DESIGNATING CHECK SIGNERS FOR FISCAL ACCOUNTS**

WHEREAS, Pomona-Walnut-Rowland Joint Water Line maintains a checking account at Citizens Business Bank to pay operating expenses and clear debts;

WHEREAS, the Commission hereby designates and authorizes those positions listed as designated signees on behalf of the Pomona-Walnut-Rowland Joint Water Line Commission;

1. Thomas L Coleman, Rowland Water District General Manager
2. David Warren, Rowland Water District Assistant General Manager
3. Esmeralda Malner, Rowland Water District Director of Finance
4. Anthony J. Lima, Rowland Water District Commissioner

NOW, THEREFORE, BE IT RESOLVED that the Pomona-Walnut-Rowland Joint Water Line Commission does hereby requires a minimum of two authorized signatures for all checks written;

BE IT FURTHER RESOLVED, that the designees or their successors in office shall be authorized as a signee on behalf of the Pomona-Walnut-Rowland Joint Water Line Commission.

PASSED AND ADOPTED at a regular meeting of the Board of Commissioners of Pomona-Walnut-Rowland Joint Water District Commission, held October 8, 2020.

President

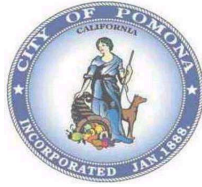
ATTEST:

Secretary



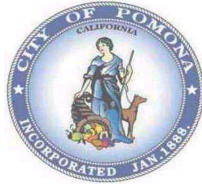
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
MAY 2020

Check No.	Payee	Inv. Date	Description	Amount
11783	Lagerlof, Senecal, Gosney & Kruse LLP	5/5/2020	General Legal	\$ 30.00
Total				\$ 30.00
11784	Caselle Inc.	1/1/2020	Contract Support and Maint. for 2/1/20 to 2/29/20	\$ 120.00
		4/1/2020	Contract Support and Maint. for 5/1/20 to 5/31/20	\$ 120.00
Total				\$ 240.00
11785	Caselle Inc.	5/1/2020	Contract Support and Maint. for 6/1/20 to 6/30/20	\$ 120.00
Total				\$ 120.00
EFT	Three Valleys Municipal Water District	3/31/2020	PM-15A	\$ 691,850.40
		3/31/2020	PM-21	\$ 281,418.00
		3/31/2020	LRP Rebate (Pomona)	\$ (9,360.00)
		3/31/2020	TVMWD Capacity	\$ 5,687.51
		3/31/2020	TVMWD Water Use	\$ 5,965.90
		3/31/2020	MWD Capacity	\$ 22,105.25
Total				\$ 997,667.06
Total Expenditures				\$ 998,057.06



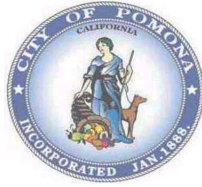
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
JUNE 2020

Check No.	Payee	Inv. Date	Description	Amount
		4/30/2020	<i>PM-15A</i>	\$ 847,778.40
		4/30/2020	<i>PM-21</i>	\$ 237,096.00
		4/30/2020	<i>MWD LRP Rebate</i>	\$ (8,940.00)
EFT	Three Valleys Municipal Water District	4/30/2020	<i>TVMWD Capacity</i>	\$ 5,687.51
		4/30/2020	<i>TVMWD Water Use</i>	\$ 5,965.90
		4/30/2020	<i>MWD Capacity</i>	\$ 22,105.25
		Total		\$ 1,109,693.06
11787	Civiltec Engineering Inc	6/5/2020	<i>Professional Services for Gold Line Crossing at E Street</i>	\$ 420.00
		Total		\$ 420.00
11788	Caselle Inc.	6/1/2020	<i>Contract Support and Maint. for 7/1/20 to 7/31/20</i>	\$ 120.00
		Total		\$ 120.00
Total Expenditures				\$ 1,110,233.06



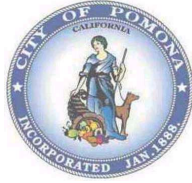
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
JULY 2020

Check No.	Payee	Inv. Date	Description	Amount
11789	Caselle, Inc.	7/1/2020	Contract Support and Maint. for 8/1/20 to 8/31/20	\$ 120.00
Total				\$ 120.00
11790	Walnut Valley Water District	6/30/2020	Administrative, Ops, Secretary	\$ 13,500.00
		6/30/2020	USA Markups	\$ 2,230.00
		6/30/2020	Mileage	\$ 323.15
		6/30/2020	Water Quality Testing	\$ 270.00
Total				\$ 16,323.15
11792	Rowland Water District	6/30/2020	FY 2019-2020 Treasurer Fees	\$ 10,200.00
Total				\$ 10,200.00
EFT	Three Valleys Municipal Water District	5/31/2020	PM-15A	\$ 269,242.80
		5/31/2020	PM-15B	\$ 1,112,749.20
		5/31/2020	PM-21	\$ 439,054.80
		5/31/2020	TVMWD Capacity	\$ 5,687.51
		5/31/2020	TVMWD Water Use	\$ 5,965.90
		5/31/2020	MWD Capacity	\$ 22,105.25
Total				\$ 1,854,805.46
Total Expenditures				\$ 1,881,448.61



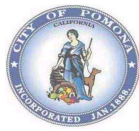
POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION
LIST OF WARRANTS & CHARGES
AUGUST 2020

Check No.	Payee	Inv. Date	Description	Amount
11793	Caselle, Inc.	8/1/2020	Contract Support and Maint. for 9/1/20 to 9/30/20	\$ 120.00
Total				\$ 120.00
11794	Fedak & Brown LLP	7/27/2020	Progress billing on audit	\$ 1,510.00
Total				\$ 1,510.00
EFT	Three Valleys Municipal Water District	6/30/2020	PM-15B	\$ 1,375,050.00
		6/30/2020	PM-21	\$ 617,517.60
		6/30/2020	LRP Rebate (Pomona)	\$ (5,980.00)
		6/30/2020	TVMWD Capacity	\$ 5,687.51
		6/30/2020	TVMWD Water Use	\$ 5,965.90
		6/30/2020	MWD Capacity	\$ 22,105.25
Total				\$ 2,020,346.26
Total Expenditures				\$ 2,021,976.26



POMONA-WALNUT-ROWLAND JWLC
BALANCE SHEET
JUNE 2020

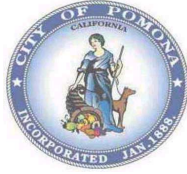
1 Assets		
2 Cash & Investments		
3 Citizens Business Bank	\$	620,357
4 LAIF		1,465,541
5 LAIF - Fair Market Value		7,200
6 Total Cash & Investments		2,093,098
7 Other Current Assets		
8 Accounts Receivable - Water Sales		3,486,291
9 Interest Receivable		5,348
10 Prepaid Expenses		1,907
11 Total Other Current Assets		3,493,546
12 Fixed Assets		
13 Pipeline		2,187,078
14 Service Connections		85,277
15 Telemetry System		104,000
16 Accumulated Depreciation		(967,163)
17 Total Fixed Assets		1,409,192
18 Total Assets	\$	6,995,836
19 Liabilities & Fund Balance		
20 Current Liabilities		
21 Accounts Payable	\$	3,901,675
22 Accrued Expense		-
23 Total Current Liabilities		3,901,675
24 Fund Balance		
25 Net Investment in Fixed Assets		1,409,192
26 Unappropriated Surplus		755,197
27 Retained Earnings		876,704
28 Net Income		53,069
29 Total Fund Balance		3,094,162
30 Total Liabilities & Fund Balance	\$	6,995,836



POMONA-WALNUT-ROWLAND JWLC
STATEMENT OF INCOME & EXPENSES
For The Period Ending June 30, 2020

	JUNE 2020 YTD	ANNUAL BUDGET	\$ DIFFERENCE	% OF BUDGET
1 Income				
2 Water Sales				
3 MWD PM-15	14,179,655	15,724,144	1,544,489	90%
4 TVMWD PM-21	3,689,259	4,250,412	561,153	87%
5 Total Water Sales	17,868,914	19,974,556	2,105,642	89%
6 Fixed Charges				
7 MWD CRC Charge	263,596	263,596	(0)	100%
8 TVMWD Connected Capacity	67,843	67,767	(76)	100%
9 TVMWD Water Use Charge	71,269	71,288	19	100%
10 Total Fixed Charges	402,708	402,651	(57)	100%
11 Depr. & Replacement				
12 Depreciation Charge	18,989	18,989	-	100%
13 Replacement Charge	24,334	24,334	-	100%
14 Total Depr. & Replacement	43,323	43,323	-	100%
15 Admin. Budget Assessment	96,800	96,800	(0)	100%
16 Interest Income	25,915	12,750	(13,165)	203%
17 Gain on Investment	4,742	-	(4,742)	0%
18 Other Income	1,052	-	(1,052)	0%
19 Total Income	\$ 18,443,453	\$ 20,530,080	\$ 2,086,627	90%
20 Expenses				
21 Water Purchases				
22 MWD PM-15	14,179,655	15,724,144	1,544,489	90%
23 TVMWD PM-21	3,689,259	4,250,412	561,153	87%
24 Total Water Purchases	17,868,914	19,974,556	2,105,642	89%
25 Fixed Charges				
26 MWD Capacity Charge	263,596	263,596	(0)	100%
27 TVMWD Connected Capacity	67,843	67,767	(76)	100%
28 TVMWD Water Use Charge	71,269	71,288	19	100%
29 Total Fixed Charges	402,708	402,651	(57)	100%
30 Equipment & Line Maintenance	13,980	15,000	1,020	93%
31 Depreciation	27,552	-	(27,552)	0%
32 Contract Services				
33 WWWD	54,000	54,000	-	100%
34 RWD	10,200	10,200	-	100%
35 Total Contract Services	64,200	64,200	-	100%
36 Administrative				
37 Legal	120	5,000	4,880	2%
38 Insurance	2,183	2,200	17	99%
39 Audit & Bookkeeping	5,700	5,500	(200)	104%
40 Other Admin Costs / Supplies	2,718	2,900	182	94%
41 ACWA Dues	2,309	2,000	(309)	115%
42 Total Administrative	13,030	17,600	4,570	74%
43 Project Development	-	450,000	450,000	0%
44 Total Expenses	\$ 18,390,384	\$ 20,924,007	\$ 2,533,623	88%
45 Net Income	\$ 53,069	\$ (393,927)	\$ (446,996)	-13%

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 June 30, 2020

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	\$ 1,465,541	\$ 1,472,741	1.22%	1.22%	\$ 5,348	\$ 20,566	\$ 25,915	70.36%
Checking	Citizens Business Bank	\$ 620,357	\$ 620,357	0.00%	0.00%	N/A	N/A	N/A	29.64%
Total Cash & Investments		\$ 2,085,898	\$ 2,093,098	0.86%	0.86%	\$ 5,348	\$ 20,566	\$ 25,915	100.00%
					<i>Weighted Average %</i>				

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.

2020 BIENNIAL REVIEW CERTIFICATION FORM

Submit now or no later than October 1, 2020

Name of Agency: Pomona-Walnut-Rowland Joint Water Line

Name of Agency Head: Brian Teuber

Mailing Address: 271 S. Brea Canyon Road

City: Walnut State: CA Zip Code: 91789

Agency Code Officer: Carmen Fleming Office Phone No.: 909-595-1268

E-Mail Address: cfleming@wwwd.com

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (check one box):

- 1. AN AMENDMENT IS REQUIRED (Check all that apply):**
- Include new positions
 - Revise disclosure categories
 - Revise the titles of existing positions
 - Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
 - Other (describe) _____

2. THE CODE IS CURRENTLY UNDER REVIEW BY THE CODE REVIEWING BODY.

3. NO AMENDMENT IS REQUIRED.

If your code has not been amended in more than five years, amendments may be necessary.

Verification (to be completed if no amendment is required)

This agency's conflict of interest code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions. The code includes all other provisions required by Government Code Section 87302.



Signature of Agency Head or Designee

9/30/20

Date

Please complete the form and indicate whether or not there will be any amendments required, make sure it is signed appropriately, and then email it back to COICODES-Desk@bos.lacounty.gov. Remember, if there are any amendments, you have 90 days after this form is submitted to supply them. When supplying amendment documentation, please also direct it to the aforementioned email address.

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please submit this notice no later than Thursday, October 1, 2020.

PLEASE DO NOT RETURN THIS FORM TO THE FPPC

Conflict of Interest Code
of the

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head, or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, Governing Board Members, Alternate Board Members, as appropriate, and its agency head (Agency/Department Head, Executive Officer or Chief Executive Officer, Superintendent, or Director), and forward the originals of such statement to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

EXHIBIT "A"

CATEGORY 1

Persons in this category shall disclose all interest in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

CATEGORY 2

Persons in this category shall disclose all investments and business positions.

CATEGORY 3

Persons in this category shall disclose all income and business positions.

CATEGORY 4

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned to this disclosure category.

CATEGORY 5

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information, advice, recommendation or counsel to the agency which could affect financial interest shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the executive officer (or head) of the agency.

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

EXHIBIT "B"

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Commissioners	1, 2, 3
Alternate Commissioners	1, 2, 3
Administrative Officer	1, 2, 3
Treasurer	1, 2, 3
Consultant	5

EFFECTIVE: APRIL 5, 2006

POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

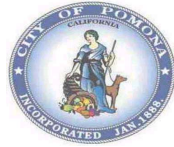
271 South Brea Canyon Road • P. O. Box 508
Walnut, California 91789-3002
(909) 595-1268 • (626) 964-6551 • FAX (909) 444-5521

MEMORANDUM

TO: Commissioners Kwong, Lima and Preciado **DATE:** October 8, 2020
FROM: Brian Teuber, Administrative Officer
SUBJECT: Joint Water Line Operations Report for June 2020 – September 2020

Inspection Report: During the four-month period ending on September 30, 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 August 27, 2020, staff tested and calibrated the JWL meters. All meters tested within the established parameters.



POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

WATER USE DISTRIBUTION & BILLING

MAY 2020

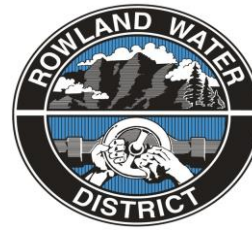
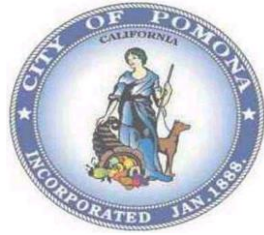
CONSUMPTION PER AGENCY (Per PWR Meter Reads)		
	Water Consumption (Acre-feet)	Allocation %
Pomona	383.999	22.521%
Walnut	846.606	49.652%
Rowland	474.463	27.827%
LaVerne	-	0.000%
TOTAL	1,705.068	100.000%

WATER PRODUCTION (ACTUAL)		
	Water Consumption (Acre-feet)	Allocation %
MWD	1,294.00	75.890%
TVMWD	411.10	24.110%
LaVerne	-	0.000%
Total	1,705.100	100.000%
PWR	1,705.068	
Difference	0.032	

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)
				75.890%	24.110%	0.000%	100.000%
Pomona	383.999	0.007	384.006	384.0	291.4	92.6	384.0
Walnut	846.606	0.016	846.622	846.6	642.5	204.1	846.6
Rowland	474.463	0.009	474.472	474.5	360.1	114.4	474.5
LaVerne	-	-	-	-	-	-	-
TOTAL	1,705.068	0.032	1,705.100	1,705.1	1,294.0	411.1	1,705.1

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)	291.4	92.6								
	Allocation %			32.20%	52.00%	25.62%	25.00%	25.00%	33.33%	-	
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 311,238.93	\$ 98,879.70	\$ 7,117.89	\$ 2,957.51	\$ 1,528.46	\$ -	\$ -	\$ -	\$ -	\$ 421,722.49
Walnut Valley Water District	Cons. (AF)	642.5	204.1								
	Allocation %			40.68%	28.00%	45.51%	25.00%	25.00%	33.33%	-	
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 686,191.24	\$ 218,000.94	\$ 8,992.42	\$ 1,592.50	\$ 2,715.08	\$ -	\$ -	\$ -	\$ -	\$ 917,492.18
Rowland Water District	Cons. (AF)	360.1	114.4								
	Allocation %			27.12%	20.00%	28.87%	25.00%	25.00%	33.33%	-	
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 384,561.83	\$ 122,174.16	\$ 5,994.94	\$ 1,137.50	\$ 1,722.36	\$ -	\$ -	\$ -	\$ -	\$ 515,590.79
City of LaVerne	Cons. (AF)	-	-								
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total (A.F.)	1,294.0	411.1									1,705.1
Total (\$)	\$ 1,381,992	\$ 439,054.80	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,854,805.46



POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

WATER USE DISTRIBUTION & BILLING

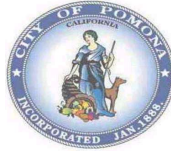
JUNE 2020

CONSUMPTION PER AGENCY (Per PWR Meter Reads)		
	Water Consumption (Acre-feet)	Allocation %
Pomona	526.676	28.713%
Walnut	826.271	45.046%
Rowland	481.348	26.242%
LaVerne	-	0.000%
TOTAL	1,834.295	100.000%

WATER PRODUCTION (ACTUAL)		
	Water Consumption (Acre-feet)	Allocation %
MWD	1,287.50	69.009%
TVMWD	578.20	30.991%
LaVerne	-	0.000%
Total	1,865.700	100.000%
PWR	1,834.295	
Difference	31.405	

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)
				69.009%	30.991%	0.000%	100.000%
Pomona	526.676	9.017	535.693	535.7	369.7	166.0	535.7
Walnut	826.271	14.147	840.418	840.4	580.0	260.5	840.4
Rowland	481.348	8.241	489.589	489.6	337.9	151.7	489.6
LaVerne	-	-	-	-	-	-	-
TOTAL	1,834.295	31.405	1,865.700	1,865.7	1,287.5	578.2	1,865.7

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)	369.7	166.0							59.8	
	Allocation %			32.20%	52.00%	25.62%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ 5,699.00	\$ 4,592.00	\$ 24,200.00	\$ (100.00)	
	Total	\$ 394,814.27	\$ 177,306.10	\$ 7,117.89	\$ 2,957.51	\$ 1,528.46	\$ 1,424.75	\$ 1,148.00	\$ 8,066.67	\$ (5,980.00)	\$ 588,383.65
Walnut Valley Water District	Cons. (AF)	580.0	260.5							-	
	Allocation %			40.68%	28.00%	45.51%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ 7,734.00	\$ 12,102.00	\$ 24,200.00	\$ (100.00)	
	Total	\$ 619,400.88	\$ 278,165.12	\$ 8,992.42	\$ 1,592.50	\$ 2,715.08	\$ 1,933.50	\$ 3,025.50	\$ 8,066.67	\$ -	\$ 923,891.67
Rowland Water District	Cons. (AF)	337.9	151.7							-	
	Allocation %			27.12%	20.00%	28.87%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ 5,556.00	\$ 7,640.00	\$ 24,200.00	\$ (100.00)	
	Total	\$ 360,834.85	\$ 162,046.38	\$ 5,994.94	\$ 1,137.50	\$ 1,722.36	\$ 1,389.00	\$ 1,910.00	\$ 8,066.67	\$ -	\$ 543,101.70
City of LaVerne	Cons. (AF)	-	-							-	
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total (A.F.)		1,287.5	578.2								1,865.7
Total (\$)		\$ 1,375,050	\$ 617,517.60	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ 4,747.25	\$ 6,083.50	\$ 24,200.00	\$ (5,980.00)	\$ 2,055,377.01



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

JULY 2020

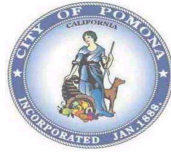
CONSUMPTION PER AGENCY (Per PWR Meter Reads)		
	Water Consumption (Acre-feet)	Allocation %
Pomona	723.714	32.555%
Walnut	922.350	41.491%
Rowland	576.954	25.954%
LaVerne	-	0.000%
TOTAL	2,223.018	100.000%

WATER PRODUCTION (ACTUAL)		
	Water Consumption (Acre-feet)	Allocation %
MWD	1,724.90	76.014%
TVMWD	544.30	23.986%
LaVerne	-	0.000%
Total	2,269.200	100.000%
PWR	2,223.018	
Difference	46.182	

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)
				76.014%	23.986%	0.000%	100.000%
Pomona	723.714	15.035	738.749	738.7	561.5	177.2	738.7
Walnut	922.350	19.161	941.511	941.5	715.7	225.8	941.5
Rowland	576.954	11.986	588.940	588.9	447.7	141.3	588.9
LaVerne	-	-	-	-	-	-	-
TOTAL	2,223.018	46.182	2,269.200	2,269.2	1,724.9	544.3	2,269.2

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)	561.5	177.2							-	
	Allocation %			35.85%	52.00%	26.12%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 599,734.69	\$ 189,248.99	\$ 7,924.73	\$ 2,957.51	\$ 1,558.29	\$ -	\$ -	\$ -	\$ -	\$ 801,424.21
Walnut Valley Water District	Cons. (AF)	715.7	225.8							-	
	Allocation %			41.51%	28.00%	46.79%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 764,342.39	\$ 241,191.70	\$ 9,175.89	\$ 1,592.50	\$ 2,791.44	\$ -	\$ -	\$ -	\$ -	\$ 1,019,093.92
Rowland Water District	Cons. (AF)	447.7	141.3							-	
	Allocation %			22.64%	20.00%	27.09%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 478,116.14	\$ 150,871.70	\$ 5,004.63	\$ 1,137.50	\$ 1,616.16	\$ -	\$ -	\$ -	\$ -	\$ 636,746.13
City of LaVerne	Cons. (AF)	-	-							-	
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total (A.F.)		1,724.9	544.3								2,269.2
Total (\$)		\$ 1,842,193	\$ 581,312.39	\$ 22,105.25	\$ 5,687.51	\$ 5,965.89	\$ -	\$ -	\$ -	\$ -	\$ 2,457,264.26



POMONA-WALNUT-ROWLAND JOINT WATER LINE COMMISSION

WATER USE DISTRIBUTION & BILLING

AUGUST 2020

CONSUMPTION PER AGENCY (Per PWR Meter Reads)		
	Water Consumption (Acre-feet)	Allocation %
Pomona	623.003	27.569%
Walnut	1,003.529	44.407%
Rowland	633.296	28.024%
LaVerne	-	0.000%
TOTAL	2,259.828	100.000%

WATER PRODUCTION (ACTUAL)		
	Water Consumption (Acre-feet)	Allocation %
MWD	1,702.10	74.850%
TVMWD	571.90	25.150%
LaVerne	-	0.000%
Total	2,274.000	100.000%
PWR	2,259.828	
Difference	14.172	

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)
				74.850%	25.150%	0.000%	100.000%
Pomona	623.003	3.907	626.910	626.9	469.2	157.7	626.9
Walnut	1,003.529	6.293	1,009.822	1,009.8	755.9	254.0	1,009.8
Rowland	633.296	3.972	637.268	637.3	477.0	160.3	637.3
LaVerne	-	-	-	-	-	-	-
TOTAL	2,259.828	14.172	2,274.000	2,274.0	1,702.1	571.9	2,274.0

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)	469.2	157.7							90.4	
	Allocation %			35.85%	52.00%	26.12%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 501,153.86	\$ 168,386.05	\$ 7,924.73	\$ 2,957.51	\$ 1,558.29	\$ -	\$ -	\$ -	\$ (9,040.00)	\$ 672,940.44
Walnut Valley Water District	Cons. (AF)	755.9	254.0							-	
	Allocation %			41.51%	28.00%	46.79%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 807,255.23	\$ 271,235.10	\$ 9,175.89	\$ 1,592.50	\$ 2,791.44	\$ -	\$ -	\$ -	\$ -	\$ 1,092,050.16
Rowland Water District	Cons. (AF)	477.0	160.3							-	
	Allocation %			22.64%	20.00%	27.09%	25.00%	25.00%	33.33%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ 509,433.72	\$ 171,168.05	\$ 5,004.63	\$ 1,137.50	\$ 1,616.16	\$ -	\$ -	\$ -	\$ -	\$ 688,360.06
City of LaVerne	Cons. (AF)	-	-							-	
	Allocation %			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
	Billing Rate	\$ 1,068.00	\$ 1,068.00	\$ 22,105.25	\$ 5,687.51	\$ 5,965.90	\$ -	\$ -	\$ -	\$ (100.00)	
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total (A.F.)		1,702.1	571.9								2,274.0
Total (\$)		\$ 1,817,842.81	\$ 610,789.20	\$ 22,105.25	\$ 5,687.51	\$ 5,965.89	\$ -	\$ -	\$ -	\$ (9,040.00)	\$ 2,453,350.66

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) 594-9532

MEMORANDUM

TO: Commissioners Kwong, Lima and Preciado **DATE:** October 8, 2020
FROM: Brian Teuber, Administrative Officer
RE: 2021 Calendar/Meeting Schedule

Attached for your information is the 2021 P-W-R Meeting Calendar denoting three regularly scheduled meetings on February 11, June 10, and October 14.

P-W-R MEETINGS

2021 Calendar

JANUARY						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

MARCH						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

APRIL						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

MAY						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

JUNE						
S	M	T	W	TH	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JULY						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

SEPTEMBER						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Holidays

January

- 1 New Year's Day
- 18 Martin Luther King, Jr. Day

February

- 15 President's Day

May

- 31 Memorial Day

July

- 4 Independence Day

September

- 6 Labor Day

November

- 11 Veterans' Day
- 25 Thanksgiving Day

December

- 25 Christmas Day

P-W-R Commission meetings scheduled to begin at 4:00 p.m.