

**MEETING OF THE FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BOULEVARD, LAKEWOOD, CALIFORNIA 90712
12:00 P.M., WEDNESDAY, JULY 14, 2010**

AGENDA

EACH ITEM ON THE AGENDA, NO MATTER HOW DESCRIBED, SHALL BE DEEMED TO INCLUDE ANY APPROPRIATE MOTION, WHETHER TO ADOPT A MINUTE MOTION, RESOLUTION, PAYMENT OF ANY BILL, APPROVAL OF ANY MATTER OR ACTION, OR ANY OTHER ACTION. ITEMS LISTED AS "FOR INFORMATION" MAY ALSO BE THE SUBJECT OF AN "ACTION" TAKEN BY THE BOARD OR A COMMITTEE AT THE SAME MEETING.

- 1. DETERMINATION OF A QUORUM**
- 2. PUBLIC COMMENT**
- 3. DEMANDS – MAY 2010**
Staff Recommendation: Receive and file the Demands for May 31, 2010.
- 4. FINANCIAL STATEMENTS – MAY 31, 2010**
Staff Recommendation: Approve the Financial Statements for submittal to the Board of Directors.
- 5. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING MAY 31, 2010**
Staff Recommendation: Approve the Investment Report for submittal to the Board of Directors.
- 6. FISCAL YEAR 2010-11 BUDGET**
Staff Recommendation: For discussion.
- 7. CONSIDERATION OF CONTRACT EXTENSION FOR TRES ES, INC.**
Staff Recommendation: For information and possible action.
- 8. EXPENSES OVER 90 DAYS**
Staff Recommendation: Approve the expense reimbursements for submittal to the Board of Directors.
- 9. DIRECTORS EXPENSES**
Staff Recommendation: Approve Directors Expenses for submittal to the Board of Directors.
- 10. DIRECTORS REPORTS, INQUIRIES, AND FOLLOW UP OF DIRECTIONS TO STAFF**

11. ADJOURNMENT

Posted by Abigail C. Andom, Deputy Secretary, July 8, 2010.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the Board meeting, please contact Deputy Secretary Abigail Andom at (562) 921-5521 for assistance to enable the District to make reasonable accommodations.

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 4040 Paramount Boulevard, Lakewood, California 90712.

Agendas and minutes are available at the District's website, www.wrd.org.



MEMORANDUM

ITEM NO. 3

Prepared by: Binhyen Bui
Reviewed by: Scott M. Ota
Approved by: Robb Whitaker

DATE: JULY 14, 2010
TO: FINANCE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DEMANDS - MAY 2010

SUMMARY

At the request of the Finance Committee, the following items are attached:

1. The demands list for the period May 1st, 2010 –May 31st, 2010.
2. The demands sorted by vendor with an additional column showing fiscal year-to-date payments

Demands Summary – May 2010

Replenishment Fund	\$ 4,732,679.95
Clean Water Fund	<u>317,307.48</u>
Total	<u>\$ 5,049,987.43</u>

STAFF RECOMMENDATION

Receive and file the Demands for May 31, 2010.

August 20, 2010

Board of Directors
Water Replenishment District of Southern California

Submitted herewith for action by the Board of Directors are the following demands for the period ending May 31, 2010

Check #	Payee	Description	Total	Replenishment Clean Water	
				Fund	Fund
DD	ALBERT ROBLES	05/10 EXPENSE REIMBURSEMENT	195.00	183.30	11.70
P0025	ALBERT ROBLES	05/10 DIRECTORS COMPENSATION	2,374.72	2,232.23	142.49
P0028	LILLIAN Y. KAWASAKI	03/10 DIRECTORS COMPENSATION	584.11	549.06	35.05
P0029	LILLIAN Y. KAWASAKI	04/10 DIRECTORS COMPENSATION	584.11	549.06	35.05
DD	ROBERT E. KATHERMAN	04/10 DIRECTORS COMPENSATION	168.50	158.39	10.11
P0030	ROBERT E. KATHERMAN	04/10 EXPENSE REIMBURSEMENT	880.79	827.95	52.84
DD	AFSCME LOCAL 1902 UNION	UNION DUES	556.40	471.77	84.63
DD	AFSCME LOCAL 1902 UNION	UNION DUES	556.40	456.33	100.07
DD	EDD	DIR STATE TAX W/H	15.44	14.51	0.93
DD	EDD	STATE TAX DEPOSIT	5,193.31	4,334.70	858.61
DD	EDD	STATE TAX DEPOSIT	5,240.21	4,248.40	991.81
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	74,538.62	63,491.86	11,046.76
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	68,999.77	57,231.62	11,768.15
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	5,494.00	5,164.35	329.65
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	244.66	229.98	14.68
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	4,999.24	4,699.29	299.95
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	3,192.09	3,000.56	191.53
DD	FLEX-PLAN SERVICES, INC	03/10 MONTHLY ADMIN SVC	959.00	901.46	57.54
DD	INTERNAL REVENUE SERVICE	DIR FEDERAL TAX DEPOSIT	1,999.43	1,879.47	119.96
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	30,194.15	25,353.93	4,840.22
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	30,493.99	24,934.95	5,559.04
DD	PARS	DIR PARS PAYMENT	2,297.84	2,159.96	137.88
DD	PRUDENTIAL	DIR DEFERRED COMP	8,127.00	7,639.38	487.62
DD	PRUDENTIAL	DEFERRED COMP	23,281.97	20,170.21	3,111.76
DD	PRUDENTIAL	DEFERRED COMP	23,731.97	19,923.70	3,808.27
DD	PERS	PERS PAYMENT	30,114.75	25,672.88	4,441.87
DD	PERS	PERS PAYMENT	30,114.75	24,868.16	5,246.59
I0084	BOSTON MARKET	WATER RESOURCES MTG	145.84	137.09	8.75
I0085	TGIS CATERING SERVICES	BOD MEETING EXPENSE	454.09	426.84	27.25
I0086	HERITAGE FAMILY PANTRY	BUDGET WORKSHOP	57.46	54.01	3.45
I0087	PBCC	POSTAGE SUPPLIES	72.61	68.25	4.36
I0088	GIANT GRINDER DELI	BUDGET WORKSHOP	423.60	398.18	25.42
I0089	PANINIS	FINANCE COMM MEETING	137.19	128.96	8.23
I0090	PANERA	FINANCE COMM MEETING	109.90	103.31	6.59
I0091	SPARKLETTS	SUPPLIES	39.99	37.59	2.40
I0092	PEPSI BOTTLING	SUPPLIES	245.41	230.69	14.72
0734	LONG BEACH, CITY OF	11/09 LEGAL SERVICE	(5,163.05)	(4,853.26)	(309.79)
0795	HERON INSTRUMENT	011: EQUIP REPAIR SERVICE	(321.00)	(160.50)	(160.50)
1153	COMM FINANCE RESOURCE CNTR	POWER LUNCHEON SPONSORSHIP	(500.00)	(470.00)	(30.00)
1334	AT&T MOBILITY	CELL PHONE SERVICE - RW	105.25	98.94	6.31
1335	BACKFLOW APPARATUS	2010 BACKFLOW INSPECTION	355.00	333.70	21.30
1336	CA CONTRACT CITIES ASSOC	REGISTRATION FEE - SC	600.00	564.00	36.00
1337	CALIFORNIA WATER SERVICE	WATER USAGE THRU 04/19/10	39.10	36.76	2.34
1338	CAL NATIONAL BANK	NEW BANK ACCOUNT DEPOSIT	240,000.00	225,600.00	14,400.00
1339	CDW GOVERNMENT	COMPUTER SUPPLIES	2,620.98	2,463.72	157.26
1340	CENTRAL BASIN MWD	03/10 WATER PURCHASE	2,460,020.80	2,460,020.80	-
1341	CHANNING BETE COMPANY	PROMOTIONAL SUPPLIES	3,499.31	3,289.35	209.96
1342	DELL MARKETING LP	COMPUTER SUPPLIES	1,966.56	1,848.57	117.99
1343	DS ENVIRONMENTAL SUPPLIES	011: FIELD SUPPLIES	8,708.66	4,354.33	4,354.33
1344	FRIENDS OF THE LA RIVER	2010 GREAT LA RIVER CLEANUP	1,500.00	1,410.00	90.00
1345	GEOTECH ENVIRONMENTAL	011: FIELD SUPPLIES	621.38	310.69	310.69

Check #	Payee	Description	Total	Replenishment Clean Water	
				Fund	Fund
1346	GRNDWTR RESOURCES ASSOC	REGISTRATION FEE - LK	165.00	155.10	9.90
1347	HELPMATES STAFFING	TEMP SERVICE THRU 04/25/10	1,870.00	1,757.80	112.20
1348	IN-SITU INC.	011: MAINT SERVICE	816.26	408.12	408.14
1349	JAN-PRO CLEANING	05/10 JANITORIAL SERVICE	2,743.00	2,578.42	164.58
1350	JENNA SHAUNESSY FOR WRD	PETTY CASH REIMBURSEMENT	497.50	467.66	29.84
1351	LA EXPRESS ONE	04/21/10 COURIER SERVICE	66.88	62.87	4.01
1352	LAKWOOD, CITY OF	WATER USAGE THRU 04/20/10	166.99	156.97	10.02
1353	LONG BEACH, CITY OF	001: PROF SERVICE THRU 02/26/10	15,132.02	15,132.02	-
1354	McMASTER-CARR	011: FIELD SUPPLIES	469.50	234.76	234.74
1355	MILLENNIUM ADVOCATES	03/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1356	MONTEBELLO CHAMBER	2010 LEGIS BUSINESS LUNCHEON	30.00	28.20	1.80
1357	NATIONAL GRNDWTR ASSOC	07/01/10-06/30/11 MEMBERSHIP DUES	750.00	705.00	45.00
1358	OFFICE TEAM	TEMP SERVICE THRU 04/23/10	3,921.60	3,686.30	235.30
1359	PACIFIC TRUCK EQUIPMENT	011: TRUCK MAINT SERVICE	1,340.96	670.49	670.47
1360	RBF CONSULTING	005: 02/10 PROF SERVICE	700.61	700.61	-
1361	RJB ELECTRICAL CONTRACTOR	MAINT SERVICE THRU 03/25/10	1,858.00	1,746.52	111.48
1362	RJB ELECTRICAL CONTRACTOR	MAINT SERVICE THRU 04/09/10	419.62	394.44	25.18
1363	ROBERT E. BUSH CORP.	005: 04/10 PROF SERVICE	3,000.00	3,000.00	-
1364	STANLEY CONVERGENT SEC.	ALARM MAINT SERVICE - LS	419.00	393.86	25.14
1365	WEST BASIN MWD	03/10 WATER PURCHASE	1,152,419.56	1,152,419.56	-
1366	ALSTON & BIRD LLP	005: 03/10 LEGAL SERVICE	23,820.76	23,820.76	-
1367	WORLEY PARSONS KOMEX	006: PROF SERVICE THRU 03/26/10	13,594.13	-	13,594.13
1368	XEROX CORPORATION	PRINTING SUPPLIES	557.53	524.08	33.45
1369	COMM FINAN RESOURCE CNTR	POWER LUNCHEON SPONSORSHIP	500.00	470.00	30.00
1370	MAYWOOD MUTUAL NO. 2	012: PROGRESS PAYMENT #6	200,534.29	-	200,534.29
1371	ACWA JOINT POWERS	EARTHQUAKE INS PREMIUM	23,025.63	21,644.09	1,381.54
1372	AT&T	002: MONTHLY PHONE SERVICE	231.15	-	231.15
1373	CLIMATEC BUILDING	MAINT SERVICE THRU 05/21/10	1,500.00	1,410.00	90.00
1374	COMM CONSERVANCY INTERNATIONAL	PAINT THE TOWN GREEN' RECEPTION	1,000.00	940.00	60.00
1375	EASTMONT COMMUNITY CENTER	2010 ANNUAL AWARD DINNER	1,250.00	1,175.00	75.00
1376	ELSIE BAKONIS	MEDICAL REIMBURSEMENT	5,794.63	5,446.95	347.68
1377	ERHART'S CATERING	GRNDWTR TOUR - ANNE CASTLE	991.46	931.97	59.49
1378	FEDERAL EXPRESS CORP	FEDEX SERVICE	582.33	497.15	85.18
1379	KATER-CRAFTS BOOK	BOOK BINDING SERVICE	83.06	78.08	4.98
1380	LONG BEACH, CITY OF	001: 04/10 O & M SERVICE	68,461.92	68,461.92	-
1381	LOS ANGELES TIMES	04/16/10 NEWSPAPER AD	830.00	780.20	49.80
1382	OFFICE TEAM	TEMP SERVICE THRU 04/30/10	1,376.00	1,293.44	82.56
1383	K & L GATES	03/10 LEGISLATIVE SERVICE	8,709.68	8,187.10	522.58
1384	SCHLUMBERGER	011: PROF SERVICE	22,000.00	11,000.00	11,000.00
1385	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	1,042.66	980.10	62.56
1386	THE CASTLE PRESS	2010 WINTER NEWSLETTER	16,535.70	15,543.56	992.14
1387	VERIZON WIRELESS	MONTHLY CELL PHONE SVC	1,181.36	1,110.48	70.88
1388	WESTERN EXTERMINATOR	04/10 PESTICIDE SERVICE	65.00	61.10	3.90
1389	XEROX CORPORATION	05/10 COPIER SERVICE	4,539.09	4,266.75	272.34
1390	VOID	VOID	-	-	-
1391	ABC UNIFIED SCHOOL DISTRICT	BEAUTIFICATION COMM EVENT	2,500.00	2,350.00	150.00
1392	CINCO DE MAYO COMMITTEE	CULT & EDU AWARENESS PROG	500.00	470.00	30.00
1393	EXXON MOBIL FLEET/GECC	FUEL CHARGES PYMT	523.67	492.25	31.42
1394	F&M BANK: CC PAYMENT	04/10 CC CHARGES	9,573.06	8,998.66	574.40
1395	HELPMATES STAFFING	TEMP SERVICE THRU 05/02/10	837.76	787.49	50.27
1396	INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	870.17	817.96	52.21
1397	LONG BEACH, CITY OF	001: PROF SERVICE THRU 04/02/10	13,603.76	13,603.76	-
1398	VERIZON BUSINESS	MONTHLY INTERNET SERVICE	626.41	588.83	37.58
1399	PACIFIC ATLANTIC PARTNERS	05/10 LEGISLATIVE SERVICE	50,000.00	47,000.00	3,000.00
1400	PARS	03/10 REP FEES	500.00	470.00	30.00
1401	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	754.25	393.67	360.58
1402	U.S. POSTAL SERVICE	POSTAGE USAGE	500.00	470.00	30.00
1403	SAN GAB VALLEY PROTECT ASSO.	FY10/11 MEMBERSHIP DUES	23,753.08	23,753.08	-
1404	SOUTHERN CALIFORNIA EDISON	04/10 ENERGY USAGE	2,665.44	2,505.51	159.93
1405	THE GAS COMPANY	MONTHLY UTILITY CHARGE	229.81	216.02	13.79
1406	VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	344.13	323.48	20.65
1407	YSI INCORPORATED	PROJECT PROF SERVICE	6,732.96	6,732.96	-
1408	HERON INSTRUMENT	011: EQUIP REPAIR SERVICE	321.00	160.50	160.50
1409	LA AND SAN GABRIEL RIVERS	REGISTRATION FEE - PW	135.00	126.90	8.10
1410	SOUTHERN CALIFORNIA EDISON	002: 04/10 ENERGY USAGE	1,471.81	-	1,471.81
1411	VOID	VOID	-	-	-
1412	SCAN NATOA, INC	REGISTRATION FEE - OQ	229.00	215.26	13.74
1413	ACWA 1	06/10 EAP PREMIUM	130.98	123.13	7.85

Check #	Payee	Description	Total	Replenishment Clean Water	
				Fund	Fund
1414	ACWA - HBA	06/10 MED/DEN/LIFE PREMIUM	45,514.89	42,784.00	2,730.89
1415	AT&T MOBILITY	CELL PHONE SERVICE - RW	136.66	128.46	8.20
1416	BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 05/01/10	1,912.50	1,912.50	-
1417	CALIFORNIA WATER SERVICE	WATER USAGE THRU 05/19/10	39.10	36.76	2.34
1418	CDW GOVERNMENT	COMPUTER SUPPLIES	9,803.40	9,215.20	588.20
1419	EMPLOYMENT DEVELOPMENT	UNEMPLOYMENT INS - TG	900.00	846.00	54.00
1420	FEDERAL EXPRESS	FEDEX SERVICE	339.71	312.57	27.14
1421	GEOTRANS, INC.	025: PROF SERVICE THRU 04/23/10	918.00	459.00	459.00
1422	INFINITE CONFERENCING	04/10 CONFERENCING SERVICE	39.95	37.55	2.40
1423	INTERIOR PLANT DESIGN	05/10 PLANT MAINT SERVICE	2,000.00	1,816.00	184.00
1424	LOS ANGELES, CITY OF DWP	01/22/10-04/21/10 WATER PURCHASE	180,648.27	180,648.27	-
1425	MARCIA FORKOS	MEDICAL REIMBURSEMENT	253.00	237.82	15.18
1426	MARTIN E WHELAN. JR.	06/01 MEDICAL PREMIUM	736.33	692.15	44.18
1427	NORWALK PRINTING	BUSINESS CARDS - SC	488.39	459.09	29.30
1428	OFFICE TEAM	TEMP SERVICE THRU 05/14/10	3,267.57	3,071.51	196.06
1429	SCORPIO ENTERPRISES	032: CONS SERVICE	11,374.55	10,692.07	682.48
1430	STANDARD INSURANCE CO.	06/10 STD/LTD PREMIUM	1,618.00	1,520.92	97.08
1431	STAPLES CREDIT PLAN	OFFICE SUPPLIES	513.32	482.52	30.80
1432	XEROX CORPORATION	05/10 COPIER SERVICE	1,304.93	1,226.63	78.30
1433	XO CORPORATION	PHONE CHARGES THRU 06/14/10	100.83	94.78	6.05
1434	YSI INCORPORATED	011: FIELD SUPPLIES	411.56	205.78	205.78
Total Demands from May 1, 2010 to May 31, 2010			5,049,987.43	4,732,679.95	317,307.48

Robb Whitaker, P.E., General Manager



MEMORANDUM

ITEM NO. 4

Prepared by: Binhyen Bui

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JULY 14, 2010

TO: FINANCE COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: FINANCIAL STATEMENTS – MAY 31, 2010

The attached financial statements include the Statement of Net Assets (Balance Sheet) as of May 31, 2010 and the Statement of Revenues, Expenditures and Changes in Net Assets (Income Statement) for the month ending May 31, 2010. Explanation of selected account balances are as follows:

Statement of Net Assets

ASSETS

Cash – Cash increased about \$2.4 million in May primarily due to a transfer of restricted cash held by our Trustee US Bank. The reimbursement was for payment of capital expenditures related to our 2008 Certificates of Participation.

Restricted Cash – Decrease is due to a reimbursement from US Bank (2008 Revenue COP Trustee) for capital costs associated with the District's administration building, New Monitoring Wells, Safe Drinking Water Program, and Interconnection Pipeline project (see cash above).

Accounts Receivable – The timing of receiving water pumping assessment payments in May had caused a decrease of \$823,000 in Accounts Receivable.

Prepaid Expenses – In September 2009, the WRD purchased 2,000 acre feet of water from the City of Long Beach and stored this water for future use at the Alamitos Seawater Intrusion Barrier. In March 2010, the WRD started using this banked water at the Alamitos Barrier and therefore the prepaid asset representing this pre-purchase has decreased \$160,000 in May.

Notes Receivable – The increase of \$201,000 in Notes Receivable is due to payments made to Maywood Mutual Number Water Company to construct wellhead treatment system at 52nd Street Well. The District will receive the annual payments from Maywood for 10 years after the construction is completed.

Construction-in-Progress – CIP increased by approximately \$236,000 due to expenditures related to the Safe Drinking Water Program, monitoring wells related to the District's Regional Groundwater Monitoring Program, Groundwater Replenishment Improvement Project (GRIP), and preliminary design of the Leo J Vander Expansion Project.

LIABILITIES

Accounts Payable – Increased approximately \$5.2 million due to the purchase of Tier 1 untreated spreading water from CBMWD to recharge the groundwater aquifers (see cost of water below).

NET ASSETS

Invested in Capital Assets – This account is related to the changes in all capital asset accounts as follows:

<u>Accounts</u>	<u>Change</u>
Plant & Equipment	\$ 132
Construction-In-Progress	235,577
Accumulated Depreciation	<u>(185,095)</u>
Total	<u>\$ 50,614</u>

Unrestricted – The Change/Variance of Total Assets, Total Liabilities and Invested in Capital Assets from April 2010 to May 2010 is \$(6,497,571).

Statement of Revenues, Expenditures and Changes in Net Assets

EXPENSES

Cost of Water – The increase of \$4.8 million is primarily due to the purchase of Tier 1 untreated spreading water from CBMWD to recharge the groundwater aquifers (see accounts payable above).

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Approve the Financial Statements for submittal to the Board of Directors.

Water Replenishment District of Southern California
Statement of Net Assets
May 31, 2010

Assets	Total	Prior Month Total	Variance
Current Assets			
Cash and Cash Equivalents	\$ 33,126,852	\$ 30,769,594	2,357,258
Restricted Cash	17,328,010	20,060,185	(2,732,174)
Accounts Receivable	4,326,102	5,148,700	(822,598)
Interest Receivable	37,712	37,712	-
Prepaid Expenses	545,720	705,236	(159,516)
Total Current Assets	\$ 55,364,396	\$ 56,721,427	(1,357,031)
Noncurrent Assets			
Notes Receivable, Noncurrent	\$ 3,810,614	\$ 3,610,080	200,534
Plant & Equipment	61,936,082	61,935,950	132
Land	2,644,753	2,644,753	-
Construction-In-Progress	7,799,176	7,563,599	235,577
Deferred Charges	812,647	812,647	-
Accumulated Depreciation	(15,424,567)	(15,239,472)	(185,095)
Total Noncurrent Assets	\$ 61,578,706	\$ 61,327,558	251,148
Total Assets	\$ 116,943,102	\$ 118,048,985	(1,105,883)
Liabilities			
Current Liabilities			
Accounts Payable	\$ 9,719,134	\$ 4,515,470	5,203,665
Interest Payable - Bond	543,485	407,614	135,871
Accrued Payroll	-	-	-
Accrued Employee Benefits	(38,413)	(39,951)	1,539
Accrued Postemployment	948,976	948,976	-
Deferred Compensation	-	-	-
Cal Trans 0690	6,089,946	6,089,946	-
Long term Debt - Bond Payable	32,158,447	32,158,447	-
Other Liabilities	-	-	-
Total Current Liabilities	\$ 49,421,576	\$ 44,080,502	5,341,075
Noncurrent Liabilities			
Compensated Absences	\$ 322,022	\$ 322,022	\$ -
Total Noncurrent Liabilities	\$ 322,022	\$ 322,022	\$ -
Total Liabilities	\$ 49,743,598	\$ 44,402,524	5,341,075
Net Assets			
Invested in Capital Assets	\$ 56,955,444	\$ 56,904,830	50,614
Unrestricted	10,244,059	16,741,630	(6,497,571)
Total Net Assets	\$ 67,199,504	\$ 73,646,461	(6,446,957)
Total Liabilities & Net Assets	\$ 116,943,102	\$ 118,048,985	(1,105,883)

Water Replenishment District of Southern California
Statement of Revenues, Expenditures and Changes in Net Assets
For the Month of May 2010

	Total	Prior Month Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	3,558,375	3,629,208	(70,832)
Late Payment Penalties	-	-	-
MWD Subsidy	28,712	54,528	(25,816)
OCWD Recycled Water Product	12,238	17,627	(5,389)
Desalter Revenue	-	49,564	(49,564)
Title 22 Monitoring Program	-	-	-
Total Operating Revenues	3,599,325	3,750,926	(151,601)
Operating Expenses			
Cost of Water			
Spreading	7,240,877	2,475,540	4,765,337
Injected	1,609,303	1,559,731	49,572
In-Lieu	-	-	-
Connection Fees	46,543	46,543	-
Total Cost of Water	8,896,723	4,081,814	4,814,909
General & Administrative			
Salaries, Taxes & Benefits	377,174	384,337	(7,163)
Postemployment Benefits	-	-	-
Conference & Travel	14,428	14,708	(280)
Office Expenses	77,235	67,503	9,732
Utilities	13,745	17,084	(3,339)
Rents & Leases	5,683	7,722	(2,039)
Repairs & Maintenance	24,441	77,041	(52,600)
Material & Equipment	44,303	26,477	17,825
General Liability Insurance	38,123	15,098	23,026
Professional Fees	358,408	262,997	95,411
Other General & Administrative	51,921	51,951	(30)
Total General & Administrative	1,005,462	924,919	80,543
Depreciation	185,095	185,095	-
Total Operating Expenses	10,087,280	5,191,828	4,895,452
Operating Income (Loss)	(6,487,955)	(1,440,902)	(5,047,053)
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	35,531	119,640	(84,109)
Investment Earnings	5,457	24,719	(19,262)
Miscellaneous	10	5,940	(5,930)
Total Non-Operating Revenues (Expenses)	40,998	150,298	(109,301)
Income (Loss) Before Contributions	(6,446,957)	(1,290,604)	(5,156,354)
Contributions			
Capital Contributions- Caltran Grant	-	-	-
Change in Net Assets	(6,446,957)	(1,290,604)	(5,156,354)



MEMORANDUM

ITEM NO. 5

Prepared by: Scott M. Ota
Reviewed by: Scott M. Ota
Approved by: Robb Whitaker

DATE: JULY 14, 2010
TO: FINANCE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING MAY 31, 2010

Each month, the Finance Department reports the District's reserve balances and cash & investment activities to the Finance Committee for subsequent approval by the Board of Directors.

RESERVE BALANCE

Based on §60290 of the Water Code, the district may establish an annual reserve fund in an amount not to exceed ten million dollars (\$10,000,000). This ten million dollars may be adjusted for the percentage increase or decrease in the blended cost of water from district water supply sources on an annual basis.

Additionally, §60291 states that the limitation on the reserve established in §60290 does not apply to funds appropriated for capital projects.

If for some reason, the District has more than \$10,000,000 (adjusted for the blended cost of water), §60328.1 states that the District shall apply the estimated fiscal year end balance in excess of the amount allowed in §60290 to a replenishment assessment rate reduction or to the purchase of water in the succeeding fiscal year.

Currently the District has \$10,223,000 in operating reserve. The District's reserve balances are presented in Figure A below:

Cash and Investments
(Rounded to nearest ten thousand)

Operating Reserve Fund	\$ 10,223,000
Reserved or Encumbered:	
Water Purchase Fund	16,872,000
Restricted for Capital Projects	13,815,000
Debt Service Reserve Fund	2,300,000
Cal Trans Trust Fund	6,090,000
Other Post Employment Benefit Obligation - GASB 45 Requirement	1,480,000
Total Cash and Investments	<u>\$ 50,780,000</u>

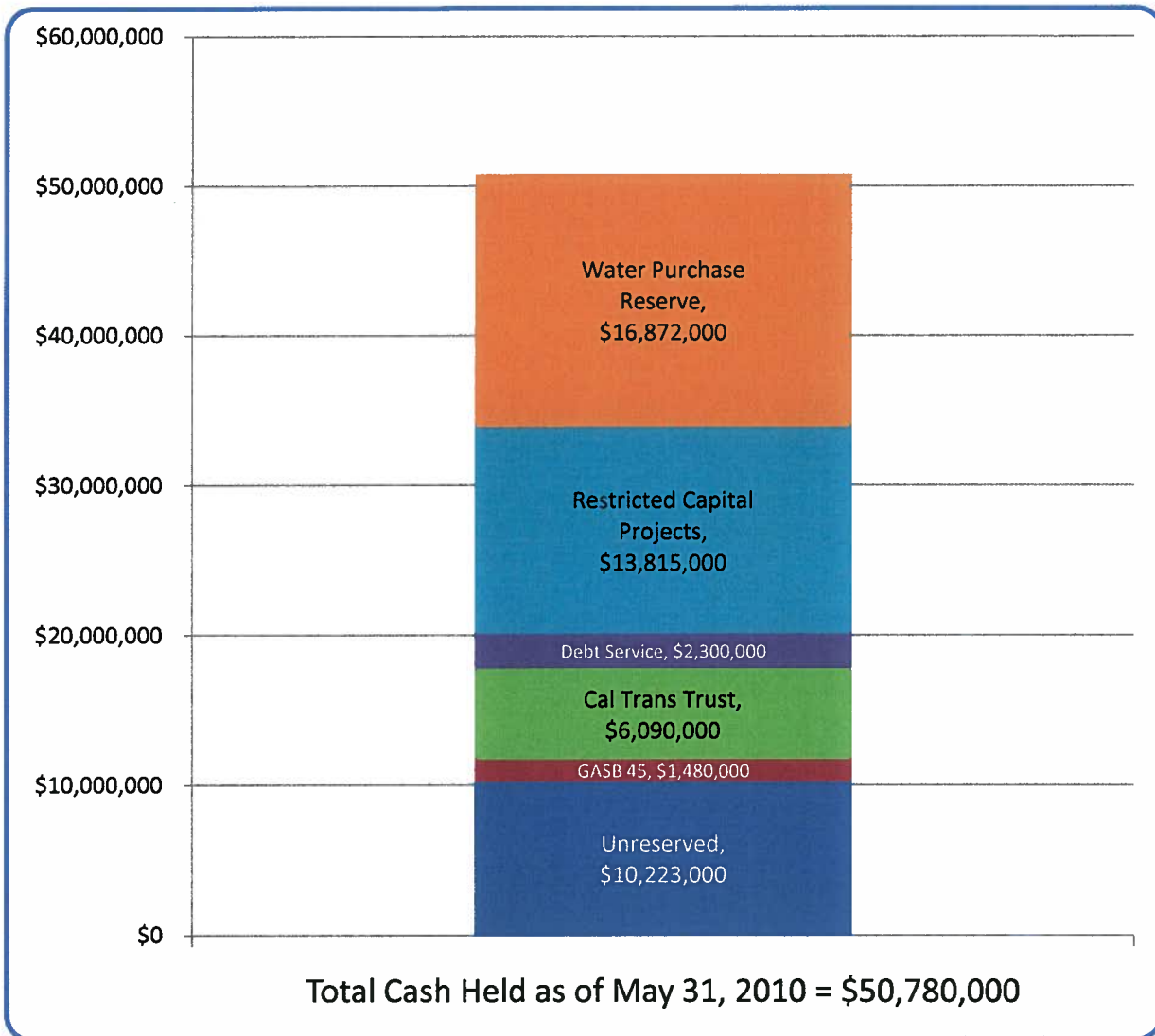


Figure A – Reserve Balances

CASH AND INVESTMENTS

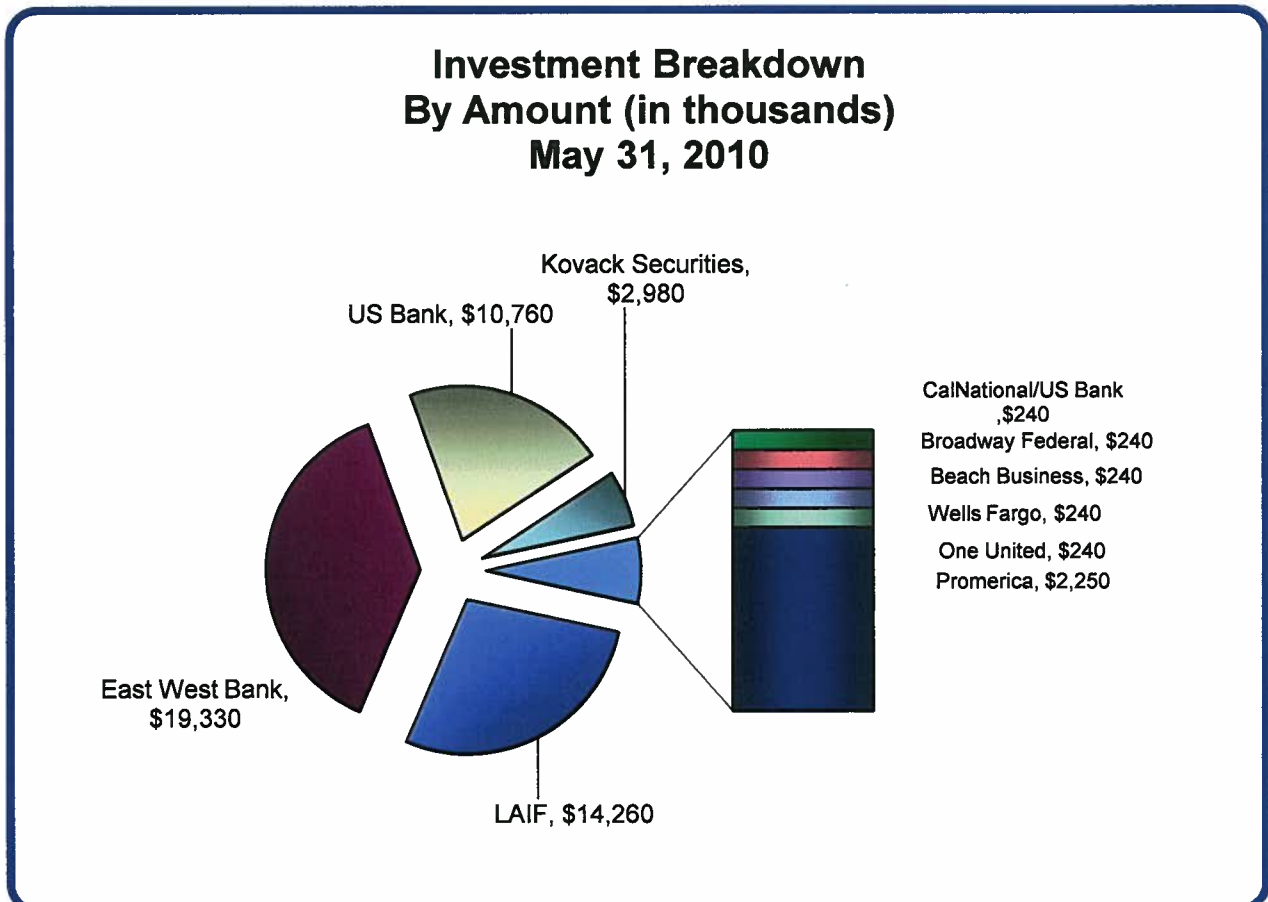
The District has implemented its Community Banking Program and has invested in several community banks in addition to the Local Area Investment Fund (LAIF).

Cash and Investments By Institution (Rounded to nearest ten thousand)

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 14,260,000
East West Bank ²	19,330,000
Beach Business Bank ²	240,000
One United Bank ²	240,000
Broadway Federal Bank ²	240,000
Wells Fargo Bank ²	240,000
US Bank (formerly CalNational Bank) ²	240,000
Primerica Bank ²	2,250,000
US Bank (Trustee) ²	10,760,000
Kovack Securities ^{2,3}	<u>2,980,000</u>

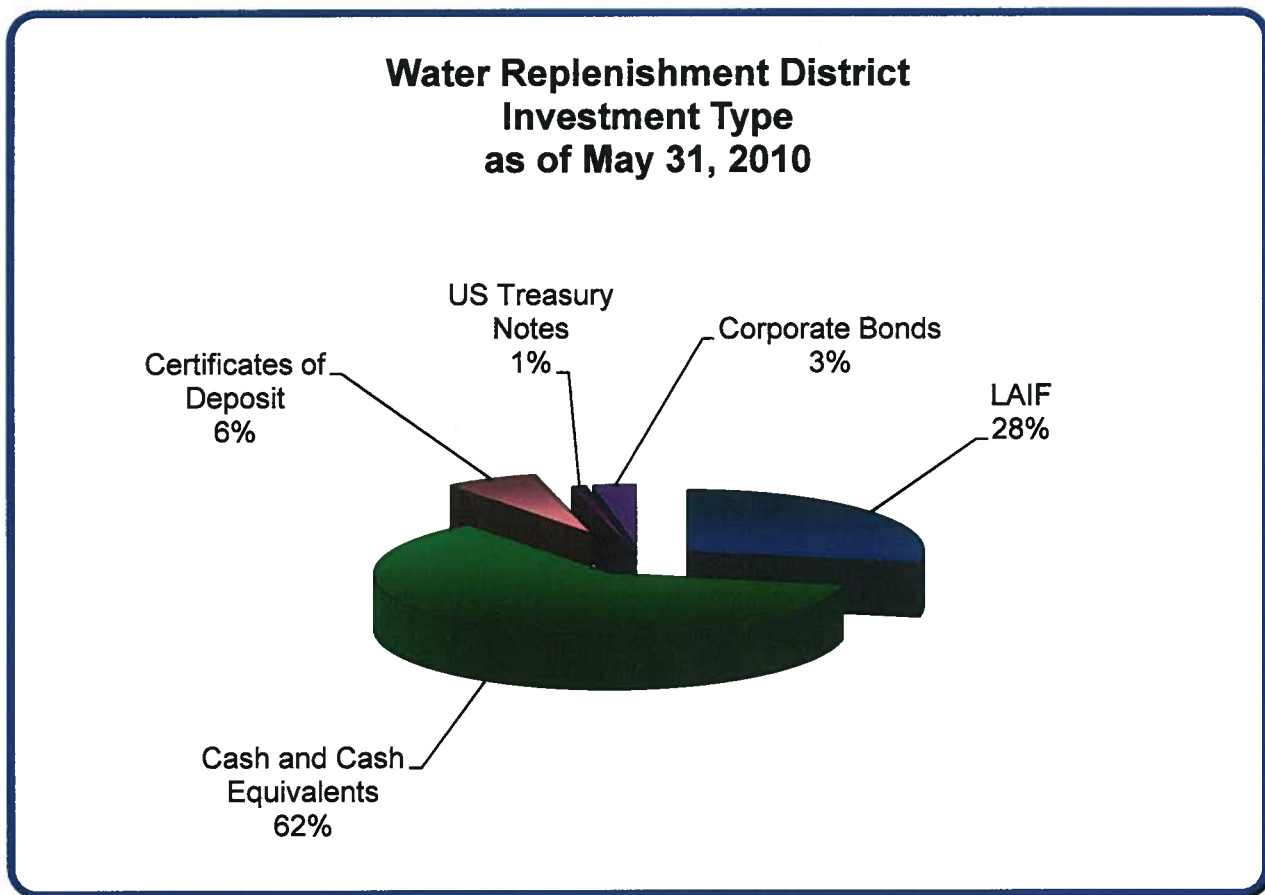
Total Cash and Investments \$ 50,780,000



Cash and Investments By Type
(Rounded to nearest ten thousand)

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 14,260,000
Cash and Cash Equivalents ²	31,310,000
Certificates of Deposit ²	3,220,000
US Treasury Notes ³	490,000
Corporate Bonds ³	<u>1,490,000</u>
Total	<u>\$ 50,780,000</u>



Staff has attached a detailed investment report for May 31, 2010 for approval.

Footnotes:

¹ – The Local Area Investment Fund (LAIF): There is no insurance applied to individual securities, sectors of the portfolio, or the portfolio in general. However, due to the characteristics of the Pooled Money Investment Account for LAIF, credit risk is minimal. Additionally, LAIF monies are protected by statute. The State of California cannot borrow or withhold LAIF monies per California Government Code §16429.4.

² – Cash & Cash Equivalents and Certificates of Deposit: Amounts are insured by the Federal Deposit Insurance Company (FDIC). Most funds are held in Certificate of Deposit Account Registry Service or CDARS which is a very safe way to invest funds up to \$50 million while continuing to be FDIC insured.

³ – US Treasury Notes and Corporate Bonds: These amounts are not insured by the FDIC however, they fall within the District's Investment Policy.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Approve the Investment Report for submittal to the Board of Directors.



MEMORANDUM

ITEM NO. 6

*Prepared by: Sheryll Moffat
Reviewed by: Scott M. Ota
Approved by: Robb Whitaker*

DATE: JULY 14, 2010
TO: FINANCE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: WRD FISCAL YEAR 2010/11 BUDGET

BACKGROUND

On May 11, 2010, the Board of Directors closed the public hearing on the replenishment assessment, set the ensuing year's replenishment assessment at \$205 per acre foot and adopted the 2010/11 budget.

At the June 11, 2010 Finance Committee Meeting, the Committee asked to review the 2010/11 budget.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

For discussion.



MEMORANDUM

ITEM NO. 7

Prepared by: Elsa Lopez

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JULY 14, 2010

TO: FINANCE COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: CONSIDERATION OF CONTRACT EXTENSION FOR TRES ES, INC.

SUMMARY

The District contracted Tres Es Inc. in January 1, 2010 for six months of for services in the areas of strategic planning, use of recycled water, inter-agency (including state agencies) relations, local government working relationship, and outreach efforts.

The Finance Committee Chair received a proposal from Tres Es to continue to provide services to WRD. The Chair would like the Committee to review the proposal for possible recommendation.

FISCAL IMPACT

Budgeted for six months in the FY 2010-2011budget, not to exceed \$45,000

STAFF RECOMMENDATION

For information and possible action



MEMORANDUM

ITEM NO. 8

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JULY 14, 2010

TO: FINANCE COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: EXPENSES OVER 90 DAYS

SUMMARY

Based on Section 13.2.3 of the District's Administrative Code, "Requests for reimbursement must be submitted within 90 days of the date the expense was incurred...Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors".

Staff would like to present expenses over the 90 day period to the Finance Committee.

FISCAL IMPACT

Staff will give the exact fiscal impact of these expenses at the Committee meeting.

STAFF RECOMMENDATION

Approve the expense reimbursements for submittal to the Board of Directors.