

**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, NOVEMBER 10, 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" OF "FOR DISCUSSION" 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. MINUTES OF THE MEETING OF OCTOBER 13, 2010**  
*Staff Recommendation:* Approve as submitted.
- 4. DEMANDS – SEPTEMBER 2010**  
*Staff Recommendation:* Receive and file the Demands for September 30, 2010.
- 5. FINANCIAL STATEMENTS – SEPTEMBER 30, 2010**  
*Staff Recommendation:* Approve the Financial Statements for submittal to the Board of Directors.
- 6. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2010**  
*Staff Recommendation:* Approve the Investment Report for submittal to the Board of Directors.
- 7. GASB 45 OPEB IRREVOCABLE TRUST**  
*Staff Recommendation:* Recommend approval to the Board of Directors to seek requests for proposals for establishing and managing WRD's GASB 45 OPEB Irrevocable Trust.

8. **CONSIDERATION OF RESOLUTION NO. 10-891 –  
A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE  
GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT;  
THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT  
NO. 8 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT  
NO. 8); AND THE BOARD OF DIRECTORS OF THE WATER  
REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING  
AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX  
REVENUES RESULTING FROM ANNEXATION OF L 008-2010 TO  
COUNTY LIGHTING MAINTENANCE DISTRICT 1687**  
*Staff Recommendation:* Adopt Resolution No. 10-891.
9. **DEPARTMENT REPORT**
10. **DIRECTORS EXPENSES**  
*Staff Recommendation:* Approve Directors Expenses for submittal to the  
Board of Directors.
11. **DIRECTORS REPORTS, INQUIRIES, AND FOLLOW-UP OF  
DIRECTIONS TO STAFF**
12. **ADJOURNMENT**

Posted by Abigail C. Andom, Deputy Secretary, November 5, 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](http://www.wrd.org).

UNAPPROVED  
MINUTES

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MINUTES

**MINUTES OF OCTOBER 13, 2010  
MEETING OF THE FINANCE COMMITTEE  
OF THE BOARD OF DIRECTORS  
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A meeting of the Finance Committee of the Board of Directors of the Water Replenishment District of Southern California was held on October 13, 2010 at 1:34 p.m. at the District office, 4040 Paramount Boulevard, Lakewood, California. Director Rob Katherman called the meeting to order and presided thereafter. Deputy Secretary Abigail C. Andom recorded the minutes.

**1. DETERMINATION OF A QUORUM**

Directors: Rob Katherman, Willard H. Murray, Jr.  
Staff: Scott Ota, Jenna Shaunessy

**2. PUBLIC COMMENT**

None.

The agenda items were taken out of order.

**8. DEPARTMENT REPORT**

Chief Financial Officer Scott Ota provided an update of the Department's activities. Mr. Ota stated that the independent financial auditors recently completed their financial audit. He noted that staff is completing the report to submit to the Government Finance Officers Association (GFOA) for their Excellence in Financial Reporting award. Mr. Ota reported that staff is also finishing the budget report to submit to the California Society of Municipal Finance Officers (CSMFO) for their annual budget award. He noted that the District has previously received this award six years in a row. He stated that staff is also working on reviewing the District's Designated Funds policy, a Two-Year Budget, a Five-Year budget, and a request for proposals relating to Other Post Employment Benefits (OPEB) requirements of Governmental Accounting Standards Board (GASB) 45.

**3. MINUTES OF THE MEETING OF SEPTEMBER 8, 2010**

The minutes were approved as submitted.

**4. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING JULY 31, 2010**

The Committee reviewed the Investment Report for the period ending July 31, 2010 and recommended they be submitted to the Board for approval.

**5. DEMANDS – AUGUST 2010**

The Committee reviewed the list of Demands for August 31, 2010. The Demands were approved for submittal to the Board of Directors to receive and file.

**6. FINANCIAL STATEMENTS- AUGUST 31, 2010**

Mr. Ota noted that the District paid approximately \$724,000 to CalPERS in August for its portion of the side fund liability.

The Committee reviewed the Financial Statements for August 31, 2010 and recommended they be submitted to the Board for approval.

**7. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING AUGUST 31, 2010**

The Committee reviewed the Investment Report for the period ending August 31, 2010 and recommended they be submitted to the Board for approval.

**9. DIRECTORS EXPENSES**

Directors' expenses were reviewed and the Committee recommended the item be submitted to the Board for approval.

**10. DIRECTORS REPORTS, INQUIRIES AND FOLLOW UP OF DIRECTIONS TO STAFF**

The next Finance Committee meeting is scheduled Wednesday, November 10 at 12:00 p.m.

**11. ADJOURNMENT**

With no further business for the Committee, the meeting was adjourned at 2:22 p.m.

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Chairperson

ATTEST:

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Director



**MEMORANDUM**

**ITEM NO. 4**

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

**DATE: NOVEMBER 10, 2010**  
**TO: FINANCE COMMITTEE**  
**FROM: ROBB WHITAKER, GENERAL MANAGER**  
**SUBJECT: DEMANDS - SEPTEMBER 2010**

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**SUMMARY**

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

- 1. The demands list for the period September 1st, 2010 –September 30th, 2010.
- 2. The demands sorted by vendor with an additional column showing fiscal year-to-date payments

**Demands Summary – September 2010**

Replenishment Fund	\$ 5,376,917.66
Clean Water Fund	<u>346,773.80</u>
Total	<u>\$ 5,723,691.46</u>

**STAFF RECOMMENDATION**

Receive and file the Demands for September 30, 2010.



DIRECTORS

SERGIO CALDERON, PRESIDENT  
 LILLIAN KAWASAKI, VICE PRESIDENT  
 WILLARD H. MURRAY, JR., SECRETARY  
 ROBERT KATHERMAN, TREASURER  
 ALBERT ROBLES, DIRECTOR

ROBB WHITAKER, P.E., GENERAL  
 MANAGER

November 19, 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 September 30, 2010

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
P0040	ALBERT ROBLES	08/10 DIRECTORS COMPENSATION	1,586.58	1,491.38	95.20
P0041	ALBERT ROBLES	09/10 DIRECTORS COMPENSATION	1,014.80	953.91	60.89
P0040	ALBERT ROBLES	08/10 EXPENSE REIMBURSEMENT	233.87	219.83	14.04
P0047	ALBERT ROBLES	EXPENSE REIMBURSEMENT - OVER-90 DAYS	241.91	227.40	14.51
P0044	LILLIAN Y. KAWASAKI	07/10 DIRECTOR'S COMPENSATION	584.11	549.06	35.05
P0042	LILLIAN Y. KAWASAKI	08/10 EXPENSE REIMBURSEMENT	272.57	256.21	16.36
P0045	LILLIAN Y. KAWASAKI	EXPENSE REIMBURSEMENT - OVER-90 DAYS	998.75	938.83	59.92
DD	SERGIO J. CALDERON	08/10 DIRECTORS COMPENSATION	1,081.26	1,016.39	64.87
DD	SERGIO J. CALDERON	09/10 DIRECTORS COMPENSATION	910.45	855.82	54.63
DD	SERGIO J. CALDERON	EXPENSE REIMBURSEMENT - OVER-90 DAYS	479.69	450.91	28.78
DD	ROBERT E. KATHERMAN	08/10 DIRECTORS COMPENSATION	996.73	936.93	59.80
P0043	ROBERT E. KATHERMAN	08/10 EXPENSE REIMBURSEMENT	958.47	900.97	57.50
P0046	ROBERT E. KATHERMAN	EXPENSE REIMBURSEMENT - OVER-90 DAYS	110.72	104.08	6.64
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	481.64	96.16
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	489.48	88.32
DD	EDD	DIR STATE TAX W/H	29.38	27.61	1.77
DD	EDD	STATE TAX DEPOSIT	5,502.40	4,456.09	1,046.31
DD	EDD	STATE TAX DEPOSIT	5,494.68	4,561.73	932.95
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	73,457.14	61,176.34	12,280.80
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	74,401.44	63,177.54	11,223.90
DD	FLEX-PLAN SERVICES, INC	HRA & FSA REIMBURSEMENTS	2,506.65	2,356.26	150.39
DD	FLEX-PLAN SERVICES, INC	HRA & FSA REIMBURSEMENTS	4,348.35	4,099.02	249.33
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	2,600.06	2,444.06	156.00
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	1,643.39	1,544.78	98.61
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	2,337.00	2,196.77	140.23
DD	FLEX-PLAN SERVICES, INC	07/10 MONTHLY SVC CHRGR	966.00	908.04	57.96
DD	INTERNAL REVENUE SERVICE	DIR FEDERAL TAX DEPOSIT	2,630.85	2,473.01	157.84
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	29,737.98	24,261.90	5,476.08
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	29,371.06	24,451.30	4,919.76
DD	PARS	DIR PARS PAYMENT	2,989.87	2,810.46	179.41
DD	PRUDENTIAL	DIR DEFERRED COMP	9,706.41	9,124.06	582.35
DD	PRUDENTIAL	DEFERRED COMP	19,790.97	16,963.35	2,827.62
DD	PRUDENTIAL	DEFERRED COMP	19,601.54	17,309.29	2,292.25
DD	PERS	DIR PERS PAYMENT	671.23	630.96	40.27
DD	PERS	PERS PAYMENT	26,624.49	25,027.02	1,597.47
DD	PERS	PERS PAYMENT	26,624.49	22,963.92	3,660.57
1825	ACWA HBA	08/10 & 09/10 EAP PREMIUM	261.96	246.26	15.70
1826	ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	10,769.71	9,553.42	1,216.29
1827	LONG BEACH, CITY OF	001: 07/10 O & M SERVICE	68,461.92	68,461.92	-
1828	WBMWD	07/10 WATER PURCHASE	1,560,597.16	1,560,597.16	-
1829	ADVANCED DOCUMENT SOLUTION	LIBERTYNET MAINT SERVICE	4,973.40	4,675.00	298.40
1830	ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	9,501.87	9,501.87	-
1831	AT&T MOBILITY	MONTHLY CELL PHONE SERVICE	144.40	135.74	8.66
1832	CDW GOVERNMENT	COMPUTER SUPPLIES	4,059.37	3,815.81	243.56
1833	DELL MARKETING	COMPUTERS & SUPPLIES	55,693.88	52,352.25	3,341.63
1834	MONO LAKE COMMITTEE	2010/11 EDU PARTNERSHIP PROG	20,000.00	18,800.00	1,200.00
1835	VORTEX INDUSTRIES	MAINTENANCE SERVICE	601.12	565.05	36.07
1836	VOID	VOID	-	-	-
1837	ACWA JOINT POWERS	2011 AUTO & GEN LIABILITY PROG	150,431.00	141,405.14	9,025.86
1838	ACWA	AGENCY DIRECTORS LIST - LK	244.00	229.36	14.64
1839	ACWA	NEWSPAPER AD	845.00	845.00	-
1840	AGWA	FY10/11 MEMBERSHIP DUES	1,000.00	940.00	60.00
1841	AMY'S TROPHIES & SPECIALTIES	NAME BADGE - RB	17.21	16.18	1.03
1842	CALIFORNIA SCIENCE CENTER	2010 GRNDWTR EXHIBIT PYMT #3	100,000.00	94,000.00	6,000.00
1843	CENTRAL BASIN WATER ASSOC	FY10/11 MEMBERSHIP DUES	100.00	94.00	6.00
1844	DMJ CONSULTING GROUP	011: PROF SERVICE THRU 08/23/10	748.90	374.45	374.45

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
1845	DMV RENEWAL	2005 FORD REGIS RENEWAL FEE	480.00	451.20	28.80
1846	DOWNEY CHAMBER	09/01/10-09/01/11 MEMBERSHIP DUES	290.00	272.60	17.40
1847	FEDERAL EXPRESS	FEDEX SERVICE	313.23	294.46	18.77
1848	KONE INC	ELEVATOR REPAIR SERVICE	2,129.33	2,001.57	127.76
1849	LA EXPRESS ONE INC	COURIER SERVICE	124.38	120.37	4.01
1850	McMASTER	011: FIELD SUPPLIES	509.50	254.76	254.74
1851	MEYERS & NAVE	07/10 LEGAL SERVICE	39,026.43	36,473.81	2,552.62
1852	SAGE SOFTWARE	PURCHASE ORDER FORMS	187.08	175.86	11.22
1853	MWH LABORATORIES	04/10-05/10 LAB SERVICES	82,211.00	48,285.00	33,926.00
1854	OFFICE TEAM	TEMP SERVIC THRU 08/06/10	6,227.01	5,853.38	373.63
1855	PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	980.28	490.15	490.13
1856	PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	42.87	21.44	21.43
1857	PV PENINSULA CHAMBER	2011 MEMBERSHIP DUES	315.00	296.10	18.90
1858	PICO RIVERA CHAMBER	2011 MEMBERSHIP DUES	185.00	173.90	11.10
1859	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	784.90	737.82	47.08
1860	URBAN WATER INSTITUTE	2010 MEMBERSHIP DUES	1,250.00	1,175.00	75.00
1861	WEST BASIN WATER ASSOC	JOINT LUNCHEON MEETING	100.00	94.00	6.00
1862	ALSTON & BIRD LLP	005: 07/10 LEGAL SERVICE	5,759.63	5,759.63	-
1863	WILMINGTON CHAMBER	2010 INSTALLATION DINNER	500.00	470.00	30.00
1864	XEROX CORPORATION	08/10 COPIER SERVICE	1,399.80	1,315.81	83.99
1866	CITY OF CARSON	011: WELL DRILLING INSPECTION FEE	2,500.00	1,250.00	1,250.00
1867	1-800-CONFERENCE(R)	023: CONFERENCE CALLS	300.44	300.44	-
1868	AT&T	002: MONTHLY PHONE SERVICE	229.89	-	229.89
1869	CAL MUNICIPAL UTILITIES ASSOC	FY10/11 MEMBERSHIP DUES	3,050.00	2,867.00	183.00
1870	CONTROLLED KEY SYSTEM	REPAIR MAINT SERVICE	93.00	87.42	5.58
1871	FEDERAL EXPRESS	FEDEX SERVICE	49.41	46.45	2.96
1872	GEIGER WEST MONROVIA	PROMO ITEM SUPPLIES	1,929.58	1,813.81	115.77
1873	HELPMATES STAFFING SERVICES	TEMP SERVICE THRU 08/08/10 - MC	3,979.36	3,740.60	238.76
1874	KINDEL GAGAN	005: 07/10 PROF SERVICE	10,000.00	10,000.00	-
1875	L.A.CHAMBER OF COMMERCE	2011 MEMBERSHIP DUES	1,559.25	1,465.70	93.55
1876	LAW OFFICE PERSONNEL SERVICE	BOARD MEETING TRANSCRIPT	472.50	444.15	28.35
1877	LONG BEACH, CITY OF	001: 08/10 O & M SERVICE	68,461.92	68,461.92	-
1878	LONG BEACH, CITY OF	001: PROF SERVICE THRU 07/30/10	28,715.59	28,715.59	-
1879	LOS ANGELES TIMES	09/13/10-10/11/10 SUBSCRIPTION FEE	48.00	45.12	2.88
1880	NORWALK CHAMBER	09/01/10-08/01/11 - MEMBERSHIP DUES	330.00	310.20	19.80
1882	OCB REPROGRAPHICS	ENGINEERING SURVEY REPORT	5,214.28	2,607.14	2,607.14
1881	VOID	VOID	-	-	-
1883	OFFICE TEAM	TEMP SERVICE THRU 09/03/10	1,597.90	1,502.03	95.87
1884	PARS	07/10 REP FEES	500.00	470.00	30.00
1885	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	667.17	333.59	333.58
1886	ROBERT E. BUSH	005: 08/10 PROF SERVICE	3,000.00	3,000.00	-
1887	SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 09/08/10	19,834.27	-	19,834.27
1888	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	552.84	519.67	33.17
1889	THE GAS COMPANY	MONTHLY UTILITY CHARGES	81.65	76.75	4.90
1890	ULINE SHIPPING SUPPLIES SPEC	BLUE SHELF BINS	134.59	126.51	8.08
1891	VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	341.99	321.47	20.52
1892	VERIZON WIRELESS	MONTHLY CELL PHONE SVC	740.21	695.79	44.42
1893	WESTERN EXTERMINATOR	08/10 PESTICIDE SERVICE	65.00	61.10	3.90
1894	XEROX CORPORATION	09/10 COPIER SERVICE	4,251.56	3,996.46	255.10
1895	VERIZON BUSINESS	MONTHLY INTERNET SERVICE	622.93	585.55	37.38
1896	NORWALK PRINTING	BUSINESS CARDS	163.76	153.94	9.82
1897	OFFICE TEAM	TEMP SERVICE THRU 08/27/10	3,139.00	2,950.66	188.34
1898	F&M BANK: CC PAYMENT	08/10 CC CHARGES	427.37	401.73	25.64
1899	VOID	VOID	-	-	-
1900	LOS ANGELES, CITY OF DWP	07/21/10-08/19/10 WATER PURCHASE	100,870.11	100,870.11	-
1901	REMY HERNANDEZ FOR WRD	PETTY CASH REIMBURSEMENT	474.42	442.42	32.00
1902	MEXICAN AMERICAN OPPORTUNITY	CASEWORK ASSISTANCE FAIR	100.00	94.00	6.00
1903	API KIRK CONTAINERS	WRD PAIL CONTAINERS	4,132.00	3,884.08	247.92
1904	ARLENE BOATRIGHT	MEDICAL REIMBURSEMENT	216.00	203.04	12.96
1905	CAL CONTRACT CITIES ASSOC	2010 ASSOC MEMBERS PROG	3,000.00	2,820.00	180.00
1906	CLEAN SOURCE	GENERAL SUPPLIES	469.71	441.53	28.18
1907	DMJ CONSULTING GROUP, INC	011: PROF SERVICE ON 06/21/10	2,372.50	1,186.25	1,186.25
1908	VOID	VOID	-	-	-
1909	INTERIOR PLANT DESIGN	001: 09/10 PLANT MAINT SERVICE	2,000.00	1,816.00	184.00
1910	INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	879.08	826.34	52.74
1911	JAN-PRO CLEANING	09/10 JANITORIAL SERVICE	2,743.00	2,578.42	164.58
1912	KONE INC	QRTL ELEVATOR MAINT SERVICE	172.29	161.95	10.34
1913	LAKEWOOD SELF STORAGE	10/01/10 - 09/01/11 STORAGE RENTAL	2,570.70	2,416.46	154.24
1914	LUPUS FOUNDATION OF AMERICA	WALK FOR LUPUS NOW' EVENT	526.14	494.57	31.57
1915	SAGE SOFTWARE	2011 MAINT RENEWAL FEE	6,269.00	5,892.86	376.14
1916	NATIONAL GROUND WATER ASSOC	025: REGISTRATION FEE - MK	125.00	62.50	62.50
1917	NELLOR ENVIRONMENTAL	004: 08/10 PROF SERVICE	270.00	270.00	-
1918	NEW RESOURCES GROUP	PROMO ITEM - HOSE NOZZLES	9,961.50	9,363.81	597.69
1919	OFFICE TEAM	TEMP SERVICE THRU 09/10/10 - KH	1,376.00	1,293.44	82.56
1920	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	195.58	183.85	11.73

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
1921	WATER WISE CONSULTING	WATERWELL EDU WORKSHOP	3,200.00	3,008.00	192.00
1922	ACWA-1	10/10 EAP PREMIUM	130.98	123.13	7.85
1923	ACWA - HBA	10/10 MED/DEN/LIFE PREMIUM	50,398.90	47,374.97	3,023.93
1924	MARTIN E WHELAN, JR.	10/10 MEDICAL PREMIUM	736.33	692.15	44.18
1925	STANDARD INSURANCE COMPANY	10/10 STD/LTD PREMIUM	1,363.00	1,281.22	81.78
1926	COUNTY SANITATION DISTRICT 2	001: 1ST QTR WWTS PAYMENT	35,870.00	35,870.00	-
1927	SOUTHERN CALIFORNIA EDISON	08/10 ENERGY USAGE	4,676.60	4,396.00	280.60
1928	WBMWD	08/10 WATER PURCHASE	1,688,389.79	1,688,389.79	-
1929	COUNTY SANITATION DISTRICT 2	002: 1ST QTR WWTS PAYMENT	18,063.00	18,063.00	-
1930	AMERICAN TRANSPORTATION SYSTEMS	WATER TOUR TRANSPORTATION	351.75	330.65	21.10
1931	BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 08/28/10	2,389.50	2,389.50	-
1932	BROWNSTEIN HYATT	07/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1933	BUREAU VERITAS	004: PROF SERVICE THRU 08/20/10	2,586.25	2,586.25	-
1934	CENTER GLOBAL ENVIRONMENTAL EDU	SO CA URBAN WATER CYCLE PROG	15,000.00	14,100.00	900.00
1935	CH2M HILL	PROF SERVICE THRU 08/27/10	142,921.17	142,921.17	-
1936	COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - WN	3,273.90	3,273.90	-
1937	COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - SJC	156,871.95	156,871.95	-
1938	DEPT OF INDUSTRIAL RELATIONS	ELEVATOR CONVEYANCE FEE	225.00	211.50	13.50
1939	FEDERAL EXPRESS	FEDEX SERVICE	319.53	248.71	70.82
1940	GEOTRANS	025: PROF SERVICE THRU 08/27/10	6,187.08	3,093.54	3,093.54
1941	HELPMATES STAFFING	TEMP SERVICE THRU 09/05/10 - MC	2,094.40	1,968.73	125.67
1942	IN-SITU INC.	011: FIELD SUPPLIES REPAIR SVC	288.09	144.05	144.04
1943	KINDEL GAGAN	005: 08/10 PROF SERVICE	10,000.00	10,000.00	-
1944	LA OPINION	08/16/10-08/22/10 NEWSPAPER AD	1,000.00	940.00	60.00
1945	LONG BEACH, CITY OF	001: 09/10 O & M SERVICE	68,461.92	68,461.92	-
1946	LONG BEACH, CITY OF	08/10 LOW FLOW WTR CHARGES	353.00	353.00	-
1947	LONG BEACH, CITY OF	001: 09/10 ADJ O & M COSTS	204,171.05	204,171.05	-
1948	MEYERS & NAVE	08/10 LEGAL SERVICE	21,145.30	18,542.68	2,602.62
1949	MWH LABORATORIES	06/10 & 07/10 LAB SERVICES	191,886.00	165,715.00	26,171.00
1950	PACIFIC ATLANTIC	09/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1951	RBF CONSULTING	005: 07/10 PROF SERVICE	482.00	482.00	-
1952	SCHLUMBERGER WATER SERVICES	011: 08/10 PROF SERVICE	25,012.00	12,506.00	12,506.00
1953	SEPARATION PROCESSES	002: 08/10 PROF SERVICE	3,595.00	-	3,595.00
1954	T & A SIGNS	FULL COLOR BANNER	202.11	189.98	12.13
1955	TORRANCE, CITY OF	002: 10/10 PLANT SITE RENT	3,373.48	-	3,373.48
1956	TORRANCE, CITY OF	002: 07/10 O & M SERVICE	37,354.56	-	37,354.56
1957	U.S. GEOLOGICAL SURVEY	025: 01/01/10-03/31/10 PROF SERVICE	14,782.00	7,391.00	7,391.00
1958	U.S. GEOLOGICAL SURVEY	011: 2010 WELLS CONS SERVICE	95,550.00	47,775.00	47,775.00
1959	U.S. GEOLOGICAL SURVEY	011: 12/09 2008 WELLS CONS SERVICE	9,162.95	4,581.48	4,581.47
1960	VOID	VOID	-	-	-
1961	LA BROTHERHOOD CRUSADE	2010 ACHIEVEMENT AWARD	2,500.00	2,350.00	150.00
1962	VOID	VOID	-	-	-
1963	LOS ANGELES TIMES	10/12/10-11/08/10 SUBSCRIPTION FEE	48.00	45.12	2.88
1964	VOID	VOID	-	-	-
1965	OFFICE TEAM	TEMP SERVICES THRU 09/10/10	832.04	782.12	49.92
1966	PR NEWswire ASSOC	PRESS CONFERENCE RELEASE	540.00	507.60	32.40
1967	WATER RESEARCH FOUNDATION	10/10-09/11 MEMBERSHIP DUES	51,537.00	-	51,537.00
1968	ALLIANCE RESOURCES CONSULTING	PROFESSIONAL SERVICE	7,000.00	6,580.00	420.00
1969	DEPT OF CONSUMER AFFAIRS	CPA LICENSE RENEWAL - SO	200.00	166.00	12.00
1970	EMPLOYMENT DEVELOPMENT DEPT	UNEMPLOYMENT INSURANCE - BS	6,750.00	6,345.00	405.00
1971	EAST WEST BANK	CC CHARGES THRU 09/03/10	11,063.12	10,399.33	663.79
ACH10	EAST WEST BANK	CC CHARGES THRU 08/04/10	3,830.67	3,600.82	229.85
I0123	PANERA	WATER RESOURCES MEETING	139.86	131.47	8.39
I0124	SUBWAY #24758	RES WATER SURVEY TRAINING	57.96	54.48	3.48
I0125	TGIS CATERING SERVICES	ADMIN COMM MEETING	286.82	269.61	17.21
I0126	ERHART'S CATERING	FINANCE COMM MEETING	248.04	233.16	14.88
I0127	VOID	VOID	-	-	-
I0128	EL POLLO LOCO	033: 09/14/10 GRIP MEETING	148.09	148.09	-
I0129	SPARKLETTS	SUPPLIES	345.51	324.78	20.73
I0130	PEPSI BOTTLING	SUPPLIES	221.52	208.23	13.29
I0131	TGIS CATERING SERVICES	EA & AD HOC MEETING	590.59	555.15	35.44
I0132	PANERA	RFP SOLAR PANEL MEETING	49.33	46.37	2.96
<b>Total Demands from September 1, 2010 to September 30, 2010</b>			<b>5,723,691.46</b>	<b>5,376,917.66</b>	<b>346,773.80</b>

Robb Whitaker, P.E., General Manager

Water Replenishment District of Southern California  
Demands List - Current and YTD By Vendor

Payee	Description	Current Demands	YTD Demands
PAYROLL	BENEFIT/DEDUCTION/REIMBURSEMENT	120,600.05	1,112,946.18
PAYROLL	PAYROLL	147,858.58	443,366.83
PAYROLL	TAXES	72,766.35	227,563.97
ALBERT ROBLES	DIRECTORS' COMPENSATION	2,601.38	7,804.15
ALBERT ROBLES	EXPENSE REIMBURSEMENT	475.78	1,274.18
ROBERT E. KATHERMAN	DIRECTORS' COMPENSATION	996.73	2,756.85
ROBERT E. KATHERMAN	EXPENSE REIMBURSEMENT	1,069.19	2,583.17
LILLIAN Y. KAWASAKI	DIRECTORS' COMPENSATION	584.11	1,168.22
LILLIAN Y. KAWASAKI	EXPENSE REIMBURSEMENT	1,271.32	3,657.59
SERGIO J. CALDERON	DIRECTORS' COMPENSATION	1,991.71	7,459.29
SERGIO J. CALDERON	EXPENSE REIMBURSEMENT	479.69	750.75
WILLARD H. MURRAY, JR	DIRECTORS' COMPENSATION	730.60	2,192.23
1-800-CONFERENCE(R)	023: CONFERENCE CALLS	300.44	389.69
ACWA	AGENCY DIRECTORS LIST - LK	244.00	244.00
ACWA	NEWSPAPER AD	845.00	1,089.00
ACWA - SERVICES	10/10 MED/DEN/LIFE PREMIUM	50,398.90	143,211.88
ACWA-1	08/10 & 09/10 EAP PREMIUM	261.96	261.96
ACWA-1	10/10 EAP PREMIUM	130.98	392.94
ACWA JOINT POWERS	2011 AUTO & GEN LIABILITY PROG	150,431.00	158,290.00
ADVANCED DOCUMENT SOLUTION	LIBERTYNET MAINT SERVICE	4,973.40	4,973.40
AGWA	FY10/11 MEMBERSHIP DUES	1,000.00	1,000.00
ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	10,769.71	40,000.53
ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	9,501.87	49,502.40
ALLIANCE RESOURCES CONSULTING	PROFESSIONAL SERVICE	7,000.00	7,000.00
ALSTON & BIRD LLP	005: 07/10 LEGAL SERVICE	5,759.63	13,828.48
AMERICAN TRANSPORTATION SYSTEMS	WATER TOUR TRANSPORTATION	351.75	351.75
AMY'S TROPHIES & SPECIALTIES	NAME BADGE - RB	17.21	17.21
API KIRK CONTAINERS	WRD PAIL CONTAINERS	4,132.00	4,132.00
ARLENE BOATRIGHT	MEDICAL REIMBURSEMENT	216.00	216.00
AT&T	002: MONTHLY PHONE SERVICE	229.89	692.72
AT&T MOBILITY	MONTHLY CELL PHONE SERVICE	144.40	435.36
BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 08/28/10	2,389.50	9,829.00
BROWNSTEIN HYATT	07/10 LEGISLATIVE SERVICE	15,000.00	60,000.00
BUREAU VERITAS	004: PROF SERVICE THRU 08/20/10	2,586.25	8,031.25
CAL CONTRACT CITIES ASSOC	2010 ASSOC MEMBERS PROG	3,000.00	3,000.00
CAL MUNICIPAL UTILITIES ASSOC	FY10/11 MEMBERSHIP DUES	3,050.00	3,050.00
CALIFORNIA SCIENCE CENTER	2010 GRNDWTR EXHIBIT PYMT #3	100,000.00	100,000.00
CDW GOVERNMENT	COMPUTER SUPPLIES	4,059.37	4,239.60
CENTER GLOBAL ENVIRONMENTAL EDU	SO CA URBAN WATER CYCLE PROG	15,000.00	15,000.00
CENTRAL BASIN WATER ASSOC	FY10/11 MEMBERSHIP DUES	100.00	100.00
CH2M HILL	PROF SERVICE THRU 08/27/10	142,921.17	322,138.28
CITY OF CARSON	011: WELL DRILLING INSPECTION FEE	2,500.00	5,448.00
CLEAN SOURCE	GENERAL SUPPLIES	469.71	971.26
CONTROLLED KEY SYSTEM	REPAIR MAINT SERVICE	93.00	93.00
COUNTY SANITATION DISTRICT 2	001: 1ST QTR WWTS PAYMENT	35,870.00	633,375.85
COUNTY SANITATION DISTRICT 2	002: 1ST QTR WWTS PAYMENT	18,063.00	651,438.85
COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - WN	3,273.90	654,712.75
COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - SJC	156,871.95	811,584.70
DELL MARKETING	COMPUTERS & SUPPLIES	55,693.88	55,693.88
DEPT OF CONSUMER AFFAIRS	CPA LICENSE RENEWAL - SO	200.00	200.00
DEPT OF INDUSTRIAL RELATIONS	ELEVATOR CONVEYANCE FEE	225.00	225.00
DMJ CONSULTING GROUP	011: PROF SERVICE THRU 08/23/10	748.90	34,337.70
DMJ CONSULTING GROUP	011: PROF SERVICE THRU 06/21/10	2,372.50	36,710.20
DMV RENEWAL	2005 FORD REGIS RENEWAL FEE	480.00	480.00
DOWNEY CHAMBER	09/01/10-09/01/11 MEMBERSHIP DUES	290.00	290.00
EAST WEST BANK	CC CHARGES THRU 09/03/10	11,063.12	14,735.21
EAST WEST BANK	CC CHARGES THRU 08/04/10	3,830.67	18,565.88
EL POLLO LOCO	033: 09/14/10 GRIP MEETING	148.09	148.09
EMPLOYMENT DEVELOPMENT DEPT	UNEMPLOYMENT INSURANCE - BS	6,750.00	6,750.00
ERHART'S CATERING	FINANCE COMM MEETING	248.04	2,616.83
F&M BANK: CC PAYMENT	08/10 CC CHARGES	427.37	7,334.63

Water Replenishment District of Southern California  
Demands List - Current and YTD By Vendor

<u>Payee</u>	<u>Description</u>	<u>Current Demands</u>	<u>YTD Demands</u>
FEDERAL EXPRESS	FEDEX SERVICE	313.23	1,749.47
FEDERAL EXPRESS	FEDEX SERVICE	49.41	1,798.88
FEDERAL EXPRESS	FEDEX SERVICE	319.53	2,118.41
FLEX-PLAN SERVICES, INC	07/10 MONTHLY SVC CHR	966.00	2,901.63
GEIGER WEST MONROVIA	PROMO ITEM SUPPLIES	1,929.58	8,814.71
GEOTRANS	025: PROF SERVICE THRU 08/27/10	6,187.08	71,280.80
HELPMATES STAFFING	TEMP SERVICE THRU 09/05/10 - MC	2,094.40	9,260.24
HELPMATES STAFFING	TEMP SERVICE THRU 08/08/10 - MC	3,979.36	13,239.60
IN-SITU INC.	011: FIELD SUPPLIES REPAIR SVC	288.09	37,197.52
INTERIOR PLANT DESIGN	001: 09/10 PLANT MAINT SERVICE	2,000.00	6,000.00
INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	879.08	2,664.49
JAN-PRO CLEANING	09/10 JANITORIAL SERVICE	2,743.00	8,229.00
KINDEL GAGAN	005: 07/10 PROF SERVICE	10,000.00	22,812.50
KINDEL GAGAN	005: 08/10 PROF SERVICE	10,000.00	32,812.50
KONE INC	ELEVATOR REPAIR SERVICE	2,129.33	3,227.15
KONE INC	QRTL Y ELEVATOR MAINT SERVICE	172.29	3,399.44
L.A.CHAMBER OF COMMERCE	2011 MEMBERSHIP DUES	1,559.25	1,579.25
LA BROTHERHOOD CRUSADE	2010 ACHIEVEMENT AWARD	2,500.00	2,500.00
LA EXPRESS ONE INC	COURIER SERVICE	124.38	583.82
LA OPINION	08/16/10-08/22/10 NEWSPAPER AD	1,000.00	1,000.00
LAKEWOOD SELF STORAGE	10/01/10-09/01/11 STORAGE RENTAL	2,570.70	9,852.70
LAW OFFICE PERSONNEL SERVICE	BOARD MEETING TRANSCRIPT	472.50	472.50
LONG BEACH, CITY OF	001: 07/10 O & M SERVICE	68,461.92	277,888.00
LONG BEACH, CITY OF	001: 08/10 O & M SERVICE	68,461.92	346,349.92
LONG BEACH, CITY OF	001: PROF SERVICE THRU 07/30/10	28,715.59	375,065.51
LONG BEACH, CITY OF	001: 09/10 O & M SERVICE	68,461.92	443,527.43
LONG BEACH, CITY OF	08/10 LOW FLOW WTR CHARGES	353.00	443,880.43
LONG BEACH, CITY OF	001: 09/10 ADJ O & M COSTS	204,171.05	648,051.48
LOS ANGELES TIMES	09/13/10-10/11/10 SUBSCRIPTION FEE	48.00	138.75
LOS ANGELES TIMES	10/12/10-11/08/10 SUBSCRIPTION FEE	48.00	186.75
LOS ANGELES, CITY OF DWP	07/21/10-08/19/10 WATER PURCHASE	100,870.11	280,404.63
LUPUS FOUNDATION OF AMERICA	WALK FOR LUPUS NOW EVENT	526.14	526.14
MARTIN E WHELAN. JR.	10/10 MEDICAL PREMIUM	736.33	2,208.99
McMASTER	011: FIELD SUPPLIES	509.50	2,209.47
MEXICAN AMERICAN OPPORTUNITY	CASEWORK ASSISTANCE FAIR	100.00	100.00
MEYERS & NAVE	07/10 LEGAL SERVICE	39,026.43	132,379.78
MEYERS & NAVE	08/10 LEGAL SERVICE	21,145.30	153,525.08
MONO LAKE COMMITTEE	2010/11 EDU PARTNERSHIP PROG	20,000.00	20,000.00
MWH LABORATORIES	04/10-05/10 LAB SERVICES	82,211.00	85,789.00
MWH LABORATORIES	06/10 & 07/10 LAB SERVICES	191,886.00	277,675.00
NATIONAL GROUND WATER ASSOC	025: REGISTRATION FEE - MK	125.00	125.00
NELLOR ENVIRONMENTAL	004: 08/10 PROF SERVICE	270.00	1,710.00
NEW RESOURCES GROUP	PROMO ITEM - HOSE NOZZLES	9,961.50	9,961.50
NORWALK CHAMBER	09/01/10-08/01/11 MEMBERSHIP DUES	330.00	330.00
NORWALK PRINTING	BUSINESS CARDS	163.76	2,308.27
OCB REPROGRAPHICS	ENGINEERING SURVEY REPORT	5,214.28	5,214.28
OFFICE TEAM	TEMP SERVICE THRU 08/06/10	6,227.01	22,012.31
OFFICE TEAM	TEMP SERVICE THRU 09/03/10	1,597.90	23,610.21
OFFICE TEAM	TEMP SERVICE THRU 08/27/10	3,139.00	26,749.21
OFFICE TEAM	TEMP SERVICE THRU 09/10/10	1,376.00	28,125.21
OFFICE TEAM	TEMP SERVICE THRU 09/10/10	832.04	28,957.25
PACIFIC ATLANTIC	09/10 LEGISLATIVE SERVICE	15,000.00	45,000.00
PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	980.28	1,200.40
PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	42.87	1,243.27
PANERA	WATER RESOURCES MEETING	139.86	139.86
PANERA	RFP SOLAR PANEL MEETING	49.33	189.19
PARS	07/10 REP FEES	500.00	1,500.00
PEPSI BOTTLING	SUPPLIES	221.52	715.82
PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	667.17	1,860.96
PICO RIVERA CHAMBER	2011 MEMBERSHIP DUES	185.00	185.00

Water Replenishment District of Southern California  
Demands List - Current and YTD By Vendor

Payee	Description	Current Demands	YTD Demands
PR NEWSWIRE ASSOC	PRESS CONFERENCE RELEASE	540.00	540.00
PV PENINSULA CHAMBER	2011 MEMBERSHIP DUES	315.00	1,065.00
RBF CONSULTING	005: 07/10 PROF SERVICE	482.00	482.00
REMY HERNANDEZ FOR WRD	PETTY CASH REIMBURSEMENT	474.42	474.42
ROBERT E. BUSH	005: 08/10 PROF SERVICE	3,000.00	9,000.00
SAGE SOFTWARE	PURCHASE ORDER FORMS	187.08	187.08
SAGE SOFTWARE	2011 MAINT RENEWAL FEE	6,269.00	6,456.08
SCHLUMBERGER WATER SERVICES	011: 08/10 PROF SERVICE	25,012.00	56,278.15
SEPARATION PROCESSES	002: 08/10 PROF SERVICE	3,595.00	7,785.00
SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 09/08/10	19,834.27	82,096.74
SOUTHERN CALIFORNIA EDISON	08/10 ENERGY USAGE	4,676.60	86,773.34
SPARKLETTS	SUPPLIES	345.51	472.49
STANDARD INSURANCE COMPANY	10/10 STD/LTD PREMIUM	1,363.00	4,090.81
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	784.90	3,726.03
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	552.84	4,278.87
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	195.58	4,474.45
SUBWAY #24758	RES WATER SURVEY TRAINING	57.96	57.96
T & A SIGNS	FULL COLOR BANNER	202.11	404.22
TGIS CATERING SERVICES	ADMIN COMM MEETING	286.82	541.05
TGIS CATERING SERVICES	EA & AD HOC MEETING	590.59	1,131.64
THE GAS COMPANY	MONTHLY UTILITY CHARGES	81.65	281.58
TORRANCE, CITY OF	002: 10/10 PLANT SITE RENT	3,373.48	84,617.04
TORRANCE, CITY OF	002: 07/10 O & M SERVICE	37,354.56	121,971.60
U.S. GEOLOGICAL SURVEY	025: 01/01/10-03/31/10 PROF SERVICE	14,782.00	44,429.00
U.S. GEOLOGICAL SURVEY	011: 2010 WELLS CONS SERVICE	95,550.00	139,979.00
U.S. GEOLOGICAL SURVEY	011: 12/09 WELLS CONS SERVICE	9,162.95	149,141.95
ULINE SHIPPING SUPPLIES SPEC	BLUE SHELF BINS	134.59	134.59
URBAN WATER INSTITUTE	2010 MEMBERSHIP DUES	1,250.00	1,600.00
VERIZON BUSINESS	MONTHLY INTERNET SERVICE	622.93	1,868.79
VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	341.99	1,025.36
VERIZON WIRELESS	MONTHLY CELL PHONE SVC	740.21	2,597.55
VORTEX INDUSTRIES	MAINTENANCE SERVICE	601.12	601.12
WATER RESEARCH FOUNDATION	10/10-09/11 MEMBERSHIP DUES	51,537.00	51,537.00
WATER WISE CONSULTING	WATERWELL EDU WORKSHOP	3,200.00	9,500.00
WBMWD	07/10 WATER PURCHASE	1,560,597.16	4,634,277.59
WBMWD	08/10 WATER PURCHASE	1,688,389.79	6,322,667.38
WEST BASIN WATER ASSOC	JOINT LUNCHEON MEETING	100.00	100.00
WESTERN EXTERMINATOR	08/10 PESTICIDE SERVICE	65.00	195.00
WILMINGTON CHAMBER	2010 INSTALLATION DINNER	500.00	840.00
XEROX CORPORATION	08/10 COPIER SERVICE	1,399.80	10,784.02
XEROX CORPORATION	09/10 COPIER SERVICE	4,251.56	15,035.58
		5,723,691.46	21,483,655.30



## MEMORANDUM

### ITEM NO. 5

*Prepared by:* Scott M. Ota

*Reviewed by:* Scott M. Ota

*Approved by:* Robb Whitaker

**DATE:** NOVEMBER 10 , 2010  
**TO:** FINANCE COMMITTEE  
**FROM:** ROBB WHITAKER, GENERAL MANAGER  
**SUBJECT:** FINANCIAL STATEMENTS – SEPTEMBER 30, 2010

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The attached financial statements include the Statement of Net Assets (Balance Sheet) as of September 30, 2010 and the Statement of Revenues, Expenditures and Changes in Net Assets (Income Statement) for the month ending September 30, 2010. Explanation of selected account balances are as follows:

#### Statement of Net Assets

##### **ASSETS**

Cash and Cash Equivalents – The District made two payments to West Basin Municipal Water District for water purchases for the months of July and August 2010; therefore cash decreased approximately \$1.79 million in September. There is a corresponding decrease in accounts payable (see below).

Accounts Receivable – This account increased about \$759,000 from the prior month due to the timing of receipt of the replenishment assessment payments in September. This is a normal occurrence.

##### **LIABILITIES**

Accounts Payable – This account decreased primarily due to the payments to West Basin Municipal Water District for water purchases for the months of July and August 2010 (see cash above). In addition, changes in accounts payable has caused by decreasing in operating expenses from prior months. There is a corresponding decrease in operating expenses (see below)

**NET ASSETS**

Invested in Capital Assets – This is a formula and related to the changes in all capital asset accounts:

<u>Accounts</u>	<u>Change</u>
Plant & Equipment	\$ 0
Construction-In-Progress	149,880
Accumulated Depreciation	(191,720)
Total	<u>\$ (41,840)</u>

Unrestricted – The Change/Variance of Total Assets, Total Liabilities and Invested in Capital Assets from August to September is \$1,821,800

**Statement of Revenues, Expenditures and Changes in Net Assets**

**EXPENSES**

Salary, Taxes & Benefits – In August, the District made a lump sum payment of \$716,000 to pay-off the side fund due to the California Public Employees' Retirement System (CalPERS), related to the CalPERS risk pool for all employers with less than 100 employees.

Professional Benefits – The decrease of approximately \$157,000 is mainly due to the timing of receiving invoices that occurred in September but have not yet posted.

**FISCAL IMPACT**

None.

**STAFF RECOMMENDATION**

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

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

	Total	Prior Month Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	4,550,707	4,563,386	(12,679)
Late Payment Penalties	-	-	-
MWD Subsidy	75,761	80,836	(5,075)
OCWD Recycled Water Product	28,140	31,319	(3,179)
Desalter Revenue	64,978	93,588	(28,610)
Title 22 Monitoring Program	-	-	-
Total Operating Revenues	<u>4,719,586</u>	<u>4,769,130</u>	<u>(49,544)</u>
Operating Expenses			
Cost of Water			
Spreading	173,363	160,146	13,217
Injected	1,662,708	1,884,147	(221,439)
In-Lieu	-	-	-
Connection Fees	103,056	49,123	53,933
Total Cost of Water	<u>1,939,127</u>	<u>2,093,416</u>	<u>(154,289)</u>
General & Administrative			
Salaries, Taxes & Benefits	382,840	1,098,785	(715,945)
Postemployment Benefits	-	-	-
Conference & Travel	10,857	10,937	(80)
Office Expenses	55,629	74,544	(18,915)
Utilities	30,528	36,420	(5,892)
Rents & Leases	7,223	9,656	(2,433)
Repairs & Maintenance	13,700	15,465	(1,765)
Material & Equipment	9,931	70,471	(60,540)
General Liability Insurance	15,098	15,098	0
Professional Fees	248,287	405,751	(157,464)
Other General & Administrative	50,505	50,505	-
Total General & Administrative	<u>824,598</u>	<u>1,787,632</u>	<u>(963,034)</u>
Depreciation	191,720	198,344	(6,624)
Total Operating Expenses	<u>2,955,445</u>	<u>4,079,392</u>	<u>(1,123,947)</u>
Operating Income (Loss)	<u>1,764,141</u>	<u>689,738</u>	<u>1,074,404</u>
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	-	16,932	(16,932)
Investment Earnings	14,297	9,873	4,424
Miscellaneous	1,668	-	1,668
Total Non-Operating Revenues (Expenses)	<u>15,965</u>	<u>26,805</u>	<u>(10,840)</u>
Income (Loss) Before Contributions	1,780,106	716,543	1,063,564
Contributions			
Capital Contributions- Grant	-	-	-
Change in Net Assets	<u>1,780,106</u>	<u>716,543</u>	<u>1,063,564</u>

**Water Replenishment District of Southern California**  
**Statement of Net Assets**  
**September 30, 2010**

Assets	Total	Prior Month Total	Variance
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 24,348,838	\$ 26,142,632	(1,793,794)
Restricted Cash	16,778,087	16,778,078	10
Accounts Receivable	7,349,456	6,590,911	758,545
Interest Receivable	37,712	37,712	0
Prepaid Expenses	18,352	110,114	(91,762)
<b>Total Current Assets</b>	<b>\$ 48,532,445</b>	<b>\$ 49,659,446</b>	<b>(1,127,001)</b>
<b>Noncurrent Assets</b>			
Notes Receivable, Noncurrent	\$ 4,221,002	\$ 4,144,968	76,034
Plant & Equipment	63,393,953	63,393,953	(0)
Land	2,644,753	2,644,753	-
Construction-In-Progress	6,573,032	6,423,152	149,880
Deferred Charges	782,332	782,332	(0)
Accumulated Depreciation	(16,249,130)	(16,057,410)	(191,720)
<b>Total Noncurrent Assets</b>	<b>\$ 61,365,942</b>	<b>\$ 61,331,749</b>	<b>34,194</b>
<b>Total Assets</b>	<b>\$ 109,898,387</b>	<b>\$ 110,991,195</b>	<b>(1,092,808)</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 2,387,318	\$ 5,404,817	(3,017,499)
Interest Payable - Bond	267,034	133,517	133,517
Accrued Payroll	-	-	-
Accrued Employee Benefits	12,381	1,166	11,215
Accrued Postemployment	1,205,822	1,205,822	-
Deferred Compensation	-	-	-
Cal Trans 0690	6,017,235	6,017,235	-
Long term Debt - Bond Payable	31,535,300	31,535,300	-
Other Liabilities	450,000	450,000	-
<b>Total Current Liabilities</b>	<b>\$ 41,875,090</b>	<b>\$ 44,747,858</b>	<b>(2,872,767)</b>
<b>Noncurrent Liabilities</b>			
Compensated Absences	\$ 344,522	\$ 344,522	\$ -
<b>Total Noncurrent Liabilities</b>	<b>\$ 344,522</b>	<b>\$ 344,522</b>	<b>\$ -</b>
<b>Total Liabilities</b>	<b>\$ 42,219,612</b>	<b>\$ 45,092,379</b>	<b>(2,872,767)</b>
<b>Net Assets</b>			
Invested in Capital Assets	\$ 56,362,608	\$ 56,404,448	(41,840)
Unrestricted	11,316,167	9,494,367	1,821,800
<b>Total Net Assets</b>	<b>\$ 67,678,775</b>	<b>\$ 65,898,815</b>	<b>1,779,960</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 109,898,387</b>	<b>\$ 110,991,195</b>	<b>(1,092,808)</b>



## MEMORANDUM

### ITEM NO. 6

*Prepared by:* Scott M. Ota

*Reviewed by:* Scott M. Ota

*Approved by:* Robb Whitaker

**DATE: NOVEMBER 10, 2010**

**TO: BOARD OF DIRECTORS**

**FROM: ROBB WHITAKER, GENERAL MANAGER**

**SUBJECT: RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2010**

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Each month, the Finance Department reports the District's reserve balances as well as 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.

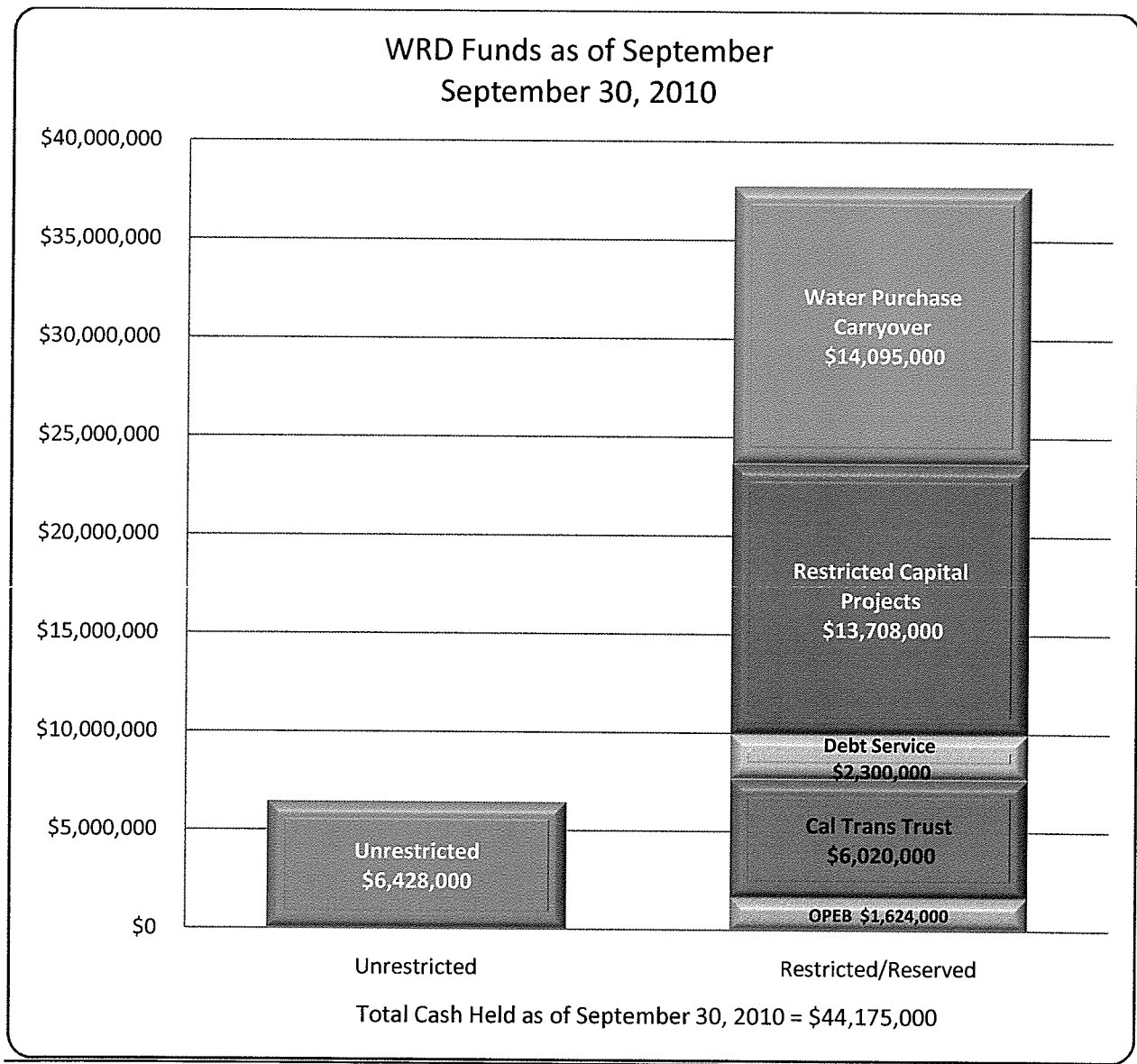
In addition, §60291 states that the limitation on the reserve established in §60290 does not apply to funds appropriated for capital projects.

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 \$6,428,000 in operating reserve.** The following pages provide specific breakdowns of the District cash and investments.

The District's reserve balances are presented in Figure A below:

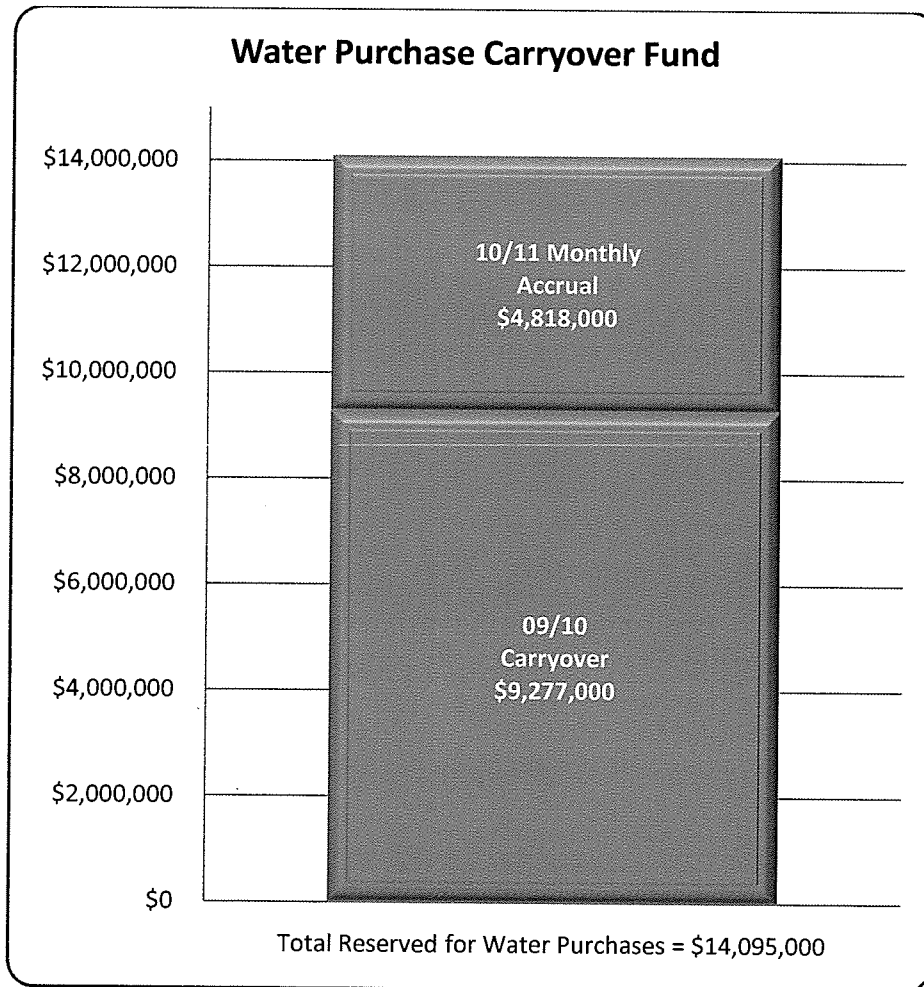
<b>Operating Reserve Fund</b>	<b>\$ 6,428,000</b>
Reserved or Encumbered:	
Water Purchase Carryover Fund	14,095,000
Restricted for Capital Projects	13,708,000
Debt Service Reserve Fund	2,300,000
Cal Trans Trust Fund	6,020,000
Other Post Employment Benefit Obligation (OPEB)	1,624,000
Reserved or Encumbered Subtotal	<u>\$ 37,747,000</u>
 Total Cash and Investments	 <u>\$ 44,175,000</u>



**Water Purchase Carryover Fund** – This category of represents:

**Source of Funds:**                      **Replenishment Assessment**  
**Use of Funds:**                              **Restricted for Water Purchases Only**

<b>1. Monthly accrual of budgeted amount for fiscal year 10/11</b>	
Untreated Tier 1 Spreading Water Budgeted in 10/11	\$ 13,424,000
In Lieu Budgeted in 10/11	3,608,000
3,500 acre feet of Make Up Water Budgeted in 10/11	<u>2,237,000</u>
Total Budget for Spreading Water in 10/11	\$ 19,269,000
	÷ 12 months
Accrual per month (1/12 <sup>th</sup> – rounded) x three months	<u>\$ 4,818,000</u>
<b>2. Budget 10/11 Rate Relief</b> – As a result of public budget workshops, \$8,270M was allocated from the Water Purchase Carryover Fund as rate relief (1/12 <sup>th</sup> accrual per month: \$8,270,000 ÷ 12 = \$689,000 rounded) 09/10 Water Purchase Carryover (decreases by \$689,000 monthly for fiscal year 10/11)	\$ (2,067,000)
Total	<u>11,344,000</u> <u>\$ 9,277,000</u>



**Restricted for Capital Projects** – This category represents funds encumbered for the following:

**1. Safe Drinking Water Program**

Source of Funds:

*Replenishment Assessment*

Use of Funds:

*Encumbered for Safe Drinking Water Projects*

City of Lakewood – Central Basin	\$ 226,000
Maywood Mutual Water Company #2 – Central Basin	226,000
Park Water Company– Central Basin	2,000,000
Vernon Wells #9 and #10 – Central Basin	1,000,000
Huntington Park Well #17 – Central Basin	142,000
Total	<u>\$ 3,594,000</u>

**2. Capital Replacement / Construction**

Source of Funds:

*Replenishment Assessment*

Use of Funds:

*Encumbered for Projects Below*

Leo J. Vanderlans Water Treatment Facility:	
Capital Replacement	\$ 953,000
Preliminary and Final Design for Expansion	380,000 <sup>1</sup>
Goldsworthy Desalter:	
Capital Replacement	221,000
Preliminary Design	100,000 <sup>1</sup>
Total	<u>\$ 1,654,000</u>

**3. Proceeds from the 2008 Certificates of Participation**

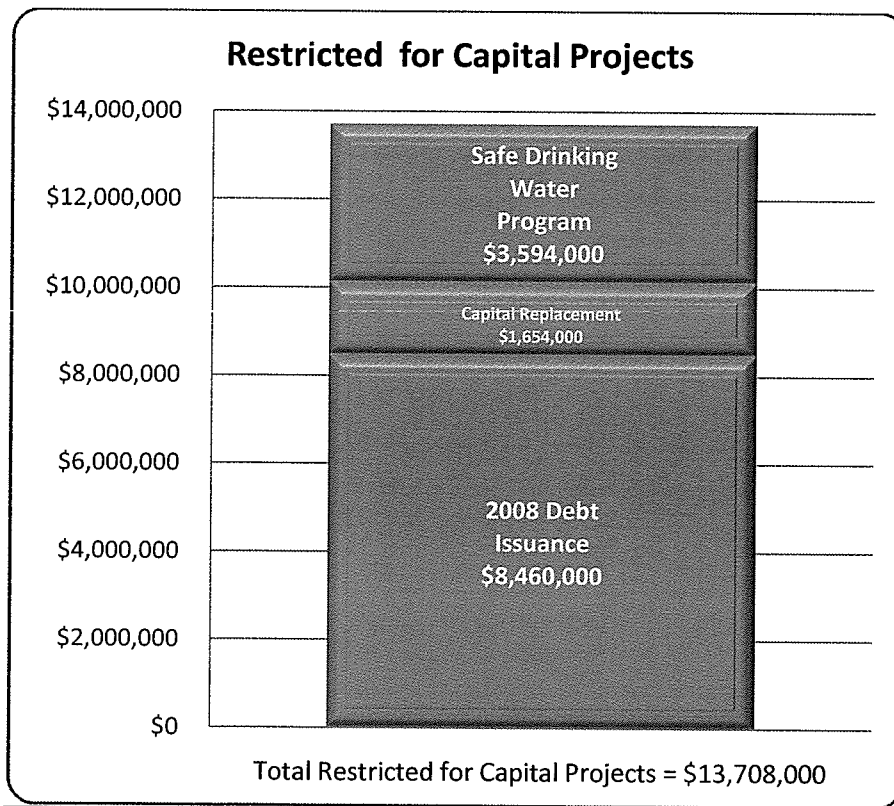
Source of Funds:

*2008 Debt Issuance*

Use of Funds:

*Restricted for Capital Projects Only – Interconnection Pipeline and Regional Groundwater Monitoring Wells*

Held by Independent Trustee – Restricted for Capital Projects Only	<u>\$ 8,460,000</u>
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<sup>1</sup> This amount was budgeted in fiscal year 2009/10 and encumbered for capital expenditure in fiscal year 2010/11

**Debt Service Reserve Fund** – Based on the District’s Master Trust Agreement related to the 2004 and 2008 Revenue Certificates of Participation (COP), the District must maintain a Reserve Fund, held by an independent Trustee to pay principal and interest in the event the WRD does not have the funds to properly pay its debt. These funds are unavailable to the District until the debt matures 30 years after issuance of the debt.

**Source of Funds:**

***2004 and 2008 Debt Issuance***

**Use of Funds:**

***Restricted based on Master Trust Agreement***

2004 Trustee Reserve Fund	\$ 968,000
2008 Trustee Reserve Fund	1,332,000
Total	<u>\$ 2,300,000</u>

**Cal Trans Trust** – These funds are held in trust by WRD as part of a settlement with the California Department of Transportation (CalTrans) for dewatering the 105 freeway.

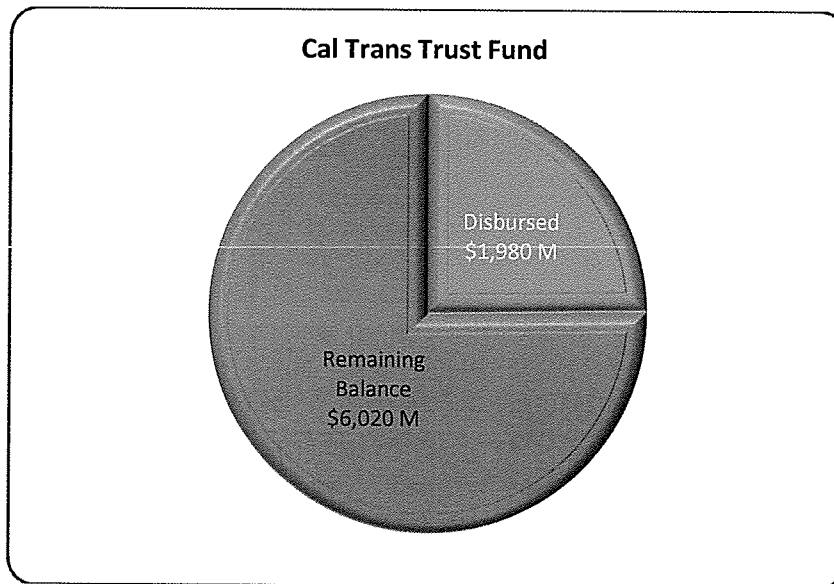
**Source of Funds:**

***CalTrans Settlement***

**Use of Funds:**

***Restricted for CalTrans Project and RA***

Originally, the CalTrans settlement of \$8 million was received in June 2004. Since that time, the District has been reimbursed \$1.98 million for costs associated with the project, as well as for charges tied to the amount of water pumped from the basin for dewatering of the freeway.



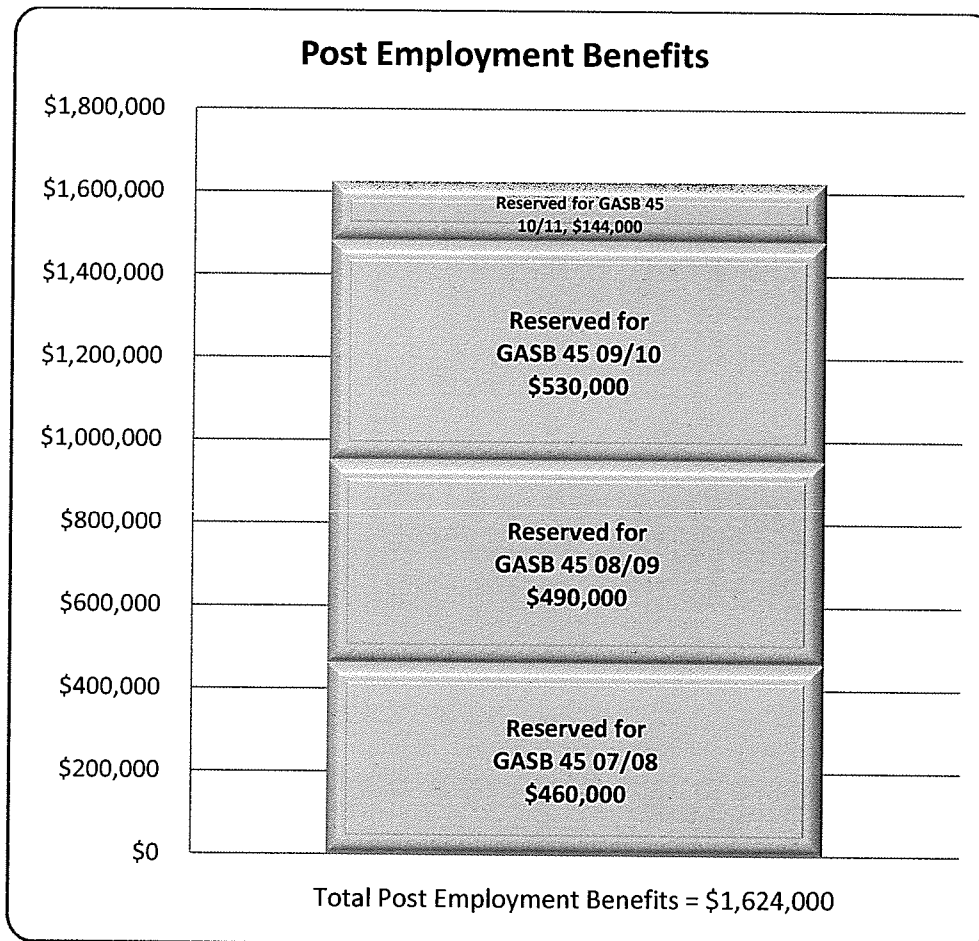
**Other Post Employment Benefit Obligations (OPEB)**

**Source of Funds:**  
**Use of Funds:**

***Replenishment Assessment***  
***Post Employment Benefits***

This category of funds accounts for the WRD's Annual Required Contribution (ARC) related to Other Post Employment Benefits (OPEB) in compliance with the Government Accounting Standards Board (GASB) statement number 45. The following costs have been accrued based on an independent actuarial study:

10/11 Annual Required Contribution	\$ 580,000
	<u>÷ 12 months</u>
10/11 Accrual per month (1/12 <sup>th</sup> – rounded) x three months	\$ 144,000
09/10 Annual Required Contribution	530,000
08/09 Annual Required Contribution	490,000
07/08 Annual Required Contribution	460,000



## CASH AND INVESTMENTS

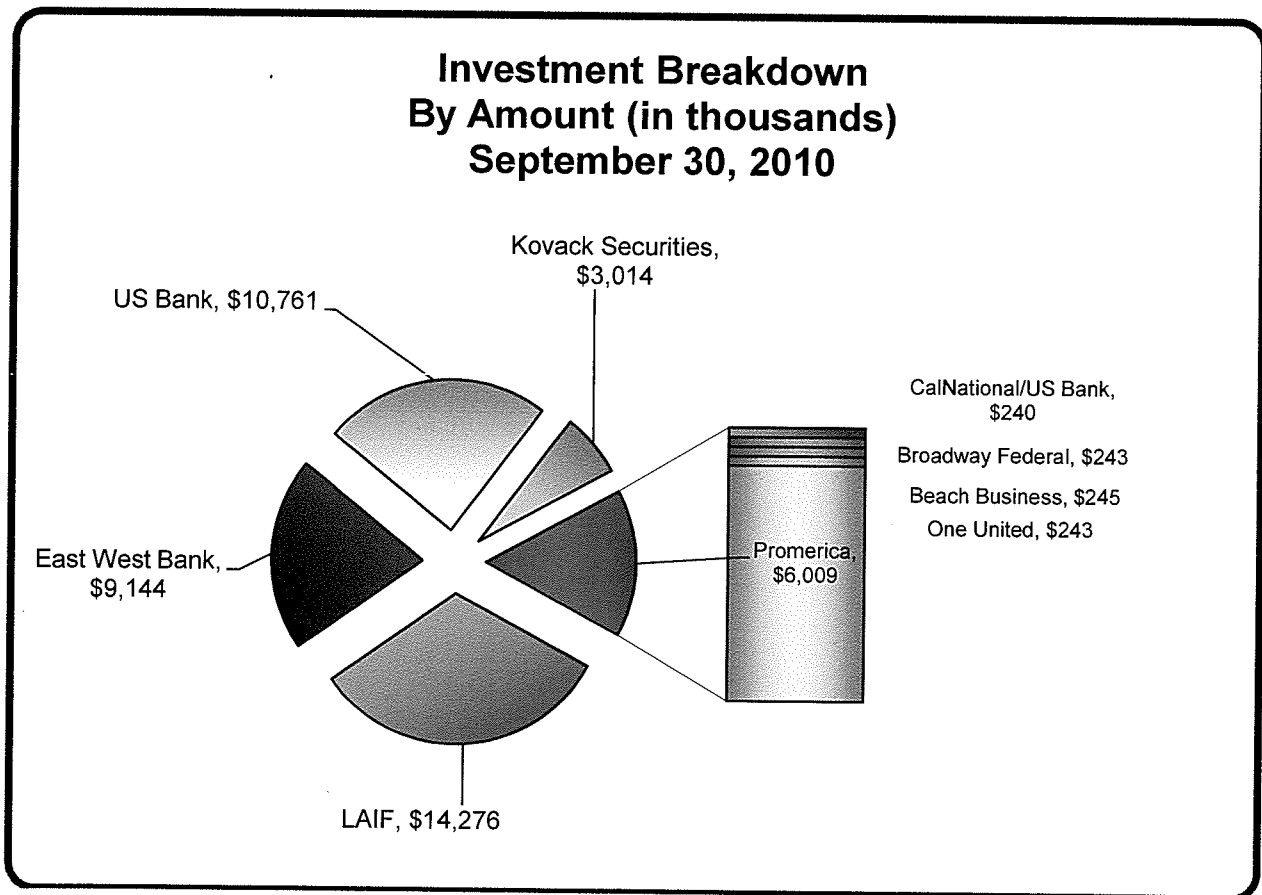
At the direction of the Board of Directors, on February 20, 2009 the District implemented its Community Banking Program and has invested in several community banks in addition to the Local Area Investment Fund (LAIF).

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

#### Cash and Investments:

Local Area Investment Fund (LAIF) <sup>1</sup>	\$ 14,276,000
East West Bank <sup>2</sup>	9,144,000
Beach Business Bank <sup>2</sup>	245,000
One United Bank <sup>2</sup>	243,000
Broadway Federal Bank <sup>2</sup>	243,000
US Bank (formerly CalNational Bank) <sup>2</sup>	240,000
Promerica Bank <sup>2</sup>	6,009,000
US Bank (Trustee) <sup>2</sup>	10,761,000
Kovak Securities <sup>2,3</sup>	<u>3,014,000</u>

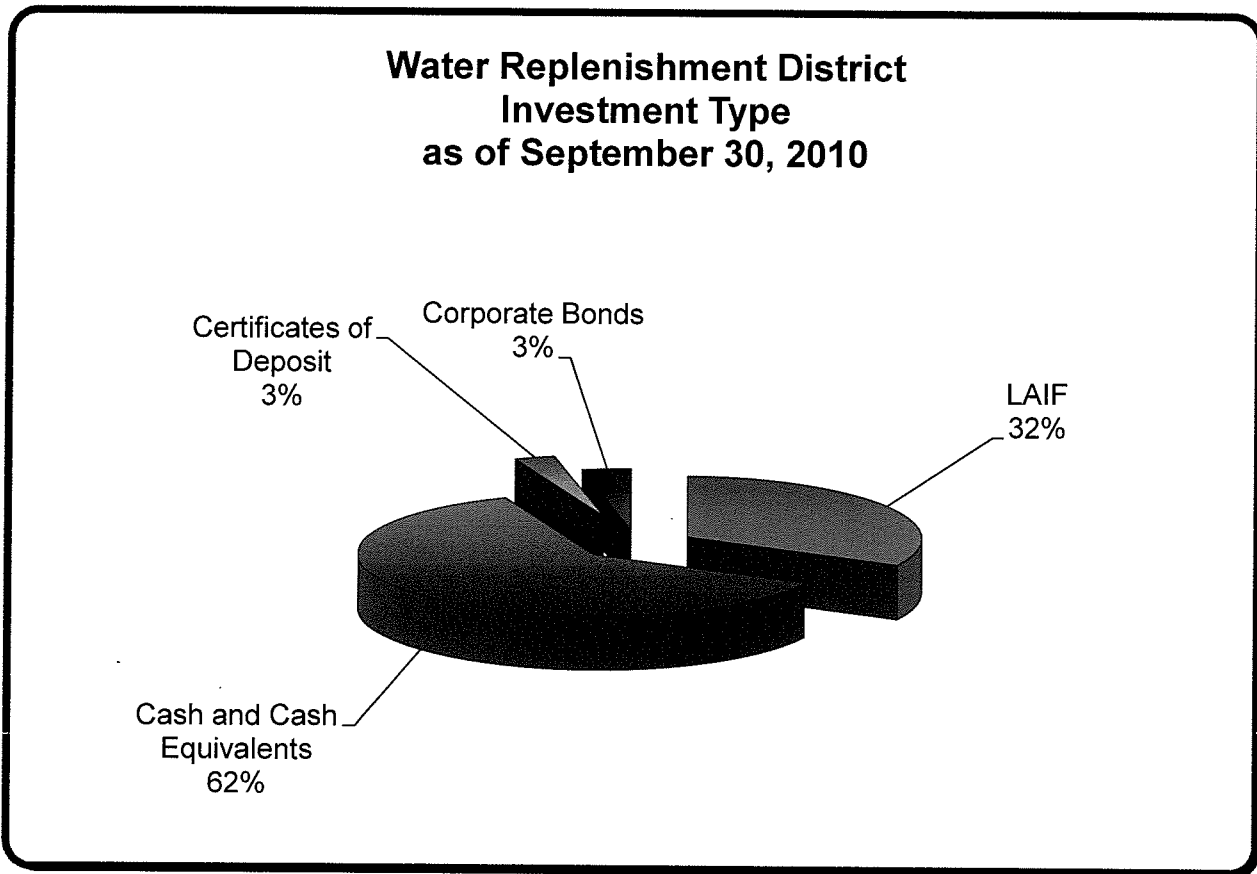
Total Cash and Investments \$ 44,175,000



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

Cash and Investments:

Local Area Investment Fund (LAIF) <sup>1</sup>	\$ 14,275,000
Cash and Cash Equivalents <sup>2</sup>	27,185,000
Certificates of Deposit <sup>2</sup>	1,226,000
Corporate Bonds <sup>3</sup>	<u>1,489,000</u>
Total	<u>\$ 44,175,000</u>



Staff has attached a detailed investment report for September 30, 2010 for approval.

Footnotes:

<sup>1</sup> – 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.

<sup>2</sup> – Cash & Cash Equivalents and Certificates of Deposit: Amounts are either insured by the Federal Deposit Insurance Company (FDIC) or secured by the bank's assets. Most funds are held in Certificate of Deposit Account Registry Service or CDARS; a very safe way to invest funds up to \$50 million while continuing to be FDIC insured.

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

*Any slight differences are due to rounding. For presentation purposes, staff has rounded dollar values to the nearest thousand.*

**FISCAL IMPACT**

None.

**STAFF RECOMMENDATION**

Approve the Investment Report for September 30, 2010.

**Water Replenishment District of Southern California  
Cash and Investment Report  
September 30, 2010**

	LAIF	CalNational/ US Bank	East West Bank	Beach Business	One United Bank	Broadway Federal	Promerica Bank	US Bank	Kovak Securities	Total
BALANCE 9/1/2010	\$14,275,620	\$240,372	\$8,869,096	\$244,453	\$243,250	\$242,970	\$6,006,687	\$10,760,842	\$3,000,851	\$44,174,927
INTEREST RECEIVED/REINVESTED		99	2,854	279	120	30	1,217	10	9,698	
DISBURSEMENTS			(4,005,118)							
UNREALIZED GAIN/(LOSS)			4,277,478				174		\$7,145	
DEPOSITS/PURCHASES/FEEES										
TRANSFER IN/(OUT)										
ACCRUED INTEREST									(3,200)	
<b>BALANCE 9/30/2010</b>	<b>\$14,275,620</b>	<b>\$240,471</b>	<b>\$9,144,310</b>	<b>\$244,732</b>	<b>\$243,370</b>	<b>\$243,000</b>	<b>\$6,008,078</b>	<b>\$10,760,852</b>	<b>\$3,014,493</b>	<b>\$44,174,927</b>

	LAIF	CalNational/ US Bank	East West Bank	Beach Business	One United Bank	Broadway Federal	Promerica Bank	US Bank	Kovak Securities	Total
CURRENT YIELD	0.500%	0.500%	1.01% / .5%	1.400%	0.600%	0.150%	varies	varies	varies	
INTEREST EARNED FISCAL YTD	\$19,764	\$303	\$9,200	\$897	\$368	\$105	\$8,579	\$10	\$44,215	\$83,439.72

I HEREBY CERTIFY THAT ALL INVESTMENT ACTIONS EXECUTED SINCE THE LAST REPORT HAVE BEEN MADE IN FULL COMPLIANCE WITH THE INVESTMENT POLICY AS TREASURER OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA. I HEREBY CERTIFY THAT SUFFICIENT INVESTMENT LIQUIDITY AND ANTICIPATED REVENUE ARE AVAILABLE TO MEET ESTIMATED EXPENDITURES FOR THE NEXT SIX MONTHS.

ROBERT KATHERMAN

DATE



## MEMORANDUM

### ITEM NO. 7

*Prepared by:* Scott M. Ota

*Reviewed by:* Scott M. Ota

*Approved by:* Robb Whitaker

**DATE: NOVEMBER 10, 2010**

**TO: FINANCE COMMITTEE**

**FROM: ROBB WHITAKER, GENERAL MANAGER**

**SUBJECT: GASB 45 OPEB IRREVOCABLE TRUST**

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### Background

Under Governmental Accounting Standards Board ("GASB") Statement 45, a ruling to provide required government-wide accounting practices. Public employers must account differently for "other post-employment benefits" ("OPEB Benefits") than they have in the past. OPEB Benefits include various non-pension benefits, such as health care and life insurance, which are often provided to retirees. Historically, public employers have used a pay-as-you go method when accounting for OPEB Benefits, resulting in recognition of the cost for these benefits occurring only when premiums or benefit claims for these retirees were actually paid.

The GASB issued Statement 45 to require more complete and reliable financial reporting regarding the costs and financial obligations that governments incur when they provide OPEB Benefits. Thus, Statement 45 requires that public employers annually expense OPEB Benefits that are earned today by active employees but that will be paid only when the employee retires.

### ***Why Establish an OPEB Irrevocable Trust Trust?***

While there is no obligation to fund for OPEB Benefits, there are several benefits to an agency, which prefunds its GASB 45 liability:

1. The discount rate assumption, assumes the employer will be able to invest longer at a higher rate of interest. This investment income can then be used to lower the overall OPEB liability as well as saving the employer money.
2. Earnings on assets reduce employer contributions (also see 1 above)
3. Prefunding enables you to make actuarially determined periodic contributions to partially or completely fund your future obligations
4. Prevents your net OPEB obligation from becoming a significant liability on your balance sheet
5. Contributes to a positive credit rating – creation of an OPEB Irrevocable Trust is a positive sign to rating agencies that the District is actively seeking ways to manage future costs. Higher underlying debt ratings equal cost savings
6. Fulfills fiduciary duty to maintain financial security for retirees

## ***Important Considerations when establishing an OPEB Irrevocable Trust***

- Contributions are Irrevocable
- Assets are dedicated to providing plan benefits to retirees and their beneficiaries
- Assets are protected from creditors

Currently, the WRD is accruing for these costs on an annual basis based on the result of a report from a Certified Actuary approved to perform GASB 45 OPEB Irrevocable Trust actuarial reports. In fiscal year 2010/11 the WRD budgeted funds which are restricted for GASB 45 purposes only and not available for any other use.

Establishing an OPEB Irrevocable Trust is certainly not required by government employers under GASB 45 rules; however, it is recommended if the employer has the financial means to make regular contributions to a Irrevocable Trust. This leads to an accumulation of assets in order to gain the advantage of using a higher discount rate allowed by GASB 45 for those who fund their liabilities as they accrue. *This results in significantly lower future liabilities.*

As outlined in §10.3.2 of the District's Administrative Code, staff is seeking approval to issue a request for proposals for GASB 45 OPEB Irrevocable Trust services (see attached draft RFP).

### **FISCAL IMPACT**

There is no fiscal impact to issuing a request for proposal. However, if the Board of Directors chooses to establish an OPEB Irrevocable Trust, there will be costs related to establishing and servicing the Irrevocable Trust. Staff will compile these costs during the RFP process and the cost of OPEB Irrevocable Trust services will be one of the factors in recommending a firm to the Board of Directors.

### **STAFF RECOMMENDATION**

Recommend approval to the Board of Directors to seek requests for proposals for establishing and managing WRD's GASB 45 OPEB Irrevocable Trust.



**Request for Proposal of Other Post-Employment Benefits  
Trust Fund Management Services**

PROPOSALS ARE DUE NO LATER THAN

*DECEMBER 17, 2010 5:00 PM*

**Submission Information**

Please deliver one unbound plus three (3) bound copies.

Proposals should be submitted no later than *December 17, 2010, 5:00PM*, postmarks will not be considered. The Water Replenishment District takes no responsibility for delivery service/methods. Firms should send their proposal to:

Water Replenishment District of Southern California  
c/o Scott M. Ota, CPA/CFF, CIRA  
4040 Paramount Blvd.  
Lakewood, CA 90712

Proposals delivered after this deadline or to the wrong location will be rejected.

**INTRODUCTION**

**Request**

The Water Replenishment District of Southern California ("District") is requesting proposals from qualified firms with experience to provide comprehensive services for the establishment and administration of an irrevocable trust for postemployment health benefit liabilities in accordance with Government Accounting Standards Board (GASB) Statements 43 and 45.

**Background Information**

The WRD was formed in 1959, manages groundwater for nearly four million residents in 43 cities of southern Los Angeles County. The 420 square mile service area uses about 250,000 acre-feet of groundwater per year, which equates to nearly 40% of the total demand for water. The WRD ensures that a reliable supply of high quality groundwater is available through its clean water projects, water supply programs, and effective management principles.

The District has an operating budget of about \$60 million for the fiscal year ending June 30, 2011. The District employs approximately 34 full-time permanent employees.

## DESCRIPTION, SCOPE AND BUDGET

### Content of Proposal Submission

Service proposals should respond to the information requested below and should address all requested information. Any additional information the firm wishes to provide should be included in an appendix to the proposal.

### General Submission Requirement

- Submission should include a transmittal letter signed by an official authorized to enter into contracts for the firm should refer to this RFP by title and date. It should include the name and number of a contact person for this RFP.
- Submission should provide evidence that the firm meets legal requirements to provide trust services in the state of California.
- Submission should provide evidence and reporting artifacts to show that the proposed trust program reporting is compliant with the requirements of Governmental Accounting Standards Board (GASB) Statements 43, 45, and 57.

Submission should also address the following areas:

#### Qualifications and Experience

- Describe the firm and its various business functions
- Describe the qualifications and previous experience on similar or related projects including performance history
- Describe the background and history of the key staff members, including professional qualifications and experience related to trust management;
- Provide contact information of three local government agencies for which the firm provides or has provided similar services;
- Provide information on any subcontractors you will employ in administering trust services including relationship history, experience, and qualifications.

#### Business approach/philosophy

- Describe your business approach and philosophy of providing OPEB trust management services including how this would be most appropriate for your [*Agency Name*].

#### Trust and fiduciary services

- Describe the legal form of the trust, the services it provides, and how trust administrative transactions will be controlled and executed.

### Investment services

- Describe the OPEB investment management services offered including information on your investment policy and asset allocation policy. Also describe the content and frequency of investment result reporting.

### Service implementation requirements

- Describe your service implementation schedule. Note key project milestones and timelines for deliverables. Identify assumptions used in developing the service implementation schedule.

### Proposed fees

Provide a complete schedule of fees (one-time or recurring) for all services:

- Investment management fees including policy development, asset allocation recommendation, asset management (including underlying fund or manager fees), funding analysis
- Trust document and trustee/custodial services (including asset balance based fees)
- Other management, administrative, or transaction fees

### Financial stability

- Provide your latest financial statement and describe in detail the financial history and resources of your company. Disclose any settlements or legal claims pending against your firm during the last five (5) years.

### Conflicts of interest

- Disclose any actual or potential conflicts of interest that may exist with respect to the firm, management, or employees relative to the services provided to this agency. If there are no conflicts of interest, then include a statement to that effect.

### Insurance

- Proposers are requested to provide a completed sample Certificate of Insurance evidencing the coverage types and the minimum limits required.
- Describe your liability coverage for service errors or omissions.

Proprietary information

- All proposals shall become the property of the Water Replenishment District of Southern California once submitted. Proposals should not contain information that is confidential or proprietary in nature.

References

- Please list the agency name, address, contact name, telephone number, and email address of ten public agency client references, with emphasis on clients served by the program proposed in response to this RFP.

**Proposal Terms and Conditions**

- The Water Replenishment District of Southern California will not pay any costs incurred by the firm in preparing or submitting the proposal. The Water Replenishment District of Southern California reserves the right to modify or cancel, in part or in its entirety, this RFP. The Water Replenishment District of Southern California reserves the right to reject any or all proposals, to waive defects or informalities, and to offer to contract with any firm in response to any RFP. This RFP does not constitute any form or offer to contract with the Water Replenishment District of Southern California.

**Selection Process/Criteria**

Proposals submitted will be evaluated by individuals from the Finance Department, General Manager's Office and/or outside agencies. During the evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from applicants, or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Subject to the approval of the Board of Directors of the Water Replenishment District of Southern California, staff will evaluate the proposals based on the following criteria:

- A. Understanding of the services required.
- B. Demonstrated competence and professional qualifications necessary for successfully performing the work required.
- C. Background and related experience of the principal individuals to be assigned to this work.
- D. Approach in providing services including trust and investment options.
- E. Proposed fees.

**Proposed Schedule**

- |  |                          |
|--|--------------------------|
| A. RFP issuance:                       | <i>November 22, 2010</i> |
| B. Inquiries deadline:                 | <i>December 10, 2010</i> |
| C. Proposal due date:                  | <i>December 17, 2010</i> |
| D. Notification of contract award:     | TBD                      |
| E. Contract sent to Board of Directors | TBD                      |

**Inquiries**

The deadline for submitting questions is *December 10, 2010*. All inquiries must be in either a written correspondence or via e-mail. No questions will be answered via telephone.

Water Replenishment District of Southern California  
c/o Scott M. Ota, CPA/CFF, CIRA  
4040 Paramount Blvd.  
Lakewood, CA 90712  
sota@ wrd.org



## MEMORANDUM

### ITEM NO. 8

<i>Prepared by:</i>	Abbie Andom
<i>Reviewed by:</i>	Scott M. Ota
<i>Approved by:</i>	Robb Whitaker

**DATE: NOVEMBER 10, 2010**

**TO: FINANCE COMMITTEE**

**FROM: ROBB WHITAKER, GENERAL MANAGER**

**SUBJECT: CONSIDERATION OF RESOLUTION NO. 10-891 –  
A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE  
GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT; THE  
BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8  
OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 8); AND  
THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT  
OF SOUTHERN CALIFORNIA APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING  
FROM ANNEXATION OF L 008-2010 TO COUNTY LIGHTING  
MAINTENANCE DISTRICT 1687**

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### SUMMARY

A request has been received from the County of Los Angeles Department of Public Works regarding participation in the exchange of ad valorem property tax. If a taxing agency involved in the negotiation does not adopt a resolution providing for the exchange of property tax, the Board of Supervisors can determine the exchange of property tax revenue for that taxing agency.

### FISCAL IMPACT

None.

### STAFF RECOMMENDATION

Adopt Resolution No. 10-891.

**RESOLUTION NO. 10-891**

**A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT; THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 8); AND THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF L 008-2010 TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

WHEREAS, pursuant to Section 99.01 of the California Revenue and Taxation Code, prior to the effective date of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area must negotiate an exchange of property tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of the County Lighting Maintenance District 1687, the Los Angeles County General Fund, the Los Angeles County Library, the Los Angeles County Road District No. 2, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control Drainage Improvement Maintenance District, and the Los Angeles County Flood Control District; the Board of Trustees of the Greater Los Angeles County Vector Control District; the Board of Directors of the County Sanitation District No.8 of Los Angeles County (County Sanitation District No. 8); and the Board of Directors of the Water Replenishment District of Southern California have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as L 008-2010 to County Lighting Maintenance District 1687 is as shown on the attached Property Tax Transfer Resolution Worksheet.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenues between the County Lighting Maintenance District 1687, and the Los Angeles County General Fund, the Los Angeles County Library, the Los Angeles County Road District No. 2, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control Drainage Improvement Maintenance District, the Los Angeles County Flood Control District, the Greater Los Angeles County Vector Control District, the County Sanitation District No.8, and the Water Replenishment District of Southern California resulting from the annexation proposal identified as L 008-2010 to County Lighting Maintenance District 1687 is approved and accepted.

2. For fiscal years commencing on or after July 1, 2010, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue increment generated from the area within L 008-2010 (Tax Rate Area 01654) shall be allocated to the affected agencies as indicated in the enclosed Property Tax Transfer Resolution Worksheet.
3. No transfer of property tax revenues other than those specified in Paragraph 2 shall be made as a result of annexation of L 008-2010.
4. If at any time after the effective date of this Resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect, thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year, and any amounts of property tax received in excess of that which is proper shall be refunded to the appropriate agency.

PASSED, APPROVED AND ADOPTED THIS \_\_\_\_\_ day of \_\_\_\_\_, 2010 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

\_\_\_\_\_  
Sergio Calderon, President

ATTEST:

\_\_\_\_\_  
Willard H. Murray, Jr., Secretary

\_\_\_\_\_  
Date



**MEMORANDUM**

**ITEM NO. 9**

*Prepared by: Scott Ota*

*Reviewed by: Scott Ota*

*Approved by: Robb Whitaker*

**DATE: NOVEMBER 10, 2010**  
**TO: FINANCE COMMITTEE**  
**FROM: ROBB WHITAKER, GENERAL MANAGER**  
**SUBJECT: DEPARTMENT REPORT**

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**SUMMARY**

Staff will provide a written report at the Committee meeting.

**FISCAL IMPACT**

None.

**STAFF RECOMMENDATION**

For information.