

**SPECIAL MEETING OF THE FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BOULEVARD, LAKEWOOD, CALIFORNIA 90712
11:30 A.M., WEDNESDAY, JULY 20, 2011**

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" OR "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 JUNE 15, 2011**
Staff Recommendation: Approve as submitted.
- 4. DEMANDS – MAY 2011**
Staff Recommendation: Receive and file the Demands for May 31, 2011
- 5. FINANCIAL STATEMENTS – MAY 31, 2011**
Staff Recommendation: Approve the Financial Statements for submittal to the Board of Directors.
- 6. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING MAY 31, 2011**
Staff Recommendation: Approve the Investment Report for submittal to the Board of Directors.
- 7. PUBLIC AGENCY RETIREMENT SERVICES (PARS) IRS AMENDMENT**
Staff Recommendation: Amend the existing contract with Public Agency Retirement Services (PARS) to the Board of Directors. This amendment has already been approved by District Counsel.
- 8. FINANCE/AUDIT COMMITTEE**
Staff Recommendation: For discussion.
- 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 19, 2011.

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.

UNAPPROVED
MINUTES

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MINUTES

**MINUTES OF JUNE 15, 2011
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 June 15, 2011 at 12:10 p.m. at the District office, 4040 Paramount Boulevard, Lakewood, California. Director Willard H. Murray, Jr. called the meeting to order and presided thereafter. Deputy Secretary Abigail C. Andom recorded the minutes.

1. DETERMINATION OF A QUORUM

Directors: Sergio Calderon, Willard H. Murray, Jr. (Alternate)
Staff: Scott Ota, Jenna Shaunessy, Interim District Counsel
Francisco Leal of Leal and Trejo
Public: Ramiro Hernandez of the City of South Gate;
Jeffrey Kinsell, Manny De Dios and Dan Massiello of Kinsell,
Newcomb and De Dios

2. PUBLIC COMMENT

The Committee welcomed the public in attendance.

**3. MINUTES OF THE MEETINGS OF APRIL 20, 2011, APRIL 26, 2011,
MAY 5, 2011 AND MAY 18, 2011**

The minutes were received and filed.

4. DEMANDS – APRIL 2011

Chief Financial Officer Scott Ota stated that demands for April were slightly higher than normal due to a payments made to Central Basin Municipal Water District (CBMWD) for the purchase of untreated Tier 1 spreading water, to West Basin Municipal Water District (WBMWD) for water at the West Coast barrier, and to the Los Angeles County Registrar-Recorder for the November 2010 general election costs.

The Committee reviewed the list of Demands and recommended submittal to the Board of Directors to receive and file.

5. FINANCIAL STATEMENTS – APRIL 30, 2011

The Committee reviewed the Financial Statements for April 30, 2011 and recommended they be submitted to the Board for approval.

**6. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD
ENDING APRIL 30, 2011**

The Committee reviewed the Investment Report for the period ending April 30, 2011 and recommended they be submitted to the Board for approval.

7. PROPOSED AUDIT COMMITTEE CHARTER

Mr. Ota stated that the District's independent financial auditors, Vasquez and Company, recommended the creation of a standing Audit Committee to act as the liaison between the independent auditor and the Board.

Mr. Ota explained that along with the Audit Committee would be an accompanying Audit Charter that would document the responsibilities of the Audit Committee.

Mr. Ota stated that the item was reviewed by the Administrative Committee on May 9, 2011 where the duties and responsibilities of standing committees of the Board of Directors were discussed. He noted that the Administrative Committee referred the item to the Finance Committee for a final recommendation to the Board.

Discussion followed and the Committee recommended the item be continued to the July Finance Committee Meeting.

Director Murray stated that he would like to add an item to the agenda, that there is an immediate need to take action on the item, and the item came to the attention of the Committee after the posting of the agenda for today's meeting.

After consultation with District Counsel, it was

RESOLVED: That the Committee adds an item to the existing agenda, that the item came to the attention of the Committee after the posting of the agenda for today's meeting, and that there is a need to take immediate action to discuss the Committee Delineation of Duties.

7.A. COMMITTEE DELINEATION OF DUTIES

Director Murray stated that the item is agendaized for the June 17 Board meeting and he would like the Finance Committee to make a recommendation about the creation of an Audit Committee. He explained that the Administrative Committee reviewed the item at its May 9 meeting and the Committee members had a split recommendation. He stated that he recommended adding the audit function to the existing Finance Committee and renaming the standing committee to be called the Finance/Audit Committee. Director Kawasaki, the other Administrative Committee member, recommended the creation of a separate and distinct Audit Committee whose sole purpose will be to interface with the independent financial auditors on an annual basis during the audit process.

Discussion followed and the Committee recommended adding the audit function to the existing Finance Committee and renaming the standing committee to be called the Finance/Audit Committee.

8. INVESTMENT POLICY

Mr. Ota stated that the current District Investment Policy requires an annual review with any changes approved by the Board. He stated that the Investment Policy was adopted in 2002 and, although staff had reviewed the Policy since adoption, no changes have been recommended.

Discussion followed and the Committee recommended the Board adopt the Investment Policy as of 2011.

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

None.

11. ADJOURNMENT

With no further business for the Committee, the meeting was adjourned at 1:10 p.m.

Chair

ATTEST:

Member



MEMORANDUM

ITEM NO. 4

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

DATE: JULY 20, 2011
TO: FINANCE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DEMANDS - MAY 2011

SUMMARY

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

- 1. The demands list for the period May 1st, 2011 – May 31st, 2011.
- 2. The demands sorted by vendor with an additional column showing fiscal year-to-date payments

Demands Summary – May 2011

Replenishment Fund	\$ 2,821,386.23
Clean Water Fund	<u>241,371.53</u>
Total	<u>\$ 3,062,757.76</u>

STAFF RECOMMENDATION

Receive and file the Demands for May 31, 2011.



DIRECTORS

SERGIO CALDERON, PRESIDENT
 WILLARD H. MURRAY, JR., VICE PRESIDENT
 ROBERT KATHERMAN, SECRETARY
 ALBERT ROBLES, TREASURER
 LILLIAN KAWASAKI, DIRECTOR
 ROBB WHITAKER, P.E., GENERAL MANAGER

August 19, 2011

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, 2011

Check #	Payee	Description	Total	Replenishment	Clean Water
				Fund	Fund
P0087	SERGIO J. CALDERON	05/11 DIRECTORS COMPENSATION	1,450.82	1,363.75	87.07
P0088	SERGIO J. CALDERON	05/11 DIRECTORS COMPENSATION (PART II)	823.39	773.98	49.41
DD	WILLARD H. MURRAY, JR	04/11 DIRECTORS COMPENSATION	875.33	822.81	52.52
DD	ROBERT E. KATHERMAN	05/11 DIRECTORS COMPENSATION (PART I)	602.66	566.51	36.15
P0089	ROBERT E. KATHERMAN	05/11 EXPENSE REIMBURSEMENT	938.20	881.91	56.29
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	464.26	113.54
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	452.18	125.62
DD	AFSCME LOCAL 1902 UNION	UNION DUES	556.40	444.42	111.98
DD	EDD	STATE TAX DEPOSIT	4,579.78	3,671.34	908.44
DD	EDD	STATE TAX DEPOSIT	4,544.60	3,374.82	1,169.78
DD	EDD	STATE TAX DEPOSIT	4,615.13	3,473.69	1,141.44
DD	EDD	DIR STATE TAX DEPOSIT	25.29	23.78	1.51
DD	EDD	DIR STATE TAX DEPOSIT	1.85	1.74	0.11
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	76,215.71	63,180.34	13,035.37
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	71,780.34	56,774.67	15,005.67
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	70,123.86	55,871.51	14,252.35
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	130.00	122.20	7.80
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	9,123.72	8,576.30	547.42
DD	FLEX-PLAN SERVICES, INC	FSA REIMBURSEMENT	193.00	181.42	11.58
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	77.16	72.53	4.63
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	148.11	139.22	8.89
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	18.79	17.66	1.13
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	312.41	293.67	18.74
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	723.99	680.55	43.44
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	3,434.41	3,228.34	206.07
DD	FLEX-PLAN SERVICES, INC	FSA REIMBURSEMENT	193.00	181.42	11.58
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	4,290.29	4,032.88	257.41
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	1,077.81	1,013.14	64.67
DD	FLEX-PLAN SERVICES, INC	03/11 MONTHLY SVC CHR	959.00	901.46	57.54
DD	FLEX-PLAN SERVICES, INC	04/11 MONTHLY SVC CHR	959.00	901.46	57.54
DD	INTERNAL REVENUE SERVICE	DIR FEDERAL TAX DEPOSIT	440.81	414.35	26.46
DD	INTERNAL REVENUE SERVICE	DIR FEDERAL TAX DEPOSIT	1,135.72	1,067.56	68.16
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	29,521.26	24,264.78	5,256.48
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	28,896.79	22,407.81	6,488.98
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	28,685.76	22,636.31	6,049.45
DD	PARS	DIR PARS PAYMENT	388.17	364.88	23.29
DD	PARS	DIR PARS PAYMENT	1,694.83	1,593.15	101.68
DD	PRUDENTIAL	DIR DEFERRED COMP	361.60	339.91	21.69
DD	PRUDENTIAL	DIR DEFERRED COMP	4,558.50	4,284.99	273.51
DD	PRUDENTIAL	DEFERRED COMP	26,139.14	21,497.24	4,641.90
DD	PRUDENTIAL	DEFERRED COMP	26,139.14	20,612.91	5,526.23
DD	PRUDENTIAL	DEFERRED COMP	26,139.14	21,033.62	5,105.52
DD	PERS	PERS PAYMENT	26,861.94	22,063.06	4,798.88
DD	PERS	PERS PAYMENT	26,665.25	20,968.80	5,696.45
DD	PERS	PERS PAYMENT	26,296.45	21,011.74	5,284.71
2892	FRANCHISE TAX BOARD	PAYROLL DEDUCTION	100.00	94.00	6.00
2981	FRANCHISE TAX BOARD	PAYROLL DEDUCTION	100.00	94.00	6.00
2877	AAA RENTS AND EVENTS	2011 GRNDWTR FEST SUPPLIES	416.00	391.04	24.96
2878	ACWA JPIA	05/06/11-05/06/12 EARTHQUAKE INS PREM	23,969.45	22,531.28	1,438.17
2879	THE ASSOC OF WOMEN IN WATER	2011 'WOMEN SHAPING TOMORROW'	1,000.00	940.00	60.00
2880	BACKFLOW APPARATUS	2011 BACKFLOW DEVICE INSPECTION	143.00	134.42	8.58
2881	BELLFLOWER CHAMBER	2011 MEMBERSHIP DUES	250.00	235.00	15.00
2882	BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 03/26/11	8,687.50	8,687.50	-
2883	CENTRAL BASIN WATER ASSOC	2011 MEMBERSHIP MEETING - RB	25.00	23.50	1.50
2884	COMMERCE INDUSTRIAL COUNCIL	WOMEN IN BUSINESS EVENT	160.00	150.40	9.60



Check #	Payee	Description	Total	Replenishment	Clean Water
				Fund	Fund
2885	COUNTY SANITATION DISTRICT 2	01/11 WATER PURCHASE - SJC	67,625.21	67,625.21	-
2886	COUNTY SANITATION DISTRICT 2	02/11 WATER PURCHASE - SJC	66,997.13	66,997.13	-
2887	DMJ CONSULTING	011: PROF SERVICE THRU 04/23/11	16,264.85	8,132.43	8,132.42
2888	EASTERN GROUP PUBLICATIONS	04/21/11 NEWSPAPER AD	2,440.00	2,293.60	146.40
2889	ENGINEERING NEWS RECORD	2011 SUBSCRIPTION FEE - CK	82.00	77.08	4.92
2890	ERHART'S	04/08/11 FINANCE COMM MTG	156.34	146.96	9.38
2891	FEDERAL EXPRESS CORP	FEDEX SERVICE	202.29	194.35	7.94
2893	CITY OF HUNTINGTON PARK	012: CONS SERVICE - EXPANSION WELL #7	2,324.11	-	2,324.11
2894	INSTANT IMPRESSIONS	PRINTING SERVICE	1,300.00	1,222.00	78.00
2895	INTERA INCORPORATED	025: 03/11 PROF SERVICE	16,669.00	16,669.00	-
2896	JAN-PRO CLEANING	05/11 JANITORIAL SERVICE	2,743.00	2,578.42	164.58
2897	KLAI.CO IDENTIFICATION PROD	LAMINATING SUPPLIES	1,216.27	1,143.29	72.98
2898	THE LA & SAN GABRIEL RIVERS	2011 WTRSHED OUTREACH PROG	10,000.00	9,400.00	600.00
2899	LAW OFFICE PERSONNEL SERV	BOARD MEETING TRANSCRIPT	218.75	205.63	13.12
2900	LEAL & TREJO	02/11 LEGAL SERVICE	33,039.00	31,140.24	1,898.76
2901	MWH LABORATORIES	03/11 LAB SERVICES	71,187.50	71,187.50	-
2902	MR ROOTER PLUMBING	MAINTENANCE SERVICE	118.50	111.39	7.11
2903	NORWALK PRINTING	WRD ENVELOPES	320.47	301.24	19.23
2904	OFFICE TEAM	TEMP SERVICE THRU 04/01/11 - MT	1,045.00	982.31	62.69
2905	PACIFIC ATLANTIC PARTNERS	04/11 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
2906	SCHOOL OUTFITTERS	OFFICE SUPPLIES	503.98	473.74	30.24
2907	SOUTHEAST COMMUNITY DEV	ECO GARDENER MOBILE PROG	4,000.00	3,760.00	240.00
2908	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	714.47	671.60	42.87
2909	TGIS CATERING SERVICES	2011 GRNDWTR FESTIVAL	454.37	427.11	27.26
2910	THE SIGNAL TRIBUNE	04/20/11 NEWSPAPER AD	1,630.00	1,532.20	97.80
2911	THOMSON-REUTERS/BARCLAYS	006: 2011 SUBSCRIPTION FEE - T22	442.70	-	442.70
2912	TORRANCE AREA CHAMBER	2011 MEMBERSHIP DUES	210.00	197.40	12.60
2913	TODD HEARD	3-D EFFECT ANIMATION	750.00	705.00	45.00
2914	VERNON CHAMBER	2011 MEMBERSHIP DUES	350.00	329.00	21.00
2915	ERHART'S	04/20/11 FINANCE COMM MEETING	222.45	209.10	13.35
2916	TGIS	03/06/11 CCCA BOARD MEETING	2,676.22	2,515.65	160.57
2917	WEST BASIN MWD	03/11 WATER PURCHASE	1,225,039.85	1,225,039.85	-
2918	THE SIGN FACTORY	011: WRD LOGO SIGN	141.93	70.97	70.96
2919	TUMBLEWEED TRANSPORTATION	UCLA ELEMENTARY LAB SCH	549.50	516.53	32.97
2920	1-800-CONFERENCE	025: 04/11 CONFERENCE CALLS	384.96	192.48	192.48
2921	ACCOUNTEMPS	TEMP SERVICE THRU 04/22/11 - MW	2,046.40	1,923.62	122.78
2922	BELL GARDENS CHAMBER	2011 MEMBERSHIP DUES	250.00	235.00	15.00
2923	CDW	COMPUTER SUPPLIES	532.89	500.92	31.97
2924	CH2M HILL	001: PROF SERVICE THRU 04/01/11	4,560.30	4,560.30	-
2925	CHEVRON AND TEXACO	MONTHLY FUEL CHARGES	186.02	156.41	29.61
2926	ERHART'S	04/26/11 FINANCE COMM MEETING	222.45	209.10	13.35
2927	FEDERAL EXPRESS CORPORATION	FEDEX SERVICE	61.17	57.50	3.67
2928	KINDEL GAGAN	005: 03/11 PROFESSIONAL SERVICE	12,643.75	12,485.13	158.62
2929	LOMITA CHAMBER	2011 GOLDEN APPLE AWARDS	500.00	470.00	30.00
2930	LOS ANGELES, CITY OF DWP	03/22/11-04/20/11 WATER PURCHASE	154,941.93	154,941.93	-
2931	McMASTER-CARR	011: MAINT SERVICE	243.74	121.87	121.87
2932	NORWALK PRINTING	WRD LETTERHEADS	197.93	186.05	11.88
2933	OCCUPATIONAL SAFETY TRAINING	2011 CPR/FA & AED TRAINING	825.00	775.50	49.50
2934	OFFICE TEAM	TEMP SERVICE THRU 04/22/11 - KH	3,959.20	3,721.65	237.55
2935	PACIFIC ATLANTIC PARTNERS	05/11 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
2936	PAUL, HASTINGS	025: PROF SERVICE THRU 03/31/11	5,062.50	2,531.25	2,531.25
2937	PEPSI BOTTLING	SUPPLIES	281.60	264.70	16.90
2938	POSTAGE BY PHONE	POSTAGE DEPOSIT	3,000.00	2,820.00	180.00
2939	ROBERT E. BUSH	005: 04/11 PROF SERVICE	3,000.00	3,000.00	-
2940	SCHLUMBERGER	011: PROF SERVICE THRU 04/17/11	63,315.00	31,657.50	31,657.50
2941	TGIS	04/18/11 EA COMM MEETING	320.18	300.97	19.21
2942	VERIZON WIRELESS	MONTHLY CELL PHONE SERVICE	1,186.18	1,115.01	71.17
2943	WATEREUSE FOUNDATION	004: 2011 MEMBERSHIP DUES	12,000.00	12,000.00	-
2944	ACCOUNTEMPS	TEMP SERVICE THRU 04/29/11 - MW	2,046.40	1,923.62	122.78
2945	AT&T	002: MONTHLY PHONE SERVICE	243.40	-	243.40
2946	BELL GARDENS CHAMBER	2011 INSTALLATION OF OFFICERS	175.00	164.50	10.50
2947	BROWNSTEIN HYATT	03/11 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
2948	CLEAN SOURCE	GENERAL SUPPLIES	137.13	128.90	8.23
2949	EXXON MOBIL	MONTHLY FUEL CHARGES	192.34	180.80	11.54
2950	FEDERAL EXPRESS CORP	FEDEX SERVICE	89.86	64.74	25.12
2951	HELPMATES STAFFING	TEMP SERVICE THRU 04/24/11 - MC	1,077.12	1,012.49	64.63
2952	VOID	VOID	-	-	-
2953	INTERIOR PLANT DESIGN	05/11 MAINT SERVICE	2,000.00	1,816.00	184.00
2954	INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	857.34	805.90	51.44
2955	JOBS AVAILABLE	2011 SUBSCRIPTION RENEWAL	39.00	36.66	2.34
2956	KELLY PAPER	PAPER SUPPLIES	332.32	312.38	19.94
2957	KINDEL GAGAN	005: 04/11 PROFESSIONAL SERVICE	14,893.75	14,600.12	293.63

Check #	Payee	Description	Total	Replenishment	Clean Water
				Fund	Fund
2958	LA EXPRESS	05/03/11 COURRIER SERVICE	75.00	70.50	4.50
2959	McMASTER-CARR	011: FIELD SUPPLIES	1,620.64	810.33	810.31
2960	NORWALK PRINTING	LETTERHEADS	43.04	40.46	2.58
2961	OFFICE TEAM	TEMP SERVICE THRU 04/29/11 - KH	3,727.44	3,503.80	223.64
2962	PBCC	04/20/11-07/20/11 METER LEASE	1,300.54	1,222.51	78.03
2963	PR NEWSWIRE ASSOC	04/04/11 PRESS RELEASE	145.00	136.30	8.70
2964	SINCLAIR WELL PROD	011: FIELD SUPPLIES	452.72	226.36	226.36
2965	SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 05/06/11	687.57	-	687.57
2966	SOUTHERN CALIFORNIA EDISON	04/11 ENERGY USAGE	2,703.32	2,541.12	162.20
2967	SPARKLETTES	SUPPLIES	63.49	59.68	3.81
2968	SPLIT SECOND DELIVERY	04/14/11 DELIVERY SERVICE	65.20	61.29	3.91
2969	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	1,908.02	1,793.53	114.49
2970	TESTAMERICA	006: 04/11 PROF SERVICE	3,541.00	-	3,541.00
2971	TGIS	02/14/11 ADMIN COMM MTG	298.36	280.46	17.90
2972	THE DOWNEY PATRIOT	03/03/11 GRNDWTR FES AD	442.50	415.95	26.55
2973	THE GAS COMPANY	MONTHLY UTILITY CHARGES	210.53	197.90	12.63
2974	THE SIGNAL TRIBUNE	04/29/11 NEWSPAPER AD	225.00	211.50	13.50
2975	TIME WARNER CABLE	MONTHLY INTERNET SERVICE	1,000.00	940.00	60.00
2976	TORRANCE, CITY OF	002: 06/11 PLANT SITE RENT	3,373.48	-	3,373.48
2977	VERIZON COMMUNICATION	MONTHLY PHONE CHARGES	358.15	336.66	21.49
2978	WATER WISE CONSULTING	04/11 ECO GARDENER WORKSHOP	4,475.00	4,206.50	268.50
2979	WESTERN EXTERMINATOR	04/11 PESTICIDE SERVICE	65.00	61.10	3.90
2980	XEROX COR	05/11 COPIER SERVICE	6,738.08	6,333.80	404.28
2982	ACQUAITEMPS	TEMP SERVICE THRU 05/06/11 - MW	4,092.81	3,847.25	245.56
2983	ACWA - HBA	06/11 MED/DEN/LIFE PREMIUM	55,460.88	52,133.23	3,327.65
2984	BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 04/30/11	988.50	988.50	-
2985	CALIFORNIA WATER SERVICE	WATER USAGE THRU 05/18/11 - 4635	45.38	42.66	2.72
2986	CH2M HILL	001: PROF SERVICE THRU 04/29/11	135,925.86	135,925.86	-
2987	CLEAN SOURCE	GENERAL SUPPLIES	88.04	82.76	5.28
2988	COUNTY SANITATION DISTRICT 2	03/11 WATER PURCHASE - WN	3,418.10	3,418.10	-
2989	COUNTY SANITATION DISTRICT 2	03/11 WATER PURCHASE - SJC	62,301.38	62,301.38	-
2990	DAILY BREEZE	04/21/11 EARTH DAY AD	817.77	768.70	49.07
2991	ERHART'S	05/09/11 ADMIN COMM MEETING	687.43	646.19	41.24
2992	F&M BANK: CC PAYMENT	04/11 CC CHARGES	5,384.00	5,060.96	323.04
2993	FRIENDS OF CABRILLO	EDU, RESEARCH & OUTREACH PROG	25,000.00	23,500.00	1,500.00
2994	HARBOR CITY CHAMBER	2011 MEMBERSHIP DUES	175.00	164.50	10.50
2995	HELISTREAM	05/20/11 LEGIS GRNDWTR TOUR	5,000.00	4,700.00	300.00
2996	HELPMATES STAFFING	TEMP SERVICE THRU 04/17/11 - MC	2,049.52	1,926.55	122.97
2997	LEAL & TREJO	005: 03/11 LEGAL SERVICE	31,656.85	29,852.90	1,803.95
2998	MARTIN E WHELAN, JR.	06/11 MEDICAL PREMIUM	733.45	689.44	44.01
2999	MILLENNIUM ADVOCATES	05/11 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
3000	MWH LABORATORIES	03/11 & 04/11 LAB SERVICES	41,457.50	25,698.00	15,759.50
3001	OFFICE TEAM	TEMP SERVICE THRU 05/06/11 - MC	4,764.80	4,478.92	285.88
3002	PARS	03/11 REP FEES	500.00	470.00	30.00
3003	PEPSI BOTTLING	SUPPLIES	292.19	274.66	17.53
3004	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	1,152.74	676.65	476.09
3005	RANDOM LENGTHS NEWS	04/22/11-05/05/11 NEWSPAPER AD	805.00	756.70	48.30
3006	RMC WATER AND ENVIRONMENT	005: 10/30/10-03/26/11 PROF SERVICE	29,941.25	29,941.25	-
3007	SEPARATION PROCESSES	002: 04/11 PROF SERVICE	3,167.02	-	3,167.02
3008	STANDARD INSURANCE	06/11 STD/LTD PREMIUM	1,374.00	1,291.56	82.44
3009	STAPLES CREDIT PLAN	OFFICE SUPPLIES	86.61	81.41	5.20
3010	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	311.78	293.08	18.70
3011	THE SIGNAL TRIBUNE	05/06/11 WATER AWARENESS AD	600.00	564.00	36.00
3012	TORRANCE, CITY OF	002: 03/11 O & M SERVICE	42,934.48	-	42,934.48
3013	ULINE SHIPPING SUPPLIES	TABLOCK MAILER CD	41.87	39.36	2.51
3014	UPPER SAN GABRIEL VALLEY MWD	2010 WATER FEST SPONSORSHIP	5,000.00	4,700.00	300.00
3015	VERIZON COMMUNICATION	MONTHLY PHONE CHARGES	622.63	585.27	37.36
3016	WATER WISE CONSULTING	05/11 ECO GARDENER HOMEOWNER	1,200.00	1,128.00	72.00
3017	WAVE COMMUNITY NEWSPAPERS	03/03/11 GRNDWTR FEST AD	1,537.50	1,445.25	92.25
3018	ALSTON & BIRD	02/11 & 03/11 PROJ LEGAL SERVICE	118,110.19	112,073.10	6,037.09
3019	XO CORP	PHONE CHARGES THRU 06/14/11	103.58	97.37	6.21
3020	INSTANT IMPRESSIONS	POSTCARD PRINTING	656.00	616.64	39.36
ACH110502	EAST WEST BANK	CC CHARGES THRU 04/05/11	7,991.54	7,512.05	479.49
ACH110503	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	618.18	309.09	309.09
Total Demands from May 1, 2011 to May 31, 2011			3,062,757.76	2,821,386.23	241,371.53

Robb Whitaker, P.E., General Manager

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>
PAYROLL	BENEFIT/DEDUCTION/REIMBURSEMENT	186,878.85	2,221,892.71
PAYROLL	PAYROLL	218,119.91	1,848,698.90
PAYROLL	TAXES	102,446.99	874,098.81
ROBERT E. KATHERMAN	DIRECTORS' COMPENSATION	602.66	11,580.84
ROBERT E. KATHERMAN	EXPENSE REIMBURSEMENT	938.20	9,107.09
SERGIO J. CALDERON	DIRECTORS' COMPENSATION	2,274.21	24,761.88
WILLARD H. MURRAY, JR	DIRECTORS' COMPENSATION	875.33	8,385.09
1-800-CONFERENCE(R)	025: 04/11 CONFERENCE CALLS	384.96	3,060.56
AAA RENTS AND EVENTS	2011 GRNDWTR FEST SUPPLIES	416.00	6,887.70
ACCONTEMP	TEMP SERVICE THRU 04/22/11 - MW	2,046.40	37,363.23
ACCONTEMP	TEMP SERVICE THRU 04/29/11 - MW	2,046.40	39,409.63
ACCONTEMP	TEMP SERVICE THRU 05/06/11 - MW	4,092.81	43,502.44
ACWA - HBA	06/11 MED/DEN/LIFE PREMIUM	55,460.88	574,345.95
ACWA JPIA	05/06/11-05/06/12 EARTHQUAKE INS PREM	23,969.45	245,049.45
ALSTON & BIRD	02/11 & 03/11 PROJ LEGAL SERVICE	118,110.19	223,701.20
AT&T	002: MONTHLY PHONE SERVICE	243.40	2,655.72
BACKFLOW APPARATUS	2011 BACKFLOW DEVICE INSPECTION	143.00	286.00
BELL GARDENS CHAMBER	2011 MEMBERSHIP DUES	250.00	250.00
BELL GARDENS CHAMBER	2011 INSTALLATION OF OFFICERS	175.00	425.00
BELLFLOWER CHAMBER	2011 MEMBERSHIP DUES	250.00	250.00
BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 03/26/11	8,687.50	39,857.00
BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 04/30/11	988.50	40,845.50
BROWNSTEIN HYATT	03/11 LEGISLATIVE SERVICE	15,000.00	180,000.00
CALIFORNIA WATER SERVICE	WATER USAGE THRU 05/18/11 - 4635	45.38	663.26
CDW GOVERNMENT	COMPUTER SUPPLIES	532.89	10,516.64
CENTRAL BASIN WATER ASSOC	2011 MEMBERSHIP MEETING - RB	25.00	125.00
CH2M HILL	001: PROF SERVICE THRU 04/01/11	4,560.30	870,603.86
CH2M HILL	001: PROF SERVICE THRU 04/29/11	135,925.86	1,006,529.72
CHEVRON AND TEXACO	MONTHLY FUEL CHARGES	186.02	1,883.84
CITY OF HUNTINGTON PARK	012: CONS SERVICE - EXPANSION WELL #7	2,324.11	103,070.74
CLEAN SOURCE	GENERAL SUPPLIES	137.13	2,340.84
CLEAN SOURCE	GENERAL SUPPLIES	88.04	2,428.88
COMMERCE INDUSTRIAL COUNCIL	WOMEN IN BUSINESS EVENT	160.00	730.00
COUNTY SANITATION DISTRICT 2	01/11 WATER PURCHASE - SJC	67,625.21	1,788,508.75
COUNTY SANITATION DISTRICT 2	02/11 WATER PURCHASE - SJC	66,997.13	1,855,505.88
COUNTY SANITATION DISTRICT 2	03/11 WATER PURCHASE - WN	3,418.10	1,858,923.98
COUNTY SANITATION DISTRICT 2	03/11 WATER PURCHASE - SJC	62,301.38	1,921,225.36
DAILY BREEZE	04/21/11 EARTH DAY AD	817.77	3,454.07
DMJ CONSULTING GROUP	011: PROF SERVICE THRU 04/23/11	16,264.85	73,807.85
EAST WEST BANK	CC CHARGES THRU 04/05/11	7,991.54	39,743.71
EASTERN GROUP PUBLICATIONS	04/21/11 NEWSPAPER AD	2,440.00	3,448.00
ENGINEERING NEWS RECORD	2011 SUBSCRIPTION FEE - CK	82.00	82.00
ERHART'S	04/08/11 FINANCE COMM MEETING	156.34	6,172.57
ERHART'S	04/20/11 FINANCE COMM MEETING	222.45	6,395.02
ERHART'S	04/26/11 FINANCE COMM MEETING	222.45	6,617.47
ERHART'S	05/09/11 ADMIN COMM MEETING	687.43	7,304.90
EXXON MOBIL FLEET	MONTHLY FUEL CHARGES	192.34	2,052.62
F&M BANK: CC PAYMENT	04/11 CC CHARGES	5,384.00	35,618.57
FEDERAL EXPRESS CORP	FEDEX SERVICE	202.29	7,062.92
FEDERAL EXPRESS CORP	FEDEX SERVICE	61.17	7,124.09
FEDERAL EXPRESS CORP	FEDEX SERVICE	89.86	7,213.95
FLEX-PLAN SERVICES	03/11 MONTHLY SVC CHRG	959.00	11,936.10
FLEX-PLAN SERVICES	04/11 MONTHLY SVC CHRG	959.00	12,895.10
FRIENDS OF CABRILLO	EDU, RESEARCH & OUTREACH PROG	25,000.00	28,000.00
HARBOR CITY CHAMBER	2011 MEMBERSHIP DUES	175.00	175.00
HELISTREAM	05/20/11 LEGIS GRNDWTR TOUR	5,000.00	5,000.00
HELPMATES STAFFING	TEMP SERVICE THRU 04/24/11 - MC	1,077.12	46,091.76

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>
HELPMATES STAFFING	TEMP SERVICE THRU 04/17/11 - MC	2,049.52	48,141.28
INSTANT IMPRESSIONS	PRINTING SERVICE	1,300.00	1,574.38
INSTANT IMPRESSIONS	POSTCARD PRINTING	-	1,574.38
INSTANT IMPRESSIONS	POSTCARD PRINTING	656.00	2,230.38
INTERA INCORPORATED	025: 03/11 PROF SERVICE	16,669.00	49,071.01
INTERIOR PLANT DESIGN	05/11 MAINT SERVICE	2,000.00	22,550.28
INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	857.34	9,518.01
JAN-PRO CLEANING	05/11 JANITORIAL SERVICE	2,743.00	30,173.00
JOBS AVAILABLE	2011 SUBSCRIPTION RENEWAL	39.00	39.00
KELLY PAPER	PAPER SUPPLIES	332.32	2,053.66
KINDEL GAGAN	005: 03/11 PROFESSIONAL SERVICE	12,643.75	110,800.00
KINDEL GAGAN	005: 04/11 PROFESSIONAL SERVICE	14,893.75	125,693.75
KLAI.CO IDENTIFICATION PROD	LAMINATING SUPPLIES	1,216.27	1,216.27
LA EXPRESS ONE	05/03/11 COURRIER SERVICE	75.00	1,458.52
LAW OFFICE PERSONNEL SERVICE	BOARD MEETING TRANSCRIPT	218.75	1,513.75
LEAL & TREJO	02/11 LEGAL SERVICE	33,039.00	77,865.35
LEAL & TREJO	005: 03/11 LEGAL SERVICE	31,656.85	109,522.20
LOMITA CHAMBER	2011 GOLDEN APPLE AWARDS EVENT	500.00	1,850.00
LOS ANGELES, CITY OF DWP	03/22/11-04/20/11 WATER PURCHASE	154,941.93	894,926.34
MARTIN E WHELAN. JR.	06/11 MEDICAL PREMIUM	733.45	23,105.40
McMASTER-CARR	011: MAINT SERVICE	243.74	5,154.24
McMASTER-CARR	011: FIELD SUPPLIES	1,620.64	6,774.88
MILLENNIUM ADVOCATES	05/11 LEGISLATIVE SERVICE	15,000.00	166,179.77
MR ROOTER PLUMBING	MAINTENANCE SERVICE	118.50	334.50
MWH LABORATORIES	03/11 LAB SERVICES	71,187.50	818,067.50
MWH LABORATORIES	03/11 & 04/11 LAB SERVICES	41,457.50	859,525.00
NORWALK PRINTING	WRD ENVELOPES	320.47	3,761.79
NORWALK PRINTING	WRD LETTERHEADS	197.93	3,959.72
NORWALK PRINTING	LETTERHEADS	43.04	4,002.76
OCCUPATIONAL SAFETY TRAINING	2011 CPR/FA & AED TRAINING	825.00	825.00
OFFICE TEAM	TEMP SERVICE THRU 04/01/11 - MT	1,045.00	95,464.44
OFFICE TEAM	TEMP SERVICE THRU 04/22/11 - KH	3,959.20	99,423.64
OFFICE TEAM	TEMP SERVICE THRU 04/29/11 - KH	3,727.44	103,151.08
OFFICE TEAM	TEMP SERVICE THRU 05/06/11 - MC	4,764.80	107,915.88
PACIFIC ATLANTIC PARTNERS	04/11 LEGISLATIVE SERVICE	15,000.00	150,000.00
PACIFIC ATLANTIC PARTNERS	05/11 LEGISLATIVE SERVICE	15,000.00	165,000.00
PARS	03/11 REP FEES	500.00	13,800.00
PAUL, HASTINGS	025: PROF SERVICE THRU 03/31/11	5,062.50	5,062.50
PBCC	04/20/11-07/20/11 METER LEASE	1,300.54	5,228.75
PEPSI BOTTLING	SUPPLIES	281.60	3,362.27
PEPSI BOTTLING	SUPPLIES	292.19	3,654.46
PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	1,152.74	5,974.96
PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	618.18	6,593.14
POSTAGE BY PHONE	POSTAGE DEPOSIT	3,000.00	11,000.00
PR NEWSWIRE ASSOC	04/04/11 PRESS RELEASE	145.00	8,025.00
RANDOM LENGTHS NEWS	04/22/11-05/05/11 NEWSPAPER AD	805.00	1,145.00
RMC WATER AND ENVIRONMENT	005: 10/30/10-03/26/11 PROF SERVICE	29,941.25	264,746.04
ROBERT E. BUSH	005: 04/11 PROF SERVICE	3,000.00	33,000.00
SCHLUMBERGER	011: PROF SERVICE THRU 04/17/11	63,315.00	175,578.15
SCHOOL OUTFITTERS	OFFICE SUPPLIES	503.98	4,624.80
SEPARATION PROCESSES	002: 04/11 PROF SERVICE	3,167.02	18,352.02
SINCLAIR WELL PROD	011: FIELD SUPPLIES	452.72	452.72
SOUTHEAST COMMUNITY DEV	ECO GARDENER MOBILE PROG	4,000.00	4,000.00
SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 05/06/11	687.57	201,095.14
SOUTHERN CALIFORNIA EDISON	04/11 ENERGY USAGE	2,703.32	203,798.46
SPARKLETTS	SUPPLIES	63.49	1,810.38
SPLIT SECOND DELIVERY	04/14/11 DELIVERY SERVICE	65.20	65.20

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>
STANDARD INSURANCE	06/11 STD/LTD PREMIUM	1,374.00	1,046.85
STAPLES CREDIT PLAN	OFFICE SUPPLIES	86.61	3,658.68
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	714.47	14,937.00
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	1,908.02	16,845.02
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	311.78	17,156.80
TESTAMERICA	006: 04/11 PROF SERVICE	3,541.00	52,466.35
TGIS	2011 GRNDWTR FESTIVAL	454.37	5,918.35
TGIS	03/06/11 CCCA BOARD MEETING	2,676.22	8,594.57
TGIS	04/18/11 EA COMM MEETING	320.18	8,914.75
TGIS	02/14/11 ADMIN COMM MTG	298.36	9,213.11
THE ASSOC OF WOMEN IN WATER	2011 'WOMEN SHAPING TOMORROW'	1,000.00	1,000.00
THE DOWNEY PATRIOT	03/03/11 GRNDWTR FEST AD	442.50	442.50
THE GAS COMPANY	MONTHLY UTILITY CHARGES	210.53	2,883.70
THE LA & SAN GABRIEL RIVERS	2011 WTRSHED OUTREACH PROG	10,000.00	10,050.00
THE SIGN FACTORY	011: WRD LOGO SIGN	141.93	141.93
THE SIGNAL TRIBUNE	04/20/11 NEWSPAPER AD	1,630.00	6,055.00
THE SIGNAL TRIBUNE	04/29/11 NEWSPAPER AD	225.00	6,280.00
THE SIGNAL TRIBUNE	05/06/11 WATER AWARENESS AD	600.00	6,880.00
THOMSON-REUTERS/BARCLAYS	006: 2011 SUBSCRIPTION FEE - T22	442.70	1,071.03
TIME WARNER CABLE	MONTHLY INTERNET SERVICE	1,000.00	8,000.00
TODD HEARD	3-D EFFECT ANIMATION	750.00	5,125.00
TORRANCE AREA CHAMBER	2011 MEMBERSHIP DUES	210.00	710.00
TORRANCE, CITY OF	002: 06/11 PLANT SITE RENT	3,373.48	449,107.82
TORRANCE, CITY OF	002: 03/11 O & M SERVICE	42,934.48	492,042.30
TUMBLEWEED TRANSPORTATION	UCLA ELEMENTARY LAB SCH	549.50	549.50
ULINE SHIPPING SUPPLIES	TABLOCK MAILER CD	41.87	176.46
UPPER SAN GABRIEL VALLEY MWD	2010 WATER FEST SPONSORSHIP	5,000.00	5,000.00
VERIZON COMMUNICATION	MONTHLY PHONE CHARGES	358.15	3,816.17
VERIZON COMMUNICATION	MONTHLY PHONE CHARGES	622.63	4,438.80
VERIZON WIRELESS	MONTHLY CELL PHONE SERVICE	1,186.18	12,848.89
VERNON CHAMBER	2011 MEMBERSHIP DUES	350.00	350.00
WATER WISE CONSULTING	04/11 ECO GARDENER WORKSHOP	4,475.00	69,681.25
WATER WISE CONSULTING	04/11 ECO GARDENER WORKSHOP	1,200.00	70,881.25
WATEREUSE FOUNDATION	004: 2011 MEMBERSHIP DUES	12,000.00	12,000.00
WAVE COMMUNITY NEWSPAPERS	03/03/11 GRNDWTR FEST AD	1,537.50	1,537.50
WEST BASIN MWD	03/11 WATER PURCHASE	1,225,039.85	16,923,389.47
WESTERN EXTERMINATOR	04/11 PESTICIDE SERVICE	65.00	715.00
XEROX CORPORATION	05/11 COPIER SERVICE	6,738.08	65,196.95
XO CORP	PHONE CHARGES THRU 06/14/11	103.58	1,150.43
		3,062,757.76	39,545,725.73



MEMORANDUM

ITEM NO. 5

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JULY 20, 2011
TO: FINANCE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: FINANCIAL STATEMENTS – MAY, 2011

The attached financial statements include the Statement of Net Assets (Balance Sheet) as of May 31, 2011 and the Statement of Revenues, Expenditures and Changes in Net Assets (Income Statement) for the month ending May 31, 2011. Explanation of selected account balances are as follows:

Statement of Net Assets

ASSETS & LIABILITIES

Cash & Cash Equivalents – The decrease in cash is primarily due to payments of accumulated invoices that incurred in the past months as well as an additional payroll in May. There is a corresponding decrease in accounts payable.

Accounts receivable - Increased over the prior months. These accounts have changed due to low collections of water assessment fees in May.

Accounts payable - Decreased approximately \$1.17 million mainly due to the adjustment in purchasing of injected water from West Basin Municipal Water District in the past three months. In addition, the changes have been caused by payments of accumulated invoices that accrued in the previous months. See cash above for a corresponding decrease.

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	72,139
Accumulated Depreciation	(192,169)
Total	<u>\$ 120,030</u>

Unrestricted – The Change/Variance of Total Assets, Total Liabilities and Invested in Capital Assets from April to May is \$1,601,634

Statement of Revenues, Expenditures and Changes in Net Assets

REVENUES

Operating Revenues – The decrease of about \$477,000 is primarily due to a slight reduction of water pumped in April 2011. In addition, the production reports for Desalter water sales have not been received; therefore, there were no recognition of the MWD subsidy and Desalter Revenues in May.

EXPENSES

Cost of Water – Decreased because the District received three accumulated invoices from the County for the purchases of recycled water for the spreading grounds that posted in April, but there were no invoices received in May. In addition, the City of Los Angeles Department of Water and Power has not billed the District for the purchases of injected water for the month of May.

Salaries, Taxes & Benefits - There were three payroll cycles in May

Professional Fees –Decreased over prior month because there was high volume of invoices received in April for services and expenses incurred in the past months.

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, 2011

Assets	Total	Prior Month Total	Variance
Current Assets			
Cash and Cash Equivalents	\$ 19,897,192	\$ 20,787,908	(890,715)
Restricted Cash	16,734,671	16,734,671	-
Accounts Receivable	6,181,291	4,704,511	1,476,780
Interest Receivable	37,773	37,712	61
Prepaid Expenses	81,908	97,621	(15,712)
Total Current Assets	\$ 42,932,836	\$ 42,362,422	570,414
Noncurrent Assets			
Notes Receivable, Noncurrent	\$ 4,171,625	\$ 4,171,625	-
Plant & Equipment	63,447,876	63,447,876	-
Land	2,644,753	2,644,753	-
Construction-In-Progress	7,662,676	7,590,537	72,139
Deferred Charges	782,332	782,332	-
Accumulated Depreciation	(17,784,686)	(17,592,517)	(192,169)
Total Noncurrent Assets	\$ 60,924,577	\$ 61,044,607	(120,030)
Total Assets	\$ 103,857,413	\$ 103,407,029	450,384
Liabilities			
Current Liabilities			
Accounts Payable	\$ 2,408,648	\$ 3,578,593	(1,169,945)
Interest Payable - Bond	534,069	400,552	133,517
Accrued Payroll	-	-	-
Accrued Employee Benefits	12,558	7,350	5,207
Accrued Postemployment Benefits	1,205,822	1,205,822	-
Deferred Compensation	-	-	-
Cal Trans 0690	5,973,828	5,973,828	-
Long term Debt - Bond Payable	31,535,300	31,535,300	-
Other Liabilities	-	-	-
Total Current Liabilities	\$ 41,670,225	\$ 42,701,445	(1,031,220)
Noncurrent Liabilities			
Compensated Absences	\$ 344,522	\$ 344,522	-
Total Noncurrent Liabilities	\$ 344,522	\$ 344,522	-
Total Liabilities	\$ 42,014,747	\$ 43,045,967	(1,031,220)
Net Assets			
Invested in Capital Assets, Net of Related Del	\$ 35,196,162	\$ 35,316,192	(120,030)
Unrestricted	26,646,504	25,044,870	1,601,634
Total Net Assets	\$ 61,842,666	\$ 60,361,062	1,481,604
Total Liabilities & Net Assets	\$ 103,857,413	\$ 103,407,029	450,384

Water Replenishment District of Southern California
Statement of Revenues, Expenditures and Changes in Net Assets
For the Month of May 2011

	Total	Prior Month Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	3,439,044	3,668,083	(229,040)
Late Payment Penalties	-	-	-
MWD Subsidy	-	134,036	(134,036)
OCWD Recycled Water Product	64,096	23,966	40,129
Desalter Revenue	-	154,123	(154,123)
Title 22 Monitoring Program	-	-	-
Total Operating Revenues	<u>3,503,139</u>	<u>3,980,209</u>	<u>(477,070)</u>
Operating Expenses			
Cost of Water			
Spreading	-	200,342	(200,342)
Injected	783,766	1,041,115	(257,349)
In-Lieu	-	-	-
Connection Fees	20,665	82,765	(62,100)
Total Cost of Water	<u>804,431</u>	<u>1,324,222</u>	<u>(519,790)</u>
General & Administrative			
Salaries, Taxes & Benefits	542,681	387,790	154,892
Postemployment Benefits	-	-	-
Conference & Travel	18,464	15,228	3,236
Office Expenses	32,903	117,286	(84,382)
Utilities	9,773	40,624	(30,851)
Rents & Leases	8,421	7,401	1,021
Repairs & Maintenance	43,737	8,506	35,231
Material & Equipment	7,632	36,055	(28,423)
General Liability Insurance	39,682	15,712	23,969
Professional Fees	345,880	905,648	(559,768)
Other General & Administrative	116,178	95,951	20,227
Total General & Administrative	<u>1,165,351</u>	<u>1,630,201</u>	<u>(464,850)</u>
Depreciation	192,169	192,169	-
Total Operating Expenses	<u>2,161,951</u>	<u>3,146,592</u>	<u>(984,641)</u>
Operating Income (Loss)	<u>1,341,188</u>	<u>833,617</u>	<u>507,571</u>
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	43,371	132,122	(88,751)
Investment Earnings	2,583	20,727	(18,144)
Miscellaneous	479	-	479
Total Non-Operating Revenues (Expenses)	<u>46,433</u>	<u>152,849</u>	<u>(106,416)</u>
Income (Loss) Before Contributions	1,387,621	986,466	401,154
Contributions			
Capital Contributions- Grant	93,983	-	93,983
Change in Net Assets	<u>1,481,604</u>	<u>986,466</u>	<u>495,137</u>



MEMORANDUM

ITEM NO. 6

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JULY 20, 2011
TO: FINANCE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING MAY 31, 2011

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.

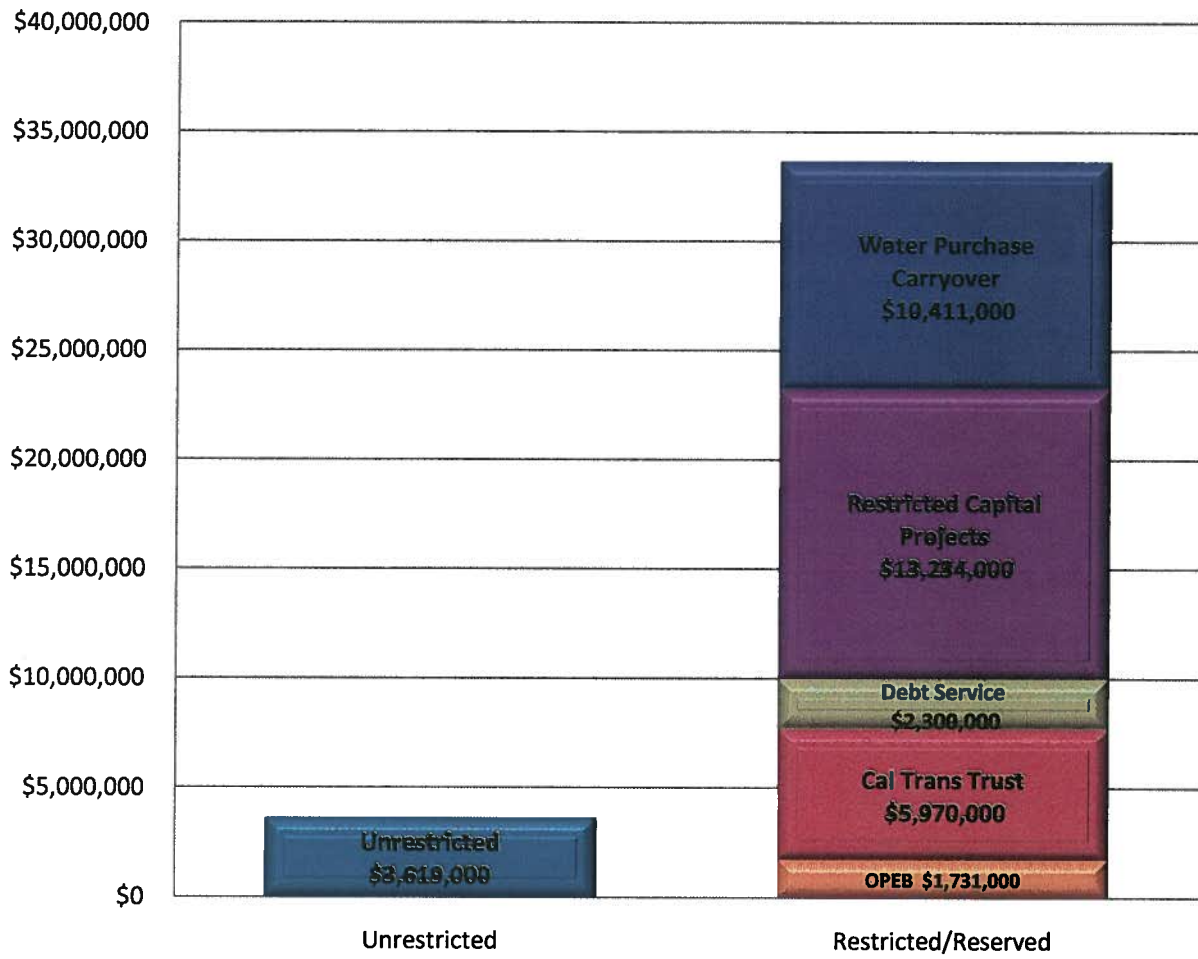
If for some reason, the District has more than \$10,000,000 (adjusted for the blended cost of water), §60328.1 states that the District shall apply the estimated fiscal year end balance in excess of the amount allowed in §60290 to a replenishment assessment rate reduction or to the purchase of water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

Currently the District has \$3,619,000 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:

Operating Reserve Fund	\$ 3,619,000
Reserved or Encumbered:	
Water Purchase Carryover Fund	10,411,000
Restricted for Capital Projects	13,234,000
Debt Service Reserve Fund	2,300,000
Cal Trans Trust Fund	5,970,000
Other Post Employment Benefit Obligation (OPEB)	1,731,000
Reserved or Encumbered Subtotal	<u>\$ 33,646,000</u>
 Total Cash and Investments	 <u>\$ 37,265,000</u>

WRD Funds as of
May 31, 2011

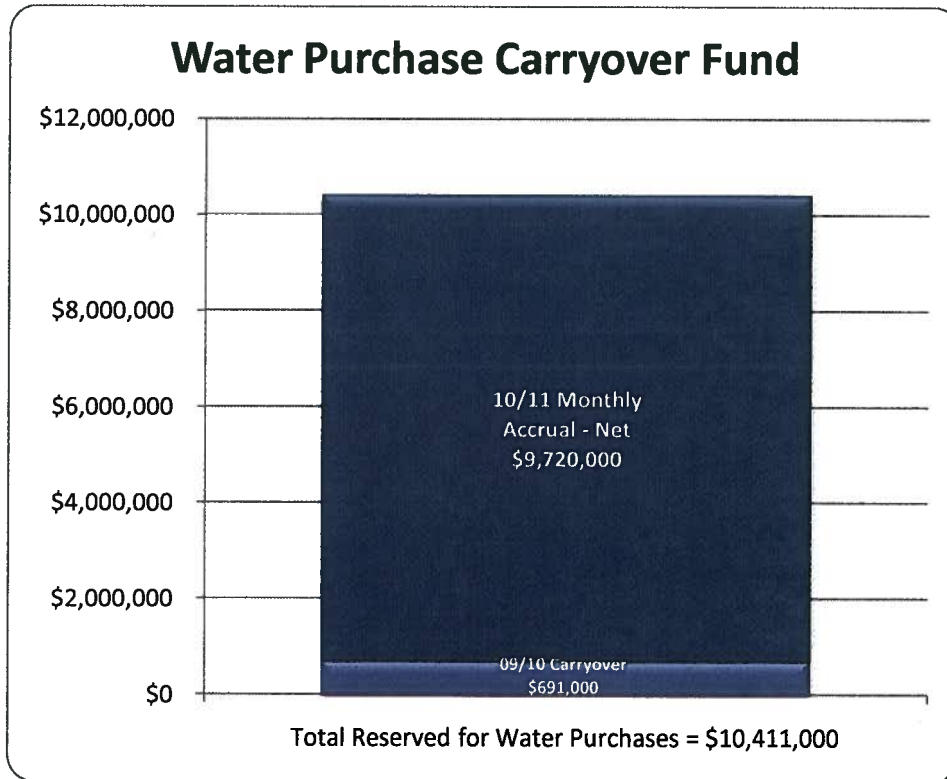


Total Cash Held as of May 31, 2011 = \$37,265,000

Water Purchase Carryover Fund – This category of represents:

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

1. Monthly accrual of budgeted amount for fiscal year 10/11	
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 th – rounded) x eleven months	\$ 17,666,000
 Net of 10/11 monthly accrual after adjusting the purchases of untreated Tier 1 spreading water	 <u>\$9,720,000</u>
 2. Budget 10/11 Rate Relief – As a result of public budget workshops, \$8,270M was allocated from the Water Purchase Carryover Fund as rate relief (1/12 th 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)	\$ (7,579,000)
Total	 <u>8,270,000</u> <u>\$ 691,000</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

Park Water Company– Central Basin	\$ 2,000,000
Vernon Wells #9 and #10 – Central Basin	1,000,000
Huntington Park Well #17 – Central Basin	40,000
Total	<u>\$ 3,040,000</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	\$ 1,002,000
Preliminary and Final Design for Expansion	380,000 ¹
Goldsworthy Desalter:	
Capital Replacement	252,000
Preliminary Design	100,000 ¹
Total	<u>\$ 1,734,000</u>

3. Proceeds from the 2008 Certificates of Participation

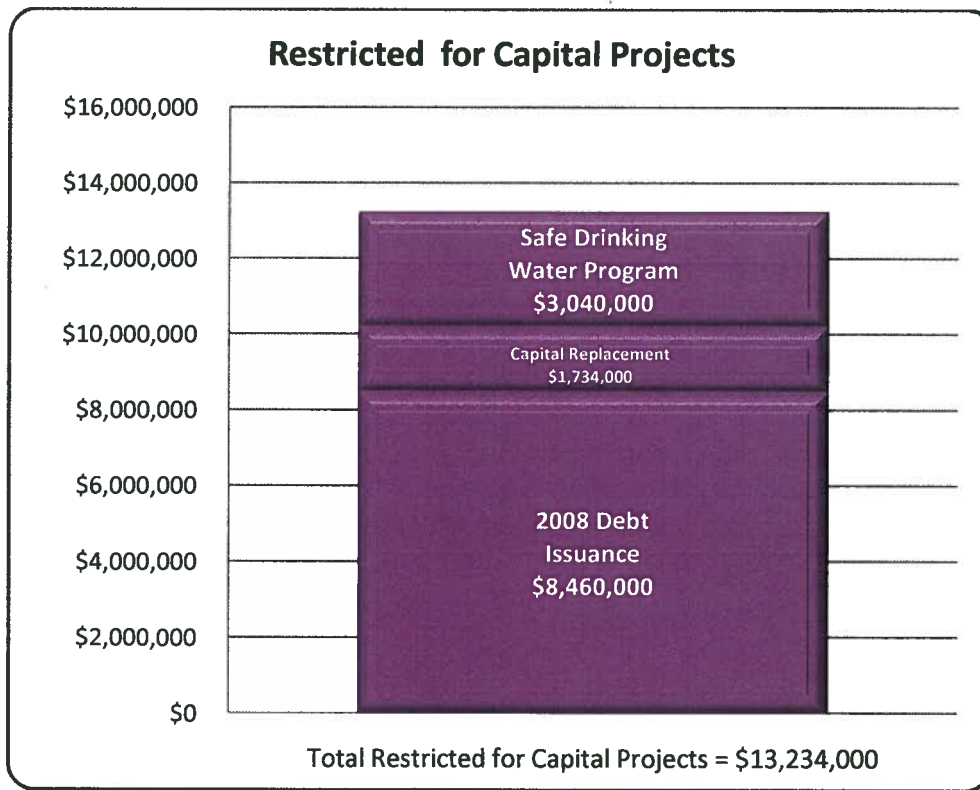
Source of Funds:

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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¹ 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:
Use of Funds:

2004 and 2008 Debt Issuance
Restricted based on Master Trust Agreement

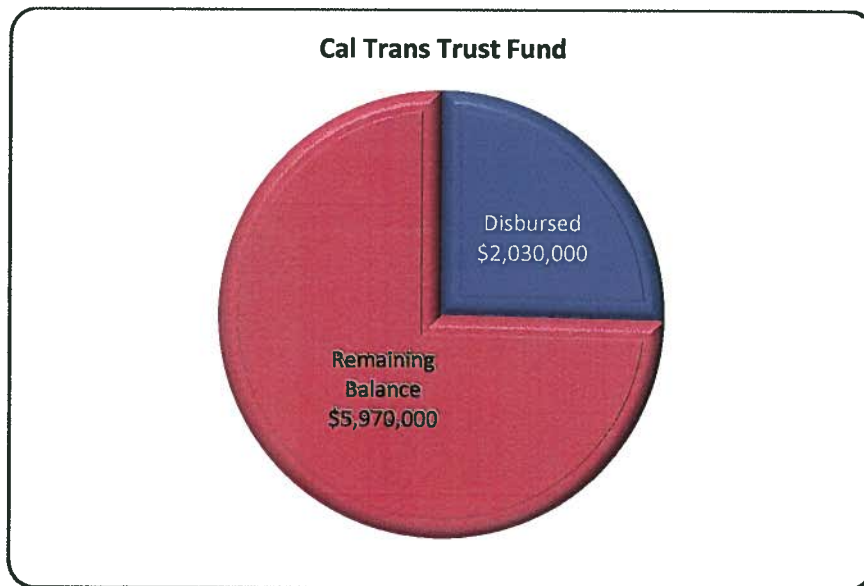
2004 Trustee Reserve Fund	\$ 968,000
2008 Trustee Reserve Fund	<u>1,332,000</u>
Total	<u>\$ 2,300,000</u>

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:
Use of Funds:

CalTrans Settlement
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 \$2.03 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.



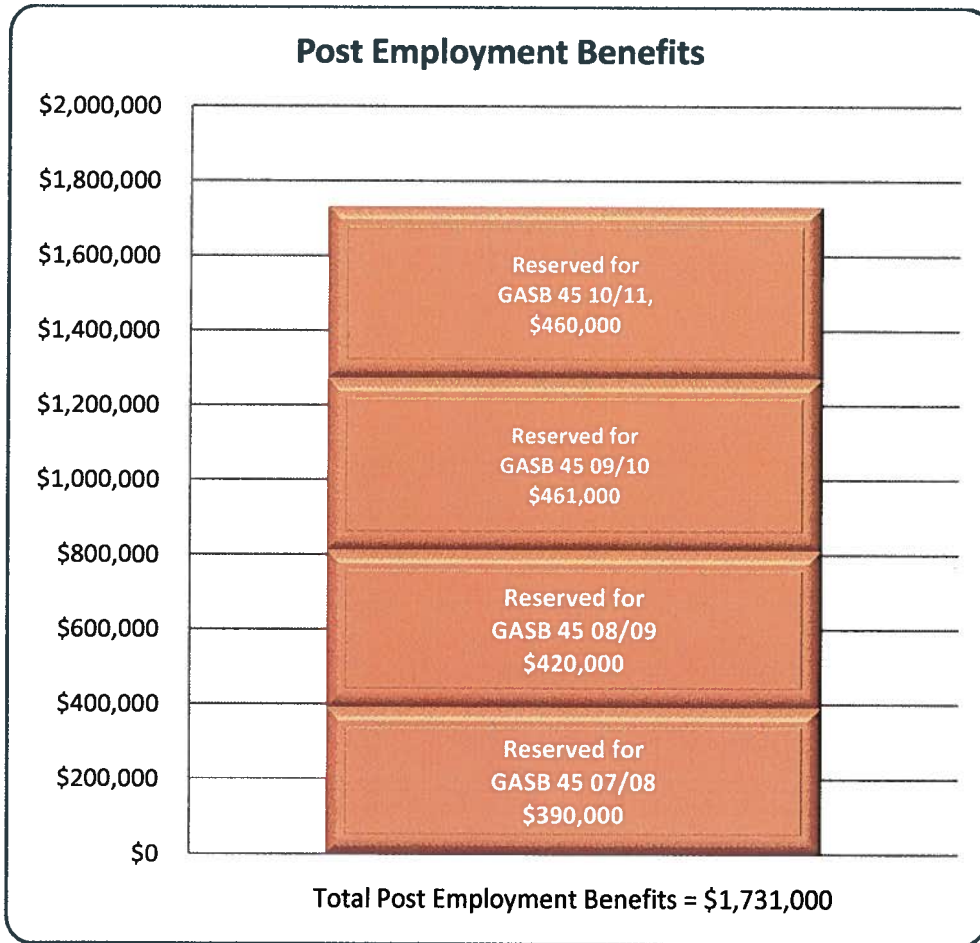
Other Post Employment Benefit Obligations (OPEB)

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	\$ 474,000
	<u>+ 12 months</u>
10/11 Accrual per month (1/12 th – rounded) x eleven months	\$ 460,000
09/10 Annual Required Contribution after adjustments	461,000
08/09 Annual Required Contribution	420,000
07/08 Annual Required Contribution	390,000



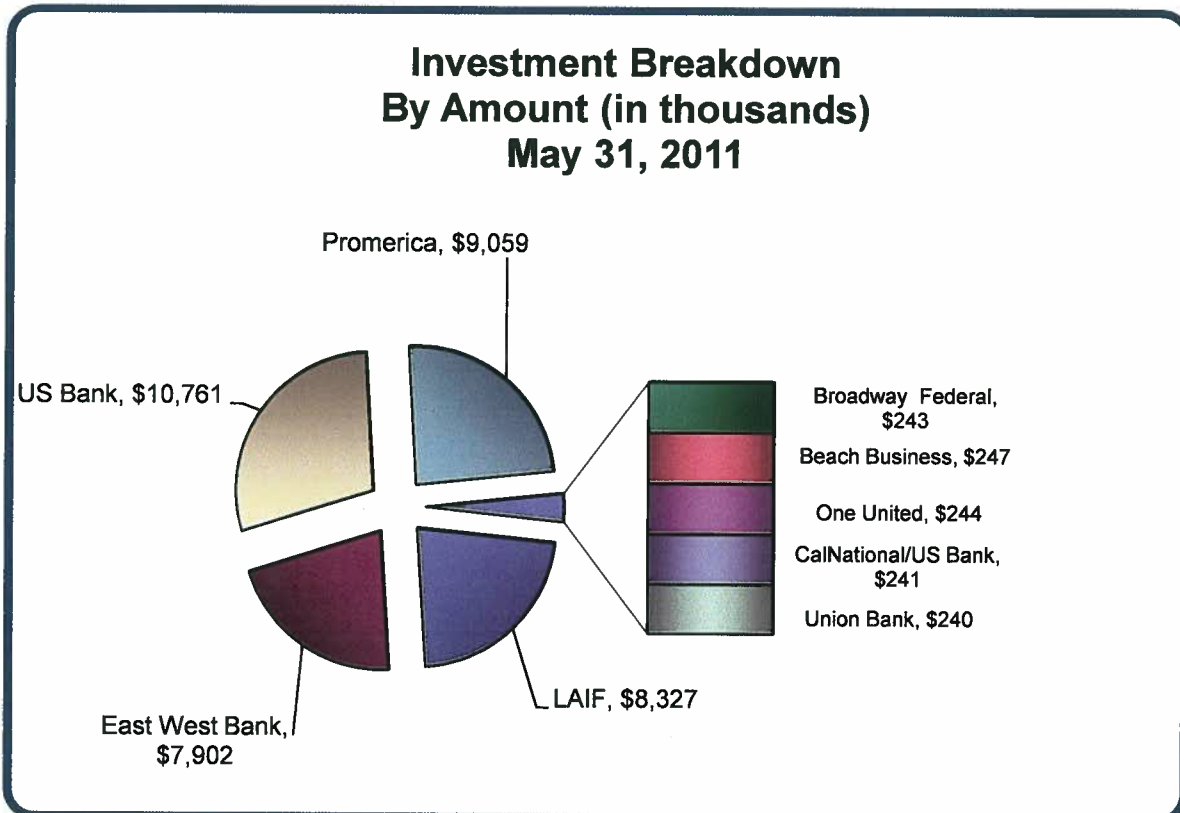
CASH AND INVESTMENTS

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:

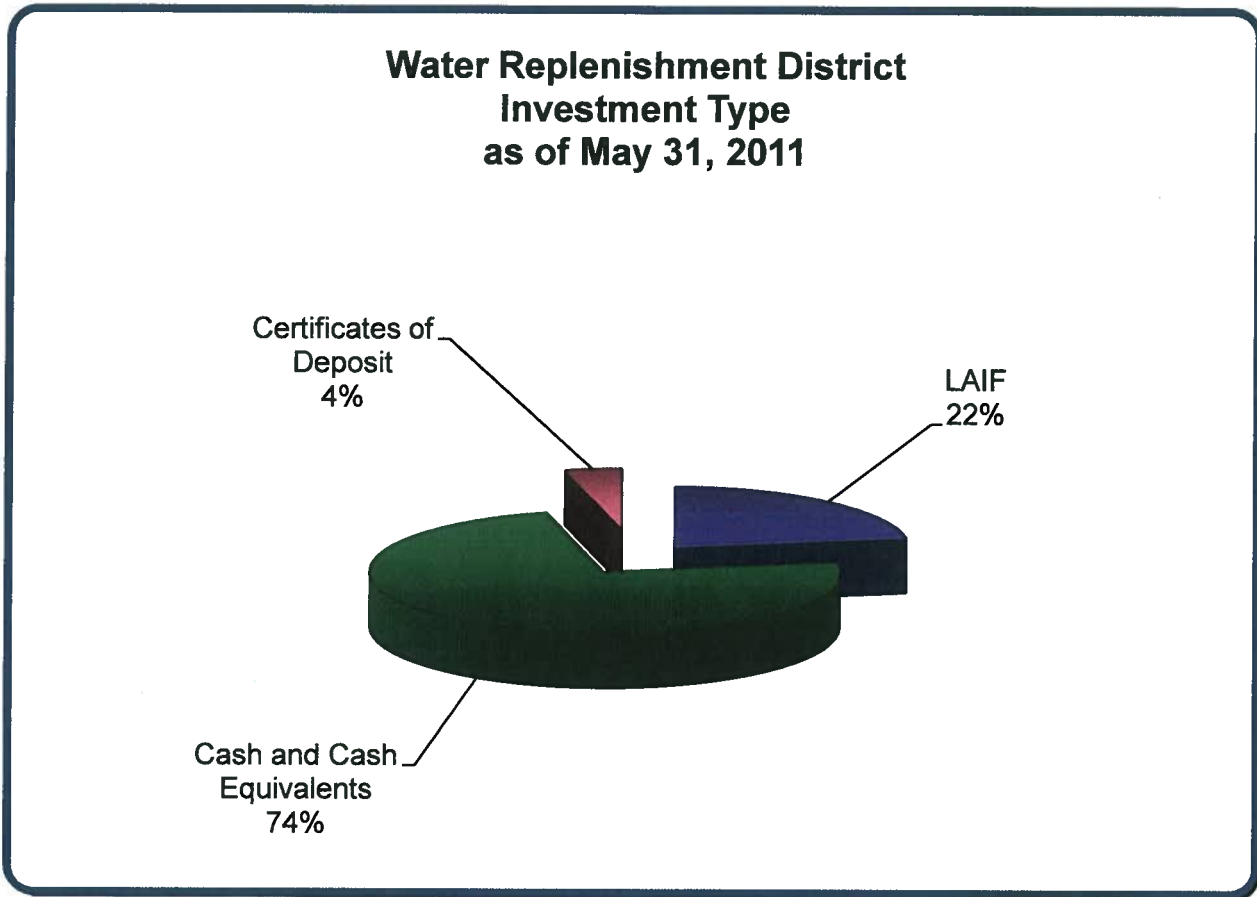
Local Area Investment Fund (LAIF) ¹	\$ 8,327,000
East West Bank ²	7,902,000
Beach Business Bank ²	247,000
One United Bank ²	244,000
Broadway Federal Bank ²	243,000
US Bank (formerly CalNational Bank) ²	241,000
Union Bank ²	240,000
Promerica Bank ²	9,059,000
US Bank (Trustee) ²	<u>10,761,000</u>
Total Cash and Investments	<u>\$ 37,265,000</u>



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

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 8,327,000
Cash and Cash Equivalents ²	27,467,000
Certificates of Deposit ²	<u>1,471,000</u>
 Total	 <u>\$ 37,265,000</u>



Staff has attached a detailed investment report for May 31, 2011 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 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.

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 for submittal to the Board of Directors.

Water Replenishment District of Southern California
Cash and Investment Report
May 31, 2011

	LAIF	CalNational/		East West Bank	Beach Business	One United Bank	Broadway Federal		Union Bank	Promerica Bank	US Bank	Kovak Securities	Total
		US Bank	Bank				Federal	Bank					
BALANCE 5/1/2011	\$8,327,379	\$241,072	\$8,610,003	\$246,371	\$244,215	\$243,212	\$240,000	\$9,058,850	\$10,760,842	\$14	\$42,461,209		
INTEREST RECEIVED/REINVESTED		53	1,924	235	128	31	250						
DISBURSEMENTS			(3,285,495)										
UNREALIZED GAIN/(LOSS)			2,575,718										
DEPOSITS/PURCHASES/FEEES													
TRANSFER IN/(OUT)													
ACCRUED INTEREST							61						
BALANCE 5/31/2011	\$8,327,379	\$241,125	\$7,902,050	\$246,607	\$244,343	\$243,243	\$240,061	\$9,059,100	\$10,760,842	\$14	\$37,264,765		
	LAIF	CalNational/ US Bank	East West Bank	Beach Business	One United Bank	Broadway Federal	Broadway Federal	Promerica Bank	US Bank	Kovak Securities	Total		
CURRENT YIELD	0.413%	0.250%	1.01% / .5%	1.100%	0.600%	0.150%	0.200%	varies	varies	varies			
INTEREST EARNED FISCAL YTD	\$72,522	\$957	\$27,784	\$2,772	\$1,342	\$348	\$0	\$13,474	\$10	\$78,785	\$197,993.88		
<p style="text-align: center;">I HEREBY CERTIFY 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 I HEREBY CERTIFY THAT SUFFICIENT INVESTMENT LIQUIDITY AND ANTICIPATED REVENUE ARE AVAILABLE TO ARE AVAILABLE TO MEET ESTIMATED EXPENDITURES FOR THE NEXT SIX MONTHS.</p>													
ALBERT ROBLES											DATE		
\$8,327,000	\$241,000	\$7,902,000	\$247,000	\$244,000	\$243,000	\$240,000	\$9,059,000	\$10,761,000	\$0	\$37,265,000			



MEMORANDUM

ITEM NO. 7

Prepared by: Jenna Shaunessy

Reviewed by: Scott Ota

Approved by: Robb Whitaker

DATE: JULY 20, 2011

TO: FINANCE COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: PUBLIC AGENCY RETIREMENT SERVICES (PARS) IRS AMENDMENT

SUMMARY

Public Agency Retirement Services (PARS), is a tax-qualified plan to provide retirement benefits for Board Members who are not active CalPERS members. This is a qualified plan and pension trust established to hold the assets on behalf of the District. This is an Internal Revenue Service required amendment that brings WRD's current agreement into compliance with recent IRS related legislation. This amendment does not make any changes to WRD's existing procedures and has no impact on contract fees. This amendment solely serves to bring the current agreement into compliance with Internal Revenue Service guidelines.

This amendment has already been approved by District Counsel.

FISCAL IMPACT

There is no increase in fees. This is a budgeted item.

STAFF RECOMMENDATION

Amend the existing contract with Public Agency Retirement Services (PARS) to the Board of Directors. This amendment has already been approved by District Counsel.