

**MEETING OF THE FINANCE / AUDIT COMMITTEE
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BLVD., LAKEWOOD, CA., 90712
10:30 AM, MONDAY, JUNE 17, 2019**

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**
Pursuant to Government Code Section 54954.3
- 3. DIRECTORS' EXPENSES**
Staff Recommendation: The Finance/Audit Committee approve Directors' expenses.
- 4. DEMANDS – APRIL 2019**
Staff Recommendation: The Finance/Audit Committee recommends that the Board of Directors approve the April 2019 Demands.
- 5. FINANCIAL STATEMENTS – APRIL 2019**
Staff Recommendation: The Finance/Audit Committee recommends that the Board of Directors approve the April 2019 Financial Statements.
- 6. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING APRIL 2019**
Staff Recommendation: For discussion and possible action.
- 7. TRUST FUND REPORT FOR THE PERIOD ENDING APRIL 2019**
Staff Recommendation: The Finance/Audit Committee recommends the Board of Directors approve the monthly Trust Report.
- 8. EXPENSES OVER 90 DAYS**
Staff Recommendation: The Finance/Audit Committee recommends that the Board of Directors approve expenses over 90 days.
- 9. DEPARTMENT REPORT**
Staff Recommendation: The Finance/Audit Committee receive and file the report.
- 10. DIRECTORS' REPORTS, INQUIRIES AND FOLLOW-UP OF**

DIRECTIONS TO STAFF

11. ADJOURNMENT

The Committee will adjourn to the next regular meeting currently scheduled on July 15, 2019 at 10:30 a.m.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the meeting, please contact Brandon Mims, Deputy Secretary 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 are available at the District's website, www.wrd.org.

EXHAUSTION OF ADMINISTRATIVE REMEDIES – If you challenge a District action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Deputy Secretary at, or prior to, the public hearing. Any written correspondence delivered to the District office before the District's final action on a matter will become a part of the administrative record.



MEMORANDUM

ITEM NO. 3

DATE: JUNE 17, 2019
TO: FINANCE/AUDIT COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DIRECTORS' EXPENSES

SUMMARY

As required by the District's Administrative Code section 7.3.1, the Finance/Audit Committee is responsible for approving Directors' monthly expenses.

FISCAL IMPACT

Directors' expenses are approved through the annual budgeting process and must adhere to the guidelines provided in the District's Administrative Code chapters six and seven.

STAFF RECOMMENDATION

The Finance/Audit Committee approve Directors' expenses.



MEMORANDUM
ITEM NO. 4

DATE: JUNE 17, 2019
TO: FINANCE/AUDIT COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DEMANDS – APRIL 2019

SUMMARY

Each month, the Board of Directors receives and files the monthly demands list and makes it available to the public.

FISCAL IMPACT

The demands for the time period of April 01, 2019 through April 30, 2019 were \$9,807,515.10 and are presented in the attached document.

STAFF RECOMMENDATION

The Finance/Audit Committee recommends that the Board of Directors receive and file the monthly demands.



DIRECTORS
 JOHN D.S. ALLEN, PRESIDENT
 VERA ROBLES DEWITT, VICE PRESIDENT
 WILLARD H. MURRAY, JR., SECRETARY
 ROB KATHERMAN, JR, TREASURER
 SERGIO CALDERON, DIRECTOR

 ROBB WHITAKER, P.E., GENERAL MANAGER

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 April 30, 2019.

Check Number	Payee	Transaction Description	Check Amount
DCOMP-190409	PRUDENTIAL INSURANCE	STAFF PAYROLL DEFERRED COMPENSATION PAYMENTS	31,065.92
DCOMP-190423	PRUDENTIAL INSURANCE	STAFF PAYROLL DEFERRED COMPENSATION PAYMENTS	49,357.42
DIRDCOMP-190304	PRUDENTIAL INSURANCE	DIRECTOR PAYROLL DEFERRED COMPENSATION PAYMENTS	(3,087.04)
DIRDCOMP-190403	PRUDENTIAL INSURANCE	DIRECTOR PAYROLL DEFERRED COMPENSATION PAYMENTS	2,492.40
V9751 - V9797	STAFF PAYROLL	Pay Date: 4/9/2019	107,770.47
V9801	STAFF PAYROLL	Pay Date: 4/15/2019	1,717.42
V9802 - V9850	STAFF PAYROLL	Pay Date: 4/23/2019	120,033.65
DIREDD-190304	EDD	DIRECTOR PAYROLL EDD PAYMENTS	(267.17)
DIREDD-190403	EDD	DIRECTOR PAYROLL EDD PAYMENTS	197.54
EDD-190409	EDD	STAFF PAYROLL EDD PAYMENTS	6,758.73
EDD-190415	EDD	STAFF PAYROLL EDD PAYMENTS	103.60
EDD-190423	EDD	STAFF PAYROLL EDD PAYMENTS	9,531.77
DIRIRS-190304	IRS	DIRECTOR PAYROLL FEDERAL TAX PAYMENTS	(3,914.44)
DIRIRS-190403	IRS	DIRECTOR PAYROLL FEDERAL TAX PAYMENTS	2,753.82
IRS-190409	IRS	STAFF PAYROLL FEDERAL TAX PAYMENTS	42,958.93
IRS-190415	IRS	STAFF PAYROLL FEDERAL TAX PAYMENTS	672.66
IRS-190423	IRS	STAFF PAYROLL FEDERAL TAX PAYMENTS	57,362.66
VARIOUS	NAVIA BENEFIT SOLUTIONS	04/2019 HRA REIMBURSEMENTS	44,734.41
DIRPARS-190304	PARS	DIRECTOR PAYROLL PARS PAYMENTS	(2,818.59)
DIRPARS-190403	PARS	DIRECTOR PAYROLL PARS PAYMENTS	1,879.08
PERS-190408	PERS	STAFF PAYROLL PERS PAYMENTS	200.00
PERS-190409	PERS	STAFF PAYROLL PERS PAYMENTS	33,248.42
PERS-190415	PERS	STAFF PAYROLL PERS PAYMENTS	559.64
PERS-190423	PERS	STAFF PAYROLL PERS PAYMENTS	33,299.20
UNION-190409	AFSCME LOCAL 1902 UNION	STAFF PAYROLL UNION DUES PAYMENTS	716.03
UNION-190423	AFSCME LOCAL 1902 UNION	STAFF PAYROLL UNION DUES PAYMENTS	789.47
P0989	JOHN D. S. ALLEN	03/2019 DIRECTOR COMPENSATION	3,009.06
P0990	JOHN D. S. ALLEN	03/2019 EXPENSE REIMBURSEMENT	1,033.20
V9746	WILLARD H. MURRAY, JR	03/2019 DIRECTOR COMPENSATION	942.50
V9747	ROBERT E. KATHERMAN	03/2019 DIRECTOR COMPENSATION PART 1	185.35
V9748	SERGIO J. CALDERON	03/2019 DIRECTOR COMPENSATION PART 2	242.19
V9749	ELVIRA R.DEWITT	03/2019 DIRECTOR COMPENSATION	1,213.69
V9750	ELVIRA R.DEWITT	02/2019 DIRECTOR COMPENSATION PART 2	926.56
V9798	ROBERT E. KATHERMAN	Employee: D09; Pay Date: 4/15/2019	0.00
V9799	ELVIRA R.DEWITT	Employee: D14; Pay Date: 4/15/2019	0.00
V9800	SERGIO J. CALDERON	Employee: D11; Pay Date: 4/15/2019	0.00
15282	LONG BEACH, CITY OF	OPERATIONS AND MAINTENCE SERVICES	(100,000.00)
15637	4SITEVIDEO	VIDEO SERVICES	3,750.00
15638	AKM CONSULTING ENGINEERS	PROFESSIONAL SERVICES	9,535.00
15639	ARC	PLANWELL BILLING	120.00
15640	BACKFLOW APPARATUS & VALVE	BACKFLOW INSPECTION SERVICES	165.00
15641	CARLOS GAMBOA	RELEASE AGREEMENT/SETTLEMENT PAYMENT	19,452.00
15642	CDW GOVERNMENT	OFFICE SUPPLIES	2,162.55
15643	CENTRAL BASIN MUNICIPAL WATER DISTRICT	METROPOLITAN WATER READINESS TO SERVICE CHARGE	28,533.00
15644	CLIMATE PRO	QUARTERLY AC SYSTEM MAINTENANCE	807.00
15645	CLIMATE RESOLVE	EVENT SPONSORSHIP	1,000.00
15646	COUNTY SANITATION DISTRICT 2	WATER PURCHASES	306,122.21
15647	EARTHCAM	CONSTRUCTION CAMERA SERVICES	4,110.00
15648	EXP	EVENT SPONSORSHIP	1,500.00
15649	FRIENDS OF CABRILLO MARINE AQUARIUM	MEMBERSHIP DUES	2,500.00
15650	GARDENA VALLEY CHAMBER OF COMMERCE	MEMBERSHIP DUES	600.00
15651	GEIGER WEST MONROVIA	PROMOTIONAL ITEMS	2,126.92
15652	VOID	VOID	0.00
15653	HARRIS AMERICAN	OFFICE SUPPLIES	9.84
15654	HAZEN AND SAWYER	PROFESSIONAL SERVICES	768.75
15655	IN-SITU	FIELD SUPPLIES/EQUIPMENT	10,151.70
15656	J.F. SHEA CONSTRUCTION	CONSTRUCTION SERVICES	2,411,308.29
15657	LIFTECH ELEVATOR SERVICES	ELEVATOR MAINTENANCE SERVICES	418.00
15658	LONG BEACH, CITY OF	WATER PURCHASES	252,948.00
15659	PACIFIC RESOURCES SERVICES	PROFESSIONAL SERVICES	3,223.86
15660	PANERA	MEETING EXPENSES	1,641.04
15661	RANDOM LENGTHS NEWS	WATER CONSERVATION AD	375.00
15662	ROBERT E. BUSH	PROFESSIONAL SERVICES	6,000.00
15663	ROBERT HALF	TEMPORARY SERVICES	1,375.00
15664	STANDARD INSURANCE	DISABILITY INSURANCE PREMIUM	2,722.57

Check Number	Payee	Transaction Description	Check Amount
15665	STANLEY CONVERGENT SECURITY SOLUTIONS	MONITORING CHARGES	549.03
15666	TETRA TECH	PROFESSIONAL SERVICES	3,697.50
15667	THE HOUSE OF PRINTING	PRINTING SERVICES	1,057.00
15668	TORRANCE AREA CHAMBER OF COMMERCE	MEMBERSHIP DUES	285.00
15669	TORRANCE, CITY OF	OPERATIONS AND MAINTENCE SERVICES	61,397.71
15670	ULINE SHIPPING SUPPLIES SPECIALIST	SUPPLIES	320.85
15671	GREEN MEDIA CREATIONS	PRINTING SERVICES	250.00
15672	WECK LABORATORIES	LAB SERVICES	10,300.00
15673	WEST BASIN MUNICIPAL WATER DISTRICT	WATER PURCHASES	1,736,482.84
15674	CDW GOVERNMENT	CLOUD-MANAGED SWITCHES	44,455.25
15675	CHAMELEON BEVERAGE	PROMOTIONAL ITEMS	1,346.00
15676	COAST PARTY RENTALS	ARC TOUR	812.11
15677	GEIGER WEST MONROVIA	PROMOTIONAL ITEMS	12,124.61
15678	LOS ANGELES COUNTY DPW	LACDWP INSPECTION FEES	115.46
15679	LUGEOCO SPECIALTIES	PROMOTIONAL ITEMS	2,909.06
15680	ROBERT HALF	TEMPORARY SERVICES	1,065.63
15681	TGIS CATERING SERVICES	ARC TOUR	462.97
15682	THE HOUSE OF PRINTING	PRINTING SERVICES	5,000.87
15683	ALSTON & BIRD	LEGAL SERVICES	37,624.12
15684	ARCHIVESOCIAL	SOCIAL MEDIA ARCHIVING SERVICES	2,388.00
15685	BLAINE TECH SERVICES	FIELD SERVICES	5,300.00
15686	VOID	VOID	0.00
15687	CALIFORNIA CONTRACT CITIES ASSOC	SEMINAR REGISTRATION	600.00
15688	CARBON ACTIVATED CORP	CONSTRUCTION SERVICES	36,209.49
15689	CA ENVIRONMENTAL EDUCATION FOUNDATION	WEEA SPONSORSHIP	2,500.00
15691	VOID	VOID	0.00
15690	CH2M HILL ENGINEERS	PROFESSIONAL SERVICES	162,496.00
15692	CORONA PARENT TEACHER ASSOC	EVENT SPONSORSHIP	2,500.00
15693	CALIFORNIA WATER EFFICIENCY PARTNERSHIP	CONFERENCE REGISTRATION	250.00
15694	ENTERPRISE AUTOMATION	ON-CALL SCADA INTEGRATOR SERVICES	79,590.50
15695	HAZEN AND SAWYER	PROFESSIONAL SERVICES	17,887.50
15696	J.F. SHEA CONSTRUCTION	OPERATIONS AND MAINTENCE SERVICES	536,799.99
15697	LAS VIRGENES MUNICIPAL WATER DISTRICT	COOPERATIVE STUDY	4,997.33
15698	PACIFIC HYDROTECH CORPORATION	CONSTRUCTION SERVICES	437,902.50
15699	TORRANCE, CITY OF	OPERATIONS AND MAINTENCE SERVICES	34,749.12
15700	UNIVERISTY OF CALIFORNIA, IRVINE	EVENT SPONSORSHIP	15,000.00
15701	ALSTON & BIRD	LEGAL SERVICES	66,372.41
15702	VOID	VOID	0.00
15703	HACH COMPANY	LAB EQUIPMENT	8,793.73
15704	BINHUYEN BUI	PETTY CASH ACTIVITIES	2,002.67
15705	ABC EDUCATION FOUNDATION	EVENT SPONSORSHIP	500.00
15706	ACWA JOINT POWERS INSURANCE AUTHORITY	WORKERS' COMPENSATION PROGRAM	7,626.43
15707	AKD CONSULTING	PROFESSIONAL SERVICES	8,648.00
15708	AMERICAN RED CROSS	EVENT SPONSORSHIP	2,500.00
15709	ANGELVIEW, LLC (dba MULTIVISTA)	PHOTOGRAPHIC SERVICES	5,700.00
15710	API KIRK CONTAINERS	PROMOTIONAL ITEMS	4,882.40
15711	AQUILOGIC	PROFESSIONAL SERVICES	2,808.00
15712	ARC	PRINTING SERVICES	2,354.46
15713	ASBURY ENVIRONMENTAL SERVICES	VACUUM TRUCKING & DISPOSAL SERVICES	5,999.82
15714	BOMAN FORKLIFT	MAINTENANCE SERVICES	276.00
15715	BOYS AND GIRLS CLUB OF WHITTIER	EVENT SPONSORSHIP	1,500.00
15716	BUTIER ENGINEERING	PROFESSIONAL SERVICES	79,705.00
15717	CAFE RIO MEXICAN GRILL	MEETING EXPENSE	180.51
15718	CALIFORNIA CONTRACT CITIES ASSOC	SEMINAR REGISTRATION	600.00
15719	CALIFORNIA LATINO LEADERSHIP INSTITUTE	EVENT SPONSORSHIP	5,000.00
15720	CINCO DE MAYO COMMITTEE	EVENT SPONSORSHIP	500.00
15721	DAKOTA COMMUNICATION	PROFESSIONAL SERVICES	50,083.13
15722	DELI NEWS PIZZA	MEETING EXPENSES	65.01
15723	ENVIRONMENTAL SCIENCE ASSOC	PROFESSIONAL SERVICES	4,587.50
15724	GEOTECH ENVIRONMENTAL EQUIPMENT	FIELD SUPPLIES	215.11
15725	GHD	PROFESSIONAL SERVICES	428,644.47
15726	HARRIS AMERICAN	OFFICE SUPPLIES	1,662.92
15727	HEAL THE BAY	EVENT SPONSORSHIP	2,400.00
15728	IN-SITU	FIELD SUPPLIES	174.84
15729	INDEPENDENT CITIES ASSOC	CONFERENCE SPONSORSHIP	5,000.00
15730	INTERA INCORPORATED	PROFESSIONAL SERVICES	14,810.00
15731	GANNETT FLEMING	PROFESSIONAL SERVICES	107,268.56
15732	KENNEDY COMMUNICATIONS	PROFESSIONAL SERVICES	20,700.00
15733	KIDANE & ASSOCIATES	PROFESSIONAL SERVICES	6,000.00
15734	KINDEL GAGAN	PROFESSIONAL SERVICES	12,137.50
15735	LAKEWOOD, CITY OF	EVENT SPONSORSHIP	750.00
15736	LAKEWOOD LIVE SCAN FINGERPRINTING & NOTARY	NOTARY SERVICES	65.00
15737	LANG, HANSEN, O'MALLEY AND MILLER	PROFESSIONAL SERVICES	6,000.00
15738	LA OPINION	WATER CONSERVATION AD	1,750.00
15739	LONG BEACH LESBIAN AND GAY PRIDE	EVENT SPONSORSHIP	1,000.00
15740	LEAL & TREJO	LEGAL EXPENSES	1,357.24
15741	NANCY WHELAN	MEDICAL INSURANCE COVERAGE	768.80
15742	McMASTER-CARR SUPPLY	FIELD SUPPLIES	412.90

Check Number	Payee	Transaction Description	Check Amount
15743	MIGUEL CONTRERAS FOUNDATION	EVENT SPONSORSHIP	2,500.00
15744	MNS ENGINEERS	PROFESSIONAL SERVICES	10,787.50
15745	NORTHSOUTH GIS	PROFESSIONAL SERVICES	2,035.50
15746	PACIFIC RESOURCES SERVICES	PROFESSIONAL SERVICES	3,673.18
15747	PALOS VERDES PENINSULA LAND CONSERVANCY	EVENT SPONSORSHIP	500.00
15748	PANERA	MEETING EXPENSES	163.65
15749	RANDOM LENGTHS NEWS	NEWSPAPER AD	1,600.00
15750	REGISTRAR-RECORDER/COUNTY CLERK	GENERAL ELECTION EXPENSES	1,701,323.49
15751	ROBERT E. BUSH	PROFESSIONAL SERVICES	3,000.00
15752	SIGN-A-RAMA	SIGN INSTALLATION	820.74
15753	SOUTH BAY CITIES COUNCIL OF GOVERNMENTS	OUTREACH SUPPORT	13,000.00
15754	SYSTEMS SOURCE	OFFICE RECONFIGURATION	2,604.51
15755	TETRA TECH	PROFESSIONAL SERVICES	4,518.50
15756	TGIS CATERING SERVICES	MEETING EXPENSES	950.46
15757	WECK LABORATORIES	LAB SERVICES	20,512.00
15758	WORLEY PARSONS GROUP	PROFESSIONAL SERVICES	20,942.70
15759	FIRST CHOICE BANK	CREDIT CARD CHARGES	5,512.41
15760	LONG BEACH, CITY OF	OPERATIONS AND MAINTENCE SERVICES	94,733.39
15761	LEO'S SILK SCREEN	PROMOTIONAL ITEMS	1,550.52
15762	LOMITA RAILROAD MUSEUM FOUNDATION	EVENT SPONSORSHIP	500.00
15763	AMERICAN SOCIETY OF CIVIL ENGINEERS	ANNUAL MEMBERSHIP RENEWAL	300.00
15764	CONTROLLED KEY SYSTEM	OFFICE MAINTENANCE SERVICES	139.00
15765	DMJ CONSULTING GROUP	FIELD SERVICES	20,178.15
15766	ENVIRONMENT CONTROL GREATER ORANGE COUNTY	JANITORIAL SERVICES	240.00
15767	GRAYBAR ELECTRIC	TECHNOLOGY TRANSFER SERVICES	2,380.32
15768	LONG BEACH, CITY OF	RECLAIMED WATER PURCHASES	185.22
15769	LOS ANGELES, CITY OF DWP	WATER PURCHASES	82,404.37
15770	MARIA A. MACIAS	FLORAL SERVICES	2,200.00
15771	REEB GOVERNMENT RELATIONS	PROFESSIONAL SERVICES	30,000.00
15772	ROBERT HALF	TEMPORARY SERVICES	1,306.25
15773	SEPARATION PROCESSES	PROFESSIONAL SERVICES	2,842.07
15774	STANLEY CONVERGENT SECURITY SOLUTIONS	MONITORING CHARGES	117.93
15775	TORRANCE, CITY OF	PLANT SITE RENT	8,075.70
15776	CALIFORNIA STATE DISBURSEMENT UNIT	COD PAYMENT	320.76
15777	FRANCHISE TAX BOARD	COD PAYMENT	19.11
15778	US STANDARD PRODUCTS	OFFICE SUPPLIES	1,644.40
ACH190313-1	FRONTIER COMMUNICATIONS	MONTHLY PHONE SERVICES	789.67
ACH190313-2	SOUTHERN CALIFORNIA EDISON	MONTHLY ELECTRICITY	13,660.36
ACH190401-1	CHEVRON AND TEXACO CARD SERVICES	MONTHLY FUEL CHARGES	108.79
ACH190401-2	EDCO WASTE SERVICES	LOCK LIDS/WASTE SERVICES	147.64
ACH190401-3	FEDERAL EXPRESS CORPORATION	FEDEX SERVICES	756.73
ACH190401-5	FIRST CHOICE BANK	CREDIT CARD CHARGES	25,483.33
ACH190401-6	FIRST CHOICE BANK	CREDIT CARD CHARGES	15,442.51
ACH190401-7	THE GAS COMPANY	MONTHLY GAS CHARGES	45.34
ACH190401-8	TIME WARNER CABLE/SPECTRUM BUSINESS	MONTHLY INTERNET SERVICES	3,164.56
ACH190401-9	TORRANCE, CITY OF	WATER USAGE	2,400.65
ACH190405-1	CHEVRON AND TEXACO CARD SERVICES	MONTHLY FUEL CHARGES	683.93
ACH190405-10	TIME WARNER CABLE/SPECTRUM BUSINESS	MONTHLY INTERNET SERVICES	3,888.95
ACH190405-2	EDCO WASTE SERVICES	LOCK LIDS/WASTE SERVICES	147.64
ACH190405-3	EXXON MOBIL	MONTHLY FUEL CHARGES	528.12
ACH190405-4	FEDERAL EXPRESS	FEDEX SERVICES	420.80
ACH190405-5	MITEL CLOUD SERVICES	MONTHLY PHONE SERVICES	1,017.74
ACH190405-6	PEPSI-COLA	SUPPLIES	932.48
ACH190405-7	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	989.22
ACH190405-8	SOUTHERN CALIFORNIA EDISON	MONTHLY ELECTRICITY	80.54
ACH190405-9	THE GAS COMPANY	MONTHLY GAS CHARGES	35.24
ACH190419	PITNEY BOWES	POSTAGE METER LEASE	690.68
ACH190422-1	FEDERAL EXPRESS CORPORATION	FEDEX SERVICES	411.49
ACH190422-2	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	846.93
ACH190422-3	FIRST CHOICE BANK	CREDIT CARD CHARGES	2,638.34
ACH190430-1	AT&T	MONTHLY PHONE SERVICES	326.86
ACH190430-2	CALIFORNIA WATER SERVICE	MONTHLY WATER SERVICES	81.58
ACH190430-3	EDCO WASTE SERVICES	RECYCLE/WASTE SERVICES	173.56
ACH190430-4	SOUTHERN CALIFORNIA EDISON	MONTHLY ELECTRICITY	33,201.85
ACH190430-5	THE GAS COMPANY	MONTHLY GAS CHARGES	1,076.22
ACH190430-6	TIME WARNER CABLE/SPECTRUM BUSINESS	MONTHLY INTERNET SERVICES	3,164.85
ACH190430-7	TORRANCE, CITY OF	MONTHLY WATER SERVICE - 4555 SEPULVEDA	13.52
ACH190430-8	VERIZON WIRELESS	MONTHLY PHONE SERVICE	130.02
ACH190430-9	WESTERN EXTERMINATOR COMPANY	PESTICIDE SERVICE	130.00
TOTAL DEMANDS FOR APRIL 2019			<u>9,807,515.10</u>



MEMORANDUM

ITEM NO. 5

DATE: JUNE 17, 2019

TO: FINANCE/AUDIT COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: FINANCIAL STATEMENTS – APRIL 2019

The attached financial statements include the Statement of Net Assets (Balance Sheet) as of April 30, 2019 and the Statement of Revenues, Expenditures and Changes in Net Assets (Income Statement) for the month ending April 30, 2019. Explanation of selected account balances are as follows:

Statement of Net Assets: **July 1, 2018 – April 30, 2019**

ASSETS

Cash and Cash Equivalents – The issuance of the District's 2018 Revenue Bond increased Restricted Cash to record the bond proceeds reserved for Capital Projects.

Accounts Receivable – This account often fluctuates due to the timing of receiving payments for the monthly water production from pumpers. In addition, the District received grant funding from the Clean Water State Revolving Fund Grant (CWSRF) for ARC (AWTF) in fiscal year 2017/18.

Plant & Equipment – The Robert W. Goldsworthy Desalter expansion was completed and capitalized to fixed assets this year.

Construction-In-Progress – Construction Work in Progress (CWIP) increased by \$23 Million, reflecting expenditures related to the on-going construction of the ARC Advanced Water Treatment Facility.

LIABILITIES

Accounts Payable – A payment of \$8.1 million was made to J.F. Shea in fiscal year 2017/18 associated with their work on ARC. Accounts payable are lower in 2018/19 as payments are more in line with historical trends.

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	24,469,696
Restricted Cash	(18,936,608)
Construction-In-Progress	23,255,918
Accumulated Depreciation	<u>(3,855,038)</u>
Total	<u>\$24,933,968</u>

Unrestricted – The Change/Variance of Total Assets, Total Liabilities and Invested in Capital Assets is (\$14,883,929).

Statement of Revenues, Expenditures and Changes in Net Assets:
July 1, 2018 – April 30, 2019

REVENUE

Water Replenishment Assessment – Revenue reflected in the current year is behind by one month of revenue as the current fiscal year's accounting cycle was changed to facilitate an earlier monthly close. This month will be captured as part of the year-end closing, and annual revenues will reflect the entire twelve month period.

EXPENSES

Cost of Spreading Water – More imported water delivery was purchased in the prior year for replenishment purposes.

Cost of Injected Water – The costs reflect the decrease in recycled water delivery to the West Coast and Dominguez Gap Barriers.

Statement of Revenues, Expenditures and Changes in Net Assets for April 2019

REVENUES

Revenues are higher than last month due to higher Replenishment Assessment revenues, reflecting greater pumping volumes.

EXPENSES

Cost of Spreading Water – The District reimbursed the Main San Gabriel Basin Watermaster of \$1.2M for discharged of treated water from the Whittier Narrows Operable Unit (WNOU) Project into Central Basin during the water year 2017/18.

Cost of Injected Water – The increase is due to timing of receiving invoices from the City Los Angeles Department of Water and Power for recycled for the Dominguez Gap Barrier.

INCOME (LOSS) BEFORE CONTRIBUTIONS

Income before contributions reflects a \$1.1 million dollar loss than in March due primarily to the higher cost of water and about \$603,000 of election expenses, offset by the approximately \$634,000 of higher revenues due to greater pumping.

STAFF RECOMMENDATION

The Finance/Audit Committee recommends the Board of Directors approve the Financial Statements for April 2019.

Water Replenishment District of Southern California
Statement of Revenues, Expenditures and Changes in Net Assets
For the Month of April 30, 2019

	Total	Prior Month Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	5,303,347	4,709,766	593,581
Late Payment Penalties			-
MWD Subsidy	33,825	33,525	300
OCWD Recycled Water Product	-	1,618	(1,618)
Desalter Revenue	126,294	84,569	41,725
Title 22 Monitoring Program	-	-	-
Total Operating Revenues	5,463,465	4,829,478	633,987
Operating Expenses			
Cost of Water			
Spreading	1,432,787	306,122	1,126,665
Injected	2,431,958	1,947,507	484,452
In-Lieu			-
Connection Fees	86,514	80,050	6,464
Total Cost of Water	3,951,260	2,333,679	1,617,581
General & Administrative			
Salaries, Taxes & Benefits	600,919	600,626	292
Postemployment Benefits	-	-	-
Conference & Travel	16,896	27,121	(10,225)
Office Expenses	92,389	32,259	60,130
Utilities	27,079	55,883	(28,804)
Rents & Leases	9,228	16,461	(7,233)
Repairs & Maintenance	16,258	29,171	(12,913)
Material & Equipment	72,478	89,656	(17,178)
General Liability Insurance	-	75,656	(75,656)
Professional Fees	959,240	987,981	(28,741)
Other General & Administrative	4,315	6,678	(2,363)
Total General & Administrative	1,798,801	1,921,493	(122,692)
Depreciation	403,767	404,292	(525)
Total Operating Expenses	6,153,828	4,659,464	1,494,364
Operating Income (Loss)	(690,363)	170,014	(860,377)
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	176,201	2,877	173,325
Election Expenses	(601,323)	-	(601,323)
Investment Earnings	45	133,096	(133,051)
Miscellaneous	16,039	-	16,039
Total Revenues	(409,039)	135,972	(545,011)
Expenses			
Interest Expenses	-	-	-
Non-RA Related Expenses	(44,693)	(318,614)	273,921
Total Expenses	(44,693)	(318,614)	273,921
Total Non-Operating Revenues (Expenses)	(453,731)	(182,641)	(271,090)
Income (Loss) Before Contributions	(1,144,094)	(12,627)	(1,131,467)
Contributions			
Capital Contributions- Grant	-	49,909	(49,909)
CIP Expenses	562,742	(290,000)	852,742
Change in Net Assets	(1,706,836)	327,282	(2,034,117)

Water Replenishment District of Southern California
Statement of Revenues, Expenditures and Changes in Net Assets
As of April 30, 2019

	Total	Prior Year Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	50,810,447	57,634,870	(6,824,423)
Late Payment Penalties			-
MWD Subsidy	358,947	65,457	293,490
OCWD Recycled Water Product	6,352	44,620	(38,268)
Desalter Revenue	847,450	-	847,450
Title 22 Monitoring Program	117,741	127,210	(9,469)
Total Operating Revenues	52,140,937	57,872,157	(5,731,220)
Operating Expenses			
Cost of Water			
Spreading	7,092,685	10,200,393	(3,107,708)
Injected	17,593,178	22,816,975	(5,223,797)
In-Lieu			-
Connection Fees	1,350,917	5,525,301	(4,174,384)
Total Cost of Water	26,036,780	38,542,669	(12,505,889)
General & Administrative			
Salaries, Taxes & Benefits	6,331,410	5,298,037	1,033,373
Postemployment Benefits	878,256	-	878,256
Conference & Travel	170,699	148,320	22,379
Office Expenses	919,226	767,998	151,228
Utilities	523,218	283,191	240,027
Rents & Leases	117,761	119,081	(1,320)
Repairs & Maintenance	260,055	159,691	100,364
Material & Equipment	436,587	281,853	154,734
General Liability Insurance	182,825	166,779	16,046
Professional Fees	7,594,641	4,738,868	2,855,773
Other General & Administrative	124,731	19,126	105,605
Total General & Administrative	17,539,409	11,982,943	5,556,466
Depreciation	3,855,038	3,429,929	425,109
Total Operating Expenses	47,431,227	53,955,542	(6,524,315)
Operating Income (Loss)	4,709,710	3,916,616	793,094
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	594,312	552,074	42,239
Election Expenses	(601,323)	-	(601,323)
Investment Earnings	506,126	183,285	322,841
Miscellaneous	165,529	(1,165)	166,694
Total Revenues	664,644	734,193	(69,550)
Expenses			
Interest Expenses	-	(2,480,912)	2,480,912
Non-RA Related Expenses	(570,288)	(402,084)	(168,204)
Total Expenses	(570,288)	(2,882,996)	2,312,708
Total Non-Operating Revenues (Expenses)	94,356	(2,148,803)	2,243,158
Income (Loss) Before Contributions	4,804,066	1,767,813	3,036,253
Contributions			
Capital Contributions- Grant	5,668,866	6,140,156	(471,290)
CIP Expenses	422,894	(66)	422,960
Change in Net Assets	10,050,038	7,908,035	2,142,002

Water Replenishment District of Southern California
Statement of Net Assets
As of 4/30/2019

Assets	<u>Total</u>	Prior Year	<u>Total</u>	<u>Variance</u>
Current Assets				
Cash and Cash Equivalents	\$ 51,304,577	\$	48,367,761	2,936,816
Restricted Cash	84,329,472		22,945,931	61,383,541
Accounts Receivable	14,321,390		41,187,579	(26,866,189)
Deposit Receivable	-		(17,587)	17,587
Interest Receivable	-		-	-
Prepaid Expenses	6,521,037		6,587,738	(66,701)
Total Current Assets	\$ 156,476,475	\$	119,071,422	37,405,053
Noncurrent Assets				
Notes Receivable, Noncurrent	\$ 616,881	\$	616,881	-
Plant & Equipment	142,410,351		117,940,655	24,469,696
Land	16,673,742		16,673,742	-
Construction-In-Progress	179,374,500		156,118,582	23,255,918
Deferred Charges	1		1	-
Accumulated Depreciation	(43,602,212)		(39,747,174)	(3,855,038)
Total Noncurrent Assets	\$ 295,473,262	\$	251,602,686	43,870,576
Deferred Outflows of Resources	\$ 2,707,779	\$	2,707,779	\$ -
Deferred Outflows of Resources - OPEB	\$ 1,008,661	\$	1,008,661	\$ -
Total Assets	\$ 455,666,178	\$	374,390,548	\$ 81,275,629
Liabilities				
Current Liabilities				
Accounts Payable	\$ 7,678,169	\$	15,334,051	(7,655,882)
Interest Payable - Bond	1,688,225		2,854,458	(1,166,233)
Accrued Payroll	10,404		162,358	(151,954)
Accrued Employee Benefits	(3,784)		92,442	(96,227)
Accrued Postemployment Benefits	-		-	-
Deferred Compensation	-		24,263	(24,263)
Deferred Revenue - RA	-		-	-
Cal Trans 0690	5,091,864		5,132,802	(40,938)
Long term Debt - Bond Payable	173,443,977		165,985,846	7,458,131
Long term Notes Payable	122,803,042		49,900,086	72,902,956
Other Liabilities	-		-	-
Total Current Liabilities	\$ 310,711,896	\$	239,486,306	71,225,590
Noncurrent Liabilities				
Compensated Absences	\$ 554,236	\$	554,236	\$ -
Net Pension Liability	4,942,077		4,942,077	-
Net OPEB Liability	4,913,070		4,913,070	-
Total Noncurrent Liabilities	\$ 10,409,383	\$	10,409,383	\$ -
Deferred Inflows of Resources	\$ 204,978	\$	204,978	\$ -
Deferred Inflows of Resources - OPEB	\$ 13,170	\$	13,170	\$ -
Total Liabilities	\$ 321,339,428	\$	250,113,838	\$ 71,225,590
Net Assets				
Invested in Capital Assets, Net of Related Debt	\$ 78,463,851	\$	53,529,883	24,933,968
Unrestricted	55,862,899		70,746,828	(14,883,929)
Total Net Assets	\$ 134,326,750	\$	124,276,711	10,050,039
Total Liabilities & Net Assets	\$ 455,666,178	\$	374,390,548	81,275,629

**MEMORANDUM****ITEM NO. 6**

DATE: JUNE 17, 2017

TO: FINANCE/AUDIT COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING APRIL 30, 2019

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

RESERVE BALANCE

As of April 30, 2019, the District has \$10,917,000 in operating reserve. The following pages provide specific breakdowns of the District cash and investments.

RESTRICTED FUNDS – Restricted by the Board of Directors to recognize future commitments of resources prior to the actual expense.

Restricted for Capital Projects – Funds committed to the Safe Drinking Water Program or set aside for long term capital replacement costs at the Leo J. Vander Lans Advanced Water Treatment Facility and the Robert W. Goldsworthy Desalter.

1. Safe Drinking Water Program*Source of Funds:**Replenishment Assessment**Use of Funds:**Encumbered for Safe Drinking Water Projects*

Restricted for Safe Drinking Water Loan Program	<u>\$ 3,336,000</u>
-------------------------------------------------	----------------------------

2. Well Rehabilitation Program*Source of Funds:**Replenishment Assessment**Use of Funds:**Encumbered for Well Rehabilitation Program*

Restricted for Well Rehabilitation Program	<u>\$ 1,500,000</u>
--------------------------------------------	----------------------------

3. Capital Replacement / Construction*Source of Funds:**Replenishment Assessment**Use of Funds:**Encumbered for Projects Below*

Leo J. Vander Lans Water Treatment Facility	\$ 3,708,000
Goldsworthy Desalter	<u>949,000</u>

Restricted for Capital Projects	<u>\$ 4,657,000</u>
---------------------------------	----------------------------

Total Restricted for Capital Projects	<u>\$ 9,493,000</u>
----------------------------------------------	----------------------------

Water Purchase Carryover Fund – This category of represents funds restricted by the Board of Directors as follows:

<u>Source of Funds:</u>	<i>Replenishment Assessment</i>
<u>Use of Funds:</u>	<i>Restricted for Water Purchases</i>

Restricted Balance in Account	<u>\$ 18,229,000</u>
--------------------------------------	-----------------------------

Debt Service Reserve Fund – Based on the rate covenant, pursuant to the District’s Master Agreement, the net revenues less payments made by the WRD for purchase and delivery of water, availability payments for water and In Lieu Payments made during the fiscal year is equal to a minimum of 120% of the Debt Service on Senior Obligations for the fiscal year.

These funds are reviewed by the Budget Advisory Committee each year during the rate setting process and are used to maintain the District’s AA+ rating. We have recently experienced the value of maintaining such a fund during the issuance of the District’s Series 2015 Water Revenue Bonds when the WRD obtained AAA pricing in the market due, in part, to its strong financial position.

The change from the prior month of \$14,449,000 is due to the accrual of the 2015-16 amounts set aside for the debt service reserve which was not included in the previous reports for 2015-16.

<u>Source of Funds:</u>	<i>Replenishment Assessment</i>
<u>Use of Funds:</u>	<i>Restricted for Debt Service</i>

Total Restricted for Debt Service	<u>\$ 14,901,000</u>
------------------------------------------	-----------------------------

The District’s reserve balances are presented as follows:

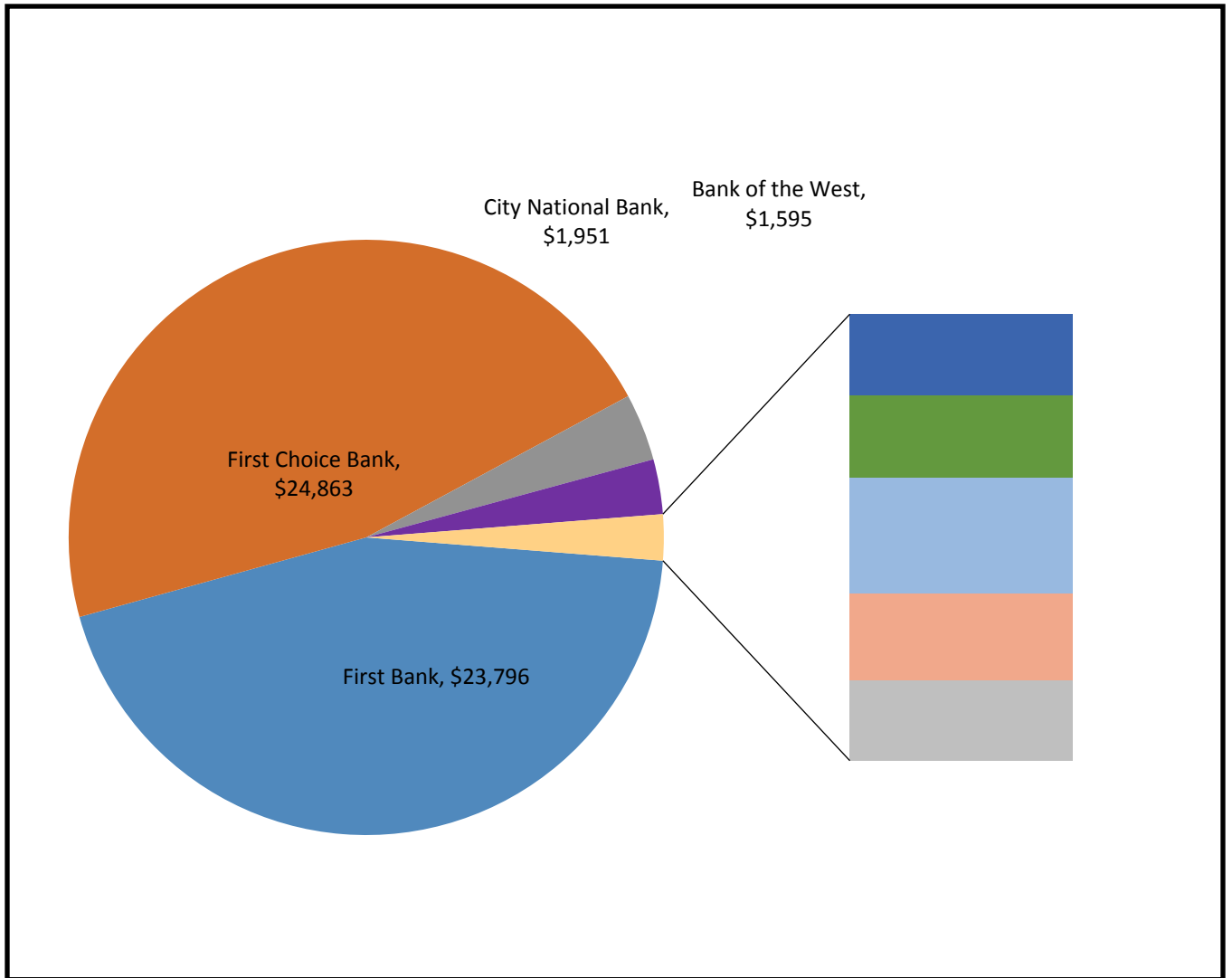
Restricted Funds:	
Capital Projects	\$ 9,493,000
Water Purchase Carryover Fund	18,229,000
Debt Service Reserve Fund	<u>14,901,000</u>
Total Restricted Funds	<u>\$ 42,623,000</u>
Operating Reserve Fund	<u>\$ 10,917,000</u>
Water Master Carryover Conversion	<u>\$ 4,079,000</u>
Total	<u>\$ 57,619,000</u>

CASH AND INVESTMENTS

At the direction of the Board of Directors, on March 31, 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 thousand)

Cash and Investments:	
Manufacturers Bank ¹	\$348,000
First Choice Bank ¹	24,863,000
City National Bank ¹	1,951,000
Bank of the West ¹	1,595,000
Banc of California (formally Beach Business Bank) ¹	243,000
Broadway Federal Bank ¹	246,000
Union Bank ¹	240,000
First Bank ¹	23,796,000
Preferred Bank ¹	<u>258,000</u>
Total Cash in Bank	<u>\$53,540,000</u>



Footnotes:

1 – Cash & Cash Equivalents and Certificates of Deposit: Amounts are either insured by the Federal Deposit Insurance Corporation (FDIC) or secured by the bank’s assets. Funds are also held in Certificate of Deposit Account Registry Service (CDARS) and Insured Cash Sweep (ICS); a very safe way to invest funds 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

For discussion and possible action.



MEMORANDUM

ITEM NO. 7

DATE: JUNE 17, 2019
TO: FINANCE/AUDIT COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: TRUST REPORT – APRIL 2019

SUMMARY

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

FISCAL IMPACT

None

STAFF RECOMMENDATION

The Finance/Audit Committee recommends the Board of Directors approve the monthly Trust Report.

Water Replenishment District of Southern California
Trust Fund Report
April 30, 2019

<u>Fund Purpose</u>	<u>Beginning Balance</u>	<u>Inflows</u>	<u>Interest Income or Change in Net Investments</u>	<u>Disbursements</u>	<u>Ending Balance</u>
2015 Revenue Bonds					
Acquisition Fund	5,856,877.45		9,306.85	-	5,866,184.30
Cost of Issuance Fund	-	-	-	-	\$0
Principal Account	631.29		1.00	-	632.29
Interest Account	688.82	-	1.09	-	\$689.91
Debt Service Fund	-	-	-	-	\$0
2018 Revenue Bonds					
Acquisition Fund	73,372,307		116,797	0	\$73,489,104
Cost of Issuance Fund	14,772	0	28	(6,750)	\$8,050
Principal Account	0		0	0	\$0
Interest Account	1,651,653	0	2,629	0	\$1,654,282
Held for semi-annual bond payment	0	0	0	0	\$0
Transfer of Grant Funds from Operating	0	0			\$0
CalTrans Trust Fund (BancWest)	\$5,551,598	\$0	\$274	\$0	\$5,551,872
	86,448,527.96	-	129,036.32	(6,750.00)	86,570,814.28

I hereby certify that all investment actions executed since the last report have been made in full compliance with the District's 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 expenses.

Rob Katherman, Treasurer

Date