

KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, May 16, 2023
3:00 P.M.

AGENDA

This meeting will be conducted at the District office in accordance with the Brown Act and AB 2449. Public comment may be made in person or submitted via email to kinneloa@outlook.com prior to the meeting, any information submitted will become part of the official record. The public may participate at the office or via computer or telephone using the following information: <https://us02web.zoom.us/j/85061795151?pwd=QURaWGV5Lzg3dmEvcGx1Ujl6akRHdz09>

Meeting ID: 850 6179 5151

Passcode: 156331

Telephone: 669 900 9128

1. **CALL TO ORDER** – 3:00 P.M.
 - a. Declaration of a quorum
 - b. Review of agenda

2. **PUBLIC COMMENT** – Comments from the Public regarding items on the Agenda or other items within the jurisdiction of the District
In compliance with the Brown Act, the Board cannot discuss or act on items not on the Agenda. However, Board Members or District Staff may acknowledge Public comments, briefly respond to statements or questions posed by the Public, ask a question for clarification, or request Staff to place item on a future Agenda (Government Code section §54954.2)

3. **FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 AND INDEPENDENT AUDITOR’S REPORT** –
Auditor and General Manager to summarize report and respond to questions.
Recommended Action: Review and approve motion to file.

4. **REVIEW OF MINUTES** – April 18, 2023, Regular Meeting
Recommended Action: Review and approve motion to file.

5. **REVIEW OF FINANCIAL REPORTS** – March 31, 2023 and April 30, 2023
Recommended Action: Review and approve motion to file.

6. **INFORMATION ITEMS**
 - a. Division 5 Board of Director Vacancy effective April 18, 2023. Board action required by June 17, 2023 on appointment or calling for election.
 - b. Update on general election on 11/7/23 for Division 1, 4 and 5
 - c. Customer Outreach –June Newsletter
 - d. Subeca Customer Interface Rollout
 - e. Tunnel Production Status
 - f. Fluoride Variance Expiration
 - g. 1850 Kinneloa Canyon Road – mainline upgrade project
 - h. 2023 Progress Budget Review and Forecast

- 7. AD HOC PERSONNEL COMMITTEE REPORT** – Information item presented by the Committee Chair
- a. Review Proposed Changes to the Employee Policy and Procedures Manual
 - b. Discuss and Approve General Manager’s request to normalize office hours as follows: Monday through Thursday 8am-5pm, alternating Fridays 8am-5pm with the office closed every other Friday beginning with June 8, 2023 as the first closed Friday.

- 8. AD HOC FINANCE COMMITTEE REPORT** – Information item presented by the Committee Chair

- 9. GENERAL MANAGERS REPORT** – Information item presented by the General Manager.
Recommended Action: General Manager to summarize the report and respond to questions

- 10. KINNELOA IRRIGATION DISTRICT GOALS AND OBJECTIVES FOR 2023**
Discussion of the District’s goals and objectives for calendar year 2023.

- 11. DIRECTOR REPORTS AND/OR COMMENTS** –
In accordance with Government Code §54954.2 Directors may make brief announcements or brief reports on their own activities. Directors may ask a question for clarification, provide a reference to staff or other resources for information, request staff to report back to the Directors at a subsequent meeting, or act to direct staff to place a matter of business on a future agenda.

- 12. CALENDAR** – Upcoming regular meetings: June 20, 2023 July 18, 2023 August 15, 2023

13. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, please contact the District office 48 hours prior to the meeting at 626-797-6295. 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. Material related to an item on this agenda submitted after distribution of the agenda packet is available for public review at the District office or online at the District’s website <https://kinneλοairrigationdistrict.info>.

**KINNELOA IRRIGATION DISTRICT
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

AND INDEPENDENT AUDITOR'S REPORT

DRAFT

**KINNELOA IRRIGATION DISTRICT
INDEX TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

	Page
Board of Directors and District Personnel	1
Management's Discussion and Analysis	2
Independent Auditor's Report	7
Statements of Net Position	10
Statements of Revenues, Expenses and Changes in Net Position, For the Years Ended December 31, 2022 and 2021	11
Statements of Cash Flows, For the Years Ended December 31, 2022 and 2021	12
Notes to Financial Statements	14
Supplementary Information	26

DRAFT

**KINNELOA IRRIGATION DISTRICT
BOARD OF DIRECTORS AND DISTRICT PERSONNEL
AS OF DECEMBER 31, 2022**

BOARD OF DIRECTORS

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Gordon Johnson	Chairman	2025
Thomas Majich	Treasurer	2023
Gerrie Kilburn	Director	2023
Stephen Brown	Secretary	2025
David Moritz	Director	2023

MANAGEMENT PERSONNEL

Thomas Majich	General Manager	Effective Feb. 27, 2023
Martin Aragon	Interim General Manager	

OFFICE PERSONNEL

Martin Aragon	Office Manager
Melanie Timoteo	Administrative Assistant
Bernadette Allen	Administrative Assistant

FIELD PERSONNEL

Chris Burt	Senior Facilities Operator
Michele Ferrell	Senior Facilities Operator
Brian Fry	Facilities Operator
Juan Tello	Facilities Maintenance Worker

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

Management's discussion and analysis of the financial performance of Kinneloa Irrigation District (the "District") provides an overview of the District's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the District's financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

The District's operating revenues, consisting primarily of water sales, decreased by 7% to \$1,770,003 as compared to 2021 operating revenues of \$1,900,436. The decrease is primarily the result of reduction in demand due to customer conservation behavior and milder summer temperatures.

Total operating, maintenance, administrative and general expenses including depreciation increased by 16% to \$2,046,198 as compared to \$1,764,507 in 2021. The net increase is primarily due to an increase in labor expense, an increase in the GASB 68 estimate, and costs associated with the separation of the former General Manager. A schedule of expenses is presented on page 26.

DESCRIPTION OF BASIC FINANCIAL STATEMENTS

The District operates as a utility enterprise and its annual report consists of a series of financial statements presented on the full accrual basis of accounting. The Balance Sheets and the Statements of Revenues, Expenses and Changes in Net Position provide information about the District as a whole and present a longer-term view of the District's finances.

DESCRIPTION OF OPERATIONS

The District provides water to 590 retail customers in a service area that includes a portion of the unincorporated Los Angeles County that is east of Altadena and an adjacent portion of the City of Pasadena. The District also sells excess groundwater when available to the City of Pasadena on a wholesale basis.

The District obtains its water from two vertical wells and five horizontal wells. These sources are sufficient to meet customer demand except in periods of extreme drought or other emergency. The District has six interconnections with the City of Pasadena municipal water system which allow either agency to supply water to the other agency under emergency conditions.

More information about the Kinneloa Irrigation District can be found on our Internet site at www.kinneloairrigationdistrict.info.

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

CONDENSED FINANCIAL INFORMATION

The following condensed financial information provides an overview of the District’s financial activities as of December 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
ASSETS AND DEFERRED OUTFLOWS		
Current assets	\$ 2,110,260	2,413,524
Capital assets, net	5,173,690	5,278,468
Deferred outflows of resources	207,421	64,858
Total assets and deferred outflows of resources	<u>\$ 7,491,371</u>	<u>7,756,850</u>
LIABILITIES AND DEFERRED INFLOWS		
Current liabilities	\$ 300,410	221,854
Noncurrent liabilities	1,579,118	1,446,730
Deferred inflows of resources	46,454	160,498
Total liabilities and deferred inflows of resources	<u>1,925,982</u>	<u>1,829,082</u>
NET POSITION		
Investment in capital assets	5,173,690	5,278,468
Unrestricted	391,699	649,300
Total net position	<u>5,565,389</u>	<u>5,927,768</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 7,491,371</u>	<u>7,756,850</u>

Capital and other assets – The change in capital and other assets is net of a decrease in capital and other assets less current year’s depreciation of \$347,043.

Net position – The net position decreased from the prior year due to the current year’s excess of expenses over revenues. Unrestricted net assets consist of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

CHANGES IN NET POSITION

	<u>2022</u>	<u>2021</u>
Total operating revenues	\$ 1,770,003	1,900,436
Total non-operating revenues	<u>27,507</u>	<u>14,328</u>
Total revenues	1,797,510	1,914,764
Total operating expenses	2,046,198	1,764,507
Total non-operating expenses	<u>113,691</u>	<u>70,211</u>
Total expenses	<u>2,159,889</u>	<u>1,834,718</u>
Change in net position	(362,379)	80,046
Net position, beginning of year	<u>5,927,768</u>	<u>5,847,722</u>
Net position, end of year	<u>\$ 5,565,389</u>	<u>5,927,768</u>

Revenues – Retail water sales by volume increased to 649 acre-feet as compared to 646 acre-feet in 2021 and the total operating revenue decreased to \$1,770,003 from \$1,900,436.

The District also received \$27,507 in non-operating revenue from interest on its temporary investments and an unrealized loss of \$59,582 in a temporary investment. The District's cash and temporary investments at year end were \$1,887,347 and \$2,193,319 in 2022 and 2021, respectively. The District has identified \$5,196,000 in future projects in its Water Master Plan. The temporary investments will be used for some of these projects and also provide an operating reserve in accordance with the District's reserve policy.

Expenses – The District's operating and maintenance expenses increased by \$87,895 in 2022 as compared to 2021. This increase is due primarily to an increase in the labor costs and utilities. The District's administrative and general expenses increased by \$177,979 due primarily to changes in estimates relating to GASB 68. A schedule of these expenses is provided on page 26.

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

BUDGET ANALYSIS AND VARIANCES

Revenue from water sales for 2022 was \$1,745,478 as compared to the budgeted amount of \$1,600,000 for retail and wholesale water sales. The budgeted revenue was based on the actual amount from the previous year, adjusted for rate changes and/or expected new service connections for the year. Total revenue for 2022 was \$1,770,003 as compared to the budgeted amount of \$1,610,000.

Overall, for 2022, the net operating income before depreciation was \$467,155, as compared to the budgeted amount of \$94,581. Capital and planned maintenance projects in the amount of \$592,138 were completed as compared to the budgeted amount of \$777,538. The cash reserve at year end was \$2,193,319 which is in the target range of \$1,000,000 to \$5,500,000 established by the Board in the Reserve Policy Funding Guidelines in the District’s Rules and Regulations. Each year the District budgets amounts for capital projects and planned maintenance projects based on its expected operations and available reserves. In 2022, the major projects and equipment purchases included the installation of an advanced water metering system for real time measurement of customer water usage and leak detection.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – At December 31, 2022 and 2021, the District had investments in land, water rights, buildings, wells and distribution systems, machinery and equipment as follows:

	<u>2022</u>	<u>2021</u>
Land	\$ 96,700	96,700
Water rights	52,060	52,060
Buildings, wells and distribution system	10,246,756	10,055,213
Machinery and equipment	<u>1,009,627</u>	<u>1,008,301</u>
Total	<u>\$ 11,405,143</u>	<u>11,212,274</u>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Average inflation as measured by the consumer price index for all urban consumers in the Los Angeles area was 4.9% for the 12 months ended December 2022 and the average rate for 2022 was 4.9% through March 2023.

**KINNELOA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022 AND 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES, continued

General economic conditions worsened in 2022 primarily due to the coronavirus pandemic but are expected to improve at a moderate pace in 2023 as businesses re-open and supply chain issues are resolved. The annual rainfall in the 2022-2023 season is expected to be well above the 27-year average and future weather patterns will continue to be the major factor in determining water usage since most of the District's water is used for landscape irrigation rather than household use.

In 2023, the District plans to continue capital improvement projects included in the District's Water Master Plan and planned maintenance projects using available cash reserves rather than using an installment purchase agreement or other financing.

To continue our high-priority time-critical capital improvement and planned maintenance projects, the Board of Directors approved a budget for 2023 that uses reserves for various facility upgrade projects. However, favorable operating results to budget will allow these and additional projects to be completed without a major impact to reserves.

The Board approved the 2023 budget with a rate increase for 2023. Wholesale water sales are budgeted in 2023 to offset any possible reduction in retail water sales.

Although weather will continue to play a significant role in determining retail water sales for 2023, other factors such as drought regulations make it increasingly difficult to forecast volumetric sales. However, we will continue to have the option of selling surplus water to the City of Pasadena if there is significant rainfall in 2023-2024 and/or if there is a decline in retail sales due to greater conservation efforts. These factors when combined make it difficult to know the effect on the District's operations in 2023. Fortunately, the District has the flexibility to adjust expenditures for capital improvements and planned maintenance to meet the overall budget objectives for 2023.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our purveyors, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the District's finance office at 1999 Kinclair Drive, Pasadena, CA 91107. Current and archived documents of the Kinneloa Irrigation District can also be found on our Internet site at:

www.kinneloa Irrigation District.info

EGAN & EGAN
CERTIFIED PUBLIC ACCOUNTANTS
1545 N. COLUMBUS AVENUE
GLENDALE, CA 91202
(877) EGAN 4 US EGANCPA.COM

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Kinneloa Irrigation District
Pasadena, California

Opinion

We have audited the accompanying financial statements of Kinneloa Irrigation District (the "District") as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements which collectively comprise the District's basic financial statements listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood

that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2 through 6 and the Schedules of District's Proportionate Share of the Plan's Net Pension Liability and Contributions to the Pension Plan on pages 27 through 28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Operating Expenses on page 26 is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Operating Revenues and the Schedule of Operating Expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts.. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Egan & Egan

May__ , 2023

DRAFT

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets		
Cash and cash equivalents	\$ 137,217	308,527
Cash, restricted as to use	1,750,130	1,884,792
Customer receivables	152,960	163,939
Prepaid expenses	49,953	36,266
Materials and supplies	<u>20,000</u>	<u>20,000</u>
Total current assets	2,110,260	2,413,524
Capital assets, net of accumulated depreciation	5,173,690	5,278,468
Deferred outflows of resources		
Deferred amounts from pension plan	<u>207,421</u>	<u>64,858</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 7,491,371</u>	<u>7,756,850</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current liabilities		
Current portion of installment purchase contract	\$ 154,246	148,796
Accounts payable and accrued expenses	129,122	44,978
Accrued payroll and payroll taxes	13,237	26,025
Customer deposits	<u>3,805</u>	<u>2,055</u>
Total current liabilities	300,410	221,854
Installment purchase contract, net of current	1,150,733	1,302,275
Net pension liability	<u>428,385</u>	<u>144,455</u>
Total liabilities	1,879,528	1,668,584
Deferred inflows of resources		
Deferred amounts from pension plan	46,454	160,498
Net position		
Invested in capital assets, net of related debt	5,173,690	5,278,468
Unrestricted	<u>391,699</u>	<u>649,300</u>
Total net position	<u>5,565,389</u>	<u>5,927,768</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 7,491,371</u>	<u>7,756,850</u>

The accompanying notes are an integral part of the financial statements.

KINNELOA IRRIGATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Operating revenues		
Water sales and service fees	\$ <u>1,770,003</u>	<u>1,900,436</u>
Operating expenses		
Operating and maintenance	1,041,115	953,220
Administration and general	658,040	480,061
Depreciation	<u>347,043</u>	<u>331,226</u>
Total operating expenses	<u>2,046,198</u>	<u>1,764,507</u>
Operating (loss) income	<u>(276,195)</u>	<u>135,929</u>
Non-operating revenue and expense		
Interest	25,507	6,373
Interest expense	(54,109)	(56,664)
Unrealized loss	(59,582)	(13,547)
Other income	<u>2,000</u>	<u>7,955</u>
Net non-operating revenue and expense	<u>(86,184)</u>	<u>(55,883)</u>
Change in net position	(362,379)	80,046
Net position, beginning of year	<u>5,927,768</u>	<u>5,847,722</u>
Net position, end of year	<u>\$ <u>5,565,389</u></u>	<u><u>5,927,768</u></u>

The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

Cash flows from operating activities:	<u>2022</u>	<u>2021</u>
Cash received from customers	\$ 1,780,982	1,959,126
Cash payments to employees for services	(630,132)	(552,231)
Cash payments for services and goods	<u>(1,011,354)</u>	<u>(872,816)</u>
Net cash provided by operating activities	<u>139,496</u>	<u>534,079</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(242,265)	(436,350)
Net cash used (provided) for pension liabilities	27,323	(43,280)
Principal paid on installment purchase agreement	(146,092)	(143,539)
Customer deposits	1,750	(1,800)
Other non-operating gain, net	(59,582)	(13,547)
Other non-operating income	2,000	7,955
Interest expense paid	<u>(54,109)</u>	<u>(56,664)</u>
Cash used by capital and related financing activities	<u>(470,975)</u>	<u>(687,225)</u>
Cash flows from investing activities:		
Interest received	<u>25,507</u>	<u>6,373</u>
Net decrease in cash and cash equivalents	(305,972)	(146,773)
Cash and cash equivalents, beginning of the year	<u>2,193,319</u>	<u>2,340,092</u>
Cash and cash equivalents, end of the year	<u>\$ 1,887,347</u>	<u>2,193,319</u>
SUMMARY OF BALANCE SHEET CASH and CASH EQUIVALENTS		
Cash	\$ 137,217	308,527
Temporary investments, restricted as to use	<u>1,750,130</u>	<u>1,884,792</u>
Total cash	<u>\$ 1,887,347</u>	<u>2,193,319</u>

The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Reconciliation of operating income to net cash operating activities:		
Operating income	\$ (276,195)	135,929
Adjustments to reconcile operating income to net provided by operating activities:		
Depreciation	347,043	331,226
Decrease (increase) in receivables	10,979	58,690
(Increase) decrease in prepaid expenses	(13,687)	(2,739)
Increase in accounts payable and accrued expenses	<u>71,356</u>	<u>10,973</u>
Net cash provided by operating activities	<u>\$ 139,496</u>	<u>534,079</u>

DRAFT

The accompanying notes are an integral part of the financial statements.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Kinneloa Irrigation District (the "District") is a special district organized in 1953 under the provisions of Division 11 of the Water Code of the State of California. The District delivers water to the residents in a specific area of Los Angeles County, northeast of the City of Pasadena. This District is not a subdivision of a larger governmental organization.

The District is governed by an elected Board of Directors. At December 31, 2022, the Board of Directors were as follows:

Gordon Johnson	Chairman
Thomas Majich	Director
Gerrie Kilburn	Director
Stephen Brown	Director
Timothy Eldridge	Director

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental enterprise funds. The more significant policies reflected in the financial statements are summarized as follows:

a. Basis of Presentation and Measurement Focus

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

Operating revenues and expenses are generated and incurred through the water sales activities to the District's customers. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

In accordance with U.S. GAAP, the Statements of Net Position reports separate sections for Deferred Outflows of resources, and Deferred Inflows of Resources, when applicable.

b. Deferred Outflows of Resources

Represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued**

c. Deferred Inflows of Resources

Represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, will not be recognized as revenue until that time.

d. Net Position

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

Net Investment in Capital Assets – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction or improvement of those assets.

Unrestricted – This component of net position consists of net assets that do not meet the definition of restricted or net investment in capital assets.

e. Utility Plant

Utility plant is stated at cost. The District capitalizes applicable overhead costs in connection with self-constructed assets. Depreciation of all exhaustible utility plant is charged as an expense in the accompanying statements of income. Depreciation is provided over the estimated useful lives of the asset using the straight-line method. Estimated useful lives are as follows:

	<u>Number of Years</u>
Water system	5 to 50
Autos and trucks	3 to 5
Office equipment	5 to 10
Office and production facilities	10 to 40

f. Restricted Assets

The Board of Directors has designated a portion of the District's cash and cash equivalents to be maintained for future capital improvements. The restriction is at the discretion of the Board.

g. Uncollectible Accounts

The District's management estimates that accounts receivable are collectible. Unpaid water accounts receivable become a lien on the property and must be paid upon the sale of the property.

h. Cash and Cash Equivalents

The District defines cash and cash equivalents as demand account balances, cash on hand and money market accounts. The District invests cash in excess of its operating

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued**

h. Cash and Cash Equivalents, continued

requirements primarily with the State Treasurer's Local Agency Investment Fund (LAIF) and CalTrust, a money market account.

i. Materials and Supplies

Materials and supplies are stated at cost and consist of expendable supplies held for consumption or future additions to Utility Plant.

j. Concentration of Credit Risk

The District's receivables are from consumers within a specific geographic area.

k. Estimates

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

l. Budgetary Process

Each year, the District adopts a budget which provides for its general operations. Budgets are prepared on the accrual basis of accounting. The District follows these procedures in establishing the budget for the fiscal year:

- i. Formal budgetary integration is employed as a management control device during the year for the operations.
- ii. The Board approves the total budget for the year for the District. The Board is authorized to make any budget adjustments during the year.
- iii. Unused appropriations lapse at the end of the year unless extended into the subsequent year by a vote of the Board of Directors.

m. Income Taxes

The District is exempt from income taxes under provisions of the Internal Revenue Code and related California statutes; accordingly, no provision for income taxes is required.

n. Compensated Absences

It is the District's policy to permit employees to accumulate paid time off for either vacation or illness in accordance with the limits expressed in its employee handbook. Upon termination, retirement or death of an employee, the District pays eligible accrued time in a

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued

n. Compensated Absences, continued

lump-sum payment to the employee or beneficiary. Accumulated paid time off is recorded as an expense and a liability at the time the benefit is earned.

o. Operating Revenues and Expenses

Operating revenues, principally water sales, are charges for services resulting from exchange transactions associated with the principal activity of the District and billed monthly. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues result from non-exchange transactions or ancillary activities in which the District gives or receives value without directly receiving or giving equal value in exchange.

p. Property taxes

The Constitution of the State of California, Article 13A, limits the District's ability to levy taxes on property within the District. Taxes may be imposed upon the vote of a two-thirds vote of the qualified electors of the District. Such taxes would be limited for a specific purpose such as bond indebtedness or improvements to the water system.

q. Subsequent Events

The District has evaluated subsequent events through the date at which the financial statements were available to be issued, which was May __, 2023.

NOTE 2. CASH AND CASH EQUIVALENTS

At December 31, 2022 and 2021 cash and cash equivalents consist of:

	<u>2022</u>	<u>2021</u>
Insured with financial institutions	\$ 137,217	308,527
Local Agency Investment Fund ("LAIF")	129,092	128,239
Uninsured and uncollateralized	1,621,038	1,756,553
	<u>\$ 1,887,347</u>	<u>2,193,319</u>

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 2. CASH AND CASH EQUIVALENTS, continued

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

The District is a voluntary participant in LAIF, which is regulated by California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The District invests in CalTrust, a Joint Powers Authority established by public agencies in California for the purpose of pooling and investing local agency funds. A Board of Trustees, comprised of experienced investment officers and policymakers of the members, supervises and administers the investment program of the Trust. CalTrust invests in fixed income securities eligible for investment pursuant to California Government Code. Investment in CalTrust accounts are uninsured and uncollateralized.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District manages its exposure to interest rate risk by participating in LAIF.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District does not believe a credit risk exists from its deposits with LAIF.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 3. CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2022 and 2021 was as follows:

2022				
	Balance January 1	Additions	Disposal & Transfers	Balance December 31
Land	\$ 96,700			96,700
Water rights	52,060			52,060
Buildings, wells and distribution system	10,055,213	240,939	(49,396)	10,246,756
Machinery and equipment	1,008,301	1,326		1,009,627
	11,212,274	242,265	(49,396)	11,405,143
Less accumulated	(5,933,806)	(347,043)	(49,396)	(6,231,453)
Total capital assets	\$ 5,278,468	(104,778)	(98,792)	5,173,690
2021				
	Balance January 1	Additions	Disposal & Transfers	Balance December 31
Land	\$ 96,700			96,700
Water rights	52,060			52,060
Buildings, wells and distribution system	9,620,249	434,964		10,055,213
Machinery and equipment	1,006,915	1,431	(45)	1,008,301
	10,775,924	436,395	(45)	11,212,274
Less accumulated	(5,602,580)	(331,226)		(5,933,806)
Total capital assets	\$ 5,173,344	105,169	(45)	5,278,468

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 4. INSTALLMENT PURCHASE AGREEMENT

During the year ended December 31, 2015, the District entered into a \$2,300,000 installment purchase agreement ("the Agreement") to provide funds for the construction and acquisition of a booster pump station and connector pipelines. The Agreement requires semi-annual payments of principal and interest of \$100,101. Future annual debt service is as follows:

<u>Year ended December 31,</u>	<u>Installment Payments</u>	<u>Interest</u>	<u>Total Debt Service</u>
2023	\$ 154,246	45,956	200,202
2024	159,896	40,306	200,202
2025	165,753	34,449	200,202
2026	171,825	28,377	200,202
Thereafter	<u>653,259</u>	<u>48,222</u>	<u>701,481</u>
	<u>\$ 1,304,979</u>	<u>197,310</u>	<u>1,502,289</u>

The District pledged Net Water Revenues as security for the Agreement. The District is required to maintain a minimum unrestricted fund balance of \$200,200.

NOTE 5. PENSION PLAN

Plan Description

The District contributes to the State of California Public Employees Retirement System ("PERS"), an agent multi-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute and city ordinance. Copies of PERS' annual financial report may be obtained from their offices or through their web site.

All full-time employees are eligible to participate as members of PERS. Benefits vest after five years of service. District employees are eligible to retire upon attaining age 60. Annual retirement benefits are determined based upon the age at retirement, the length of membership service and the amount of earnings based upon the highest twelve consecutive months' average.

Benefits Provided

PERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 5. PENSION PLAN, continued

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law, taking effect January 1, 2013. The new legislation closed the District's PERS 2.5% at 55 and 2% at 60 Risk Pool Retirement Plan to new employee entrants effective December 31, 2013. The District had 3 employees included in Classic. All employees hired after January 1, 2013, are eligible for the District's PERS 2% at 62 Retirement Plan under PEPRA. The District has 4 employees covered by PEPRA.

The Plans' provision and benefits in effect as of the June 30, 2022 measurement are as follows:

	Miscellaneous Plan	
	Classic	PEPRA
Hire Date	Prior to January 1, 2011	On or after January 1, 2013
Benefit formula	2.0% @ age 60	2% @ age 62
Benefit vesting schedule	5 service years	5 service years
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55 and up	52-67 and up
Monthly benefits, as a % of eligible comp.	2.0% to 2.5%	1.0% to 2.0%
Required employee contribution rates	7.000%	6.75%
Required employer contribution rates	8.650%	7.590%

Contributions

California Public Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarial determined rate and the contribution rate of employees.

Employer contributions for the years ended December 31, 2022 and 2021 were \$42,935 and \$43,355, respectively.

Net Pension Liability, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of December 31, 2022 the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

Miscellaneous	Proportionate Share of Net Pension Liability \$ <u><u>428,385</u></u>
---------------	---

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 5. PENSION PLAN, continued

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2022.

The District's proportionate share of the net pension liability for the Plan as of the reporting period ending December 31, 2022 and 2021 was as follows:

	<u>Miscellaneous</u>
Proportion - December 31, 2021	0.00761%
Proportion - December 31, 2022	0.00916%
Change - Increase	0.00155%

For the years ended December 31, 2022 and 2021, the District recognized pension expense of \$23,691 and \$83,592, respectively. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions after the measurement date	\$ 20,056	
Differences between actual and expected experience	8,603	5,762
Change in assumptions	43,897	
Change in employer's proportion and differences between the District's contributions and the District's proportionate share of contributions	56,396	40,692
Differences between projected and actual earnings on Plan investments	78,469	
	\$ 207,421	46,454

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 36,871
2024	35,250
2025	20,796
2026	47,994
	\$ 140,911

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 5. PENSION PLAN, continued

Actuarial Assumptions and Methods

The actuarial valuation is computed using the entry age normal actuarial cost method. The actuarial assumptions include: (a) an investment rate of return of 7.15% compounded annually, (b) projected annual salary increases that vary by duration of service, and (c) payroll cost-of-living adjustments of 2.75%. The rates used in (a) and (b) are compounded annually at 3%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. Initial unfunded liabilities are amortized over a specific period that depends upon the plan's date of entry into PERS. Subsequent plan amendments are amortized as a level percentage of projected payroll over a closed 20-year period. As of the date of the PERS actuarial valuation and the PERS assumptions, the District does not have an unfunded liability for the PEPRA plan and an unfunded liability of \$238,495 for its classic plan participants.

Discount Rate

CalPERS used a 6.90% and a 7.15% discount rate to determine the total pension liability for the year ended December 31, 2022 and 2021, respectively. The District relies upon the actuarial analysis performed by CalPERS actuaries for the reasonableness of this discount rate.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10</u>
	%	%
Global Equity	50.0	4.80
Fixed Income	28.0	1.00
Inflation Assets	0.0	0.77
Private Equity	8.0	6.30
Real Estate	13.0	3.75
Liquidity	1.0	0.00
	<u>100.0</u>	

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE 5. PENSION PLAN, continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The District relies upon CalPERS to compute the liability using an expected long-term rate of return. The following presents the District's proportionate share of the net pension liability calculated using the discount rate for the Plan and what the District's proportionate share would be if it was calculated using a discount rate that is one percent lower and one percent higher:

	Discount Rate		
	Less 1% - 5.90%	Current - 6.90%	Plus 1% - 7.90%
Proportionate Net Pension Liability	\$ <u>689,792</u>	<u>428,385</u>	<u>213,313</u>

NOTE 6. INSURANCE POOLS

The District is a member of the Joint Powers Insurance Authority ("JPIA"), which pools together members of the Association of California Water Agencies for the purpose of paying group property, general liability and workers' compensation claims. Premiums are remitted directly to the JPIA by its members. The property portion is entirely self-funded, and the general liability self-funded portion is capped at \$5,000,000. Excess liability insurance in the amount of \$55,000,000 has been purchased by the Authority, bringing the total liability coverage to \$60,000,000.

To date, the District and its counsel are not aware of any material claims incurred through the period ended December 31, 2022, regarding these insurance plans. The District does not anticipate the need for a reserve for Incurred but Not Reported.

NOTE 7. CONTINGENCIES AND COMMITMENTS

Contingencies

The District is the subject of certain claims and assessment arising in the normal course of its operations. Management of the District does not believe that the resolution of these matters will have a material adverse effect on the District's financial condition.

**KINNELOA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

Contingencies

The District is subject to water usage requirements of the State of California. The District's primary source of water is from groundwater wells and its water rights are sufficient to meet customer demand under normal conditions. Interconnections with the City of Pasadena are used for supplemental water in the event of an operational emergency. The District is also a member agency of the Foothill Municipal Water District which is a wholesale supplier of imported water from the Metropolitan Water District of Southern California.

The accompanying financial statements do not include the effects, if any, should the District be required to import additional water to meet demand.

COVID-19 Pandemic

On April 2, 2021, the Governor of the State of California issued an Executive Order ("Order") N-42-20 responding to the COVID-19 pandemic, which prohibits the discontinuation of water service for lack of payment. The District did not incur a significant loss from this Order.

DRAFT

SUPPLEMENTARY INFORMATION

DRAFT

**KINNELOA IRRIGATION DISTRICT
SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Operating & Maintenance		
Power	\$ 178,118	174,346
Purchased water	114,885	63,135
Labor	333,092	291,380
Engineering	41,175	33,647
Maintenance and repairs	46,451	45,933
Water analysis	32,043	15,497
Outside contractors	100,559	133,124
Truck maintenance and fuel	27,131	30,969
Insurance	111,359	116,463
Watermaster	15,734	13,047
Other	40,568	35,679
	<u>\$ 1,041,115</u>	<u>953,220</u>
Administrative and General		
Administrative salaries	\$ 153,798	145,486
Office labor	139,125	122,776
Payroll taxes	47,425	42,606
CalPERS retirement	42,935	43,355
CalPERS change in estimates	70,874	(19,664)
Outside services	65,490	25,432
Legal fees	37,003	18,181
Professional dues	7,385	15,199
Board compensation	6,150	7,350
Office expense	52,230	45,928
Telephone, internet	7,567	8,051
Accounting fees	7,100	7,100
Permits and operational fees	11,628	8,644
Information systems	8,986	9,617
Election	344	-
	<u>\$ 658,040</u>	<u>480,061</u>

KINNELOA IRRIGATION DISTRICT
Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Plan's Net Pension Liability
For the Year Ended December 31, 2022

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Measurement Date:	June 30, 2022¹	June 30, 2021¹	June 30, 2020¹	June 30, 2019¹
District's Proportion of the Net Pension Liability	<u>0.0000888%</u>	<u>0.0000929%</u>	<u>0.0000948%</u>	<u>0.008380%</u>
District's Proportionate Share of the Net Pension Liability	<u>\$ 428,385</u>	<u>\$ 144,455</u>	<u>\$ 341,220</u>	<u>\$ 305,004</u>
District's Covered-Employee Payroll	<u>\$ 644,059</u>	<u>\$ 554,185</u>	<u>\$ 491,319</u>	<u>\$ 444,684</u>
Liability as a Percentage of Covered-Employee	<u>66.51%</u>	<u>26.07%</u>	<u>69.45%</u>	<u>68.59%</u>
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	<u>78.19%</u>	<u>90.49%</u>	<u>77.71%</u>	<u>77.73%</u>

DRAFT

KINNELOA IRRIGATION DISTRICT
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the Pension Plan
For the Year Ended December 31, 2022

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year:	<u>2021-22¹</u>	<u>2020-21¹</u>	<u>2019-20¹</u>	<u>2018-19¹</u>	<u>2017-18¹</u>	<u>2016-17¹</u>	<u>2015-16¹</u>
Actuarially Determined Contribution ²	\$ 44,396	\$ 42,594	\$ 33,964	\$ 30,027	\$ 23,647	\$ 21,100	\$ 19,754
Actuarially Determined Contribution ²	<u>(44,396)</u>	<u>(42,594)</u>	<u>(33,964)</u>	<u>(30,027)</u>	<u>(23,647)</u>	<u>(21,100)</u>	<u>(19,754)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	<u>\$ 644,059</u>	<u>\$ 554,185</u>	<u>\$ 491,319</u>	<u>\$ 444,684</u>	<u>\$ 398,795</u>	<u>\$ 350,511</u>	<u>\$ 309,239</u>
Covered-Employee Payroll	<u>6.89%</u>	<u>7.69%</u>	<u>6.91%</u>	<u>6.75%</u>	<u>5.93%</u>	<u>6.02%</u>	<u>6.39%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

³ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, April 18, 2023, 3:00 P.M.

MINUTES

The meeting was conducted in the District Board Room and by teleconference in accordance with the Brown Act and AB 2449. The District offered the public the option to attend the meeting by telephone, videoconference or in-person as stated in the agenda.

DIRECTORS PRESENT: (In-Person): Gordon Johnson, Stephen Brown, Timothy Eldridge, Gerrie Kilburn, David Moritz

DIRECTORS ABSENT: None

STAFF PRESENT: (In-Person): General Manager, Tom Majich; Board Clerk, Martin Aragon; Field Staff; Chris Burt & Michele Ferrell

PUBLIC PRESENT: None

1. CALL TO ORDER:

Chairman Johnson called the meeting to order at 3:00 P.M. and took roll call. A quorum of Board Members was present and reviewed the agenda.

2. PUBLIC COMMENT: None

3. OATH OF OFFICE:

Chairman Gordon Johnson administered the oath of office for Director (Division 4) Timothy J. Eldridge in the presence of Kinneloa Irrigation District Treasurer David Moritz, Director (Division 5).

4. REVIEW OF MINUTES:

Director Kilburn motioned to approve the **March 21, 2023**, Minutes for filing and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Kilburn / Brown – 5 Aye/0 Nay /0 Abstain/0 Absent)

Director Brown motioned to approve the **March 31, 2023**, Minutes for filing and seconded by Director Kilburn. It was motioned/seconded/carried unanimously – (Brown / Kilburn – 5 Aye/0 Nay /0 Abstain/0 Absent)

5. REVIEW OF FINANCIAL REPORTS:

The General Manager presented and reviewed the draft March 2023 financial reports, but they were not recommended for filing due to some questions related to the audit in progress.

6. INFORMATION ITEMS:

The next District Newsletter will be prepared for June delivery with another scheduled near Labor Day, followed by a calendar year end newsletter.

District Staff is working with Subeca to confirm timing of the Android and iPhone app availability as well as the percentage of customers that are generating low levels of reads per day.

The Eucalyptus and House Tunnel water supplies are offline and have been diverted to spreading temporarily.

7. AD HOC PERSONNEL COMMITTEE REPORT:

The Ad Hoc personnel committee met with the GM to review draft changes to the policies and procedures that will be presented at the next Board meeting for review and discussion.

8. AD HOC FINANCE COMMITTEE REPORT:

The committee has not yet met with the GM.

9. GENERAL MANAGER'S REPORT:

The General Manager presented the monthly report on staff activities and water supply and production.

10. KINNELOA IRRIGATION DISTRICT GOALS AND OBJECTIVES FOR 2023:

Director Kilburn motioned to adopt the presented Goals and Objectives for 2023 and was seconded by Director Brown. It was motioned/seconded/carried unanimously – (Kilburn / Brown – 5 Aye/0 Nay /0 Abstain/0 Absent)

11. DIRECTOR REPORTS AND/OR COMMENTS:

Director Moritz announced his intent to resign from the Board of Directors in the coming days.

12. CALENDAR: Upcoming regular meetings: May 16, 2023 June 30, 2023 July 18, 2023

13. ADJOURNMENT:

Chairman Johnson adjourned the meeting at 4:35 P.M.

Prepared and submitted by,

Martin Aragon

**Martin Aragon
Office Manager/Board Clerk**

Kinneloa Irrigation District
Income Statement Compared with Budget for the Three Months Ending March 31, 2023

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
Revenues							
4000 Water Sales	70,917.15	122,000.00	(51,082.85)	255,320.19	346,000.00	(90,679.81)	1,600,000.00
4015 Wholesale Water Sales	56,954.16	0.00	56,954.16	116,792.46	50,000.00	66,792.46	50,000.00
4020 Service/Installation Charges	334.50	833.33	(498.83)	1,387.95	2,499.99	(1,112.04)	10,000.00
4035 Interest-Reserve Fund	5,168.68	833.33	4,335.35	14,605.14	2,499.99	12,105.15	10,000.00
4036 Unrealized Gain(Loss)-CalTRU	10,280.96	2,083.33	8,197.63	6,916.07	6,249.99	666.08	25,000.00
Total Revenues	143,655.45	125,749.99	17,905.46	395,021.81	407,249.97	(12,228.16)	1,695,000.00
Expenses							
5000 Leased Water Rights	0.00	0.00	0.00	103,500.00	63,135.00	40,365.00	63,135.00
5005 Electricity	10,373.18	12,000.00	(1,626.82)	32,175.81	34,000.00	(1,824.19)	170,000.00
5010 Maintenance/Repair Supplies	1,925.70	3,500.00	(1,574.30)	6,364.46	8,500.00	(2,135.54)	40,000.00
5011 Material and Labor for Install	0.00	3,333.33	(3,333.33)	0.00	9,999.99	(9,999.99)	40,000.00
5012 Safety Equipment	69.03	166.67	(97.64)	303.99	500.01	(196.02)	2,000.00
5015 Operations Labor	39,406.34	27,646.67	11,759.67	89,428.78	82,940.01	6,488.77	331,760.00
5016 Operations OT	5,196.09	1,666.67	3,529.42	7,310.46	5,000.01	2,310.45	20,000.00
5020 Stand-by Compensation	930.00	915.00	15.00	2,700.00	2,745.00	(45.00)	10,980.00
5022 Training/Certification	0.00	133.33	(133.33)	664.98	399.99	264.99	1,600.00
5025 Water Treatment/Analysis	1,848.10	2,500.00	(651.90)	9,533.03	7,500.00	2,033.03	30,000.00
5026 Water Treatment/Analysis Equip	4,058.18	0.00	4,058.18	4,058.18	0.00	4,058.18	0.00
5030 Maintenance/Repair Contractors	15,173.14	11,666.67	3,506.47	35,126.52	35,000.01	126.51	140,000.00
5031 SCADA Operating/Maintenance	800.00	833.33	(33.33)	5,430.57	2,499.99	2,930.58	10,000.00
5034 Equipment Maintenance	0.00	2,083.33	(2,083.33)	0.00	6,249.99	(6,249.99)	25,000.00
5035 Vehicle Maintenance	3,519.84	1,333.33	2,186.51	5,136.14	3,999.99	1,136.15	16,000.00
5036 Fuel	1,466.58	1,833.33	(366.75)	6,787.88	5,499.99	1,287.89	22,000.00
5040 Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	500.00
5045 Insurance-Workers Comp.	4,708.63	5,000.00	(291.37)	4,708.63	5,000.00	(291.37)	20,000.00
5046 Insurance-Liability	2,162.39	1,416.67	745.72	6,487.17	4,250.01	2,237.16	17,000.00
5048 Insurance-Property	312.56	208.33	104.23	937.68	624.99	312.69	2,500.00
5049 Insurance-Medical	8,058.63	7,744.58	314.05	18,044.82	23,233.74	(5,188.92)	92,935.00
6000 Engineering Services	1,600.00	3,958.33	(2,358.33)	1,600.00	11,874.99	(10,274.99)	47,500.00
6005 Watermaster Services	1,318.00	1,416.67	(98.67)	3,954.00	4,250.01	(296.01)	17,000.00
6015 Administrative Salary	14,241.68	14,500.00	(258.32)	15,549.36	43,500.00	(27,950.64)	174,000.00
6017 Administrative Travel	0.00	250.00	(250.00)	0.00	750.00	(750.00)	3,000.00
6020 Board Compensation	600.00	700.00	(100.00)	1,800.00	2,100.00	(300.00)	8,400.00
6021 Administrative & Board Exp.	0.00	83.33	(83.33)	227.85	249.99	(22.14)	1,000.00
6022 Board of Directors Election	0.00	0.00	0.00	0.00	0.00	0.00	12,500.00
6024 Customer/Public Info. Prog.	2,560.00	1,250.00	1,310.00	3,050.00	3,750.00	(700.00)	15,000.00
6025 PERS - KID	4,878.66	4,400.00	478.66	10,843.47	13,200.00	(2,356.53)	52,800.00
6030 Social Security - KID	4,725.23	3,300.00	1,425.23	9,895.28	9,900.00	(4.72)	39,600.00
6031 Medicare - KID	1,105.10	779.17	325.93	2,314.26	2,337.51	(23.25)	9,350.00
6035 Office/Computer Supplies	562.19	583.33	(21.14)	2,375.70	1,749.99	625.71	7,000.00
6036 Postage/Delivery	315.00	416.67	(101.67)	1,069.23	1,250.01	(180.78)	5,000.00
6040 Professional Dues	638.49	1,333.33	(694.84)	2,221.47	3,999.99	(1,778.52)	16,000.00

Kinneloa Irrigation District
Income Statement Compared with Budget for the Three Months Ending March 31, 2023

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
6045 Legal Services	(795.92)	1,250.00	(2,045.92)	4,577.24	3,750.00	827.24	15,000.00
6050 Telephone	434.94	375.00	59.94	1,064.82	1,125.00	(60.18)	4,500.00
6051 Mobile Communications	141.30	166.67	(25.37)	423.90	500.01	(76.11)	2,000.00
6052 Pagers	36.32	41.67	(5.35)	106.98	125.01	(18.03)	500.00
6053 Internet Service	114.98	133.33	(18.35)	334.94	399.99	(65.05)	1,600.00
6059 Computer Software Maintenance	630.31	2,000.00	(1,369.69)	2,059.01	6,000.00	(3,940.99)	24,000.00
6061 Office Equipment Maintenance	0.00	83.33	(83.33)	0.00	249.99	(249.99)	1,000.00
6065 Accounting Services	0.00	0.00	0.00	6,400.00	0.00	6,400.00	7,000.00
6070 Office & Accounting Labor	17,775.40	12,008.33	5,767.07	45,207.23	36,024.99	9,182.24	144,100.00
6075 Professional Services	4,575.16	7,916.67	(3,341.51)	13,188.06	23,750.01	(10,561.95)	95,000.00
6080 Administrative Fees	969.28	1,036.67	(67.39)	2,775.04	3,110.01	(334.97)	12,440.00
6081 Permits/Fees	468.06	1,250.00	(781.94)	1,404.18	3,750.00	(2,345.82)	15,000.00
6086 Taxes - Sales/Use	0.00	41.67	(41.67)	0.00	125.01	(125.01)	500.00
6088 Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00	49,000.00
6120 Bank Service Charges	541.09	1,000.00	(458.91)	1,511.06	3,000.00	(1,488.94)	12,000.00
Total Expenses	157,443.66	144,255.41	13,188.25	472,652.18	481,901.23	(9,249.05)	1,847,200.00
Net Income	(13,788.21)	(18,505.42)	4,717.21	(77,630.37)	(74,651.26)	(2,979.11)	(152,200.00)
Other Expenditures							
1505 Water Tunnels	993.63	1,000.00	(6.37)	993.63	1,000.00	(6.37)	10,000.00
1511 WaterTreatment Plant	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
1512 Water Meters	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00
1513 Electrical/Electronic Equip.	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00
1514 Computer/Office Equipment	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00
1515 Vehicles & Portable Equipment	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00
1516 Water Company Facilities	0.00	0.00	0.00	0.00	0.00	0.00	35,000.00
1522 Eucalyptus Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00
1530 Tools	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00
2400 Installment Purchase Agreement	0.00	0.00	0.00	0.00	0.00	0.00	151,202.00
Total Other Expenditures	993.63	1,000.00	(6.37)	993.63	1,000.00	(6.37)	329,202.00
Total Increase or (Drawdown)	(14,781.84)	(19,505.42)	4,723.58	(78,624.00)	(75,651.26)	(2,972.74)	(481,402.00)

Kinneloa Irrigation District Balance Sheet as of March 31, 2023

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 180,281.73
1012	Reserve Fund-LAIF	129,766.66
1014	Reserve Fund-CalTRUST	1,541,647.78
1016	Accrued Interest-LAIF	941.79
1100	Accts. Receivable-Water Sales	14,283.56
1102	Accts. Receiv.-Wholesale Water	23,643.89
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	128,860.18
1350	Prepaid Insurance	12,365.52
1360	Prepaid Expenses	21,504.27

Total Current Assets

2,072,523.90

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	4,010,066.35
1505	Water Tunnels	738,468.23
1506	K-3 Well	89,543.06
1507	Improvement District #1	602,778.12
1508	Mountain Property	6,620.00
1509	Wilcox Well/Wilcox Booster	94,030.98
1510	Interconnections	14,203.27
1511	Water Treatment Plant	206,569.07
1512	Water Meters	405,838.63
1513	Electrical/Electronic Equip.	256,918.72
1514	Computer/Office Equipment	75,658.84
1515	Vehicles & Portable Equipment	308,656.75
1516	Water Company Facilities	104,222.20
1517	KID Office	64,899.78
1518	Shaw Ranch	280,789.92
1519	Dove Creek Project	487,383.87
1520	Glen Reservoir/Booster	24,190.86
1521	Kinneloa Ridge Project	690,492.58
1522	Eucalyptus Booster Station	532,342.43
1526	Vosburg Booster	1,647,215.66
1527	SCADA Equipment	362,117.90
1528	Tanks and Reservoirs	119,491.90
1529	Holly Tanks	181,113.76
1530	Tools	6,273.13
1600	Accum. Depreciation	(5,933,805.76)

Total Property and Equipment

5,524,840.74

Other Assets

1901	PERS-Deferred Outflows	64,858.00
------	------------------------	-----------

Total Assets

\$ 7,662,222.64

Kinneloa Irrigation District
Balance Sheet as of March 31, 2023

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 86,567.47	
2005	Umpqua Visa Payable	6,277.21	
2260	Med./Dental-Withhold-Employee	(364.40)	
2271	Deposits-Construction Meters	850.00	
2272	Job Deposits	17,117.00	
2275	Deposits-Water Customers	255.02	
2290	Accrued Vacation	13,237.40	
	Total Current Liabilities		123,939.70

Long-Term Liabilities

2400	Installment Purchase Agreement	1,304,978.65	
2801	PERS- Net Liability	100,903.50	
2901	PERS- Deferred Inflows	160,498.00	
	Total Long-Term Liabilities		1,566,380.15
	Total Liabilities		1,690,319.85

Capital

3040	Fund Balance	6,048,141.06	
	Net Income	(76,238.27)	
	Total Capital		5,971,902.79
	Total Liabilities & Capital		\$ 7,662,222.64

Kinneloa Irrigation District
Statement of Cash Flow
For the Three Months Ended March 31, 2023

	Current Month	Year to Date
Cash Flows from Operating Activities		
Net Income	\$ (12,396.11)	\$ (76,238.27)
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	8,300.95	10,274.07
1102 Accts. Receiv.-Wholesale Water	(23,643.89)	(23,643.89)
1340 Accrued Water Sales	1,737.09	(390.82)
1350 Prepaid Insurance	2,474.95	7,424.85
1360 Prepaid Expenses	2,886.21	8,658.63
2000 Accounts Payable	51,389.08	19,165.51
2005 Umpqua Visa Payable	6,277.21	6,277.21
2250 PERS Withholding-Employee	69.38	0.00
2260 Med./Dental-Withhold-Employee	(364.40)	(364.40)
2272 Job Deposits	13,517.00	14,417.00
	<hr/>	<hr/>
Total Adjustments	62,643.58	41,818.16
	<hr/>	<hr/>
Net Cash Provided by Operations	50,247.47	(34,420.11)
Cash Flows from Investing Activities		
<i>Used for</i>		
1505 Water Tunnels	(993.63)	(993.63)
	<hr/>	<hr/>
Net Cash Used in Investing	(993.63)	(993.63)
	<hr/>	<hr/>
Cash Flows from Financing Activities		
<i>Proceeds from</i>		
<i>Used for</i>		
	<hr/>	<hr/>
Net Cash Used in Financing	0.00	0.00
	<hr/>	<hr/>
Net Increase (Decrease) in Cash	\$ 49,253.84	\$ (35,413.74)
	<hr/> <hr/>	<hr/> <hr/>
Summary		
Cash Balance at End of Period	\$ 1,852,637.96	\$ 1,852,637.96
Cash Balance at Beg. of Period	(1,803,384.12)	(1,888,051.70)
	<hr/>	<hr/>
Net Increase (Decrease) in Cash	\$ 49,253.84	\$ (35,413.74)
	<hr/> <hr/>	<hr/> <hr/>

Kinneloa Irrigation District
Check Register
March 1, 2023 to March 31, 2023

Date	Check #	Payee	Amount	Description
3/15/23	EFT5616	Bernadette C. Allen	2,085.96	Salary
3/15/23	EFT5617	Arthur M. Aragon	2,140.62	Salary
3/15/23	EFT5618	Ramon Jr. Ascencio	2,263.35	Salary
3/15/23	EFT5619	Christopher A. Burt	3,589.34	Salary
3/15/23	EFT5620	Michele M. Ferrell	3,096.74	Salary
3/15/23	EFT5621	Brian L. Fry	1,955.51	Salary
3/15/23	EFT5622	Thomas L. Majich	4,791.41	Salary
3/15/23	EFT5623	Juan R. Tello	1,762.62	Salary
3/15/23	EFT5624	Melanie E. Timoteo	1,800.86	Salary
3/15/23	EFT5625	Christopher A. Burt	300.00	Salary
3/15/23	EFT5626	Juan R.Tello	353.00	Salary
3/15/23	EFT5627	Automatic Data Processing, Inc.	10,100.36	Payroll Taxes & Withholdings
3/21/23	10503	Applied Technology Group, Inc.	120.00	Emergency Radio Communications
3/21/23	10504	Aramark Uniform Services	69.11	Shop Rag Service
3/21/23	10505	BrightView Landscape Services	1,625.52	Landscape Maintenance
3/21/23	10506	Civiltec Engineering, Inc.	800.00	Fire Flow 2140 Pasadena Glen
3/21/23	10507	Clinical Lab of San Bernardino	240.00	Water Treatment/Analysis
3/21/23	10508	CV Strategies	2,360.00	Newsletter/Customer info
3/21/23	10509	Underground Service Alert	17.00	Digalert
3/21/23	10510	Civiltec Engineering, Inc.	800.00	Water Main 1850 Kinneloa Canyon rd.
3/21/23	10511	Employee Relations	39.22	Recruitment Service
3/21/23	10512	Foothill Municipal Water District	969.28	Administrative Fee (O & M charge)
3/21/23	10513	Geotab USA, Inc	79.00	Vehicle Maintenance
3/21/23	10514	McMaster Carr	241.17	Maintenance Supplies
3/21/23	10515	Public Water Agencies Group	289.08	PWAG Monthly Assessment for Emergency Preparedness
3/21/23	10516	Utility Service Co., Inc.	5,700.66	Monthly Tank Maintenance
3/21/23	10517	Ware Disposal	243.62	Trash Pickup Services
3/21/23	10518	Western Water Works	818.14	Maintenance Supplies
3/21/23	10519	Ultimate Cleaning Solutions, Inc.	90.00	Monthly Janitorial Services
3/21/23	EFT5628	Automatic Data Processing, Inc.	113.39	Payroll Processing Fee
3/21/23	EFT5629	Arco Gaspro Plus	1,466.58	Fleet Vehicle Fuel
3/21/23	EFT5630	CA Public Employees Ret. Sys.	5,414.36	KID & Employee Retirement Contributions
3/21/23	EFT5631	Century Business Solutions	190.95	Credit Card Processing Fee
3/21/23	EFT5632	Pasadena Municipal Services	1,853.04	Electric Services
3/21/23	EFT5633	Southern California Edison Co.	8,610.43	Electricity - District / K3 Pumping
3/21/23	EFT5634	Spectrum	349.92	Internet Services
3/21/23	EFT5635	Streamline	200.00	Website Services
3/21/23	EFT5636	Century Business Solutions	15.00	Credit Card processing Fee
3/21/23	EFT5637	Umpqua Bank	4,454.09	Credit Card Payment - See Attached Detail
3/21/23	EFT5638	VeriCheck, Inc.	73.27	E-check Processing Fees
3/23/23	10520	ACWA-JPIA	8,967.71	KID & Employee Health Benefits Contributions
3/23/23	10522	Clinical Lab of San Bernardino	110.00	Water Treatment/Analysis
3/23/23	10523	McMaster Carr	300.73	Maintenance Supplies
3/23/23	10524	Weck Laboratories, Inc.	208.50	Water Treatment/Analysis
3/23/23	10525	Weck Laboratories, Inc.	209.40	Water Treatment/Analysis
3/30/23	EFT5639	Automatic Data Processing, Inc.	110.63	Payroll Processing Fee
3/30/23	EFT5640	AT&T Mobility	63.90	Mobile Phones
3/30/23	10526	Clinical Lab of San Bernardino	134.00	Water Treatment/Analysis
3/30/23	10527	Foothill Lock & Key	150.00	Repair of Mailbox
3/30/23	10528	Hill Brothers Chemical Co.	835.20	Treatment - Sodium Hypochlorite

Kinneloa Irrigation District
Check Register
March 1, 2023 to March 31, 2023

Date	Check #	Payee	Amount	Description
3/30/23	10529	Weck Laboratories, Inc.	111.00	Water Treatment/Analysis
3/31/23	EFT5641	Bernadette C. Allen	2,447.80	Salary
3/31/23	EFT5642	Arthur M. Aragon	2,104.14	Salary
3/31/23	EFT5643	Ramon Jr. Ascencio	2,442.37	Salary
3/31/23	EFT5644	Stephen Brown	277.05	Salary
3/31/23	EFT5645	Christopher A. Burt	5,366.73	Salary
3/31/23	EFT5646	Michele M. Ferrell	3,573.77	Salary
3/31/23	EFT5647	Brian L. Fry	3,011.64	Salary
3/31/23	EFT5648	Gerrie G. Kilburn	277.05	Salary
3/31/23	EFT5649	Thomas L. Majich	4,791.40	Salary
3/31/23	EFT5650	Juan R. Tello	2,809.58	Salary
3/31/23	EFT5651	Melanie E. Timoteo	1,926.71	Salary
3/31/23	EFT5652	Christopher A. Burt	300.00	Salary
3/31/23	EFT5653	Juan R.Tello	353.00	Salary
3/31/23	EFT5654	Automatic Data Processing, Inc.	13,784.68	Payroll Taxes & Withholdings
			126,149.59	

* Gap in check sequence:
 Voided check #10521 (Print Over Run)

Credit Card Detail Umpqua Bank

March 2023

(Expenses incurred/billed in February 2023 and due/paid in March 2023)

Acct. No.	Account Description	Additional Description	MM	CB	BF	MA	JT	MF	MT	TOTAL
1505	House Tunnel Project									
1511	Water Treatment Plant									
1514	Computer/Office Equip.									
5010	Maintenance Supplies	CB: BF: Pool Acid/ Generator Maint.			\$178.52					\$178.52
5011	Materials for Install									\$0.00
5012	Safety Equipment	JT: Boots					\$214.96			\$214.96
5022	Training/Certification	MA: CEU's, JT: Amer. Water College				\$205.00	\$459.98			\$664.98
5025	Water Treatment/Analysis	CB: Testing Reagents, BF: Salt, JT: Salt		\$162.29	\$1,341.25		\$355.70			\$1,859.24
5035	Vehicle Maintenance	BF: Wiper Blades			\$55.10					\$55.10
5036	Fuel									\$0.00
5030	Maintenance/Repair Contractors									\$0.00
6021	Adm. & Bd. Exp.									\$0.00
6024	Customer/Public Info									\$0.00
6035	Office/Computer Supplies	JT: Cleaning supplies, MA: Office Supplies/workshop, MT: Workshop				\$388.53	\$69.36		\$12.78	\$470.67
6036	Postage/Delivery	MA: Stamps/Mail				\$394.23				\$394.23
6040	Professional Dues	MF: Brown & Caldwell (Recruitment)						\$200.00		\$200.00
6050	Telephone	MM: Alert Communications	\$75.00							\$75.00
6051	Mobile Phone									\$0.00
6053	Internet Service									\$0.00
6059	Computer/Software Maint.	MA: GoDaddy/MS 365				\$341.39				\$341.39
6061	Office Equipment Maint.									\$0.00
6075	Professional/Contractor Services									\$0.00
6081	Permits/Fees									\$0.00
TOTAL			\$75.00	\$162.29	\$1,574.87	\$1,329.15	\$1,100.00	\$200.00	\$12.78	\$4,454.09

Kinneloa Irrigation District
Income Statement Compared with Budget for the Four Months Ending April 30, 2023

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
Revenues							
4000 Water Sales	108,955.91	125,000.00	(16,044.09)	364,276.10	471,000.00	(106,723.90)	1,600,000.00
4015 Wholesale Water Sales	48,682.28	0.00	48,682.28	165,474.74	50,000.00	115,474.74	50,000.00
4020 Service/Installation Charges	650.24	833.33	(183.09)	2,038.19	3,333.32	(1,295.13)	10,000.00
4035 Interest-Reserve Fund	5,202.49	833.33	4,369.16	19,807.63	3,333.32	16,474.31	10,000.00
4036 Unrealized Gain(Loss)-CalTRU	1,036.29	2,083.33	(1,047.04)	7,952.36	8,333.32	(380.96)	25,000.00
Total Revenues	164,527.21	128,749.99	35,777.22	559,549.02	535,999.96	23,549.06	1,695,000.00
Expenses							
5000 Leased Water Rights	0.00	0.00	0.00	103,500.00	63,135.00	40,365.00	63,135.00
5005 Electricity	20,845.37	12,000.00	8,845.37	53,021.18	46,000.00	7,021.18	170,000.00
5010 Maintenance/Repair Supplies	2,495.04	3,500.00	(1,004.96)	8,859.50	12,000.00	(3,140.50)	40,000.00
5011 Material and Labor for Install	6,595.00	3,333.33	3,261.67	6,595.00	13,333.32	(6,738.32)	40,000.00
5012 Safety Equipment	361.27	166.67	194.60	665.26	666.68	(1.42)	2,000.00
5015 Operations Labor	26,004.55	27,646.67	(1,642.12)	115,433.33	110,586.68	4,846.65	331,760.00
5016 Operations OT	6,459.37	1,666.67	4,792.70	13,769.83	6,666.68	7,103.15	20,000.00
5020 Stand-by Compensation	900.00	915.00	(15.00)	3,600.00	3,660.00	(60.00)	10,980.00
5022 Training/Certification	0.00	133.33	(133.33)	664.98	533.32	131.66	1,600.00
5025 Water Treatment/Analysis	2,627.93	2,500.00	127.93	12,160.96	10,000.00	2,160.96	30,000.00
5026 Water Treatment/Analysis Equip	341.34	0.00	341.34	4,399.52	0.00	4,399.52	0.00
5030 Maintenance/Repair Contractors	22,651.84	11,666.67	10,985.17	57,778.36	46,666.68	11,111.68	140,000.00
5031 SCADA Operating/Maintenance	0.00	833.33	(833.33)	5,430.57	3,333.32	2,097.25	10,000.00
5034 Equipment Maintenance	0.00	2,083.33	(2,083.33)	0.00	8,333.32	(8,333.32)	25,000.00
5035 Vehicle Maintenance	665.47	1,333.33	(667.86)	5,801.61	5,333.32	468.29	16,000.00
5036 Fuel	2,139.57	1,833.33	306.24	8,927.45	7,333.32	1,594.13	22,000.00
5040 Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	500.00
5045 Insurance-Workers Comp.	0.00	0.00	0.00	4,708.63	5,000.00	(291.37)	20,000.00
5046 Insurance-Liability	2,162.39	1,416.67	745.72	8,649.56	5,666.68	2,982.88	17,000.00
5048 Insurance-Property	312.56	208.33	104.23	1,250.24	833.32	416.92	2,500.00
5049 Insurance-Medical	7,222.92	7,744.58	(521.66)	25,267.74	30,978.32	(5,710.58)	92,935.00
6000 Engineering Services	2,420.00	3,958.33	(1,538.33)	4,020.00	15,833.32	(11,813.32)	47,500.00
6005 Watermaster Services	1,318.00	1,416.67	(98.67)	5,272.00	5,666.68	(394.68)	17,000.00
6015 Administrative Salary	14,241.68	14,500.00	(258.32)	29,791.04	58,000.00	(28,208.96)	174,000.00
6017 Administrative Travel	0.00	250.00	(250.00)	0.00	1,000.00	(1,000.00)	3,000.00
6020 Board Compensation	450.00	700.00	(250.00)	2,250.00	2,800.00	(550.00)	8,400.00
6021 Administrative & Board Exp.	0.00	83.33	(83.33)	227.85	333.32	(105.47)	1,000.00
6022 Board of Directors Election	0.00	0.00	0.00	0.00	0.00	0.00	12,500.00
6024 Customer/Public Info. Prog.	335.00	1,250.00	(915.00)	3,385.00	5,000.00	(1,615.00)	15,000.00
6025 PERS - KID	4,025.55	4,400.00	(374.45)	14,869.02	17,600.00	(2,730.98)	52,800.00
6030 Social Security - KID	3,770.19	3,300.00	470.19	13,665.47	13,200.00	465.47	39,600.00
6031 Medicare - KID	881.75	779.17	102.58	3,196.01	3,116.68	79.33	9,350.00
6035 Office/Computer Supplies	998.75	583.33	415.42	3,374.45	2,333.32	1,041.13	7,000.00
6036 Postage/Delivery	1,093.01	416.67	676.34	2,162.24	1,666.68	495.56	5,000.00
6040 Professional Dues	1,802.57	1,333.33	469.24	4,024.04	5,333.32	(1,309.28)	16,000.00

Kinneloa Irrigation District
Income Statement Compared with Budget for the Four Months Ending April 30, 2023

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Annual Budget
6045 Legal Services	360.00	1,250.00	(890.00)	4,937.24	5,000.00	(62.76)	15,000.00
6050 Telephone	234.96	375.00	(140.04)	1,299.78	1,500.00	(200.22)	4,500.00
6051 Mobile Communications	141.93	166.67	(24.74)	565.83	666.68	(100.85)	2,000.00
6052 Pagers	69.32	41.67	27.65	176.30	166.68	9.62	500.00
6053 Internet Service	114.98	133.33	(18.35)	449.92	533.32	(83.40)	1,600.00
6059 Computer Software Maintenance	803.26	2,000.00	(1,196.74)	2,862.27	8,000.00	(5,137.73)	24,000.00
6061 Office Equipment Maintenance	0.00	83.33	(83.33)	0.00	333.32	(333.32)	1,000.00
6065 Accounting Services	0.00	0.00	0.00	6,400.00	0.00	6,400.00	7,000.00
6070 Office & Accounting Labor	13,699.80	12,008.33	1,691.47	58,907.03	48,033.32	10,873.71	144,100.00
6075 Professional Services	587.65	7,916.67	(7,329.02)	13,775.71	31,666.68	(17,890.97)	95,000.00
6080 Administrative Fees	969.28	1,036.67	(67.39)	3,744.32	4,146.68	(402.36)	12,440.00
6081 Permits/Fees	468.06	1,250.00	(781.94)	1,872.24	5,000.00	(3,127.76)	15,000.00
6086 Taxes - Sales/Use	0.00	41.67	(41.67)	0.00	166.68	(166.68)	500.00
6088 Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00	49,000.00
6120 Bank Service Charges	670.61	1,000.00	(329.39)	2,181.67	4,000.00	(1,818.33)	12,000.00
Total Expenses	151,240.97	139,255.41	11,985.56	623,893.15	621,156.64	2,736.51	1,847,200.00
Net Income	13,286.24	(10,505.42)	23,791.66	(64,344.13)	(85,156.68)	20,812.55	(152,200.00)
Other Expenditures							
1505 Water Tunnels	0.00	0.00	0.00	993.63	1,000.00	(6.37)	10,000.00
1511 Water Treatment Plant	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
1512 Water Meters	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00
1513 Electrical/Electronic Equip.	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00
1514 Computer/Office Equipment	5,904.27	0.00	5,904.27	5,904.27	0.00	5,904.27	5,000.00
1515 Vehicles & Portable Equipment	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00
1516 Water Company Facilities	0.00	0.00	0.00	0.00	0.00	0.00	35,000.00
1522 Eucalyptus Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00
1530 Tools	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00
2400 Installment Purchase Agreement	0.00	0.00	0.00	0.00	0.00	0.00	151,202.00
Total Other Expenditures	5,904.27	0.00	5,904.27	6,897.90	1,000.00	5,897.90	329,202.00
Total Increase or (Drawdown)	7,381.97	(10,505.42)	17,887.39	(71,242.03)	(86,156.68)	14,914.65	(481,402.00)

Kinneloa Irrigation District Balance Sheet as of April 30, 2023

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 100,300.67
1012	Reserve Fund-LAIF	130,641.27
1014	Reserve Fund-CalTRUST	1,547,394.78
1016	Accrued Interest-LAIF	558.96
1100	Accts. Receivable-Water Sales	13,292.63
1102	Accts. Receiv.-Wholesale Water	56,954.16
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	158,447.43
1350	Prepaid Insurance	9,890.57
1360	Prepaid Expenses	34,843.06

Total Current Assets

2,071,552.05

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	4,010,066.35
1505	Water Tunnels	738,468.23
1506	K-3 Well	89,543.06
1507	Improvement District #1	602,778.12
1508	Mountain Property	6,620.00
1509	Wilcox Well/Wilcox Booster	94,030.98
1510	Interconnections	14,203.27
1511	Water Treatment Plant	206,569.07
1512	Water Meters	405,838.63
1513	Electrical/Electronic Equip.	256,918.72
1514	Computer/Office Equipment	75,658.84
1515	Vehicles & Portable Equipment	308,656.75
1516	Water Company Facilities	104,222.20
1517	KID Office	64,899.78
1518	Shaw Ranch	280,789.92
1519	Dove Creek Project	487,383.87
1520	Glen Reservoir/Booster	24,190.86
1521	Kinneloa Ridge Project	690,492.58
1522	Eucalyptus Booster Station	532,342.43
1526	Vosburg Booster	1,647,215.66
1527	SCADA Equipment	362,117.90
1528	Tanks and Reservoirs	119,491.90
1529	Holly Tanks	181,113.76
1530	Tools	6,273.13
1600	Accum. Depreciation	(5,933,805.76)

Total Property and Equipment

5,524,840.74

Other Assets

1901	PERS-Deferred Outflows	64,858.00
------	------------------------	-----------

Total Assets

\$ 7,661,250.79

Kinneloa Irrigation District Balance Sheet as of April 30, 2023

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 78,561.94	
2005	Umpqua Visa Payable	4,662.84	
2250	PERS Withholding-Employee	1.68	
2271	Deposits-Construction Meters	850.00	
2272	Job Deposits	18,017.00	
2275	Deposits-Water Customers	255.02	
2290	Accrued Vacation	13,237.40	
	Total Current Liabilities		115,585.88

Long-Term Liabilities

2400	Installment Purchase Agreement	1,304,978.65	
2801	PERS- Net Liability	100,903.50	
2901	PERS- Deferred Inflows	160,498.00	
	Total Long-Term Liabilities		1,566,380.15
	Total Liabilities		1,681,966.03

Capital

3040	Fund Balance	6,048,141.06	
	Net Income	(68,856.30)	
	Total Capital		5,979,284.76
	Total Liabilities & Capital		\$ 7,661,250.79

Kinneloa Irrigation District
Statement of Cash Flow
For the Four Months Ended April 30, 2023

	Current Month	Year to Date
Cash Flows from Operating Activities		
Net Income	\$ 7,381.97	\$ (68,856.30)
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	990.93	11,265.00
1102 Accts. Receiv.-Wholesale Water	(33,310.27)	(56,954.16)
1340 Accrued Water Sales	(29,587.25)	(29,978.07)
1350 Prepaid Insurance	2,474.95	9,899.80
1360 Prepaid Expenses	(13,338.79)	(4,680.16)
2000 Accounts Payable	(8,005.53)	11,159.98
2005 Umpqua Visa Payable	(1,614.37)	4,662.84
2250 PERS Withholding-Employee	1.68	1.68
2260 Med./Dental-Withhold-Employee	364.40	0.00
2272 Job Deposits	900.00	15,317.00
	(81,124.25)	(39,306.09)
Total Adjustments	(81,124.25)	(39,306.09)
Net Cash Provided by Operations	(73,742.28)	(108,162.39)
Cash Flows from Investing Activities		
<i>Used for</i>		
1505 Water Tunnels	0.00	(993.63)
	0.00	(993.63)
Net Cash Used in Investing	0.00	(993.63)
Cash Flows from Financing Activities		
<i>Proceeds from</i>		
<i>Used for</i>		
	0.00	0.00
Net Cash Used in Financing	0.00	0.00
Net Increase (Decrease) in Cash	\$ (73,742.28)	\$ (109,156.02)
Summary		
Cash Balance at End of Period	\$ 1,778,895.68	\$ 1,778,895.68
Cash Balance at Beg. of Period	(1,852,637.96)	(1,888,051.70)
	(1,852,637.96)	(1,888,051.70)
Net Increase (Decrease) in Cash	\$ (73,742.28)	\$ (109,156.02)

Kinneloa Irrigation District
Check Register
April 1, 2023 to April 30, 2023

Date	Check #	Payee	Amount	Description
4/13/23	EFT5655	CA Public Employees Ret. Sys.	9,104.05	KID & Employee Retirement Contributions
4/13/23	EFT5656	Century Business Solutions	15.00	Credit Card processing Fee
4/13/23	EFT5657	Southern California Edison Co.	8,529.83	Electricity - District / K3 Pumping
4/13/23	EFT5658	Spectrum	354.92	Internet Services
4/13/23	EFT5659	Streamline	200.00	Website Services
4/13/23	EFT5660	VeriCheck, Inc.	153.15	E-check Processing Fees
4/13/23	10530	ACWA-JPIA	4,708.63	KID & Employee Health Benefits Contributions
4/13/23	10531	Aramark Uniform Services	69.11	Shop Rag Service
4/13/23	10532	Civiltec Engineering, Inc.	1,005.00	Water Main 1850 Kinneloa Canyon rd.
4/13/23	10534	Clinical Lab of San Bernardino	130.00	Water Treatment/Analysis
4/13/23	10535	Underground Service Alert	22.25	Digalert
4/13/23	10536	Generator Services Co.	9,322.48	Generator Maintenance
4/13/23	10537	Google LLC	77.80	Computer Software Maintenance
4/13/23	10538	Clinical Lab of San Bernardino	184.00	Water Treatment/Analysis
4/13/23	10539	Public Water Agencies Group	289.08	PWAG Monthly Assessment for Emergency Preparedness
4/13/23	10540	Rowland Water District	2,375.00	PWAG Emergency Planning Consultants - Qtr. 3rd & 4th
4/13/23	10541	Sage Designs, Inc.	800.00	SCADA: WIN 911 Alarm Notification Software
4/13/23	10542	J.A. Salazar Construction & Supply Corp	13,001.58	1619/1623 Hasting Heights - Replace Service
4/13/23	10543	Ultimate Cleaning Solutions, Inc.	90.00	KID & Employee Retirement Contributions
4/13/23	10544	Clinical Lab of San Bernardino	110.00	Water Treatment/Analysis
4/13/23	10545	Public Water Agencies Group	875.00	Quarterly PWAG Assessment 2023
4/13/23	10546	USA Blue Book	174.82	HACH Chlorine Tester
4/13/23	10547	Utility Service Co., Inc.	5,700.66	Monthly Tank Maintenance
4/13/23	10548	Weck Laboratories, Inc.	9.00	Water Treatment/Analysis
4/13/23	10549	USA Blue Book	537.45	Hydrant Paint & Primer
4/13/23	10550	Weck Laboratories, Inc.	108.00	Water Treatment/Analysis
4/15/23	EFT5661	Bernadette C. Allen	1,579.27	Salary
4/15/23	EFT5662	Arthur M. Aragon	1,912.80	Salary
4/15/23	EFT5663	Ramon Jr. Ascencio	2,070.51	Salary
4/15/23	EFT5664	Christopher A. Burt	4,031.98	Salary
4/15/23	EFT5665	Michele M. Ferrell	2,881.50	Salary
4/15/23	EFT5666	Brian L. Fry	1,490.17	Salary
4/15/23	EFT5667	Thomas L. Majich	4,572.33	Salary
4/15/23	EFT5668	Juan R. Tello	1,763.39	Salary
4/15/23	EFT5669	Melanie E. Timoteo	1,607.56	Salary
4/15/23	EFT5670	Christopher A. Burt	300.00	Salary
4/15/23	EFT5671	Juan R. Tello	353.00	Salary
4/15/23	EFT5672	Automatic Data Processing, Inc.	9,008.29	Payroll Taxes & Withholdings
4/20/23	10551	ACWA-JPIA	7,804.44	KID & Employee Health Benefits Contributions
4/20/23	10552	Clinical Lab of San Bernardino	284.00	Water Treatment/Analysis
4/20/23	10553	Calif. Utility Emergency Association	500.00	CUEA Annual Membership dues 7/1/23 - 6/30/24
4/20/23	10554	Geotab USA, Inc	79.00	Vehicle Maintenance
4/20/23	10555	High Road Information Technology	5,904.27	Cabling & Network Materials
4/20/23	10556	Matt Chlor Inc.	4,058.18	Two Chlorine Pumps & Multifunction Valves
4/20/23	10557	Perry Thomas Construction Co.	6,595.00	3259 Service Relocation & Upgrade
4/20/23	10559	Matt Chlor Inc.	341.34	Vosburg Chlorine Pump Parts
4/20/23	10560	McMaster Carr	349.20	Maintenance Supplies
4/20/23	10561	Pump Check	1,415.00	Pump Efficiency Testing - Glen, K3 & Wilcox
4/20/23	10562	Raymond Basin Management Board	1,570.60	Title 22 Monitoring
4/20/23	10563	USA Blue Book	19.94	Water Testing Supplies

Kinneloa Irrigation District
Check Register
April 1, 2023 to April 30, 2023

Date	Check #	Payee	Amount	Description
4/20/23	10564	Ware Disposal	248.62	Trash Pickup Services
4/20/23	10565	Raymond Basin Management Board	15,725.00	Watermaster Service
4/20/23	10566	USA Blue Book	491.63	Hydrant Paint & Primer
4/20/23	10567	Weck Laboratories, Inc.	9.00	Water Treatment/Analysis
4/20/23	10568	Foothill Municipal Water District	969.28	Administrative Fee (O & M charge)
4/20/23	EFT5673	Automatic Data Processing, Inc.	116.15	Payroll Processing Fee
4/20/23	EFT5674	Century Business Solutions	317.42	Credit Card Processing Fee
4/20/23	EFT5675	Pasadena Municipal Services	1,843.35	Electric Services (Wilcox)
4/30/23	EFT5676	Bernadette C. Allen	1,391.77	Salary
4/30/23	EFT5677	Arthur M. Aragon	1,853.73	Salary
4/30/23	EFT5678	Ramon Jr. Ascencio	2,090.48	Salary
4/30/23	EFT5679	Stephen Brown	138.52	Salary
4/30/23	EFT5680	Christopher A. Burt	4,458.43	Salary
4/30/23	EFT5681	Michele M. Ferrell	2,954.49	Salary
4/30/23	EFT5682	Gerrie G. Kilburn	138.52	Salary
4/30/23	EFT5683	Thomas L. Majich	4,791.40	Salary
4/30/23	EFT5684	Juan R. Tello	1,327.03	Salary
4/30/23	EFT5685	Melanie E. Timoteo	1,607.56	Salary
4/30/23	EFT5686	Christopher A. Burt	300.00	Salary
4/30/23	EFT5687	Juan R. Tello	353.00	Salary
4/30/23	EFT5688	Automatic Data Processing, Inc.	8757.25	Payroll Taxes & Withholdings
4/30/23	EFT5689	Timothy J. Eldridge	138.52	Salary
4/30/23	EFT5690	Umpqua Bank	6,277.21	Credit Card Payment
4/30/23	EFT5691	Automatic Data Processing, Inc.	110.63	Payroll Processing Fee
4/30/23	EFT5692	Arco Gaspro Plus	2,139.57	Fleet Vehicle Fuel
4/30/23	EFT5693	AT&T Mobility	90.72	Mobile Phones
		Total	177,077.86	

Kinneloa Irrigation District
Cash Disbursements Journal
 For the Period From Apr 1, 2023 to Apr 30, 2023

Filter Criteria includes: Report order is by Date. Report is prin

Date	Check #	Name	Line Description	Debit Amount	1 Account ID	Account Description
4/1/23	20230401MA-1	Google LLC	Google Accounts	65.80	6059	Computer Software Maintenance
4/1/23	20230404MA-1	Staples, Inc.	Drums for printer (2)	332.86	6035	Office/Computer Supplies
4/2/23	20230402JT-1	Home Depot	Maintenance supplies	61.70	5010	Maintenance/Repair Supplies
4/3/23	20230403MA-1	Claro's Italian Market	Food Stuff - B. Fry Retirement	136.53	6035	Office/Computer Supplies
4/3/23	20230403MA-2	United States Postal Service	Stamps	315.00	6036	Postage/Delivery
4/5/23	20230405MA-1	United States Postal Service	Stamps and certified Mail	135.56	6036	Postage/Delivery
4/6/23	20230406MA-1	Staples, Inc.	New Laser Printer	492.74	6035	Office/Computer Supplies
4/6/23	20230406MA-2	Amazon.com Inc	Latex Gloves	56.96	5010	Maintenance/Repair Supplies
4/6/23	20230406MA-3	Amazon.com Inc	Latex Gloves	57.48	5010	Maintenance/Repair Supplies
4/6/23	20230406MF-1	Red Wing Shoes	Safety Boots for R, Ascencio	297.65	5012	Safety Equipment
4/8/23	20230408MA-1	Amazon.com Inc	Latex Gloves	27.93	5010	Maintenance/Repair Supplies
4/11/23	20230411MF-1	Fire Hose Direct	Blue Reflective Markers	311.32	5010	Maintenance/Repair Supplies
4/12/23	20230412CB-1	Splashtop	Splashtop Remote Login	198.00	6059	Computer Software Maintenance
4/12/23	20230412MA-1	Amazon.com Inc	Poison Oak Towelettes	27.14	5012	Safety Equipment
4/12/23	20230412MA-2	Amazon.com Inc	Post its	36.62	6035	Office/Computer Supplies
4/12/23	20230427CB-2	Altadena Hardware	Root Killer	79.89	5010	Maintenance/Repair Supplies
4/13/23	20230413MA-1	Amazon.com Inc	Scott Towels	59.14	5010	Maintenance/Repair Supplies
4/13/23	20230413MA-2	Amazon.com Inc	Poison Oak Towelettes	15.88	5012	Safety Equipment
4/14/23	20230414JT-1	Lawn Mower Corner	Landscaping Tools	189.23	5010	Maintenance/Repair Supplies
4/18/23	20230418MA-3	American Messaging Services	Pagers	69.32	6052	Pagers
4/20/23	20230420JT-1	Home Depot	Safety Gloves and Water	20.60	5012	Safety Equipment
4/20/23	20230420TM-1	Craigslist	Job Advertisement	135.00	6024	Customer/Public Info. Prog.
4/21/23	20230421MA-1	United States Postal Service	Stamps (4 rolls) and Certified Mail	264.45	6036	Postage/Delivery
4/23/23	20230423MA-1	Amazon.com Inc	Scott Shop Towels	38.69	5010	Maintenance/Repair Supplies
4/23/23	20230423MF-1	Airgas USA, LLC	Nitrogen	49.73	5010	Maintenance/Repair Supplies
4/26/23	20230426BA-1	United States Postal Service	6 Stamp Rolls	378.00	6036	Postage/Delivery
4/27/23	20230427CB-1	RS Americas Inc.	K3 Time Delay Timer (2)	144.15	5010	Maintenance/Repair Supplies
4/28/23	20230428CB-1	O'Reilly Auto Parts	Tire Leak Repair Supplies	92.85	5035	Vehicle Maintenance
4/28/23	20230428CB-2	O'Reilly Auto Parts	Tire Leak Repair Supplies	118.95	5035	Vehicle Maintenance
4/28/23	20230428CB-3	America's Tire	Two new Tires - Truck #2	453.67	5035	Vehicle Maintenance
Total				4,662.84		

General Manager's Report for the Board of Directors Meeting on May 16, 2023

I. Customer Account Information

A. Customer Accounts –

Active accounts: 591
 Delinquent accounts receiving late charges: 15
 Accounts shut off for non-payment: 4

B. Aged Receivables –

Month	Current	30 days	60 days	90 days or greater	Total
May 2022	\$37,690.81	\$4,369.82	\$642.51	\$0.00	\$42,703.14
June 2022	\$24,494.33	\$2,302.55	\$444.71	\$0.00	\$27,241.59
July 2022	\$23,538.22	\$3,105.28	\$444.95	\$0.00	\$27,088.45
August 2022	\$27,954.41	\$2,246.84	\$85.58	\$0.00	\$30,286.83
September 2022	\$29,084.27	\$1,156.90	\$102.42	\$0.00	\$30,343.59
October 2022	\$26,598.27	\$5,782.60	\$523.20	\$102.42	\$33,006.49
November 2022	\$20,997.03	\$5,621.74	\$2,148.38	\$362.14	\$29,129.29
December 2022	\$21,306.67	\$2,502.76	\$330.18	\$418.02	\$24,557.63
January 2023	\$22,653.06	\$2,307.71	\$72.16	\$0.00	\$25,032.93
February 2023	\$18,189.83	\$4,318.89	\$75.79	\$0.00	\$22,584.51
March 2023	\$35,127.70	\$1,920.64	\$879.11	\$0.00	\$37,927.45
April 2023	\$66,896.69	\$2,115.94	\$442.92	\$746.62	\$70,202.17

II. General Manager's Projects and Activities

A. Meetings/Outreach/Key Contacts

1. FMWD Managers Meeting – April 24th
2. RBMB Board Meeting: April 19th. Topics included MWD purchases and Monk-Hill Reductions.
3. PWP Assistant General Manager – Water: meeting re: excess water sales and future joint projects
4. CALPERS Call re: GASB 68 shortfall
5. FEMA Grant – submitted new RPA for Feb/March storm damage
6. PWAG Hazard Mitigation Plan Preparation – meeting with consultant on 5/15
7. Funding Fair 5/4/23 – GM attended online with various state agencies
8. Grants Update: Funds exhausted for Small Community Drought Relief Program. Brown-Glen application will not be funded.
9. City of Pasadena Interconnect Agreement: Per discussion with city staff, agreement is still pending execution with management. As of 4/12/23 Pasadena staff notes that some revisions are being made which are related to more detailed description of the interconnect sites, but that is anticipated to be complete and ready for execution within the next month.
10. General Manager received T2 Distributor Operator Certification on April 26, 2023. Now D2/T2 certified.

B. Office Staff Updates

1. IT Upgrade Project: High Road IT engaged to perform some IT infrastructure upgrades in office. Phase I, new cabling and hardware configuration, and Phase II, establishing unique logins and passwords for all staff was completed on 4/13. Phase III, upgrades to firewall and network security is anticipated to be complete by late-May.
2. Grant Application for Brown-Glen Pipeline Project: Submitted by consultant, Engineering Solutions Services, and confirmed received by DWR on 1/13/23. Funding for this grant has been exhausted, staff will continue to monitor potential grant opportunities.
3. Hazard Mitigation Plan – PWAG received a grant to hire a consultant to assist agencies with creating an EPA compliant Multi-Jurisdictional Hazard Mitigation Plan. KID is currently not required to have an America's Water Infrastructure Act (AWIA) compliant plan, but we require one if we intend to participate in future funding opportunities for hazard mitigation projects. There are currently no funding opportunities for hazard mitigation projects available.
4. JPIA Risk Advisor meeting March 23rd reviewed district Injury and Illness Prevention Plan, Hazard Identification and Correction, Emergency Preparedness, Accident Investigation and discussed Valve Exercise and Maintenance program. JPIA emailed a Risk Assessment Evaluation with various recommendations on 4/14/23, General Manager working on addressing noted deficiencies.
5. Property Insurance – KID staff reviewed property schedule and updated to include appropriate assets and correct values. Updated property schedule sent to JPIA for review and quote.

C. System Project Updates

1. Annual Cla-Val Maintenance complete at Eucalyptus. All facilities on a 5-year rotation.
2. Electrical Contractor engaged for repairs at K-3 and support District electrical subcontractor needs.
3. Old Grove Road system repair complete, 1 day project. Approximately \$6,400 cost.
4. Annual Well Pump Efficiency for K-3 and Wilcox and Meter Accuracy Testing Completed. Pump Efficiency at 43.0%/65.2% and Meter Accuracy at 99.0%/100.0% respectively.
5. Eucalyptus Booster Pump 3: Vendor engaged. Anticipated project cost of \$63,500 which is over current budget of \$45,000. Expecting components to arrive late May then field work will be scheduled.
6. Brown-Glen Pipeline Improvement Project – Final plans and specifications are being prepared. No funding is allocated for 2023.
7. 1850 Kinneloa Canyon Road – Customer signed Agreement; plans are approved by Fire Department. Project will be put out for bid when customer deposit is received.
8. 2147 Villa Heights Erosion Restoration – customer performed mitigation work on their own, KID scope of work is very small, to be performed with in house labor.
9. Vosburg Reservoir Rehab – scope of work to be developed and budgeted following dive inspection.
10. Wilcox Reservoir Road – remedial work done in January, but more damage occurred from recent storms. Road is passable, no immediate work is planned. FEMA Request for Public Assistance submitted.
11. House Tunnel Repair – Pipeline repairs are complete, need to complete sanitary seal of entrance and other hazard mitigation measures.
12. SCADA Repairs – Repairs due to February/March storm damage are complete. GM will include these costs in FEMA request for public assistance.
13. Tank Maintenance – Holly West washout was completed in March. Tank inspection reports received 4/13/23. Holly East is scheduled for an exterior rehabilitation in 2023; however, earth removal and tree trimming needs to be performed to allow access. Project cost of ~\$20k, not in 2023 budget.
14. Tree Trimming – required at various locations, project list being developed.
15. Physical Security Upgrades – required at various locations, priority list being developed.

D. Regulatory Compliance and Reporting

1. Monthly Water Quality Reporting – Monthly reporting due by the 10th of each month.
2. Water Quality Emergency Notification Plan – annual requirement, filed timely in April 2023
3. Electronic Annual Report for 2022 (eAR) – released 3/13/23, due by 5/13/23. Draft submittal made to DWR staff for their review on 4/24/23.
4. Drought and Conservation Report – required per Order No. DDW_HQ_Drought2023-001 issued on 1/1/23. New requirement for monthly data due quarterly, first report is due April 30, 2023. KID staff submitted report in mid-April. Next submittal due mid-July.
5. Water Board Citation 22C_007 – issued on 1/13/23 regarding Testing Protocol Violations. All steps complete except for public notice which will be done via the 2022 CCR.
6. Water Board Citation 23C_003 – issued on 8/24/22 regarding House Tunnel source reactivation. Multiple steps complete, public notice required by 5/23/23. KID will prepare a notice to all customers regarding this citation and reference will be included in the 2022 CCR. Draft notice language submitted to DWR staff on 4/25/23 for their review and approval.
7. Water Board Citation Pending – Discussion with Water Board staff on 3/7/23 notes potential testing violations for raw water sources. Warning letter issued 4/27/23, no formal citation will be issued.
8. 2022 Consumer Confidence Report – Must be delivered to customers by 7/1/2023.
9. Fluoride Variance – KID fluoride variance expires on 12/13/23. SA Associates engaged for a formal blending plan to submit to the State as well as provide conceptual treatment options. SA team visited facilities on 4/7/23 with KID staff to discuss status. A first draft of a blending plan and system diagram is expected by end of April to transmit to the State after review. KID staff in contact with various suppliers of analyzers and treatment options. In May, we will make a recommendation on analyzer purchase and install. Current 2023 budget has no allocation to Fluoride compliance project costs.
10. Federal Lead and Copper Rule Revisions: Notice received from SWRCB on 2/14/23. All public water systems to develop and submit a service line material inventory to the SWRCB, DDW by 10/16/24. This inventory includes service line material on both District side of meter, and customer side of meter.
11. Making Conservation a Way of Life Regulation – SWRCB issued a staff proposal on 3/15/23 for the proposed regulatory framework. Includes new and expanded authorities and requirements that affect water conservation and drought planning for urban water suppliers. NOTE: Kinneloa Irrigation District does meet definition of “urban water supplier” so these regulations are generally not applicable. (more than 3,000 customers or more than 3,000 acre feet annually)
12. PFOA, PFOS and PFAS Chemicals: Impacts of regulations are being monitored through trade groups that KID is affiliated with and Raymond Basin monitoring.
13. CARB Advanced Clean Fleets (ACF) Regulation adopted 4/28/23. Likely no impact to District operations.
14. SB 552 – status of compliance, must meet Fire Flow requirements by January 2032. Costs to be considered in Master Planning.
15. SB 1020 – Clean Energy, Jobs, and Affordability Act of 2022 – requires 100% of all state agency electricity consumption to be from renewable and carbon neutral sources by 2035.

* Organization Acronyms:

ACWA – Association of California Water Agencies
ACWA JPIA – Association of California Water Agencies Joint Powers Insurance Authority
CSDA – California Special Districts Association
CUEA – California Utilities Emergency Association
DDW – Dept. of Drinking Water
DWR – Dept. of Water Resources
FMWD – Foothill Municipal Water District
KID – Kinneloa Irrigation District
LAFCO – Local Agency Formation Commission of Los Angeles County
PWAG – Public Water Agencies Group
RBMB – Raymond Basin Management Board
SWRCB – State Water Resources Control Board
LCRR – Lead and Copper Rule Revisions

III. Incident Reports

Customer Leaks	System Leaks	Water Waste	Water Quality	Customer Service*	Comments
1	2	0	0	6	n/a

* Customer service includes requests for water shutoff to facilitate customer plumbing repairs, inquiries about water bills, requests for leak checks and general questions.

IV. Water Supply Summary as of March for the Watermaster Year 2022-2023

Raymond Basin Groundwater (Acre Feet)		Kinneloa Irrigation District Water Tunnels (Acre Feet)	
Water Rights	516	Eucalyptus	34.3
Prior Year Carryover	51.6	Far Mesa	25.4
Less Temporary 30% Reduction in Water Rights	-154.8	Delores	33.5
Leases/Exchanges	207	House	8.8
Prior Year Spreading	74.6	Holly High/Low	30.5
Short Term Storage	45		
Current Year Spreading	0		
Total Allowable Extractions	739.4		
Less Water Extracted YTD This Watermaster Year	-425.6	Year to Date Tunnel Production	132.5
Remaining Allowable Groundwater Extractions through June 2023	313.8	Remaining Estimated Tunnel Production through June 2023	32.0
Total Available Water Supply (Remaining Allowable Groundwater + Remaining Estimated Tunnel Production through June 2023)		345.8 Acre Feet	
Less Remaining Forecasted Retail Water Sales through June 2023		-110.0 Acre Feet	
Estimated Surplus Water through June 2023*		235.8 Acre Feet	

* This is the forecasted surplus water available for sale in the current year and/or carryover to the next Watermaster year which starts on July 1 subject to the carryover limits established by the Raymond Basin Management Board. Regarding the available surplus water, we will maximize the carryover to the next year and deliver the balance of the forecasted surplus water (if any) to the City of Pasadena. *Current Agreement with City of Pasadena for sale of excess groundwater expires June 30, 2025.*

In the 2021-2022 year, 51.5 Acre-Feet were sold to the City, 51.6 Acre-Feet were carried over to 2022-2023 and 45 Acre-Feet were put into our short-term storage account. Although we may lease additional pumping rights from another agency with surplus pumping rights, this is not considered a guaranteed source of supply since it is subject to negotiation. In addition to the available water, the KID has 758.9 Acre Feet in a long-term storage account. Additions to long-term storage are no longer permitted but withdrawals can be made to supplement allowable extractions. However, since KID staff considers long-term storage to be an emergency supply, we do not plan to use or sell this water now.

State Water Resources Control Board
Division of Drinking Water

April 27, 2023

Tom Majich
General Manager
Kinneloa Irrigation District
1999 Kinclair Dr
Pasadena, CA 91107

Dear Mr. Majich,

SUBJECT: KINNELOA IRRIGATION DISTRICT, SYSTEM NUMBER 1910035 – FAILURE TO COLLECT REQUIRED RAW WATER GROUNDWATER SOURCES SAMPLES FROM THE CORRECT LOCATION DURING NOVEMBER, DECEMBER OF 2022 AND JANUARY, FEBRUARY, MARCH OF 2023

In November and December of 2022, and January, February, March (the first week) of 2023, the Kinneloa Irrigation District (District) failed to collect required groundwater source raw water samples from the correct location (prior to chlorination), listed in the following table:

Groundwater Source	November 2022	December 2022	January 2023	February 2023	1 st Week March 2023
Dolores Tunnel	No flow*	No flow*	No flow*	X	X
Eucalyptus Tunnel	X	X	X	X	X
Far Mesa Tunnel	X	X	X	X	X
High/Low Pressure Tunnels	X	X	X	X	Raw water sample collected
House Tunnel	X	X	X	X	Offline**
Kinneloa Well 3	X	X	X	X	X
Wilcox Well	X	X	X	X	Raw water sample collected

*Water system reported no flow for source, no sample collected

**Water system reported source offline due to pipeline repair, no sample collected

X = Failed to properly collect required raw water samples

This failure to properly collect the raw water samples violated Permit Provision 12 of Permit No. 04-07-05P-005, which is stated below.

12. All sources must be sampled at least monthly for bacteriological quality. Raw water samples must be collected prior to chlorination. All analysis results must be submitted to the Division along with the Monthly Summary of Distribution System Coliform Monitoring by the 10th of the following month.

The District has collected samples for bacteriological quality, however, samples were collected after chlorination. Per above-mentioned permit condition, the District was required to take bacteriological samples prior to disinfection (raw water samples) for all its sources. The District has acknowledged this oversight on its part and has made necessary corrections to its chain of custody form to avoid the same problem from happening in the future. The District has also reviewed sampling procedures with all operators and for all its sources for raw water sampling (prior to chlorination). Additionally, the District has submitted to the Division its draft Bacteriological Sample Siting Plan (BSSP) to indicate proper sampling location (prior to chlorination) for collection of source raw water samples. The Division is currently reviewing the BSSP and will be approving it for implementation soon.

Although at this time, the Division will not take a formal enforcement action against the District over improper sampling, the Division always has the discretion to take enforcement actions against a water system in accordance with the State Board authority that it has been delegated to ensure that the requirements set forth by the domestic water supply permit conditions, Safe Drinking Water Act, California Health and Safety Code, and California Code of Regulations are fully complied with.

The District must cease violating its permit conditions and relevant water quality monitoring requirements. **Please be advised that if the District fails monitoring requirements again, the Division will take a formal enforcement action.**

If you have questions about this letter, please contact Mr. Kurtis Lee at (818) 551-2015 or me at (818) 551-2022.

Sincerely,



Dmitriy Ginzburg, P.E.
District Engineer
Hollywood District

Cc: Chris Burt



New Drought Requirements for Small Water Suppliers



Senate Bill Number 552 (SB 552)

Signed in September 2021, [SB 552](#) introduces and summarizes the new responsibilities and requirements for state and local government (counties and small water suppliers) in preparation of a water shortage event.

Scope of SB 552

Under SB 552, state and local governments will share the responsibility in preparing and acting in the case of a water shortage event. The new law outlines basic steps for small water suppliers, county governments, California Department of Water Resources, and the State Water Board to implement more proactive drought planning and impact prevention and to be better prepared for future water shortage events.

What does SB 552 require from Small Water Suppliers?

SB 552 considers several categories of small water suppliers: those suppliers with 15 to 999 connections, those with 1,000 to 2,999 connections inclusive, and non-transient non-community (NTNC) water systems that are schools (see Table 1).

Table 1. Requirements for Small Water Suppliers by Size, per SB 552

Summary of Requirement	Community Water Systems 1,000-2,999 connections	Community Water Systems 15-999 connections	NTNC Water System Schools
Drought Resiliency Measures	Yes	Yes	Yes
Abridged Water Shortage Contingency Plan	Yes	No	Yes
Drought Element added to Emergency Notification or Response Plan	No	Yes	No
Annual reporting of water supply condition information to the State Water Board	Yes	Yes	Yes
Annual water demand reporting to the State Water Board	Yes	Yes	Yes

For more information about the State’s Drought Response and Assistance, please visit: drought.ca.gov.

Small Water Suppliers with 15-2,999 connections + NTNC schools

New Annual Reporting Requirements

All small water suppliers (community water systems with 15-2,999 connections) and non-transient non-community water systems that are schools (NTNC schools) must report water supply condition, production, and demand information to the State Board annually.

Implement drought resiliency measures, subject to funding availability

- Detect production well groundwater levels - *January 1, 2023*
- Mutual aid organization membership - *January 1, 2023*
- Continuous operation during power failures - *January 1, 2024*
- Backup source of water supply or a water system intertie - *January 1, 2027*
- Meter each service connection and monitor water loss - *January 1, 2032*
- Meet fire flow requirements - *January 1, 2032*

Water Shortage Contingency Planning

1,000-2,999 connections + NTNC schools: Small water suppliers serving 1,000 to 2,999 service connections and NTNC schools must develop and maintain a Water Shortage Contingency Plan that includes specified drought-planning elements no later than July 1, 2023. Suppliers must prepare an updated plan every five years thereafter. The State Water Board and Department of Water Resources are preparing a template for the water shortage contingency plan for small suppliers by December 31, 2022. Required plan elements include:

- Specified drought planning contacts
- Water shortage levels corresponding to water supply conditions
- Triggering mechanisms to acknowledge water shortage levels
- Response actions to address each of the shortage levels

15-999 connections: Small water suppliers serving 15-999 service connections must incorporate drought planning elements (including, but not limited to, drought-planning contacts and standard water shortage levels) into their Emergency Notification Plan (ENP) or Emergency Response Plan (ERP).

Resources

Tools, updates, events and other resources are available here:

<https://water.ca.gov/Programs/Water-Use-And-Efficiency/SB552>

Contact: drought@waterboards.ca.gov

For more information about the State's Drought Response and Assistance, please visit: drought.ca.gov.

CARB Adopts Advanced Clean Fleets Regulation

On April 28, the California Air Resources Board (CARB) formally adopted the Advanced Clean Fleets (ACF) Regulation which requires a swift shift away from conventional vehicles to Zero-Emission Vehicles (ZEV) for state and local fleets (including public water agencies) for medium- and heavy-duty fleet vehicles starting in 2024.

CARB's Advanced Clean Fleet Regulation

Highlights:

- CARB ACF regulates all gross vehicle weight rating (GVWR) greater than 8,500 lbs. that are operated in California.
- Regulation takes effect January 1, 2024.
- 2024 – 2026: 50% of new vehicle purchases for state and local fleets must be ZEVs.
 - Starting January 1, 2024, 50% of the total number of vehicle additions for the California fleet in each calendar year must be ZEVs.
- 2027 and beyond: 100% of new vehicle purchases for state and local fleets must be ZEVs¹.
 - Starting January 1, 2027, 100% of the total number of vehicle additions for the California fleet in each calendar year must be ZEVs.
- First Compliance Report Due to CARB April 1, 2024, and every year after until April 1, 2045.
- Alternative "Milestone Option" is available.
- Exemption pathways to consider:
 - Backup vehicle exemption
 - Daily usage exemption
 - ZEV infrastructure delay extension
 - ZEV purchase exemption
 - Mutual aid exemption
 - Intermittent snow removal exemption
 - Non-repairable vehicle exemption

CARB's ACF regulation establishes requirements for state and local agencies (including public water agencies) to purchase a specified percentage of Zero-Emission Vehicles (ZEV) as part of their new vehicle purchases. Starting in 2024, fleet owners are required to add ZEVs per the following schedule. Starting January 1, 2024, 50% of the total number of vehicle additions to the fleet in each calendar year must be ZEVs. Starting January 1, 2027, 100% of the total number of vehicle additions to the fleet in each calendar year must be ZEVs. As an alternative, fleet managers may choose CARB's Milestone Option which de-links the obligation to integrate ZEVs from the fleet manager's new-vehicle purchase decision, and instead, establishes a commitment to convert portions of the fleet by target dates specified by CARB. To establish a baseline that CARB can effectively monitor, fleet managers are required to provide a complete list and description of all vehicles in the current fleet by April 1, 2024.

Adopted 4/18/23

**Kinneloa Irrigation District
2023 District Goals**

- Develop strategies to address the multiple regulatory issues facing KID over the next several years.
- Continue and enhance outreach efforts to KID's customers and regulators. Assess opportunities for collaboration with other agencies.
- Initiate a planning process that identifies needed capital improvements to provide long-term infrastructure and water supply reliability. The planning process should consider various drivers including condition, risks, regulations, and performance goals.
- Assess KID's financial condition, provide rate projections, and pursue supplemental sources of funding for capital improvements.