

KINNELOA IRRIGATION DISTRICT
REGULAR MEETING – BOARD OF DIRECTORS
1999 KINCLAIR DRIVE, PASADENA, CA 91107
TUESDAY – JULY 15, 2008
7:30 P.M.

AGENDA

- 1. CALL TO ORDER**
 - 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.

- 3. GENERAL MANAGER'S REPORT**

- 4. REVIEW OF MINUTES** – Regular Meeting – June 17, 2008

- 5. REVIEW OF FINANCIAL REPORTS** – June 30, 2008

- 6. ITEMS FOR NEXT AGENDA**

- 7. CALENDAR – Regular Meeting** – August 19, 2008
September 16, 2008
October 21, 2008

- 8. ADJOURNMENT**

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.

General Manager's Report

July 15, 2008

I. Projects

- A. Ranch Top Road Interconnection – This companion project to the Fairpoint Interconnection is 85% completed. The Kinneloa Irrigation District will receive emergency water if needed via this interconnection from the City's Don Benito reservoir. This 2-way interconnection will also provide Pasadena emergency water from our Vosburg Reservoir.
- B. Truck Replacement Project – The 2008 Ford chassis has been built and has been shipped to the dealer. Pacific Truck Equipment is ready to proceed with the body as soon as the truck is received. This unit will replace the 1989 Chevrolet.
- C. Kinneloa Mesa Pipeline Project – Initial Plans and Specifications have been received from SA Associates and are currently under review by Chris and me. Our goal is to have the final package ready for bidding in September.
- D. Doyne Road Development – The developer has requested a construction water meter and appears to be ready to start grading for four out of the eight planned homes. I am currently reviewing the water system construction agreement that I prepared in 2004 to determine if any changes are needed in the agreement. The developer will be required to deposit funds to cover the preparation of detailed plans and specifications for the bidding package and to deposit construction funds after awarding of the contract to the successful bidder. The District will manage the construction project.

II. Customer Correspondence and Service Issues for June

- A. Villa Highlands Drive – Customer reported air and brown water coming out of faucet. Cause was determined to be a result of pump efficiency test that was performed that morning at the Wilcox Reservoir that required draining and repressurization of the main. This apparently caused introduction of air and stirred up sediment in the line. The problem was self correcting.

III. Office Operations

A. Delinquent Accounts

- 26 accounts received 10 day letters
- 3 accounts received 5 day letters
- 0 accounts received 24-hour shut off notice
- 0 accounts shut off

IV. Meetings and Conferences

- A. Foothill Municipal Water District Board Meeting – Agenda items included discussion and approval of the 2008-2009 O&M budget.
- B. Foothill Municipal Water District Budget Committee – The committee is continuing to explore possible financing solutions for master plan projects to minimize short term rate impact to the member agencies for wholesale water. A consultant has been engaged to help us evaluate proposals from two banks and to do a long term rate impact study.
- C. California Special Districts Association (CSDA) – A meeting of the finance committee was held to review second quarter financial results.
- D. ACWA Finance Committee and Audit Sub-Committee – Two respective meetings were held to review the audit and the second quarter financial report in preparation for the July board meeting.
- E. ACWA Region 8 – Board meeting and tour of Palmdale Water District Treatment Plant.

V. General Manager's Projects, Goals and Objectives

- A. I have completed the additional course work required for eligibility to take the water distribution operator D3 exam. I have attached my grade report and certificate. I am reviewing the expected range of subject matter and am scheduled to take the exam on August 16, 2008.

VI. Information Requested by Directors

A. Invoice Rates for Jobs (Requested by Director Griffith)

KINNELOA IRRIGATION DISTRICT 2008 INVOICE SALE RATES EFFECTIVE – APRIL 1, 2008

HOURLY

EMPLOYEE	KID HOURLY RATE	S.S. (7.65%)	WORK COMP. (8%)	PERS PAID BY KID (4.18%)	PERS PAID BY KID (Employee portion, 7%)	MED. INS.	INVOICE SALE RATE (Per hour)
Mel Matthews	47.28	3.62	3.78	1.98	3.31	7.50	\$ 67.47
Chris Burt	31.00	2.37	2.48	1.30	2.17	7.50	\$ 46.82
Shirley Burt	21.66	1.66	1.73	0.00	0.00	2.50	\$ 27.55
Brian Fry	22.24	1.70	1.78	0.93	1.56	2.50	\$ 30.71
Chris Mellinger	17.68	1.35	1.41	0.00	0.00	0.00	\$ 20.44
Felix Galindo	13.52	1.03	1.08	0.00	0.00	0.00	\$ 15.63
OUTSIDE SERVICE OR EQUIP. RENTAL			INVOICE SALE MINIMUM CHARGE (Vehicle rates include mileage)			DAILY RATE (8 hrs.)	INVOICE SALE RATE (Per hour)
89 One Ton w/ lift gate & tools			\$ 75.00 for up to 4 hrs			\$150.00	\$ 18.75
99 1/2 Ton w/ tools			\$ 65.00 for up to 4 hrs.			\$130.00	\$ 16.25
96 1/2 Ton w/ tools			\$ 65.00 for up to 4 hrs.			\$130.00	\$ 16.25
08 One Ton w/ tools			\$100.00 for up to 4 hrs.			\$200.00	\$ 25.00
Air Compressor - 185 cfm			\$200.00 for up to 8 hrs.			\$200.00	N/A
60 LB. Hammer			\$ 75.00 for up to 8 hrs.			\$ 75.00	N/A
Hammer Bits			\$ 10.00 per bit used			N/A	N/A
Generator - 4 Kw			\$100.00 for up to 8 hrs.			\$100.00	N/A
Contractors and outside service providers			Actual cost			N/A	N/A
Fire flow test (\$650 job deposit)			Actual cost			N/A	N/A
Construction water (\$850 meter deposit)			\$100.00			N/A	\$ 4.84 (Per unit)

15% overhead charge on labor, equipment, materials (before sales tax) and outside services shall be added on all invoices except for construction water invoices.

B. Audit RFP Prepared for Foothill Municipal Water District (Requested by Director Sorell)

FOOTHILL MUNICIPAL WATER DISTRICT

RFP FOR AUDIT SERVICES

I. INTRODUCTION

A. General Information

The Foothill Municipal Water District (FMWD) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2006, 2007 and 2008, with the option of auditing its financial statements for up to an additional two subsequent fiscal years. These audits are to be performed in accordance with all applicable and generally accepted auditing standards including: the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards, U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations; State of California Controller's Minimum Audit Requirements for California Special Districts. More detailed information on FMWD and its finances can be found in the FY 2004/05 Financial Report. A copy of this report is provided as background information.

Responding firms shall be solely responsible for any expenses incurred in preparing proposals in response to this request. FMWD will not reimburse any costs.

To be considered, a total of three (3) copies (one of which shall be unbound and capable of being photocopied) of a proposal must be received by Linda Thomas, Treasurer at Foothill Municipal Water District, 4536 Hampton Road, PO Box 686, La Canada Flintridge, California by 4:00 p.m. on March 31, 2006.

FMWD reserves the right to reject any or all proposals submitted.

Insurance. The firm receiving the contract shall procure and maintain, for the duration of the contract, insurance. The cost of such insurance shall be included in the consultant's proposal.

Review Process. During the evaluation process FMWD reserves the right, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of FMWD, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

FMWD reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between FMWD and the firm selected.

It is anticipated the selection of a firm will be completed by April 20, 2006.

B. Term of Engagement

An initial three year agreement is contemplated, with an option to extend the engagement for up to an additional two years. The final selection and award will be made by the FMWD board of directors.

II. NATURE OF SERVICES REQUIRED

A. Scope of Work to be Performed

1. Financial Statements

FMWD desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles. The auditor shall also be responsible

for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor should be prepared to advise FMWD on changes necessary to meet the Government Accounting Standards Board (GASB) Statement 34 and Statement 45. FMWD expects the selected firms' assistance in implementing required changes and keeping FMWD advised of the timeliness of any upcoming changes that would impact FMWD.

2. State Controller Report

The auditor shall include as a component of the proposal a separate cost for the preparation and transmittal of the Annual Reports of Financial Transactions to the State Controller for each year.

3. Management Report

The auditor shall communicate in a letter any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall also be reported in a separate letter to the General Manager and to the Board of Directors.

Auditors shall be required to make an immediate, written report of all irregularities and questionable acts of which they become aware to the Board of Directors, General Manager, and Administrative Manager.

4. Special Considerations

A. Typical Audit Schedule and Performance of Field Work

FMWD anticipates and expects the major field work for FMWD to begin on or near the middle of July of each year. This does not include preliminary field work which may occur prior to the end of the Fiscal Year.

The auditor shall provide to FMWD a draft copy of the audit report and management letter in adequate time to meet FMWD Meeting schedules. This should occur no later than August 31 of each year.

Report preparation and printing of the Financial Statements is the responsibility of the AUDITOR. It is expected that the audit firm will deliver 20 copies, (including 1 photo ready copy). Typically this should be completed by September 10 of each year in order to present to the FMWD Board of Directors meeting in September. In addition to meeting with Staff, a representative of the audit firm is expected to attend the Board of Directors meeting at which the General Purpose Financial Statements are presented.

B. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by FMWD of the need to extend the retention period. The auditor will be required to make working papers available, upon request by any of the following parties or their designees:

- ◆ FMWD
- ◆ Parties designated by State or Federal Government and/or agencies thereof.
- ◆ Auditors of entities which FMWD is a subrecipient of grant funds.

- ◆ Parties designated by the Federal or State governments or by FMWD as part of an audit quality review process.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE AGENCY

The Foothill Municipal Water District is a public water agency that serves an area of 21.66 square miles in Los Angeles County. FMWD is a water wholesaler that provides about half of the water used by its 7 distributing agencies in Altadena, La Cañada Flintridge, and La Crescenta area. The mission of FMWD is to reliably deliver quality water to its member agencies in a cost-efficient manner to meet their projected demands. More information can be found on the website www.fmwd.org.

A. Name and Telephone Number of Principal Contact:

The auditor's principal contact with FMWD will be: Linda Thomas, Treasurer, who will coordinate the assistance to be provided by FMWD to the auditor. Her telephone number is (818) 790-4036. (lthomas@fmwd.com)

B. Budgetary Basis of Accounting:

FMWD prepares its budgets on a basis consistent with generally accepted accounting principles. Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles. The modified accrual basis of accounting is employed in the preparation of the budget.

C. Pension Plans:

FMWD contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California.

FMWD also offers a 457 deferred compensation plan to all employees.

D. Financial Structure

Accounting software (general ledger and accounts payable) is MAS 90 by Best Software. Payroll is handled by an outside firm, Paychex.

E. Availability of Prior Audit Reports and Working Papers:

A copy of the most recent audit is attached. Interested proposers who wish to review prior years' audit reports and management letters should contact Linda Thomas. FMWD will use its best efforts to make prior audit reports available to proposers to aid their response to this request for proposals.

IV. TIME REQUIREMENTS

It is anticipated that the audit work will be performed in two phases (A and B):

A. Interim Audit Work

Interim work has typically taken place in June and would consist of planning and interim audit procedures (such as gaining an understanding of relevant systems, procedures and internal controls, selected compliance and transaction testing, etc.)

B. Year-End Audit Work

The second phase would involve updating and completing the examination of the General Purpose Financial Statements, and preparing opinion letters and other relevant financial reports. The year-end audit field work has typically been undertaken after June 30, and was completed in one week or less. Any proposed audit adjustments must be identified no later than the conclusion of audit field work.

C. Draft Reports

The Auditor shall provide FMWD with a complete draft of the General Purpose Financial Statements, including footnotes and supplementary schedules. FMWD will review and provide comments or responses to the auditors within 10 calendar days of receipt of each of the draft reports.

D. Final Reports

20 copies (including 1 photo ready copy) shall be delivered to FMWD by September 10 of each year.

E. State Controllers Report

FMWD elects to have the Auditor prepare the State Controllers Report of Financial Transactions. The Auditor shall schedule the work to meet State established deadlines for filing. The schedule shall allow for a minimum of 2 days for FMWD Staff to review the report prior to the deadline.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Statements and Schedules to be Prepared by the Staff of FMWD

FMWD Staff members will be made available to assist in the audit. We will prepare any necessary schedules, provide documents (invoices, checks, Board minutes, etc.) and prepare (type) all confirmations. In addition, we will be available to respond to any questions which may arise during the audit.

B. Work Area, Telephones, Photocopying and Fax Machines:

FMWD will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone line, photocopying facilities and fax machines to be used for the audit.

C. Report Preparation:

Report preparation and printing for the Annual Financial Report shall be the responsibility of the auditor.

VI. SELECTION PROCESS AND CRITERIA

A. Selection Process

This request for proposals process is structured so that the principal factor in the selection of an independent auditor is the auditor's ability to perform a quality audit. Cost will not be the primary factor in the selection of the audit firm. The selection process will involve the review of the proposals for compliance with the requirements of the RFP. In addition they will be evaluated for experience of assigned personnel with similar

engagements, qualifications of the firm, and approach to the engagement. Cost will also be considered, however, this will not be the sole selection criteria. Based upon the review of the written proposals, those determined to most closely meet the needs of FMWD will be interviewed. A final recommendation will be made to the Board of Directors, which will award the agreement.

II. PROPOSAL REQUIREMENTS

The information to be covered in your proposal is described in detail in this section.

A. Executive Summary

This will include a signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be highly qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for a minimum of 60 days. This should include a brief description of your approach to the project and your project team.

B. Statement of Independence

The firm shall provide an affirmative statement that is independent of FMWD as defined by the U.S. General Accounting Office's Government Auditing Standards (1994 edition, with all subsequent amendments). The firm shall also provide an affirmative statement that it is independent of the component units of FMWD as defined by those same standards. The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving FMWD or any of its component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. In addition, the firm shall give FMWD written notice of any such professional relationships entered into during the period of this agreement.

C. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in the State of California.

D. Firm Qualifications and Experience

The proposer shall state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal auditor shall be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

E. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm. These personnel may also be changed for other reasons with the express prior written permission of FMWD. However, in either case, FMWD retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of FMWD, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

F. References - Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed (maximum of five to be listed) in the last five years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

G. Specific Audit Approach

The proposal shall set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this request for proposal. In developing the work plan, reference shall be made to such sources of information as FMWD's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

1. Proposed segmentation of the audit process.
2. Level of staff and number of hours to be assigned to each proposed segment of the audit process.
3. Sample size and the extent to which statistical sampling is to be used in the audit process.
4. Type and extent of analytical procedures to be used in the audit process.
5. Approach to be taken to gain and document an understanding of FMWD's internal control structure.
6. Approach to be taken in determining laws and regulations that will be subject to audit test work.
7. Approach to be taken in drawing audit samples for purposes of tests of compliance.

8. Extent of use of computer software in the engagement.

H. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from FMWD.

I. Report format

The proposal should include sample formats for required reports.

J. Cost Proposal

The cost proposal should include the information discussed in section "VIII – Cost Proposal."

VIII. COST PROPOSAL

A. Total All-Inclusive Maximum Price

The total dollar cost bid shall contain all pricing information relative to performing the audit engagement for each of the three contract years as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses. FMWD will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs shall not be included in the proposal.

B. Rates by Partner, Specialist, Supervisory and Staff Level, Times Hours Anticipated for Each

The bid shall include a schedule of professional fees and expenses, supporting the total all-inclusive maximum price for each year. The cost of any special services shall be disclosed as separate components of the total all-inclusive maximum price.

C. Rates for Additional Professional Services

If it should become necessary for FMWD to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between FMWD and the firm. Any such additional work agreed to between FMWD and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

D. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports. Invoices for separate reports should be sufficiently detailed or segregated to facilitate the charging of costs to the programs being audited.

IX. PROPOSAL AMENDMENTS AND CLARIFICATIONS

Proposers are encouraged to carefully review the RFP in its entirety prior to submitting a proposal. FMWD may amend the Request for Proposals (RFP), and would do so by issuing a Notice of Amendment to all proposers. Proposers may only modify proposals if the modifications are received before the deadline for submission of proposals.

Proposers requesting clarification pertaining to this RFP must submit all requests by 4:00 p.m. March 15, 2006, to Linda Thomas. FMWD reserves the right to choose whether or not to answer any questions related to this RFP. If FMWD responds to any questions, the information will be transmitted primarily by e-mail in the form of an amendment to the RFP. The information would be presented to all firms that received a copy of the RFP.

X. PROPOSAL FORMAT

Proposals must be clear, accurate and comprehensive. Excessive or irrelevant materials will not be favorably viewed.

Proposers must submit three (3) hard copies of the proposal to FMWD, at the required address.

Proposals shall be three-hole punched in a three-ring binder.

Proposals shall be organized, tabbed and numbered in the following order:

1. Executive Summary
2. Statement of Independence
3. License to Practice in California
4. Firm Qualifications and Experience
5. Partner, Supervisory and Staff Qualifications and Experience
6. References - Similar Engagements With Other Government Entities
7. Specific Audit Approach
8. Cost Proposal

XI. PROPOSAL SUBMISSION

Proposals may be considered non-responsive if they are not complete, do not include all required materials or do not follow the required format. FMWD is not responsible for proposals that are lost, damaged, mislabeled or otherwise are not received at FMWD headquarters by the deadline.

All documents submitted in response to this RFP will become the property of FMWD. Only written proposals will be considered. The proposer must submit an original and two (2) copies of the proposal. The proposer should include a contact person and that person's e-mail address in the proposal. The original proposal along with two (2) complete copies must be delivered no later than 4:00 p.m., March 31, 2006 (PST) to the following address:

Foothill Municipal Water District
4536 Hampton Road
PO Box 686
La Cañada Flintridge, Ca 91012

All applications submitted will be marked with the time and date. Timely submission of proposals is the sole responsibility of the proposer. All proposals delivered after 4:00 p.m. on March 31 will be returned to the proposers. FMWD reserves the right to determine the timeliness of all applications submitted. FMWD reserves the right to reject all proposals.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
JUNE 17, 2008**

CALL TO ORDER The meeting was called to order by the Chair, Director Barkhurst, at 1935 hours. He noted that there was a quorum of the Board present.

MEMBERS PRESENT Directors Barkhurst, Griffith, Kilburn, Pickard, and Sorell The Agenda was approved as presented.

STAFF PRESENT Chris Burt, Facilities Supervisor
Shirley Burt, Administrative Assistant
Melvin Matthews, General Manager

PUBLIC COMMENT No one from the Public wished to comment at this time.

APPROVAL OF CAPITAL PROJECTS – Fairpoint and Ranch Top Interconnections

The **General Manager** reviewed these two joint projects with the City of Pasadena and stated that they are being brought to the Board for formal approval as the expense to the District is now known.

He explained that --

--The **Fairpoint Interconnection Project** involved the city putting in a new main on East Fairpoint Street and Sierra Madre Villa and the District putting in the connections at the far end of Fairpoint Street, on Barhite Street and on Sierra Madre Villa for an estimated cost to the District of \$50,000.

--The **Ranch Top Interconnection** is being done by the city and, while there is no known expense at this time, \$10,000 is being budgeted in case the District has to do any final interconnection work .

It was M/S/C – (Kilburn/Sorell-5/0) –**“That the Board approve the East Fairpoint Street Interconnection and the Ranch Top Interconnection Projects.”**

MIDYEAR REVIEW OF 2008 BUDGET

The **General Manager** referred the Board to the memo and spreadsheet that was provided in the Board Packet noting that the spreadsheet was the same one that has been provided for four years. He stated that he had analyzed each line item and forecasted those items for the rest of the year to the best of his ability.

Director Barkhurst commented that it appeared that nine months after the budget had been built very few significant changes were needed. He further stated that, if the year ends up as predicted with a less than \$100,000 negative cash flow, then the Board will need to discuss whether 1) this triggers a rate payer increase or 2) does the District continue to fund projects from existing reserves.

The Board expressed appreciation for the update and the work involved by the General Manager.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
JUNE 17, 2008**

Page 2

GENERAL MANAGER'S REPORT

The **General Manager** directed the Board's attention to his written report that was in their packet and asked if there were any questions.

Director Barkhurst questioned the amount of time the District spends looking for leaks for customers and suggested that the District look at purchasing the necessary equipment as this could serve as a revenue source for the District in locating leaks for our customers.

The **General Manager** explained that there are a lot of good services already in the area and traditionally the District has tried to stay away from doing things on the customer's side of the meter.

Director Sorell questioned whether the District saw a need for this type of equipment to check for leaks on the District's side of the Meter and the **General Manager** replied that in the future he hoped to hire one of the professional companies to validate the fact that the District has a fairly good leak free system. He noted that whether the District should own this type of equipment would depend upon the cost to determine if it would be cost effective.

Director Griffith questioned how the District determines the hourly rate for invoiced sales and the **General Manager** stated that he has a rate sheet that includes all of the employee costs and that in addition the District charges 15% overhead.

Director Griffith requested that a copy of the rate sheet be sent out to the Board Members as he thinks that the rate is very low.

Director Griffith questioned whether the General Manager receives any compensation from the other Boards that he has chosen to serve on and he replied that only the Foothill Municipal Water District pays him compensation which is \$113.00 per meeting.

Director Griffith questioned as to whether the other Boards pay for transportation or other things and the **General Manager** replied that to save the District some money he registered for the fall ACWA Conference through Foothill Municipal Water District.

Director Sorell requested a copy of the CSDA Audit RFP as mentioned in the General Manager's report on page 2.

REVIEW OF MINUTES

The minutes of the May 13, 2008 meeting was approved as presented with correction of the AB1234 Ethics training requirement from annually to biannually.

Page 3

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
JUNE 17, 2008**

REVIEW OF FINANCIAL REPORTS

Director Sorell reviewed the reports and explained that on the Spread Sheet

- 1) the negative amount shown for maintenance supplies was due to reclassification by the General Manager of some expenses to capital projects.
- 2) the negative amount shown for maintenance contractors was due to the receipt of payment from the contractor's insurance company for repair of damage to a fire hydrant on New York Drive.
- 3) the decreased amount shown for fuel was due to receipt of a refund for federal gasoline tax in the amount of approximately \$400.

Director Sorell questioned the amount of the General Manager's reimbursement check and the **General Manager** replied he did not have the detail in front of him but did think that a large portion was reimbursement for mileage, which is shown on the approved expense report.

Director Griffith questioned as to whether the General Manager would be using the District Truck that is now available for his use for the travel and the **General Manager** replied that he would for local use but not for places such as meetings out of the area.

Director Sorell questioned the tool expense for the 1999 truck and the **Facilities Supervisor** explained that only three trucks had tools before and now the fourth truck needed to be stocked. The reports were unanimously approved for filing.

ITEMS FOR NEXT AGENDA

The **General Manager** suggested that a budget committee be appointed at the next meeting, but after a general discussion among the Board Members, it was decided that the total Board would serve as a budget committee with Directors Sorell and Griffith meeting ahead of time to get the process started.

A rigorous discussion was held regarding sending out an RFP for auditing service for the 2008 year and it was unanimously decided to retain the services of Egan & Egan who have provided the Audit for the prior five years since there is no legal requirement to change.

No items for the next Agenda were identified.

ADJOURNMENT

The meeting was adjourned at 2020 hours. The next meeting will be held on July 15, 2008.

Respectfully submitted,

Shirley L. Burt
Secretary to the Board

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
JUNE 17, 2008**

2008 AGED RECEIVABLES REPORT

ACCOUNTING PERIOD	TOTAL BALANCE***	CURRENT PERIOD	OVER 30 DAYS	OVER 60 DAYS	OVER 90 DAYS	OVER 120 DAYS	Penalty Charges	Interest Charges
JANUARY*	\$63,445	\$49,587 580 Accts.	\$10,620 105 Accts.	\$1,954 21 Accts.	\$493 9 Accts.	\$791 2 Accts.	\$570.00 38 Accts.	\$57.76
FEBRUARY**	\$38,863	\$28,139 180 Accts.	\$7,918 72 Accts.	\$1,573 19 Accts.	\$442 8 Accts.	\$791 2 Accts.	\$495.00 33 Accts.	\$47.84
MARCH	\$22,658	\$13,132 193 Accts.	\$7,186 77 Accts.	\$1,369 18 Accts.	\$184 4 Accts.	\$788 2 Accts.	\$465.00 31 Accts.	\$38.68
APRIL	\$40,468	\$32,196 291 Accts.	\$5,890 61 Accts.	\$1,116 13 Accts.	\$340 6 Accts.	\$927 2 Accts.	\$285.00 19 Accts.	\$22.53
MAY	\$45,788	\$34,890 216 Accts.	\$8,760 76 Accts.	\$1,043 16 Accts.	\$242 4 Accts.	\$854 2 Accts.	\$360.00 24 Accts.	\$35.64
JUNE	\$46,694	\$32,577 219 Accts.	\$11,068 77 Accts.	\$1,550 16 Accts.	\$470 7 Accts.	\$1,028 3 Accts.	\$435.00 29 Accts.	\$44.77
JULY								
AUGUST								
SEPTEMBER								
OCTOBER								
NOVEMBER								
DECEMBER								
						Totals	\$2,610.00	\$247.22

*Jan. balance is after billing on February 8 -- All other balances are as of month end before billing for water sales for the month

** Feb. balance does not include credits after February 8

***Accounts with credit balances are not included

Kinneloa Irrigation District 2008 Financial Summary (Actual and Forecasted)

Account	Account Description	2008 Budget	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Forecasted	August Forecasted	September Forecasted	October Forecasted	November Forecasted	December Forecasted	2008 FYE Forecasted	Deviation from Budget Amount	Percent
4000	Water Sales	1,000,000	50,094	73,271	41,058	87,835	97,577	72,146	128,770	128,770	101,800	91,000	76,080	55,710	1,004,111	4,111	0%
4015	Wholesale Water Sales-Pasadena	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
4020	Invoice Sales	5,000	9,154	700	0	1,255	350	-85	417	417	417	417	417	417	13,874	8,874	177%
4030	Interest-Checking	50	1	2	2	1	2	1	4	4	4	4	4	4	34	-16	-32%
4035	Interest-Reserve Fund (LAIF)	20,000	8,927	0	0	7,949	0	0	5,000	0	0	5,000	0	0	26,876	6,876	34%
4050	Capacity Charge	3,000	0	0	0	0	0	0	0	0	0	0	0	3,000	3,000	0	0%
	Total Income	1,028,050	68,177	73,972	41,060	97,041	97,928	72,062	134,191	129,191	102,221	96,421	76,501	59,131	1,047,896	19,846	2%
	Expenditures																
5005	Power	110,000	5,152	4,409	4,806	6,285	7,632	7,093	13,000	13,000	9,000	9,000	6,000	4,000	89,377	-20,623	-19%
5010	Maintenance Supplies	20,000	561	9,695	7,642	3,095	-10,751	3,246	1,667	1,667	1,667	1,667	1,667	1,667	23,487	3,487	17%
5012	Safety Equipment	2,000	0	0	0	0	0	1,824	0	0	0	0	0	0	1,824	-176	-9%
5015	Maintenance Labor	172,000	13,131	12,728	11,927	12,957	13,340	12,310	14,333	14,333	14,333	14,333	14,333	14,333	162,394	-9,606	-6%
5020	Stand-by	7,500	630	630	540	570	690	690	625	625	625	625	625	625	7,500	0	0%
5022	Training/Certification	2,400	140	0	780	103	0	175	200	200	200	200	200	200	2,398	-2	0%
5025	Water Treatment/Analysis	20,000	1,599	2,130	4,472	2,121	365	880	1,667	1,667	1,667	1,667	1,667	1,667	21,567	1,567	8%
5030	Maintenance Contractors	48,000	10,184	2,978	19,795	482	-3,177	14,219	4,000	4,000	4,000	4,000	4,000	4,000	68,480	20,480	43%
5034	Equipment Maintenance	3,000	216	0	0	915	845	0	250	250	250	250	250	250	3,475	475	16%
5035	Vehicle Maintenance	9,000	332	0	920	1,088	32	87	750	750	750	750	750	750	6,958	-2,042	-23%
5036	Fuel - All Equipment	8,500	766	592	595	779	220	925	710	710	710	710	710	711	8,139	-361	-4%
5040	Equipment Rental	500	0	0	0	0	0	0	0	0	0	0	0	500	500	0	0%
5045	Insurance-Workers Comp.	15,000	3,024	-196	2,777	0	0	2,928	4,000	0	0	4,000	0	0	16,533	1,533	10%
5046	Insurance-Liability	15,000	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229	14,748	-252	-2%
5048	Insurance-Property	2,500	186	186	186	166	166	166	166	166	166	166	166	166	2,053	-447	-18%
5049	Insurance-Medical	43,000	3,047	3,047	3,047	3,047	3,047	3,062	3,062	3,062	3,062	3,062	3,062	3,062	36,668	-6,332	-15%
6000	Project Engineering	15,000	0	600	0	1,050	595	0	1,250	1,250	1,250	1,250	1,250	1,250	9,745	-5,255	-35%
6005	Watermaster	7,500	667	667	667	667	667	667	667	667	667	667	667	667	8,000	500	7%
6010	Telemetry	850	66	51	66	67	68	66	71	71	71	71	71	71	810	-40	-5%
6015	Administrative Salary	98,000	7,362	7,362	7,362	8,195	8,195	8,195	8,195	8,195	8,195	8,195	8,195	8,195	95,842	-2,158	-2%
6017	Administrative Travel	4,000	12	101	481	156	588	427	333	333	333	333	333	333	3,765	-235	-6%
6018	Administrative PERS	6,720	506	1,012	506	564	564	564	564	564	564	564	564	564	7,103	383	6%
6020	BofD Compensation	7,000	500	500	500	500	400	500	500	500	500	500	500	900	6,300	-700	-10%
6021	Administrative Exp.	2,500	100	0	0	0	903	0	208	208	208	208	208	208	2,253	-247	-10%
6022	Board of Directors Election	0	0	12,502	0	0	0	0	0	0	0	0	0	0	12,502	12,502	0%
6024	Customer/Public Info. Prog.	4,000	86	83	90	177	916	0	333	333	333	333	333	333	3,353	-647	-16%
6025	PERS - KID	12,075	819	3,003	819	891	891	869	891	891	891	891	891	891	12,638	563	5%
6030	Social Security - KID	26,040	1,959	1,897	1,829	1,997	2,040	1,926	2,040	2,040	2,040	2,040	2,040	2,040	23,887	-2,153	-8%
6035	Office Supplies	9,000	268	1,146	12	1,114	685	126	750	750	750	750	750	750	7,850	-1,150	-13%
6036	Postage/Delivery	6,000	208	269	311	351	518	272	500	500	500	500	500	500	4,929	-1,071	-18%
6040	Professional Dues	7,000	425	329	329	329	329	329	329	329	583	583	583	583	5,059	-1,941	-28%
6045	Legal	10,000	591	0	881	166	0	145	833	833	833	833	833	833	6,783	-3,217	-32%
6050	Telephone	5,000	379	332	557	502	457	443	417	417	417	417	417	417	5,170	170	3%
6051	Cellular Telephone	2,500	153	134	132	132	136	133	208	208	208	208	208	208	2,070	-430	-17%
6052	Pagers	1,800	126	126	126	126	126	142	126	126	126	126	126	126	1,524	-276	-15%
6053	Internet Service	1,000	75	70	70	125	70	70	70	70	70	70	70	70	899	-101	-10%
6059	Computer/Software Maintenance	10,000	834	104	171	0	0	0	833	833	833	833	833	833	6,109	-3,891	-39%
6061	Office Equipment Maintenance	1,000	0	0	0	0	0	0	83	83	83	83	83	83	500	-500	-50%
6065	Accounting	7,000	0	0	0	0	0	0	6,000	0	0	0	0	0	6,000	-1,000	-14%
6070	Office Labor	48,000	3,987	3,582	3,582	3,877	4,040	3,476	4,000	4,000	4,000	4,000	4,000	4,000	46,544	-1,456	-3%
6075	Outside Services	20,000	1,018	688	976	1,510	687	2,729	1,667	1,667	1,667	1,667	1,667	1,667	17,607	-2,393	-12%
6081	Permits/Fees	2,500	728	0	0	75	0	0	208	208	208	208	208	208	2,053	-447	-18%
6120	Bank Service Charges	1,200	309	313	45	-13	-264	374	100	100	100	100	100	100	1,364	164	14%
	Total Expenses	794,085	61,375	72,299	78,227	55,392	36,248	70,286	76,836	66,836	63,090	67,090	60,090	58,992	766,759	-27,326	-3%
	NET REVENUES	233,965	6,802	1,673	-37,167	41,650	61,681	1,776	57,355	62,355	39,131	29,331	16,411	139	281,136	47,171	20%

Kinneloa Irrigation District 2008 Financial Summary (Actual and Forecasted)

Account	Account Description	2008 Budget	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Forecasted	August Forecasted	September Forecasted	October Forecasted	November Forecasted	December Forecasted	2008 FYE Forecasted	Deviation from Budget Amount Percent	
Other Expenditures and Adjustments																	
1200	Inventory	0	0	1,639	2,244	0	0	0	0	0	0	0	0	0	3,884	3,884	0%
1504	Replacement Mains	184,000	25,463	0	131,221	0	21,584	0	5,000	0	0	0	75,000	21,000	279,268	95,268	52%
1505	Tunnels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
1511	Water Treatment Plant	13,000	0	13,844	1	0	0	0	0	0	0	0	0	0	13,845	845	6%
1512	Meter Replacement	20,000	779	16,531	0	0	0	0	0	0	0	100	1,000	1,000	19,410	-590	-3%
1513	Electrical/Electronic Equipment	20,000	0	0	0	0	12,339	10,665	2,000	0	0	0	0	0	25,004	5,004	25%
1514	Computer/Office Equipment	5,000	3,000	0	0	0	0	0	1,000	0	1,000	0	0	0	5,000	0	0%
1515	Trucks and Equipment	113,000	0	680	59,509	0	4,156	493	50,000	0	0	0	0	0	114,837	1,837	2%
1516	Facilities	10,000	0	0	0	0	621	0	0	0	0	0	0	0	621	-9,379	-94%
1523	Construction in Progress	-130,000	0	0	-128,392	0	0	0	0	0	0	0	0	0	-128,392	1,608	0%
1527	SCADA	15,000	0	958	0	883	0	25,915	0	0	0	0	0	0	27,756	12,756	85%
1528	Tanks and Reservoirs	75,000	5,891	5,891	5,891	5,891	5,891	5,891	6,250	6,250	6,250	6,250	6,250	6,250	72,848	-2,152	-3%
Total Other Expenditures		325,000	35,133	39,544	70,474	6,774	44,590	42,964	64,250	6,250	7,250	6,350	82,250	28,250	434,079	109,079	34%
NET CASH FLOW		-91,035	-28,331	-37,870	-107,640	34,876	17,090	-41,188	-6,895	56,105	31,881	22,981	-65,839	-28,111	-152,943	-61,908	68%

Kinneloa Irrigation District
Balance Sheet
June 30, 2008

ASSETS

Current Assets

1000	Checking-Bank of the West	\$ 10,191.90
1010	Checking-Wells Fargo Bank	27,463.01
1012	Savings Account-LAIF	472,657.16
1013	Savings-LAIF Reserve Fund	250,000.00
1100	Accts. Receivable-Water Sales	45,748.84
1101	Accts. Receivable-Invoices	2,648.66
1190	Allowance for Bad Debts	(1,881.57)
1200	Inventory	23,883.63
1340	Accrued Water Sales	72,146.28
1350	Prepaid Insurance	5,134.20
1360	Prepaid Expenses	15,336.45
		<hr/>
	Total Current Assets	923,328.56

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Mains	1,188,444.80
1505	Water Tunnels	705,985.75
1506	K-3 Well	70,233.86
1507	Improvement District #1	602,778.12
1508	Mountain Property	6,620.00
1509	Wilcox Well	71,312.70
1510	Interconnections	14,203.27
1511	Water Treatment Plant	172,044.97
1512	Trans. & Dist. Plant Meters	72,043.07
1513	Electrical/Electronic Equip.	200,902.31
1514	Computer/Office Equipment	48,430.51
1515	Trucks and Equipment	157,323.02
1516	Water Company Facilities	37,210.85
1517	Hidden Valley Office	51,362.92
1518	Shaw Ranch	280,789.92
1519	Dove Creek Project	487,383.87
1521	Kinneloa Ridge Project	690,492.58
1522	Eucalyptus Booster Station	471,817.81
1526	Vosburg Booster	12,590.00
1527	SCADA	162,831.19
1528	Tanks and Reservoirs	117,916.81
1529	Holly Tanks	181,113.76
1600	Accum. Depreciation	(1,968,472.95)
		<hr/>
	Total Property and Equipment	3,984,119.63
		<hr/>
	Total Assets	\$ 4,907,448.19
		<hr/> <hr/>

Kinneloa Irrigation District
Balance Sheet
June 30, 2008

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 5,647.23	
2260	Med./Dental-Withhold-Employee	249.96	
2273	Job Deposits-Doyne Rd.	5,497.68	
2290	Accrued Vacation	10,525.70	
	Total Current Liabilities		21,920.57

Long-Term Liabilities

	Total Long-Term Liabilities		0.00
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	Total Liabilities		21,920.57
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Capital

3040	Fund Balance	4,809,112.59	
	Net Income	76,415.03	
	Total Capital		4,885,527.62
	Total Liabilities & Capital		\$ 4,907,448.19

Steven Sorell, Treasurer _____

Kinneloa Irrigation District
Statement of Cash Flow
For the six Months Ended June 30, 2008

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$ 1,776.24	\$ 76,415.03
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	39.26	93,449.68
1101 Accts. Receivable-Invoices	0.00	(350.00)
1200 Inventory	0.00	(3,883.58)
1350 Prepaid Insurance	1,395.00	6,438.75
1360 Prepaid Expenses	495.42	(5,665.48)
2000 Accounts Payable	5,812.23	(26,811.29)
2250 PERS Withholding-Employee	0.00	(1,163.98)
2271 Deposits-Construction Meters	0.00	(850.00)
2272 Job Deposits	0.00	(9,189.38)
2277 New York Drive Retention	0.00	(10,743.00)
	7,741.91	41,231.72
Total Adjustments	7,741.91	41,231.72
Net Cash provided by Operations	9,518.15	117,646.75
Cash Flows from investing activities		
<i>Used For</i>		
1504 Mains	0.00	(178,267.68)
1511 WaterTreatment Plant	0.00	(13,844.86)
1512 Trans. & Dist. Plant Meters	0.00	(17,310.48)
1513 Electrical/Electronic Equip.	(10,665.00)	(23,003.75)
1514 Computer/Office Equipment	0.00	(3,000.00)
1515 Trucks and Equipment	(493.00)	(66,137.07)
1516 Water Company Facilities	0.00	(620.59)
1527 SCADA	(25,914.90)	(27,755.67)
1528 Tanks and Reservoirs	(5,891.26)	(35,347.56)
	(42,964.16)	(365,287.66)
Net cash used in investing	(42,964.16)	(365,287.66)
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	\$ (33,446.01)	\$ (247,640.91)
Summary		
Cash Balance at End of Period	\$ 832,458.35	\$ 832,458.35
Cash Balance at Beg. of Period	(865,904.36)	(950,407.51)
Net Increase (Decrease) in Cash	\$ (33,446.01)	\$ (117,949.16)

Steven Sorell, Treasurer _____

Kinneloa Irrigation District
Check Register
For the Period From June 1, 2008 to June 30, 2008

Date	Check #	Payee	Amount	Description
6/4/08	5502	Underground Service	30.50	dig alerts
6/4/08	5503	Utility Service Co., Inc	5,891.26	tank maintenance agreement
6/17/08	EFT192	AT&T	77.14	telephone
6/17/08	EFT193	AT&T	66.30	telemetry
6/17/08	EFT194	AT&T	136.82	telephone
6/17/08	EFT195	AT&T	100.37	telephone
6/17/08	EFT196	Arco Gaspro Plus	925.35	truck gas
6/17/08	EFT197	Earthlink Network	4.95	Internet service
6/17/08	5504	ACWA Health Benefit	4,893.27	medical/dental insurance -- KID and employee
6/17/08	5505	Advanced Electronics,	192.41	2-way radio antenna for 2008-1
6/17/08	5506	Athens Services	115.51	trash pickup
6/17/08	5507	Bank of America Busi	1,882.34	maintenance supplies, tools, postage, office supplies
6/17/08	5508	Byrd Industrial Electrc	26,296.26	Brown SCADA install, SCADA software upgrade
6/17/08	5509	Charter Communicatic	59.99	Internet service
6/17/08	5510	Clinical Laboratory, S	409.00	water analysis
6/17/08	5511	Ferguson Enterprises,	41.80	PVC primer and cement
6/17/08	5512	Lagerlof,Senecal,Brad	144.50	Review material from Frank regarding property issues
6/17/08	5513	Matt Chlor Inc.	1,823.65	eye wash stations for Wilcox and Vosburg
6/17/08	5514	McMaster Carr	541.75	maintenance supplies
6/17/08	5515	Pasadena Sign Studios	300.00	truck/generator signs
6/17/08	5516	Perry Thomas Constru	13,577.00	service install
6/17/08	5517	Shirley Burt	108.38	mileage reimbursement
6/17/08	5518	USA Blue Book	493.00	pipe locator
6/17/08	5519	Greg Kohout	85.35	refund
6/17/08	5520	Ameripride Uniform S	60.12	shop rags
6/17/08	5521	Byrd Industrial Electrc	468.95	check and repair intrusion logic at Holly
6/17/08	EFT198	Christopher A. Burt	2,185.69	payroll
6/17/08	EFT199	Shirley L. Burt	1,183.82	payroll
6/17/08	EFT200	Melvin L. Matthews	3,048.69	payroll
6/17/08	63196421	Brian Fry	1,381.69	payroll
6/17/08	63196422	Felix Galindo	474.46	payroll
6/17/08	63196423	Chris Mellinger	452.48	payroll
6/17/08	EFT201	ADP	85.17	payroll processing
6/17/08	EFT202	Christopher A. Burt	125.00	payroll
6/17/08	EFT203	ADP	3,686.17	payroll taxes
6/30/08	EFT204	AT&T	50.41	telephone
6/30/08	EFT205	Southern California Ec	5,973.44	power
6/30/08	EFT206	Verizon Wireless	133.03	mobile phones
6/30/08	5554	A&B Electric	10,665.00	Glen generator automatic transfer switch and leads
6/30/08	5555	Advanced Electronics,	415.00	two-way radio install in 200801 truck

6/30/08	5556	Alert Communications	78.00	answering service
6/30/08	5557	Consolidated Electrica	277.12	maintenance supplies
6/30/08	5558	Monrovia Mailing Co	310.00	billing statements and postage
6/30/08	5559	MWH Laboratories	188.80	water analysis
6/30/08	5560	Pasadena Municipal S	1,119.17	Wilcox Well power
6/30/08	5561	Perry Thomas Constru	642.00	Villa Knolls leak repair
6/30/08	5562	Pump Check	720.00	production meter test and calibration
6/30/08	5563	USAMobility	141.93	pager service
6/30/08	5564	Western Water Works	962.67	meter boxes and copper tubing
6/30/08	EFT207	Richard L. Barkhurst	92.35	payroll
6/30/08	EFT208	Christopher A. Burt	2,430.05	payroll
6/30/08	EFT209	Shirley L. Burt	1,384.14	payroll
6/30/08	EFT210	Francis J. Griffith	92.35	payroll
6/30/08	EFT211	Gerrie G. Kilburn	92.35	payroll
6/30/08	EFT212	Melvin L. Matthews	3,047.26	payroll
6/30/08	63228205	Brian Fry	1,420.28	payroll
6/30/08	63228206	Felix Galindo	474.45	payroll
6/30/08	63228207	Chris Mellinger	166.71	payroll
6/30/08	EFT213	ADP	112.43	payroll processing
6/30/08	EFT214	Christopher A. Burt	125.00	payroll
6/30/08	EFT215	ADP	3,974.83	payroll taxes
6/30/08	EFT216	Maurice Pickard	92.35	payroll
6/30/08	EFT217	Steve Sorell	57.35	payroll
	Total		<u>106,587.61</u>	

Kinneloa Irrigation District
Income Statement
For the Six Months Ending June 30, 2008

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Revenues				
4000 Water Sales	\$ 72,146.28	\$ 95,370.00	\$ 421,981.42	\$ 417,870.00
4020 Invoice Sales	(85.35)	416.67	11,373.96	2,500.02
4030 Interest-General Fund Checking	0.94	4.17	8.54	25.02
4035 Interest-General Fund Savings	0.00	0.00	16,876.08	10,000.00
Total Revenues	72,061.87	95,790.84	450,240.00	430,395.04
Expenses				
5005 Power	7,092.61	13,000.00	35,376.78	56,000.00
5010 Maintenance Supplies	3,245.96	1,666.67	13,486.77	10,000.02
5012 Safety Equipment	1,823.65	0.00	1,823.65	2,000.00
5015 Maintenance Labor	12,310.47	14,333.33	76,394.28	85,999.98
5020 Stand-by	690.00	625.00	3,750.00	3,750.00
5022 Training/Certification	175.00	200.00	1,197.55	1,200.00
5025 Water Treatment/Analysis	879.80	1,666.67	11,566.66	10,000.02
5030 Maintenance Contractors	14,219.00	4,000.00	44,479.87	24,000.00
5034 Equipment Maintenance	0.00	250.00	1,975.49	1,500.00
5035 Vehicle Maintenance	86.96	750.00	2,458.15	4,500.00
5036 Fuel - All Equipment	925.35	708.33	3,877.54	4,249.98
5045 Insurance-Workers Compensation	2,928.00	0.00	8,533.00	8,000.00
5046 Insurance-Liability	1,229.00	1,250.00	7,374.00	7,500.00
5048 Insurance-Property	166.00	208.33	1,056.75	1,249.98
5049 Insurance-Medical	3,061.68	3,583.33	18,296.18	21,499.98
6000 Project Engineering	0.00	1,250.00	2,245.00	7,500.00
6005 Watermaster	666.67	666.67	4,000.02	4,000.02
6010 Telemetry	66.30	70.83	384.74	424.98
6015 Administrative Salary	8,195.16	8,195.16	46,671.00	49,170.96
6017 Administrative Travel	426.75	333.33	1,765.24	1,999.98
6018 Administrative PERS	564.34	564.34	3,717.02	3,373.02
6020 BofD Compensation	500.00	800.00	2,900.00	3,600.00
6021 Administrative Exp.	0.00	208.33	1,003.42	1,249.98
6022 BofD-Election	0.00	0.00	12,501.89	0.00
6024 Customer/Public Info. Prog.	0.00	333.33	1,352.73	1,999.98
6025 PERS - KID	869.31	1,006.25	7,292.63	6,037.50
6030 Social Security - KID	1,925.67	2,170.00	11,647.80	13,020.00
6035 Office Supplies	126.47	750.00	3,350.17	4,500.00
6036 Postage/Delivery	271.62	500.00	1,929.08	3,000.00
6040 Professional Dues	328.75	583.33	2,068.50	3,499.98
6045 Legal	144.50	833.33	1,782.77	4,999.98
6050 Telephone	442.74	416.67	2,669.61	2,500.02
6051 Cellular Telephone	133.03	208.33	819.90	1,249.98
6052 Pagers	141.93	150.00	769.91	900.00
6053 Internet Service	69.89	83.33	479.43	499.98
6059 Computer/Software Maintenance	0.00	833.33	1,109.31	4,999.98
6061 Office Equipment Maintenance	0.00	83.33	0.00	499.98
6065 Accounting	0.00	0.00	0.00	6,000.00
6070 Office Labor	3,476.43	4,000.00	22,543.52	24,000.00
6075 Outside Services	2,728.92	1,666.67	7,607.43	10,000.02
6081 Permits/Fees	0.00	208.33	803.00	1,249.98
6120 Bank Service Charges	373.67	100.00	764.18	600.00
Total Expenses	70,285.63	68,256.55	373,824.97	402,326.28
Net Income	1,776.24	27,534.29	76,415.03	28,068.76

Kinneloa Irrigation District
Income Statement
For the Six Months Ending June 30, 2008

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Other Expenditures				
1200 Inventory	0.00	0.00	3,883.58	0.00
1504 Mains	0.00	0.00	178,267.68	125,000.00
1511 WaterTreatment Plant	0.00	0.00	13,844.86	13,000.00
1512 Trans. & Dist. Plant Meters	0.00	833.33	17,310.48	4,999.98
1513 Electrical/Electronic Equip.	10,665.00	833.33	23,003.75	4,999.98
1514 Computer/Office Equipment	0.00	416.67	3,000.00	2,500.02
1515 Trucks and Equipment	493.00	0.00	64,837.07	63,000.00
1516 Water Company Facilities	0.00	0.00	620.59	10,000.00
1523 Construction in Progress	0.00	0.00	(128,391.75)	0.00
1527 SCADA	25,914.90	0.00	27,755.67	10,000.00
1528 Tanks and Reservoirs	5,891.26	6,250.00	35,347.56	37,500.00
Total Other Expenditures	42,964.16	8,333.33	239,479.49	270,999.98
Total Increase or (Drawdown)	\$ (41,187.92)	\$ 19,200.96	\$ (163,064.46)	\$ (242,931.22)

Steven Sorell, Treasurer _____